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Media Release



Chicago Business Barometer™ – Slipped to 61.8 in November

Key Points – November Report

The Chicago Business Barometer™, produced with MNI, fell to 61.8 in November, the lowest reading since February, driven by a slow-down in new orders.

Among the five main indicators, Inventories saw the largest increase, followed by Production. All other indicators dropped compared to October, with Order Backlogs seeing the largest decline.

Inventories rose to 59.6, the highest since Fall 2018. Some firms reported stockpiling to get ahead of further supply chain disruptions and counteract logistical issues.

Order Backlogs dropped to 60.8, 6 points below the 12-month average, as firms reported a reduction in the size of incoming orders.

Supplier Deliveries declined slightly, however multiple survey respondents reported November deliveries to be the slowest ever.

Prices Paid declined to 93.8, but still only just shy of October's multi-decade high with ongoing higher costs for production materials reported.

Employment slipped to 51.6, reversing the October gain, and now hovers around the 12-month average as firms struggled to find qualified workers to meet vacancies.

Production recovered slightly in November, following three straight falls from August to October. New Orders fell back to their February level of 58.2.

This month's special question asked, "Are you seeing any easing up in the supply chain blockages?" The majority (64.9%) said no, whilst 24.3% said somewhat.

The second question asked, "Are you managing to pass the higher costs of doing business onto customers?" A total 78.4% of respondents were at least partially managing to pass costs onwards, with 21.6% unable to.

Chicago Business Barometer™



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Next Release: December 30, 2021

For more information:
MNI Market News International
T: +44-203-865-3812
E: info@mni-indicators.com
@MNIIndicators MNI Indicators

Written and Researched by
Les Commons, Editor
Lucy Hager, Economist

About MNI Indicators

MNI Indicators specialises in producing business and consumer surveys designed to present an advance picture of the economic landscape and highlight changing trends in business and consumer activity. MNI Indicators produces the renowned Chicago Business Barometer™, a key leading indicator of the US economy. MNI Indicators is part of Market News International, Inc., a leading provider of news and intelligence.

Notes to Editors

Production: MNI Indicators, part of Market News International Inc.

Date range: Monthly since 1946

Release Date: Last working day of the month

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Collection method: Survey data is collected online each month from manufacturing and non-manufacturing firms in the Chicago area. Respondents are purchasing/supply-chain professionals, primarily drawn from the membership of the ISM-Chicago (Institute for Supply Management – Chicago).

Calculation method: Respondents are asked their opinion on whether a particular business activity has increased, decreased or remained the same compared with the previous month. E.g. Is Production Higher/Same/Lower compared with a month ago?

A diffusion indicator is then calculated by adding the percentage share of positive responses to half the percentage of those respondents reporting no change. The three questions related to Buying Policy are measured in days and are not diffusion indicators. The Chicago Business Barometer™ and all sub-indicators are then seasonally adjusted. An indicator reading above 50 shows expansion compared with a month earlier while below 50 indicates contraction. A result of 50 is neutral. The farther an indicator is above or below 50, the greater or smaller the rate of change.

Headline indicator: The Chicago Business Barometer™ is a weighted composite indicator made up of five sub-indicators, namely New Orders, Production, Employment, Order Backlogs and Supplier Deliveries. It is designed to predict future changes in gross domestic product (GDP).

Other indicators: The survey also asks companies about changes in their input prices, inventories and lead times to source production materiel, MRO supplies and capital equipment.

For more information please contact us at info@mni-indicators.com or visit www.marketnews.com