

Chicago Fed Midwest Manufacturing Index

Midwest Manufacturing Output Increased in October

The Chicago Fed Midwest Manufacturing Index (CFMMI) increased 0.7% in October, to a seasonally adjusted level of 80.9 (2007 = 100). Revised data show the index edged up 0.2% in September to 80.3. The Federal Reserve Board's industrial production index for manufacturing (IPMFG) increased 0.6% in October. Regional output in October rose 8.6% from a year earlier, and national output increased 6.7%.

All four of the regional sectors increased in October:

- Regional machinery sector production rose 1.5%;
- Regional steel sector output moved up 0.7%
- Regional auto sector output gained 0.5%; and
- Regional resource sector production increased 0.4%.

The Midwest's machinery sector production rose 1.5% in October after decreasing 0.5% in September. The nation's machinery production increased 0.9% in October. Regional machinery output in October was up 9.0% from its year-earlier level, and national machinery output was up 11.7%.

The region's steel sector output moved up 0.7% in October after remaining flat in the previous month. The nation's steel output ticked up 0.1% in October. Regional steel output was up 19.3% from its October 2009 level, and national steel output was up 12.0%.

The region's auto sector production gained 0.5% in October after a 0.4% increase in September. National auto output increased 0.7% in October. The Midwest's automotive output was up 9.1% in October relative to its year-ago level, and national automotive output was up 5.6%.

The Midwest resource sector's output increased 0.4% in October after gaining 0.6% in the previous month. The national resource sector's output edged up 0.2% in October. The food, wood, paper, and nonmetallic production subsectors of the regional resource sector increased from September to October, while the chemical subsector decreased. Compared with a year ago, regional resource output was up 6.3% in October and national resource output was up 4.3%.

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

**Embargoed for release:
November 29, 2010
Noon Eastern Time
11:00 am Central Time**

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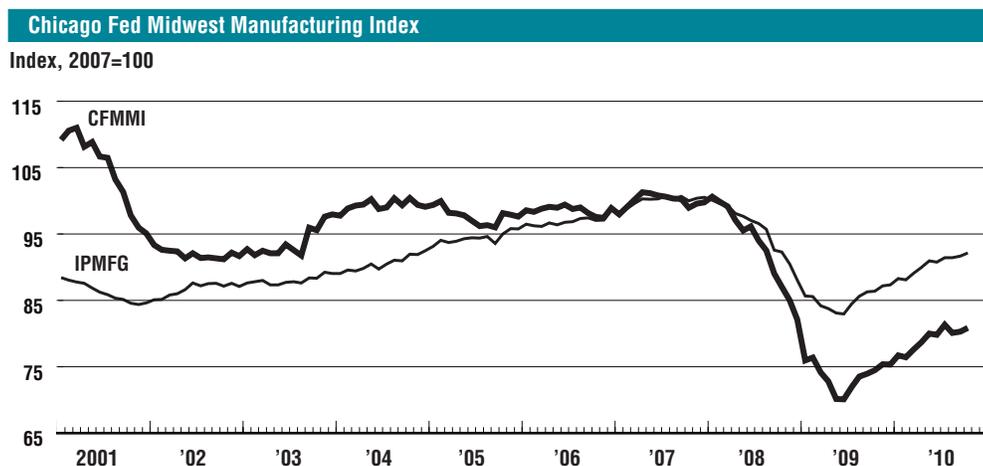
**Federal Reserve Bank of Chicago
230 South LaSalle Street
Chicago, IL 60604**

**2010 and 2011 Release Dates:
December 27, 2010
January 27, 2011
March 17, 2011
April 6, 2011
April 27, 2011
May 31, 2011
June 27, 2011
July 27, 2011
August 29, 2011
September 27, 2011
October 27, 2011
November 28, 2011
December 27, 2011**

NOTE: Beginning with the January 27, 2011, release, the release time will be shifted from noon Eastern Time to 8:30 am Eastern Time.

**The next CFMMI will be released:
December 27, 2010
Noon Eastern Time
11:00 am Central Time**

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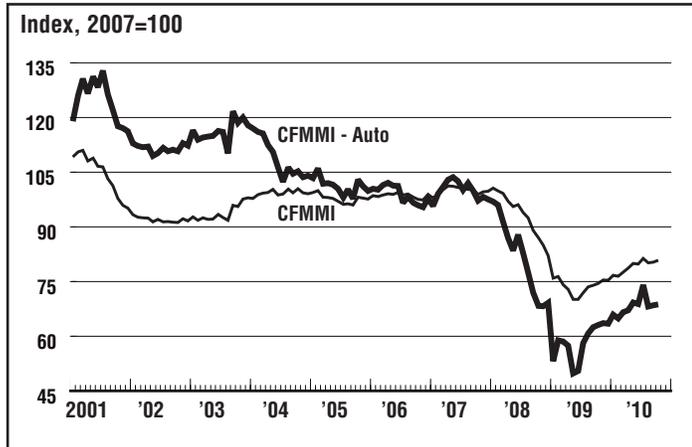


Manufacturing output indexes—October

	percent change from		
	1 month ago	3 months ago	1 year ago
Chicago Fed Midwest Manufacturing Index (CFMMI)	0.7	-0.6	8.6
US Industrial Production-Manufacturing (IPMFG)	0.6	0.8	6.7

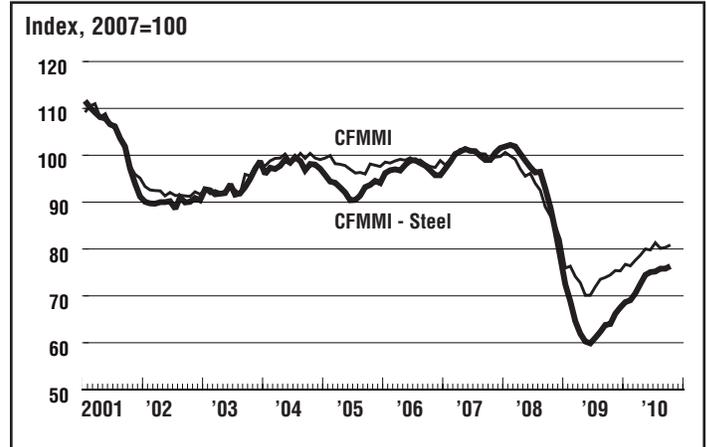
Tracking Midwest Manufacturing Activity by Sectors — October 2010

Auto Sector



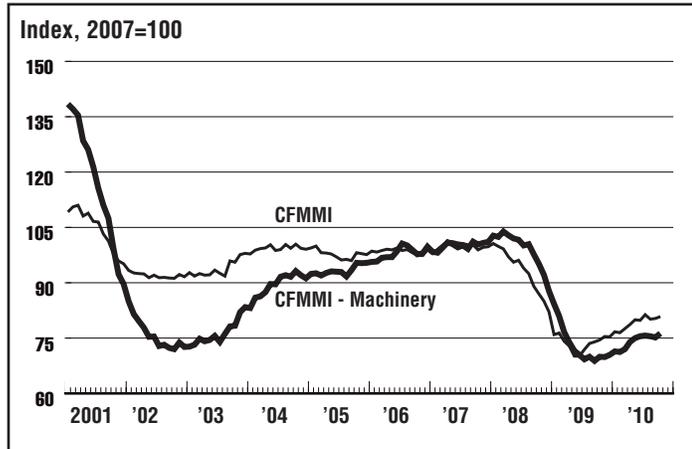
Auto Sector CFMMI Components:
Plastics and Rubber Products; Transportation Equipment

Steel Sector



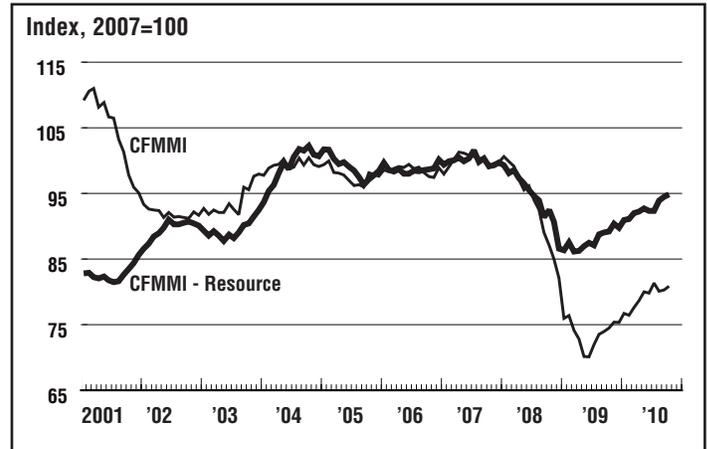
Steel Sector CFMMI Components:
Primary Metal Industries; Fabricated Metal Products

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, 2007=100			Percent change			
	Aug 10	Sep 10	Oct 10	Monthly			Annual Oct 09–Oct 10
				Aug 10	Sep 10	Oct 10	
CFMMI	80.1	80.3	80.9	-1.5	0.2	0.7	8.6
CFMMI - Auto	68.2	68.5	68.8	-7.9	0.4	0.5	9.1
CFMMI - Steel	75.8	75.8	76.4	0.8	0.0	0.7	19.3
CFMMI - Machinery	75.6	75.2	76.3	-0.2	-0.5	1.5	9.0
CFMMI - Resource	93.9	94.5	94.9	1.7	0.6	0.4	6.3
IPMFG	91.5	91.7	92.2	0.0	0.2	0.6	6.7

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>.