

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Falls in November

The Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 1.6% in November, to a seasonally adjusted level of 96.4 (2002 = 100). Revised data show the index decreased 1.2% in October, to 98.0. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) decreased 1.5% in November. Regional output in November was down 10.8% from a year earlier—lower than the 7.3% decrease in national output.

Three of the four regional industry sectors decreased in November:

- Regional steel sector output declined 4.3%;
- Regional machinery sector output moved down 2.0%;
- Regional resource sector output decreased 1.9%; and
- Regional auto sector production moved up 1.1%.

The region's steel sector output declined 4.3% in November for the second consecutive month. The nation's steel output was down 3.6% in November. Regional steel output dropped 14.1% from its November 2007 level, and the national steel output declined 11.4%.

The Midwest's machinery sector output moved down 2.0% in November after decreasing 1.7% in October. The nation's machinery output moved down 1.6% in November. Regional machinery output in November was 6.6% below year-earlier levels, while national machinery output was down 2.6%.

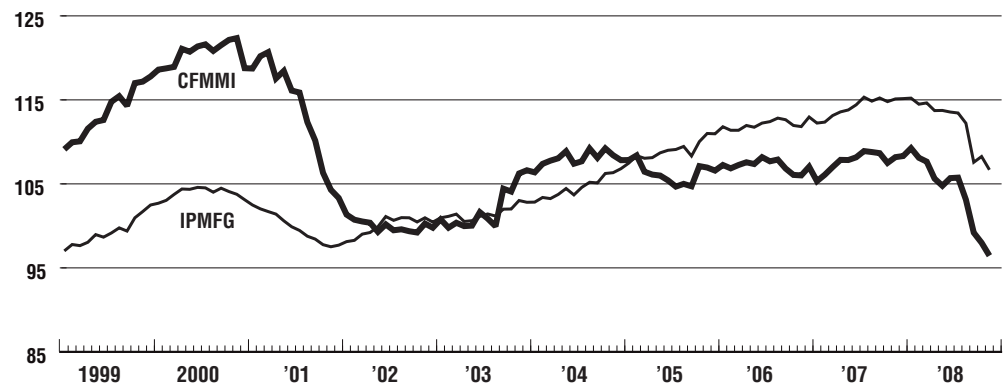
The Midwest resource sector's output decreased 1.9% in November after rising 2.3% in October. All of the five subsectors of the resource sector—food, chemical, paper, wood, and nonmetallic mineral production—decreased from October to November. The national resource sector's output was down 2.1% in November. Compared with a year ago, regional resource output was down 4.8% in November, and the national resource output declined 5.3%.

The Midwest's auto sector production moved up 1.1% in November after falling 3.6% in October. The nation's auto output increased 1.5% in November. The Midwest's automotive output was down 24.0% in November relative to its year-ago value, and the nation's auto output was down 15.7%.

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

### Chicago Fed Midwest Manufacturing Index

Index, 2002=100



The next CFMMI will be released:  
**January 29, 2009**  
 Noon Eastern Time  
 11:00 am Central Time

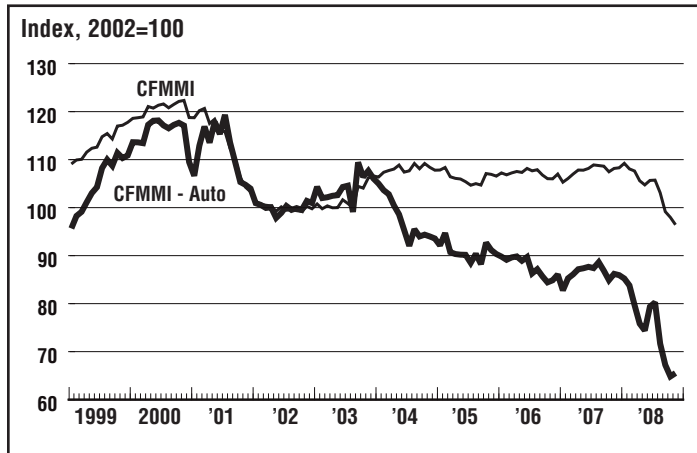
FEDERAL RESERVE BANK  
 OF CHICAGO

### Manufacturing output indexes—November

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-1.6	-6.5	-10.8
US Industrial Production-Manufacturing (IPMFG)	-1.5	-4.9	-7.3

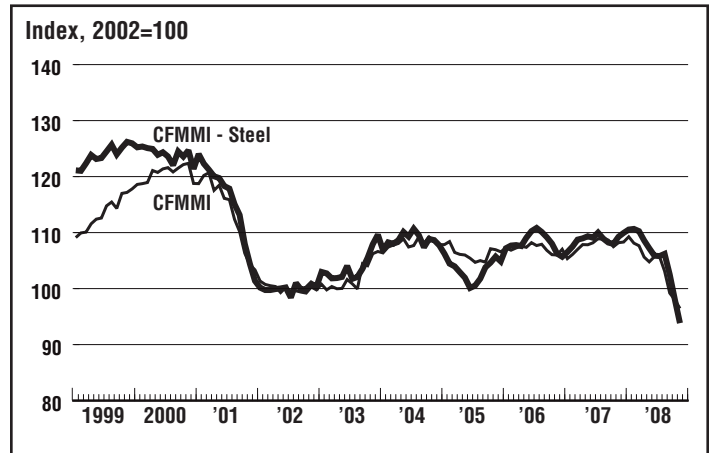
# Tracking Midwest Manufacturing Activity by Sectors — November 2008

## Auto Sector



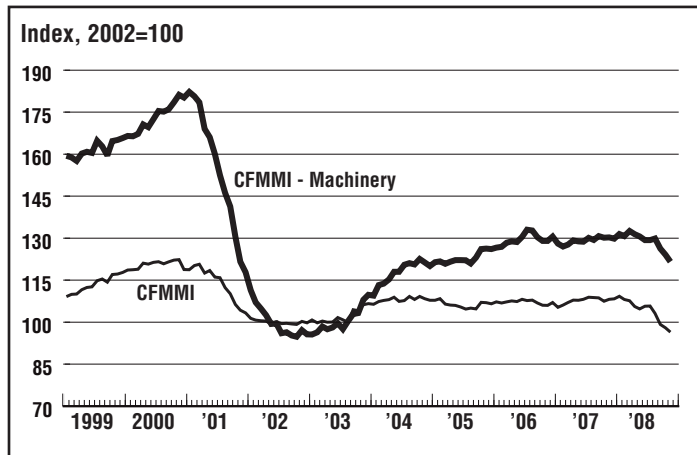
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



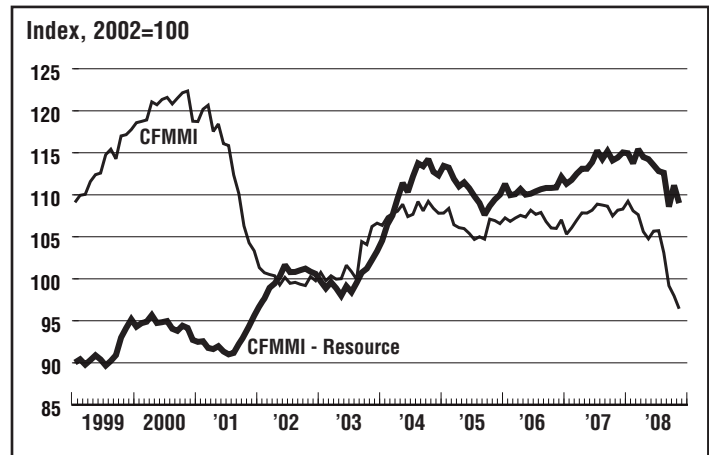
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## Machinery Sector



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

## Resource Sector



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

Manufacturing Activity: Summary Table	Index, 2002=100			Percent change			
	Sep 08	Oct 08	Nov 08	Monthly		Nov 07–Nov 08	Annual
				Sep 08	Oct 08		
CFMMI	99.2	98.0	96.4	-3.8	-1.2	-1.6	-10.8
CFMMI - Auto	67.2	64.8	65.5	-6.2	-3.6	1.1	-24.0
CFMMI - Steel	102.5	98.0	93.8	-3.5	-4.3	-4.3	-14.1
CFMMI - Machinery	126.3	124.1	121.6	-2.8	-1.7	-2.0	-6.6
CFMMI - Resource	108.6	111.1	109.0	-3.6	2.3	-1.9	-4.8
IPMFG	107.6	108.3	106.7	-4.1	0.6	-1.5	-7.3

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 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 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>.