

**CHICAGO BUSINESS ACTIVITY INDEX**

**CBAI decreased in March**

The Chicago Business Activity Index (CBAI) decreased to 94.7 in March from 97.6 in February. The decrease is attributed to a decline in job growth in manufacturing and construction sectors in the Chicago area.

In March, the national and regional economies shared mixed features. The Federal Reserve Board announced that the industrial production index increased 0.9 percent in March after having risen 1.1 percent in February. Capacity utilization for the industrial sector increased 0.5 percentage points in March to 79.3 following a gain of 0.5 percentage points in February. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) decreased to +0.20 in March from +0.53 in February, led by a fall in consumption- and sales-related indicators. In the Chicago region, employment in manufacturing and nonmanufacturing fell 0.18 percent and 0.01 percent respectively in March. Construction employment decreased 0.67 percent while retail sales are estimated to have risen 0.96 percent.

In the coming months, the national economy is likely to maintain its recovery trend. The economic growth reflected in the CFNAI-MA3 suggests that national economic activity was at its historical trend. The Bureau of Labor Statistics reported that total nonfarm payroll employment rose by 288,000 in April, and the unemployment rate fell by 0.4 percentage point to 6.3 percent. Considering recent national economic conditions and movements of projected CBAI, the Chicago economy is expected to continue its recovery trend over the next several months.

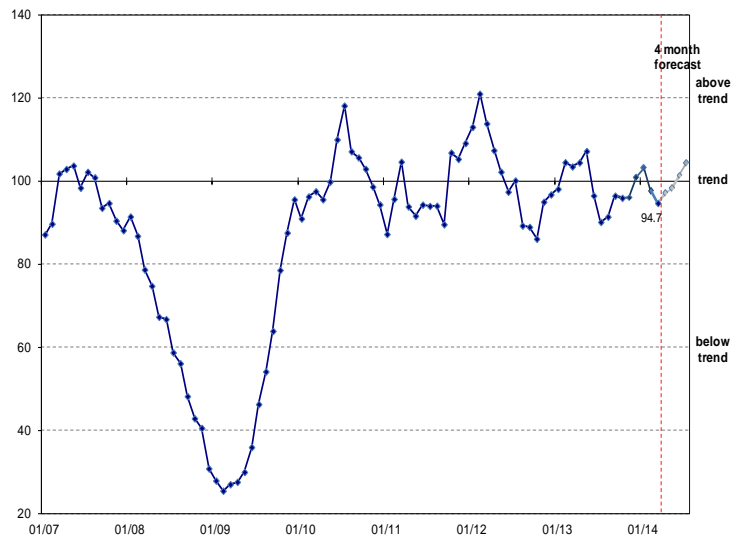
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*Next Release Date:*  
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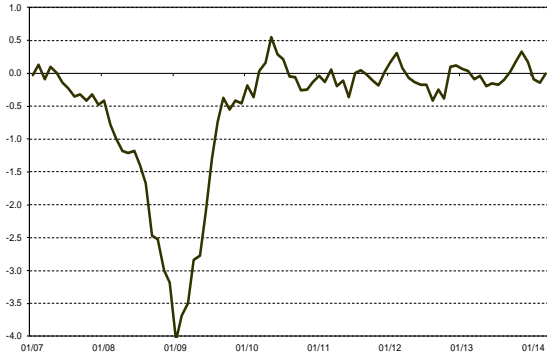
<b>CBAI</b> (Current: 94.7)			
	1 month	3 month	1 year
Historical (ago)	97.6	100.9	103.5
Forecast (ahead)	97.0	101.4	-

**Chicago Business Activity Index**

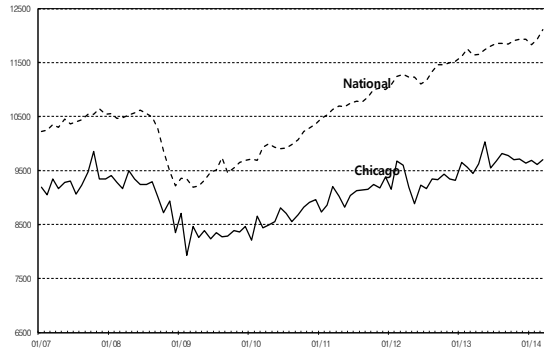


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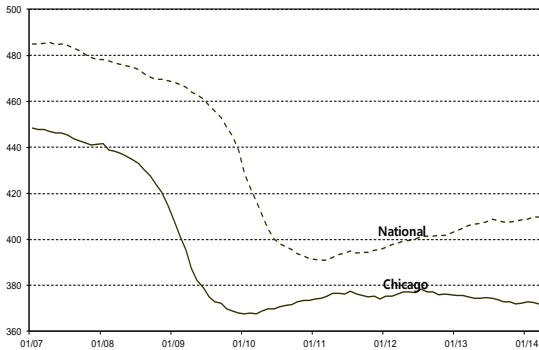
\* National indicators are rescaled for comparison  
**Chicago Fed National Activity Index (CFNAI-MA3)**



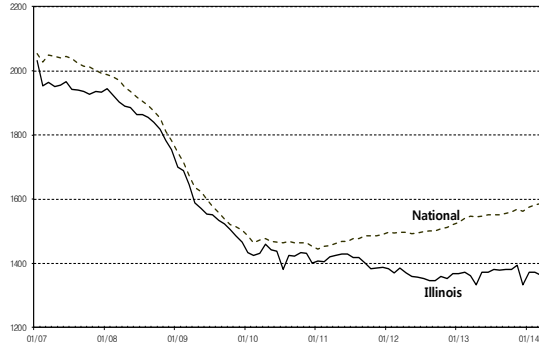
**Chicago & National Retail Sales**



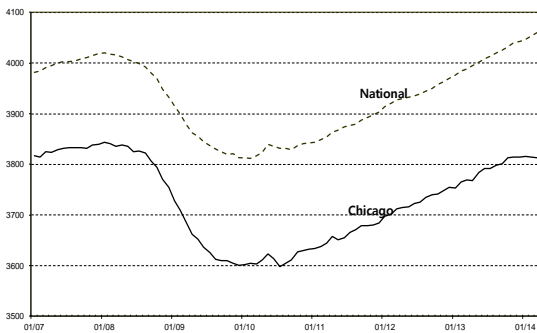
**Chicago & National Manufacturing Employment**



**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	0.67	0.29	0.06	-0.80	-0.08	-0.18
NMfgn	1.78	0.43	0.16	1.16	-0.01	-0.01
Cons	2.67	1.57	0.29	0.08	2.29	-0.67
Retail	4.04	1.43	1.50	2.80	0.73	0.96

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.

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