

CHICAGO BUSINESS ACTIVITY INDEX – September 2020

CBAI decreased in July

The Chicago Business Activity Index (CBAI) decreased to 33.7 in July from 54.9 in June. The decrease is mainly attributed to negative manufacturing, and construction job growth and a decline in retail sales. In July, total industrial production rose 3.0 percent after increasing 5.7 percent in June. Even so, the index in July was 8.4 percent below its pre-pandemic level in February. Manufacturing output climbed 3.4 percent in July, though the increases were much smaller in magnitude than the advances recorded in June. At 100.2 percent of its 2012 average, the level of total industrial production was 8.2 percent lower in July than it was a year earlier. Capacity utilization for the industrial sector increased 2.1 percentage points to 70.6 percent in July, a rate that is 9.2 percentage points below its long-run (1972–2019) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved down to 1.18 in July from 5.33 in June. In the Chicago region, employment in the manufacturing sector decreased 0.58 percent and employment in the nonmanufacturing sector increased 1.22 percent in July. Employment in the construction sector decreased 0.30 percent and retail sales are estimated to have decreased 6.44 percent during the same period. Total nonfarm payroll employment rose by 1.4 million in August, and the unemployment rate fell to 8.4 percent. A limited resumption of economic activity that had been curtailed is expected in the coming months.

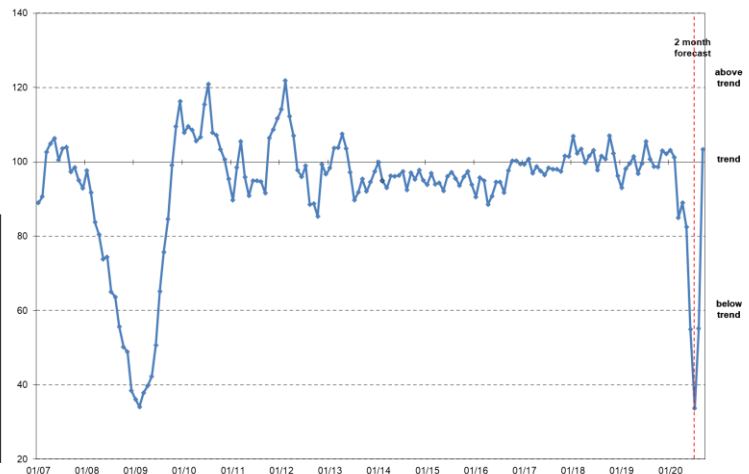
Chicago Business Activity Index

Release Date:
September 18, 2020

Next Release Date:
October 18, 2020

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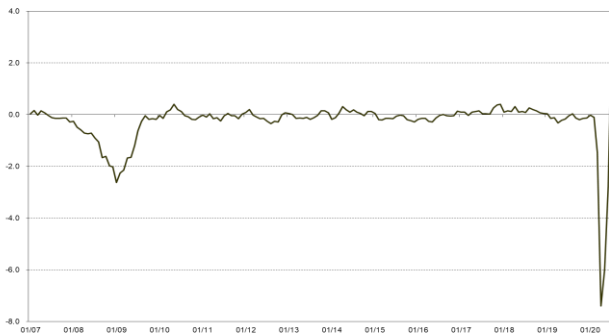
CBAI (Current: 33.7)			
	1 month	3 month	1 year
Historical (ago)	54.9	89.0	105.5
Forecast (ahead)	55.2	85.5	-



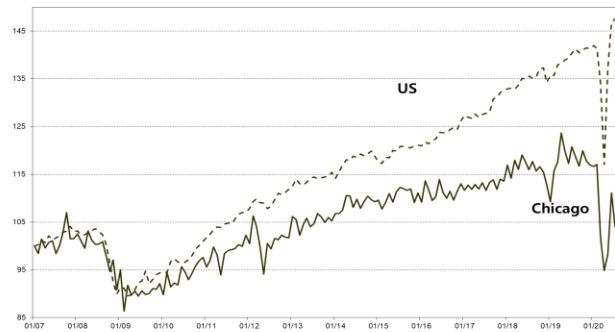
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* January 2007 = 100

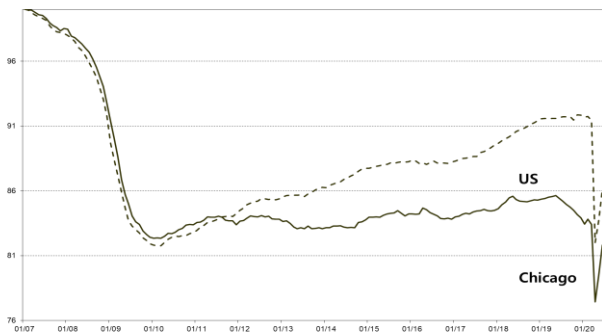
Chicago Fed National Activity Index(CFNAI-MA3)



Retail Sales



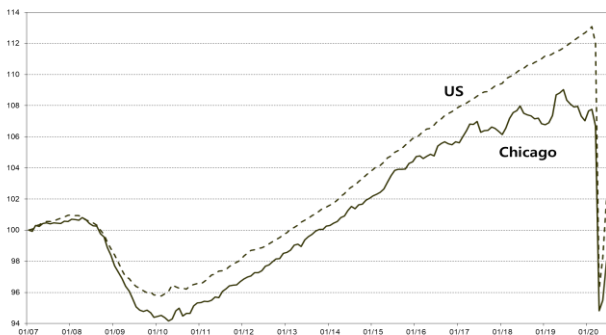
Manufacturing Employment



Construction Employment



Non-manufacturing Employment



Economic Activity: Summary

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	-5.78	5.34	0.34	-4.55	5.03	-0.58
NMfgn	-7.72	7.26	1.35	-8.54	4.50	1.22
Cons	-4.08	9.79	0.38	-5.45	7.55	-0.30
Retail	5.10	26.03	0.53	-13.91	9.59	-6.44

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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