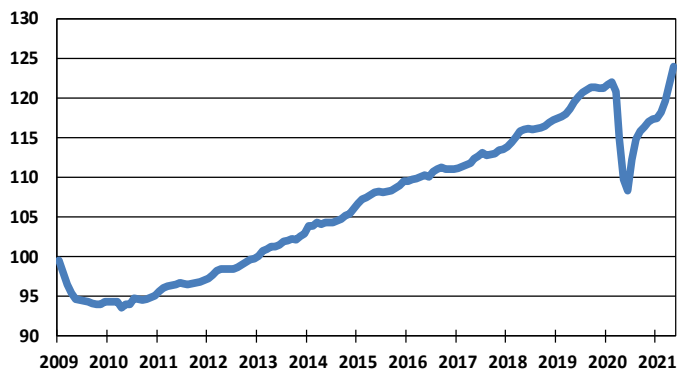


Arizona Economic Activity Index

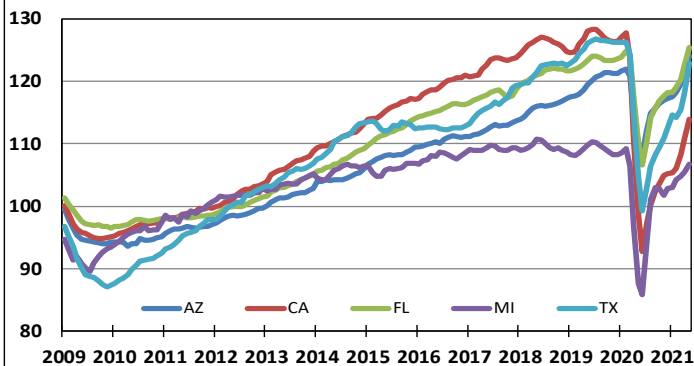
	<u>Value</u>	<u>% Change</u>
May 2021	124.0	1.8
April 2021	121.8	1.8

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

Arizona Index Historical Values



5 State Index Historical Values



Comerica Bank's Arizona Index Ticks Higher

Comerica Bank's Arizona Economic Activity Index increased in May to a level of 124.0. May's index reading is 14.5 percent above the recent low of 108.3 set in June 2020. The index averaged 115.9 for all of 2020, 4.0 points below the average for 2019. April's index reading was un-revised at 121.8.

Our Arizona Economic Activity Index rose by 1.8 percent in May after a similar gain in April. The headline index has now risen for 11 consecutive months. Seven of the nine sub-indexes improved in May. They were nonfarm employment, unemployment insurance claims (inverted), house prices, state total trade, hotel occupancy, taxable sales and total enplanements. Housing starts and industrial electricity sales fell for the month. With the May reading, the Arizona Index is now 1.6 percent higher than the pre-pandemic high. Data released by the Bureau of Economic Analysis also showed Arizona real GDP surpassed its pre-pandemic peak in Q1. The state has experienced a much more rapid labor market recovery than the overall U.S. As of June, Arizona has regained 87 percent of the net jobs lost in Spring 2020, compared to the national average of 70 percent. The vast majority of the remaining outstanding Arizona job losses reside in the leisure and hospitality sector. However, we are seeing strong improvements for businesses in this sector as domestic travel into the state picks up this summer. The U.S. announced that it will continue to restrict non-essential travel at all land border crossings through August 21 as the Delta variant sparks an uptick in COVID cases. International traffic at the southern border will likely be subdued for the remainder of the year.

Media Contact:

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

Data Contact:

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

To receive our publications via email, use the following link: [Comerica Economics Publications](#). For questions, contact us at ComericaEcon@comerica.com. Archives are available at <http://www.comerica.com/insights>. Follow us on Twitter: [@Comerica_Econ](#).

The articles and opinions in this publication are for general information only, are subject to change, and are not intended to provide specific investment, legal, tax or other advice or recommendations. The information contained herein reflects the thoughts and opinions of the noted authors only, and such information does not necessarily reflect the thoughts and opinions of Comerica or its management team. We are not offering or soliciting any transaction based on this information. We suggest that you consult your attorney, accountant or tax or financial advisor with regard to your situation. Although information has been obtained from sources we believe to be reliable, neither the authors nor Comerica guarantee its accuracy, and such information may be incomplete or condensed. Neither the authors nor Comerica shall be liable for any typographical errors or incorrect data obtained from reliable sources or factual information.

Arizona Economic Activity Index



Indicator	May-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Nonfarm Payroll Employment (Thousands)	2,794	2,867	2,871	2,881	2,887	2,899
<i>Percent Change</i>		0.3%	0.2%	0.3%	0.2%	0.4%
Continuing UI Claims (Weekly Average)	139,854	90,436	81,866	71,565	61,342	52,995
<i>Percent Change</i>		-14.8%	-9.5%	-12.6%	-14.3%	-13.6%
Housing Starts (Annualized Rate)	45,663	72,476	72,657	68,331	66,516	63,603
<i>Percent Change</i>		0.9%	0.2%	-6.0%	-2.7%	-4.4%
House Price Index (2012=100)	165.5	180.8	183.6	187.3	191.5	196.0
<i>Percent Change</i>		1.5%	1.5%	2.0%	2.2%	2.4%
Industrial Electricity Sales (Millions, KwHr)	1,161	1,157	1,160	1,153	1,153	1,128
<i>Percent Change</i>		-0.5%	0.3%	-0.6%	-0.1%	-2.1%
Total Trade (Millions, 2012 USD, Annualized Rate)	39,209	40,094	41,604	42,854	45,402	46,084
<i>Percent Change</i>		-0.8%	3.8%	3.0%	5.9%	1.5%
Hotel Occupancy Index (2012=100)	60.8	86.8	87.3	92.4	100.8	111.1
<i>Percent Change</i>		-0.6%	0.5%	5.9%	9.1%	10.2%
State Taxable Sales (Millions, 2012 USD)	6,361	7,439	7,496	7,659	7,913	8,225
<i>Percent Change</i>		-0.4%	0.8%	2.2%	3.3%	3.9%
Enplanements Index (2012=100)	29.9	49.2	50.3	60.0	77.0	97.4
<i>Percent Change</i>		-4.0%	2.4%	19.2%	28.4%	26.5%
Total Index	109.7	117.5	118.2	119.6	121.8	124.0
<i>Percent Change</i>		0.2%	0.6%	1.2%	1.8%	1.8%

(Seasonally Adjusted, 3-Month Moving Average)

Explanatory Note:

The Arizona 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, state taxable sales 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.

Comerica Bank is a subsidiary of Comerica Incorporated (NYSE: CMA), a financial services company headquartered in Dallas, Texas, and strategically aligned by three business segments: The Commercial Bank, The Retail Bank, and Wealth Management. Comerica focuses on relationships, and helping people and businesses be successful. In addition to Texas, Comerica Bank locations can be found in Arizona, California, Florida and Michigan, with select businesses operating in several other states, as well as in Canada and Mexico. Comerica reported total assets of \$86.3 billion at March 31, 2021.

To receive our publications via email, use the following link: [Comerica Economics Publications](#). For questions, contact us at ComericaEcon@comerica.com

Archives are available at <http://www.comerica.com/insights>. Follow us on Twitter: [@Comerica_Econ](#).