

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises in January

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2003 Release Dates:
May 12
June 11
July 10
August 11
September 11
October 9
November 10
December 11

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.3% in January to a seasonally adjusted level of 101.3 (1997=100). Revised data show the index fell 1.1% to 100.9 in December. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was up 0.6% in January after falling 0.8% in December. January output in the region was 1.3% higher than a year earlier, while output in the nation was 1.1% higher.

Output in three of the four CFMMI sub-sectors rose in January. Midwest auto sector output posted the largest increase, rising 1.4% in January after falling 2.3% in the previous month. The machinery sector's output rose 0.1% in January after falling 1.2% in December. Regional resource sector output increased 0.1% in January after experiencing no change the month prior. Output in the Midwest steel sector fell 0.3% in January after dropping 1.3% in December.

Midwest automotive output rose 1.4% in January, a smaller increase than the 2.6% gain in the nation. Compared with a year earlier, Midwest automotive output was 6.3% higher while national output was up 3.9%.

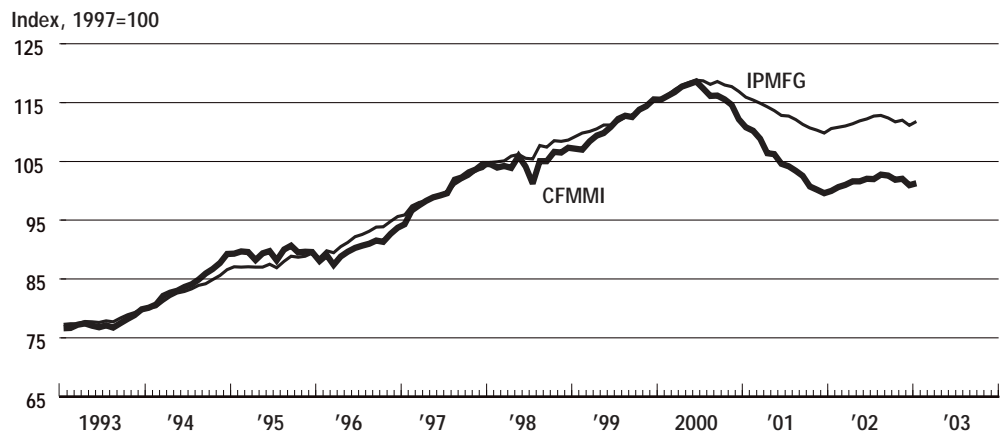
Midwest machinery output edged up 0.1% in January, while the nation's output increased by a more robust 1.2%. While machinery production in the region rose strongly, it was offset by losses in computer and electronic production; and electrical equipment, appliance and component production. Regional machinery output in January was 0.9% below year earlier levels while national machinery output was up 1.6%.

The Midwest resource sector's output edged up 0.1% in January while the nation's output edged down 0.2%. Gains in regional wood product and chemical production were offset by declines in paper, food, and nonmetallic mineral production. Compared with a year ago, regional resource output was 0.6% lower in January, compared with no change for the nation.

The region's steel sector output decreased 0.3% in January, while the nation's steel output was up 0.4%. Regional steel output was 2.9% above its January 2002 level, compared with a 1.3% increase in the nation.

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

Chicago Fed Midwest Manufacturing Index



The next CFMMI will be released:
May 12, 2003
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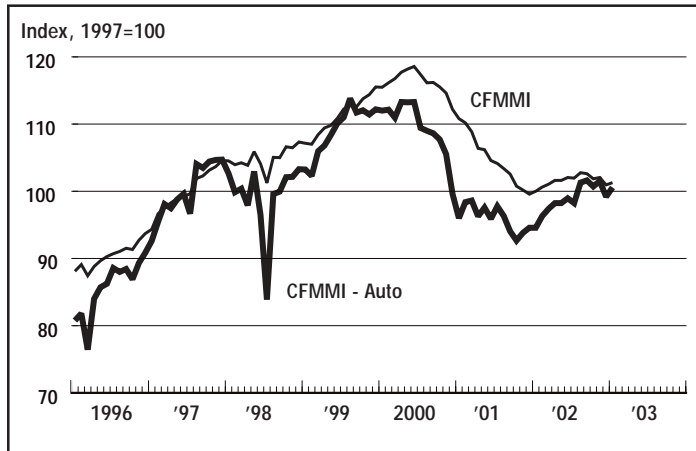
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Manufacturing output indexes—January 2003

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.3	-0.6	1.3
US Industrial Production-Manufacturing (IPMFG)	0.6	0.1	1.1

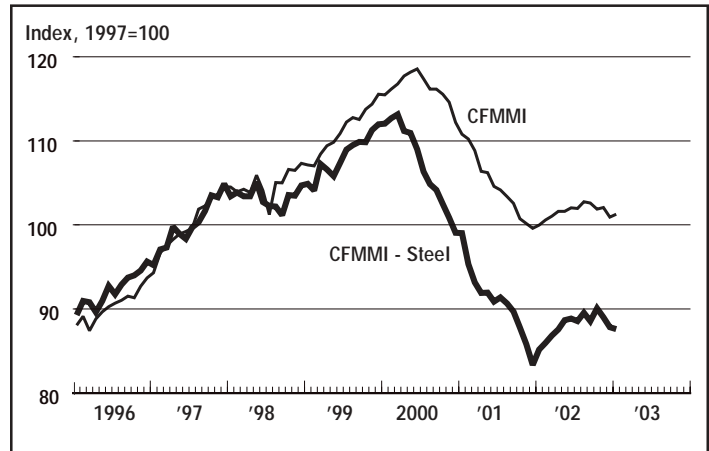
Tracking Midwest Manufacturing Activity by Sectors — January 2003

Auto Sector



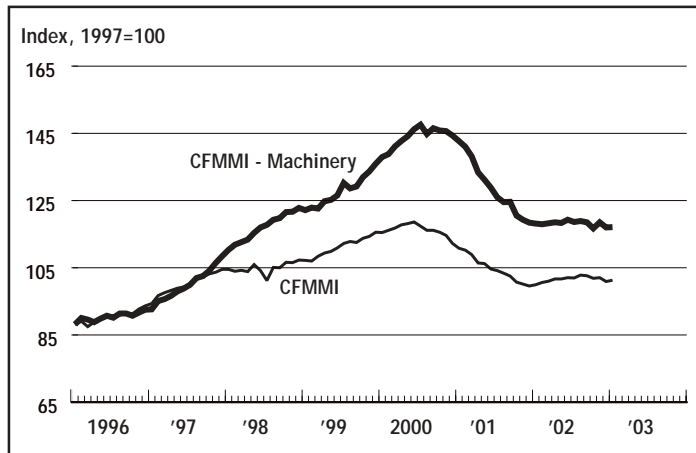
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



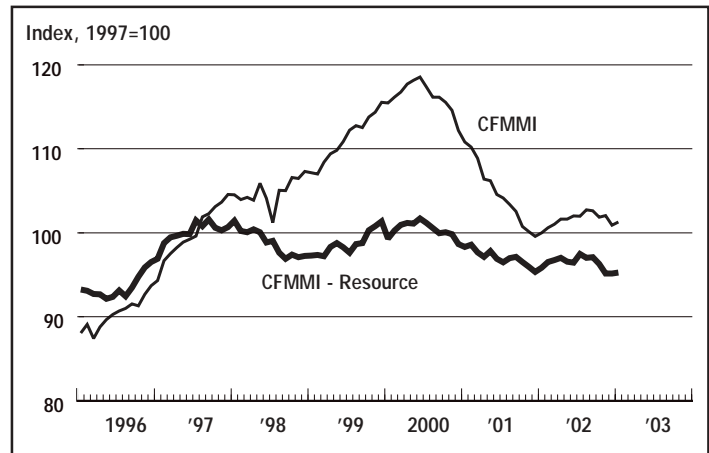
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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 02	Dec 02	Jan 03	Monthly		Annual	
				Nov 02	Dec 02		Jan 03
CFMMI	102.1	100.9	101.3	0.2	-1.1	0.3	1.3
CFMMI - Auto	101.5	99.2	100.6	0.8	-2.3	1.4	6.3
CFMMI - Steel	89.0	87.8	87.6	-1.2	-1.3	-0.3	2.9
CFMMI - Machinery	118.5	117.0	117.1	1.5	-1.2	0.1	-0.9
CFMMI - Resource	95.2	95.2	95.3	-1.2	0.0	0.1	-0.6
IPMFG	112.0	111.1	111.8	0.3	-0.8	0.6	1.1

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>