

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Rises in April

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.6% in April, to a seasonally adjusted level of 116.5 (2002=100). Revised data shows the index rose 0.8% in March, to 115.8. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) rose 0.7% in April. Regional output in April was 6.3% higher than a year earlier, slightly higher than the national output's 5.9% increase.

Two of the four regional subsectors expanded in April. Output in the Midwest machinery sector rose a very strong 2.3% in April and resource output increased 1.2% during the same time period. The regional steel output was unchanged in April, while regional auto production output decreased 0.5%.

Midwest machinery sector output increased 2.3% in April after rising 1.7% in March. The nation's machinery output rose 1.8% in April. Regional machinery output in April was 11.7% above year-earlier levels while national output was up 15.1%.

The Midwest resource sector's output increased 1.2% in April after an increase of 0.6% in March. The nation's resource sector's output was up 0.7% in April. Increases in regional chemical, paper, nonmetallic mineral, and food production were somewhat offset by a decrease in wood production in April. Compared with a year ago, regional resource output was up 4.9% in April while national output was up 2.4%.

The region's steel sector output was unchanged in April, after rising 0.6% in March. The nation's steel output rose 0.8% in April. Regional steel output was 6.1% above its April 2005 level compared with a 6.3% increase in the nation.

Midwest auto sector production fell 0.5% in April after increasing 0.7% in March. The nation's auto output was up 0.1% in April. Compared with a year earlier, Midwest automotive output was 5.5% higher in April and national output was up 6.2%.

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

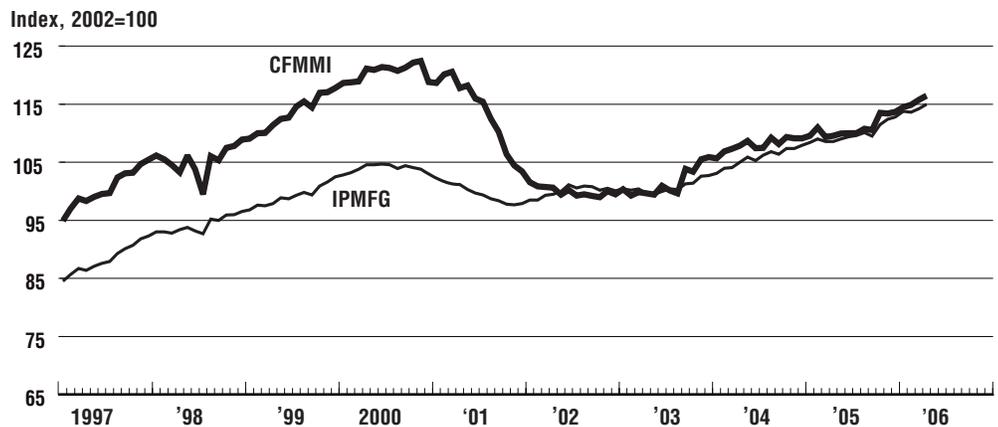
**Embargoed for release:
Noon Eastern Time
11:00 am Central Time
May 30, 2006**

**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:
June 27, 2006
July 27, 2006
August 28, 2006
September 27, 2006
October 30, 2006
November 27, 2006
December 27, 2006**

Chicago Fed Midwest Manufacturing Index



**The next CFMMI will be released:
June 27, 2006
Noon Eastern Time
11:00 am Central Time**

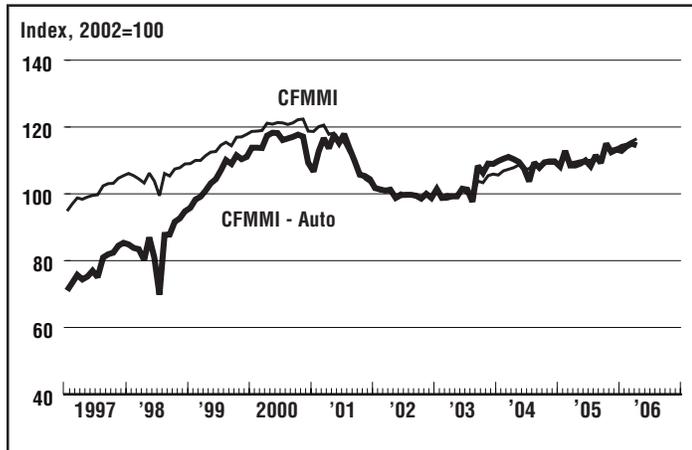
FEDERAL RESERVE BANK
OF CHICAGO

Manufacturing output indexes—April

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.6	1.7	6.3
US Industrial Production-Manufacturing (IPMFG)	0.7	1.1	5.9

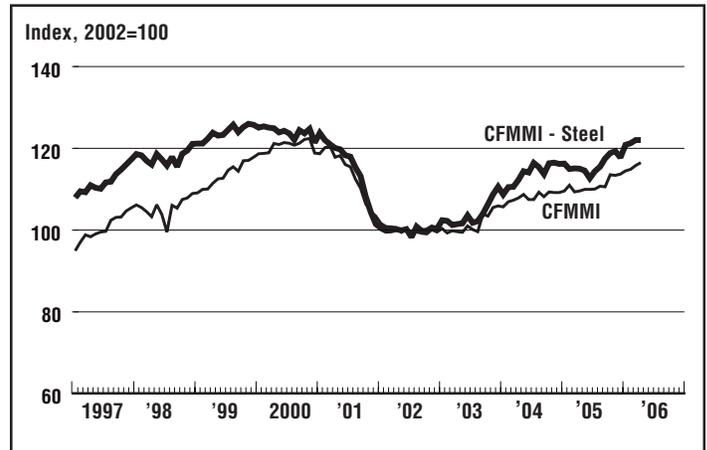
Tracking Midwest Manufacturing Activity by Sectors — April 2006

Auto Sector



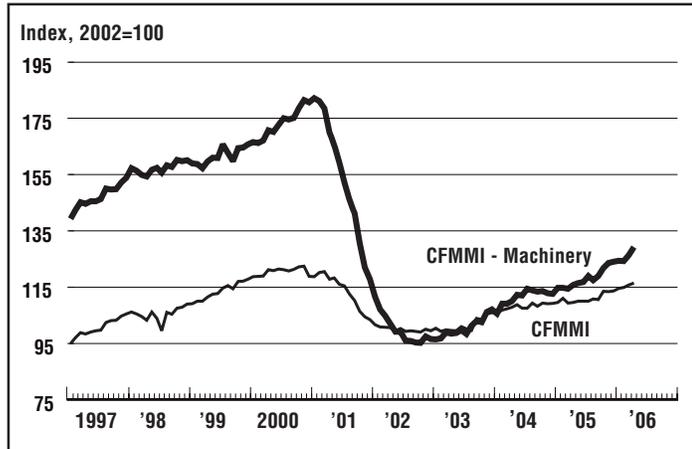
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



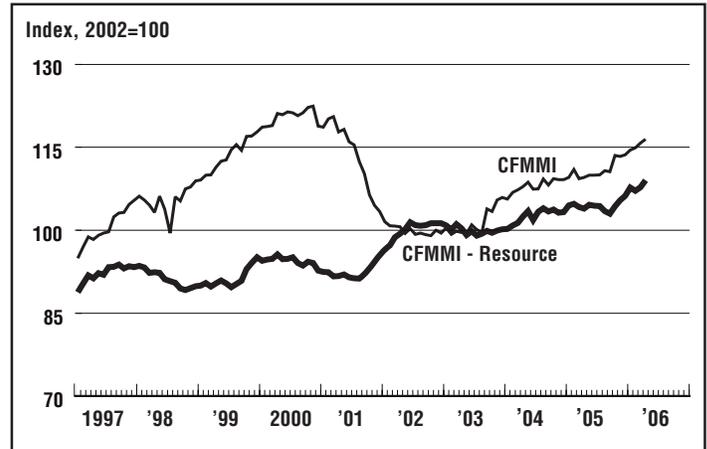
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Feb 06	Mar 06	Apr 06	Monthly			Annual Apr 05–Apr 06
				Feb 06	Mar 06	Apr 06	
CFMMI	114.9	115.8	116.5	0.3	0.8	0.6	6.3
CFMMI - Auto	114.2	115.1	114.5	1.2	0.7	-0.5	5.5
CFMMI - Steel	121.2	122.0	122.0	0.3	0.6	0.0	6.1
CFMMI - Machinery	124.2	126.4	129.3	-0.1	1.7	2.3	11.7
CFMMI - Resource	107.1	107.8	109.0	-0.6	0.6	1.2	4.9
IPMFG	113.6	114.2	115.0	-0.2	0.5	0.7	5.9

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>.