

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output Rises in December

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2005 Release Dates:  
March 15, 2005  
April 5, 2005  
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July 27, 2005  
August 25, 2005  
September 27, 2005  
October 27, 2005  
November 29, 2005  
December 27, 2005

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 1.2% in December, to a seasonally adjusted level of 120.8 (1997=100). Revised data show the index edged down 0.1% in November, to 119.3. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.6% in December. Regional output in December was 4.9% higher than a year earlier, a bit lower than the nation's 5.1% increase.

Large increases in regional auto and machinery output were partially offset by slight decreases in steel and resource sector output. Regional auto output surged 2.3% from its November level; output in the machinery sector rose 1.4% and output in both the steel and resource sector edged lower by 0.1%.

Midwest auto sector production rose 2.3% in December after falling 0.2% in November. The nation's auto output increased 0.6% in December. Compared with a year earlier, Midwest automotive output was 3.2% higher in December, matching the gain in the nation.

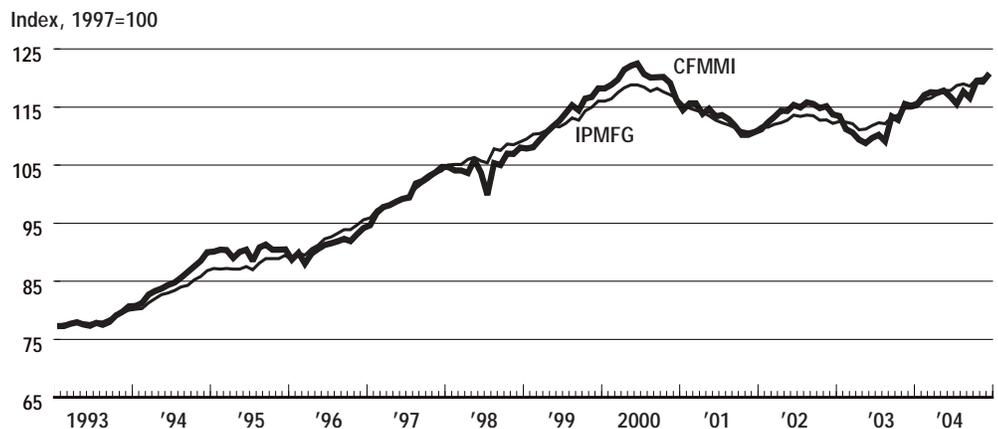
Midwest machinery sector output increased 1.4% in December after rising 0.2% in November. The nation's machinery output rose 1.0% in December. Regional machinery output in December was 7.9% above year-earlier levels, while national output was up 13.2%.

The region's steel sector output edged down 0.1% for the second straight month in December. The nation's steel output increased 1.1% in December. Regional steel output was 4.2% above its December 2003 level, compared with a 3.4% increase in the nation.

The Midwest resource sector's output edged down 0.1% in December after remaining unchanged in November. The nation's resource sector's output was up 0.2% in December. Decreases in regional chemical, wood, and paper production were somewhat offset by increases in nonmetallic mineral, and food production in December. Compared with a year ago, regional resource output was up 5.0% in December, while national output was up 2.9%.

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

Chicago Fed Midwest Manufacturing Index



The next CFMMI will be released:  
March 15, 2005  
Noon Eastern Time  
11:00 am Central Time

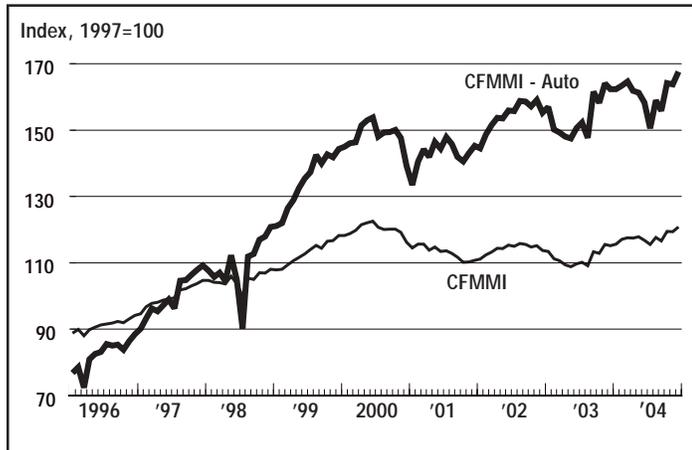
FEDERAL RESERVE BANK  
OF CHICAGO

### Manufacturing output indexes—December

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	1.2	3.6	4.9
US Industrial Production-Manufacturing (IPMFG)	0.6	1.7	5.1

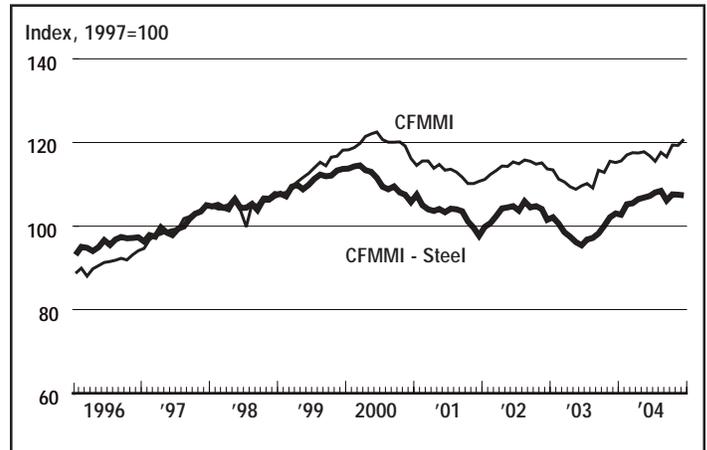
# Tracking Midwest Manufacturing Activity by Sectors — December 2004

## Auto Sector



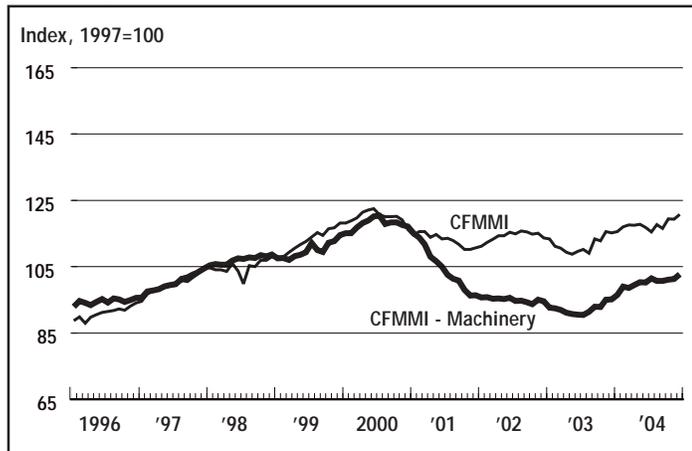
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



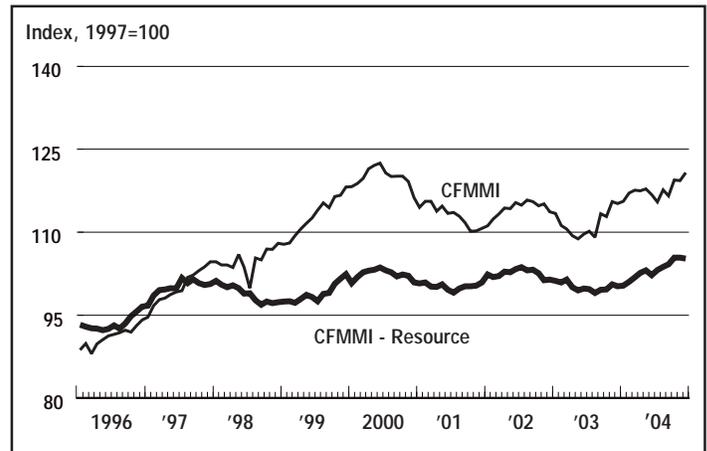
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## Machinery Sector



Machinery Sector CFMMI Components:  
Machinery; Computer and Electronic Product; Electrical Equipment, Appliance, and Components Manufacturing

## Resource Sector



Resource Sector CFMMI Components:  
Food; Wood Product; Paper; Chemicals; Nonmetallic Mineral Products

## Manufacturing Activity: Summary Table

	Index, 1997=100			Percent change			
	Oct 04	Nov 04	Dec 04	Monthly			Annual Dec 03–Dec 04
				Oct 04	Nov 04	Dec 04	
CFMMI	119.4	119.3	120.8	2.5	-0.1	1.2	4.9
CFMMI - Auto	164.1	163.8	167.6	5.3	-0.2	2.3	3.2
CFMMI - Steel	107.6	107.5	107.4	1.3	-0.1	-0.1	4.2
CFMMI - Machinery	101.1	101.3	102.7	0.4	0.2	1.4	7.9
CFMMI - Resource	105.4	105.4	105.3	1.2	0.0	-0.1	5.0
IPMFG	119.8	119.9	120.6	1.0	0.1	0.6	5.1

Note: Three of the seventeen industries in the CFMMI are not included in any of the four sectors above. These are Furniture and Related Products; Printing and Related Support Activities; Miscellaneous Manufacturing.

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 electrical power and 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 electrical power and 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>