

**CHICAGO BUSINESS ACTIVITY INDEX – OCTOBER 2015**

**CBAI increased in October**

The Chicago Business Activity Index (CBAI) increased to 100.7 in October from 96.1 in September. The rise is attributed to the job growth in the nonmanufacturing and construction sectors and to the improved retail activities in the Chicago area.

In October, the national and regional economies shared mixed features. The Federal Reserve Board announced that the industrial production index decreased 0.4 percent in October after having fallen 0.1 percent in September. Capacity utilization for the industrial sector fell 0.4 percentage point in October to 77.5 percent. The Chicago Fed reported that the Chicago Fed National Activity Index (CFNAI) rose to -0.04 in October from -0.29 in September, led by a rise in the production and employment-related indicators. In the Chicago region, employment in the manufacturing sector decreased 0.05 percent in October. Employment in the nonmanufacturing and construction sectors rose 0.44 percent and 0.99 percent, respectively, in October. Retail sales are estimated to have increased 0.46 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 is slightly below its historical trend. The Bureau of Labor Statistics reported that total nonfarm payroll employment increased by 211,000 and the unemployment rate was unchanged at 5.0 percent in November. 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.

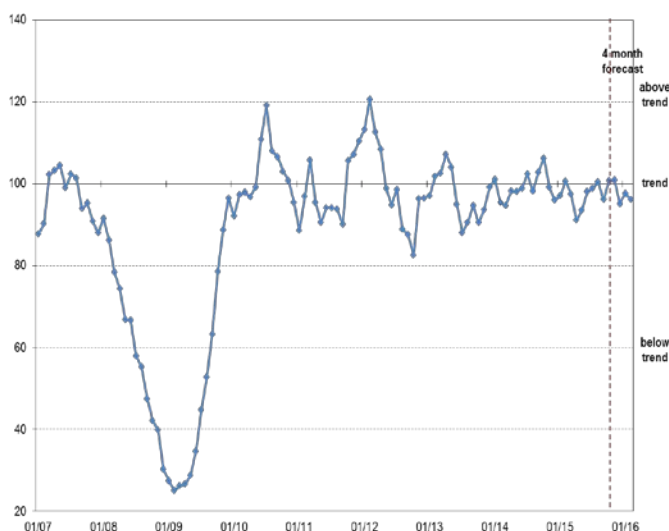
Release Date:  
*December 18, 2015*

Next Release Date:  
*January 18, 2016*

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<b>CBAI</b> (Current: 100.7)			
	1 month	3 month	1 year
Historical (ago)	96.1	98.7	106.3
Forecast (ahead)	100.8	97.6	-

**Chicago Business Activity Index**

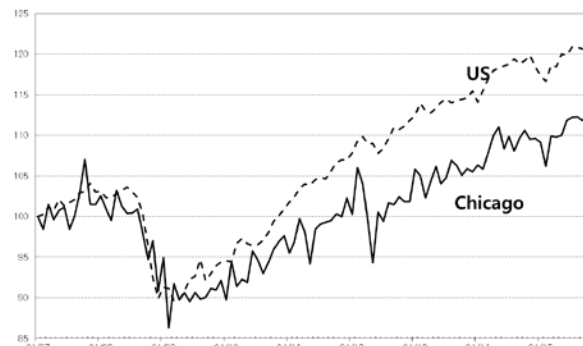


\* January 2007 = 100

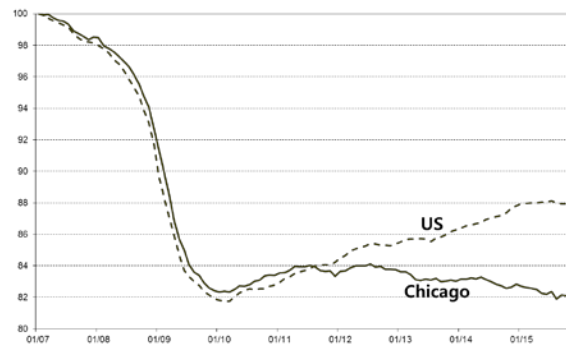
**Chicago Fed National Activity Index (CFNAI-MA3)**



**Retail Sales**



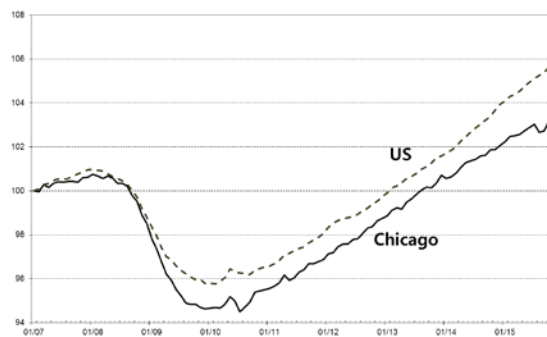
**Manufacturing Employment**



**Construction**



**Non-manufacturing Employment**



**Economic Activity: Summary**

Percentage change compared to the previous period

Months ago	National			Chicago		
	12	3	1	12	3	1
Mfgn	0.67	-0.21	0.01	-0.58	-0.32	-0.05
NMfgn	2.17	0.48	0.23	1.29	0.15	0.44
Cons	3.92	0.96	0.53	3.07	-0.01	0.99
Retail	1.25	-0.14	0.03	1.57	0.13	0.46

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.