

## Chicago Fed Midwest Manufacturing Index

### Midwest Manufacturing Output Decreased in June

The Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 0.5% in June, to a seasonally adjusted level of 79.4 (2007 = 100). Revised data show the index rose 1.7% in May to 79.7. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) decreased 0.3% in June. Regional output in June rose 13.2% from a year earlier, and national output increased 8.9%.

Two of the four regional industry sectors increased in June:

- Regional steel sector output grew 0.9%;
- Regional machinery sector production went up 0.6%;
- Regional auto sector production edged down 0.2%; and
- Regional resource sector output declined 1.4%.

The region's steel sector output grew 0.9% in June after rising 3.0% in May. The nation's steel output was up 1.1% in June. Regional steel output rose 25.1% from its June 2009 level, and national steel output was up 15.6%.

The Midwest's machinery sector production went up 0.6% in June after increasing 1.3% in May. The nation's machinery production increased 0.5% in June. Regional machinery output in June was up 6.8% from year-earlier levels, and national machinery output was up 14.8%.

Regional auto sector production edged down 0.2% in June after moving up 3.0% in May. National auto output decreased 0.4% in June. The Midwest's automotive output was up 36.2% in June relative to its year-ago level, and the nation's auto output was up 17.1%.

The Midwest resource sector's output declined 1.4% in June after increasing 0.5% in May. The national resource sector's output was down 0.8% in June. Four subsectors of the regional resource sector—food, wood, paper, and chemical production—decreased from May to June, while nonmetallic production increased. Compared with a year ago, regional resource output was up 4.2% in June, and national resource output was up 3.1%.

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

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

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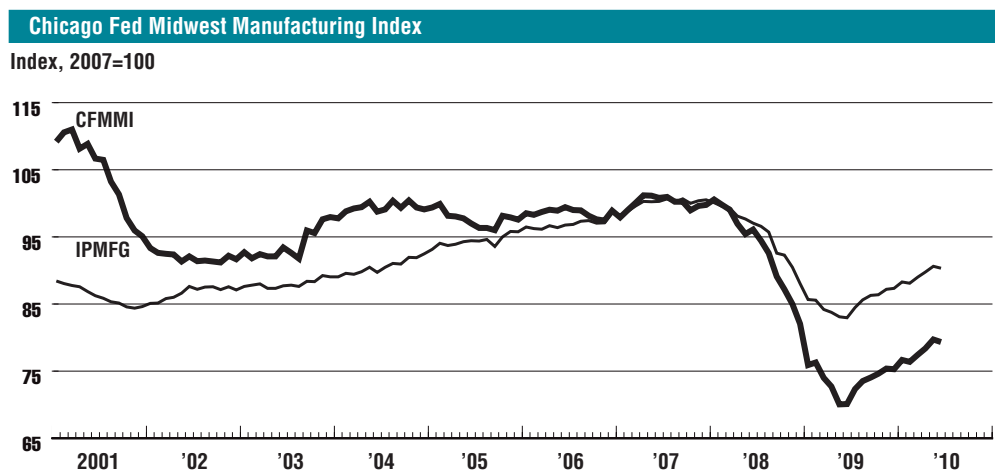
**Federal Reserve Bank of Chicago**  
**230 South LaSalle Street**  
**Chicago, IL 60604**

**2010 Release Dates:**  
**August 26, 2010**  
**September 27, 2010**  
**October 27, 2010**  
**November 29, 2010**  
**December 27, 2010**

NOTE: The Chicago Fed Midwest Manufacturing Index (CFMMI) was re-based with the June release to match the recently re-based IPMFG. The base year for the CFMMI and the IPMFG was changed from 2002 to 2007 (2007=100).

**The next CFMMI will be released:**  
**August 26, 2010**  
**Noon Eastern Time**  
**11:00 am Central Time**

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 OF CHICAGO

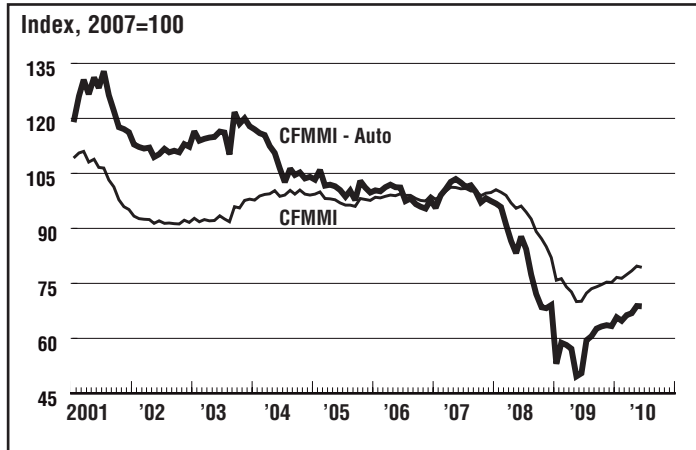


#### Manufacturing output indexes—June

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.5	2.5	13.2
US Industrial Production-Manufacturing (IPMFG)	-0.3	1.5	8.9

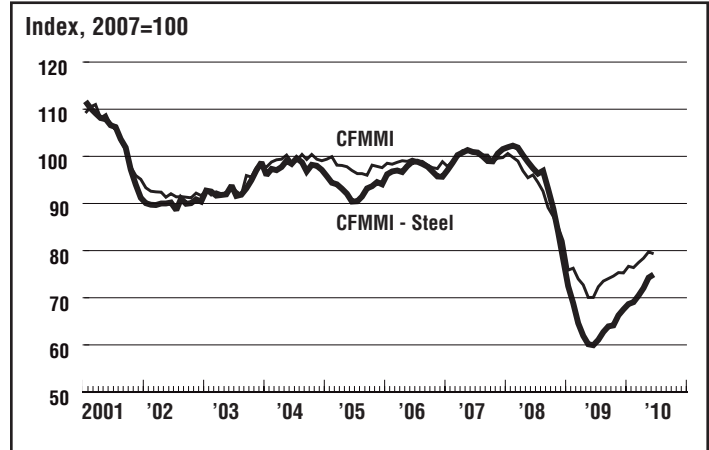
# Tracking Midwest Manufacturing Activity by Sectors — June 2010

## Auto Sector



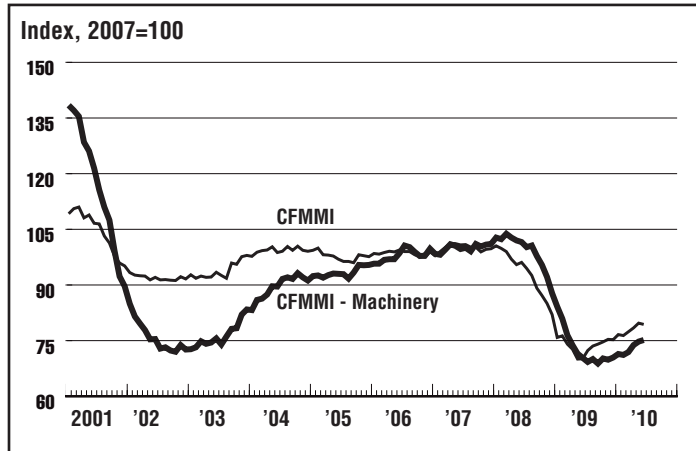
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



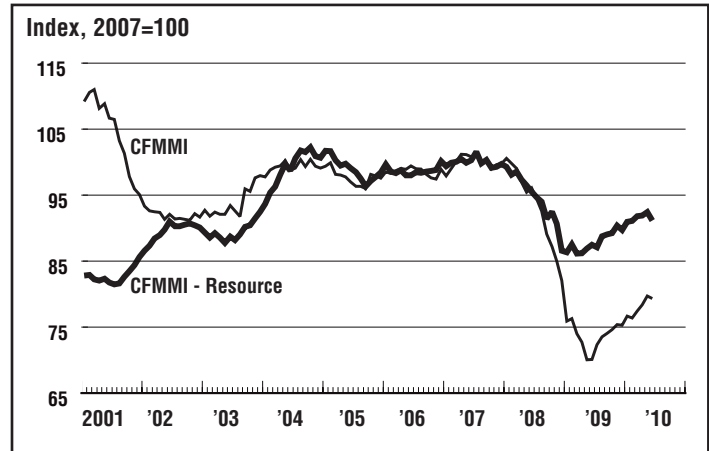
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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, 2007=100			Percent change			
	Apr 10	May 10	Jun 10	Monthly			Annual Jun 09–Jun 10
				Apr 10	May 10	Jun 10	
CFMMI	78.4	79.7	79.4	1.2	1.7	-0.5	13.2
CFMMI - Auto	66.9	68.9	68.7	0.8	3.0	-0.2	36.2
CFMMI - Steel	72.1	74.3	75.0	2.3	3.0	0.9	25.1
CFMMI - Machinery	73.8	74.8	75.2	2.6	1.3	0.6	6.8
CFMMI - Resource	91.9	92.4	91.2	0.1	0.5	-1.4	4.2
IPMFG	89.8	90.6	90.4	0.8	1.0	-0.3	8.9

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>.