

CHICAGO BUSINESS ACTIVITY INDEX – APRIL 2015

CBAI decreased in April

The Chicago Business Activity Index (CBAI) decreased to 93.3 in April from 96.0 in March. The fall is attributed to negative job growth in the manufacturing and construction sectors and to a decline 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 decreased 0.3 percent in April after having fallen 0.3 percent in March. Capacity utilization for the industrial sector fell 0.4 percentage points to 78.2 in April. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved up to -0.15 in April from -0.36 in March, led by a rise in the employment-related indicator. In the Chicago region, employment in the manufacturing and construction sectors fell 0.03 percent and 0.81 percent, respectively, in April. Employment in the nonmanufacturing sector rose 0.04 percent in April. Retail sales are estimated to have declined 0.12 percent.

In the coming months, the national economy is likely to stay on the expansion phase. The economic growth reflected in the CFNAI-MA3 suggests that growth in national economic activity was somewhat below its historical trend. The Bureau of Labor Statistics reported that total nonfarm payroll employment rose by 280,000 and the unemployment rate was unchanged to 5.5 percent in May. 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.

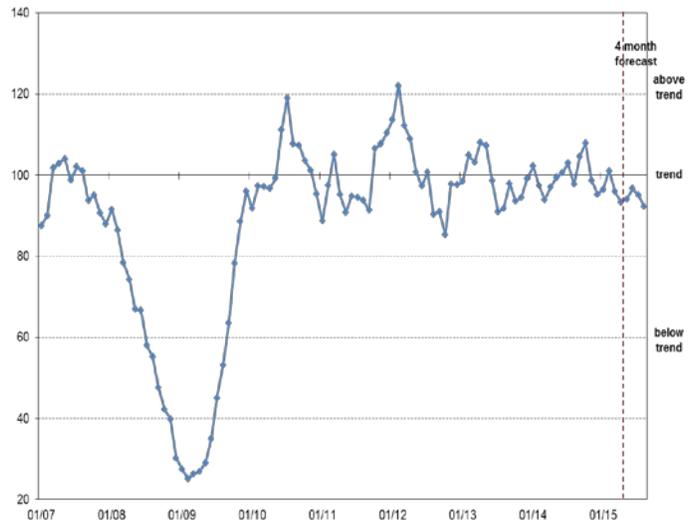
Release Date:
June 18, 2015

Next Release Date:
July 17, 2015

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CBAI (Current: 93.3)			
	1 month	3 month	1 year
Historical (ago)	96.0	96.5	97.1
Forecast (ahead)	94.1	95.1	-

Chicago Business Activity Index



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* National indicators are rescaled for comparison

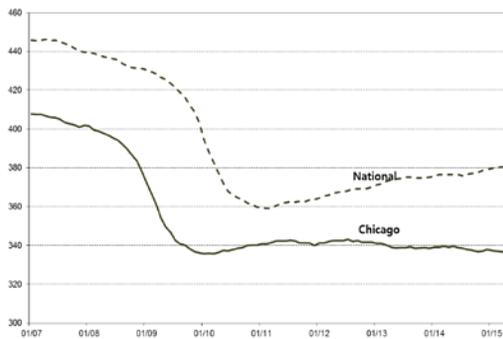
Chicago Fed National Activity Index (CFNAI-MA3)



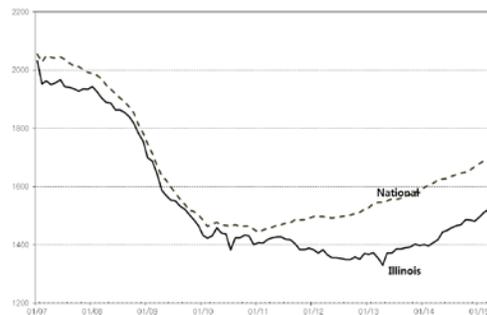
Chicago & National Retail Sales



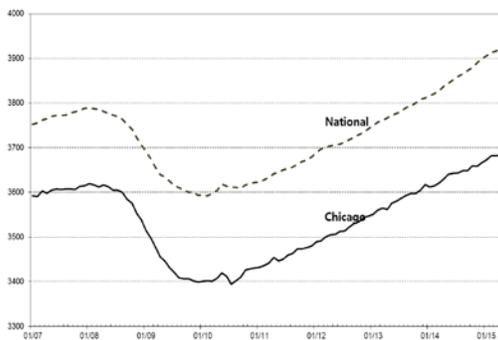
Chicago & National Manufacturing Employment



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	1.53	0.08	0.01	-0.74	-0.21	-0.03
NMfgn	2.24	0.46	0.17	1.50	0.31	0.04
Cons	4.37	0.85	0.55	6.35	0.85	-0.81
Retail	0.63	1.11	0.13	-0.91	-0.29	-0.12

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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For more information please contact:
Kijin Kim, Research Assistant
T. (217) 244-7226; kkim96@illinois.edu

University of Illinois
220 Davenport Hall, 607 S. Mathews Ave.
Urbana, IL 61801-3671; www.real.illinois.edu