The Midwest Economy Index (MEI), which approximates quarterly growth at a monthly frequency, rose to −3.60 in July from −9.54 in June. Contributions to the July MEI from all four broad sectors of nonfarm business activity and all five Seventh Federal Reserve District states increased from June. The relative MEI increased to −3.86 in July from −6.51 in June. Contributions to the July relative MEI from three of the four sectors and four of the five states increased from June.

Note: The map’s coloring summarizes the most recent contribution to growth in Midwest economic activity from each of the five states in the Seventh Federal Reserve District (Illinois, Indiana, Iowa, Michigan, and Wisconsin).

The next MEI will be released:
September 30, 2020
8:30 am Eastern Time
7:30 am Central Time

FEDERAL RESERVE BANK OF CHICAGO
The manufacturing sector’s contribution to the MEI moved up to –0.99 in July from –1.85 in June. The pace of manufacturing activity increased in all five states. Manufacturing’s contribution to the relative MEI fell to –0.67 in July from +1.26 in June.

The construction and mining sector contributed –0.25 to the MEI in July, up from –0.65 in June. The pace of construction and mining activity was faster in all five states. Construction and mining’s contribution to the relative MEI moved up to –0.02 in July from –0.11 in June.

The service sector’s contribution to the MEI rose to –1.89 in July from –4.60 in June. The pace of service sector activity was up in all five states. The service sector’s contribution to the relative MEI rose to –2.00 in July from –5.07 in June.

Consumer spending indicators contributed –0.46 to the MEI in July, up from –2.44 in June. Consumer spending indicators were, on balance, up in all five states. Consumer spending’s contribution to the relative MEI increased to –1.16 in July from –2.58 in June.

Notes: Both the MEI and the CFNAI-MA3 have been standardized to have a zero mean and are expressed in standard deviation units. MEI values greater than zero point to growth in Midwest economic activity above its historical trend, and CFNAI-MA3 values greater than zero point to growth in national economic activity above its historical trend; negative values suggest the opposite. Shading indicates official periods of recession as identified by the National Bureau of Economic Research; the vertical line indicates the most recent business cycle peak.

Notes: Both the relative MEI and the CFNAI-MA3 have been standardized to have a zero mean and are expressed in standard deviation units. The relative MEI is constructed from the standardized residuals from linear regressions of each of the 129 MEI indicators on the CFNAI-MA3. Relative MEI values greater than zero point to growth in Midwest economic activity that is higher on average than would historically be suggested based on the CFNAI-MA3; negative values suggest the opposite. Shading indicates official periods of recession as identified by the National Bureau of Economic Research; the vertical line indicates the most recent business cycle peak.

### MEI Release Dates

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<th>Date of Release</th>
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**MEI historical data and background information are available at chicagofed.org/mei.**