

CHICAGO BUSINESS ACTIVITY INDEX

CBAI increased in September

The Chicago Business Activity Index (CBAI) increased to 97.8 in September from 91.8 in August. The rise is attributed to the increase in the Chicago area employment in manufacturing and nonmanufacturing sectors.

In September, the national and regional economy shared positive features. The Federal Reserve Board announced that total industrial production index advanced 0.7 percent in September to 100.1 after having increased in August by 0.5 percent. Capacity utilization for all industry rose 0.4 percentage point in September to 78.3 percent. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) increased to +0.14 in September from +0.13 in August due to positive contributions from production, employment and sales. In the Chicago region, the employment in manufacturing and nonmanufacturing rose 0.09 percent and 0.04 percent in September, respectively while construction employment was unchanged. Retail sales are estimated to have fallen 0.36% in September.

In the coming months, the national economy is likely to maintain its modest recovery trend. The economic growth reflected in the CFNAI-MA3 suggests that national economic activity was slightly below its historical trend. The Bureau of Labor Statistics reported that total nonfarm payroll employment rose by 204,000 in October, and the unemployment rate was little changed at 7.3%. 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.

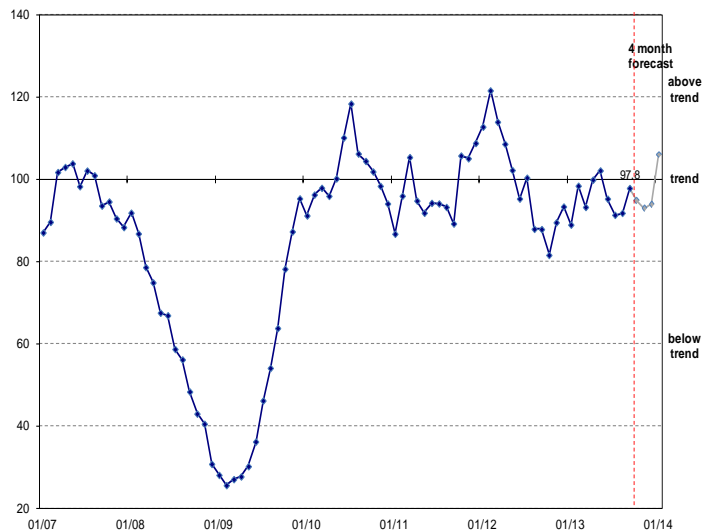
Chicago Business Activity Index

Release Date:
November 22, 2013

Next Release Date:
December 18, 2013

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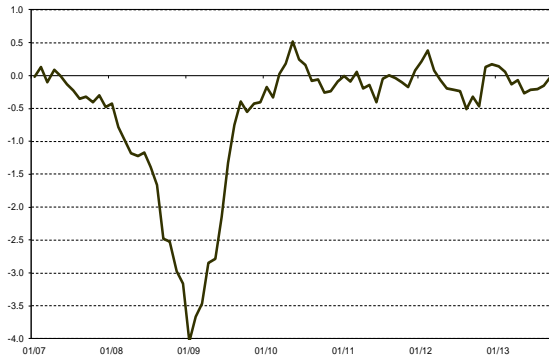
CBAI (Current: 97.8)			
	1 month	3 month	1 year
Historical (ago)	91.8	95.2	87.8
Forecast (ahead)	94.7	93.9	-



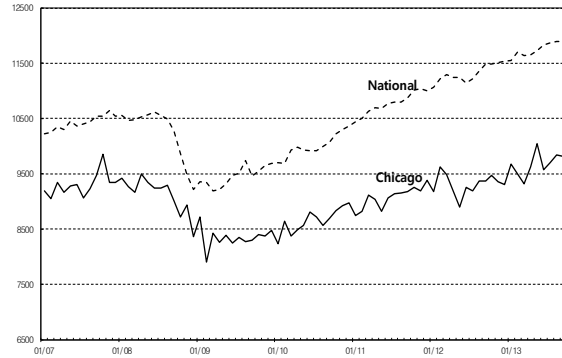
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* National indicators are rescaled for comparison.

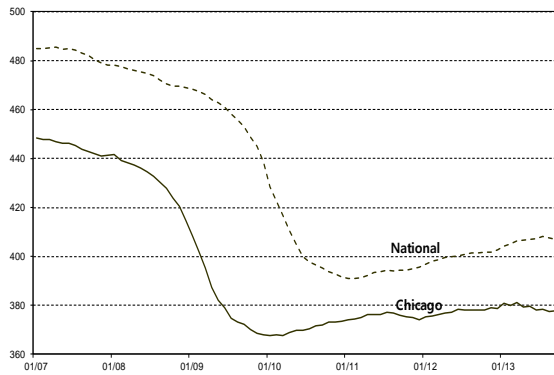
Chicago Fed National Activity Index (CFNAI-MA3)



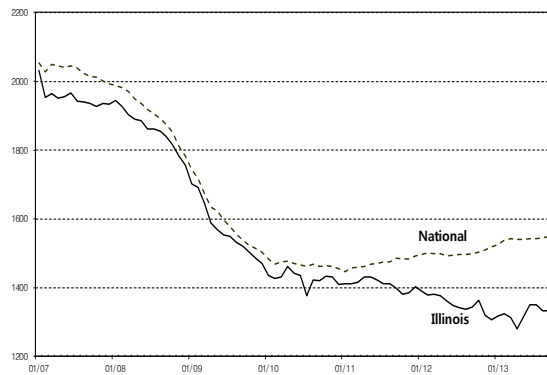
Chicago & National Retail Sales



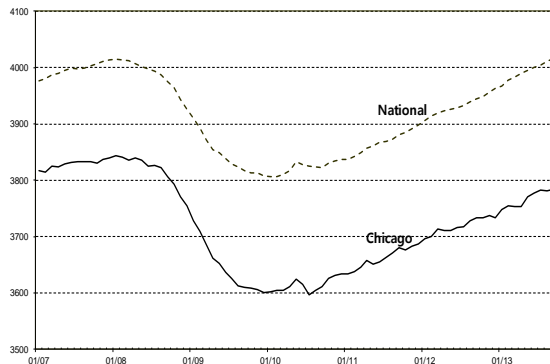
Chicago & National Manufacturing Employment



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	0.35	0.02	0.03	-0.08	-0.05	0.09
NMfgn	1.84	0.39	0.13	1.34	0.16	0.04
Cons	3.37	0.38	0.31	-0.80	-1.19	0.00
Retail	3.54	0.56	-0.02	4.70	2.45	-0.36

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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