

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Increased in September

**Embargoed for release:
October 27, 2010
Noon Eastern Time
11:00 am Central Time**

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**2010 and 2011 Release Dates:
November 29, 2010
December 27, 2010
January 27, 2011
March 17, 2011
April 6, 2011
April 27, 2011
May 31, 2011
June 27, 2011
July 27, 2011
August 29, 2011
September 27, 2011
October 27, 2011
November 28, 2011
December 27, 2011**

NOTE: Beginning with the January 27, 2011, release, the release time will be shifted from noon Eastern Time to 8:30 am Eastern Time.

**The next CFMMI will be released:
November 29, 2010
Noon Eastern Time
11:00 am Central Time**

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The Chicago Fed Midwest Manufacturing Index (CFMMI) increased 0.1% in September, to a seasonally adjusted level of 80.2 (2007 = 100). Revised data show the index fell 1.3% in August to 80.1. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) edged down 0.1% in September. Regional output in September rose 8.4% from a year earlier, and national output increased 5.9%.

Two of the four regional sectors increased in September:

- Regional auto sector output rose 0.9%;
- Regional resource sector production increased 0.8%
- Regional machinery sector production decreased 1.2%; and
- Regional steel sector output fell 1.3%.

The region's auto sector production rose 0.9% in September after declining 7.8% in August. National auto output edged down 0.2% in September. The Midwest's automotive output was up 10.0% in September relative to its year-ago level, and national automotive output was up 3.6%.

The Midwest resource sector's output increased 0.8% in September after gaining 2.1% in August. The national resource sector's output grew 0.4% in September. The food, chemical, and wood production subsectors of the regional resource sector increased from August to September, while the nonmetallic subsector decreased and the paper subsector remained flat. Compared with a year ago, regional resource output was up 6.3% in September, and national resource output was up 3.6%.

The Midwest's machinery sector production decreased 1.2% in September after edging down 0.2% in August. The nation's machinery production decreased 0.6% in September. Regional machinery output in September was up 8.5% from its year-earlier level, and national machinery output was up 11.5%.

The region's steel sector output fell 1.3% in September after rising by 1.0% in August. The nation's steel output was down 0.4% in September. Regional steel output was up 17.3% from its September 2009 level, and national steel output was up 10.9%.

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

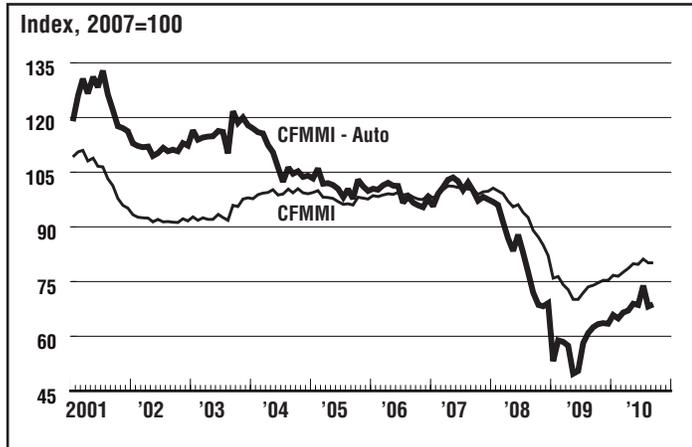


Manufacturing output indexes—September

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.1	0.6	8.4
US Industrial Production-Manufacturing (IPMFG)	-0.1	0.8	5.9

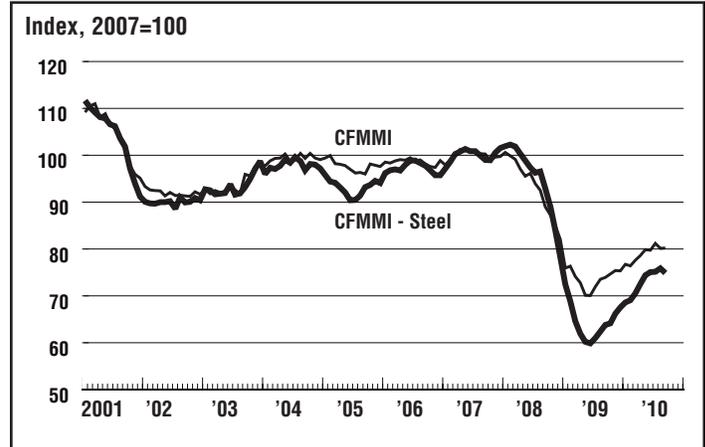
Tracking Midwest Manufacturing Activity by Sectors — September 2010

Auto Sector



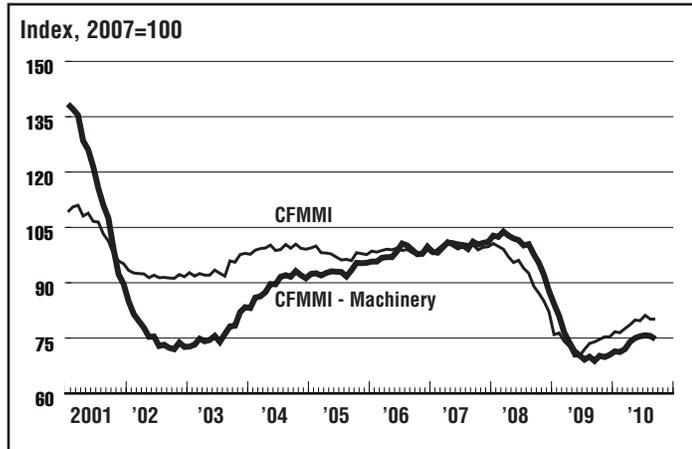
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



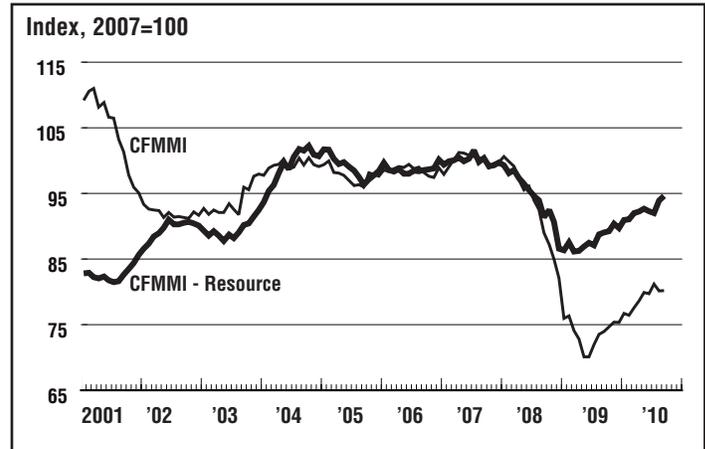
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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, 2007=100			Percent change			
	Jul 10	Aug 10	Sep 10	Monthly			Annual Sep 09-Sep 10
				Jul 10	Aug 10	Sep 10	
CFMMI	81.2	80.1	80.2	1.8	-1.3	0.1	8.4
CFMMI - Auto	73.9	68.1	68.7	7.7	-7.8	0.9	10.0
CFMMI - Steel	75.1	75.9	74.9	0.1	1.0	-1.3	17.3
CFMMI - Machinery	75.7	75.6	74.7	0.3	-0.2	-1.2	8.5
CFMMI - Resource	92.0	93.9	94.6	-0.3	2.1	0.8	6.3
IPMFG	91.4	91.5	91.4	0.7	0.2	-0.1	5.9

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>.