

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises in November

The Chicago Fed Midwest Manufacturing Index (CFMMI) rose 0.5% in November, to a seasonally adjusted level of 105.0 (2002 = 100). Revised data show the index decreased 1.1% in October, to 104.5. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was also up 0.5% in November. Regional output in November was 1.3% higher than a year earlier, below the 2.5% increase in national output.

All four of the regional industry sectors increased in November:

- Regional auto sector production moved up 1.0%;
- Regional steel sector output increased 0.6%;
- Regional machinery sector rose 0.5%; and
- Regional resource sector ticked up 0.1%.

The Midwest's auto sector production moved up 1.0% in November after falling 1.8% in October. The nation's auto output rose 1.2% in November. The Midwest's automotive output was up 1.3% in November relative to its year-ago value, while the nation's auto output was up 3.4%.

The region's steel sector output increased 0.6% in November after edging down 0.1% in October. The nation's steel output was up 0.3% in November. Regional steel output was up 3.2% from its November 2006 level, while the national steel output increased 4.2%.

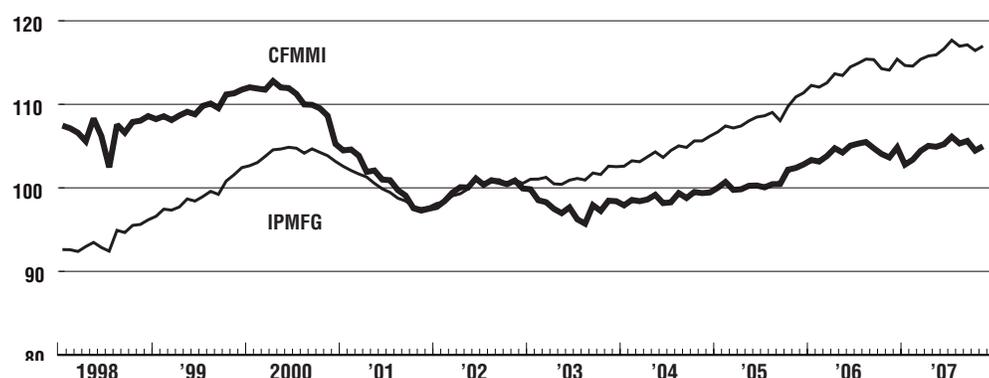
The Midwest's machinery sector output rose 0.5% in November after falling 1.1% in October. The nation's machinery output was up 1.6% in November. Regional machinery output in November was 0.8% above year-earlier levels, while national machinery output was up 6.1%.

The Midwest resource sector's output ticked up 0.1% in November after decreasing 0.9% in October. Four of the five subsectors of the resource sector—nonmetallic minerals, food, paper, and wood production—decreased, while chemicals increased from October to November. The national resource sector's output increased 0.2% in November. Compared with a year ago, regional resource output was up 2.0% in November, which was the same as the increase in the national resource output.

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

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Index, 2002=100



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**2008 Release Dates:
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November 26, 2008
December 29, 2008**

**The next CFMMI will be released:
January 28, 2008
Noon Eastern Time
11:00 am Central Time**

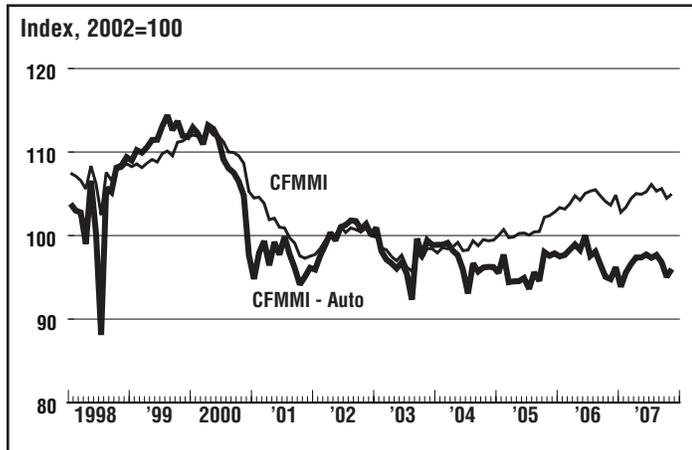
**FEDERAL RESERVE BANK
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Manufacturing output indexes—November

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.5	-0.3	1.3
US Industrial Production-Manufacturing (IPMFG)	0.5	0.0	2.5

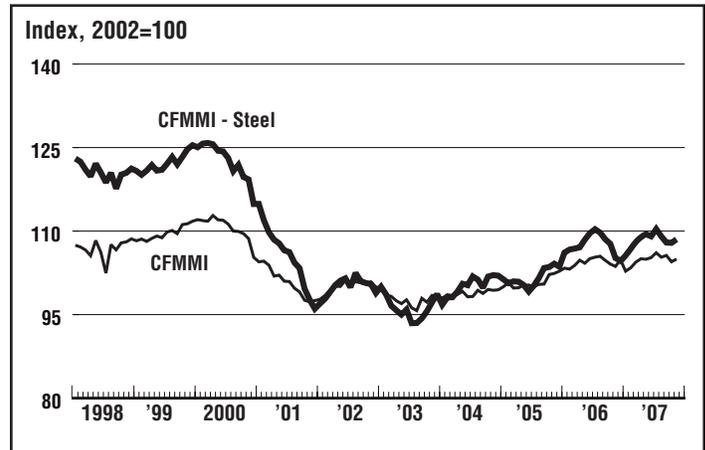
Tracking Midwest Manufacturing Activity by Sectors — November 2007

Auto Sector



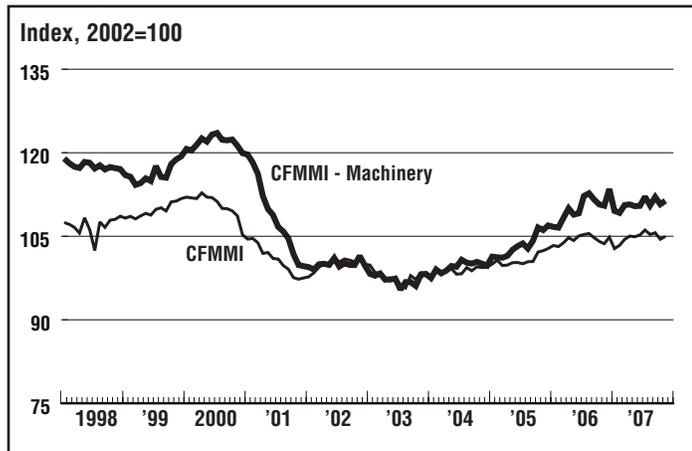
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



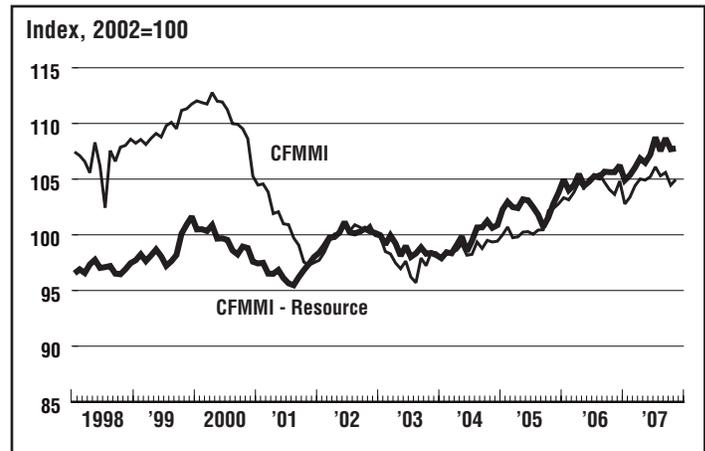
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Sep 07	Oct 07	Nov 07	Monthly		Annual	
				Sep 07	Oct 07	Nov-07	Nov 06–Nov 07
CFMMI	105.6	104.5	105.0	0.3	-1.1	0.5	1.3
CFMMI - Auto	96.8	95.0	96.0	-0.9	-1.8	1.0	1.3
CFMMI - Steel	107.9	107.9	108.5	-1.0	-0.1	0.6	3.2
CFMMI - Machinery	112.0	110.7	111.3	1.3	-1.1	0.5	0.8
CFMMI - Resource	108.7	107.7	107.8	1.1	-0.9	0.1	2.0
IPMFG	117.1	116.4	117.0	0.1	-0.6	0.5	2.5

Note: One of the fifteen industries in the CFMMI is not included in any of the four sectors above. This industry is 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>.