

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Rises in March

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.6% in March, to a seasonally adjusted level of 114.9 (2002=100). Revised data show the index rose 0.5% in February, to 114.2. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.5% in March. Regional output in March was 5.5% higher than a year earlier, slightly more than the national output's 5.2% increase.

All four regional subsectors expanded in March. Output in the Midwest machinery sector rose 1.4% from its February level. Regional auto production output increased 0.9%. The regional steel output rose 0.6% and resource output increased 0.3% during the same time period.

Midwest machinery sector output increased 1.4% in March after falling 0.2% in February. The nation's machinery output rose 1.5% in March. Regional machinery output in March was 9.0% above year-earlier levels while national output was up 14.2%.

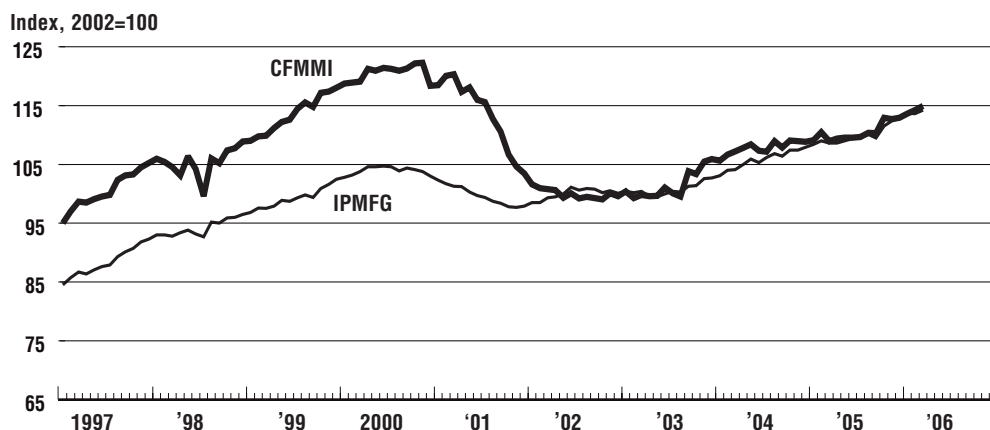
Midwest auto sector production rose 0.9% in March after increasing 1.4% in February. The nation's auto output was up 0.7% in March. Compared with a year earlier, Midwest automotive output was 6.1% higher in March and national output was up 6.0%.

The region's steel sector output increased 0.6% in March, after rising 0.5% in February. The nation's steel output rose 0.3% in March. Regional steel output was 5.4% above its March 2005 level compared with a 4.8% increase in the nation.

The Midwest resource sector's output increased 0.3% in March after a February without change. The nation's resource sector's output was up 0.4% in March. Increases in regional chemical, paper, and food production were offset by a decrease in nonmetallic mineral and wood production in March. Compared with a year ago, regional resource output was up 3.4% in March while national output was up 1.8%.

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

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**The next CFMMI will be released:**  
**May 30, 2006**  
**Noon Eastern Time**  
**11:00 am Central Time**

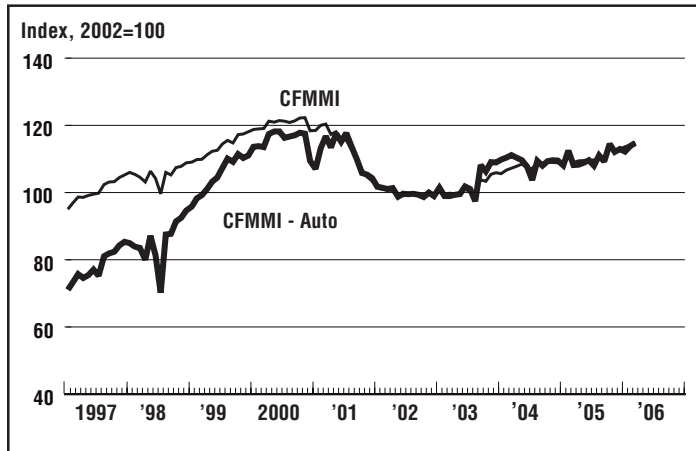
FEDERAL RESERVE BANK  
 OF CHICAGO

**Manufacturing output indexes—March**

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.6	1.8	5.5
US Industrial Production-Manufacturing (IPMFG)	0.5	1.2	5.2

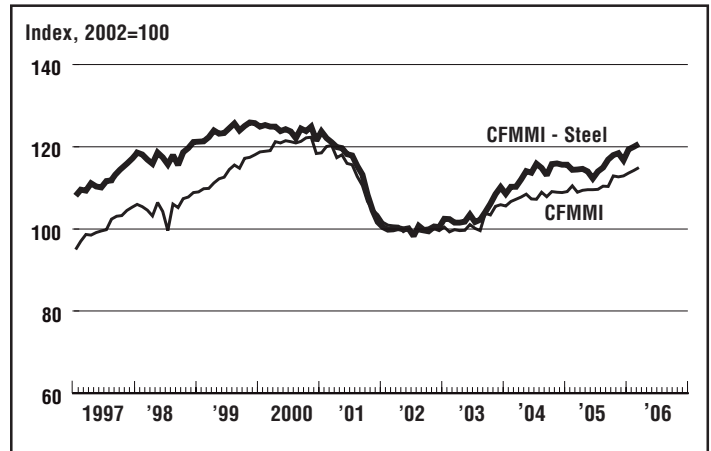
# Tracking Midwest Manufacturing Activity by Sectors — March 2006

## Auto Sector



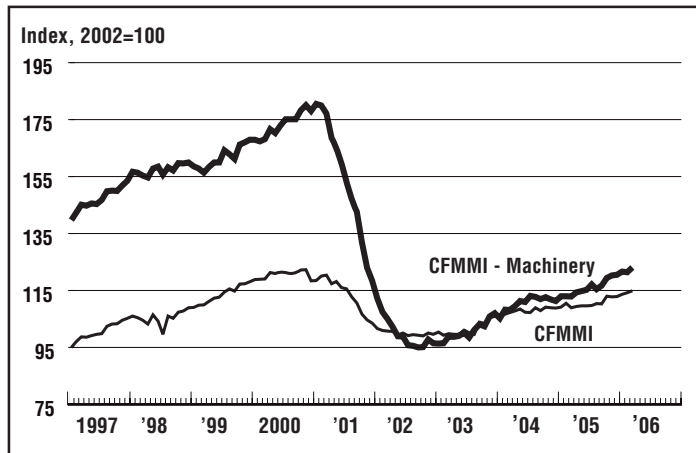
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



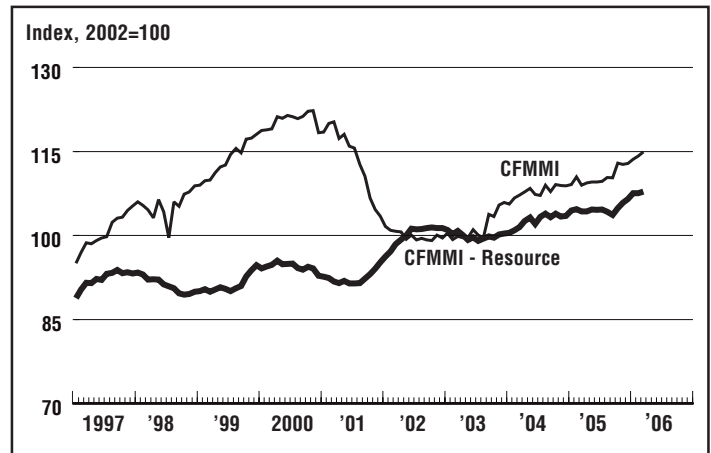
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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, 2002=100			Percent change			
	Jan 06	Feb 06	Mar 06	Monthly			Annual Mar 05–Mar 06
				Jan 06	Feb 06	Mar 06	
<b>CFMMI</b>	113.6	114.2	114.9	0.6	0.5	0.6	5.5
<b>CFMMI - Auto</b>	112.2	113.8	114.8	-0.6	1.4	0.9	6.1
<b>CFMMI - Steel</b>	119.4	120.0	120.7	2.3	0.5	0.6	5.4
<b>CFMMI - Machinery</b>	121.7	121.4	123.1	0.9	-0.2	1.4	9.0
<b>CFMMI - Resource</b>	107.6	107.5	107.8	1.0	0.0	0.3	3.4
<b>IPMFG</b>	113.7	113.6	114.2	0.8	-0.1	0.5	5.2

*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 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 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>.**