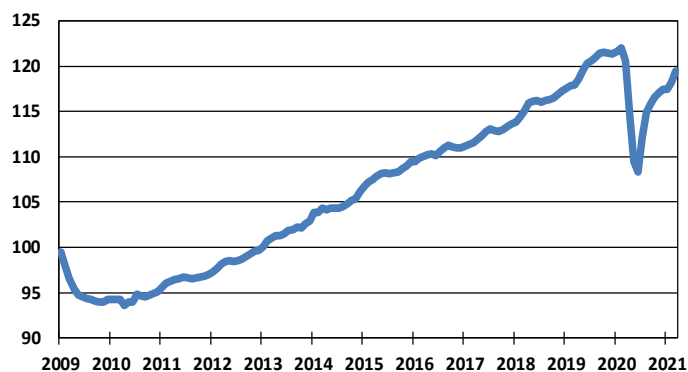


Arizona Economic Activity Index

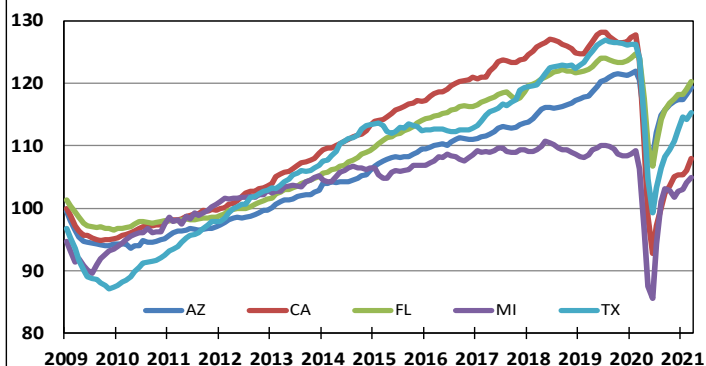
	Value	% Change
March 2021	119.4	1.0
February 2021 (Revised)	118.2	0.7

**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 Accelerates

Comerica Bank's Arizona Economic Activity Index increased in March to a level of 119.4. March's index reading is 10.2 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. February's index reading was revised to 118.2.

Our Arizona Economic Activity Index improved in March. This marks the second consecutive monthly gain after stalling in January. The index components were mostly positive in March with nonfarm employment, unemployment insurance claims (inverted), house prices, state total trade, hotel occupancy, taxable sales and total enplanement rising for the month. Housing starts and industrial electricity sales fell in March. The Arizona Index has gained momentum heading into the spring. The state is poised to benefit from an ongoing recovery in local labor markets as well as a reignition of the overall U.S. economy. A successful first leg of the nationwide vaccination campaign, along with lower COVID-19 case counts is allowing for a broader reopening of the domestic economy. Demand for domestic travel into Arizona is increasing. Sky Harbor International posted its second consecutive month of total enplanements north of 3 million in April. These are the highest totals since before the pandemic-led shutdowns. Gross sales in the local restaurant, lodging, retail and amusement sectors have also gained momentum in recent months. However, rising demand is being met with supply constraints. The global semiconductor shortage is still weighing on multiple manufacturing sectors. Intel announced that it will invest \$20 billion to open two new chip factories in Chandler, helping to boost domestic production once the facilities are completed.

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Arizona Economic Activity Index

Comerica Bank

Indicator	Mar-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Nonfarm Payroll Employment (Thousands)	2,986	2,850	2,858	2,867	2,871	2,881
Percent Change		0.4%	0.3%	0.3%	0.2%	0.3%
Continuing UI Claims (Weekly Average)	26,767	133,151	106,401	91,338	83,084	72,592
Percent Change		-14.6%	-20.1%	-14.2%	-9.0%	-12.6%
Housing Starts (Annualized Rate)	58,078	65,635	71,845	70,747	72,084	67,106
Percent Change		7.7%	9.5%	-1.5%	1.9%	-6.9%
House Price Index (2012=100)	161.9	175.7	178.2	180.8	183.6	187.3
Percent Change		1.6%	1.4%	1.5%	1.6%	2.0%
Industrial Electricity Sales (Millions, KwHr)	1,161	1,148	1,164	1,158	1,161	1,155
Percent Change		0.4%	1.4%	-0.5%	0.3%	-0.5%
Total Trade (Millions, 2012 USD, Annualized Rate)	44,714	40,488	40,502	39,537	41,670	42,850
Percent Change		-1.7%	0.0%	-2.4%	5.4%	2.8%
Hotel Occupancy Index (2012=100)	102.6	88.8	87.4	86.7	87.5	92.1
Percent Change		-1.4%	-1.6%	-0.7%	0.9%	5.2%
State Taxable Sales (Millions, 2012 USD)	7,245	7,482	7,483	7,446	7,490	7,605
Percent Change		0.7%	0.0%	-0.5%	0.6%	1.5%
Enplanements Index (2012=100)	94.9	52.4	51.7	49.5	50.5	59.6
Percent Change		4.7%	-1.4%	-4.1%	1.9%	18.2%
Total Index	120.6	117.1	117.4	117.4	118.2	119.4
Percent Change		0.4%	0.3%	0.0%	0.7%	1.0%
(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.

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