Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Decreased in June

The Chicago Fed Midwest Manufacturing Index (CFMMI) decreased 0.5% in June, to a seasonally adjusted level of 79.4 (2007 = 100). Revised data show the index rose 1.7% in May to 79.7. The Federal Reserve Board’s industrial production index for manufacturing (IPMFG) decreased 0.3% in June. Regional output in June rose 13.2% from a year earlier, and national output increased 8.9%.

Two of the four regional industry sectors increased in June:
- Regional steel sector output grew 0.9%;
- Regional machinery sector production went up 0.6%;
- Regional auto sector production edged down 0.2%; and
- Regional resource sector output declined 1.4%.

The region’s steel sector output grew 0.9% in June after rising 3.0% in May. The nation’s steel output was up 1.1% in June. Regional steel output rose 25.1% from its June 2009 level, and national steel output was up 15.6%.

The Midwest’s machinery sector production went up 0.6% in June after increasing 1.3% in May. The nation’s machinery production increased 0.5% in June. Regional machinery output in June was up 6.8% from year-earlier levels, and national machinery output was up 14.8%.

Regional auto sector production edged down 0.2% in June after moving up 3.0% in May. National auto output decreased 0.4% in June. The Midwest’s automotive output was up 36.2% in June relative to its year-ago level, and the nation’s auto output was up 17.1%.

The Midwest resource sector’s output declined 1.4% in June after increasing 0.5% in May. The national resource sector’s output was down 0.8% in June. Four subsectors of the regional resource sector—food, wood, paper, and chemical production—decreased from May to June, while nonmetallic production increased. Compared with a year ago, regional resource output was up 4.2% in June, and national resource output was up 3.1%.

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NOTE: The Chicago Fed Midwest Manufacturing Index (CFMMI) was re-based with the June release to match the recently re-based IPMFG. The base year for the CFMMI and the IPMFG was changed from 2002 to 2007 (2007=100).
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.