

Florida Economic Activity Index

	<u>Value</u>	<u>% Change</u>
February 2019	115.7	0.1
January 2019	115.6	0.2

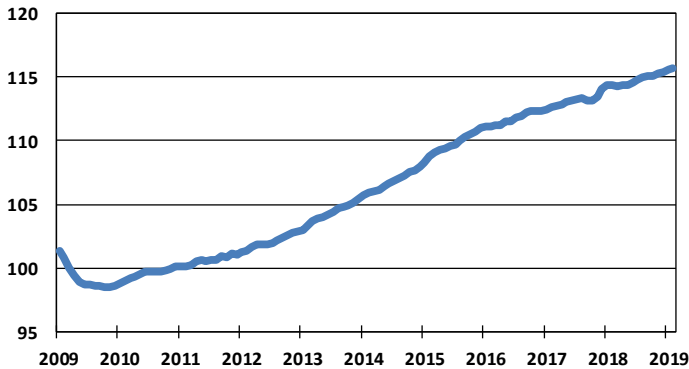
**All data has been adjusted for seasonality and changes in price.*

Comerica Bank's Florida Index Improves

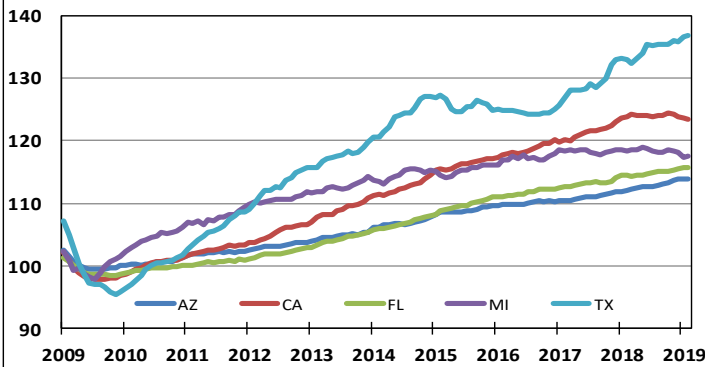
Comerica Bank's Florida Economic Activity Index increased by 0.1 percent in February to a level of 115.7. February's index reading is 17 points, or 17 percent, above the index cyclical low of 98.5. The index averaged 114.8 in 2018, 1.7 points above the average for all of 2017. January's index reading was 115.6.

The Comerica Bank Florida Economic Activity Index increased for the fourth consecutive month in February. The Florida Index has not declined since March 2018. Over the 12 months ending in February the Florida index has increased by 1.1 percent, consistent with weak-to-moderate state GDP growth. While Florida's recent growth has been steady, it has not been strong compared with 2014 and 2015. In February, six out of nine index components were positive. They were nonfarm employment, unemployment insurance claims (inverted), house prices, total state trade, hotel occupancy and enplanements. Housing starts, industrial electricity demand and state sales tax revenues were negatives for the month. Florida's housing markets were subdued over the winter. Single-family home sales for the state were unchanged in March 2019 compared with March 2018. The median time to contract increased by 16.7 percent to 49 days over that time period. In addition to flat sales, the inventory of active listings has increased by 9.6 percent over the year, according to FloridaRealtors. Lower mortgage rates will help to support Florida's home sales this spring, but we do not expect to see a fundamental shift in demand in this very long housing market cycle. Year-over-year growth in construction employment is starting to wind down, consistent with our expectations for cooler state GDP growth this year.

Florida Index Historical Values



5 State Index Historical Values



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Florida Economic Activity Index



Indicator	Feb-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Nonfarm Payroll Employment (Thousands)	8,689	8,830	8,850	8,872	8,887	8,903
<i>Percent Change</i>		0.2%	0.2%	0.2%	0.2%	0.2%
Continuing UI Claims (Weekly Average)	44,239	38,219	38,707	39,279	39,833	39,312
<i>Percent Change</i>		-2.2%	1.3%	1.5%	1.4%	-1.3%
Housing Starts (Annualized Rate)	123,376	131,259	135,011	142,975	150,598	146,847
<i>Percent Change</i>		-0.8%	2.9%	5.9%	5.3%	-2.5%
House Price Index (Jan 2000=100)	205.8	210.5	210.9	211.3	212.0	212.7
<i>Percent Change</i>		0.2%	0.2%	0.2%	0.3%	0.3%
Industrial Electricity Sales (Millions, KwHr)	1,371	1,400	1,388	1,349	1,337	1,332
<i>Percent Change</i>		-0.5%	-0.8%	-2.8%	-0.9%	-0.4%
Total Trade (Millions, 2012 USD, Annualized Rate)	127,551	128,656	128,413	128,256	129,226	130,390
<i>Percent Change</i>		0.3%	-0.2%	-0.1%	0.8%	0.9%
Hotel Occupancy Index (2009=100)	132.0	130.1	129.5	129.5	130.1	130.5
<i>Percent Change</i>		-0.1%	-0.5%	0.0%	0.4%	0.3%
Sales Tax Revenue (Millions, 2012 USD)	1,909	2,119	2,128	2,131	2,135	2,134
<i>Percent Change</i>		-0.2%	0.4%	0.1%	0.2%	-0.1%
Enplanements Index (2009=100)	132.3	131.9	134.6	135.7	138.3	139.3
<i>Percent Change</i>		0.8%	2.0%	0.9%	1.9%	0.7%
Total Index	114.4	115.1	115.3	115.4	115.6	115.7
<i>Percent Change</i>		0.0%	0.2%	0.1%	0.2%	0.1%

(Seasonally Adjusted, 3-Month Moving Average)

Explanatory Note:

The Florida 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, total trade, hotel occupancy, sales tax revenue and total enplanements. 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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