Chicago Fed National Activity Index

Index suggests economic growth declined in May

The Chicago Fed National Activity Index (CFNAI) fell to +0.01 in May from +0.40 in April. Two of the four broad categories of indicators used to construct the index made negative contributions in May, and two categories deteriorated from April. The index’s three-month moving average, CFNAI-MA3, decreased to +0.20 in May from +0.40 in April.

The CFNAI Diffusion Index, which is also a three-month moving average, moved down to +0.27 in May from +0.39 in April. Forty-seven of the 85 individual indicators made positive contributions to the CFNAI in May, while 38 made negative contributions. Thirty-seven indicators improved from April to May, while 47 indicators deteriorated and one was unchanged. Of the indicators that improved, 15 made negative contributions.
Production-related indicators contributed –0.01 to the CFNAI in May, down from +0.29 in April. Manufacturing industrial production decreased 0.1 percent in May after increasing 0.8 percent in April. The contribution of the sales, orders, and inventories category to the CFNAI moved up to +0.05 in May from –0.07 in the previous month.

Employment-related indicators contributed +0.08 to the CFNAI in May, up slightly from +0.07 in April. The unemployment rate was unchanged at 3.6 percent in May. The contribution of the personal consumption and housing category to the CFNAI decreased to –0.11 in May from +0.10 in April.

The CFNAI was constructed using data available as of June 17, 2022. At that time, May data for 51 of the 85 indicators had been published. For all missing data, estimates were used in constructing the index. The April monthly index value was revised to +0.40 from an initial estimate of +0.47, and the March monthly index value was revised to +0.19 from last month’s estimate of +0.36. Revisions to the monthly index can be attributed to two main factors: revisions in previously published data and differences between the estimates of previously unavailable data and subsequently published data. The revisions to both the April and March monthly index values were primarily due to the latter.