

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Falls in November

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The Chicago Fed Midwest Manufacturing Index (CFMMI) fell 0.6% from October to November, reaching a seasonally adjusted level of 145.0 (1992=100). Revised data show the index was at 145.9 in October and declined 2.3% from September. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) fell 0.2% in November after decreasing 0.9% in October. November output in the region was 13.0% lower than a year earlier, while output in the nation was down 6.3%. Manufacturing output in the region peaked in June 2000 and has declined by 15.4% since then. Factory output in the nation also peaked in June 2000 and has fallen 7.6% since then.

Output in three of the four CFMMI sub-sectors fell in November. Midwest steel sector output posted the largest decrease, falling 1.4% in November after declining 4.0% the prior month. Output in the regional machinery sector fell 1.2%, following a 2.3% loss the month before. The Midwest resource sector's output fell 0.6% after decreasing 1.1% in October. The regional auto sector output was the only sector to post an increase, rising 1.8% in November after output fell 2.5% the previous month.

Regional steel output decreased by 1.4% in November, the second consecutive month that Midwest steel output losses were the largest of the four sub-sectors. National steel output was down 1.7% in November. Regional steel output was 13.2% below its November 2000 level, compared with a 9.4% decrease in the nation.

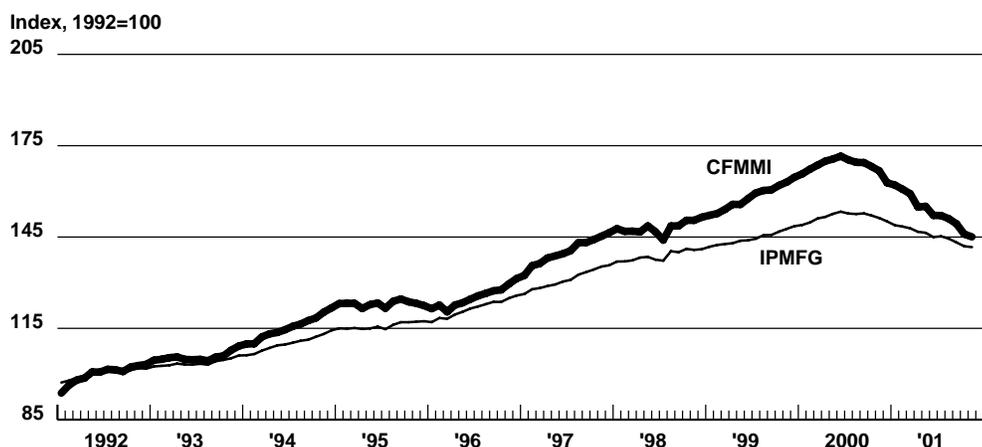
Midwest machinery output fell 1.2% in November, while the nation's output decreased 0.8%. Regional machinery output in November was down 17.5% from a year earlier, while national machinery output fell 13.7%.

The Midwest resource sector's output decreased 0.6% in November, while output in the nation's resource sector fell 0.1%. The regional stone, clay, glass, and concrete industry and the food industry registered the largest declines in the resource category. Compared with a year ago, Midwest resource output was 5.7% lower in November and national output was down 1.8%.

Midwest automotive output rose 1.8% in November, its first increase since July, while the nation's auto output increased 1.7%. The increase in regional output was primarily concentrated in the transportation equipment sector. Midwest automotive output was 9.2% below last year's level while national output was 3.5% lower.

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

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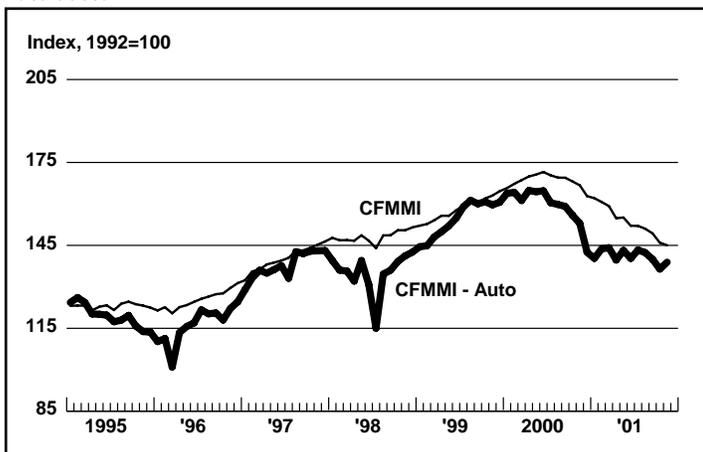
The next CFMMI will be released:
 February 11, 2002
 Noon Eastern Time
 11:00 am Central Time

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Manufacturing output indexes – November 2001	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.6	-4.0	-13.0
US Industrial Production-Manufacturing (IPMFG)	-0.2	-1.9	-6.3

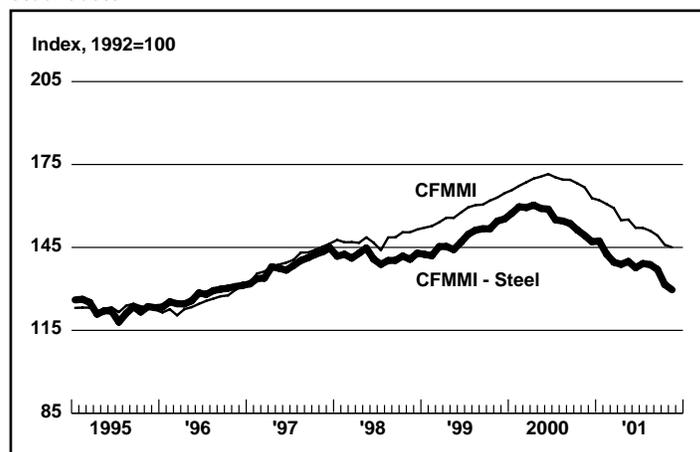
Tracking Midwest Manufacturing Activity by Sectors — November 2001

Auto Sector



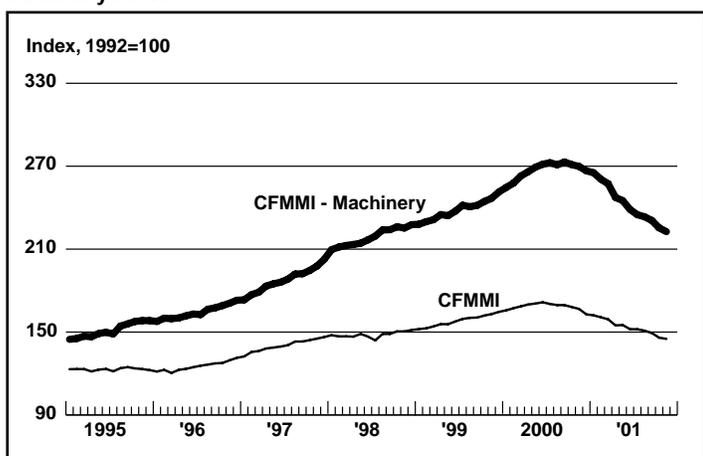
Auto Sector CFMMI Components:
Rubber and Miscellaneous Plastics Products; Transportation Equipment

Steel Sector



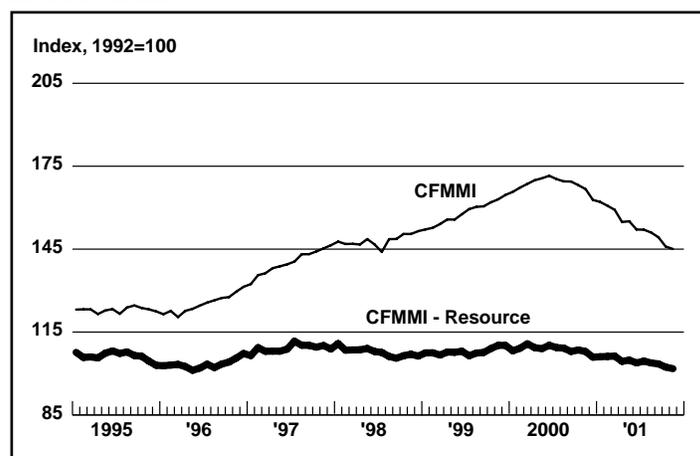
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Sep 01	Oct 01	Nov 01	Monthly			Annual Nov 00–Nov 01
				Sep 01	Oct 01	Nov 01	
CFMMI	149.3	145.9	145.0	-1.1	-2.3	-0.6	-13.0
CFMMI - Auto	140.0	136.4	138.9	-1.7	-2.5	1.8	-9.2
CFMMI - Steel	137.0	131.6	129.7	-1.3	-4.0	-1.4	-13.2
CFMMI - Machinery	230.7	225.4	222.6	-1.1	-2.3	-1.2	-17.5
CFMMI - Resource	103.5	102.3	101.8	-0.3	-1.1	-0.6	-5.7
IPMFG	143.2	142.0	141.7	-0.9	-0.9	-0.2	-6.3

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>