

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Rises in January

Embargoed for release:  
Noon Eastern Time  
11:00 am Central Time  
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2004 Release Dates:

- April 12
- May 11
- June 10
- July 12
- August 11
- September 9
- October 12
- November 10
- December 9

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.2% in January, to a seasonally adjusted level of 114.9 (1997=100). Revised data show the index increased 0.4% in December, to 114.6. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was up 0.3% in January. Regional output in January was 2.1% higher than a year earlier, comparable to the 2.2% growth experienced by the nation.

Output in two of the four CFMMI sub-sectors rose in January and was unchanged in a third. Regional resource sector output posted the strongest gain, rising 0.9% in January. Output for the Midwest machinery sector rose 0.6% in January. Regional steel sector output was unchanged in January. Midwest auto sector output fell 0.4% in January.

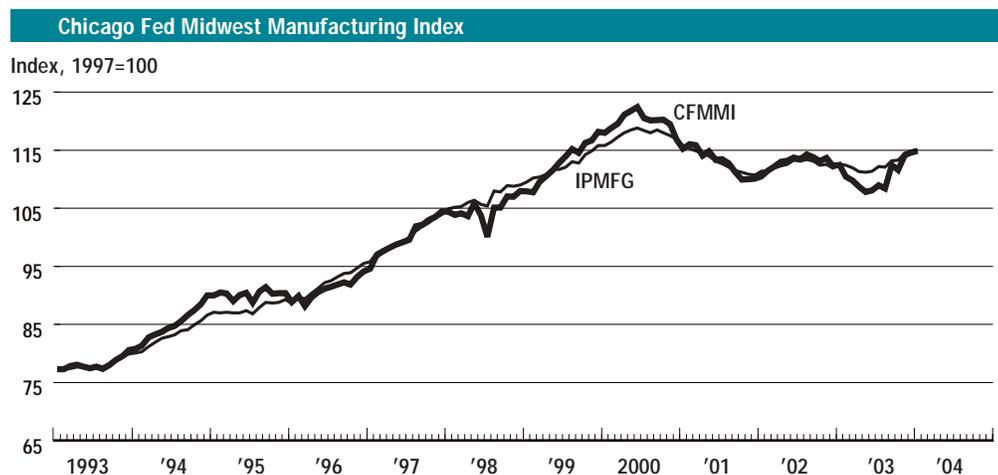
The Midwest resource sector's output was up 0.9% in January after falling 0.5% in December; the January advance was larger than the nation's 0.3% gain. January increases in regional paper, chemical, and wood production were offset slightly by a drop in food production. Compared with a year ago, regional resource output was down 0.7% in January while the nation's output was up 1.8%.

Midwest machinery sector output rose 0.6% in January after a 0.3% increase in December. The nation's output increased at a similar pace of 0.7% in January. Regional machinery output in January was 3.6% above year-earlier levels while national machinery output was up 11.3%.

The region's steel sector output was unchanged in January, following a 0.8% gain in December. The nation's steel output rose 0.3% in January. While Midwest steel output did not increase, the 1.1% rise in fabricated metal output was offset by a 2.5% decline in primary metal output. Regional steel output was 0.6% above its January 2003 level compared with a 0.1% decrease in the nation.

Midwest auto manufacturing fell 0.4% in January after rising 0.7% in December. The nation's auto output was up 0.5% in January. Compared with a year earlier, Midwest automotive output was 5.0% higher in January while national output was up 2.3%.

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



The next CFMMI will be released:  
April 12, 2004  
Noon Eastern Time  
11:00 am Central Time

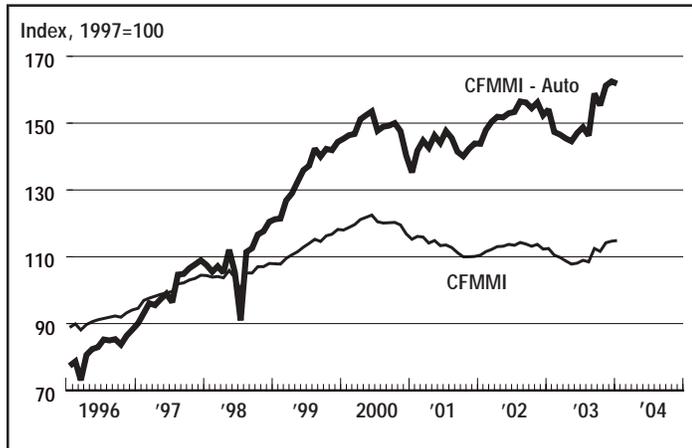
FEDERAL RESERVE BANK  
OF CHICAGO

Manufacturing output indexes—January

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.2	3.0	2.1
US Industrial Production-Manufacturing (IPMFG)	0.3	1.6	2.2

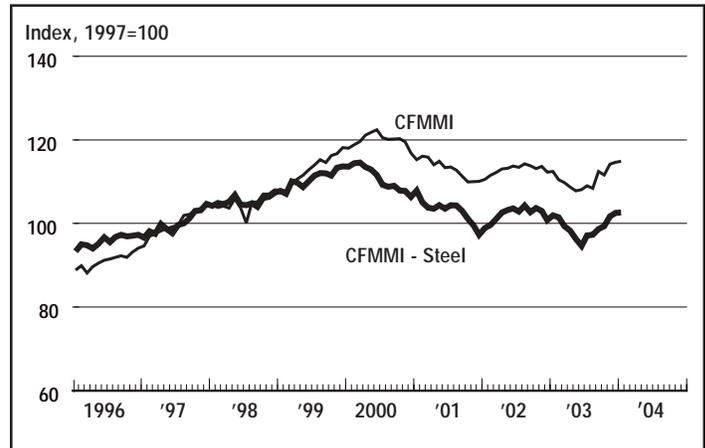
# Tracking Midwest Manufacturing Activity by Sectors — January 2004

## Auto Sector



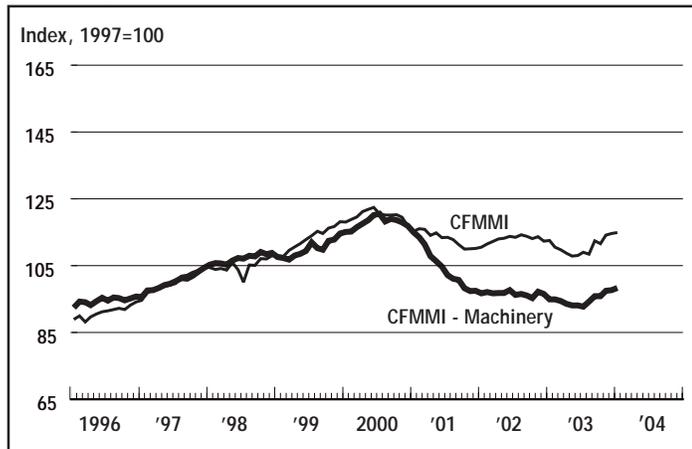
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



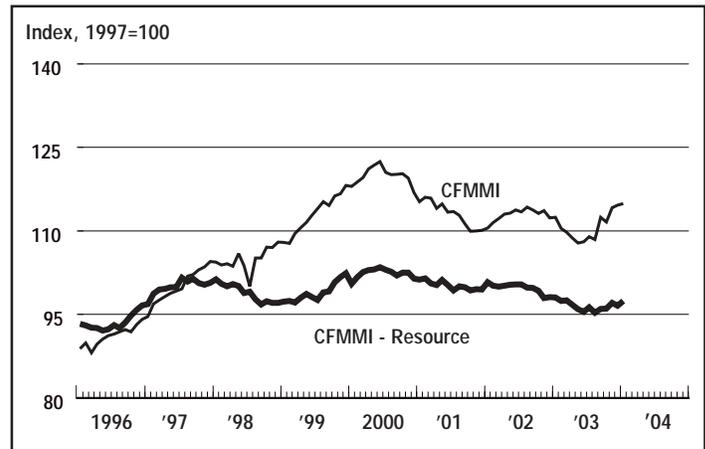
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## Machinery Sector



Machinery Sector CFMMI Components:  
Machinery; Computer and Electronic Product; Electrical Equipment, Appliance, and Components Manufacturing

## Resource Sector



Resource Sector CFMMI Components:  
Food; Wood Product; Paper; Chemicals; Nonmetallic Mineral Products

## Manufacturing Activity: Summary Table

	Index, 1997=100			Percent change			
	Nov 03	Dec 03	Jan 04	Monthly		Annual	
				Nov 03	Dec 03		Jan 04
CFMMI	114.2	114.6	114.9	2.3	0.4	0.2	2.1
CFMMI - Auto	161.3	162.4	161.8	3.8	0.7	-0.4	5.0
CFMMI - Steel	101.7	102.5	102.6	2.4	0.8	0.0	0.6
CFMMI - Machinery	97.4	97.7	98.3	1.7	0.3	0.6	3.6
CFMMI - Resource	97.1	96.6	97.4	1.0	-0.5	0.9	-0.7
IPMFG	114.5	114.7	115.1	1.1	0.2	0.3	2.2

Note: Three of the seventeen industries in the CFMMI are not included in any of the four sectors above. These are Furniture and Related Products; Printing and Related Support Activities; Miscellaneous Manufacturing.

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 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>