

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Increased in September

The Chicago Fed Midwest Manufacturing Index (CFMMI) increased 1.0% in September, to a seasonally adjusted level of 82.3 (2002 = 100). Revised data show the index rose 1.6% in August, to 81.6. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was also up 1.0% in September. Regional output in September declined 15.7% from a year earlier, and national output decreased 7.2%.

Three of the four regional industry sectors increased in September:

- Regional auto sector production moved up 5.5%;
- Regional steel sector output increased 1.3%;
- Regional resource sector output rose 0.2%; and
- Regional machinery sector output declined 1.8%.

Regional auto sector production rose 5.5% in September after increasing 1.8% in August. The nation's auto output rose 3.4% in September. The Midwest's automotive output was down 16.3% in September relative to its year-ago value, and the nation's auto output was down 6.8%.

The region's steel sector output increased 1.3% in September after rising 2.2% in August. The nation's steel output was up 0.8% in September. Regional steel output dropped 31.4% from its September 2008 level, and national steel output fell 21.3%.

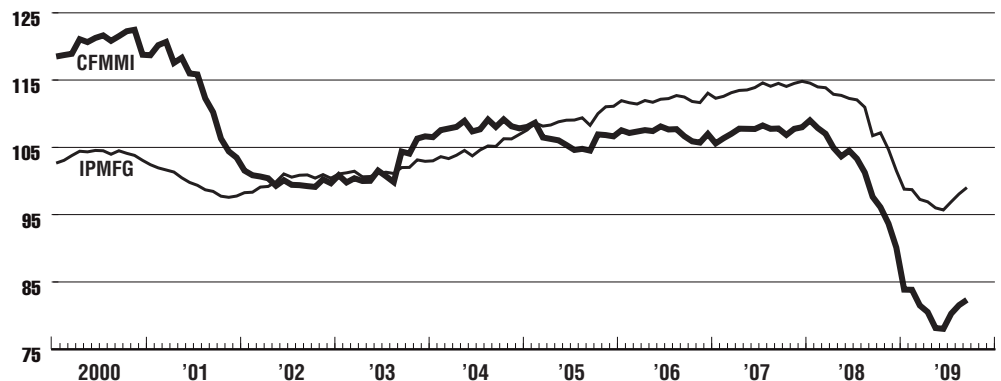
The Midwest resource sector's output rose 0.2% in September after moving up 2.1% in August. The national resource sector's output was up 0.4% in September. Two of the five subsectors of the resource sector—wood and chemical production—increased from August to September; nonmetallic mineral and paper production decreased; and food production stayed constant. Compared with a year ago, regional resource output was down 2.4% in September, and national resource output was unchanged.

The Midwest's machinery sector output declined 1.8% in September after increasing 1.1% in August. The nation's machinery output edged up 0.2% in September. Regional machinery output in September was 25.1% below year-earlier levels, and national machinery output was down 12.6%.

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

### Chicago Fed Midwest Manufacturing Index

Index, 2002=100



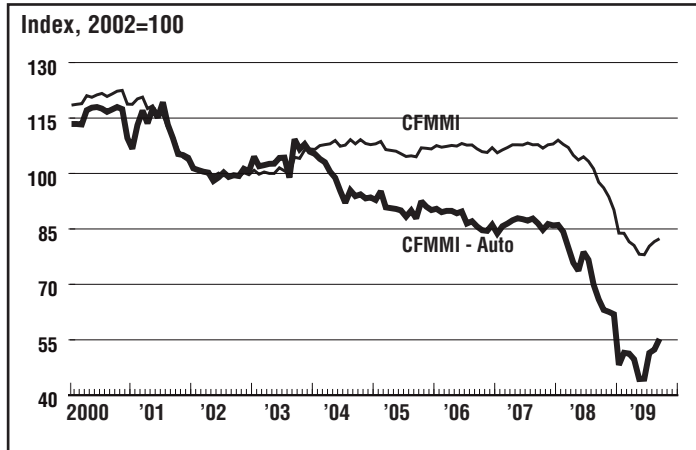
The next CFMMI will be released:  
**November 30, 2009**  
 Noon Eastern Time  
 11:00 am Central Time

### Manufacturing output indexes—September

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	1.0	5.5	-15.7
US Industrial Production-Manufacturing (IPMFG)	1.0	3.5	-7.2

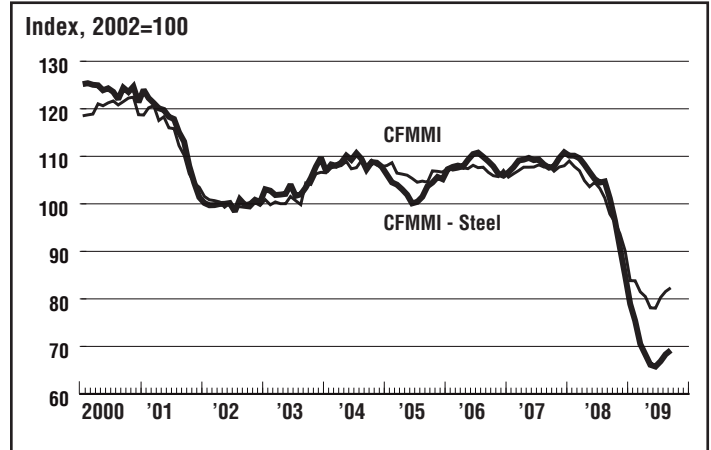
# Tracking Midwest Manufacturing Activity by Sectors — September 2009

## Auto Sector



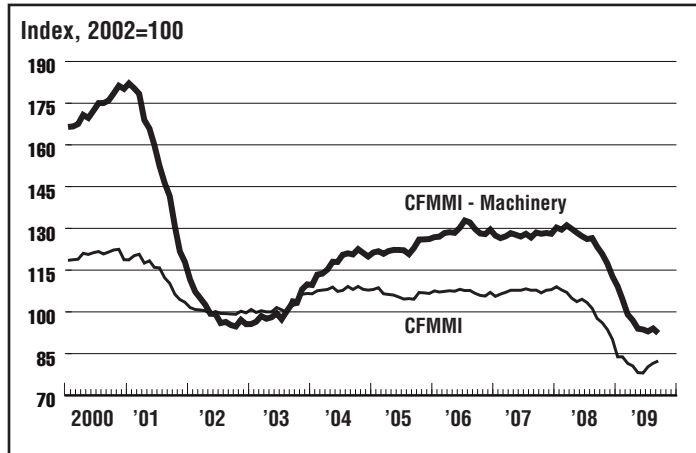
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



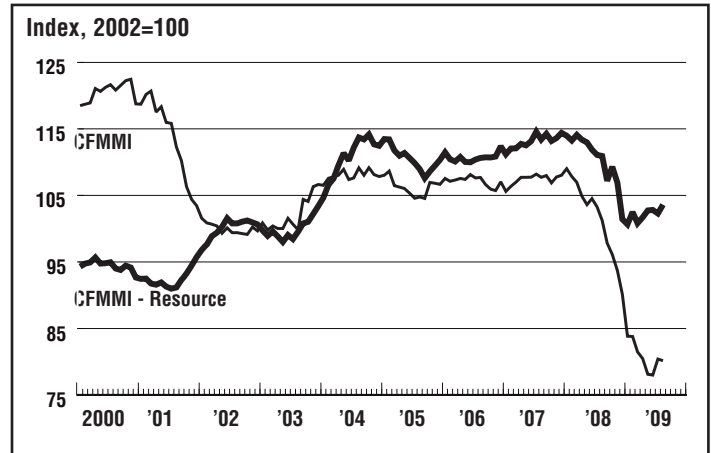
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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			
	Jul 09	Aug 09	Sep 09	Monthly			Annual Sep 08-Sep 09
				Jul 09	Aug 09	Sep 09	
CFMMI	80.3	81.6	82.3	2.9	1.6	1.0	-15.7
CFMMI - Auto	51.5	52.4	55.2	15.7	1.8	5.5	-16.3
CFMMI - Steel	66.9	68.3	69.2	1.7	2.2	1.3	-31.4
CFMMI - Machinery	93.0	94.0	92.4	-0.7	1.1	-1.8	-25.1
CFMMI - Resource	102.3	104.4	104.6	-0.5	2.1	0.2	-2.4
IPMFG	96.9	98.1	99.0	1.3	1.2	1.0	-7.2

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>.