

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Falls Sharply in August

Embargoed for release:  
 Noon Eastern Time  
 11:00 am Central Time  
 October 11, 2001

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The Chicago Fed Midwest Manufacturing Index (CFMMI) fell 1.9% from July to August, reaching a seasonally adjusted level of 151.0 (1992=100). Revised data show the index was at 154.0 in July and had risen 0.2% from June. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) fell by 1.0% in August after being unchanged in July. August output in the region was 10.9% lower than a year earlier, while output in the nation was down 5.5%.

Output in all four CFMMI sub-sectors fell in August. Midwest auto sector output posted the largest decrease, falling 4.0% in August after rising 3.6% the prior month. Output in the regional machinery sector fell 1.7%, following a 0.7% loss the month before. The Midwest resource sector's output fell 1.7% after decreasing 0.6% in July. Regional steel sector output had the smallest loss in August, decreasing 1.1% after output rose 1.3% the previous month.

Midwest automotive output fell a sizable 4.0% in August, with the nation's auto output decreasing by a smaller 1.6%. The August decrease in regional output was primarily concentrated in the transportation equipment sector, but rubber also decreased moderately. Midwest automotive output was 12.2% below last year's levels, while national output was 4.5% lower.

Midwest machinery output fell 1.7% in August and the nation's output decreased 1.2%. Regional machinery output in August was down 11.7% from a year earlier, while national machinery output fell 7.5%.

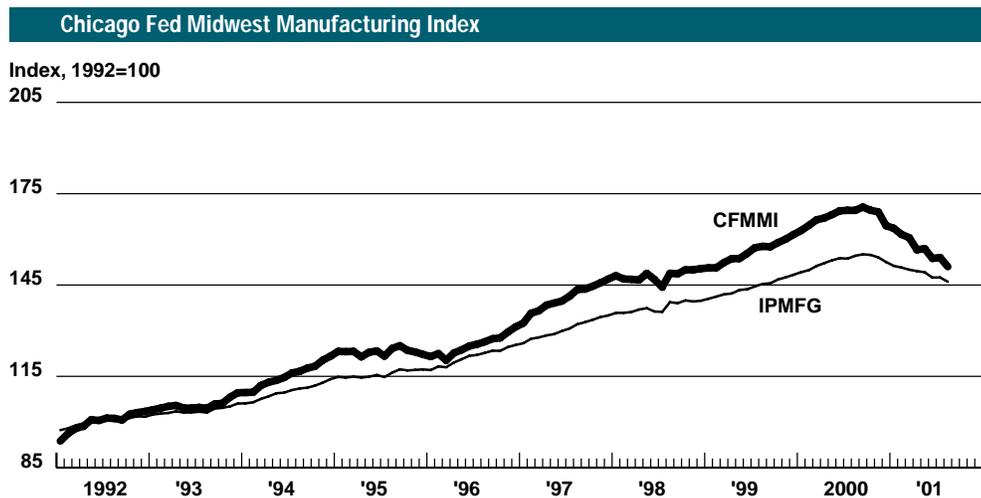
The Midwest resource sector's output decreased 1.7% in August, while output in the nation's resource sector fell 0.3%. The weakness in the region was concentrated in the chemical; stone, clay, glass and concrete; and food industries. Compared with a year ago, Midwest resource output was 8.7% lower in August and national output was down 3.8%.

Regional steel output decreased by 1.1% in August, with national steel output down 0.6%. Regional steel output was 11.4% below its August 2000 level, compared with a 7.8% decrease in the nation.

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

**Please Note:**  
 The new date for the next  
 CFMMI release is:

November 13, 2001  
 Noon Eastern Time  
 11:00 am Central Time

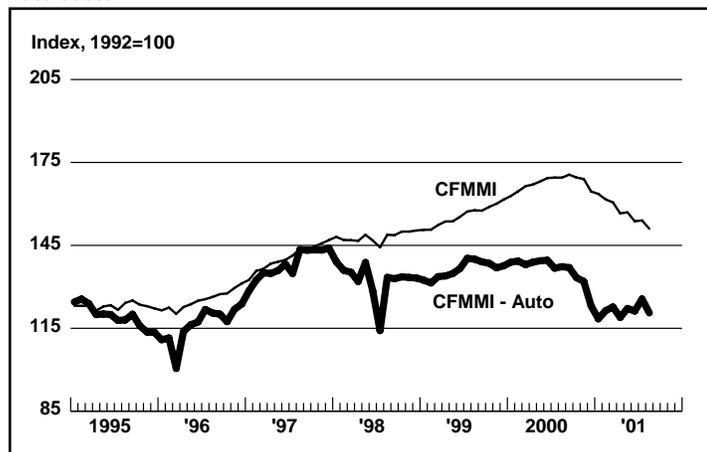


### Manufacturing output indexes – August 2001

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-1.9	-3.8	-10.9
US Industrial Production-Manufacturing (IPMFG)	-1.0	-2.1	-5.5

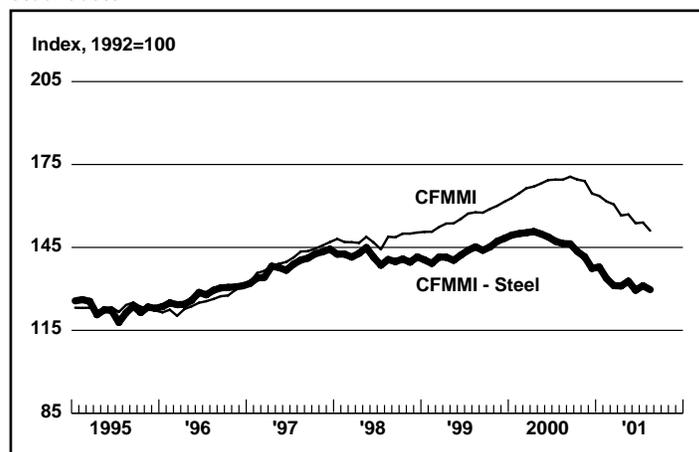
# Tracking Midwest Manufacturing Activity by Sectors — August 2001

## Auto Sector



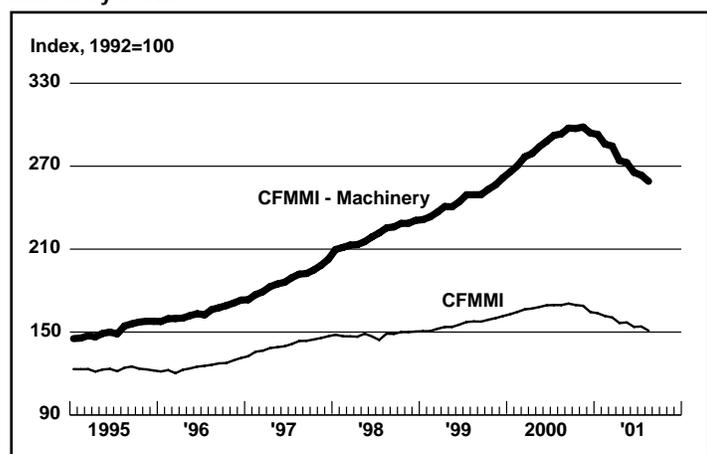
Auto Sector CFMMI Components:  
Rubber and Miscellaneous Plastics Products; Transportation Equipment

## Steel Sector



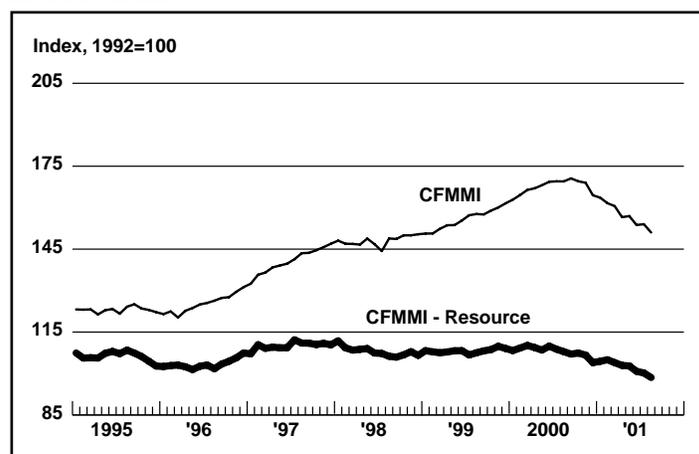
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## Machinery Sector



Machinery Sector CFMMI Components:  
Industrial Machinery and Equipment; Electronic and Other Electric Equipment;  
Instruments and Related Products

## Resource Sector



Resource Sector CFMMI Components:  
Food and Kindred Products; Lumber and Wood Products, Paper and Allied Products,  
Chemicals and Allied Products; Petroleum and Coal Products; Stone, Clay, and Glass  
Products

## Manufacturing Activity: Summary Table

	Index, 1992=100			Percent change			
	Jun 01	Jul 01	Aug 01	Monthly			Annual Aug 00–Aug 01
				Jun 01	Jul 01	Aug 01	
CFMMI	153.7	154.0	151.0	-2.0	0.2	-1.9	-10.9
CFMMI - Auto	121.2	125.6	120.6	-0.8	3.6	-4.0	-12.2
CFMMI - Steel	129.5	131.1	129.7	-2.5	1.3	-1.1	-11.4
CFMMI - Machinery	265.5	263.5	259.0	-2.6	-0.7	-1.7	-11.7
CFMMI - Resource	100.8	100.2	98.6	-1.9	-0.6	-1.7	-8.7
IPMFG	147.4	147.5	146.1	-1.2	0.0	-1.0	-5.5

Note: Three of the sixteen industries in the CFMMI are not included in any of the four sectors above. These are Furniture and Fixtures, Printing and Publishing, and Miscellaneous Manufacturing Industries.

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 16 manufacturing industries (identified by 2-digit SIC codes) that uses electrical power and 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 electrical power and 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>