

**CHICAGO BUSINESS ACTIVITY INDEX**

**CBAI decreased in June**

The Chicago Business Activity Index (CBAI) decreased to 96.0 in June from 102.5 in May. The fall is attributed to the decrease in manufacturing employment and activities in the retail sector in the Chicago region.

In June, the national and regional economy shared mixed features. The Federal Reserve Board announced that total industrial (manufacturing) production index increased 0.3% (0.3%) in June after having been unchanged in May. Capacity utilization in all industry was little changed at 77.8% in June. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) increased to -0.13 in June from -0.29 in May due to positive contributions of production and employment. Midwest manufacturing output measured by the Chicago Fed Midwest Manufacturing Index (CFMMI) increased 0.4% in June. In the Chicago region, employment in manufacturing decreased -0.26% in June while employment in non-manufacturing and construction increased 0.16% and 2.32% respectively. Retail sales are estimated to have fallen 3.42% in June.

In the coming months, the national economy is likely to maintain its modest recovery trend. The economic growth reflected in the CFNAI-MA3 suggests that national economic activity was below its historical trend. The Bureau of Labor Statistics reported that total nonfarm payroll employment rose by 162,000 in July, and the unemployment rate decreased to 7.4% from 7.6% in the previous month. Considering recent national economic conditions and movements of projected CBAI, the Chicago economy is expected to continue its modest improving trend over the next several months.

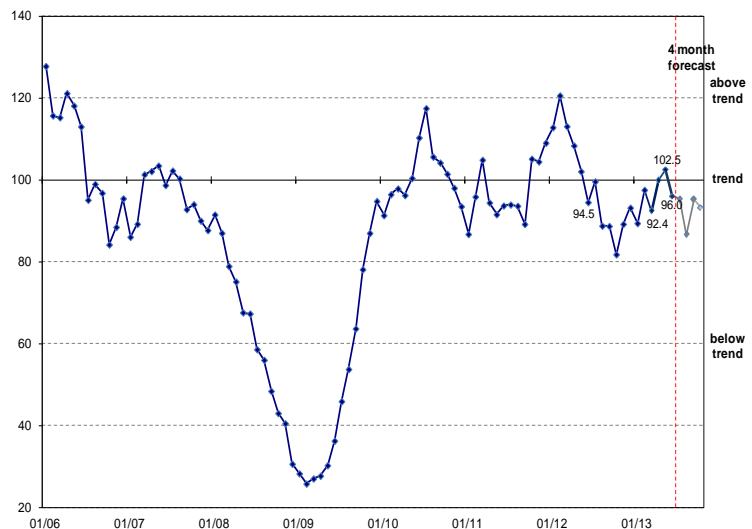
**Chicago Business Activity Index**

*Release Date:*  
August 19, 2013

*Next Release Date:*  
September 18, 2013

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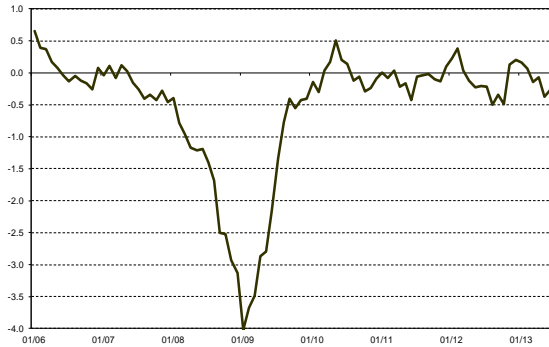
<b>CBAI</b> (Current: 96.0)			
	1 month	3 month	1 year
Historical (ago)	102.5	92.4	94.5
Forecast (ahead)	95.3	95.2	-



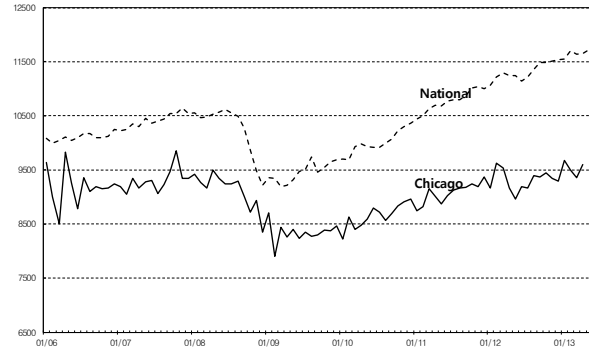
# Chicago Business Activity Index

\* National indicators are rescaled for comparison.

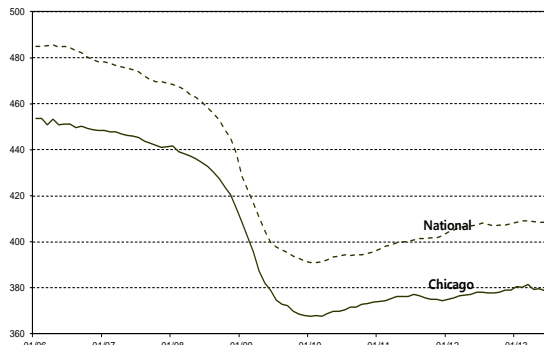
Chicago Fed National Activity Index (CFNAI-MA3)



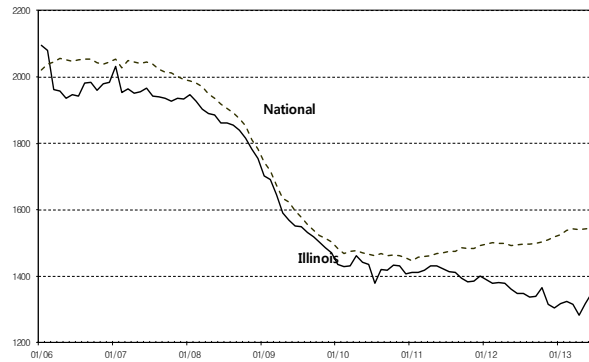
Chicago & National Retail Sales



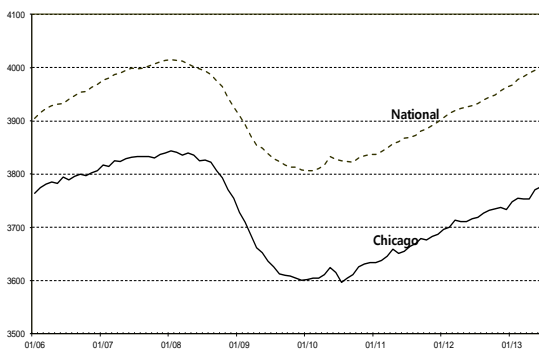
Chicago & National Manufacturing Employment



Illinois & National Construction



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	0.28	-0.13	-0.03	0.13	-0.78	-0.26
NMfgn	1.84	0.47	0.15	1.61	0.61	0.16
Cons	3.38	0.22	0.22	0.01	2.56	2.32
Retail	6.10	1.48	0.76	5.30	4.05	-3.42

Note: All series are seasonally adjusted.

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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