

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises in July

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.6% in July, to a seasonally adjusted level of 106.0 (2002 = 100). Revised data show the index increased 0.4% in June, to 105.3. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was up 0.5% in July. Regional output in July was 0.5% higher than a year earlier, below the 1.9% increase in national output.

All four of the regional industry sectors increased in July:

- Regional resource sector output increased 1.0%;
- Regional machinery sector rose 0.8%;
- Regional steel sector output was up 0.7%; and
- Regional auto sector production gained 0.3%.

The Midwest resource sector's output increased 1.0% in July after rising 1.2% in June. Four of the five subsectors of the resource sector—food, wood, paper, and chemicals—increased in July, while nonmetallic minerals production was unchanged. The nation's resource sectors output increased 0.6% in July. Compared with a year ago, regional resource output was up 3.2% in July, higher than the 1.0% increase in the national resource output.

The Midwest's machinery sector output rose 0.8% in July after edging up 0.2% in June. The nation's machinery output was up 0.8% in July. Regional machinery output in July was 0.7% below year-earlier levels, while national machinery output was up 5.0%.

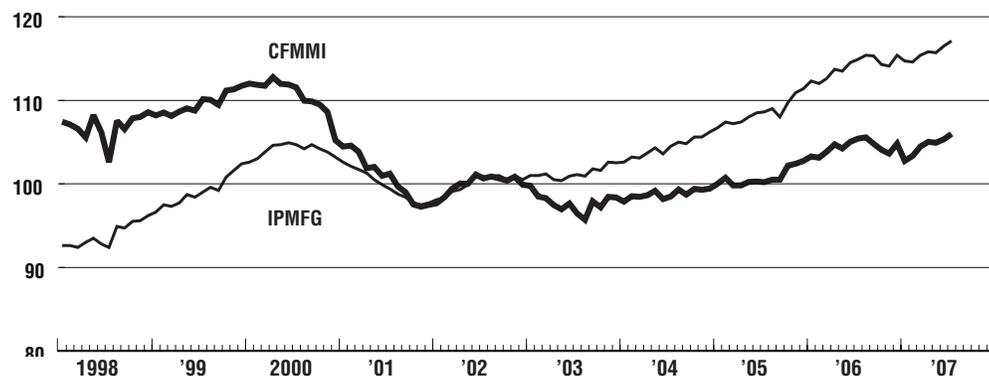
The region's steel sector output was up 0.7% in July after decreasing 0.3% in June. The nation's steel output was also up 0.7% in July. Regional steel output was 0.7% below its July 2006 level, while the national steel output was unchanged.

The Midwest's auto sector production gained 0.3% in July after ticking up 0.1% in June. The nation's auto output was up 1.1% in July. Compared with a year earlier, the Midwest's automotive output was down 0.1%, while the nation's auto output was up 4.5%.

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

Chicago Fed Midwest Manufacturing Index

Index, 2002=100



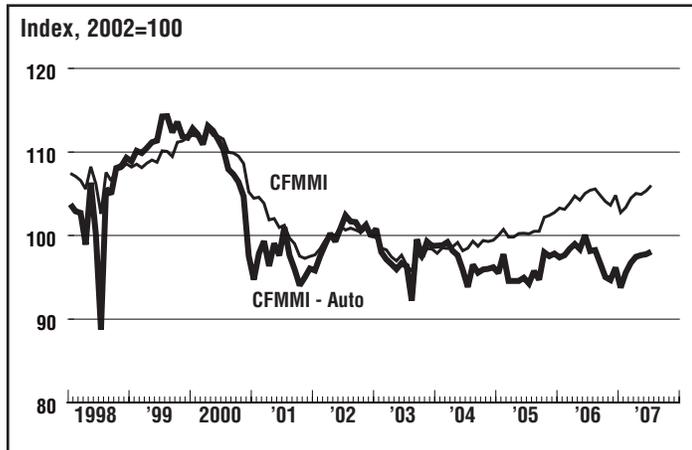
The next CFMMI will be released:
September 27, 2007
 Noon Eastern Time
 11:00 am Central Time

Manufacturing output indexes—July

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.6	0.9	0.5
US Industrial Production-Manufacturing (IPMFG)	0.5	1.1	1.9

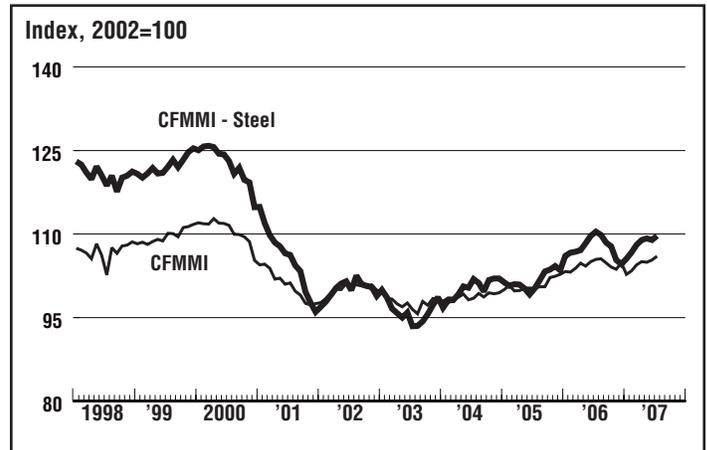
Tracking Midwest Manufacturing Activity by Sectors — July 2007

Auto Sector



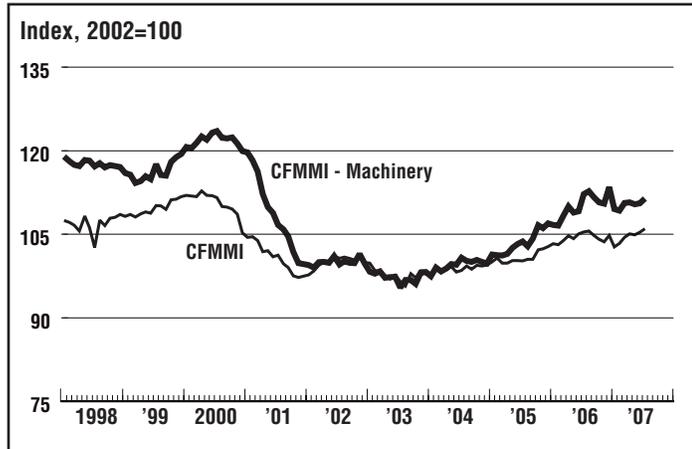
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



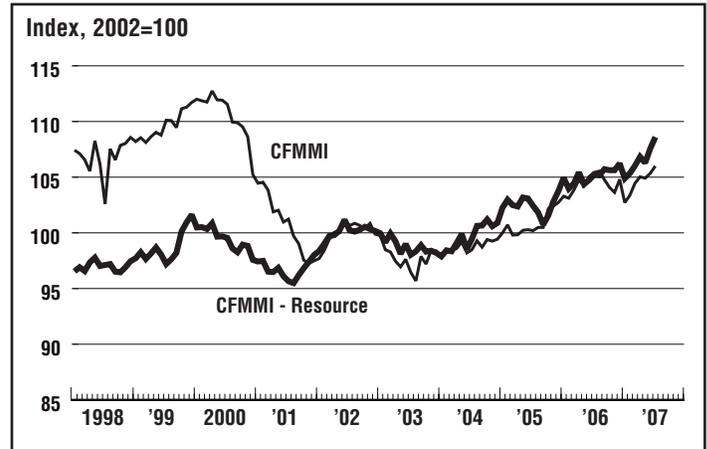
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	May 07	Jun 07	Jul 07	Monthly			Annual
				May 07	Jun 07	Jul-07	Jul 06-Jul 07
CFMMI	104.9	105.3	106.0	-0.1	0.4	0.6	0.5
CFMMI - Auto	97.6	97.8	98.1	0.2	0.1	0.3	-0.1
CFMMI - Steel	109.2	108.9	109.7	0.3	-0.3	0.7	-0.7
CFMMI - Machinery	110.4	110.6	111.4	-0.3	0.2	0.8	-0.7
CFMMI - Resource	106.3	107.6	108.6	-0.5	1.2	1.0	3.2
IPMFG	115.7	116.5	117.1	-0.1	0.7	0.5	1.9

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>.