

## Chicago Fed Midwest Manufacturing Index

### Midwest Manufacturing Output Increased in October

The Chicago Fed Midwest Manufacturing Index (CFMMI) increased 0.5% in October, to a seasonally adjusted level of 82.9 (2002 = 100). Revised data show the index rose 0.7% in September to 82.5. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was down by 0.1% in October. Regional output in October declined 13.6% from a year earlier, and national output decreased 7.5%.

All four regional industry sectors increased in October:

- Regional auto sector production increased by 0.8%;
- Regional steel sector output also increased by 0.8%;
- Regional machinery sector output rose 0.7%; and
- Regional resource sector output grew by 0.3%.

Regional auto sector production rose 0.8% in October after increasing 4.6% in September. The nation's auto output declined by 0.8% in October. The Midwest's automotive output was down 11.7% in October relative to its year-ago value, and the nation's auto output was down 3.9%.

The region's steel sector output increased 0.8% in October after rising 1.4% in September. The nation's steel output was up 0.5% in October. Regional steel output dropped 27.2% from its October 2008 level, and national steel output fell 17.9%.

The Midwest's machinery sector output increased by 0.7% in October after decreasing by 1.6% in September. The nation's machinery output fell 0.4% in October. Regional machinery output in October was 22.9% below year-earlier levels, and national machinery output was down 11.6%.

The Midwest resource sector's output rose 0.3% in October after holding steady in September. The national resource sector's output was also up 0.3% in October. Three of the five subsectors of the regional resource sector—paper, food, and chemical production—increased from September to October, while nonmetallic mineral and wood production decreased. Compared with a year ago, regional resource output was down 3.5% in October, and national resource output was down 2.0%.

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

**Embargoed for release:  
November 30, 2009  
Noon Eastern Time  
11:00 am Central Time**

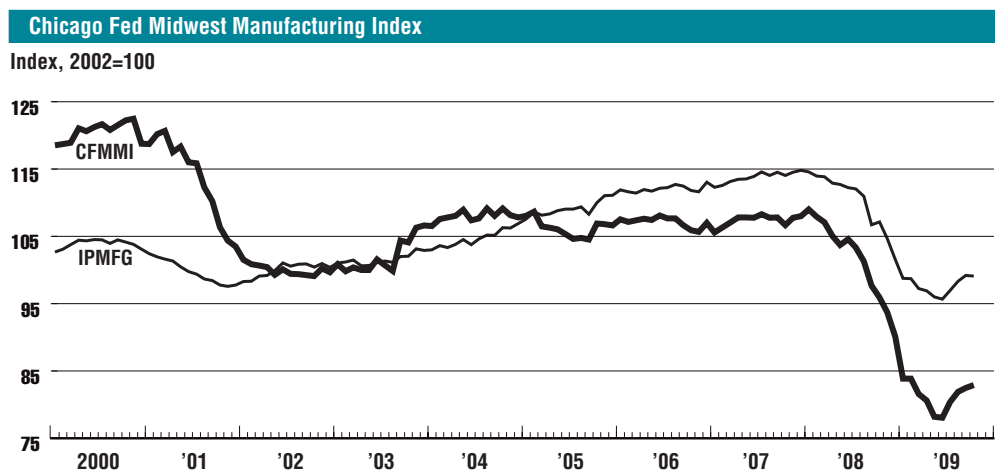
**Media Contact:  
Laura LaBarbera  
laura.labarbera@chi.frb.org  
312-322-2387**

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

**2009 and 2010 Release Dates:  
December 28, 2009  
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September 27, 2010  
October 27, 2010  
November 29, 2010  
December 27, 2010**

**The next CFMMI will be released:  
December 28, 2009  
Noon Eastern Time  
11:00 am Central Time**

**FEDERAL RESERVE BANK  
OF CHICAGO**

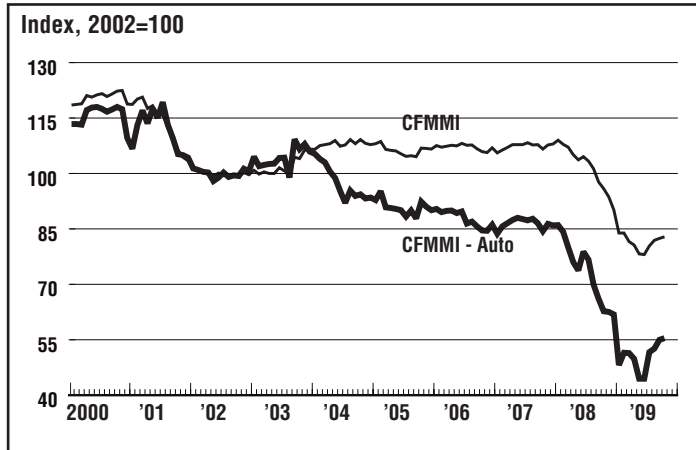


#### Manufacturing output indexes—October

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.5	3.1	-13.6
US Industrial Production-Manufacturing (IPMFG)	-0.1	2.2	-7.5

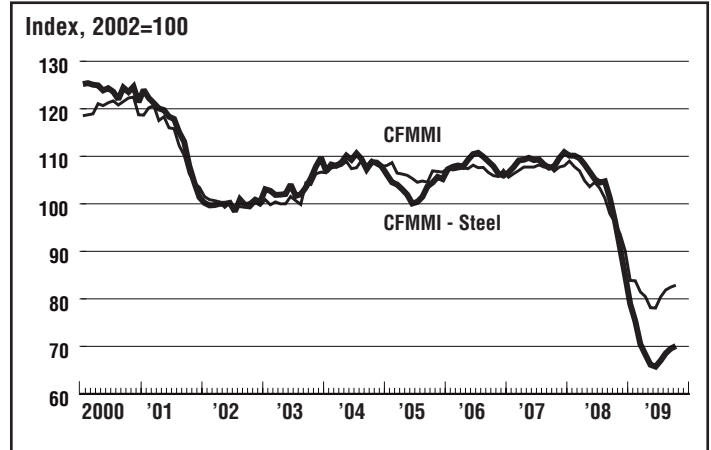
# Tracking Midwest Manufacturing Activity by Sectors — October 2009

## Auto Sector



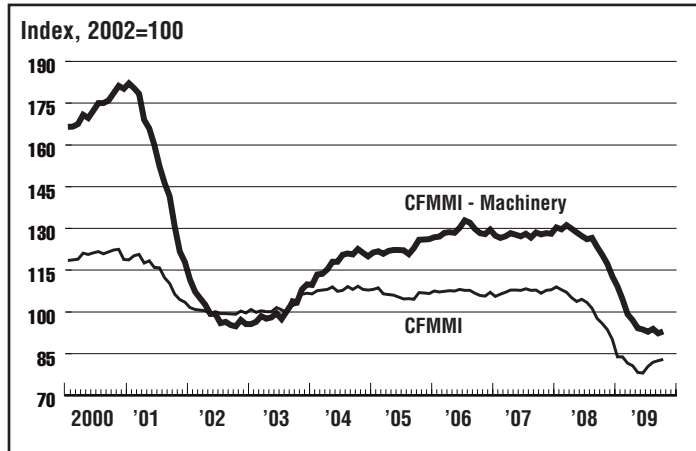
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



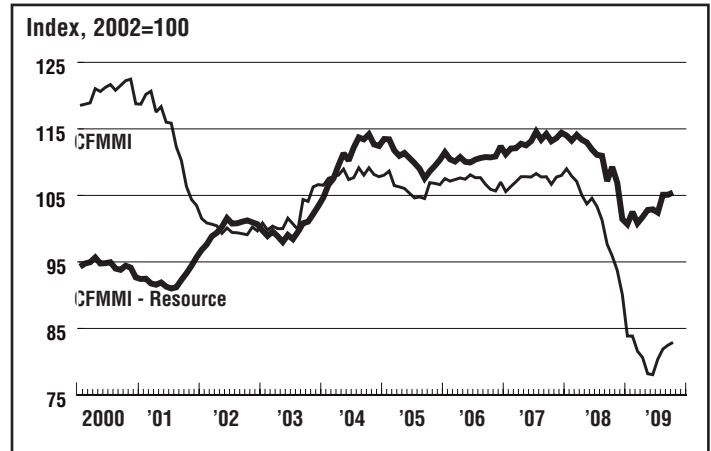
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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			
	Aug 09	Sep 09	Oct 09	Monthly			Annual Oct 08–Oct 09
				Aug 09	Sep 09	Oct 09	
CFMMI	81.9	82.5	82.9	1.9	0.7	0.5	-13.6
CFMMI - Auto	52.6	55.0	55.4	1.7	4.6	0.8	-11.7
CFMMI - Steel	68.5	69.5	70.1	2.3	1.4	0.8	-27.2
CFMMI - Machinery	93.9	92.3	92.9	1.1	-1.6	0.7	-22.9
CFMMI - Resource	105.1	105.1	105.5	2.6	0.0	0.3	-3.5
IPMFG	98.3	99.2	99.1	1.4	0.9	-0.1	-7.5

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>.