Chicago Fed National Activity Index

Index points to slower economic growth in September

Led by declines in production-related indicators, the Chicago Fed National Activity Index (CFNAI) fell to –0.45 in September from +0.15 in August. Three of the four broad categories of indicators that make up the index decreased from August, and all four categories made negative contributions to the index in September. The index’s three-month moving average, CFNAI-MA3, decreased to –0.24 in September from –0.06 in August.

The CFNAI Diffusion Index, which is also a three-month moving average, decreased to –0.25 in September from –0.10 in August. Thirty-one of the 85 individual indicators made positive contributions to the CFNAI in September, while 54 made negative contributions. Twenty-nine indicators improved from August to September, while 54 indicators deteriorated and two were unchanged. Of the indicators that improved, 12 made negative contributions.

The next CFNAI will be released:
November 25, 2019
8:30 am Eastern Time
7:30 am Central Time

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Production-related indicators contributed –0.37 to the CFNAI in September, down from +0.19 in August. Total industrial production decreased 0.4 percent in September after rising 0.8 percent in August. The contribution of the sales, orders, and inventories category to the CFNAI ticked down to –0.02 in September from –0.01 in August.

Employment-related indicators contributed –0.02 to the CFNAI in September, up slightly from –0.03 in August. The unemployment rate moved down to 3.5 percent in September from 3.7 percent in August, but total nonfarm payrolls increased by 136,000 in September after rising by 168,000 in the previous month. The contribution of the personal consumption and housing category to the CFNAI edged down to –0.04 in September from a neutral value in August. Housing starts decreased to 1,256,000 annualized units in September from 1,386,000 in August.

The CFNAI was constructed using data available as of October 24, 2019. At that time, September data for 51 of the 85 indicators had been published. For all missing data, estimates were used in constructing the index. The August monthly index value was revised to +0.15 from an initial estimate of +0.10, and there was no revision to the July monthly index value. 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 revision to the August monthly index value was primarily due to the former.