

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Edges Up in December

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**2008 Release Dates:
March 17, 2008
April 3, 2008
April 28, 2008
May 27, 2008
June 26, 2008
July 28, 2008
August 27, 2008
September 29, 2008
October 27, 2008
November 26, 2008
December 29, 2008**

The Chicago Fed Midwest Manufacturing Index (CFMMI) edged up 0.1% in December, to a seasonally adjusted level of 104.7 (2002 = 100). Revised data show the index also increased 0.1% in November, to 104.6. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was unchanged in December. Regional output in December was 0.1% lower than a year earlier, below the 1.2% increase in national output.

Three of the four of the regional industry sectors increased in December:

- Regional auto sector production moved up 0.3%;
- Regional resource sector output increased 0.2%;
- Regional machinery sector rose 0.1%; and
- Regional steel sector decreased 0.8%.

The Midwest's auto sector production moved up 0.3% in December after rising 0.8% in November. The nation's auto output decreased 0.1% in December. The Midwest's automotive output was up 0.1% in December relative to its year-ago value, while the nation's auto output was up 1.6%.

The Midwest resource sector's output ticked up 0.2% in December after decreasing 0.2% in November. Two of the five subsectors of the resource sector—food and wood production—increased, while nonmetallic minerals, chemicals, and paper decreased from November to December. The national resource sector's output decreased 0.2% in December. Compared with a year ago, regional resource output was up 1.4% in December, above the 0.8% increase in the national resource output.

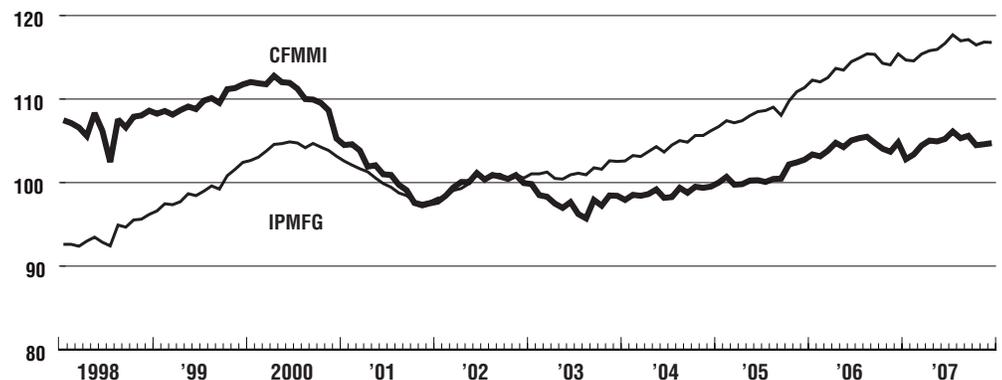
The Midwest's machinery sector output rose 0.1% in December after falling 0.2% in November. The nation's machinery output was up 0.5% in December. Regional machinery output in December was 2.5% below year-earlier levels, while national machinery output was up 4.5%.

The region's steel sector output decreased 0.8% in December after rising 0.5% in November. The nation's steel output was also down 0.8% in December. Regional steel output was up 2.5% from its December 2006 level, while the national steel output increased 3.8%.

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

Chicago Fed Midwest Manufacturing Index

Index, 2002=100



**The next CFMMI will be released:
March 17, 2008
Noon Eastern Time
11:00 am Central Time**

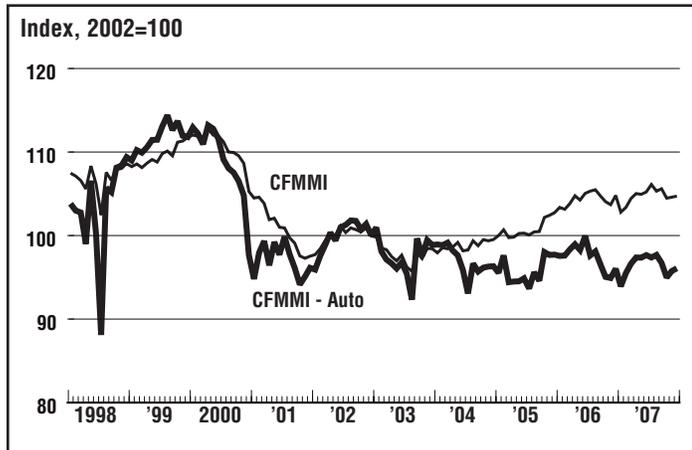
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Manufacturing output indexes—December

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.1	-0.8	-0.1
US Industrial Production-Manufacturing (IPMFG)	0.0	-0.3	1.2

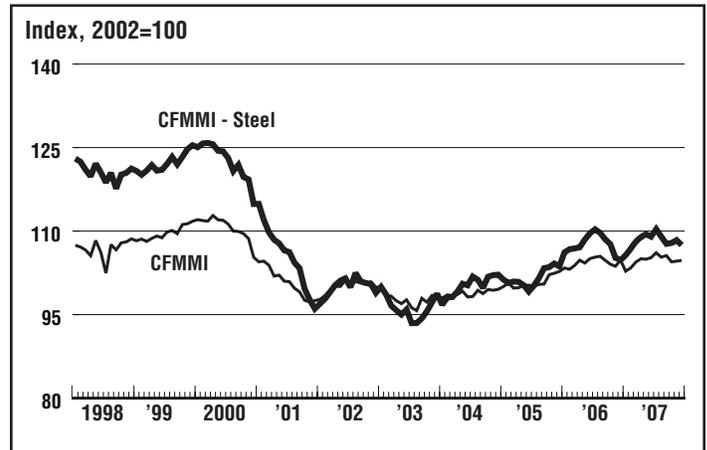
Tracking Midwest Manufacturing Activity by Sectors — December 2007

Auto Sector



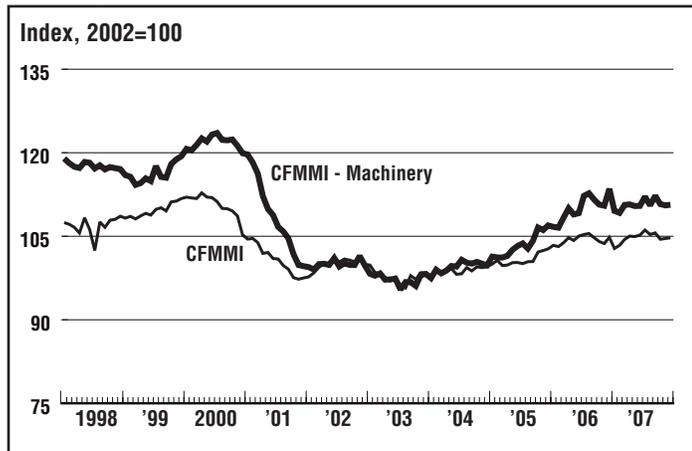
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



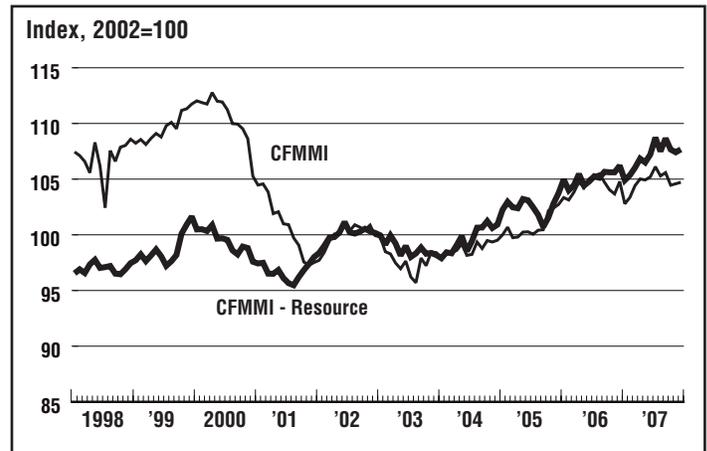
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Oct 07	Nov 07	Dec 07	Monthly			Annual Dec 06–Dec 07
				Oct 07	Nov 07	Dec 07	
CFMMI	104.5	104.6	104.7	-1.1	0.1	0.1	-0.1
CFMMI - Auto	95.0	95.7	96.1	-1.8	0.8	0.3	0.1
CFMMI - Steel	107.8	108.4	107.5	0.1	0.5	-0.8	2.5
CFMMI - Machinery	110.8	110.5	110.6	-1.3	-0.2	0.1	-2.5
CFMMI - Resource	107.7	107.4	107.7	-0.9	-0.2	0.2	1.4
IPMFG	116.5	116.8	116.8	-0.6	0.3	0.0	1.2

Note: One of the fifteen industries in the CFMMI is not included in any of the four sectors above. This industry is 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>.