

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Increased in January

The Chicago Fed Midwest Manufacturing Index (CFMMI) increased 1.1% in January, to a seasonally adjusted level of 84.1 (2007 = 100). Revised data show the index increased 0.7% in December to 83.2. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.3% in January. Regional output in January rose 9.2% from a year earlier, and national output increased 6.0%.

Three of the four regional sectors increased in January:

- Regional auto sector production increased 4.1%;
- Regional steel sector output rose 1.3%;
- Regional machinery sector production moved up 1.0%; and
- Regional resource sector output decreased 0.7%.

The region's auto sector production increased 4.1% in December after it edged down 0.2% in December. National auto output rose 1.6% in January. The Midwest's automotive output was up 8.9% in January relative to its year-ago level, and national automotive output was up 3.9%.

The region's steel sector output rose 1.3% in January after a 2.1% increase in the previous month. The nation's steel output was flat in January. Regional steel output was up 18.2% from its January 2010 level, and national steel output was up 11.0%.

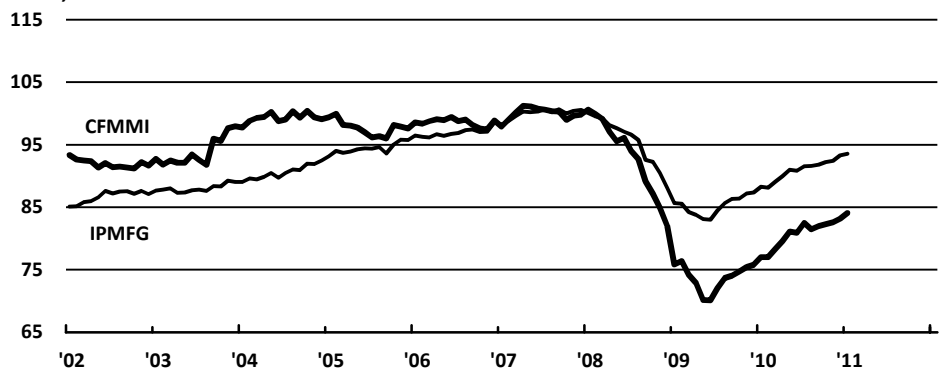
The Midwest's machinery sector production moved up 1.0% in January after increasing 0.8% in December. The nation's machinery production increased 0.8% in January. Regional machinery output in January was up 14.2% from its year-earlier level, and national machinery output was up 12.3%.

The Midwest resource sector's output decreased 0.7% in January after increasing 0.9% in the previous month. The national resource sector's output edged down 0.2% in January. The chemical subsector of the regional resource sector was the only one to increase from December to January, while the food, wood, paper, and nonmetallic subsectors decreased. Compared with a year ago, regional resource output was up 4.5% in January and national resource output was up 3.1%.

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

Chicago Fed Midwest Manufacturing Index

Index, 2007=100



The next CFMMI will be released:

April 6, 2011

8:30 am Eastern Time

7:30 am Central Time

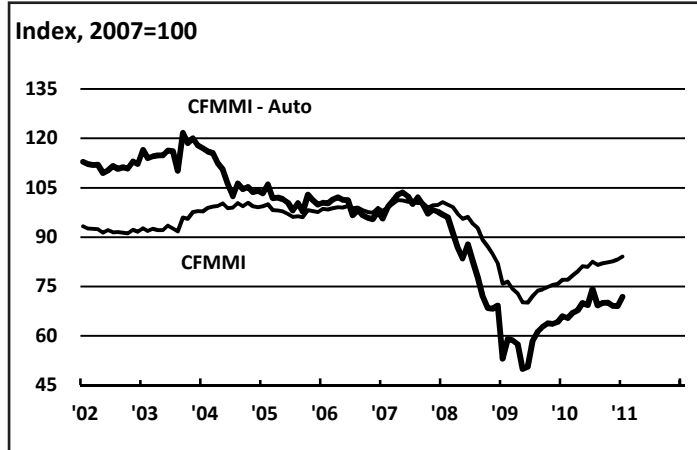
FEDERAL RESERVE BANK
OF CHICAGO

Manufacturing Output Indexes

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	1.1	2.2	9.2
US Industrial Production-Manufacturing (IPMFG)	0.3	1.5	6.0

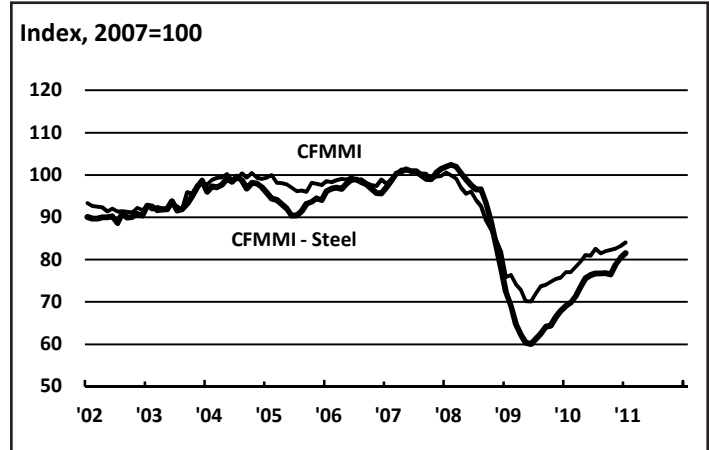
Tracking Midwest Manufacturing Activity by Sectors — January

Auto Sector



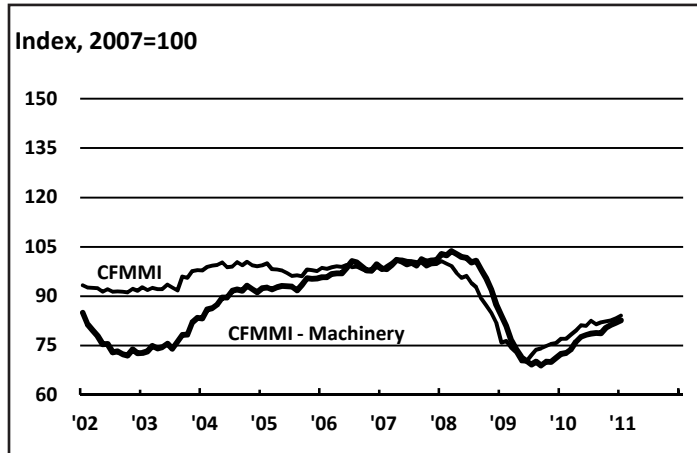
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



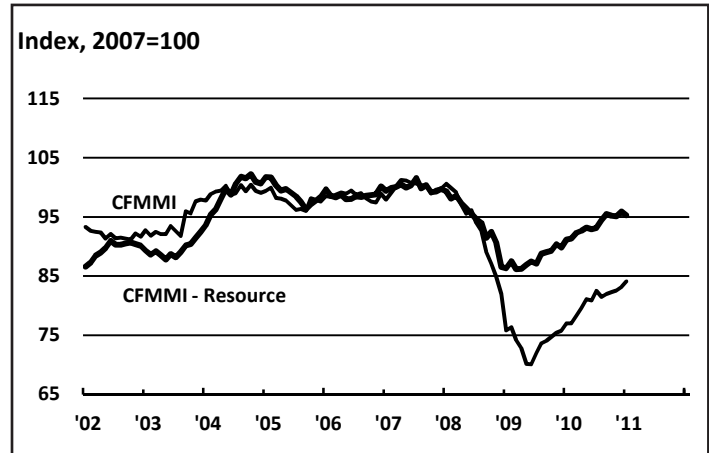
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			Percentage Change			
	Nov 10	Dec 10	Jan 11	Monthly			Annual
				Nov 10	Dec 10	Jan 11	
CFMMI	82.6	83.2	84.1	0.4	0.7	1.1	9.2
CFMMI - Auto	69.1	68.9	71.8	-1.4	-0.2	4.1	8.9
CFMMI - Steel	78.8	80.5	81.5	3.0	2.1	1.3	18.2
CFMMI - Machinery	81.2	81.8	82.7	1.1	0.8	1.0	14.2
CFMMI - Resource	95.1	95.9	95.2	-0.1	0.9	-0.7	4.5
IPMFG	92.4	93.3	93.6	0.3	0.9	0.3	6.0

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>.