

**CHICAGO BUSINESS ACTIVITY INDEX – November 2019**

**CBAI decreased in September**

The Chicago Business Activity Index (CBAI) decreased to 92.3 in September from 94.3 in August. The decrease is mainly attributed to negative manufacturing, non-manufacturing, and construction job growth.

In September, the national and regional economies presented mixed features. Industrial production fell 0.8 percent in October after declining 0.3 percent in September. Manufacturing production decreased 0.6 percent in October. At 108.7 percent of its 2012 average, total industrial production was 1.1 percent lower in October than it was a year earlier. Capacity utilization for the industrial sector decreased 0.8 percentage point in October to 76.7 percent, a rate that is 3.1 percentage points below its long-run (1972–2018) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved down to -0.45 in September from 0.15 in August. In the Chicago region, employment in the manufacturing sector decreased 0.22 percent and employment in the nonmanufacturing sector decreased 0.03 percent in September. Employment in the construction sector decreased 0.1 percent and retail sales are estimated to have increased 0.7 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 rose by 128,000 in October, and the unemployment rate was little changed 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.

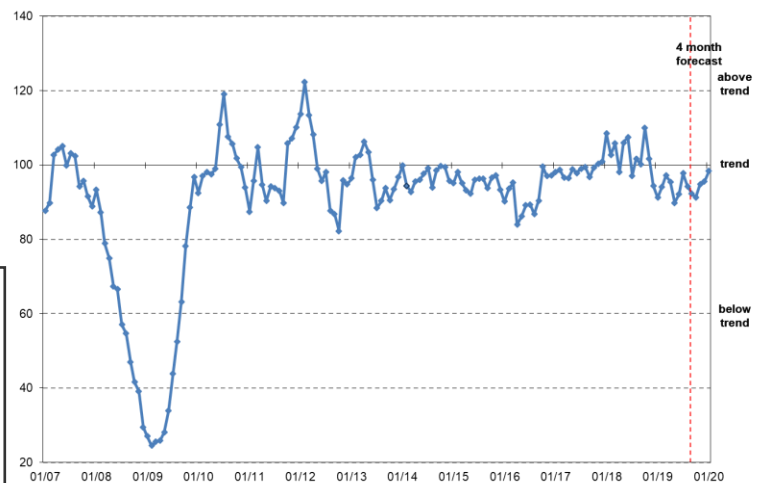
Release Date:  
*November 18, 2019*

Next Release Date:  
*December 18, 2019*

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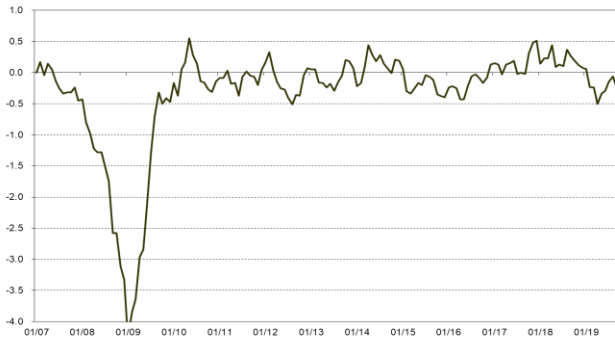
<b>CBAI (Current: 92.3)</b>			
	1 month	3 month	1 year
Historical (ago)	94.3	92.2	100.2
Forecast (ahead)	91.2	95.5	-

**Chicago Business Activity Index**

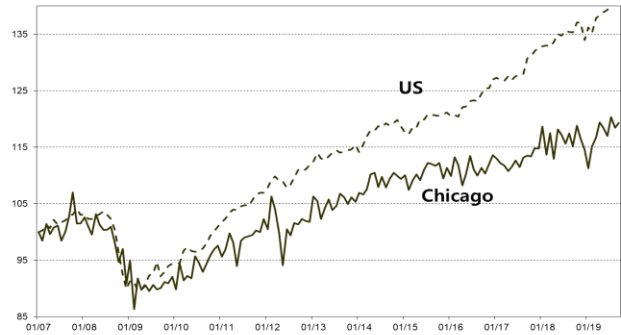


\* January 2007 = 100

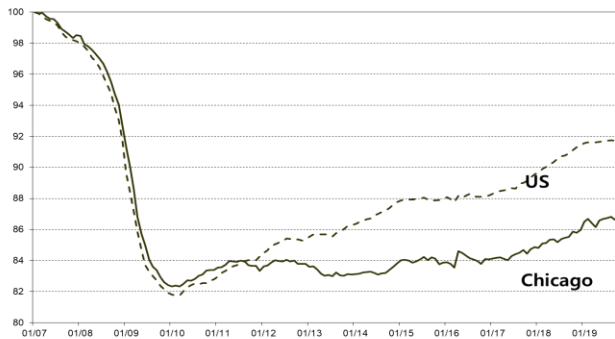
**Chicago Fed National Activity Index(CFNAI-MA3)**



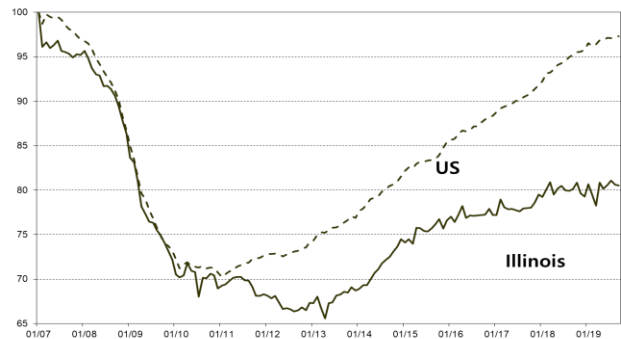
**Retail Sales**



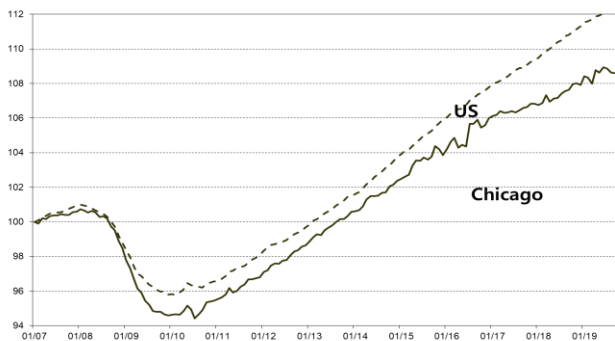
**Manufacturing Employment**



**Construction Employment**



**Non-manufacturing Employment**



**Economic Activity: Summary**

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	0.90	0.01	-0.04	1.27	-0.05	-0.22
NMfgn	1.56	0.41	0.13	0.91	-0.31	-0.03
Cons	2.22	0.20	0.15	0.54	-0.02	-0.10
Retail	3.86	0.90	-0.49	3.57	2.00	0.70

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.