

Chicago Business Barometer™

December 2023 Chicago Report™ Reverses to 46.9

- The Chicago Business Barometer™, produced with MNI reversed -8.9 points to 46.9 from 55.8 in November. This unwinds most of the increase seen in last month's reading, returning the Chicago Business Barometer™ back into contractionary territory, but still almost 3 points above the September and October readings.
- All the main subcomponents which feed into the headline number fell compared to November levels with Employment, Inventories and New Orders returning to contractionary territory.
- Order Backlogs declined -13.4 points to the lowest since August 2023 and the third lowest since H2-2020
- Production dipped -3.6 points to 58.8 points, remaining in expansion, and the second highest reading of 2023. This was driven by the second highest proportion of respondents reporting unchanged production since the 1970s with a larger fall in those reporting higher production than lower.
- New Orders slipped -10.2 points, but remained above the 2023 average. The decline was due to less respondents seeing more New Orders, whilst same and fewer levels of New Orders reported rose.
- Employment dropped -8.8 points to 45.1, returning to contraction after 2 months of expansion and with the

lowest proportion of respondents noting higher employment levels since H2-2020.

- Supplier Deliveries slowed -5.0 points but remained in expansion for the second consecutive month.
- Inventories slumped -14.7 points to the lowest level since July 2023.
- Prices paid, in contrast, jumped +10.1 points to 70.0, the highest level since August 2023.
- The survey ran from December 1 to December 18.

For more details on the Chicago Business Barometer™, including the subindices and historical data, please contact sales@marketnews.com

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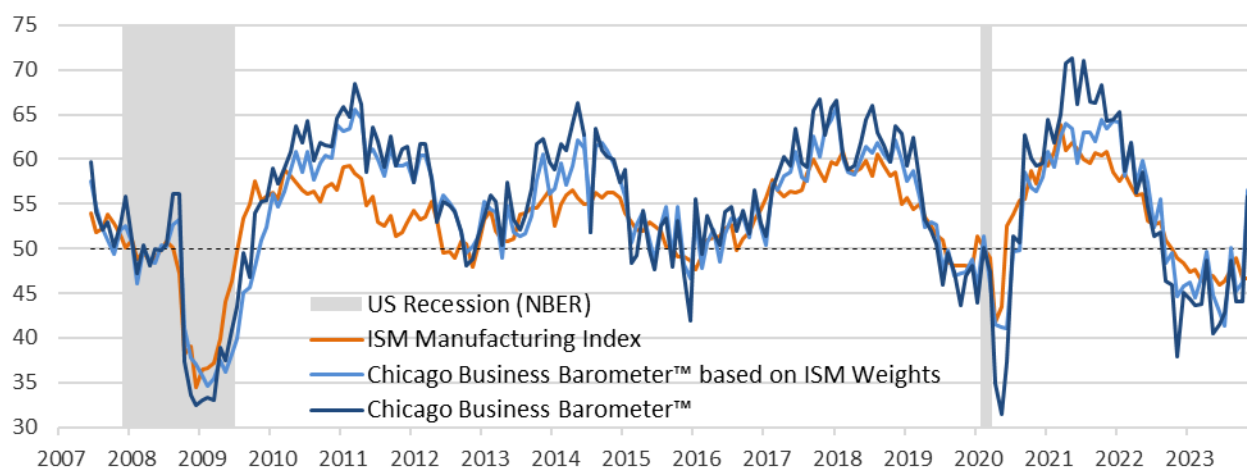
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Embargoed until 9:45 am. Eastern Time, 29 December, 2023
Next Release: 31 January, 2024

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Chicago Business Barometer™ and ISM Manufacturing Index



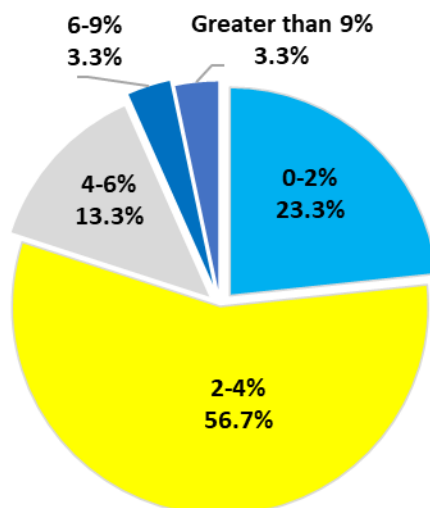
Chicago Business Barometer™ Report – December 2023

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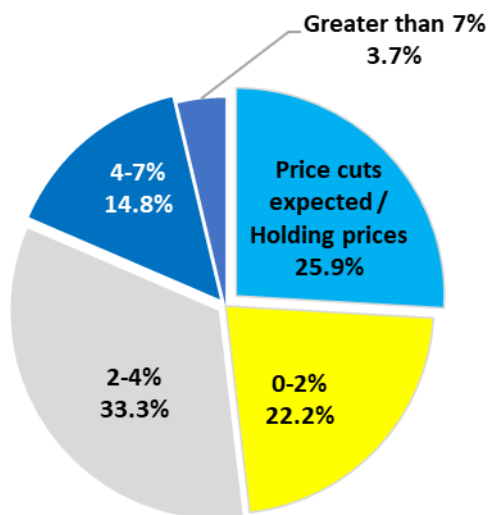
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Special Questions in December 2023

How much do you expect to increase wages in 2024?



What are your plans for selling prices going into 2024?



About MNI Indicators

MNI Indicators specializes 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

Bloomberg ticker: <CHPMINDX>

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 U.S. 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