

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Decreased in December

The Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 0.3% in December, to a seasonally adjusted level of 84.1 (2002 = 100). Revised data show the index increased 1.0% in November to 84.4. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was unchanged in December. Regional output in December declined 6.4% from a year earlier, and national output decreased 1.4%.

The regional resource and auto sectors decreased in December, while the machinery and steel sectors increased:

- Regional resource sector output moved down 1.0%;
- Regional auto sector production edged down 0.2%;
- Regional machinery sector output grew 0.6%; and
- Regional steel sector output increased 1.3%.

The Midwest resource sector's output moved down 1.0% in December after rising 1.3% in November. The national resource sector's output was unchanged in December. Three of the five subsectors of the regional resource sector—food, paper, and nonmetallic production—decreased from November to December, while wood and chemical production increased. Compared with a year ago, regional resource output was up 4.6% in December, and national resource output was up 5.8%.

Regional auto sector production edged down 0.2% in December after increasing 0.6% in November. The nation's auto output rose 0.3% in December. The Midwest's automotive output was down 8.8% in December relative to its year-ago level, and the nation's auto output was down 3.5%.

The Midwest's machinery sector output moved up 0.6% in December after decreasing 0.5% in November. The nation's machinery output increased 1.2% in December. Regional machinery output in December was 15.8% below year-earlier levels, and national machinery output was down 3.8%.

The region's steel sector output increased 1.3% in December after rising 2.5% in November. The nation's steel output was up 0.7% in December. Regional steel output dropped 13.9% from its December 2008 level, and national steel output fell 9.5%.

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

**Embargoed for release:  
January 27, 2010  
Noon Eastern Time  
11:00 am Central Time**

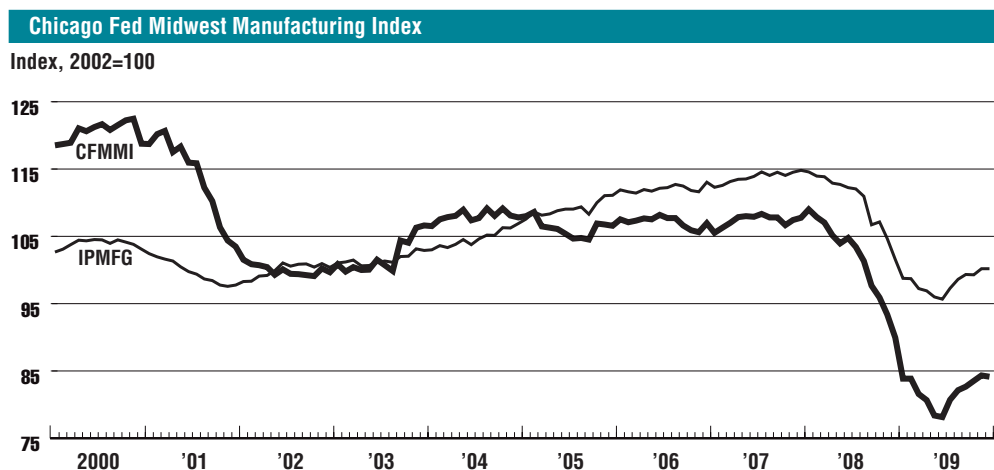
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**2010 Release Dates:  
March 18, 2010  
April 6, 2010  
April 27, 2010  
May 27, 2010  
June 28, 2010  
July 27, 2010  
August 26, 2010  
September 27, 2010  
October 27, 2010  
November 29, 2010  
December 27, 2010**

**The next CFMMI will be released:  
March 18, 2010  
Noon Eastern Time  
11:00 am Central Time**

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OF CHICAGO**

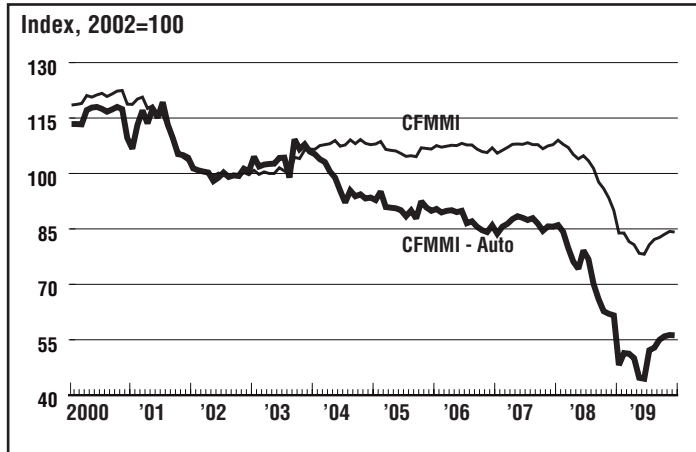


### Manufacturing output indexes—December

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.3	1.7	-6.4
US Industrial Production-Manufacturing (IPMFG)	0.0	0.8	-1.4

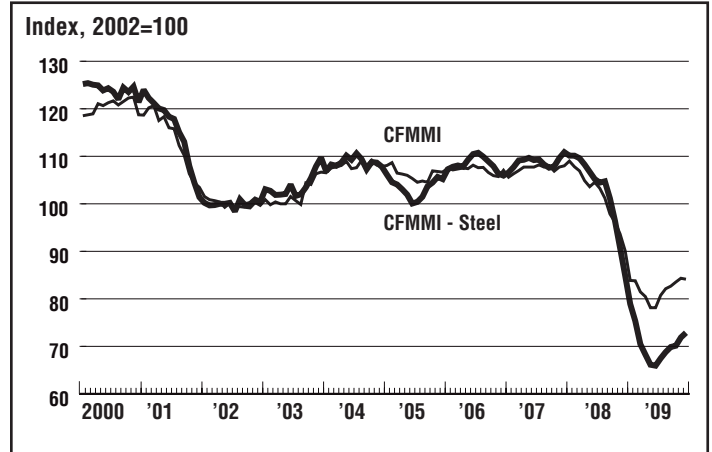
# Tracking Midwest Manufacturing Activity by Sectors — December 2009

## Auto Sector



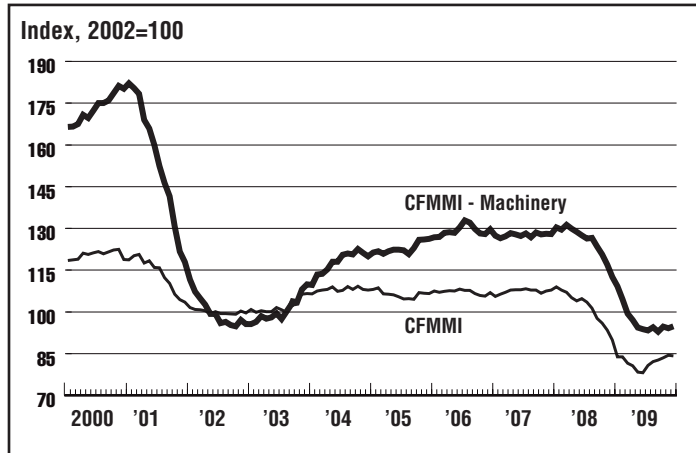
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



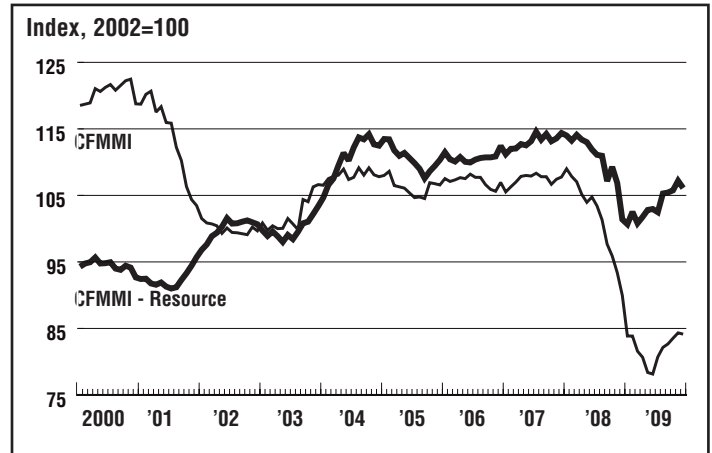
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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			
	Oct 09	Nov 09	Dec 09	Monthly		Annual	Dec 08–Dec 09
				Oct 09	Nov 09		
CFMMI	83.5	84.4	84.1	1.0	1.0	-0.3	-6.4
CFMMI - Auto	56.0	56.3	56.2	1.8	0.6	-0.2	-8.8
CFMMI - Steel	70.1	71.9	72.8	0.4	2.5	1.3	-13.9
CFMMI - Machinery	94.7	94.2	94.8	2.0	-0.5	0.6	-15.8
CFMMI - Resource	105.8	107.2	106.1	0.4	1.3	-1.0	4.6
IPMFG	99.3	100.2	100.2	0.0	0.9	0.0	-1.4

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>.