

CHICAGO BUSINESS ACTIVITY INDEX – June 2020

CBAI increased in April

The Chicago Business Activity Index (CBAI) increased to 113.6 in April from 89.2 in March. The increase is mainly attributed to an improvement in retail sales, but it still shows a strong negative manufacturing, nonmanufacturing and construction job growth.

In April, total industrial production fell 11.2 percent for its largest monthly drop in the 101-year history of the index, as the COVID-19 pandemic led many factories to slow or suspend operations throughout the month. Manufacturing output dropped 13.7 percent, its largest decline on record. At 92.6 percent of its 2012 average, the level of total industrial production was 15.0 percent lower in April than it was a year earlier. Capacity utilization for the industrial sector decreased 8.3 percentage points to 64.9 percent in April, a rate that is 14.9 percentage points below its long-run (1972–2019) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved down to -17.89 in April from -4.67 in March. In the Chicago region, employment in the manufacturing sector decreased 7.55 percent and employment in the nonmanufacturing sector decreased 11.41 percent in April. Employment in the construction sector decreased 9.06 percent and retail sales are estimated to have increased 9.18 percent during the same period.

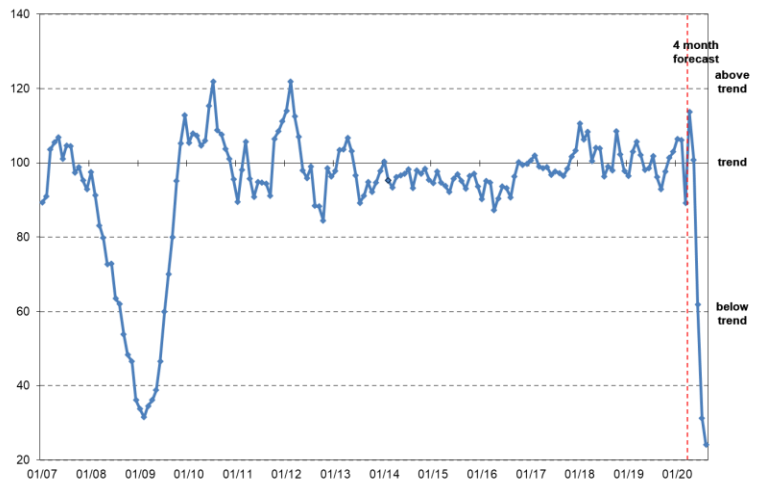
Total nonfarm payroll employment rose by 2.5 million in May, and the unemployment rate declined to 13.3 percent. A limited resumption of economic activity that had been curtailed in March and April is expected in the coming months.

Chicago Business Activity Index

Release Date:
June 18, 2020

Next Release Date:
July 18, 2020

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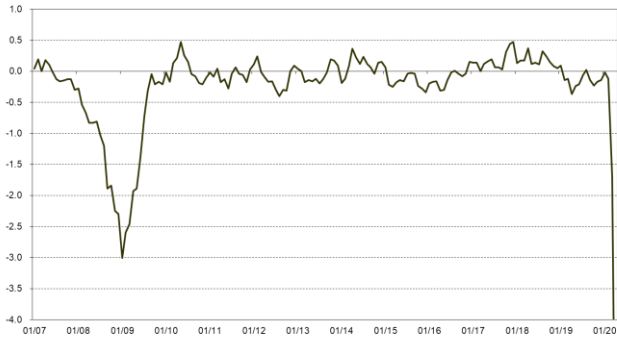


CBAI (Current: 113.6)			
	1 month	3 month	1 year
Historical (ago)	89.2	106.4	102.1
Forecast (ahead)	100.8	31.3	-

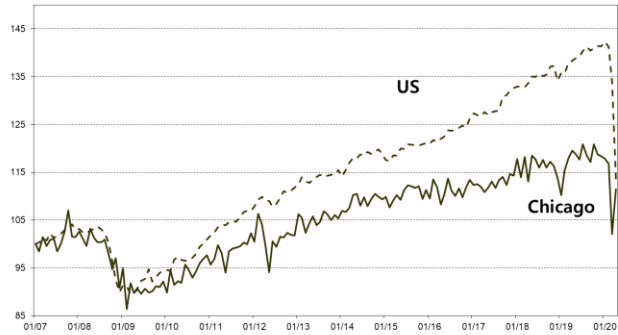
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* January 2007 = 100

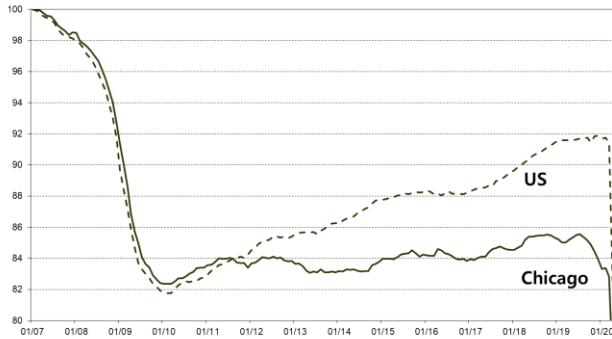
Chicago Fed National Activity Index(CFNAI-MA3)



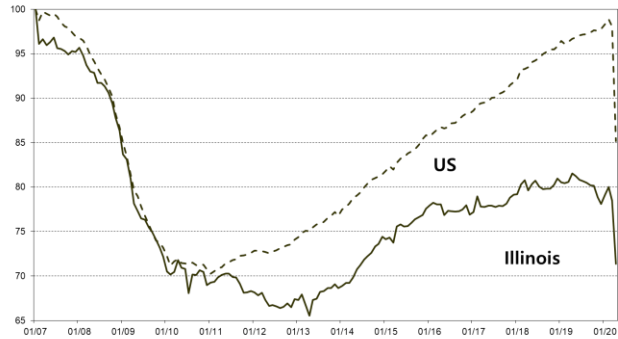
Retail Sales



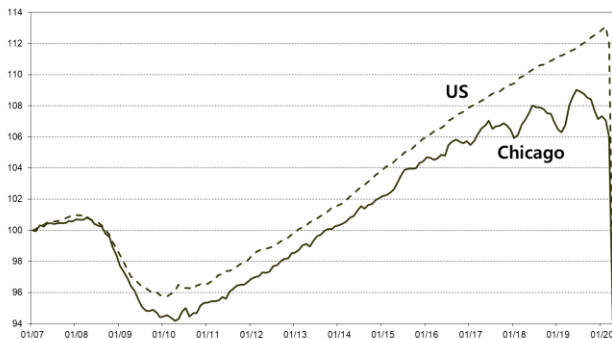
Manufacturing Employment



Construction Employment



Non-manufacturing Employment



Economic Activity: Summary

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	-10.50	-10.60	-10.34	-10.12	-8.08	-7.55
NMfgn	-13.61	-14.67	-14.00	-13.03	-12.49	-11.41
Cons	-11.92	-13.35	-13.14	-12.49	-9.77	-9.06
Retail	-17.83	-20.16	-15.08	-6.77	-5.41	9.18

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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