

**CHICAGO BUSINESS ACTIVITY INDEX**

**CBAI decreased in April**

The Chicago Business Activity Index (CBAI) was 104.4 in April, down from 105.5 in March. The decline is attributed mainly to the decrease of construction employment and the weakened retail sector in the Chicago region.

In April, the national and regional economy presented mixed features. The Federal Reserve Board announced that total industrial output rose 1.1% in April after having fallen 0.6% in March. Capacity utilization in industry increased to 79.2% from 78.4% in the past month. The nation’s unemployment rate was little changed at 8.1% in April. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) rose to +0.11 in April from -0.44 in March mainly due to a positive contribution of the production and income categories. In the Chicago region, manufacturing output, measured by the Chicago Fed Midwest Manufacturing Index (CFMMI), increased 2.4% and was mainly attributed by a rise in auto sector production. However, construction employment fell 0.34% and retail sales are estimated to have fallen 0.24% in April. Meanwhile, employment in manufacturing was little changed and non-manufacturing employment increased 0.12% in April

In the coming months, the national economy is likely to continue its weak recovery trend. The Bureau of Labor Statistics reported total nonfarm payroll employment changed little in May (+69,000), and the unemployment rate was essentially unchanged at 8.2%. The CFNAI-MA3 suggests subdued inflationary pressure from economic activity over the coming year. Considering recent national economic conditions and movements of projected CBAI, the Chicago economy is expected to continue its weak economic activity over the next several months.

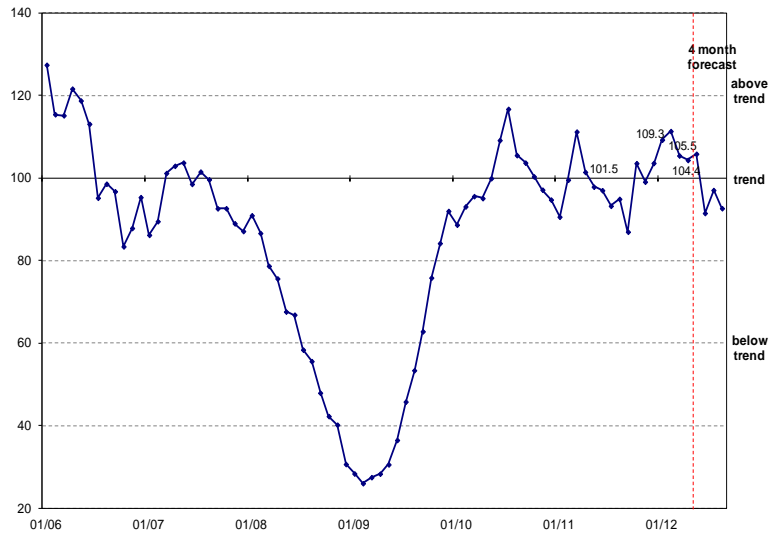
*Release Date:*  
June 18, 2012

*Next Release Date:*  
July 18, 2012

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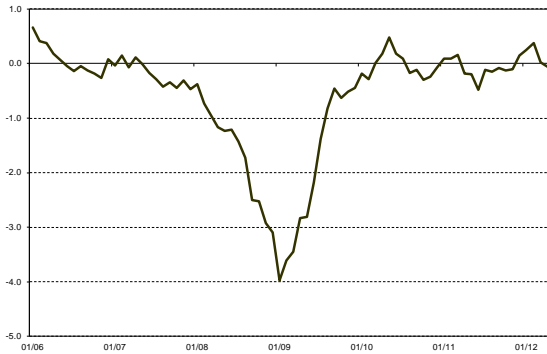
<b>CBAI</b> (Current: 104.4)			
	1 month	3 month	1 year
Historical (ago)	105.5	109.3	101.5
Forecast (ahead)	105.9	97.1	-

**Chicago Business Activity Index**

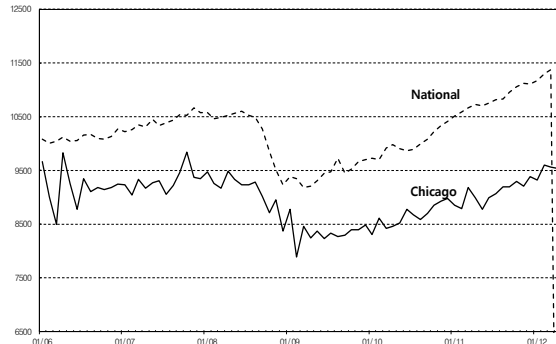


# Chicago Business Activity Index

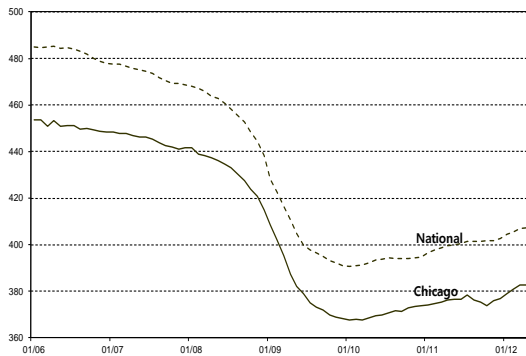
\* National indicators are rescaled for comparison.  
**Chicago Fed National Activity Index (CFNAI-MA3)**



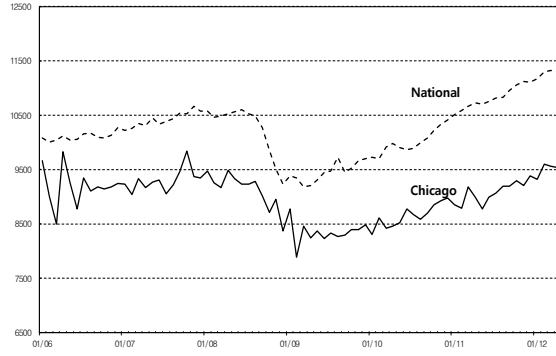
**Chicago & National Retail Sales**



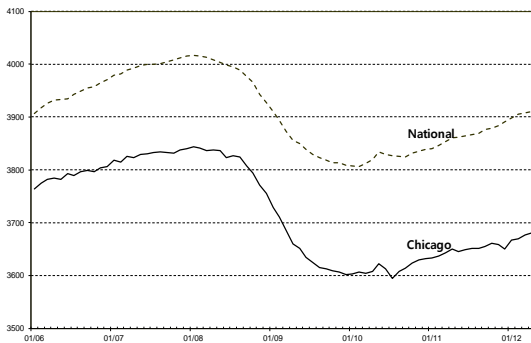
**Chicago & National Manufacturing Employment**



**Chicago & National Retail Sales**



**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	1.90	0.68	0.08	1.71	0.96	-0.01
NMfgn	1.29	0.33	0.06	0.82	0.36	0.12
Cons	0.89	-0.36	-0.09	-4.87	-0.14	-0.34
Retail	5.33	1.06	-0.31	6.08	2.38	-0.24

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 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.

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