

**CHICAGO BUSINESS ACTIVITY INDEX**

**CBAI increased in April**

The Chicago Business Activity Index (CBAI) increased to 97.2 in April from 94.8 in March. The rise is attributed to an increase in job growth in nonmanufacturing and construction sectors and improvement in retail activities in the Chicago area.

In April, the national and regional economies shared mixed features. The Federal Reserve Board announced that the industrial production index declined 0.6 percent in April after having risen 0.9 percent in March. Capacity utilization for the industrial sector decreased 0.7 percentage points in April to 78.6 following a gain of 0.5 percentage points in March. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) decreased to -0.32 in April from +0.34 in March, led by a fall in production- and consumption-related indicators. In the Chicago region, the employment in manufacturing fell 0.62 percent. Nonmanufacturing and construction employment increased 0.05 and 0.67 percent respectively in April. Retail sales are estimated to have risen 0.61 percent.

In the coming months, the national economy is likely to stay on the path to recovery. The economic growth reflected in the CFNAI-MA3 suggests that national economic activity was slightly above its historical trend. The Bureau of Labor Statistics reported that total nonfarm payroll employment rose by 217,000 in May, and the unemployment rate was unchanged at 6.3 percent. Considering recent national economic conditions and movements of projected CBAI, the Chicago economy is expected to continue its recovery trend over the next several months.

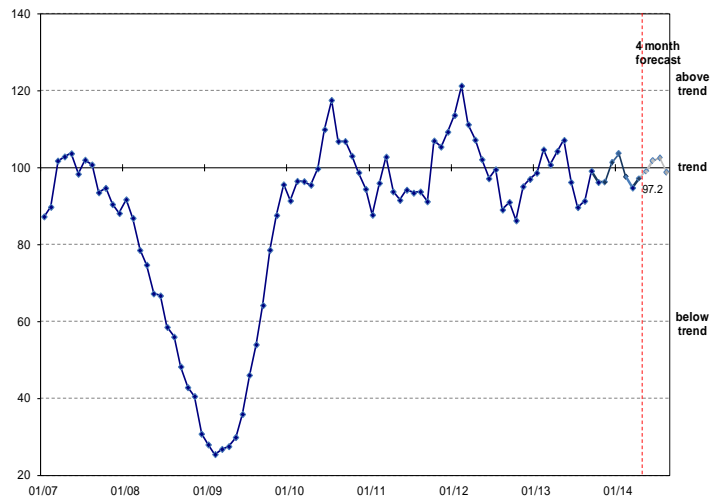
*Release Date:  
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*Next Release Date:  
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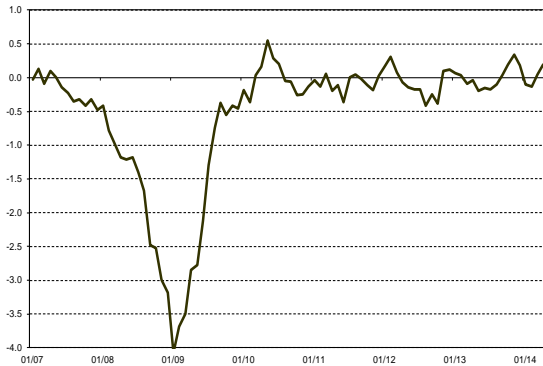
<b>CBAI</b> (Current: 97.2)			
	1 month	3 month	1 year
Historical (ago)	94.8	103.6	104.2
Forecast (ahead)	99.1	102.5	-

**Chicago Business Activity Index**

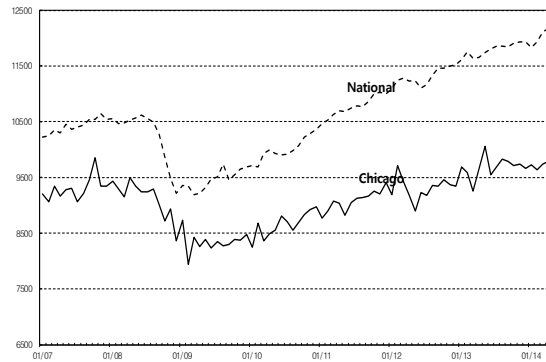


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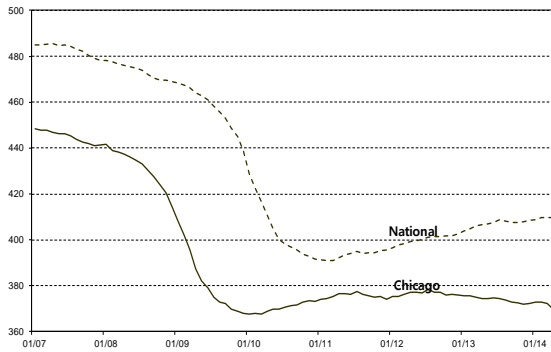
\* National indicators are rescaled for comparison  
**Chicago Fed National Activity Index (CFNAI-MA3)**



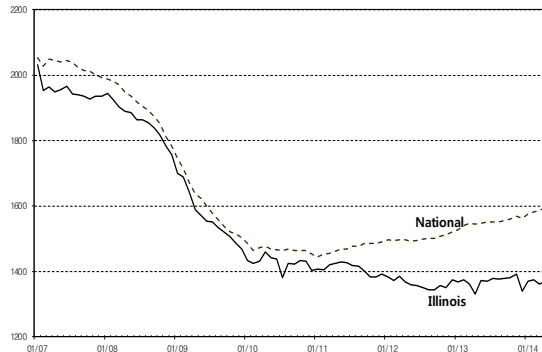
**Chicago & National Retail Sales**



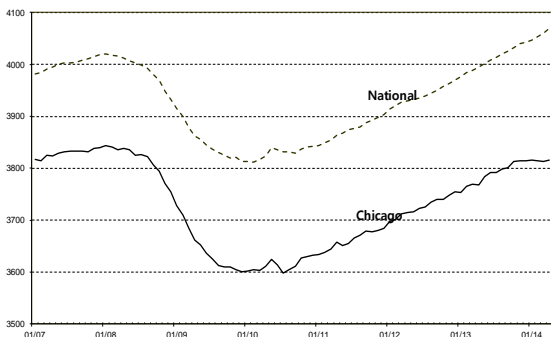
**Chicago & National Manufacturing Employment**



**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	0.73	0.23	0.03	-1.20	-0.81	-0.62
NMfgn	1.83	0.54	0.22	1.26	0.01	0.05
Cons	3.25	1.23	0.54	2.89	-0.06	0.67
Retail	4.55	2.96	0.59	1.70	0.68	0.61

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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