

CHICAGO BUSINESS ACTIVITY INDEX

CBAI increased in February

The Chicago Business Activity Index (CBAI) was 98.9 in February, an increase from the 84.1 recorded in January. The increase in February could be attributed mainly to the increase of private consumption in the Chicago region.

In February, the national and regional economy presented mixed features. The Federal Reserve Board announced that industrial production declined 0.1 percent in February. The capacity utilization rate for total industry edged down 0.1 percentage points to 76.3 percent. In addition, national retail sales increased 0.99 percent in February. The number of unemployed persons (13.7 million) and the unemployment rate (8.9 percent) changed little in February.

The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) decreased to -0.04 in February, from -0.01 in January. Meanwhile, the Chicago Fed Midwest Manufacturing Index (CFMMI) increased 1.34 percent in February, after a 1.73 percent increase in January. In the Chicago region in February, manufacturing employment decreased 0.18 percent while non-manufacturing employment increased 0.06 percent and construction employment decreased by 0.43 percent. Regional retail sales are estimated to have increased 1.66 percent in February.

In the coming months, the national economy is likely to maintain its recovery trend. The Bureau of Labor Statistics reported total nonfarm payroll employment rose by 192,000 in February. Job gains occurred in manufacturing, construction, and several service-providing industries. For the local economy, considering recent national economic conditions and movements of projected CBAI, the Chicago economy is expected to be on a modest improving trend over the next several months.

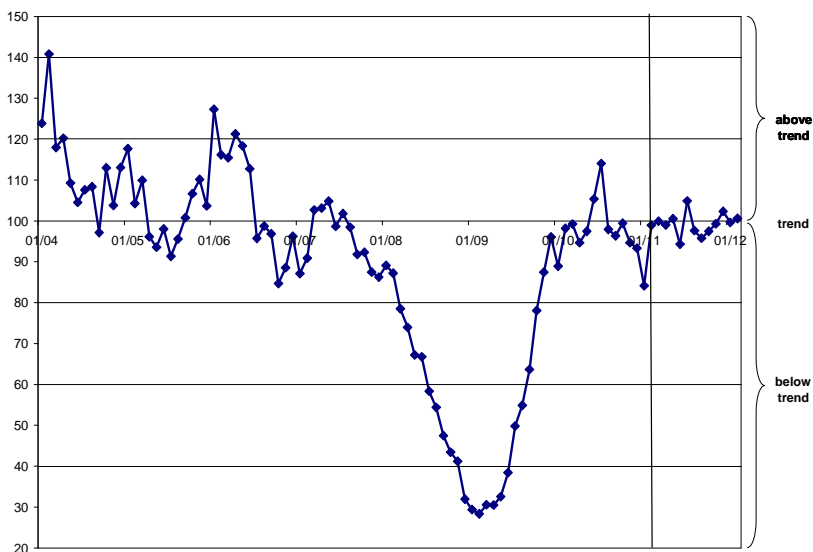
Chicago Business Activity Index

Release Date:
April 18, 2011

Next Release Date:
May 17, 2011

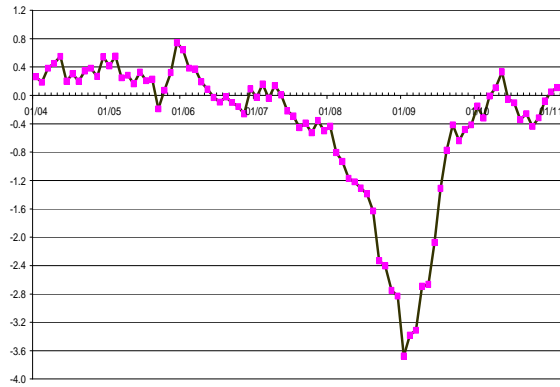
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CBAI (Current: 98.9)			
	1 month	3 month	1 year
Historical (ago)	84.1	94.7	98.2
Forecast (ahead)	99.9	100.6	100.6



Chicago Business Activity Index

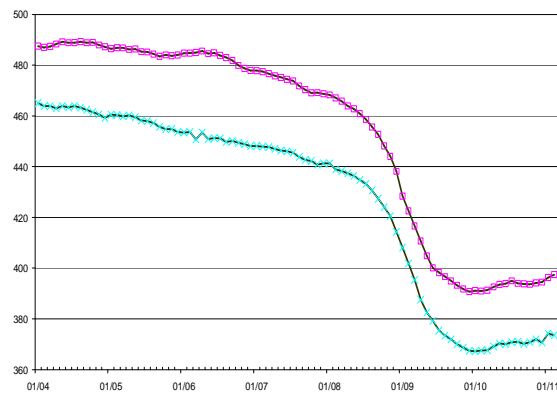
Chicago Fed National Activity Index (CFNAI-MA3)



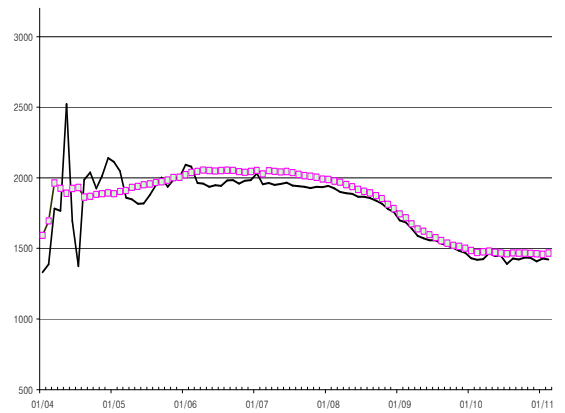
Chicago & National Retail Sales



Chicago & National Manufacturing Employment

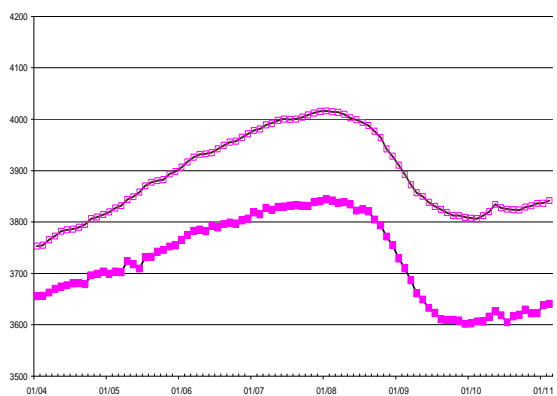


Illinois & National Construction



* Black lines show Chicago indicators.

Chicago & National Non-manufacturing Employment



Economic Activity: Summary

Percentage change compared to the previous period

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	1.64	0.83	0.28	1.64	0.46	-0.18
NMfgn	0.92	0.27	0.14	0.94	0.50	0.06
Cons	-0.33	0.20	0.68	0.23	-0.83	-0.43
Retail	9.60	2.53	0.99	1.65	-0.32	1.66

Note: All series are seasonally adjusted.

National indicators are rescaled for comparison.

The Chicago Business Activity Index (CBAI) is a monthly statistic that measures the changes in the business cycle status of the six-county Chicago region. The CBAI leads the local business cycle by three-to-four months. REAL's approach to constructing this index, using the principal components regression method, directs attention to the relationship between local and national business cycle.

REGIONAL | ECONOMICS | APPLICATIONS | LABORATORY

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