Chicago Fed National Activity Index

Index points to little change in economic growth in January

The Chicago Fed National Activity Index (CFNAI) ticked down to +0.12 in January from +0.14 in December. Two of the four broad categories of indicators that make up the index decreased from December, and two of the four categories made negative contributions to the index in January. The index’s three-month moving average, CFNAI-MA3, decreased to +0.17 in January from +0.43 in December.

The CFNAI Diffusion Index, which is also a three-month moving average, moved down to +0.12 in January from +0.26 in December. Forty of the 85 individual indicators made positive contributions to the CFNAI in January, while 45 made negative contributions. Thirty-seven indicators improved from December to January, while 47 indicators deteriorated and one was unchanged. Of the indicators that improved, 15 made negative contributions.

The next CFNAI will be released:
March 26, 2018
8:30 am Eastern Time
7:30 am Central Time

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Production-related indicators contributed –0.01 to the CFNAI in January, down from +0.11 in December. Total industrial production decreased 0.1 percent in January after increasing 0.4 percent in December. The sales, orders, and inventories category made a contribution of +0.07 to the CFNAI in January, down slightly from +0.09 in December. The Institute for Supply Management’s Manufacturing New Orders Index decreased to 65.4 in January from 67.4 in the previous month.

Employment-related indicators contributed +0.09 to the CFNAI in January, up from –0.02 in December. Nonfarm payrolls increased by 200,000 in January after increasing by 160,000 in December. The contribution of the personal consumption and housing category to the CFNAI edged up to –0.03 in January from –0.05 in December. Housing starts increased to 1,326,000 annualized units in January from 1,209,000 in December.

The CFNAI was constructed using data available as of February 22, 2018. At that time, February data for 51 of the 85 indicators had been published. For all missing data, estimates were used in constructing the index. The December monthly index value was revised to +0.14 from an initial estimate of +0.27, and the November monthly index value was revised to +0.24 from last month’s estimate of +0.11. 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 December and November monthly index values were primarily due to the former.