

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Declines Again in May

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The Chicago Fed Midwest Manufacturing Index (CFMMI) fell 0.2% from April to May, reaching a seasonally adjusted level of 155.5 (1992=100). Revised data show the index was at 155.8 in April, down 2.9% from March. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) declined 0.7% in May, after falling 0.6% in April. May output in the region was 7.5% lower than a year earlier, while output in the nation was down 3.3%.

Output in two of the four CFMMI subsectors increased in May, while output in the other two subsectors decreased. The auto sector had the largest advance in May, up 1.2%, following a revised drop of 3.6% in April. Output in the steel sector was up 0.6%, after it had fallen 1.1% in the prior month. Machinery sector output was down 0.2%, after descending 3.8% in the previous month. Midwest resource sector output fell 1.2% in May, after it declined 1.9% in April.

May auto output increased 1.2% in the Midwest, slightly outpacing the 1.0% gain for the nation. An increase in Midwest transportation equipment output more than offset a decrease in rubber and plastics output. Auto output in the region was down 14.1% from May 2000. Auto output for the nation was down 5.9% from a year earlier.

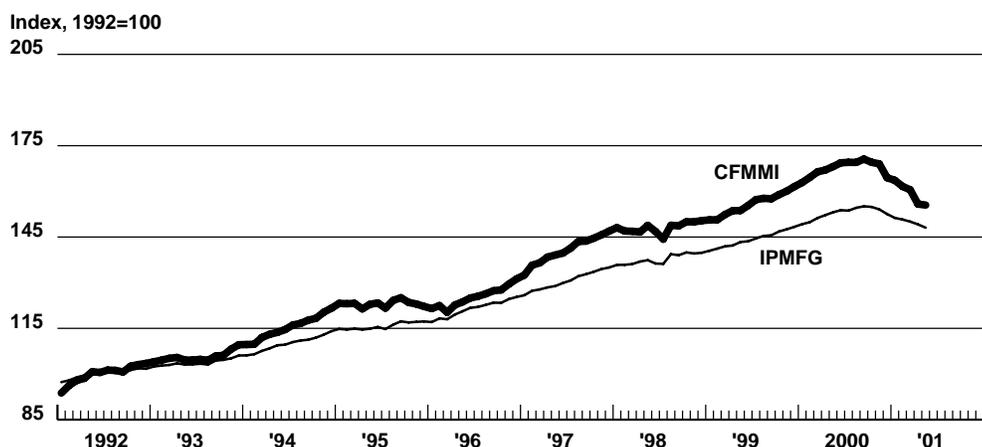
Regional steel output rose 0.6% in May, in contrast to national steel output which dropped 1.0%. Output in both primary and fabricated metal industries in the Midwest increased. Regional steel output was 12.9% below its May 2000 level, while national steel output was down 9.0%.

Midwest machinery output fell 0.2% from April to May, and national output declined 1.2%. In the Midwest, industrial machinery output increased slightly, but electrical machinery production declined. Regional machinery output was down 3.8% from a year earlier, while national machinery output was up 3.5%.

Midwest resource output was down 1.2% in May while resource output for the nation fell only 0.8%. In the Midwest, food, paper, chemical, and stone/clay output all declined, while lumber and petroleum output increased. Compared with a year ago, Midwest and national resource output was down 7.2% and 4.1%, respectively.

— Michael Munley • Associate Economist • 312-322-6401

Chicago Fed Midwest Manufacturing Index



The next CFMMI will be released:
 August 9, 2001
 Noon Eastern Time
 11:00 am Central Time

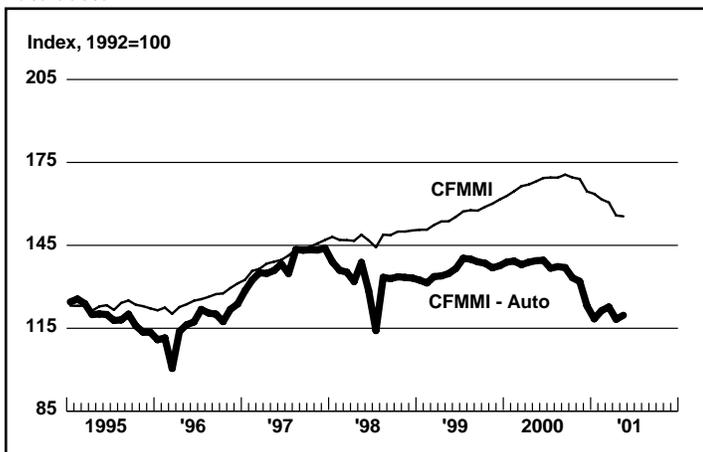
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Manufacturing output indexes – May 2001

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.2	-3.8	-7.5
US Industrial Production-Manufacturing (IPMFG)	-0.7	-1.8	-3.3

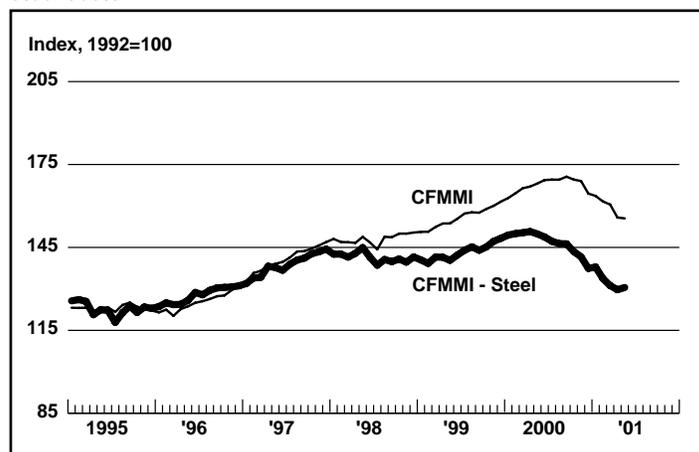
Tracking Midwest Manufacturing Activity by Sectors — May 2001

Auto Sector



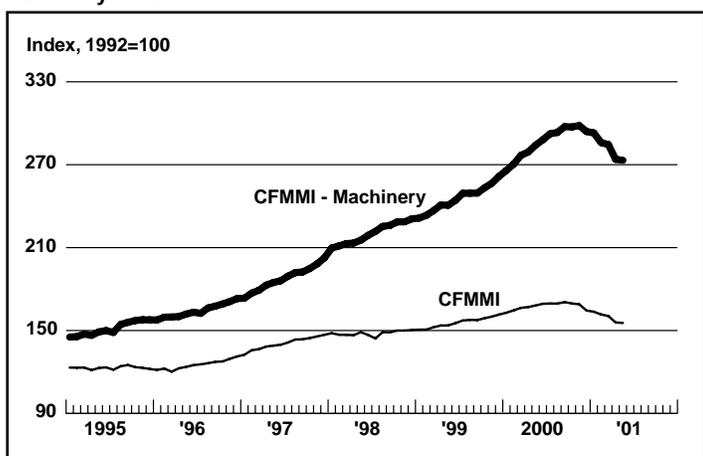
Auto Sector CFMMI Components:
Rubber and Miscellaneous Plastics Products; Transportation Equipment

Steel Sector



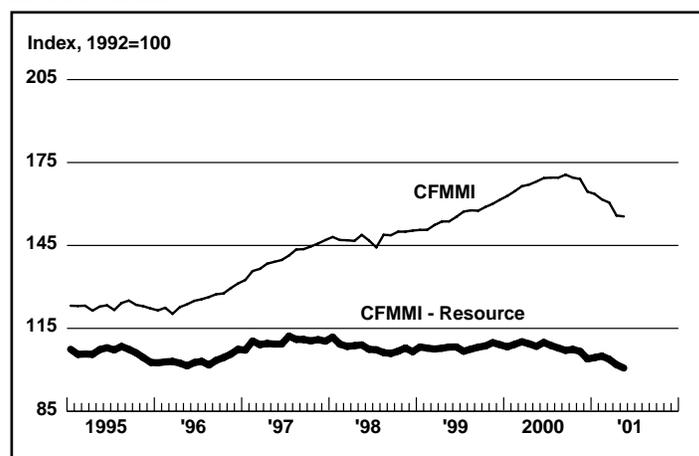
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Mar 01	Apr 01	May 01	Monthly			Annual May 00-May 01
				Mar 01	Apr 01	May 01	
CFMMI	160.5	155.8	155.5	-0.7	-2.9	-0.2	-7.5
CFMMI - Auto	122.7	118.3	119.7	1.1	-3.6	1.2	-14.1
CFMMI - Steel	131.2	129.7	130.5	-1.9	-1.1	0.6	-12.9
CFMMI - Machinery	284.6	273.9	273.2	-0.5	-3.8	-0.2	-3.8
CFMMI - Resource	103.8	101.9	100.7	-1.1	-1.9	-1.2	-7.2
IPMFG	150.1	149.1	148.1	-0.5	-0.6	-0.7	-3.3

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>