

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Rises in June

The Chicago Fed Midwest Manufacturing Index (CFMMI) increased 1.1% in June, to a seasonally adjusted level of 106.0 (2002 = 100). Revised data show the index decreased 0.8% in May, to 104.8. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) edged up 0.2% in June. Regional output in June was 1.9% lower than a year earlier, below the 0.4% decrease in national output.

All of the June increase was due to a gain in one sector, while three of the four regional industry sectors decreased:

- Regional auto sector production rose 7.8%;
- Regional steel sector output decreased 0.5%;
- Regional machinery sector output declined 0.9%; and
- Regional resource sector output moved down 1.1%.

The Midwest's auto sector production soared 7.8% in June after dropping 1.8% in May. The nation's auto output increased 2.8% in June. The Midwest's automotive output was down 8.6% in June relative to its year-ago value, while the nation's auto output was down 5.1%.

The region's steel sector output decreased 0.5% in June after declining 1.1% in May. The nation's steel output decreased 0.2% in June. Regional steel output was down 2.0% from its June 2007 level, while the national steel output dropped 0.4%.

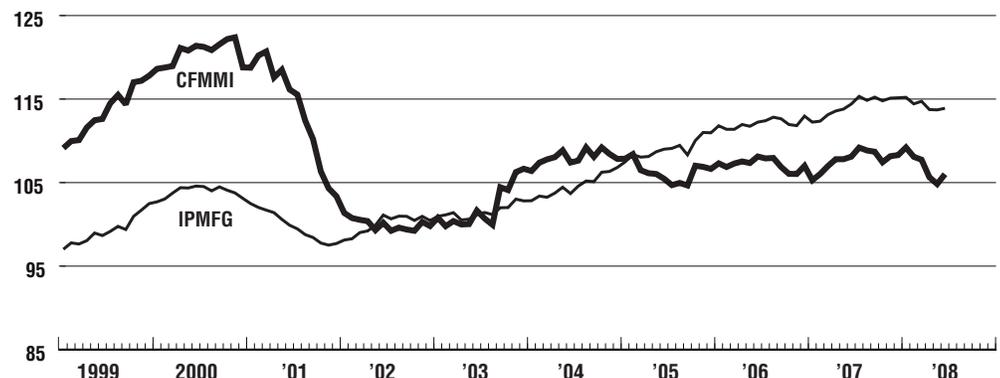
The Midwest's machinery sector output moved down 0.9% in June after decreasing 0.6% in May. The nation's machinery output was up 0.9% in June. Regional machinery output in June was 0.7% above year-earlier levels, while national machinery output was up 9.8%.

The Midwest resource sector's output declined 1.1% in June after edging down 0.2% in May. One of the subsectors of the resource sector—wood production—increased from April to May, while food, chemical, paper, and nonmetallic mineral production decreased. The national resource sector's output was down 0.6% in June. Compared with a year ago, regional resource output was down 0.5% in June, and the national resource output also decreased 0.5%.

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

Chicago Fed Midwest Manufacturing Index

Index, 2002=100



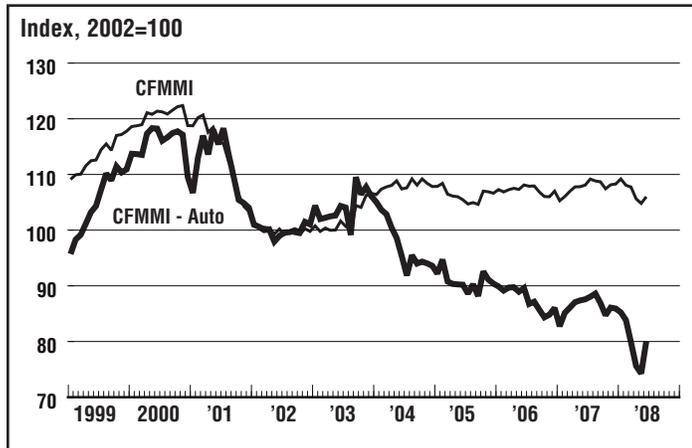
The next CFMMI will be released:
August 27, 2008
 Noon Eastern Time
 11:00 am Central Time

Manufacturing output indexes—June

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	1.1	-1.6	-1.9
US Industrial Production-Manufacturing (IPMFG)	0.2	-0.7	-0.4

Tracking Midwest Manufacturing Activity by Sectors — June 2008

Auto Sector



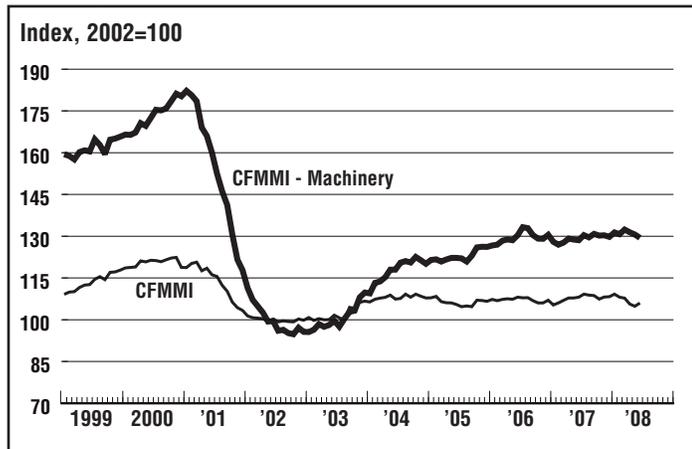
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



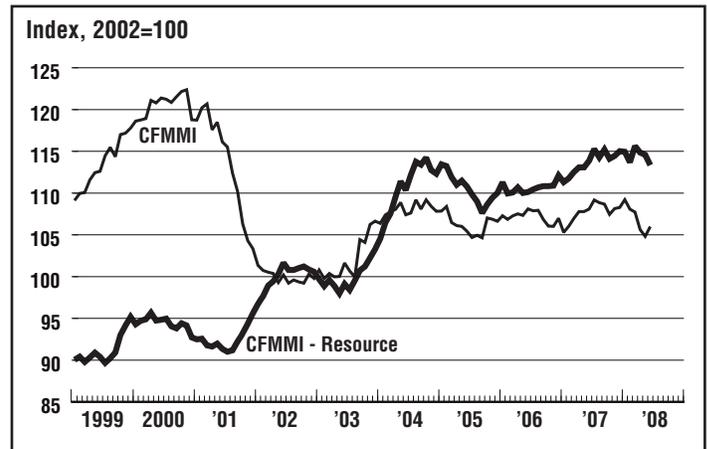
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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			
	Apr 08	May 08	Jun 08	Monthly			Annual
				Apr 08	May 08	Jun 08	Jun 07-Jun 08
CFMMI	105.6	104.8	106.0	-1.9	-0.8	1.1	-1.9
CFMMI - Auto	75.6	74.3	80.1	-5.3	-1.8	7.8	-8.6
CFMMI - Steel	108.5	107.4	106.9	-1.6	-1.1	-0.5	-2.0
CFMMI - Machinery	131.4	130.6	129.4	-0.8	-0.6	-0.9	0.7
CFMMI - Resource	114.9	114.6	113.4	-0.7	-0.2	-1.1	-0.5
IPMFG	113.7	113.7	113.9	-0.9	0.0	0.2	-0.4

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>.