

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Rises in May

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**2005 Release Dates:  
July 27, 2005  
August 25, 2005  
September 27, 2005  
October 27, 2005  
November 29, 2005  
December 27, 2005**

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.3% in May, to a seasonally adjusted level of 118.4 (1997=100). Revised data show the index rose 0.2% in April, to 118.1. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.5% in May. Regional output in May was 1.3% higher than a year earlier, lower than the nation's 3.2% increase.

All four regional subsectors rose in May. The increase in May was driven by a solid increase in regional machinery output. Regional machinery output rose 0.8% from its April level; output in the resource sector rose 0.6%; the steel sector's output increased 0.4%; and the auto sector's output edged higher by 0.1%.

Midwest machinery sector output increased 0.8% in May after gaining 1.8% in April. The nation's machinery output rose 2.0% in May. Regional machinery output in May was 5.3% above year-earlier levels while national output was up 15.5%.

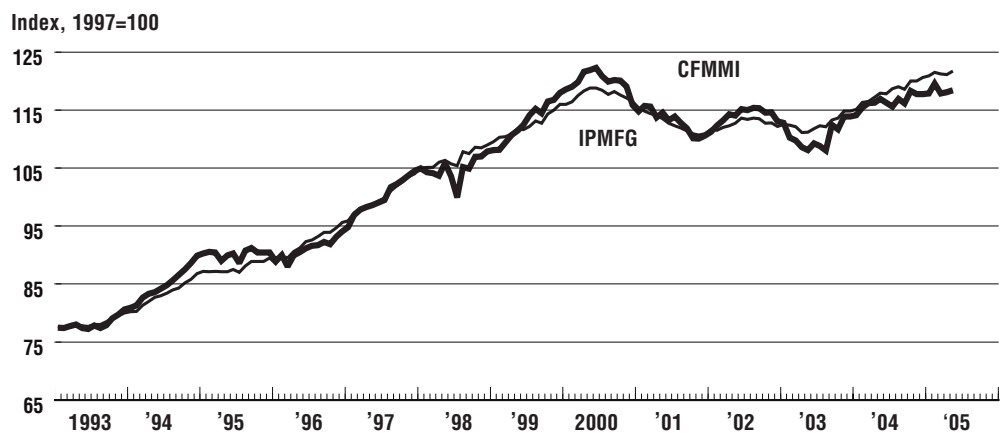
The Midwest resource sector's output rose 0.6% in May after falling 1.0% in April. The nation's resource sector's output was up 0.4% in May. Increases in regional food, wood, and paper production were somewhat offset by a decrease in chemical production in May. Compared with a year ago, regional resource output was up 1.2% in May, the same growth recorded by the nation.

The region's steel sector output increased 0.4% in May, after falling 0.5% in April. The nation's steel output rose 0.7% in May. Regional steel output was 0.6% below its May 2004 level compared with a 0.1% increase in the nation.

Midwest auto sector production edged up 0.1% in May after remaining unchanged in April. The nation's auto output increased 0.2% in May. Compared with a year earlier, Midwest automotive output was 1.0% lower in May compared with a 2.5% increase for the nation.

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

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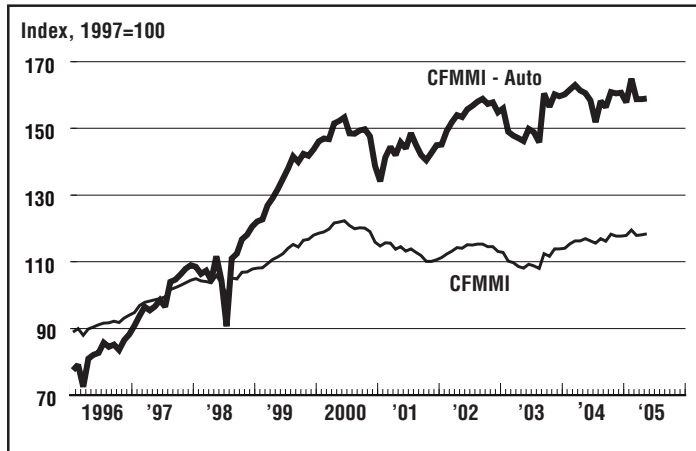
**The next CFMMI will be released:  
July 27, 2005  
Noon Eastern Time  
11:00 am Central Time**

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	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.3	-1.0	1.3
US Industrial Production-Manufacturing (IPMFG)	0.5	0.2	3.2

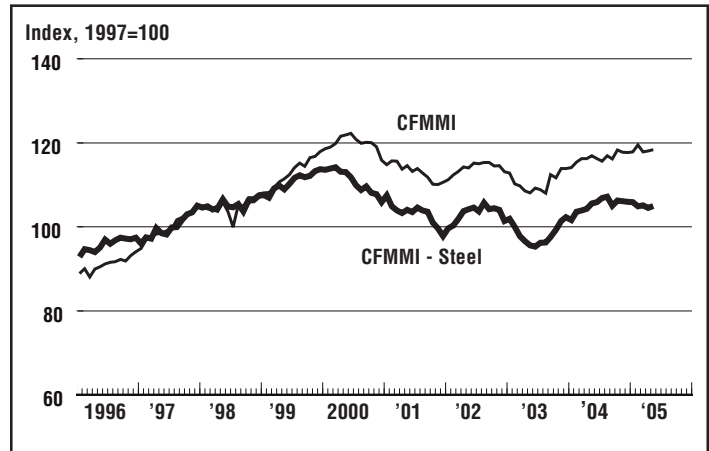
# Tracking Midwest Manufacturing Activity by Sectors — May 2005

## Auto Sector



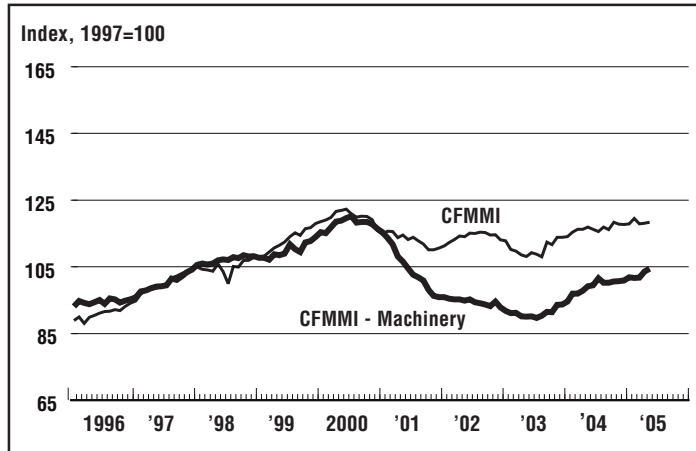
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



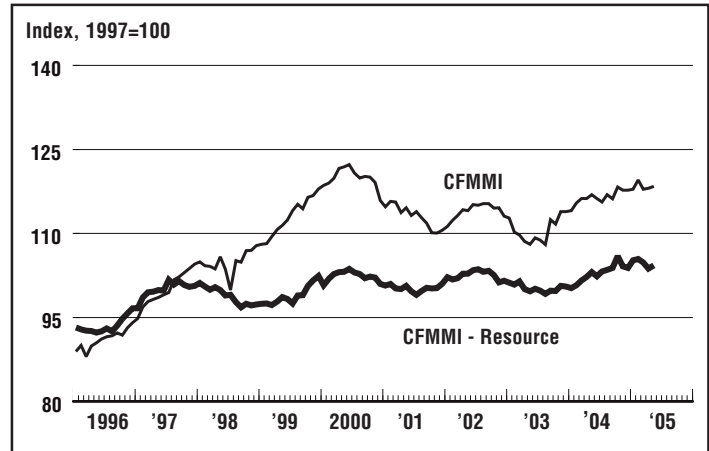
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## Machinery Sector



Machinery Sector CFMMI Components:  
Machinery; Computer and Electronic Products; Electrical Equipment, Appliance, and Components Manufacturing

## Resource Sector



Resource Sector CFMMI Components:  
Food; Wood Products; Paper; Chemicals; Nonmetallic Mineral Products

## Manufacturing Activity: Summary Table

	Index, 1997=100			Percent change			
	Mar 05	Apr 05	May 05	Monthly		Annual	
				Mar 05	Apr 05		May 05
<b>CFMMI</b>	117.9	118.1	118.4	-1.4	0.2	0.3	1.3
<b>CFMMI - Auto</b>	158.7	158.7	159.0	-3.8	0.0	0.1	-1.0
<b>CFMMI - Steel</b>	105.1	104.5	105.0	0.2	-0.5	0.4	-0.6
<b>CFMMI - Machinery</b>	101.8	103.6	104.5	0.1	1.8	0.8	5.3
<b>CFMMI - Resource</b>	104.8	103.7	104.3	-0.6	-1.0	0.6	1.2
<b>IPMFG</b>	121.2	121.1	121.7	-0.2	-0.1	0.5	3.2

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>