

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Decreased in August

The Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 1.2% in August, to a seasonally adjusted level of 94.1 (2007 = 100). Revised data show the index was up 1.5% in July. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) decreased 0.7% in August. Regional output rose 10.1% in August from a year earlier, and national output increased 4.0%.

Production in two of the four regional sectors decreased in August:

- Regional auto sector production declined 4.0%;
- Regional steel sector output decreased 0.5%;
- Regional resource sector output moved up 0.1%; and
- Regional machinery sector production increased 0.1%.

The region's auto sector production declined 4.0% in August after increasing 5.5% in July. National auto output moved down 2.3% in August. The Midwest's automotive output was up 21.7% in August relative to its year-ago level, and national automotive output was up 11.4%.

The region's steel sector output decreased 0.5% in August, following an improvement of 0.4% in the previous month. The nation's steel output decreased 0.3% in August. Regional steel output was up 8.6% from its August 2011 level, and national steel output was up 5.3%.

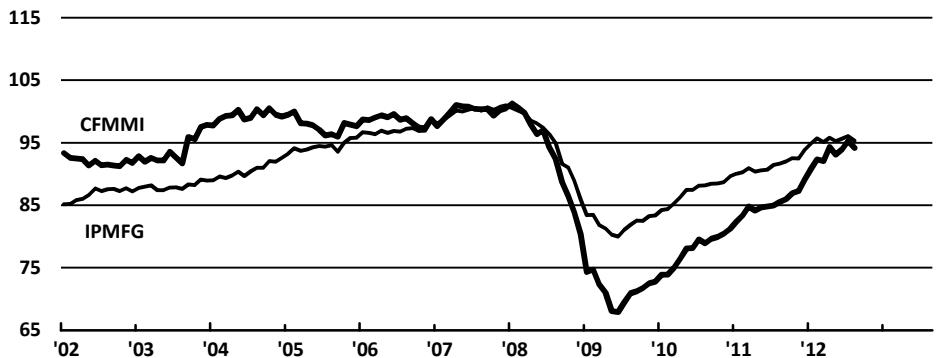
The Midwest resource sector's output moved up 0.1% in August after increasing 0.4% in July. The national resource sector's output was unchanged in August. Production in the regional resource sector's food subsector increased from July to August, while production in its paper, chemical, and nonmetallic mineral subsectors decreased; output from its wood subsector was unchanged. Compared with a year ago, regional resource output was up 2.1% in August, and national resource output was up 1.0%.

The Midwest's machinery sector production increased 0.1% in August after decreasing 1.7% in July. By contrast, the nation's machinery production decreased 0.7% in August. Regional machinery output was up 9.4% in August from its year-ago level, and national machinery output was up 4.8%.

— 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:
October 29, 2012
 8:30 am Eastern Time
 7:30 am Central Time

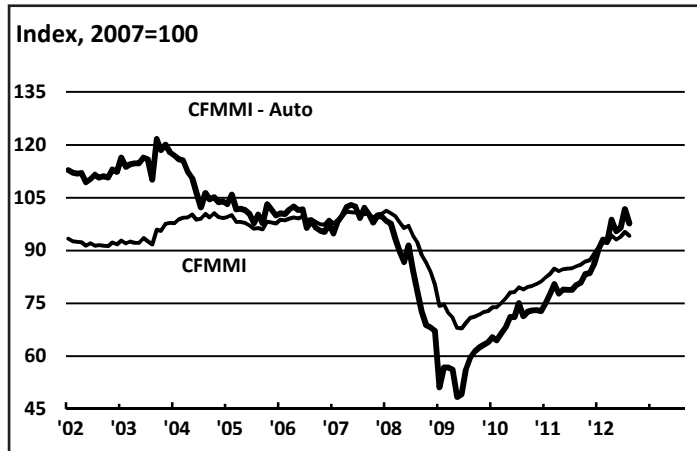
FEDERAL RESERVE BANK
 OF CHICAGO

Manufacturing Output Indexes

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-1.2	1.1	10.1
US Industrial Production-Manufacturing (IPMFG)	-0.7	0.1	4.0

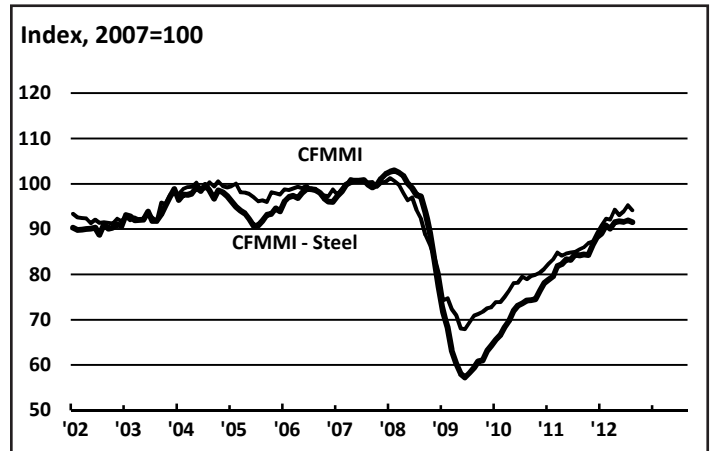
Tracking Midwest Manufacturing Activity by Sectors — August

Auto Sector



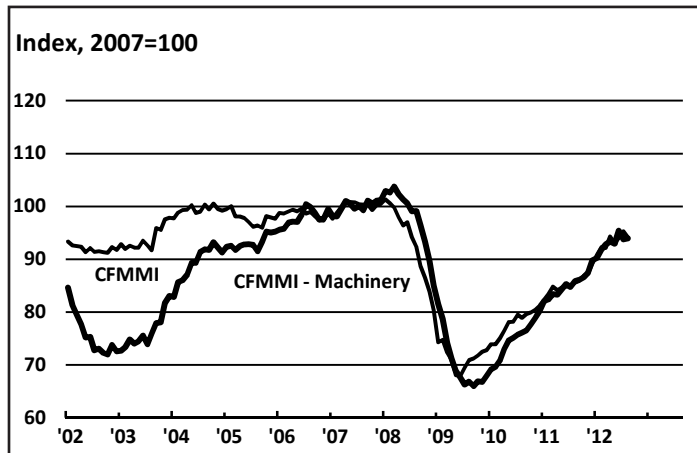
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



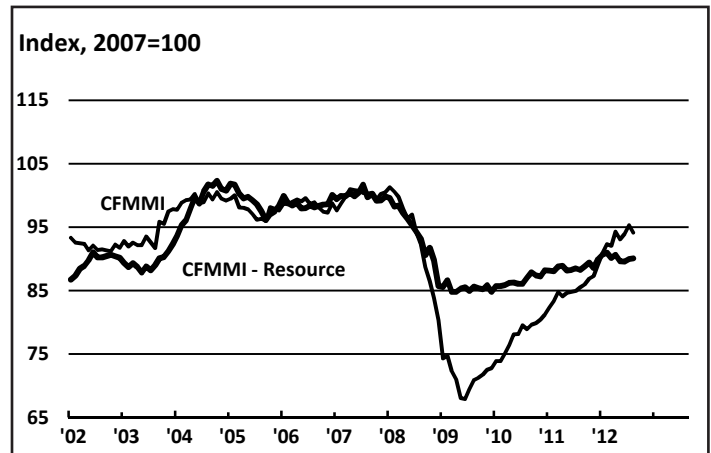
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
				Monthly		Annual	
	Jun 12	Jul 12	Aug 12	Jun 12	Jul 12	Aug 12	Aug 11 - Aug 12
CFMMI	93.9	95.3	94.1	0.9	1.5	-1.2	10.1
CFMMI - Auto	96.5	101.7	97.7	1.0	5.5	-4.0	21.7
CFMMI - Steel	91.6	92.0	91.5	-0.1	0.4	-0.5	8.6
CFMMI - Machinery	95.4	93.8	93.9	2.7	-1.7	0.1	9.4
CFMMI - Resource	89.6	90.0	90.1	-0.1	0.4	0.1	2.1
IPMFG	95.7	96.1	95.3	0.5	0.4	-0.7	4.0

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 website at <http://www.chicagofed.org>.