

**CHICAGO BUSINESS ACTIVITY INDEX – June 2018**

**CBAI decreased in April**

The Chicago Business Activity Index (CBAI) decreased to 95.8 in April from 98.1 in March. The decrease is mainly attributed to the negative manufacturing and construction job growth and a decline in expected retail sales.

In April, the national and regional economies presented mixed features. The Federal Reserve Board announced Industrial production rose 0.7 percent in April for its third consecutive monthly increase. After being unchanged in March, manufacturing output rose 0.5 percent in April. Capacity utilization for the industrial sector climbed 0.4 percentage point in April to 78.0 percent, a rate that is 1.8 percentage points below its long-run (1972–2017) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) went up to +0.34 in April from +0.32 in March. In the Chicago region, employment in the manufacturing decreased 0.05 percent and employment in the nonmanufacturing sector increased 0.10 percent in April. Employment in the construction sector decreased 2.30 percent and retail sales are estimated to have decreased 1.36 percent during the same period.

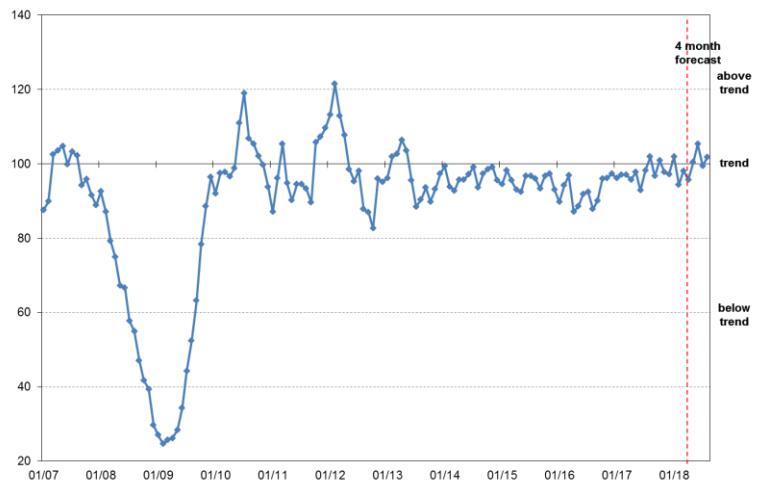
In the coming months, the national economy is likely to stay on the expansion phase. The economic growth reflected in the CFNAI-MA3 suggests that growth in national economic activity is above its historical trend. Total nonfarm payroll employment increased by 223,000 in May, and the unemployment rate edged down to 3.8 percent. Considering recent national economic conditions and movements of projected CBAI, the Chicago economy is expected to continue its expansion trend over the next several months.

**Chicago Business Activity Index**

Release Date:  
*June 18, 2017*

Next Release Date:  
*July 18, 2018*

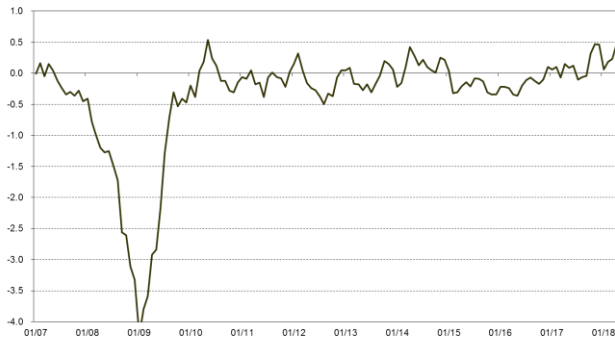
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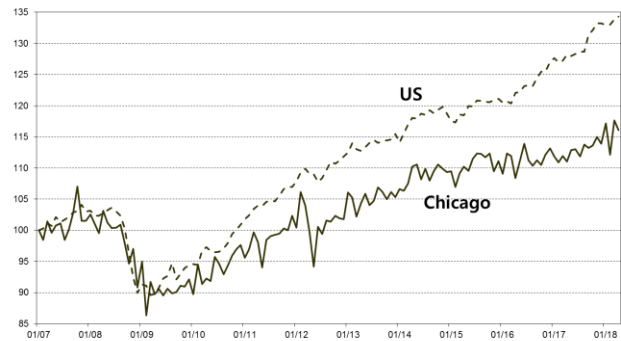
<b>CBAI</b> (Current: 95.8)			
	1 month	3 month	1 year
Historical (ago)	98.1	101.9	95.7
Forecast (ahead)	100.5	99.5	-

\* January 2007 = 100

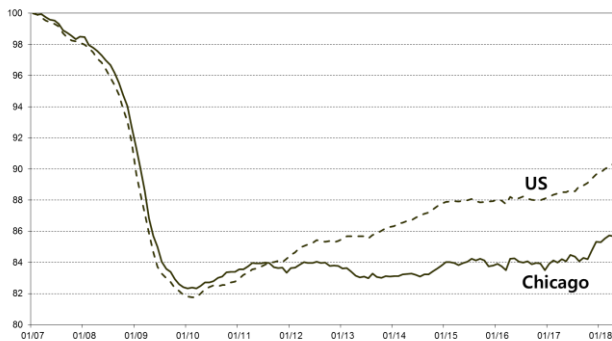
**Chicago Fed National Activity Index(CFNAI-MA3)**



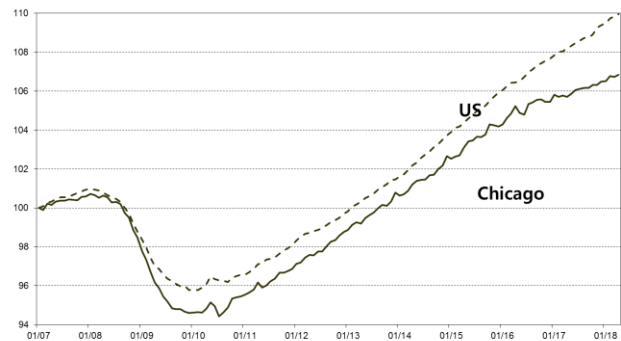
**Retail Sales**



**Manufacturing Employment**



**Non-manufacturing Employment**



**Construction Employment**



**Economic Activity: Summary**

Percentage change compared to the previous period

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	2.08	0.61	0.20	1.77	0.44	-0.05
NMfgn	1.61	0.41	0.10	1.06	0.30	0.10
Cons	3.87	1.20	0.29	0.11	-0.79	-2.30
Retail	4.83	1.06	0.38	4.54	-0.96	-1.36

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 Chicago metropolitan area. 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.