

Michigan Economic Activity Index

	<u>Value</u>	<u>% Change</u>
March 2019	117.6	0.1
February 2019	117.5	0.1

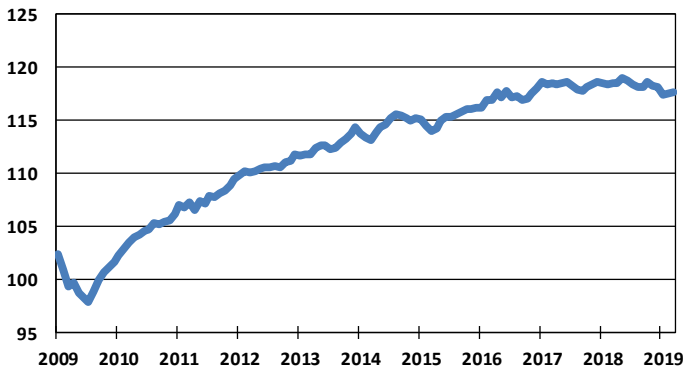
**All data has been adjusted for seasonality and changes in price.*

Comerica Bank's Michigan Index Improves

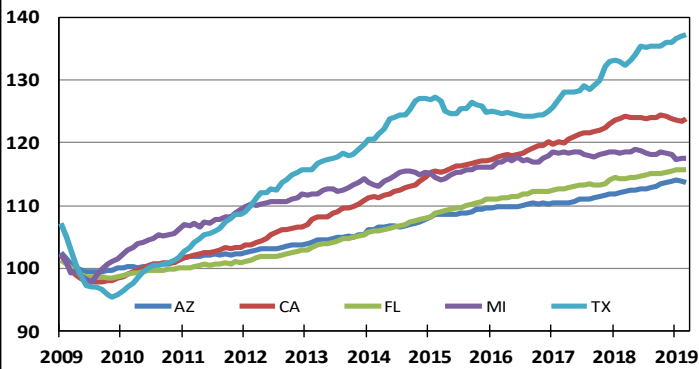
Comerica Bank's Michigan Economic Activity Index increased 0.1 percent in March to a level of 117.6. March's reading is 20 points, or 20 percent, above the index cyclical low of 97.9. The index averaged 118.4 points for all of 2018, 0.1 points above the index average for 2017. February's index reading was 117.5.

Comerica Bank's Michigan Economic Activity Index increased again in March after breaking a three-month decline in February. Despite the recent two-month gain, the Michigan Index still shows little upward momentum. Over the year ending in March, the Michigan Index is down by 0.8 percent. In March, five out of nine index components were positive. They were nonfarm employment, housing starts, house prices, total state trade, and hotel occupancy. The three negative components were unemployment insurance claims (inverted), industrial electricity demand and light vehicle production. State sales tax revenues were neutral for March. Continuing claims for unemployment insurance in Michigan increased for the three months ending in March. The April data, not included in the March index shows a welcome decrease. The other labor market indicator, nonfarm payrolls, has been positive for the seven consecutive months from last October through April. However, momentum in that series appears to be slowing. For the year ending in March, nonfarm payrolls in Michigan were up by just 0.6 percent. That was the weakest 12-month percent gain this side of the Great Recession. We expect the Michigan economy to keep expanding this year, but at a weak pace, consistent with the flat trend in our Michigan Index.

Michigan Index Historical Values



5 State Index Historical Values



Media Contact:

Robert Dye
(214) 462-6839
radye@comerica.com

Data Contact:

Daniel Sanabria
(214) 462-6789
fdsanabria@comerica.com

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Michigan Economic Activity Index



Indicator	Mar-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Nonfarm Payroll Employment (Thousands)	4,406	4,425	4,429	4,435	4,441	4,445
<i>Percent Change</i>		0.0%	0.1%	0.1%	0.1%	0.1%
Continuing UI Claims (Weekly Average)	56,555	52,611	52,626	53,018	53,282	54,390
<i>Percent Change</i>		0.0%	0.0%	0.7%	0.5%	2.1%
Housing Starts (Annualized Rate)	21,099	19,435	18,591	16,895	18,102	18,645
<i>Percent Change</i>		-1.0%	-4.3%	-9.1%	7.1%	3.0%
House Price Index (Jan 2000=100)	112.0	113.7	114.0	114.4	114.7	114.9
<i>Percent Change</i>		0.3%	0.2%	0.4%	0.3%	0.1%
Industrial Electricity Sales (Millions, KwHr)	2,523	2,474	2,455	2,473	2,441	2,433
<i>Percent Change</i>		-1.3%	-0.8%	0.8%	-1.3%	-0.4%
Auto Assemblies (Millions of Units, Annualized Rate)	11.1	11.1	11.3	11.2	11.1	10.8
<i>Percent Change</i>		0.4%	1.7%	-0.6%	-0.7%	-3.4%
Total Trade (Millions, 2012 USD, Annualized Rate)	193,229	186,275	185,406	181,270	179,136	182,229
<i>Percent Change</i>		-0.6%	-0.5%	-2.2%	-1.2%	1.7%
Hotel Occupancy Index (2009=100)	130.4	131.8	131.0	128.6	128.3	129.0
<i>Percent Change</i>		-0.3%	-0.6%	-1.8%	-0.2%	0.6%
Sales Tax Revenue (Millions, 2012 USD)	604.1	606.7	612.3	613.1	612.1	611.6
<i>Percent Change</i>		-2.7%	0.9%	0.1%	-0.2%	-0.1%
Total Index	118.5	118.3	118.1	117.4	117.5	117.6
<i>Percent Change</i>		-0.3%	-0.2%	-0.6%	0.1%	0.1%

(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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