



## Economics Group

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### Chicago Business Barometer Rose in November

**The business barometer rose to 56.1, marking the second month of expansion as the recovery continues. The gain was driven by increases in new orders, supplier deliveries, order backlogs and employment.**

#### New Orders Index Highest in More Than Two Years

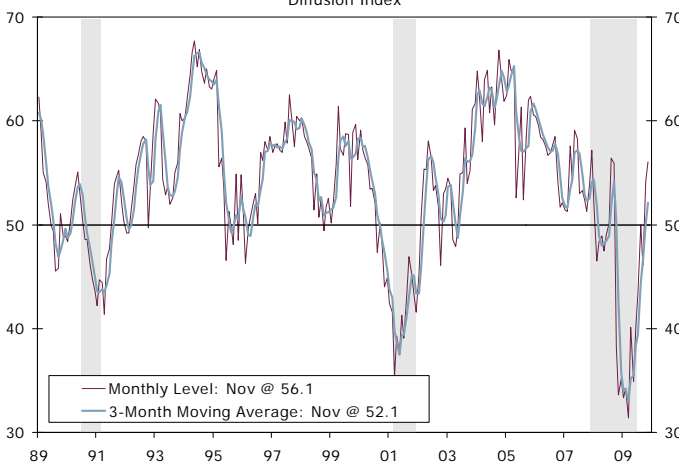
- The new orders index came in at 62.8, the highest level since May 2007. The gain in new orders means firms may increase production in the coming months. The production index fell 6.3 points to 57.6, but still indicates expansion.
- The prices paid index rose to 52.6, reflecting higher oil and commodity prices. Still, we expect inflation to remain controlled for the foreseeable future.

#### Employment and Inventories Continued to Contract

- The employment index, 3.6 points above last month's reading, reflects employment declining at a slower pace. The inventories index rose modestly but remains at a very low level as the inventory drawdown persists. Businesses are still not confident enough to hire and rebuild inventories.
- We look for the November reading of the national ISM manufacturing index to show the expansion slowed slightly.

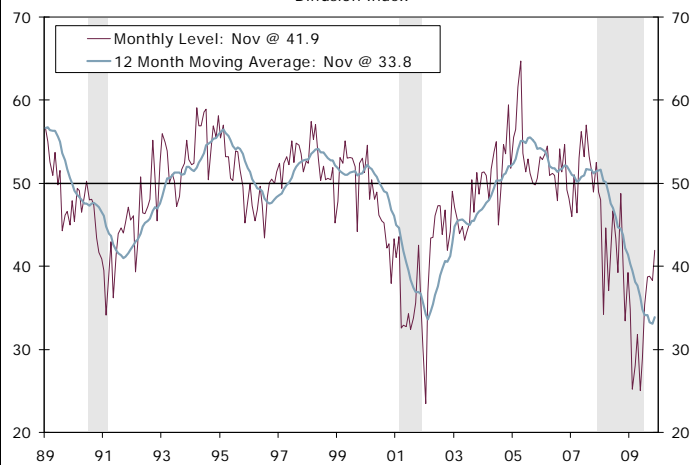
Chicago Business Barometer

Diffusion Index



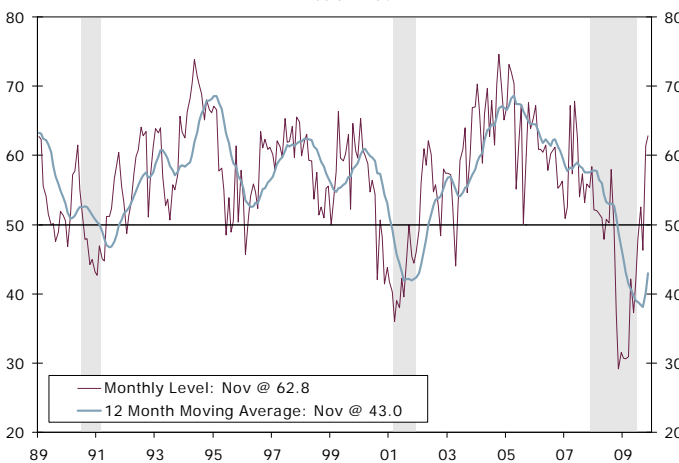
Chicago Purchasing Managers' Employment

Diffusion Index



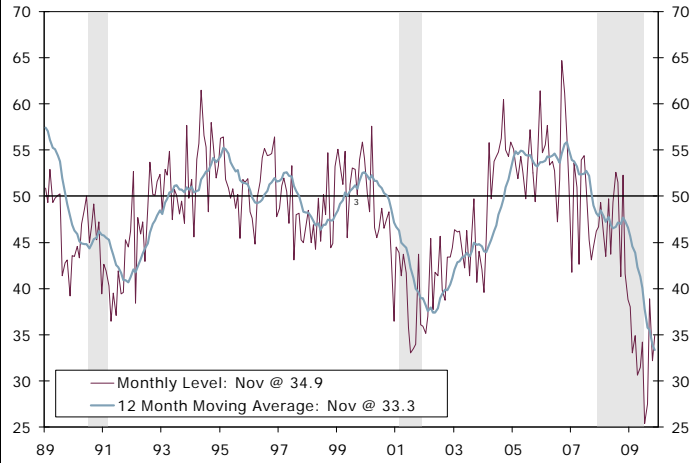
Chicago Purchasing Managers' New Orders

Diffusion Index



Chicago Purchasing Managers' Inventories

Diffusion Index



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