

California Economic Activity Index

Comerica Bank

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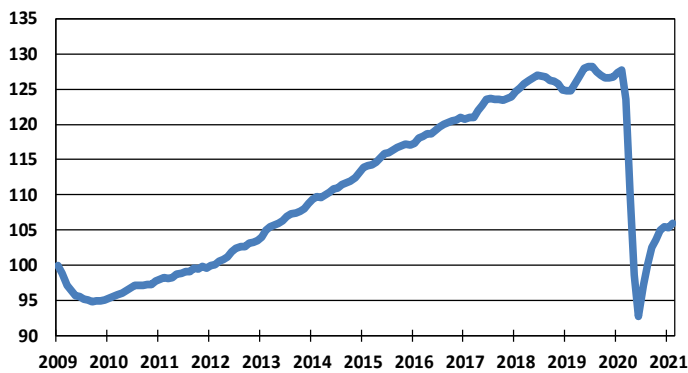
April 28, 2021

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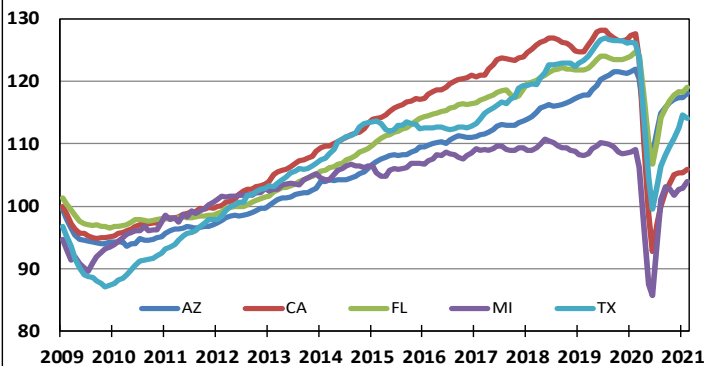
	<u>Value</u>	<u>% Change</u>
February 2021	105.9	0.6
January 2021	105.3	-0.1

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

California Index Historical Values



5 State Index Historical Values



Comerica Bank's California Index Moves Up

Comerica Bank's California Economic Activity Index increased in February to a level of 105.9. February's reading is 14 percent above the historical low of 92.7 set in June 2020. The index averaged 107.8 points in 2020, 18.9 points below the average for all of 2019. January's index reading was revised to 105.3.

This month we are rolling out our new methodology for our state economic activity indexes. We have made some adjustments to the sub-components and to their weights in order to better align with state-level GDP. We added two new sub-indexes for tracking enplanements and state revenues in California. We removed the Dow Jones Technology Index. Also, we have rebased the sub-components of our indexes to average 100 for 2012. The headline index may be above 100 for 2012 due to the weighting scheme. Our new California Economic Activity Index improved in February. Six of the nine index components were positive for the month including unemployment insurance claims (inverted), housing starts, house prices, state total trade, hotel occupancy and state revenues. Industrial electricity demand and enplanements contracted in February. The nonfarm employment sub-index was unchanged. The state economy improved as most counties moved to orange tier COVID restrictions. This allowed for some indoor business to operate with modifications. We expect to see an even broader reopening of the state economy as more counties move to the yellow tier this summer. Rising consumer confidence and additional fiscal stimulus to households from the America Rescue Plan and Golden State Stimulus bills will support stronger consumer spending. Combined, this will drive a robust recovery in the hard hit services sector this year.

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California Economic Activity Index



Indicator	Feb-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Nonfarm Payroll Employment (Thousands)	17,612	15,865	15,950	15,972	15,936	15,937
<i>Percent Change</i>		0.6%	0.5%	0.1%	-0.2%	0.0%
Continuing UI Claims (Weekly Average)	318,954	2,633,338	2,090,128	1,466,041	1,041,980	796,466
<i>Percent Change</i>		-11.2%	-20.6%	-29.9%	-28.9%	-23.6%
Housing Starts (Annualized Rate)	128,598	104,225	110,194	116,845	115,227	115,900
<i>Percent Change</i>		8.2%	5.7%	6.0%	-1.4%	0.6%
House Price Index (2012=100)	161.1	169.4	171.6	173.4	175.1	176.7
<i>Percent Change</i>		1.3%	1.3%	1.1%	0.9%	1.0%
Industrial Electricity Sales (Millions, KwHr)	4,046	3,814	3,825	3,820	3,748	3,678
<i>Percent Change</i>		-1.7%	0.3%	-0.1%	-1.9%	-1.9%
Total Trade (Millions, 2012 USD, Annualized Rate)	500,218	523,011	524,744	527,675	521,711	536,406
<i>Percent Change</i>		-0.1%	0.3%	0.6%	-1.1%	2.8%
Hotel Occupancy Index (2012=100)	106.3	74.6	72.7	66.6	65.1	66.1
<i>Percent Change</i>		2.0%	-2.5%	-8.4%	-2.4%	1.6%
Enplanements Index (2012=100)	126.2	33.6	36.2	36.0	34.3	33.4
<i>Percent Change</i>		10.6%	7.7%	-0.5%	-4.5%	-2.6%
Total Revenues (Millions, 2012 USD)	11,148	12,195	12,757	13,009	13,125	13,868
<i>Percent Change</i>		-42.7%	4.6%	2.0%	0.9%	5.7%
Total Index	127.7	103.6	105.0	105.4	105.3	105.9
<i>Percent Change</i>		1.1%	1.4%	0.4%	-0.1%	0.6%

(Seasonally Adjusted, 3-Month Moving Average)

Explanatory Note:

The California Economic Activity Index consists of eight variables, as follows: nonfarm payroll employment, continuing claims for unemployment insurance, housing starts, house price index, industrial electricity sales, total trade, technology stock index and hotel occupancy. 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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