

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Edged Down in May

The Chicago Fed Midwest Manufacturing Index (CFMMI) ticked down 0.2% in May 2007, to a seasonally adjusted level of 104.6 (2002 = 100). Revised data show the index increased 0.4% in April. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was up 0.1% in May. Regional output in May was 0.3% higher than a year earlier, below the 1.9% increase in national output.

Three of the four of the regional industry sectors decreased in May:

- Regional machinery sector output decreased 0.8%;
- Regional auto sector inched down 0.1%;
- Regional resource sector output edged down 0.1%; and
- Regional steel sector output increased 0.9%

The Midwest's machinery sector output decreased 0.8% in May after slipping 0.2% in April. The nation's machinery output was unchanged in May. Regional machinery output in May was 0.6% above year-earlier levels, while national machinery output was up 6.6%.

The Midwest's auto sector production edged down 0.1% in May after increasing 1.1% in April. The nation's auto output was up 0.3% in May. Compared with a year earlier, the Midwest's automotive output was down 1.0%, while the nation's auto output was up 2.6%.

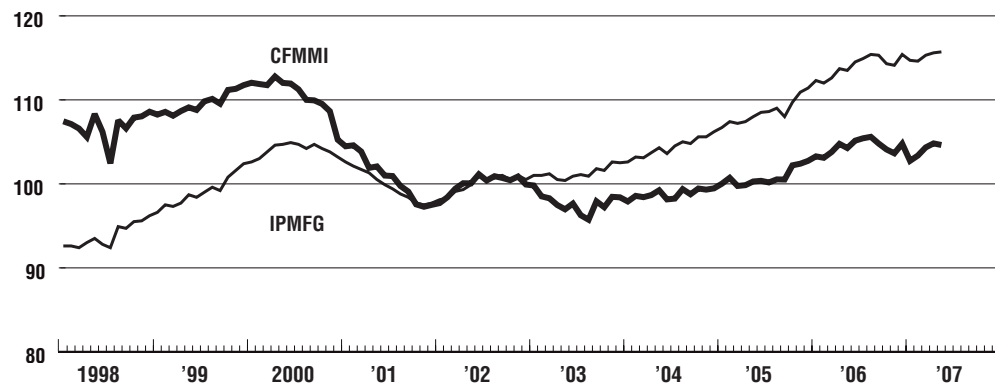
The Midwest resource sector's output eased down 0.1% in May after increasing 0.3% in April. Three of the five subsectors of the resource sector—food, wood production, and paper—decreased in May, while the other two—chemicals production and nonmetallic minerals production—increased. The nation's resource sector's output decreased 0.2% in May. Compared with a year ago, regional resource output was up 1.6% in May, higher than the 0.4% increase in the national resource output.

The region's steel sector output increased 0.9% in May after rising 0.6% in April. The nation's steel output was up 0.6% in May. Regional steel output was 1.2% above its May 2006 level, while the national steel output was unchanged.

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

### Chicago Fed Midwest Manufacturing Index

Index, 2002=100



**Embargoed for release:  
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11:00 am Central Time**

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**2007 Release Dates:  
July 26, 2007  
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October 29, 2007  
November 27, 2007  
December 27, 2007**

**The next CFMMI will be released:  
July 26, 2007  
Noon Eastern Time  
11:00 am Central Time**

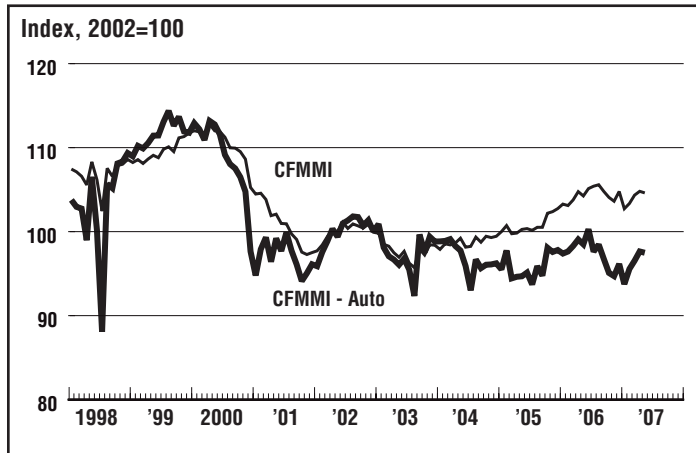
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OF CHICAGO**

### Manufacturing output indexes—May

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.2	1.2	0.3
US Industrial Production-Manufacturing (IPMFG)	0.1	1.0	1.9

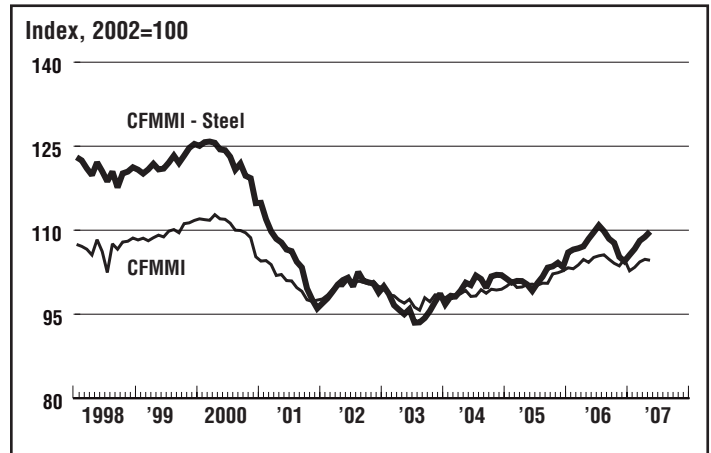
# Tracking Midwest Manufacturing Activity by Sectors — May 2007

## Auto Sector



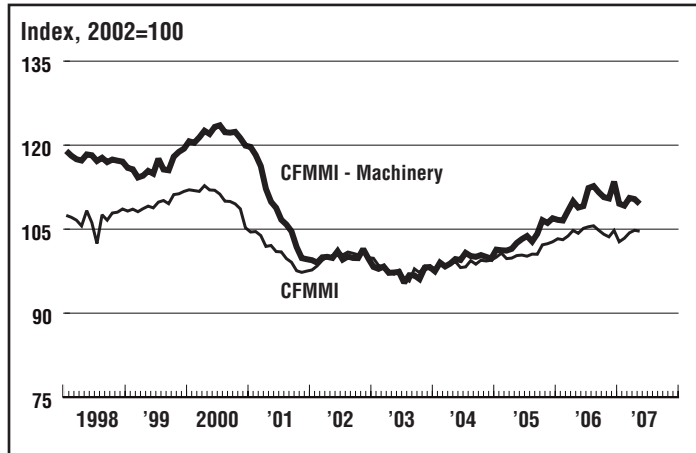
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



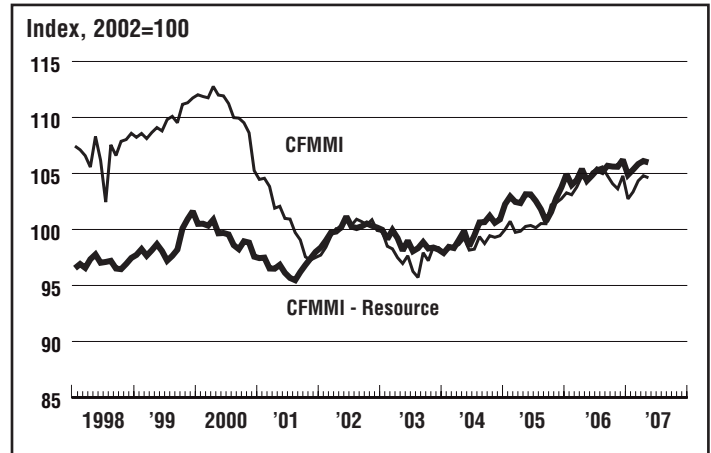
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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			
	Mar 07	Apr 07	May 07	Monthly			Annual
				Mar 07	Apr 07	May 07	May 06-May 07
<b>CFMMI</b>	104.3	104.8	104.6	1.0	0.4	-0.2	0.3
<b>CFMMI - Auto</b>	96.5	97.6	97.5	1.0	1.1	-0.1	-1.0
<b>CFMMI - Steel</b>	108.1	108.8	109.7	1.4	0.6	0.9	1.2
<b>CFMMI - Machinery</b>	110.6	110.4	109.5	1.3	-0.2	-0.8	0.6
<b>CFMMI - Resource</b>	105.8	106.1	106.0	0.5	0.3	-0.1	1.6
<b>IPMFG</b>	115.3	115.6	115.7	0.6	0.3	0.1	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>.