

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Edges Down in January

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**2008 Release Dates:
April 3, 2008
April 28, 2008
May 27, 2008
June 26, 2008
July 28, 2008
August 27, 2008
September 29, 2008
October 27, 2008
November 26, 2008
December 29, 2008**

The Chicago Fed Midwest Manufacturing Index (CFMMI) edged down 0.1% in January, to a seasonally adjusted level of 105.3 (2002 = 100). Revised data show the index increased 0.2% in December, to 105.4. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) was unchanged in January. Regional output in January was 2.0% higher than a year earlier, slightly below the 2.1% increase in national output.

Two of the four of the regional industry sectors decreased in January:

- Regional auto sector production declined 1.4%;
- Regional steel sector decreased 0.9%;
- Regional machinery sector rose 0.5%; and
- Regional resource sector output increased 0.8%.

The Midwest's auto sector production moved down 1.4% in January after an unchanged December. The nation's auto output was unchanged in January. The Midwest's automotive output was up 1.2% in January relative to its year-ago value, while the nation's auto output was up 2.7%.

The region's steel sector output decreased 0.9% in January after rising 0.7% in December. The nation's steel output was down 0.8% in January. Regional steel output was up 2.0% from its January 2007 level, while the national steel output increased 3.6%.

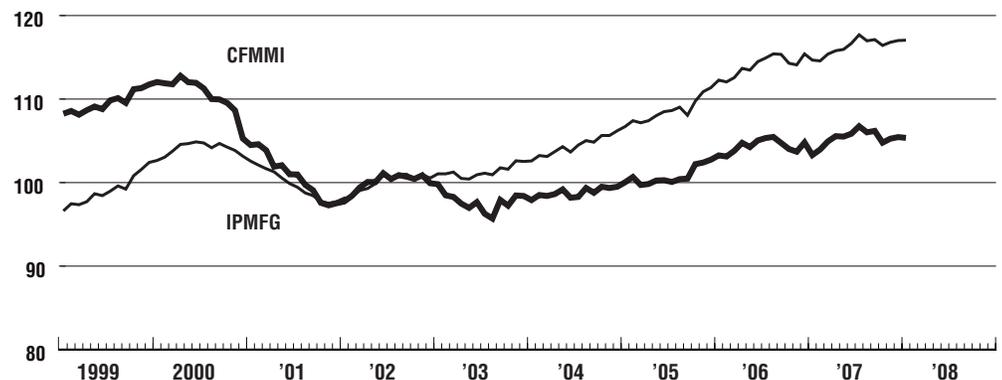
The Midwest's machinery sector output rose 0.5% in January after increasing 0.8% in December. The nation's machinery output was up 1.2% in January. Regional machinery output in January was 2.1% above year-earlier levels, while national machinery output was up 7.9%.

The Midwest resource sector's output increased 0.8% in January after decreasing 0.3% in December. Three of the five subsectors of the resource sector— nonmetallic minerals, chemicals, and food—increased from December to January, while paper and wood production decreased. The national resource sector's output increased 0.4% in January. Compared with a year ago, regional resource output was up 3.0% in January; the national resource output increased 1.3%.

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

Chicago Fed Midwest Manufacturing Index

Index, 2002=100



**The next CFMMI will be released:
April 3, 2008
Noon Eastern Time
11:00 am Central Time**

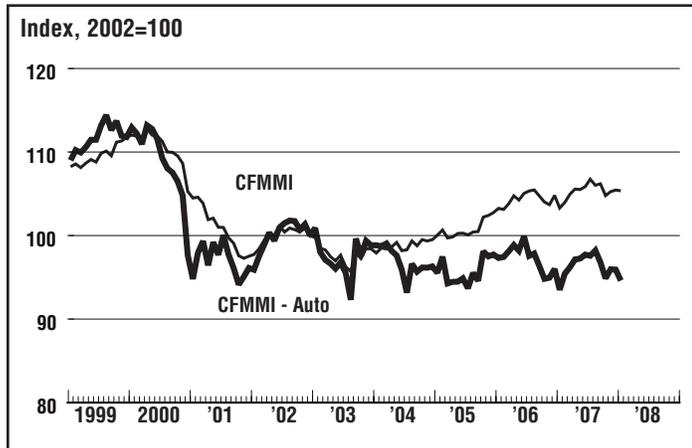
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Manufacturing output indexes—January

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	-0.1	0.5	2.0
US Industrial Production-Manufacturing (IPMFG)	0.0	0.5	2.1

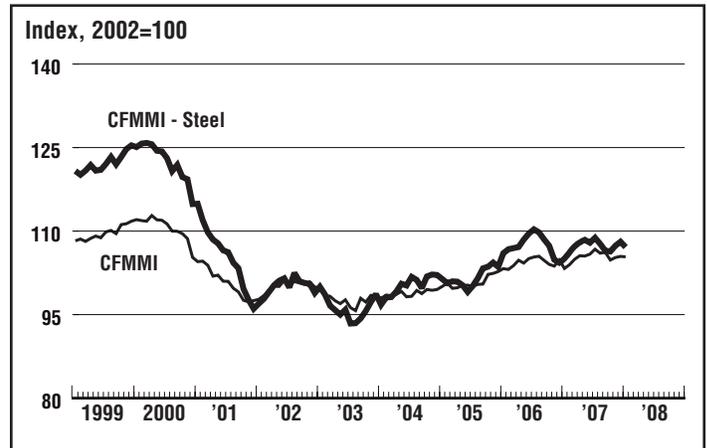
Tracking Midwest Manufacturing Activity by Sectors — January 2008

Auto Sector



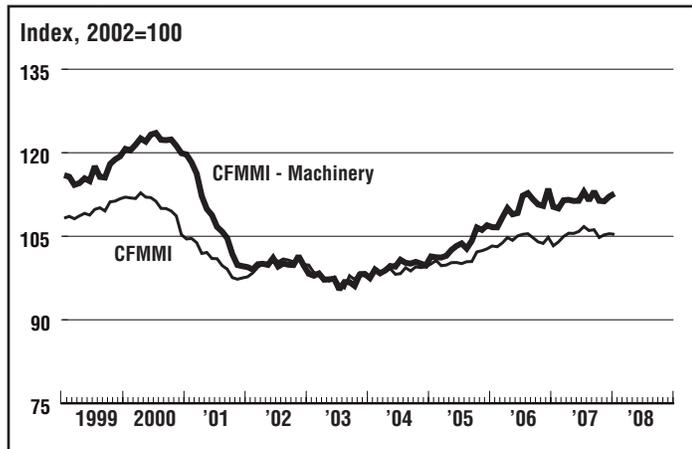
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



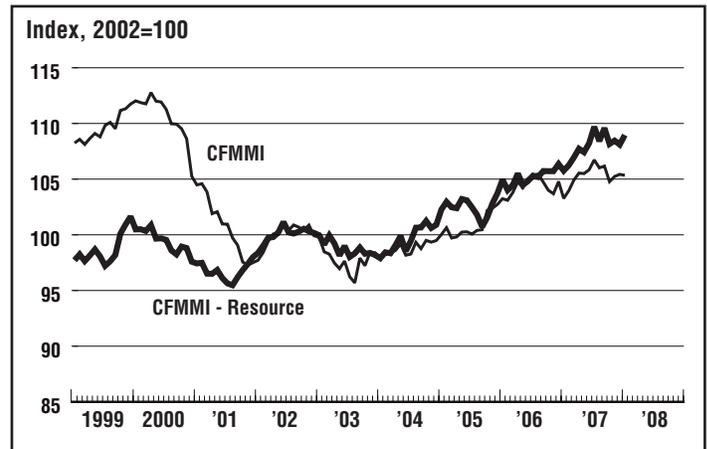
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Nov 07	Dec 07	Jan 08	Monthly		Annual	Jan 07-Jan 08
				Nov 07	Dec 07		
CFMMI	105.2	105.4	105.3	0.5	0.2	-0.1	2.0
CFMMI - Auto	96.0	95.9	94.6	1.2	0.0	-1.4	1.2
CFMMI - Steel	107.3	108.1	107.1	1.0	0.7	-0.9	2.0
CFMMI - Machinery	111.3	112.1	112.6	-0.1	0.8	0.5	2.1
CFMMI - Resource	108.5	108.1	109.0	0.3	-0.3	0.8	3.0
IPMFG	116.8	117.0	117.0	0.3	0.2	0.0	2.1

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>.