

CHICAGO BUSINESS ACTIVITY INDEX

CBAI increased in April

The Chicago Business Activity Index (CBAI) increased to 97.3 in April from 92.3 in March. The rise is attributed to the increase in non-manufacturing employment and improved activities in retail sector in the Chicago region.

In April, the national and regional economy shared mixed features. The Federal Reserve Board announced that total industrial (manufacturing) production decreased 0.5% (0.4%) in April and that capacity utilization in all industry (manufacturing) recorded 77.8% (75.9%) in April, down from 78.3% (76.3%) in the previous month. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) decreased to -0.53 in April from -0.23 in March due to negative contributions of production, sales, and consumption. Midwest manufacturing output measured by the Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 0.5% in April. In the Chicago region, compared with the previous month, employment in non-manufacturing increased 0.06% while employment in manufacturing and construction decreased 0.45% and 2.89% respectively in April. Retail sales are estimated to have risen 2.14% in April.

In the coming months, the national economy is likely to maintain its recovery trend. The economic growth reflected in the CFNAI-MA3 suggests that national economic activity was near its historical trend. The Bureau of Labor Statistics reported that total nonfarm payroll employment rose by 175,000 in May, and the unemployment rate was unchanged at 7.6%. 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.

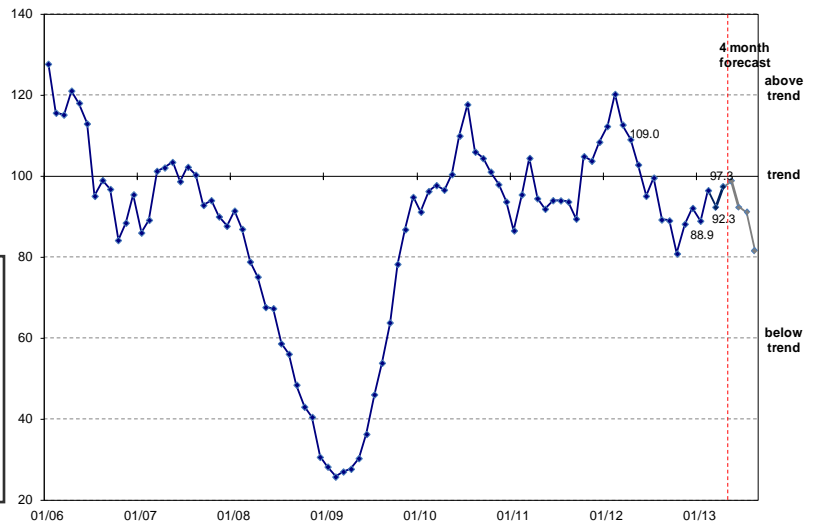
Chicago Business Activity Index

Release Date:
June 18, 2013

Next Release Date:
July 18, 2013

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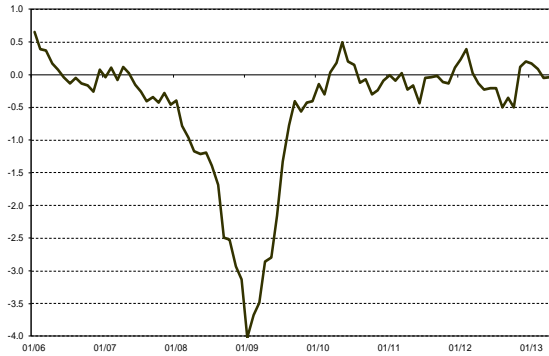
CBAI (Current: 97.3)			
	1 month	3 month	1 year
Historical (ago)	92.3	88.9	109.0
Forecast (ahead)	98.7	91.0	-



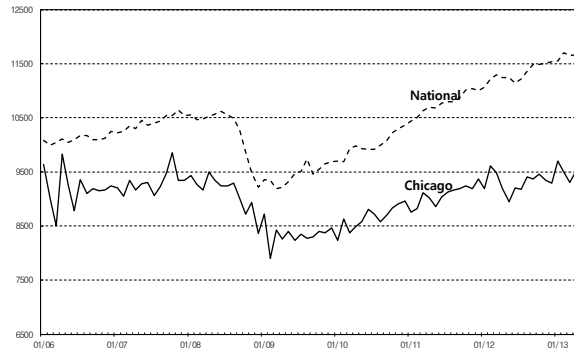
Chicago Business Activity Index

* National indicators are rescaled for comparison.

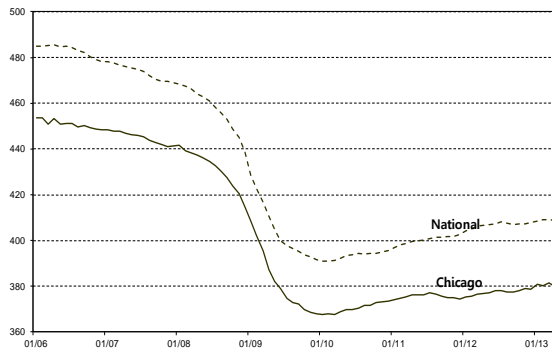
Chicago Fed National Activity Index (CFNAI-MA3)



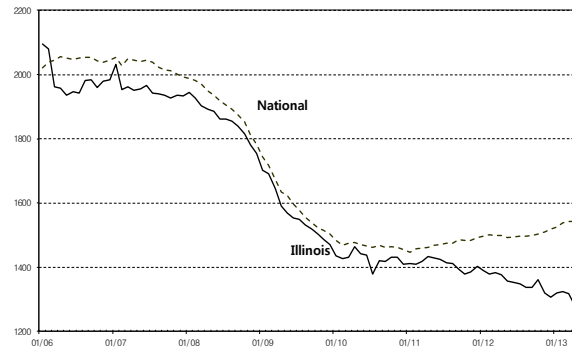
Chicago & National Retail Sales



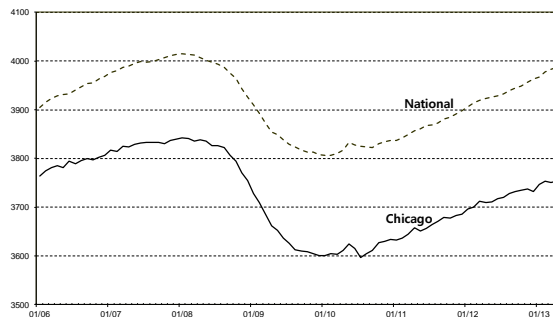
Chicago & National Manufacturing Employment



Illinois & National Construction



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	0.46	0.08	-0.08	0.77	-0.24	-0.45
NMfgn	1.65	0.50	0.13	1.17	0.17	0.06
Cons	2.86	1.08	-0.03	-7.10	-2.99	-2.89
Retail	3.73	0.93	0.10	3.46	-1.92	2.14

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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