

## Michigan Economic Activity Index

	<u>Value</u>	<u>% Change</u>
<b>February 2019</b>	<b>117.5</b>	<b>0.1</b>
<b>January 2019 (Revised)</b>	<b>117.4</b>	<b>-0.6</b>

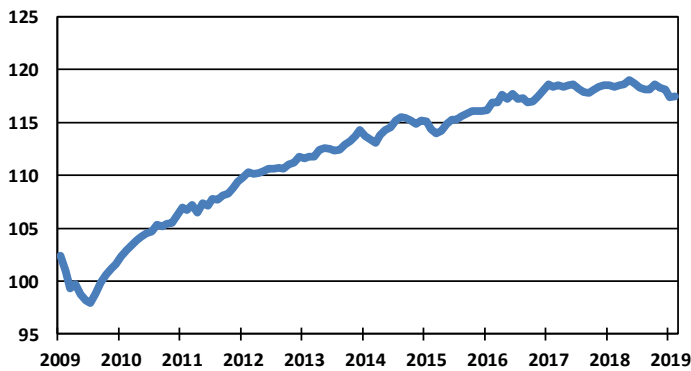
*\*All data has been adjusted for seasonality and changes in price.*

## Comerica Bank's Michigan Index Inches Up

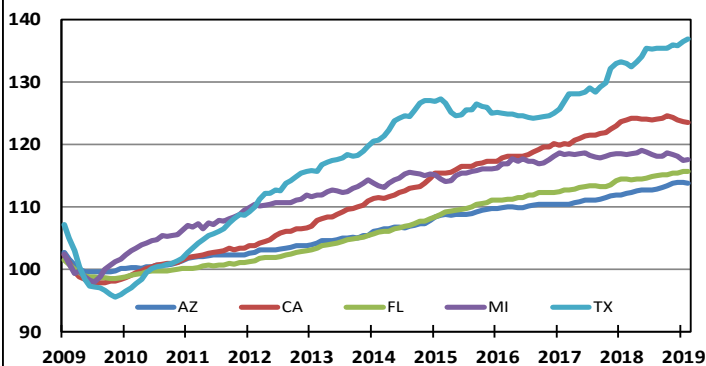
Comerica Bank's Michigan Economic Activity Index increased 0.1 percent in February to a level of 117.5. February's reading is 20 points, or 20 percent, above the index cyclical low of 97.9. The index averaged 118.4 points for all of 2018, 0.1 points above the index average for 2017. January's index reading was revised to 117.4.

Comerica Bank's Michigan Economic Activity Index inched up by 0.1 percent in February, putting the brakes on a three-month slide. Over the year ending in February, the Michigan Index is down by 0.8 percent. Despite the overall gain in February, only three out of nine index components were positive for the month. They were nonfarm employment, housing starts and house prices. The negatives were unemployment insurance claims (inverted), industrial electricity demand, light vehicle production, total state trade, hotel occupancy and state sales tax revenues. The February gain in housing starts was strong after a three-month slide, pushing the overall index barely into positive territory for the month. The February 2019 Michigan Index level of 117.5 was first reached in April 2016. So it is fair to say that the Michigan economy has shown little momentum over the past three years, despite the fact that state-wide payroll employment increased by about 3,600 over that time period. A key drag has been the housing market. Total housing starts in February 2019 were down 19 percent from April 2016. Light vehicle production was also down over that time period, as was industrial electricity demand. U.S. economic data has generally improved in March and April after a winter soft patch and that will help to support the Michigan economy this spring.

Michigan Index Historical Values



5 State Index Historical Values



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# Michigan Economic Activity Index



Indicator	Feb-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
<b>Nonfarm Payroll Employment (Thousands)</b>	4,395	4,426	4,425	4,429	4,435	4,441
<i>Percent Change</i>		<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>
<b>Continuing UI Claims (Weekly Average)</b>	58,339	52,587	52,611	52,626	53,018	53,282
<i>Percent Change</i>		<b>-1.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.7%</b>	<b>0.5%</b>
<b>Housing Starts (Annualized Rate)</b>	21,200	19,626	19,435	18,591	16,895	18,102
<i>Percent Change</i>		<b>8.7%</b>	<b>-1.0%</b>	<b>-4.3%</b>	<b>-9.1%</b>	<b>7.1%</b>
<b>House Price Index (Jan 2000=100)</b>	111.2	113.4	113.7	113.9	114.3	114.7
<i>Percent Change</i>		<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.3%</b>	<b>0.3%</b>
<b>Industrial Electricity Sales (Millions, KwHr)</b>	2,546	2,506	2,474	2,454	2,472	2,441
<i>Percent Change</i>		<b>1.1%</b>	<b>-1.3%</b>	<b>-0.8%</b>	<b>0.7%</b>	<b>-1.3%</b>
<b>Auto Assemblies (Millions of Units, Annualized Rate)</b>	10.8	11.1	11.1	11.3	11.2	11.2
<i>Percent Change</i>		<b>2.0%</b>	<b>0.4%</b>	<b>1.7%</b>	<b>-0.6%</b>	<b>-0.4%</b>
<b>Total Trade (Millions, 2012 USD, Annualized Rate)</b>	192,865	187,414	186,275	185,406	181,270	179,136
<i>Percent Change</i>		<b>-0.4%</b>	<b>-0.6%</b>	<b>-0.5%</b>	<b>-2.2%</b>	<b>-1.2%</b>
<b>Hotel Occupancy Index (2009=100)</b>	130.7	132.1	131.7	130.9	128.5	128.3
<i>Percent Change</i>		<b>0.8%</b>	<b>-0.3%</b>	<b>-0.6%</b>	<b>-1.8%</b>	<b>-0.1%</b>
<b>Sales Tax Revenue (Millions, 2012 USD)</b>	611.7	623.8	606.6	612.3	613.1	612.3
<i>Percent Change</i>		<b>-0.8%</b>	<b>-2.8%</b>	<b>0.9%</b>	<b>0.1%</b>	<b>-0.1%</b>
<b>Total Index</b>	118.4	118.6	118.3	118.1	117.4	117.5
<i>Percent Change</i>		<b>0.4%</b>	<b>-0.3%</b>	<b>-0.2%</b>	<b>-0.6%</b>	<b>0.1%</b>

**(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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