

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises in April

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.4% in April, to a seasonally adjusted level of 118.5 (1997=100). Revised data show the index fell 1.4% in March, to 118.0. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.1% in April. Regional output in April was 2.0% higher than a year earlier, lower than the nation's 3.5% increase.

The increase in April was driven by a large increase in regional machinery output. Regional machinery output rose 1.7% from its March level; output in the resource sector rose 0.6%; the steel sector's output increased 0.1% and the auto sector's output fell 0.5%.

Midwest machinery sector output increased 1.7% in April after remaining unchanged in March. The nation's machinery output also rose 1.7% in April. Regional machinery output in April was 5.7% above year-earlier levels while national output was up 16.0%.

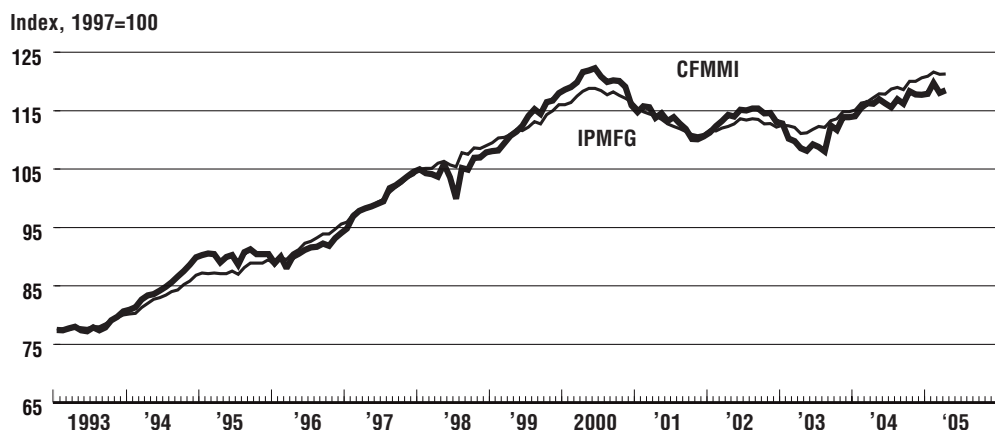
The Midwest resource sector's output rose 0.6% in April after falling 0.6% in March. The nation's resource sector's output was up 0.3% in April. Increases in regional paper, chemical, nonmetallic mineral, and food production were somewhat offset by a decrease in wood production in April. Compared with a year ago, regional resource output was up 3.2% in April while national output was up 2.1%.

The region's steel sector output edged up 0.1% in April, after rising 0.6% in March. The nation's steel output rose at the same rate as the region in April. Regional steel output was 0.9% above its April 2004 level compared with a 1.3% increase in the nation.

Midwest auto sector production fell 0.5% in April after a sharp 3.9% decline in March. The nation's auto output decreased by 1.6% in April. Compared with a year earlier, Midwest automotive output was 1.6% lower in April compared with a 0.8% increase for the nation.

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

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The next CFMMI will be released:

June 27, 2005

Noon Eastern Time

11:00 am Central Time

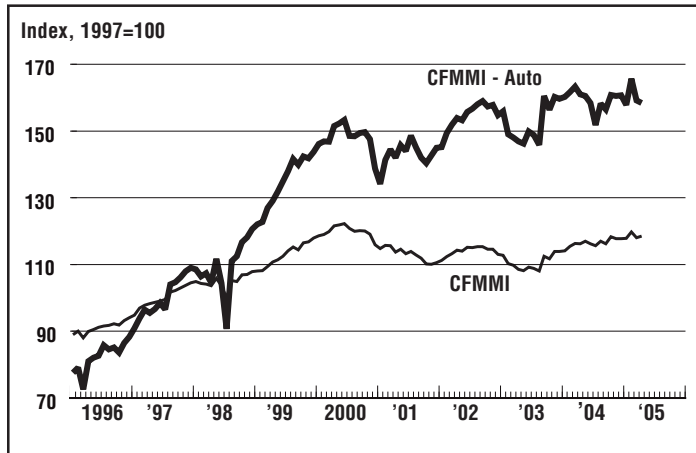
FEDERAL RESERVE BANK
OF CHICAGO

Manufacturing output indexes—April

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.4	0.5	2.0
US Industrial Production-Manufacturing (IPMFG)	0.1	0.3	3.5

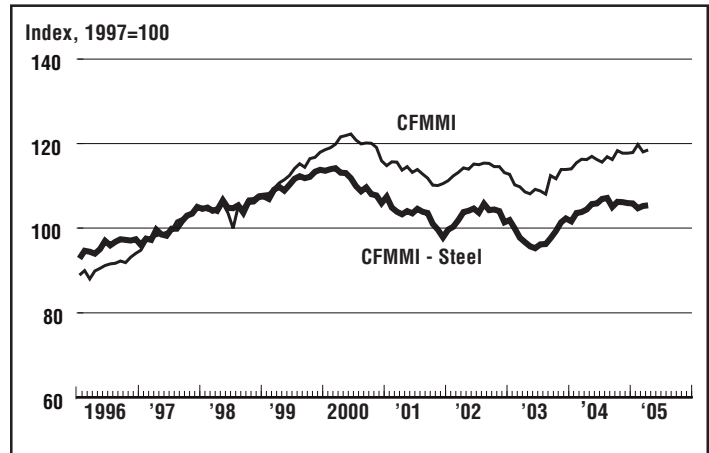
Tracking Midwest Manufacturing Activity by Sectors — April 2005

Auto Sector



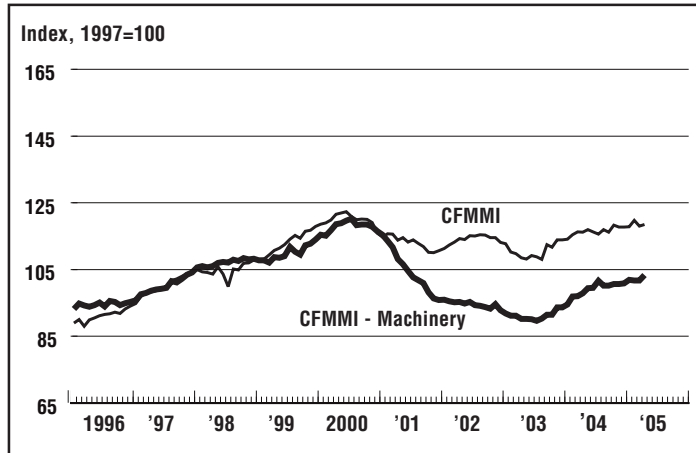
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



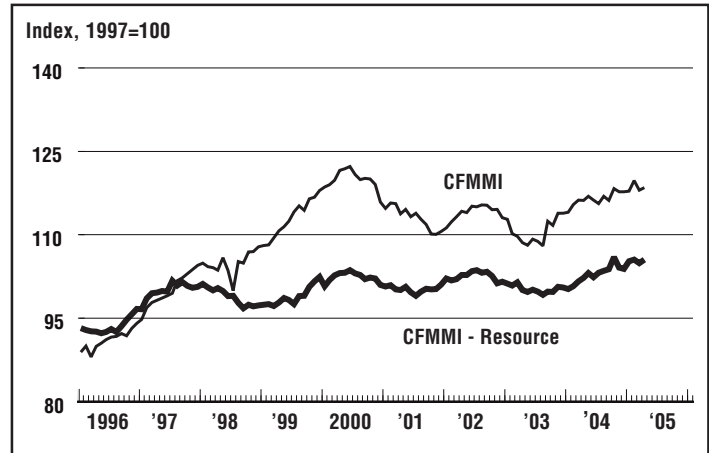
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Feb 05	Mar 05	Apr 05	Monthly			Annual Apr 04–Apr 05
				Feb 05	Mar 05	Apr 05	
CFMMI	119.7	118.0	118.5	1.6	-1.4	0.4	2.0
CFMMI - Auto	165.7	159.2	158.4	5.0	-3.9	-0.5	-1.6
CFMMI - Steel	104.7	105.3	105.4	-1.1	0.6	0.1	0.9
CFMMI - Machinery	101.7	101.7	103.4	-0.1	0.0	1.7	5.7
CFMMI - Resource	105.5	104.9	105.5	0.3	-0.6	0.6	3.2
IPMFG	121.6	121.2	121.3	0.6	-0.3	0.1	3.5

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>