

CHICAGO BUSINESS ACTIVITY INDEX – November 2020

CBAI increased in September

The Chicago Business Activity Index (CBAI) increased to 120.8 in September from 62.1 in August. The increase is mainly attributed to positive nonmanufacturing job growth.

In September, total industrial production fell 0.6 percent. Even if production has recovered more than half of its February to April decline, the index was still 7.1 percent below its pre-pandemic February level. At 101.5 percent of its 2012 average, total industrial production was 7.3 percent lower than it was a year earlier. Manufacturing output decreased 0.3 percent and was 6.4 percent below February’s level. Capacity utilization for the industrial sector decreased 0.5 percentage point to 71.5 percent, a rate that is 8.3 percentage points below its long-run (1972–2019) average. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) moved down to 0.27 in September from 1.11 in August. In the Chicago region, employment in the manufacturing sector decreased 0.33 percent and employment in the nonmanufacturing sector increased 0.10 percent in September. Employment in the construction sector decreased 2.23 percent and retail sales are estimated to have decreased 0.38 percent during the same period.

Total nonfarm payroll employment rose by 638,000 in October, and the unemployment rate declined to 6.9 percent. Even these improvements reflect the continued resumption of economic activity, a recent resurgence of COVID-19 become a risk that may hinder economic recovery.

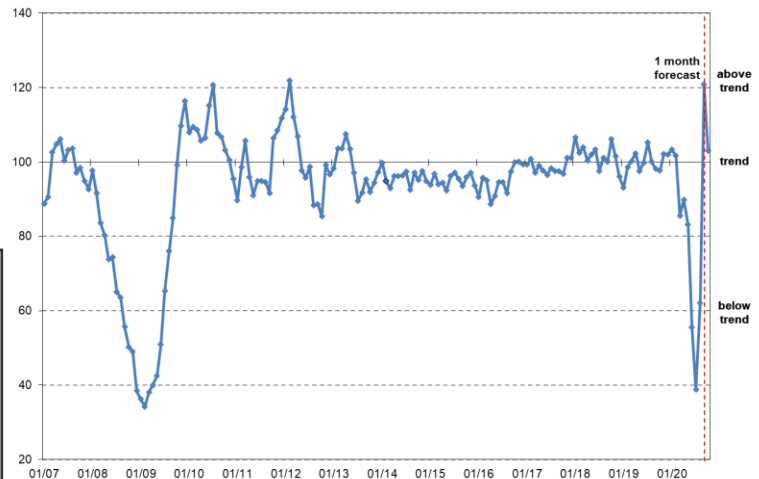
Chicago Business Activity Index

Release Date:
November 18, 2020

Next Release Date:
December 18, 2020

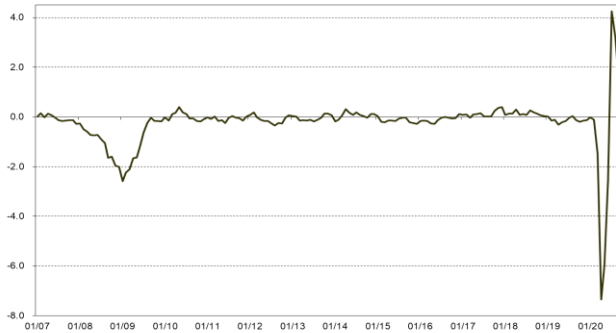
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CBAI (Current: 120.8)			
	1 month	3 month	1 year
Historical (ago)	62.1	55.5	98.1
Forecast (ahead)	103.0	115.9	-

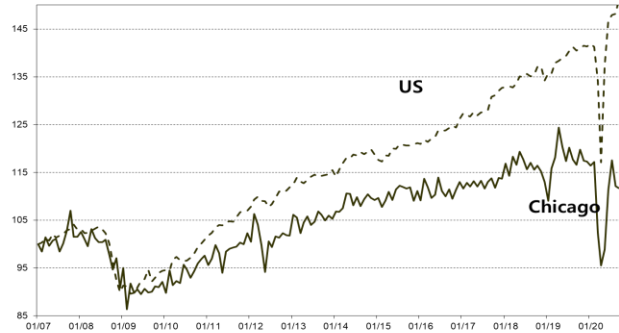


* January 2007 = 100

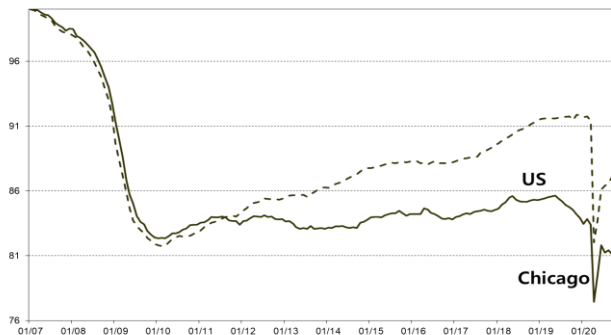
Chicago Fed National Activity Index(CFNAI-MA3)



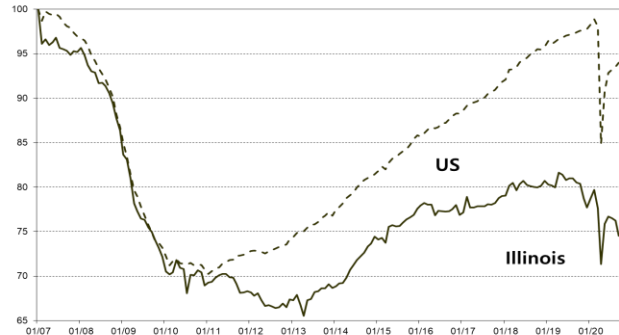
Retail Sales



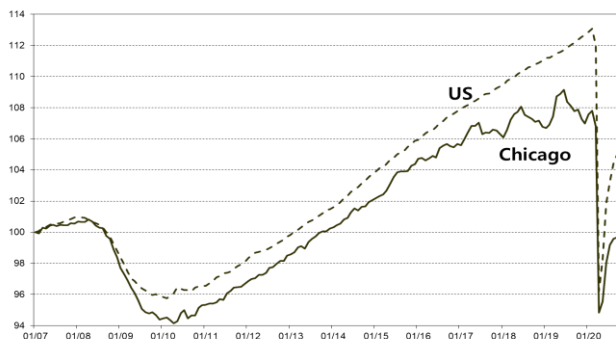
Manufacturing Employment



Construction Employment



Non-manufacturing Employment



Economic Activity: Summary

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	-5.12	1.09	0.49	-4.25	-0.79	-0.33
NMfgn	-6.48	3.02	0.47	-7.53	1.67	0.10
Cons	-3.50	1.26	0.48	-7.43	-2.83	-2.23
Retail	7.51	2.88	1.89	-4.21	0.37	-0.38

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 Chicago metropolitan area. 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.