

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Falls in December

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2003 Release Dates:  
March 11  
April 10  
May 12  
June 11  
July 10  
August 11  
September 11  
October 9  
November 10  
December 11

The Chicago Fed Midwest Manufacturing Index (CFMMI) fell 0.5% in December to a seasonally adjusted level of 103.7 (1997=100). Revised data show the index was unchanged at 104.2 in November. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was down 0.3% in December after rising 0.2% in November. December output in the region was 2.5% higher than a year earlier, while output in the nation was 1.8% higher.

Output in three of the four CFMMI sub-sectors fell in December. Midwest auto sector output posted the largest decline, falling 2.4% in December after rising 1.7% in November. Output in the Midwest steel sector fell 0.3% in December after dropping 1.2% the month prior. The machinery sector's output edged down 0.1% in December after rising 0.3% the previous month. Regional resource sector output increased 0.4% in December after falling 1.3% in November.

Midwest automotive output fell 2.4% in December, the same decline in the nation. Compared with a year earlier, Midwest automotive output was 5.4% higher while national output was up 1.1%.

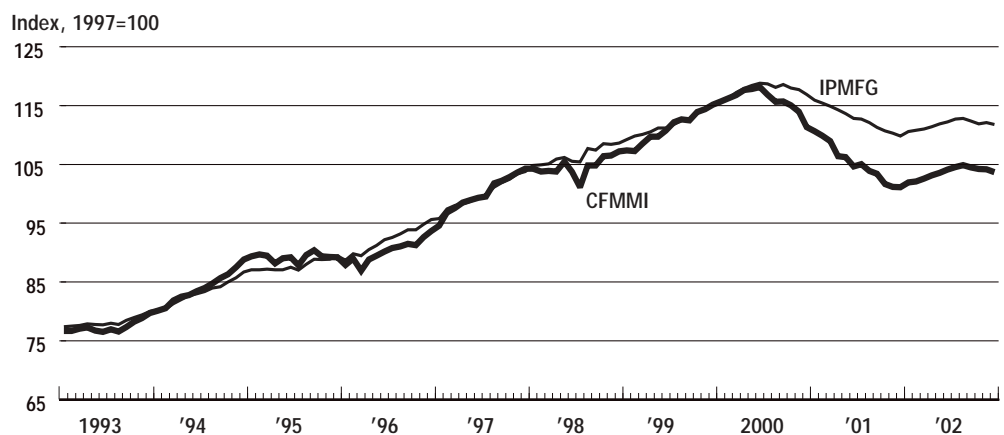
The region's steel sector output decreased 0.3% in December, while the nation's steel output edged up 0.1%. Regional steel output was 7.4% above its December 2001 level, compared with a 3.8% increase in the nation.

Midwest machinery output experienced a slight decline of 0.1% in December, while the nation's output increased 0.2%. Losses in the region were concentrated in computer and electronic products. Regional machinery output in December was 0.8% above year-earlier levels while national machinery output was up 0.4%.

The Midwest resource sector's output increased 0.4% in December while the nation's output edged up 0.1%. Gains were largest in regional paper, beverage and tobacco, and petroleum and coal products. Compared with a year ago, regional resource output was 0.3% higher in December, compared with a 0.9% gain for the nation.

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

Chicago Fed Midwest Manufacturing Index



The next CFMMI will be released:  
March 11, 2003  
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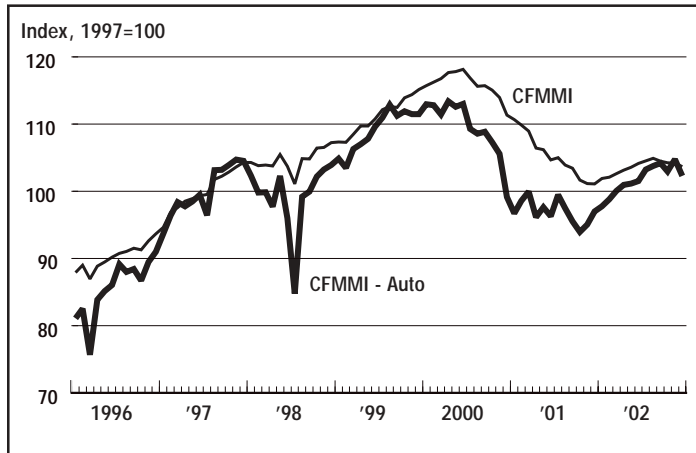
FEDERAL RESERVE BANK  
OF CHICAGO

### Manufacturing output indexes—December 2002

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.5	-0.8	2.5
US Industrial Production-Manufacturing (IPMFG)	-0.3	-0.5	1.8

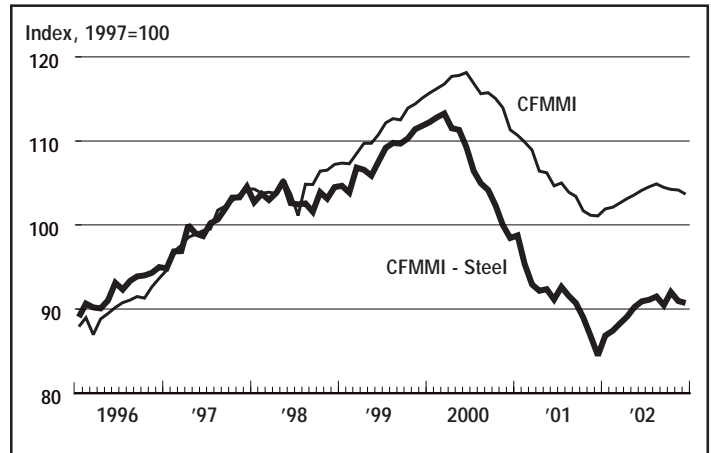
# Tracking Midwest Manufacturing Activity by Sectors — December 2002

## Auto Sector



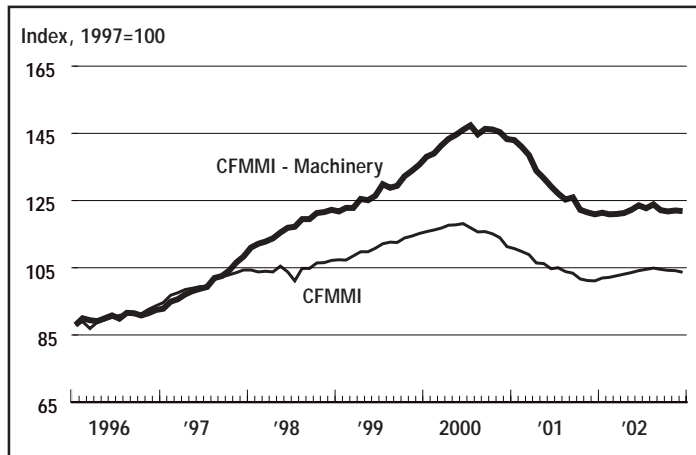
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



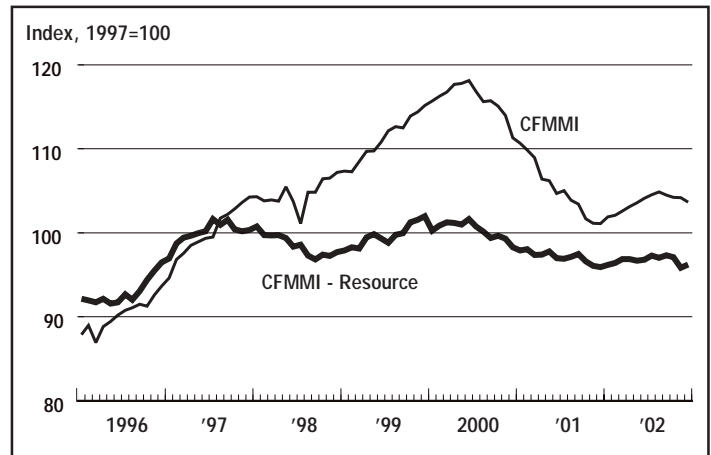
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## Machinery Sector



Machinery Sector CFMMI Components:  
Machinery; Computer and Electronic Product; Electrical Equipment, Appliance, and Components Manufacturing

## Resource Sector



Resource Sector CFMMI Components:  
Food; Beverage and Tobacco; Wood Product; Paper; Petroleum and Coal Products; Chemicals; Nonmetallic Mineral Products

## Manufacturing Activity: Summary Table

	Index, 1997=100			Percent change			
	Oct 02	Nov 02	Dec 02	Monthly		Annual	
				Oct 02	Nov 02		Dec 02
CFMMI	104.2	104.2	103.7	-0.2	0.0	-0.5	2.5
CFMMI - Auto	103.0	104.7	102.3	-1.2	1.7	-2.4	5.4
CFMMI - Steel	92.0	91.0	90.7	1.7	-1.2	-0.3	7.4
CFMMI - Machinery	121.7	122.0	121.9	-0.4	0.3	-0.1	0.8
CFMMI - Resource	97.1	95.9	96.2	-0.2	-1.3	0.4	0.3
IPMFG	111.9	112.1	111.8	-0.4	0.2	-0.3	1.8

Note: Three of the seventeen industries in the CFMMI are not included in any of the four sectors above. These are Furniture and Related Products; Printing and Related Support Activities; Miscellaneous Manufacturing.

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 17 manufacturing industries (identified by 3-digit NAICS 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>