

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises in February

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2004 Release Dates:

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

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 1.0% in February, to a seasonally adjusted level of 115.6 (1997=100). Revised data show the index was unchanged in January, at 114.4. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was up 1.0% in February. Regional output in February was 4.6% higher than a year earlier, a larger increase than the 3.4% experienced by the nation.

Output in all four CFMMI sub-sectors rose in February. Regional steel sector output posted the strongest gain, rising 2.0% in February. Output for both the Midwest machinery and Midwest resource sectors was up 1.2% in February. Regional auto sector output increased 0.5% in February. Output in all four sub-sectors was above year-earlier levels for the first time since June 2000, the month manufacturing production peaked in the Midwest.

The region's steel sector output rose 2.0% in February, after a 1.1% increase in January. The nation's steel output was up 1.0% in February. The gain in Midwest steel output reflected solid increases in fabricated metal output, up 2.1%, and primary metal output, up 1.8%. Regional steel output was 4.8% above its February 2003 level compared with a 2.1% increase in the nation.

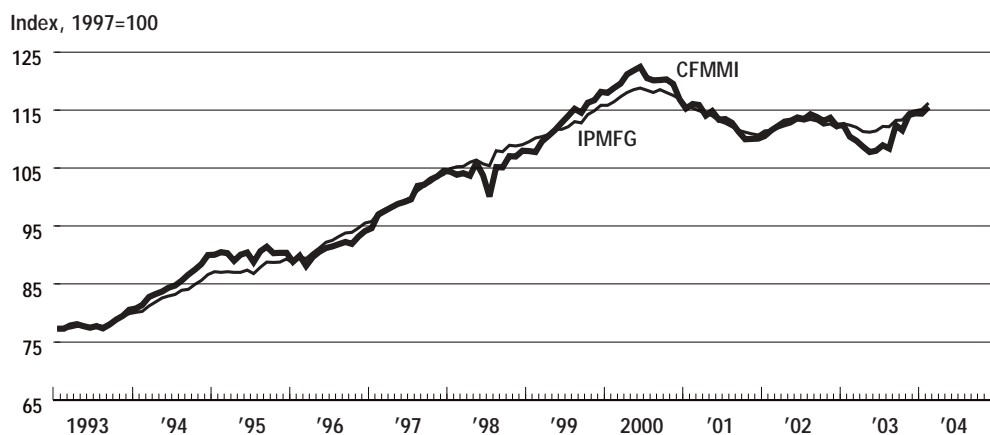
Midwest machinery sector output rose 1.2% in February after a 0.5% decrease in January. The nation's output increased at an identical 1.2% pace in February. Regional machinery output in February was 4.3% above year-earlier levels while national output was up 11.8%.

The Midwest resource sector's output was up 1.2% in February after rising 0.2% in January; the February advance was larger than the nation's 0.9% gain. February increases in regional chemical, food, and wood production were offset slightly by a drop in paper and nonmetallic mineral production. Compared with a year ago, regional resource output was up 1.0% in February while the nation's output was up 2.4%.

Midwest auto manufacturing rose 0.5% in February after falling 0.2% in January. The nation's auto output was up 1.2% in February. Compared with a year earlier, Midwest automotive output was 9.2% higher in February while national output was up 4.3%.

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

Chicago Fed Midwest Manufacturing Index



The next CFMMI will be released:
May 11, 2004
Noon Eastern Time
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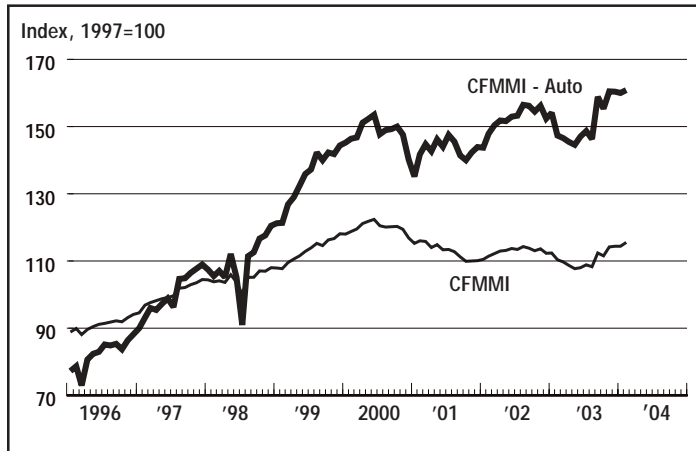
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Manufacturing output indexes—February

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	1.0	1.2	4.6
US Industrial Production-Manufacturing (IPMFG)	1.0	1.4	3.4

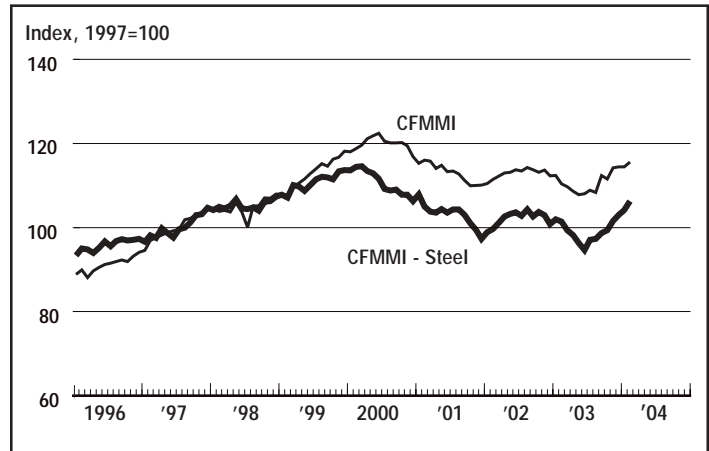
Tracking Midwest Manufacturing Activity by Sectors — February 2004

Auto Sector



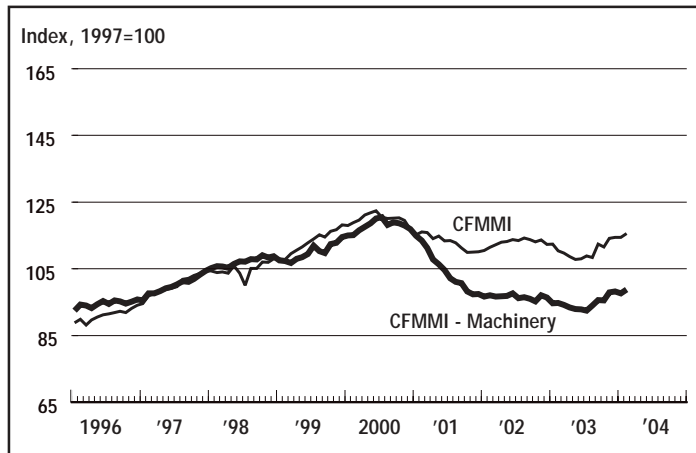
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



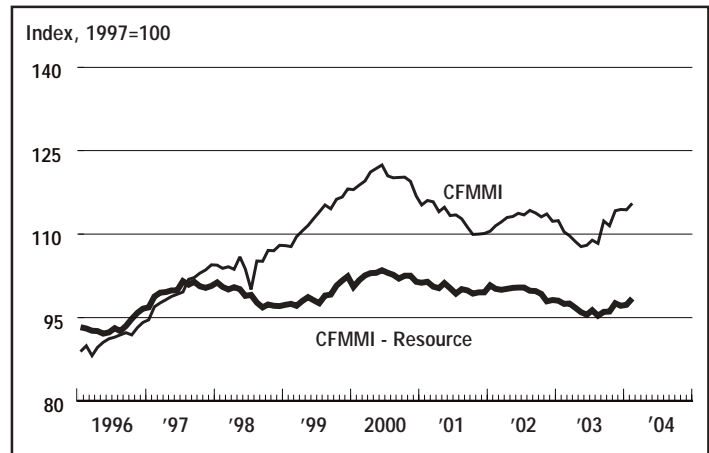
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Dec 03	Jan 04	Feb 04	Monthly			Annual Feb 03–Feb 04
				Dec 03	Jan 04	Feb 04	
CFMMI	114.4	114.4	115.6	0.2	0.0	1.0	4.6
CFMMI - Auto	160.4	160.0	160.9	0.0	-0.2	0.5	9.2
CFMMI - Steel	103.0	104.2	106.3	1.4	1.1	2.0	4.8
CFMMI - Machinery	98.2	97.7	98.8	0.2	-0.5	1.2	4.3
CFMMI - Resource	97.1	97.3	98.4	-0.4	0.2	1.2	1.0
IPMFG	114.9	115.1	116.2	0.3	0.2	1.0	3.4

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>