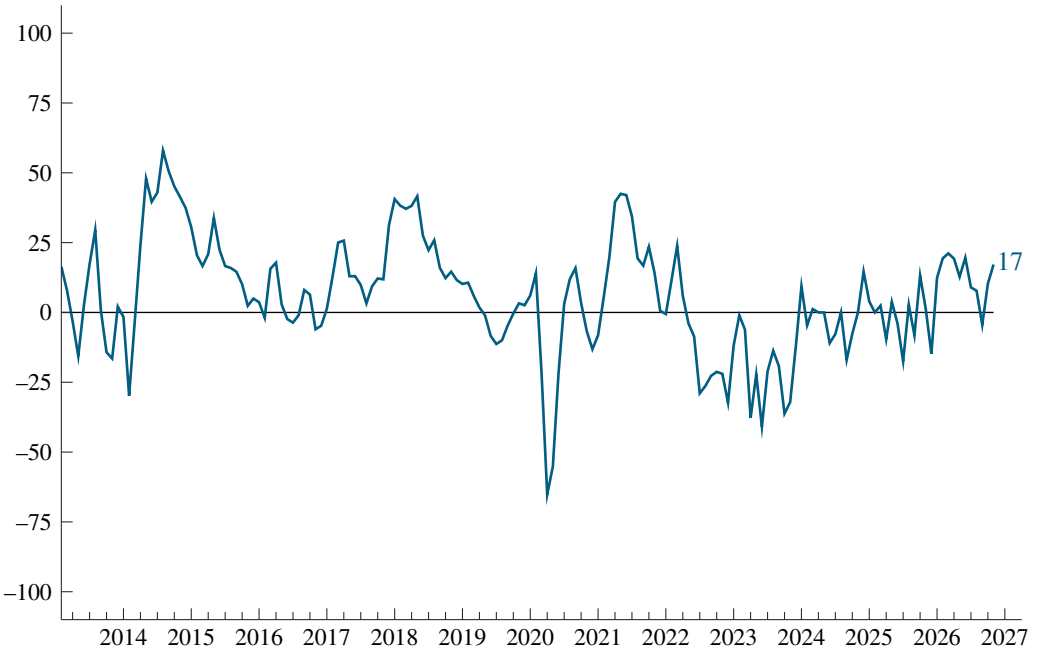
Chicago Fed Survey of Economic Conditions (CFSEC)

November 2026

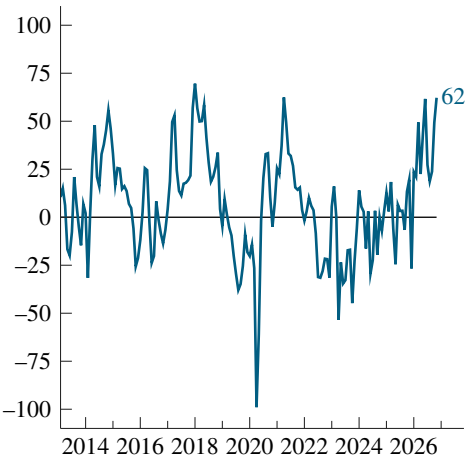
The *Chicago Fed Survey of Economic Conditions* (CFSEC) Activity Index increased to +17 in November from +10 in October, suggesting that economic growth was above trend. The CFSEC Manufacturing Activity Index increased to +62 in November from +49 in October, and the CFSEC Nonmanufacturing Activity Index increased to –4 in November from –9 in October.

- Respondents' outlooks for the U.S. economy for the next 12 months improved slightly, turning optimistic on balance. Thirty-four percent of respondents expected an increase in economic activity over the next 12 months.
- The pace of current hiring decreased, but respondents' expectations for the pace of hiring over the next 12 months increased. Both hiring indexes remained negative.
- Respondents' expectations for the pace of capital spending over the next 12 months decreased, and the capital spending expectations index turned negative.
- The labor cost pressures index increased, as did the nonlabor cost pressures index. Both cost pressures indexes remained negative.

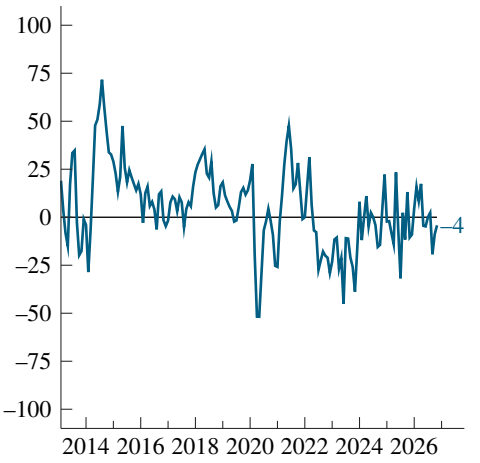
Activity Indexes: Overall and by Sector



Manufacturing



Nonmanufacturing



What is the *Survey of Economic Conditions*?
Contacts located in the Seventh Federal Reserve District are asked to rate various aspects of economic conditions along a seven-point scale ranging from "substantially increased" to "substantially decreased." A series of diffusion indexes summarizing the distribution of responses is then calculated.

How are the indexes constructed?
Respondents' answers on the seven-point scale are assigned a numeric value ranging from +3 to –3. Each diffusion index is calculated as the difference between the number of respondents with answers above their respective average responses and the number of respondents with answers below their respective average responses, divided by the total number of respondents. The index is then multiplied by 100 so that it ranges from +100 to –100 and will be +100 if every respondent provides an above-average answer and –100 if every respondent provides a below-average answer. Respondents with no prior history of responses are excluded from the calculation.

What do the index numbers mean?
Respondents' respective average answers to a question can be interpreted as representing their historical trends or long-run averages. Thus, zero index values indicate, on balance, average growth (or a neutral outlook) for activity, hiring, capital spending, or cost pressures. Positive index values indicate above-average growth (or an optimistic outlook) on balance, and negative values indicate below-average growth (or a pessimistic outlook) on balance.

What do the bar chart numbers mean?
The bar charts report the percentage of respondents choosing an answer in the latest survey. The percentages are *not* adjusted to be relative to respondents' respective average answers.

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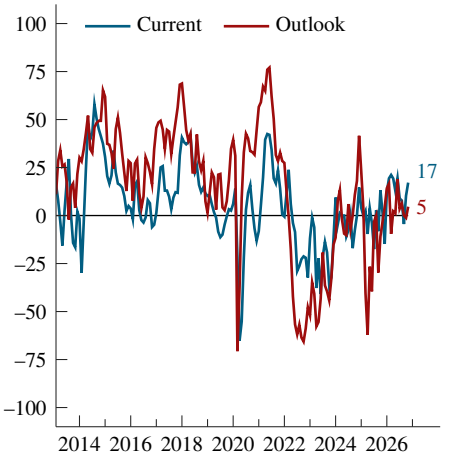
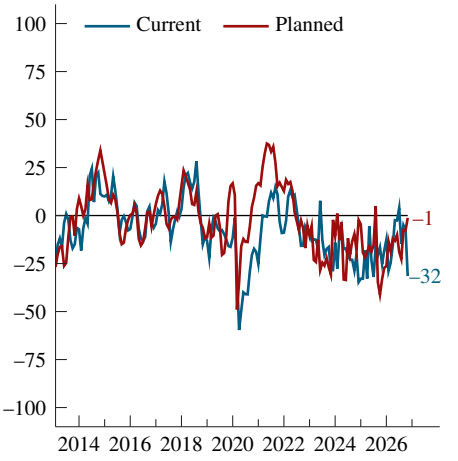
For additional information, contact Thomas Walstrum at thomas.walstrum@chi.frb.org or visit chicagofed.org/cfsec.

Additional Survey Results

Activity



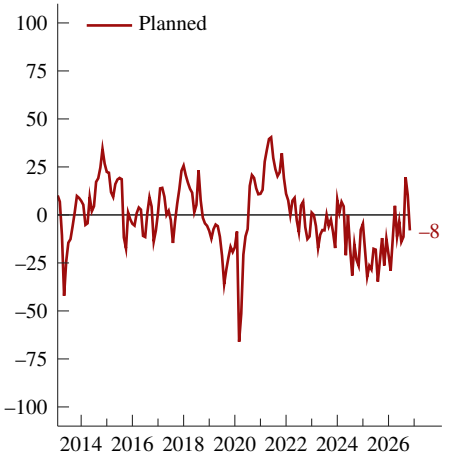
Hiring



Share with Increased Employment, by Skill Type (%)



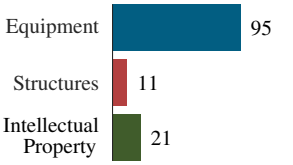
Capital Spending



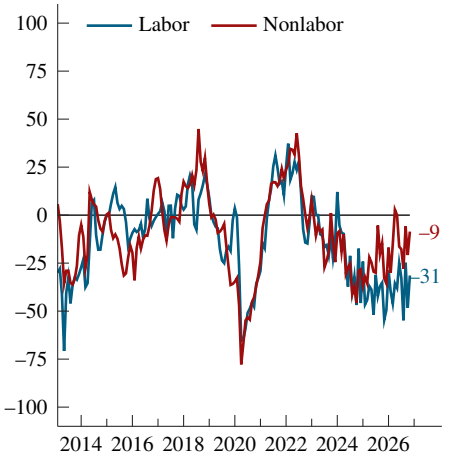
Share with Capital Purchases and, Among Purchasers, Capacity Expansion (%)



Among Capital Purchasers, Type of Capital Purchased (%)



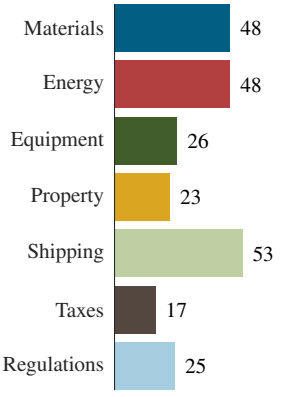
Cost Pressures



Share with Increased Labor Costs, by Skill Type (%)



Share with Increased Nonlabor Costs, by Type (%)



Notes: Positive readings of the current activity, hiring, and labor and nonlabor cost pressures indexes indicate that more respondents reported above-average growth at their respective firms than below-average growth in current activity, hiring, and labor and nonlabor cost pressures. Positive readings of the planned hiring and capital spending indexes indicate similar outcomes for questions pertaining to expectations for hiring and capital spending in the next 12 months. Positive readings of the outlook index indicate more respondents reported above-average outlooks for the U.S. economy over the next 12 months than below-average ones. The bar charts report the percentage of responses indicating increased employment by skill type; purchases of new capital by purpose and type; and increased unit labor and nonlabor costs by type. The bar chart percentages are *not* adjusted to be relative to respondents' respective average answers, and the numbers may add up to more than 100 percent because more than one option can be chosen. In late 2019, the underlying survey questions on cost pressures were changed to focus on labor and nonlabor costs instead of wage and nonwage costs. The results based on this change were first reported in the November 27, 2019, release.