

**CHICAGO BUSINESS ACTIVITY INDEX**

**CBAI increased in March**

The Chicago Business Activity Index (CBAI) was 107.3 in March, an increase from the value of 100.7 recorded in February. The increase in March could be attributed mainly to the increase of non-manufacturing employment and construction activities in the Chicago region.

In March, the national and regional economy presented favorable features. The Federal Reserve Board announced that industrial production increased 0.8 percent in March. The capacity utilization for total industry rose 0.5 percentage point to 77.4 percent. In addition, national retail sales increased 0.85 percent in March. The number of unemployed persons (13.5 million) and the unemployment rate (8.8 percent) changed little in March.

The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) increased to 0.26 in March, from 0.16 in February. Meanwhile, the Chicago Fed Midwest Manufacturing Index (CFMMI) increased 1.92 percent in March, after a 1.34 percent increase in February. In the Chicago region in March, manufacturing employment increased 0.08 percent while non-manufacturing employment increased 0.18 percent and construction employment increased by 1.25 percent. Regional retail sales are estimated to have decreased 0.3 percent in March.

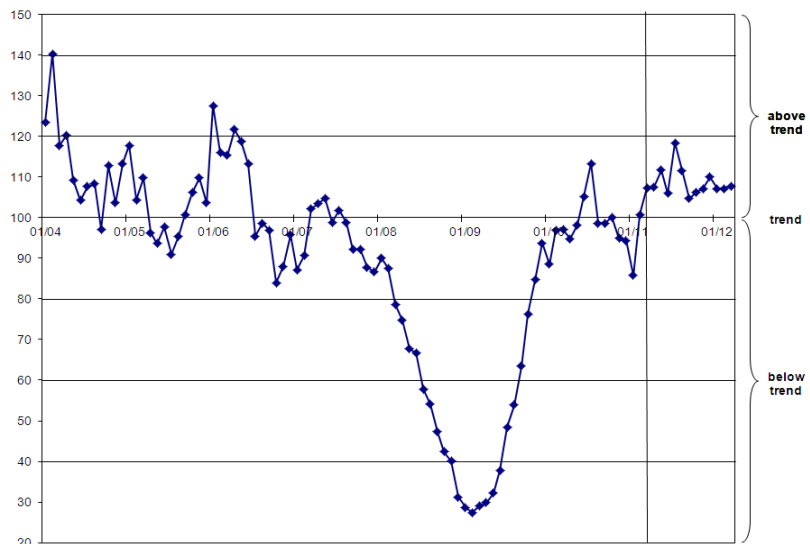
In the coming months, the national economy is likely to maintain its recovery trend. The Bureau of Labor Statistics reported total nonfarm payroll employment increased by 216,000 in March. Job gains occurred in several service-providing industries and in mining, and manufacturing employment continued to trend up. For the local economy, considering recent national economic conditions and movements of projected CBAI, the Chicago economy is expected to continue its modest improving trend over the next several months.

**Chicago Business Activity Index**

*Release Date:*  
May 17, 2011

*Next Release Date:*  
June 17, 2011

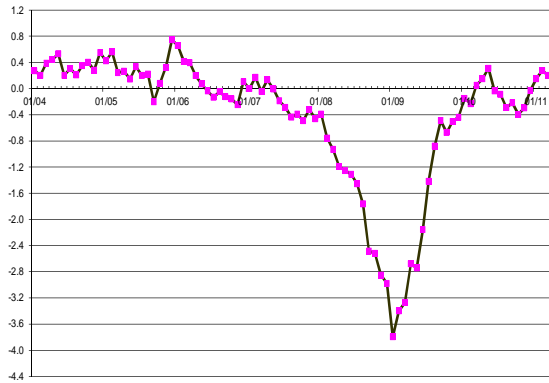
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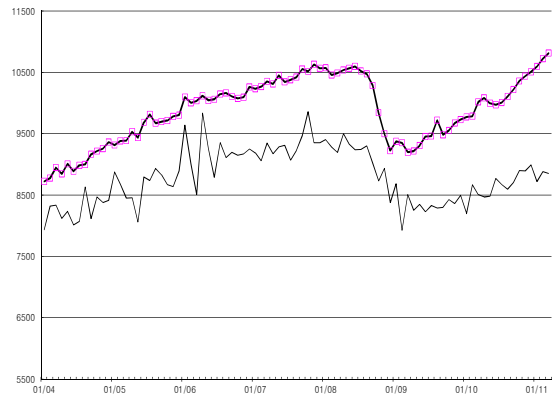
<b>CBAI</b> (Current: 107.3)			
	1 month	3 month	1 year
Historical (ago)	100.7	94.4	97.1
Forecast (ahead)	107.6	106.0	107.7

# Chicago Business Activity Index

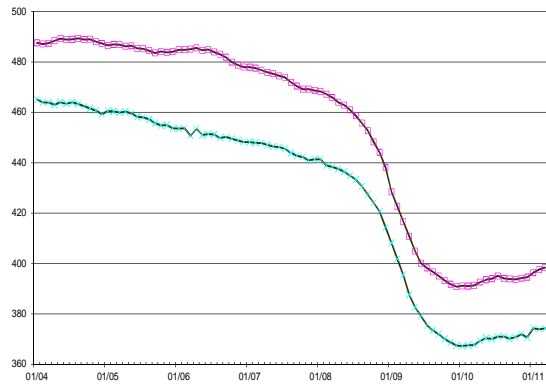
Chicago Fed National Activity Index (CFNAI-MA3)



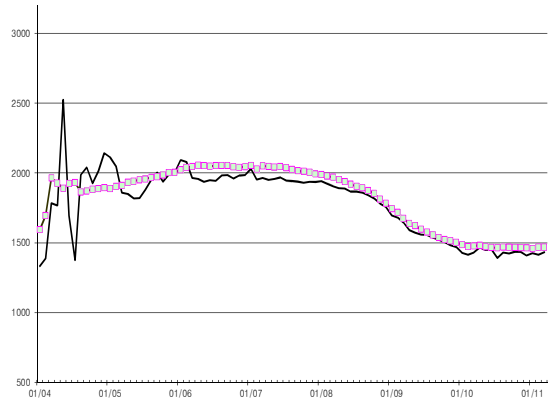
Chicago & National Retail Sales



Chicago & National Manufacturing Employment

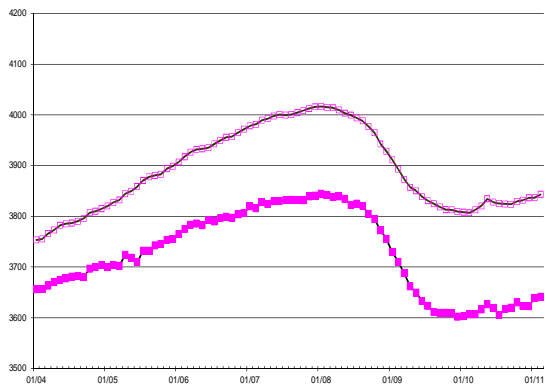


Illinois & National Construction



\* Black lines show Chicago indicators.

Chicago & National Non-manufacturing Employment



## Economic Activity: Summary

Percentage change compared to the previous period

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	1.80	0.97	0.19	1.77	0.94	0.08
NMfgn	0.97	0.35	0.17	1.14	0.70	0.18
Cons	-0.56	0.38	0.04	0.05	1.65	1.25
Retail	7.93	2.91	0.85	4.09	-1.52	-0.30

Note: All series are seasonally adjusted.

National indicators are rescaled for comparison.

The Chicago Business Activity Index (CBAI) is a monthly statistic that measures the changes in the business cycle status of the six-county Chicago region. 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

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