

CHICAGO BUSINESS ACTIVITY INDEX – June 2019

CBAI decreased in April

The Chicago Business Activity Index (CBAI) decreased to 91.8 in April from 97.1 in March. The decrease is mainly attributed to negative manufacturing growth and a sharp decline in retail sales.

In April, the national and regional economies presented mixed features. Industrial production fell 0.5 percent in April. At 109.2 percent of its 2012 average, total industrial production was 0.9 percent higher in April than it was a year earlier. Capacity utilization for the industrial sector decreased 0.6 percentage point in April to 77.9 percent, a rate that is 1.9 percentage points below its long-run (1972–2018) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved down to -0.37 in April from -0.27 in March. In the Chicago region, employment in the manufacturing sector decreased 0.19 percent and employment in the nonmanufacturing sector increased 0.79 percent in April. Employment in the construction sector increased 2.58 percent and retail sales are estimated to have decreased 0.87 percent during the same period.

In the coming months, 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 below its historical trend. Total nonfarm payroll employment edged up in May (+75,000), and the unemployment rate remained at 3.6 percent. Considering recent national economic conditions and movements of projected CBAI, the Chicago economy expansion trend is expected to slow down over the next several months.

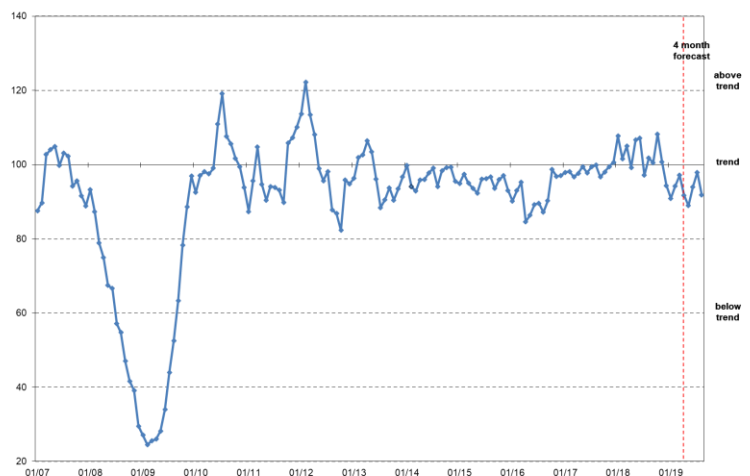
Chicago Business Activity Index

Release Date:
June 18, 2019

Next Release Date:
July 18, 2019

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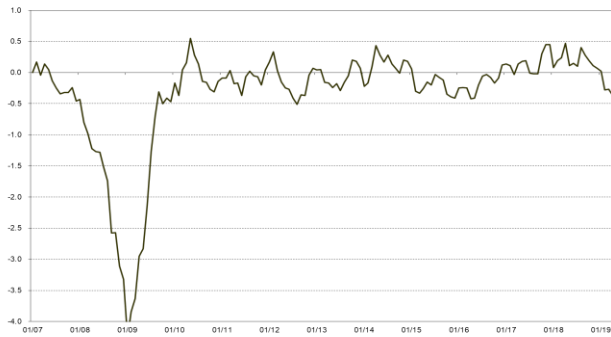
CBAI (Current: 91.8)			
	1 month	3 month	1 year
Historical (ago)	97.1	90.9	99.2
Forecast (ahead)	88.9	97.9	-



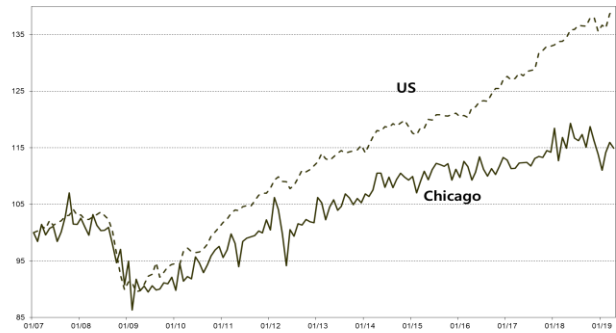
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* January 2007 = 100

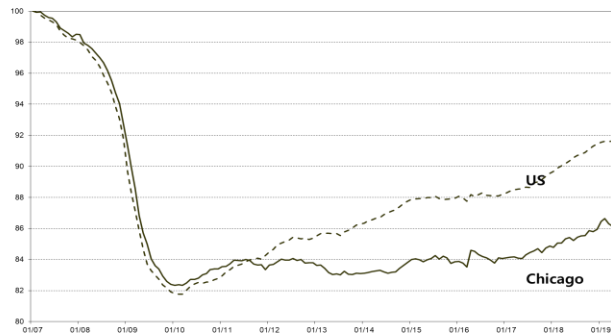
Chicago Fed National Activity Index(CFNAI-MA3)



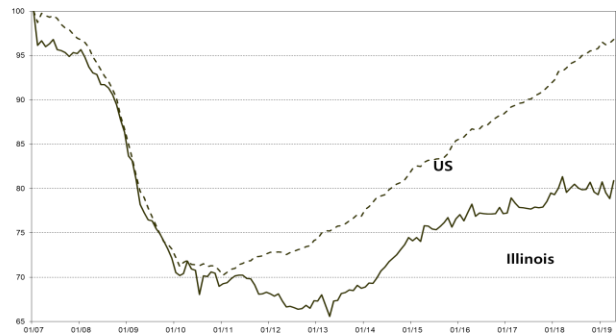
Retail Sales



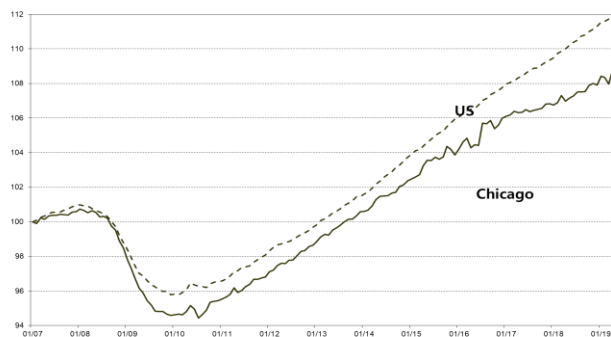
Manufacturing Employment



Construction Employment



Non-manufacturing Employment



Economic Activity: Summary

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	1.60	0.08	0.04	0.95	-0.36	-0.19
NMfgn	1.72	0.31	0.16	1.70	0.36	0.79
Cons	3.43	0.30	0.40	1.66	0.19	2.58
Retail	3.46	1.80	0.29	0.03	3.51	-0.87

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.

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