

CHICAGO BUSINESS ACTIVITY INDEX – March 2021

CBAI decreased in January

The Chicago Business Activity Index (CBAI) decreased to 66.7 in January from 120.2 in December. The decrease is mainly attributed to negative manufacturing, nonmanufacturing and construction job growth, and a sharp decline in expected retail sales.

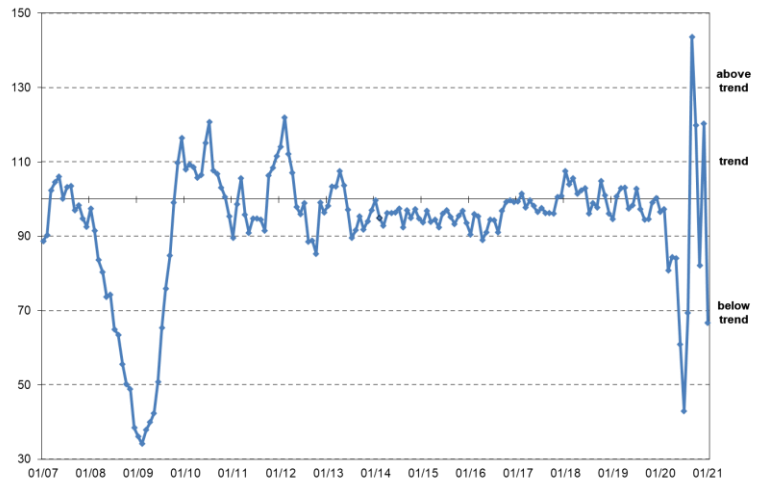
In January, total industrial production rose 0.9 percent. Manufacturing output increased 1.0 percent, but at 107.2 percent of its 2012 average, total industrial production was 1.8 percent lower than it was a year earlier. Capacity utilization for the industrial sector increased 0.7 percentage point to 75.6 percent, a rate that is 4.0 percentage points below its long-run (1972–2020) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved up to 0.75 in January from 0.28 in December. In the Chicago region, employment in the manufacturing sector decreased 0.68 percent and employment in the nonmanufacturing sector decreased 0.06 percent in January. Employment in the construction sector decreased 0.76 percent and retail sales are estimated to have decreased 1.18 percent during the same period. Total nonfarm payroll employment increased by 379,000 in February, and the unemployment rate was changed little at 6.2 percent. Although industrial production is slowly rebounding, employment has yet to fully escape from the COVID-19 shock. However, employment indicators are gradually improving nationwide, and the Chicago area is also expected to show signs of gradual recovery.

Chicago Business Activity Index

Release Date:
March, 18, 2021

Next Release Date:
April 18, 2021

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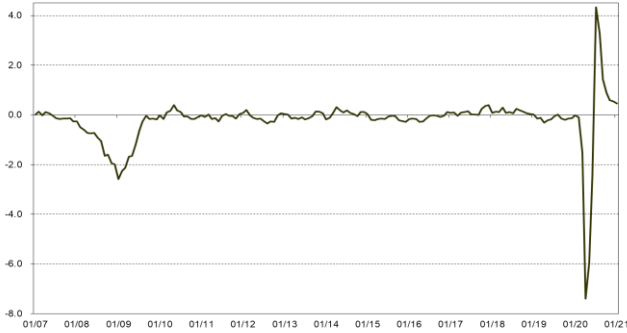


CBAI (Current: 66.7)			
	1 month	3 month	1 year
Historical (ago)	120.2	119.9	96.5
Forecast (ahead)	139.8	82.5	-

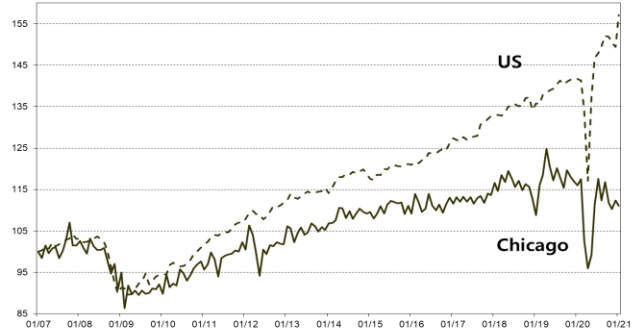
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* January 2007 = 100

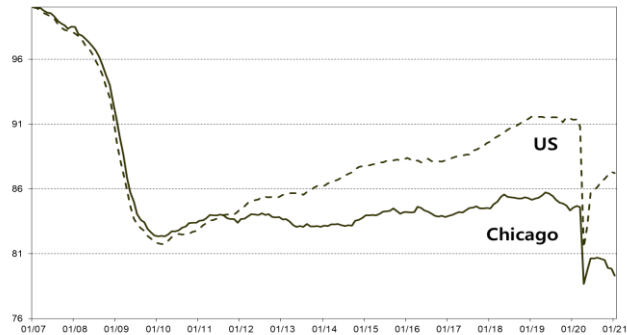
Chicago Fed National Activity Index(CFNAI-MA3)



Retail Sales



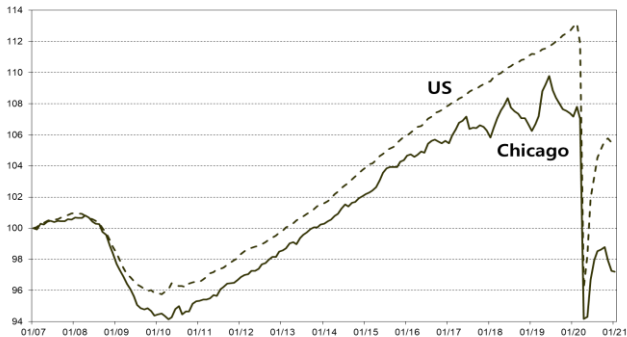
Manufacturing Employment



Construction Employment



Non-manufacturing Employment



Economic Activity: Summary

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	-4.49	0.51	-0.11	-6.21	-1.49	-0.68
NMfgn	-6.45	0.05	0.14	-9.31	-1.61	-0.06
Cons	-2.81	0.98	0.01	-6.13	-1.30	-0.76
Retail	10.83	3.41	5.12	-4.28	-0.58	-1.18

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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