

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Falls in September

**Embargoed for release:  
Noon Eastern Time  
11:00 am Central Time  
November 12, 2002**

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The Chicago Fed Midwest Manufacturing Index (CFMMI) fell 0.6% in September to a seasonally adjusted level of 150.6 (1992=100). Revised data show the index was unchanged at 151.5 in August. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was down 0.3% in September after falling 0.2% in August. September output in the region was 1.7% higher than a year earlier, while output in the nation was 1.5% higher. The comparisons with last year may be overstated due to production disruptions last year related to the terrorist attacks on the U.S.

Output in all four CFMMI sub-sectors fell in September. Midwest machinery sector output posted the largest decline, dropping 0.9% in September after rising 0.5% in the month prior. The steel sector's output fell 0.3% after edging up 0.4% in August. Regional resource sector output decreased 0.2% in September after falling 1.4% the previous month. Output in the Midwest auto sector fell 0.1% in September after no change the month before.

Midwest machinery output declined 0.9% in September while the nation's output increased 0.1%. Regional machinery output in September was unchanged from year ago levels while national machinery output was up 5.5%.

The regional steel sector's output decreased 0.3% in September compared with a 0.4% loss for the nation. Regional steel output was 2.4% above its September 2001 level, compared with a 1.0% increase in the nation.

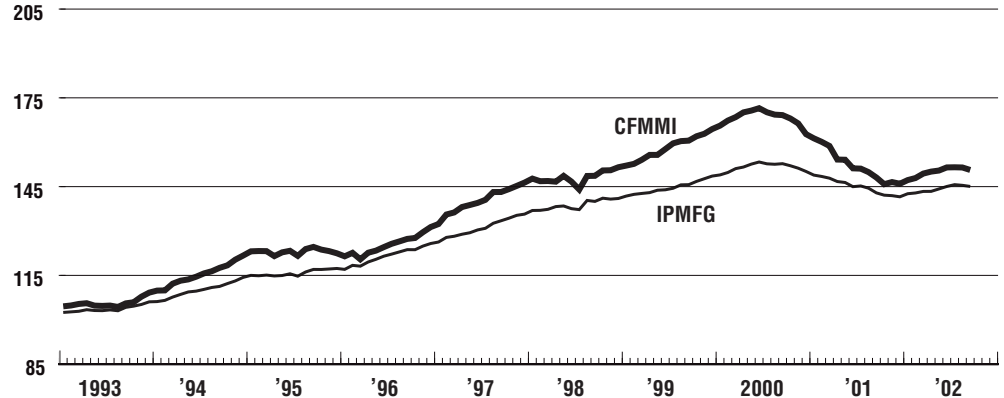
The Midwest resource sector's output decreased 0.2% in September while the nation's output increased 0.3%. Losses in the regional food, chemical, and petroleum industries were offset by output gains in the lumber, paper, and construction materials industries. Compared with a year ago, regional resource output was 0.3% lower in September, compared with a 1.5% gain for the nation.

Midwest automotive output fell 0.1% in September, while the nation's auto output was down 0.9%. Compared with a year earlier, Midwest automotive output was 9.2% higher while national output was up 3.1%.

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

### Chicago Fed Midwest Manufacturing Index

Index, 1992=100



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

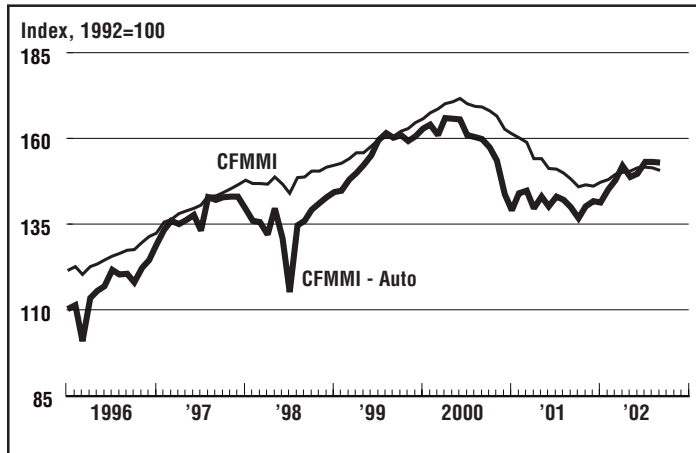
FEDERAL RESERVE BANK  
OF CHICAGO

### Manufacturing output indexes—September 2002

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.6	-0.6	1.7
US Industrial Production-Manufacturing (IPMFG)	-0.3	0.0	1.5

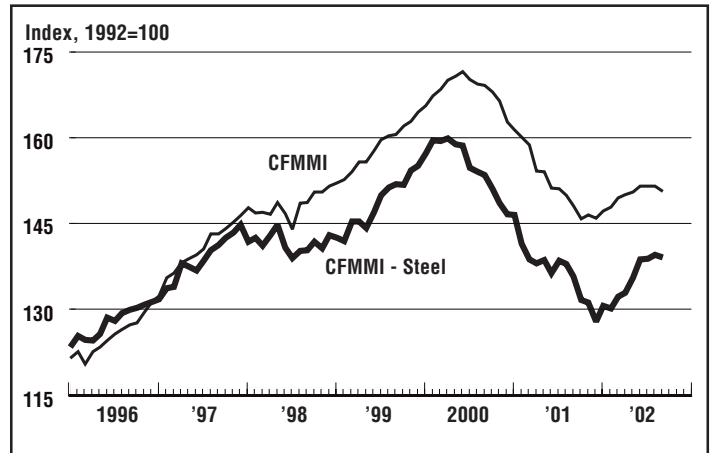
# Tracking Midwest Manufacturing Activity by Sectors — September 2002

## Auto Sector



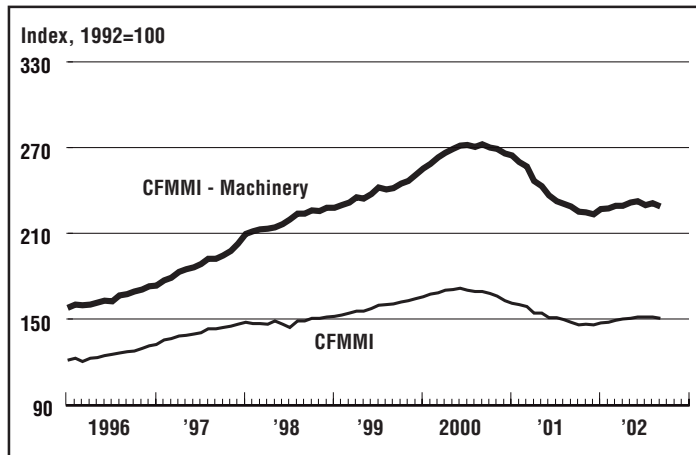
Auto Sector CFMMI Components:  
Rubber and Miscellaneous Plastics Products; Transportation Equipment

## Steel Sector



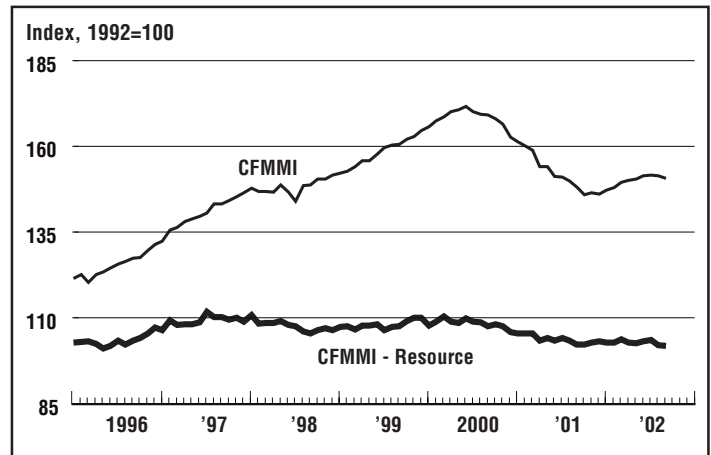
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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			
	Jul 02	Aug 02	Sep 02	Monthly			Annual Sep 01-Sep 02
				Jul 02	Aug 02	Sep 02	
CFMMI	151.5	151.5	150.6	0.0	0.0	-0.6	1.7
CFMMI - Auto	153.1	153.1	152.9	2.2	0.0	-0.1	9.2
CFMMI - Steel	138.9	139.5	139.0	0.1	0.4	-0.3	2.4
CFMMI - Machinery	229.8	231.0	228.8	-1.1	0.5	-0.9	0.0
CFMMI - Resource	103.6	102.1	101.9	0.3	-1.4	-0.2	-0.3
IPMFG	145.7	145.4	145.1	0.4	-0.2	-0.3	1.5

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>