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Chicago Survey: Solidly resilient

The December Chicago Purchasing Managers Survey is more resilient than generally expected, with the headline index dipping just 0.1 point, to 62.5 (Consensus: -2.3 points; Decision Economics: +2.2 points). That amounts to a message of strength, since the index jumped 4.2 points last month.

The breakdown of the component indexes entering into the headline number is muddled, but also strong on net--with the gains scored last month substantially retained: orders (-2.2 points to 68.0, after +8.9), production (-1.1 to 66.2, after +3.9); or extended: backlog (+2.8 to 57.9, after +3.9), supplier deliveries (+0.4 to 57.0, after +0.8); and the single decline reversed a bit: employment (+1.7 to 58.6, after -5.4). All the indexes are solidly in the "growth" range.

Thus, Chicago-area manufacturing continues to rebound from its relative slump in the summertime--as did activity in the Empire State and Philadelphia Fed survey regions. Of course the national ISM can slip a bit, regardless, but odds are it will not--and forecasts may be nudged up a bit.

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