

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Fell in March

The Chicago Fed Midwest Manufacturing Index (CFMMI) fell 2.4% in March, to a seasonally adjusted level of 82.0 (2002 = 100). Revised data show the index decreased 0.4% in February, to 84.0. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) fell 1.7% in March. Regional output in March was down 23.2% from a year earlier—lower than the 14.9% decrease in national output.

Three of the four regional industry sectors decreased in March:

- Regional steel sector output dropped 5.5%;
- Regional machinery sector output also declined 5.5%;
- Regional resource sector output moved down 1.5%; and
- Regional auto sector production rose 0.9%.

The region's steel sector output dropped 5.5% in March after falling 4.3% in February. The nation's steel output was down 3.8% in March. Regional steel output dropped 34.1% from its March 2008 level, and national steel output fell 24.2%.

The Midwest's machinery sector output also declined 5.5% in March after moving down 4.9% in February. The nation's machinery output decreased 2.9% in March. Regional machinery output in March was 24.6% below year-earlier levels, and national machinery output was down 17.5%.

The Midwest resource sector's output moved down 1.5% in March after increasing 0.6% in February. The national resource sector's output was down 1.0% in March. All five subsectors of the resource sector—food, paper, chemical and nonmetallic mineral, and wood production—decreased from February to March. Compared with a year ago, regional resource output was down 12.3% in March, and the national resource output declined 9.7%.

Regional auto sector production rose 0.9% in March after increasing 7.1% in January. The nation's auto output edged down 0.4% in March. The Midwest's automotive output was down 33.8% in March relative to its year-ago value, and the nation's auto output was down 20.5%.

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

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Noon Eastern Time
11:00 am Central Time**

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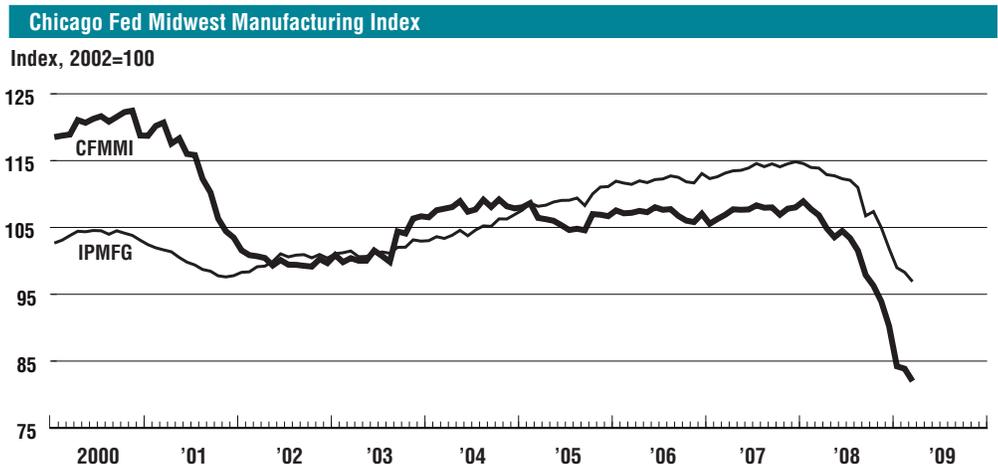
**Federal Reserve Bank of Chicago
230 South LaSalle Street
Chicago, IL 60604**

**2009 Release Dates:
May 28, 2009
June 29, 2009
July 27, 2009
August 24, 2009
September 30, 2009
October 26, 2009
November 30, 2009
December 28, 2009**

NOTE: The Chicago Fed's Midwest Manufacturing Index (CFMMI) has been revised due to changing availability of data.

**The next CFMMI will be released:
May 28, 2009
Noon Eastern Time
11:00 am Central Time**

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OF CHICAGO**

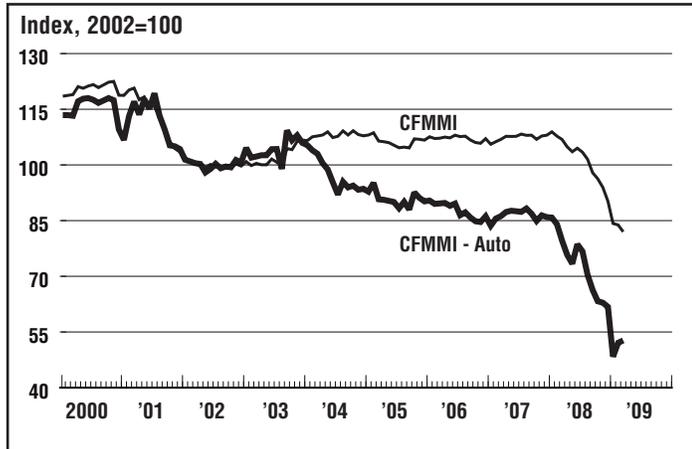


Manufacturing output indexes—March

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-2.4	-9.3	-23.2
US Industrial Production-Manufacturing (IPMFG)	-1.7	-4.9	-14.9

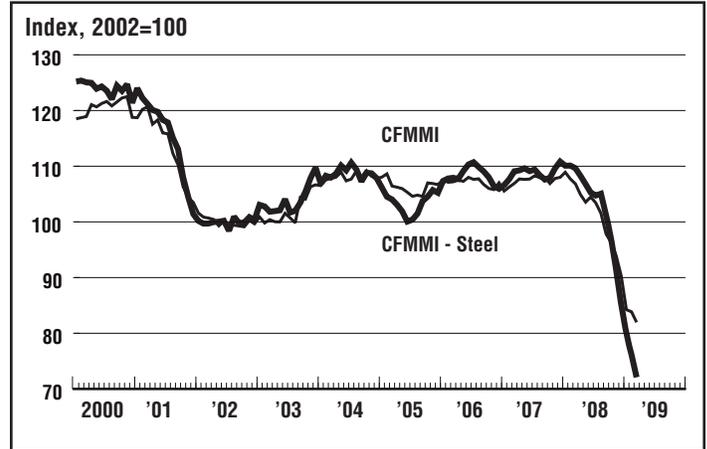
Tracking Midwest Manufacturing Activity by Sectors — March 2009

Auto Sector



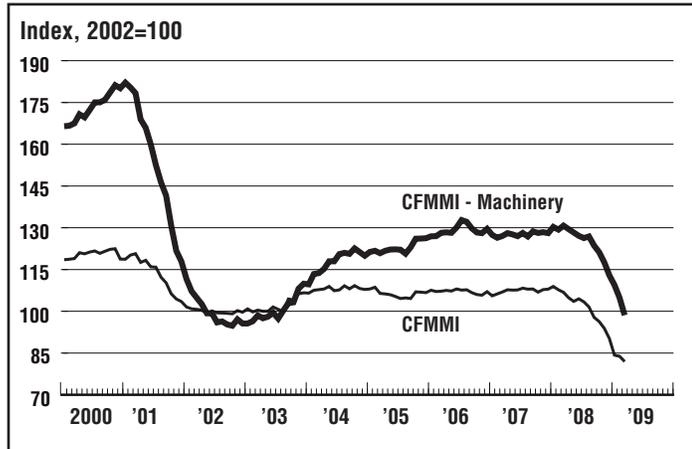
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



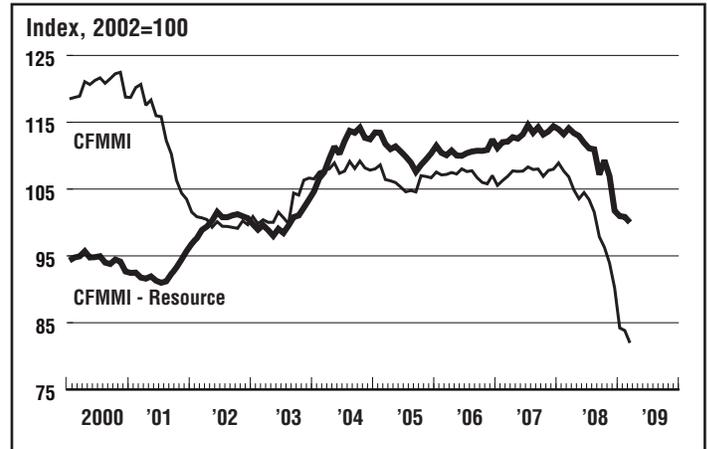
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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 09	Feb 09	Mar 09	Monthly			Annual
				Jan 09	Feb 09	Mar 09	Mar 08–Mar 09
CFMMI	84.4	84.0	82.0	-6.6	-0.4	-2.4	-23.2
CFMMI - Auto	48.8	52.3	52.7	-21.6	7.1	0.9	-33.8
CFMMI - Steel	79.7	76.3	72.1	-6.3	-4.3	-5.5	-34.1
CFMMI - Machinery	109.6	104.3	98.6	-2.8	-4.9	-5.5	-24.6
CFMMI - Resource	100.9	101.5	100.0	-0.9	0.6	-1.5	-12.3
IPMFG	99.1	98.5	96.9	-2.7	-0.5	-1.7	-14.9

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>.