

# Chicago Fed Midwest Manufacturing Index

## Midwest Manufacturing Output is Unchanged in December

**Embargoed for release:  
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**Media Contact:  
Deborah Baratz  
deborah.baratz@chi.frb.org  
312-322-2387**

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

**2006 Release Dates:  
March 14, 2006  
April 3, 2006  
April 27, 2006  
May 30, 2006  
June 27, 2006  
July 27, 2006  
August 28, 2006  
September 27, 2006  
October 30, 2006  
November 27, 2006  
December 27, 2006**

The Chicago Fed Midwest Manufacturing Index (CFMMI) was unchanged in December, maintaining a seasonally adjusted level of 112.4 (2002=100). The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.2% in December. Regional output in December was 3.4% higher than a year earlier, lower than the nation's 4.1% increase.

Two of the four regional subsectors, steel and auto production, fell in December, while machinery and resource rose. The decrease in December was driven by a 0.4% drop in regional steel production and a 0.5% drop in regional auto production. Midwest machinery rose 0.1%, and regional resource output increased by 0.8%.

Midwest steel sector production fell 0.4% in December after rising 0.4% in November. The nation's steel output was unchanged in December. Compared with a year earlier, the Midwest's steel output was 2.3% higher in December while the nation's expanded 3.0%.

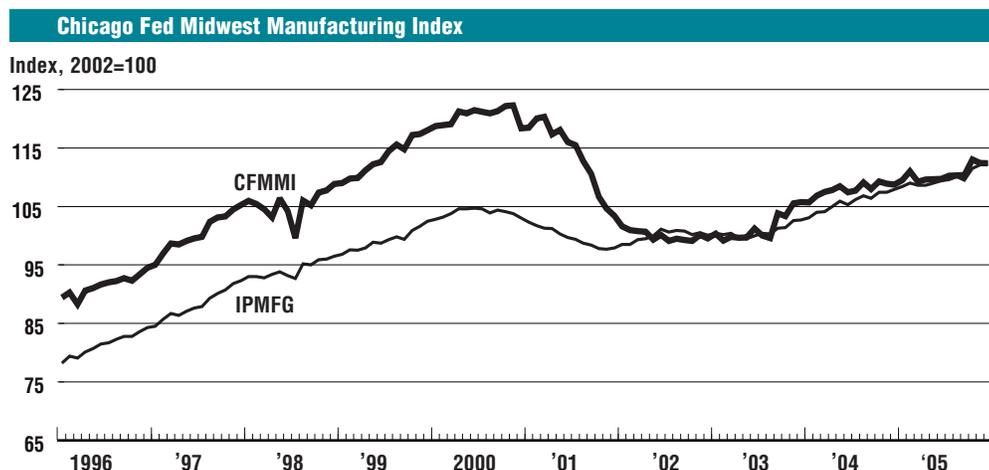
The region's auto sector output decreased 0.5% in December, after falling 2.8% in November. The nation's auto output fell 0.9% in December. Regional auto output was 1.2% above its December 2004 level, compared with a 2.9% increase in the national output.

Midwest machinery sector output rose 0.1% in December after declining 0.2% in November. The nation's machinery output rose 1.7% in December. Regional machinery output in December was 8.5% above year-ago levels while national output was up 17.0%.

The Midwest resource sector's output increased 0.8% in December after increasing 1.2% in November. The nation's resource sector's output rose by 0.4% in December. December increases in regional chemical and food were offset by a decrease in regional nonmetallic mineral, paper, and wood production. Compared with levels from a year earlier, the regional resource output was 3.0% higher than year earlier levels, while the nation's resource output was up 0.8% over the same time period.

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

NOTE: The Chicago Fed's Midwest Manufacturing Index (CFMMI) will no longer include data on industrial electric power use.



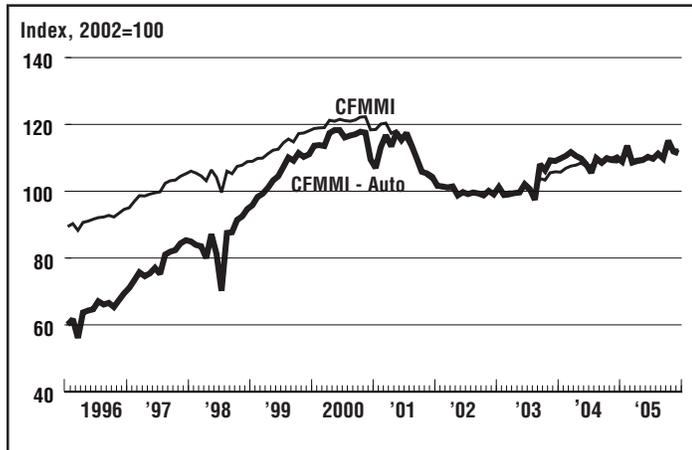
**The next CFMMI will be released:  
March 14, 2006  
Noon Eastern Time  
11:00 am Central Time**

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Manufacturing output indexes—December	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.0	1.8	3.4
US Industrial Production-Manufacturing (IPMFG)	0.2	2.6	4.1

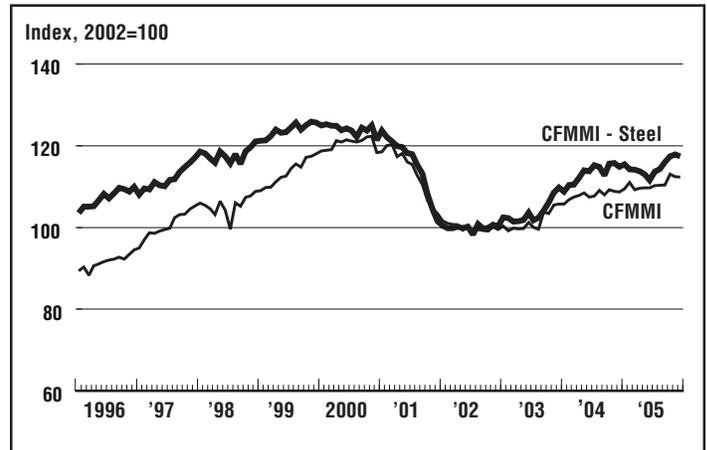
# Tracking Midwest Manufacturing Activity by Sectors — December 2005

## Auto Sector



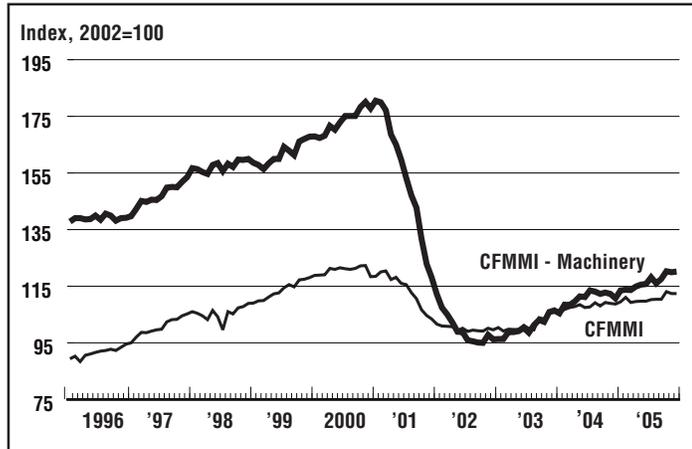
Auto Sector CFMMI Components:  
Plastics and Rubber Products; Transportation Equipment

## Steel Sector



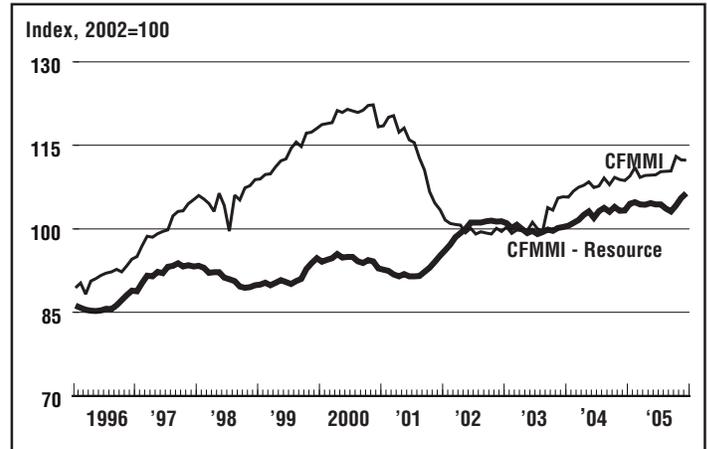
Steel Sector CFMMI Components:  
Primary Metal Industries; Fabricated Metal Products

## 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			
	Oct 05	Nov 05	Dec 05	Monthly			Annual Dec 04–Dec 05
				Oct 05	Nov 05	Dec 05	
CFMMI	113.0	112.4	112.4	2.4	-0.6	0.0	3.4
CFMMI - Auto	115.2	111.9	111.4	4.9	-2.8	-0.5	1.2
CFMMI - Steel	117.4	117.9	117.5	1.2	0.4	-0.4	2.3
CFMMI - Machinery	120.3	120.0	120.1	2.3	-0.2	0.1	8.5
CFMMI - Resource	104.2	105.5	106.4	1.0	1.2	0.8	3.0
IPMFG	111.5	112.1	112.3	1.8	0.5	0.2	4.1

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 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>.