

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output is Down in April

The Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 1.7% in April, to a seasonally adjusted level of 105.7 (2002 = 100). Revised data show the index decreased 0.5% in March, to 107.5. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was down 0.8% in April. Regional output in April was 2.1% lower than a year earlier, below the 0.1% decrease in national output.

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

- Regional auto sector production fell 5.6%;
- Regional steel sector output declined 1.6%;
- Regional machinery sector output decreased 0.5%; and
- Regional resource sector output was unchanged.

The Midwest's auto sector production moved down 5.6% in April after decreasing 4.6% in March. The nation's auto output was down 3.6% in April. The Midwest's automotive output was down 13.4% in April relative to its year-ago value, while the nation's auto output was down 6.3%.

The region's steel sector output was down 1.6% in April after edging down 0.2% in March. The nation's steel output decreased 0.9% in April. Regional steel output ticked down 0.2% from its April 2007 level, while the national steel output increased 1.1%.

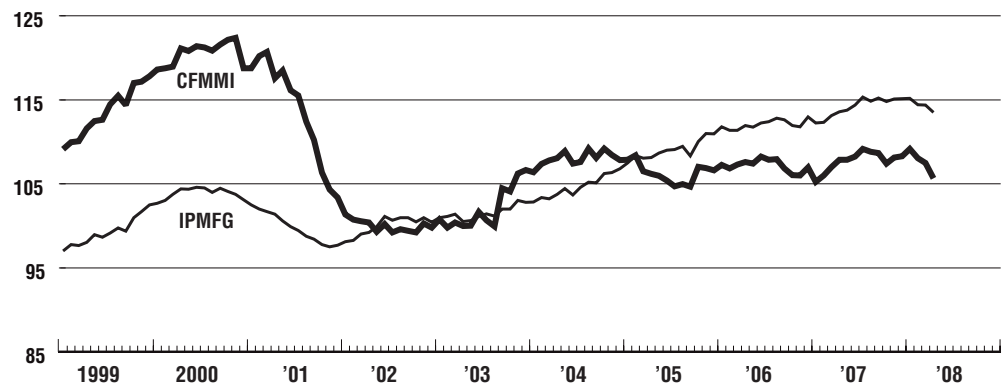
The Midwest's machinery sector output declined 0.5% in April after increasing 0.7% in March. The nation's machinery output was up 0.4% in April. Regional machinery output in April was 1.1% above year-earlier levels, while national machinery output was up 9.9%.

The Midwest resource sector's output was unchanged in April after increasing 1.2% in March. Two of the subsectors of the resource sector—food and wood production—increased from March to April, while paper and nonmetallic mineral production decreased and chemical production was unchanged. The national resource sector's output was down 0.1% in April. Compared with a year ago, regional resource output was up 1.8% in April, and the national resource output increased 0.4%.

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

Chicago Fed Midwest Manufacturing Index

Index, 2002=100



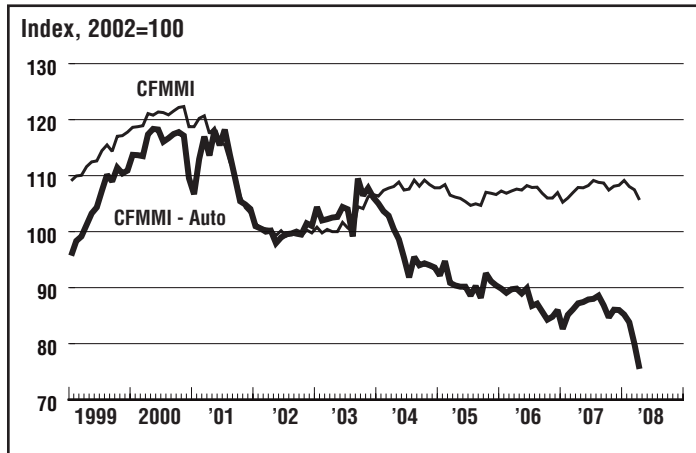
The next CFMMI will be released:
June 26, 2008
 Noon Eastern Time
 11:00 am Central Time

Manufacturing output indexes—April

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-1.7	-3.2	-2.1
US Industrial Production-Manufacturing (IPMFG)	-0.8	-1.5	-0.1

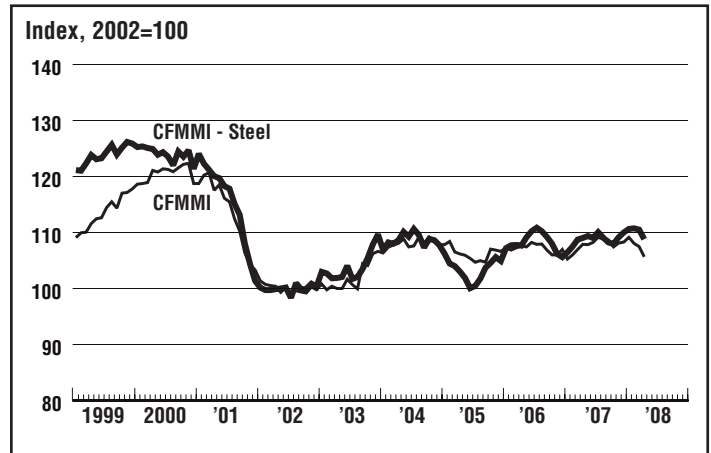
Tracking Midwest Manufacturing Activity by Sectors — April 2008

Auto Sector



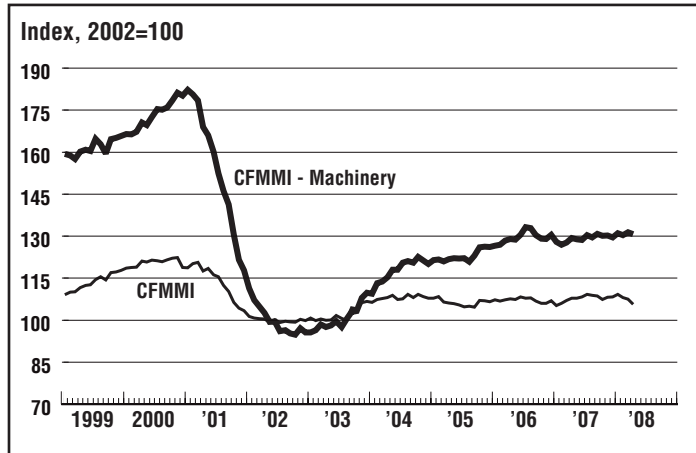
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



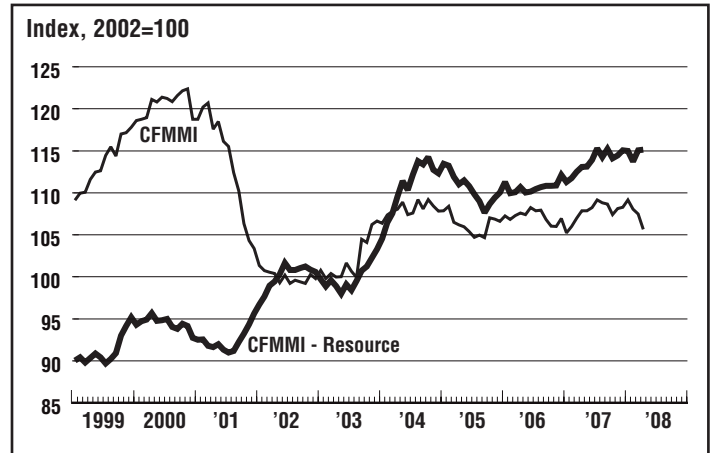
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Feb 08	Mar 08	Apr 08	Monthly		Annual	
				Feb 08	Mar 08	Apr 08	Apr 07-Apr 08
CFMMI	108.0	107.5	105.7	-1.0	-0.5	-1.7	-2.1
CFMMI - Auto	83.8	80.0	75.5	-1.7	-4.6	-5.6	-13.4
CFMMI - Steel	110.7	110.5	108.8	0.1	-0.2	-1.6	-0.2
CFMMI - Machinery	130.4	131.3	130.7	-0.5	0.7	-0.5	1.1
CFMMI - Resource	113.7	115.1	115.1	-1.1	1.2	0.0	1.8
IPMFG	114.4	114.4	113.5	-0.7	0.0	-0.8	-0.1

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>.