

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Decreased in February

The Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 0.8% in February, to a seasonally adjusted level of 82.6 (2002 = 100). Revised data show the index increased 2.0% in January to 83.2. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) ticked down 0.2% in February. Regional output in February edged down 0.5% from a year earlier, and national output increased 2.0%.

Three of the four regional industry sectors decreased in February:

- Regional auto sector production declined 2.8%;
- Regional resource sector output decreased 0.5%;
- Regional machinery sector production edged down 0.2%; and
- Regional steel sector output increased 0.9%.

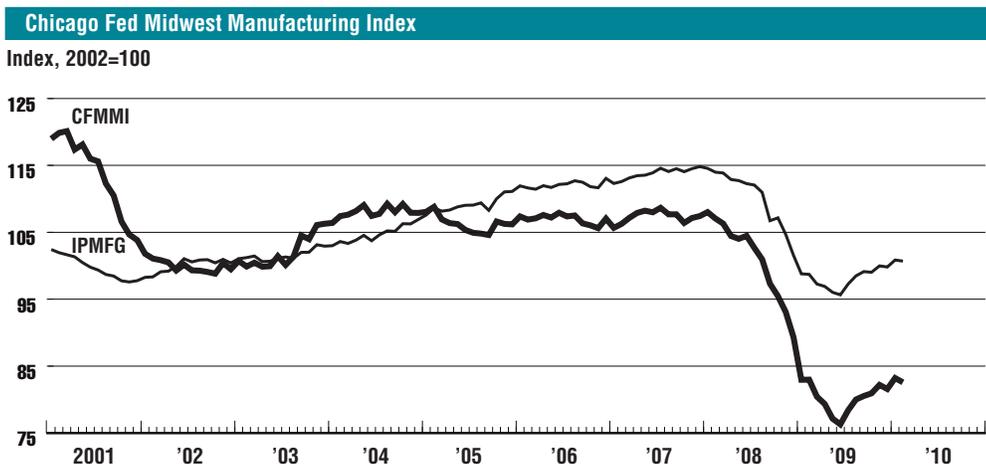
Regional auto sector production declined 2.8% in February after rising 4.7% in January. The nation's auto output decreased 1.7% in February. The Midwest's automotive output was up 10.0% in February relative to its year-ago level, and the nation's auto output was up 6.1%.

The Midwest resource sector's output moved down 0.5% in February after increasing 1.3% in January. The national resource sector's output was down 0.4% in February. Three of the five subsectors of the regional resource sector—food, chemical, and nonmetallic production—decreased from January to February, while wood and paper production increased. Compared with a year ago, regional resource output was up 3.0% in February and national resource output was up 3.9%.

The Midwest's machinery sector production moved down 0.2% in February after increasing 1.7% in January. The nation's machinery production increased 0.8% in February. Regional machinery output in February was down 12.8% from year-earlier levels, and national machinery output was up 3.8%.

The region's steel sector output increased 0.9% in February after rising 1.5% in January. The nation's steel output was up 0.2% in February. Regional steel output fell 2.1% from its February 2009 level, and national steel output was unchanged.

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



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**2010 Release Dates:
April 27, 2010
May 27, 2010
June 28, 2010
July 27, 2010
August 26, 2010
September 27, 2010
October 27, 2010
November 29, 2010
December 27, 2010**

**The next CFMMI will be released:
April 27, 2010
Noon Eastern Time
11:00 am Central Time**

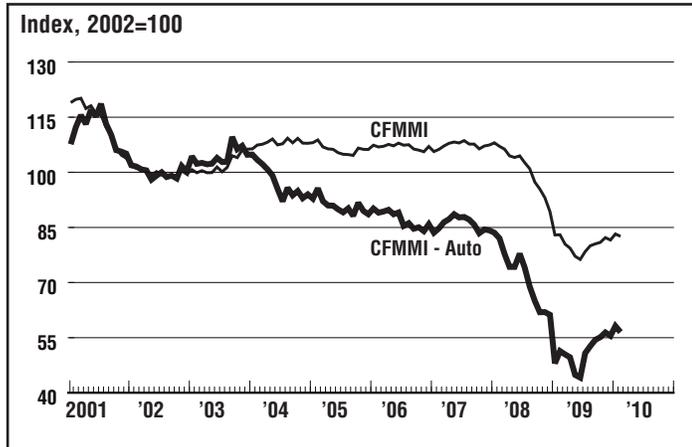
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Manufacturing output indexes—February

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.8	0.5	-0.5
US Industrial Production-Manufacturing (IPMFG)	-0.2	0.7	2.0

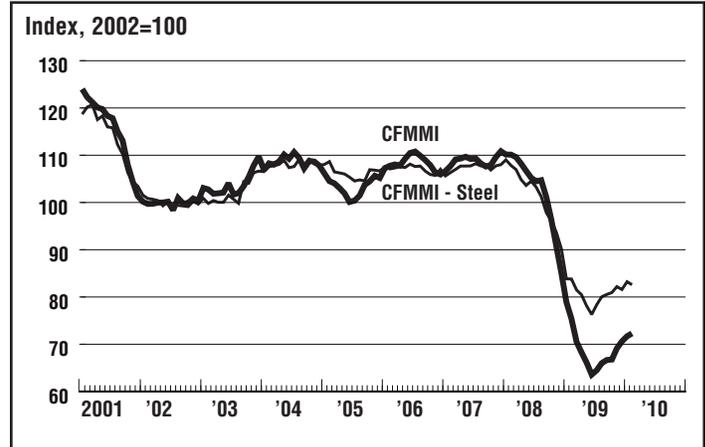
Tracking Midwest Manufacturing Activity by Sectors — February 2010

Auto Sector



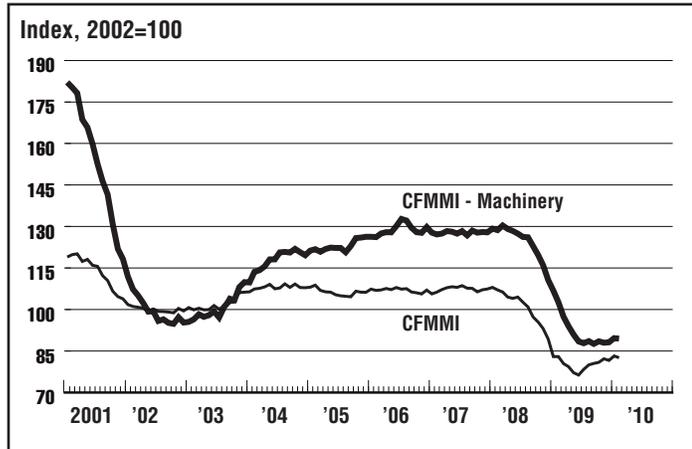
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



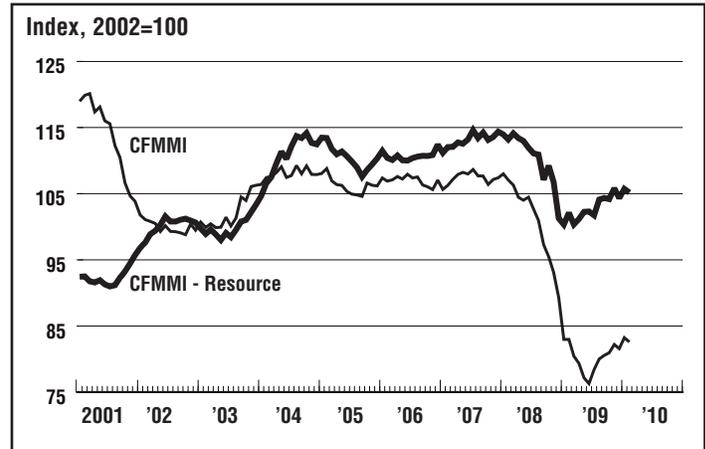
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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, 2002=100			Percent change			
	Dec 09	Jan 10	Feb 10	Monthly		Feb 09–Feb 10	Annual
				Dec 09	Jan 10		
CFMMI	81.6	83.2	82.6	-0.8	2.0	-0.8	-0.5
CFMMI - Auto	55.5	58.1	56.5	-1.6	4.7	-2.8	10.0
CFMMI - Steel	70.6	71.7	72.3	2.1	1.5	0.9	-2.1
CFMMI - Machinery	88.1	89.6	89.5	0.2	1.7	-0.2	-12.8
CFMMI - Resource	104.3	105.7	105.2	-1.4	1.3	-0.5	3.0
IPMFG	99.8	100.9	100.7	-0.2	1.0	-0.2	2.0

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>.