

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises in May

Embargoed for release:
Noon Eastern Time
11:00 am Central Time
July 12, 2004

Contact: James Pieper
312-322-2387

Federal Reserve Bank of Chicago
230 South LaSalle Street
Chicago, IL 60604

2004 Release Dates:
August 11
September 9
October 12
November 10
December 9

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 2.2% in May, to a seasonally adjusted level of 119.3 (1997=100). Revised data show the index decreased 0.3% in April, to 116.7. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was up 0.9% in May. Regional output in May was 10.6% higher than a year earlier, a larger increase than the nation's 6.4%.

Output in all four CFMMI sub-sectors rose in May. Regional auto sector output posted the strongest gain, rising 3.6% in May. Output for the Midwest resource sector was up 2.1% in May. Midwest machinery production rose 1.8% in May. Regional steel sector output in May edged up 0.1% from its April level.

Midwest auto sector production rose a very strong 3.6% in May after falling 2.2% in April. The nation's auto output fell 1.0% in May. Compared with a year earlier, Midwest automotive output was 13.7% higher in May while national output was up 4.9%.

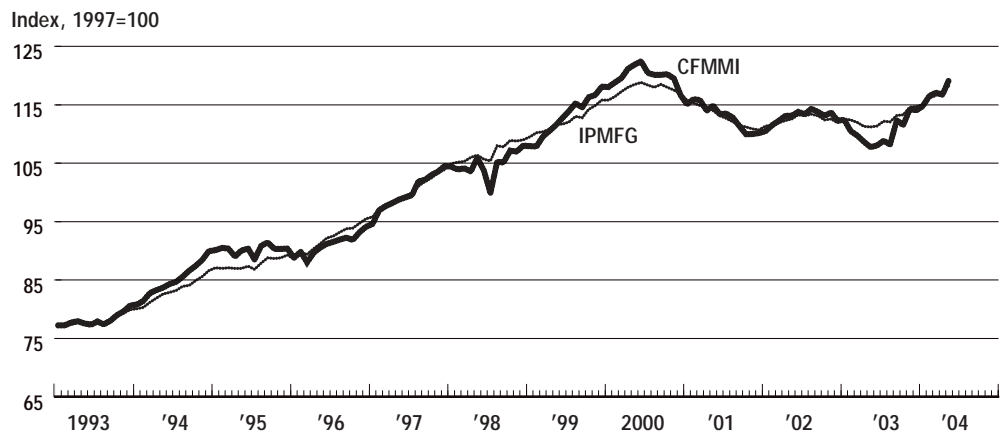
The Midwest resource sector's output was up 2.1% in May after being unchanged in April. The nation's resource sector's output rose 1.1% in May. Increases in regional food, chemical, wood, and nonmetallic mineral production in May were offset slightly by a fall in paper production. Compared with a year ago, regional resource output was up 5.5% in May while the nation's output was up 4.6%.

Midwest machinery sector output rose 1.8% in May after advancing 1.2% in April. The nation's machinery output increased a more rapid 3.0% in May. Regional machinery output in May was 12.3% above year-earlier levels while national output was up 18.2%.

The region's steel sector output edged up 0.1% in May after a 1.4% increase in April. The nation's steel output rose 0.9% in May. Regional steel output was 12.6% above its May 2003 level compared with a 6.7% increase in the nation.

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

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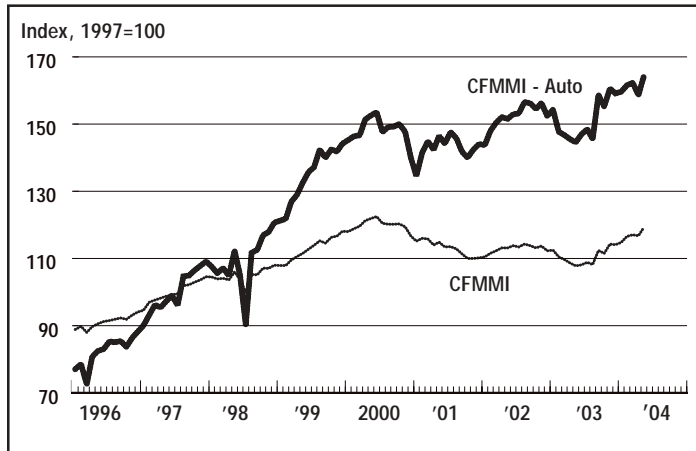
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Manufacturing output indexes—May

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	2.2	2.3	10.6
US Industrial Production-Manufacturing (IPMFG)	0.9	1.8	6.4

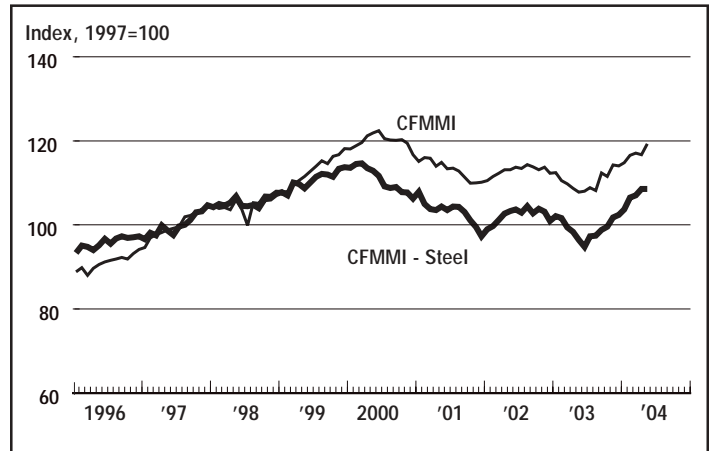
Tracking Midwest Manufacturing Activity by Sectors — May 2004

Auto Sector



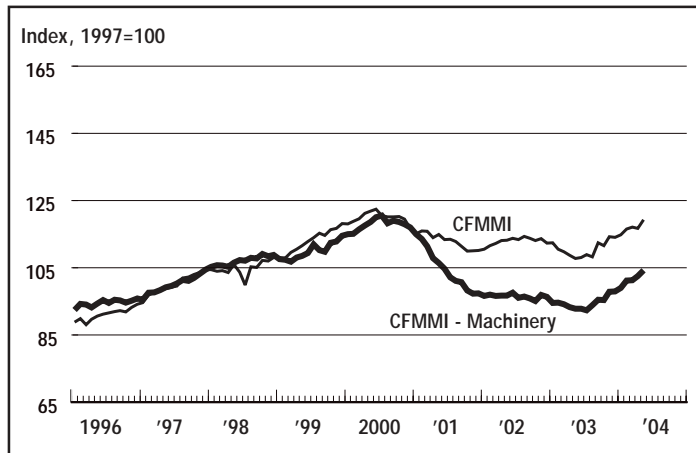
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



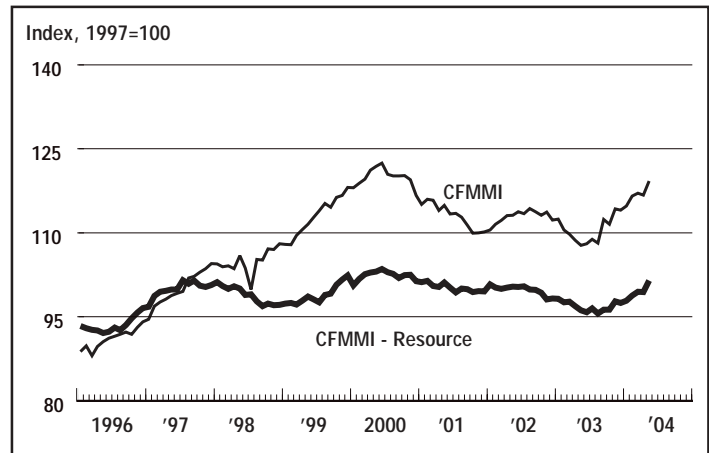
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

Machinery Sector



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

Resource Sector



Resource Sector CFMMI Components:
Food; Wood Product; Paper; Chemicals; Nonmetallic Mineral Products

Manufacturing Activity: Summary Table

	Index, 1997=100			Percent change			
	Mar 04	Apr 04	May 04	Monthly			Annual May 03–May 04
				Mar 04	Apr 04	May 04	
CFMMI	117.1	116.7	119.3	0.5	-0.3	2.2	10.6
CFMMI - Auto	162.3	158.6	164.3	0.5	-2.2	3.6	13.7
CFMMI - Steel	107.0	108.5	108.6	0.5	1.4	0.1	12.6
CFMMI - Machinery	101.3	102.5	104.3	0.0	1.2	1.8	12.3
CFMMI - Resource	99.5	99.4	101.5	0.7	0.0	2.1	5.5
IPMFG	116.6	117.3	118.3	0.3	0.6	0.9	6.4

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 15 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>