

CHICAGO BUSINESS ACTIVITY INDEX – January 2021

CBAI decreased in November

The Chicago Business Activity Index (CBAI) decreased to 79.0 in November from 105.3 in October. The decrease is mainly attributed to negative manufacturing and nonmanufacturing job growth.

In November, total industrial production rose 0.4 percent, and the level of the index has risen to about 5 percent below its pre-pandemic reading. Manufacturing output increased 0.8 percent, but at 104.0 percent of its 2012 average, total industrial production was 5.5 percent lower than it was a year earlier. Capacity utilization for the industrial sector increased 0.3 percentage point to 73.3 percent, a rate that is 6.5 percentage points below its long-run (1972–2019) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved down to 0.27 in November from 1.01 in October. In the Chicago region, employment in the manufacturing sector decreased 0.70 percent and employment in the nonmanufacturing sector also decreased 0.64 percent in November. Employment in the construction sector increased 0.33 percent and retail sales are estimated to have increased 1.01 percent during the same period.

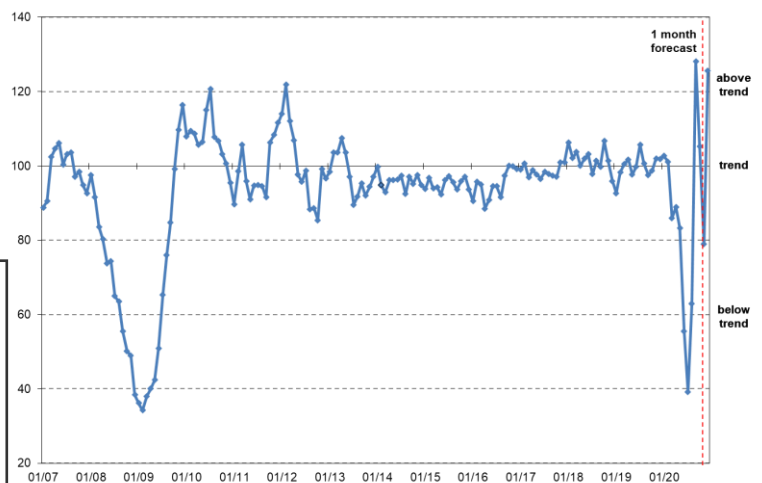
Total nonfarm payroll employment declined by 140,000 in December, and the unemployment rate was unchanged at 6.7 percent. A limited resumption of economic activity that had been curtailed is expected in the coming months.

Chicago Business Activity Index

Release Date:
January 18, 2021

Next Release Date:
February 18, 2021

Visit our web-site at www.real.illinois.edu

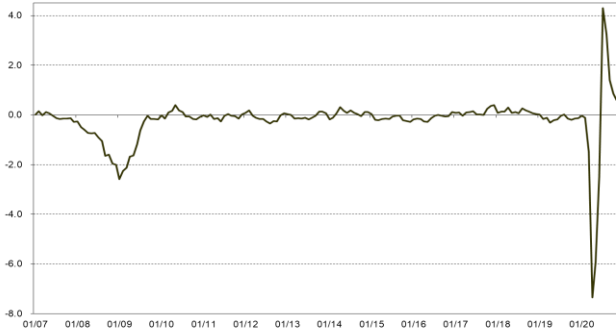


CBAI (Current: 79.0)			
	1 month	3 month	1 year
Historical (ago)	105.3	62.9	102.0
Forecast (ahead)	125.6	135.7	-

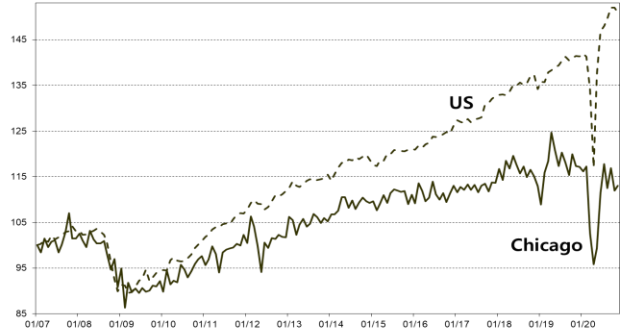
REGIONAL | ECONOMICS | APPLICATIONS | LABORATORY

* January 2007 = 100

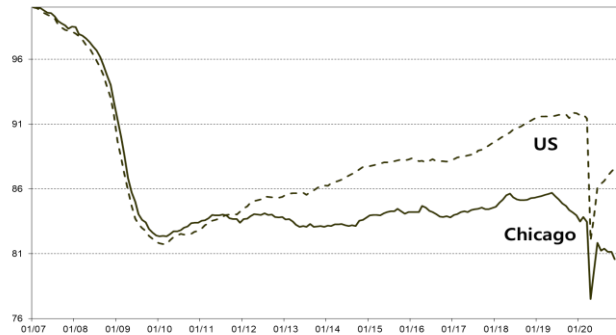
Chicago Fed National Activity Index(CFNAI-MA3)



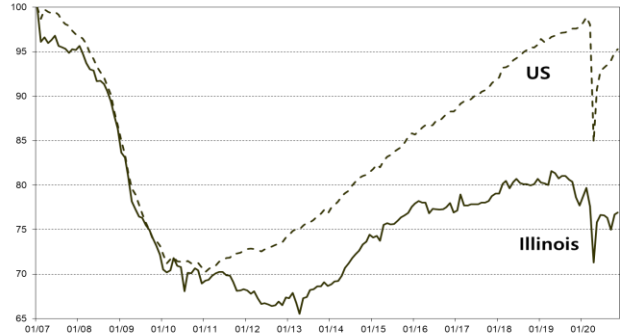
Retail Sales



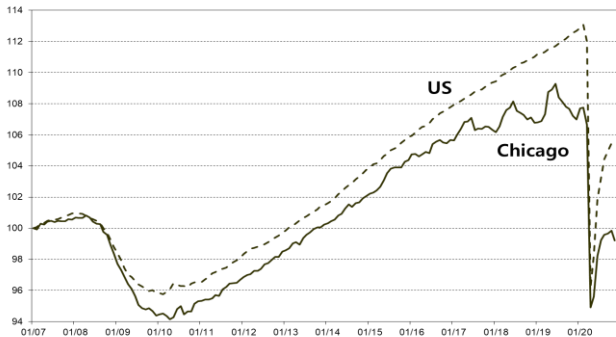
Manufacturing Employment



Construction Employment



Non-manufacturing Employment



Economic Activity: Summary

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	-4.64	1.14	0.29	-4.26	-0.98	-0.70
NMfgn	-6.08	1.21	0.23	-7.47	-0.36	-0.64
Cons	-2.35	1.88	0.40	-2.12	0.85	0.33
Retail	6.66	0.88	-0.76	-3.64	0.49	1.01

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.

REGIONAL | ECONOMICS | APPLICATIONS | LABORATORY

For more information, please contact:
 Youngwook Jung, Research Assistant
yj10@illinois.edu

University of Illinois at Urbana-Champaign
 67 Mumford Hall, 1301 West Gregory Drive
 Urbana, IL 61801; www.real.illinois.edu