

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Rises in March

Embargoed for release:  
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The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 1.1% from February to March, reaching a seasonally adjusted level of 149.2 (1992=100). Revised data show the index was at 147.6 in February and had increased 0.3% from January. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.8% in March after rising 0.2% in February. This was the third consecutive monthly increase for regional production. March output in the region was 6.0% lower than a year earlier, while output in the nation was down 2.7%.

Output in all four CFMMI sub-sectors rose in March. Midwest steel sector output posted the largest increase, rising 1.8% in March after increasing 0.2% the month prior. Output in the regional resource sector rose 1.2%, following a 0.4% increase the month before. The Midwest auto sector's output increased 0.9% after increasing 2.0% in February. The regional machinery sector output increased 0.9% in March after output fell 0.4% the previous month.

With extremely tight inventories, regional steel output increased 1.8% in March. National steel output was up 1.2% in March. Regional steel output was 3.8% below its March 2001 level, compared with a 2.2% decrease in the nation.

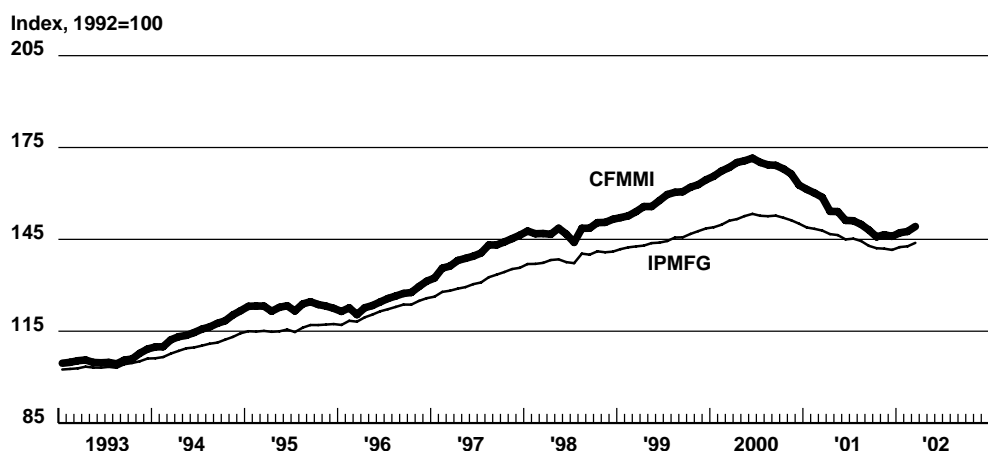
The Midwest resource sector's output increased 1.2% in March, while output in the nation's resource sector rose 0.8%. Output in the regional paper; lumber; stone, clay, glass and concrete products; and food industries registered the largest increases. Compared with a year ago, Midwest resource output was 0.6% lower in March and national output was up 1.0%.

Recent light vehicle market share shift toward passenger cars has benefited the Midwest which specializes in these products. Midwest automotive output rose 0.9% in March, while the nation's auto output declined 0.1%. Compared with a year earlier Midwest automotive output was 0.4% higher and national output was 2.5% lower.

Midwest machinery output rose 0.9% in March, while the nation's output increased 1.4%. Regional machinery output in March was down 11.3% from a year earlier, while national machinery output fell 6.1%.

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

**Chicago Fed Midwest Manufacturing Index**



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

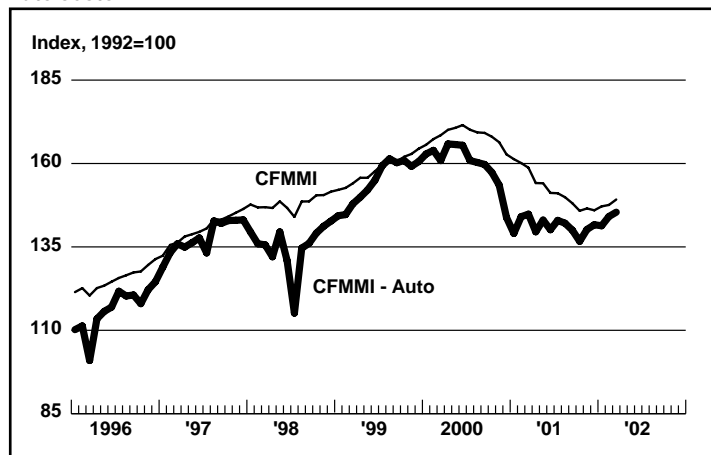
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**Manufacturing output indexes – March 2002**

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	1.1	2.2	-6.0
US Industrial Production-Manufacturing (IPMFG)	0.8	1.6	-2.7

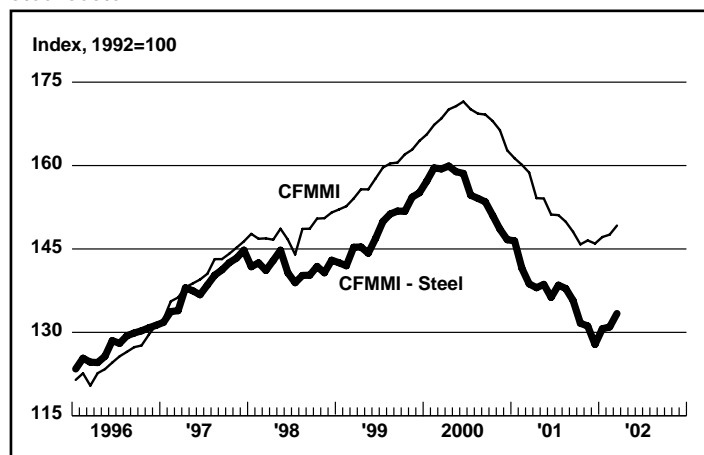
# Tracking Midwest Manufacturing Activity by Sectors — March 2002

## Auto Sector



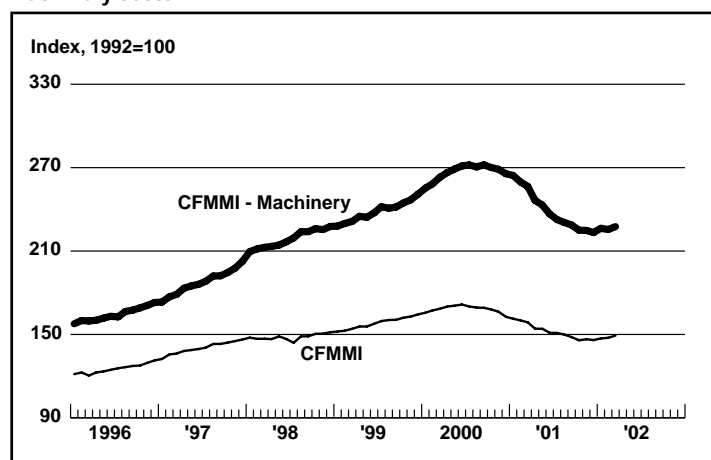
Auto Sector CFMMI Components:  
Rubber and Miscellaneous Plastics Products; Transportation Equipment

## Steel Sector



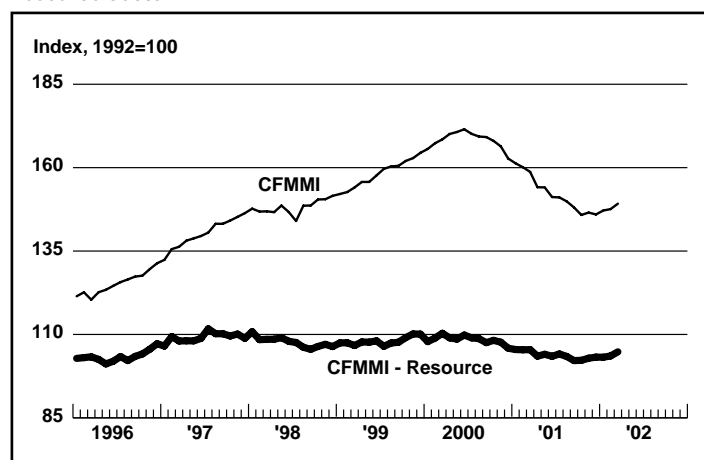
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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			
	Jan 02	Feb 02	Mar 02	Monthly			Annual Mar 01-Mar 02
				Jan 02	Feb 02	Mar 02	
CFMMI	147.1	147.6	149.2	0.8	0.3	1.1	-6.0
CFMMI - Auto	141.3	144.1	145.4	-0.2	2.0	0.9	0.4
CFMMI - Steel	130.6	131.0	133.4	2.2	0.2	1.8	-3.8
CFMMI - Machinery	226.4	225.5	227.6	1.4	-0.4	0.9	-11.3
CFMMI - Resource	103.2	103.5	104.8	0.0	0.4	1.2	-0.6
IPMFG	142.5	142.7	143.9	0.6	0.2	0.8	-2.7

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>