

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises Again in April

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The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.4% from March to April, reaching a seasonally adjusted level of 150.0 (1992=100). Revised data show the index was at 149.4 in March, an increase of 1.1% from February. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was up 0.3% in April after rising 0.5% in March. April marked the fourth consecutive monthly increase for regional production as well as the fourth consecutive month that CFMMI growth exceeded that of the nation. April output in the region was 2.7% lower than a year earlier, while output in the nation was down 1.9%.

Output in three of the four CFMMI sub-sectors rose in April. Midwest auto sector output posted the largest gain, rising 1.7% in April after increasing 1.0% the prior month. The regional steel sector's output increased 0.4% after rising 1.9% in March. Output in the Midwest resource sector rose 0.3%, following a 0.9% increase the month before. Regional machinery sector output decreased 0.1% in April after output rose 1.0% the previous month.

The market share of light vehicle sales continued to shift toward passenger cars, benefiting the Midwest, which specializes in the manufacture of passenger cars. Midwest automotive output rose 1.7% in April, while the nation's auto output was up 1.1%. Compared with a year earlier, Midwest automotive output was 6.5% higher, while national output was 1.3% lower.

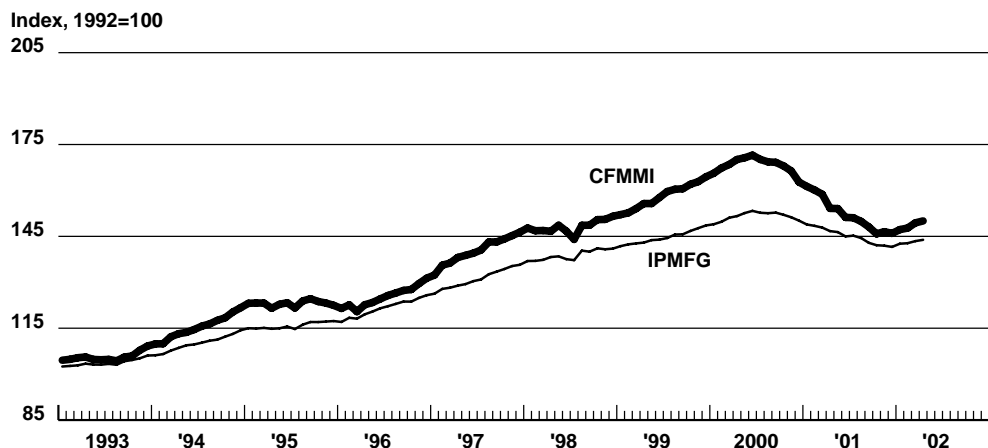
With inventories extremely low, regional steel output increased 0.4% in April, its fourth consecutive gain. National steel output was up 0.6% in April. Regional steel output was 3.2% below its April 2001 level, compared with a 2.7% decrease in the nation.

The Midwest resource sector's output increased 0.3% in April, while output in the nation's resource sector rose 0.1%. Gains in output in the regional stone, clay, glass and concrete products, as well as food industries outpaced declines in the regional petroleum, paper and lumber industries. Compared with a year ago, resource output was 0.6% higher in April in both the Midwest and nation.

Midwest machinery output fell 0.1% in April, while the nation's output increased 0.2%. Regional machinery output in April was down 7.1% from a year earlier, while national machinery output fell 3.2%.

— William A. Strauss • Senior Economist and Economic Advisor • 312-322-8151

Chicago Fed Midwest Manufacturing Index



The next CFMMI will be released:
 July 11, 2002
 Noon Eastern Time
 11:00 am Central Time

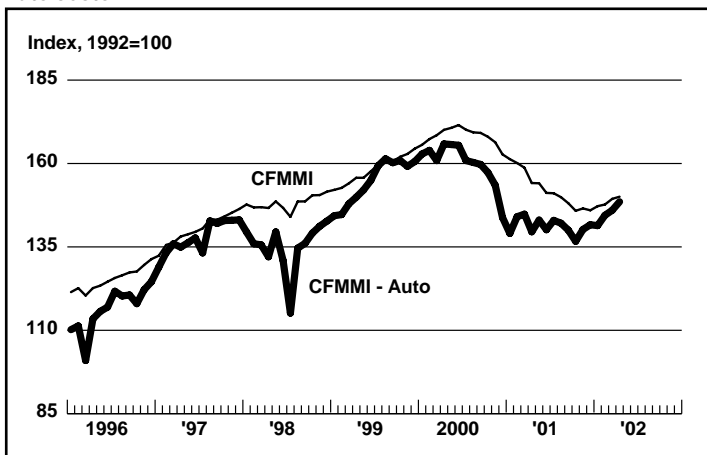
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Manufacturing output indexes – April 2002

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.4	1.9	-2.7
US Industrial Production-Manufacturing (IPMFG)	0.3	0.9	-1.9

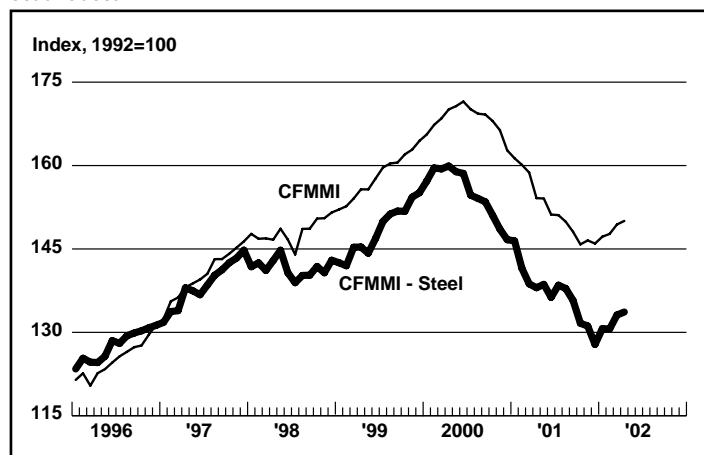
Tracking Midwest Manufacturing Activity by Sectors — April 2002

Auto Sector



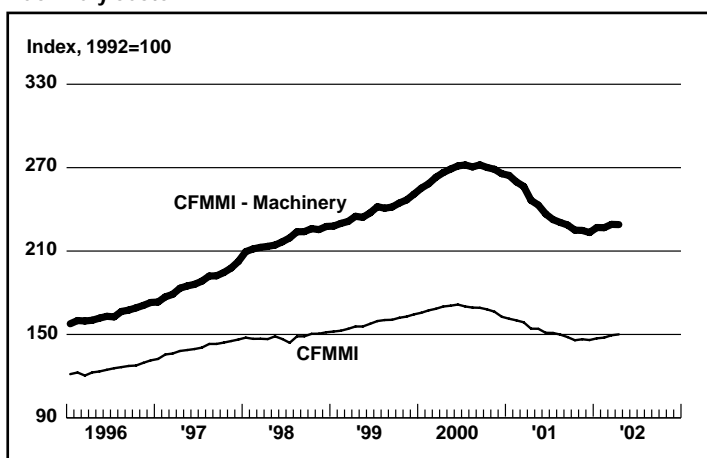
Auto Sector CFMMI Components:
Rubber and Miscellaneous Plastics Products; Transportation Equipment

Steel Sector



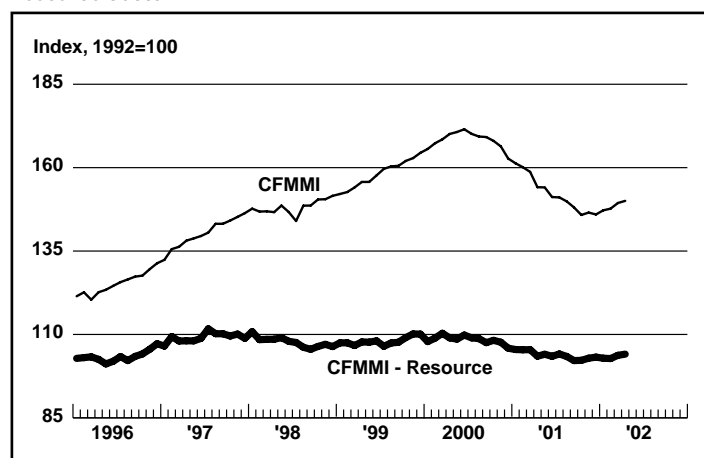
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

Machinery Sector



Machinery Sector CFMMI Components:
Industrial Machinery and Equipment; Electronic and Other Electric Equipment;
Instruments and Related Products

Resource Sector



Resource Sector CFMMI Components:
Food and Kindred Products; Lumber and Wood Products, Paper and Allied Products,
Chemicals and Allied Products; Petroleum and Coal Products; Stone, Clay, and Glass
Products

Manufacturing Activity: Summary Table

	Index, 1992=100			Percent change			
	Feb 02	Mar 02	Apr 02	Monthly			Annual Apr 01-Apr 02
				Feb 02	Mar 02	Apr 02	
CFMMI	147.7	149.4	150.0	0.3	1.1	0.4	-2.7
CFMMI - Auto	144.5	146.0	148.5	2.2	1.0	1.7	6.5
CFMMI - Steel	130.6	133.1	133.7	0.0	1.9	0.4	-3.2
CFMMI - Machinery	226.8	229.2	229.0	0.0	1.0	-0.1	-7.1
CFMMI - Resource	102.8	103.7	104.1	-0.1	0.9	0.3	0.6
IPMFG	142.8	143.4	143.9	0.1	0.5	0.3	-1.9

Note: Three of the sixteen industries in the CFMMI are not included in any of the four sectors above. These are Furniture and Fixtures, Printing and Publishing, and Miscellaneous Manufacturing Industries.

The Chicago Fed Midwest Manufacturing Index (CFMMI) is a monthly estimate of manufacturing output in the region by major industry. The Midwest is defined as the five states comprising the Seventh Federal Reserve District: Illinois, Indiana, Iowa, Michigan, and Wisconsin. The CFMMI is a composite index of 16 manufacturing industries (identified by 2-digit SIC codes) that uses electrical power and hours worked data to measure monthly changes in regional activity. The CFMMI provides a regional comparison with the manufacturing component of the Industrial Production Index (IPMFG) compiled by the Federal Reserve Board. Although the IPMFG is constructed differently than the CFMMI, it also uses electrical power and hours worked data as measures of industry output for about 60 percent of its total production index.

CFMMI and IPMFG historical data are available on the Federal Reserve Bank of Chicago's Web site at <http://www.chicagofed.org>