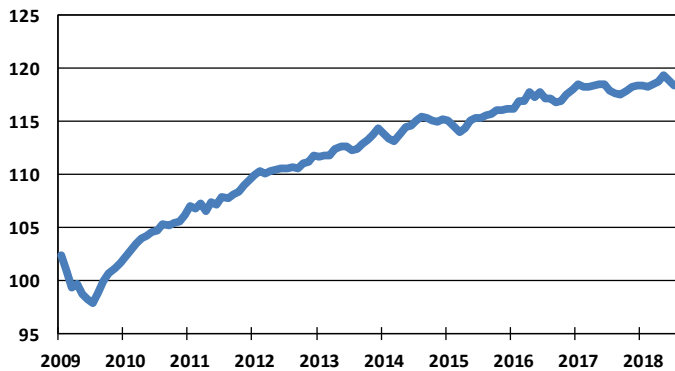


Michigan Economic Activity Index

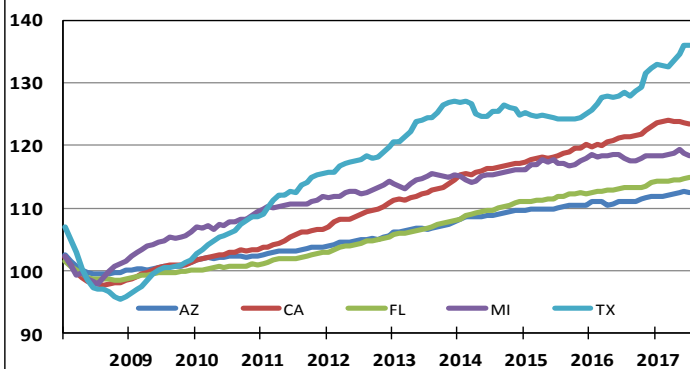
	<u>Value</u>	<u>% Change</u>
July 2018	118.4	-0.3
June 2018	118.8	-0.4

**All data has been adjusted for seasonality and changes in price.*

Michigan Index Historical Values



5 State Index Historical Values



Comerica Bank's Michigan Index Slips Again

Comerica Bank's Michigan Economic Activity Index fell again in July to a level of 118.4. July's reading is 21 points, or 21 percent, above the index cyclical low of 97.9. The index averaged 118.2 points for all of 2017, one point above the index average for 2016. June's index reading was 118.8.

Comerica Bank's Michigan Economic Activity Index slipped again in July, after falling in June. The July 2018 index value of 118.4 matches the value from April 2017, and is just 0.5 percent greater than July 2017, showing little forward momentum in the Michigan economy over the last year. With the state's auto industry either at or post peak, and trade disruptions adding to economic uncertainty, the Michigan economy is cooling, but not contracting. Only two out of nine industry components were positive in July. They were non-farm employment and industrial electricity demand. Seven components lost ground in July, including unemployment insurance claims (inverted), housing starts, house prices, vehicle production, total state trade, hotel occupancy and state sales tax revenues. Uncertainty about international trade is an ongoing negative factor for many Michigan businesses. The Trump Administration has set a late September deadline for its trade negotiations with Canada, which would bring Canada into the already-complete U.S.-Mexico trade framework. It is unlikely that the deadline will be met. The Trump Administration is expected to request approval from Congress for a Mexico-only deal and at the same time continue negotiations with Canada. The U.S. Commerce Department must determine whether auto imports threaten national security before the Trump Administration can unilaterally impose taxes on Canadian auto products.

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Michigan Economic Activity Index



Indicator	Jul-17	Mar-18	Apr-18	May-18	Jun-18	Jul-18
Nonfarm Payroll Employment (Thousands)	4,369	4,412	4,417	4,420	4,422	4,427
<i>Percent Change</i>		0.2%	0.1%	0.1%	0.0%	0.1%
Continuing UI Claims (Weekly Average)	60,920	57,254	55,070	53,153	52,319	53,102
<i>Percent Change</i>		-3.4%	-3.8%	-3.5%	-1.6%	1.5%
Housing Starts (Annualized Rate)	21,693	21,060	20,078	21,819	19,629	19,369
<i>Percent Change</i>		-0.6%	-4.7%	8.7%	-10.0%	-1.3%
House Price Index (Jan 2000=100)	108.5	112.4	113.2	113.5	113.4	113.0
<i>Percent Change</i>		0.9%	0.8%	0.2%	-0.1%	-0.3%
Industrial Electricity Sales (Millions, KwHr)	2,446	2,518	2,488	2,493	2,474	2,483
<i>Percent Change</i>		0.2%	-1.2%	0.2%	-0.8%	0.4%
Auto Assemblies (Millions of Units, Annualized Rate)	10.6	11.1	11.4	11.0	10.7	10.3
<i>Percent Change</i>		3.1%	2.4%	-3.5%	-2.8%	-3.2%
Total Trade (Millions, 2012 USD, Annualized Rate)	188,443	192,825	193,559	193,115	189,718	188,515
<i>Percent Change</i>		0.2%	0.4%	-0.2%	-1.8%	-0.6%
Hotel Occupancy Index (2009=100)	129.8	130.7	132.0	134.0	134.6	133.3
<i>Percent Change</i>		0.4%	1.0%	1.5%	0.4%	-1.0%
Sales Tax Revenue (Millions, 2012 USD)	628.4	602.9	611.6	616.2	629.2	623.8
<i>Percent Change</i>		-0.9%	1.4%	0.8%	2.1%	-0.9%
Total Index	117.9	118.5	118.7	119.3	118.8	118.4
<i>Percent Change</i>		0.2%	0.2%	0.5%	-0.4%	-0.3%

(Seasonally Adjusted, 3-Month Moving Average)

Explanatory Note:

The Michigan Economic Activity Index consists of nine variables, as follows: nonfarm payroll employment, continuing claims for unemployment insurance, housing starts, house price index, industrial electricity sales, auto assemblies, total trade, hotel occupancy and sales tax revenue. All data are seasonally adjusted. Nominal values have been converted to constant dollar values. Index levels are expressed in terms of three-month moving averages.

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