

**MDM News Digest**

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The **Chicago Fed Midwest Manufacturing Index** (CFMMI) increased 1.3 percent in January, to a seasonally adjusted level of 90.1 (2007 = 100). Revised data show the index was up 2.2 percent in December. The Federal Reserve Board's **industrial production index for manufacturing** (IPMFG) increased 0.8 percent in January. Regional output in January rose 9.0 percent from a year earlier, and national output increased 4.7 percent.

**Industrial production** was unchanged in February after having risen 0.4 percent in January. Previously, industrial production was reported to have been unchanged in January. At 96.2 percent of its 2007 average, total industrial production for February was 4 percent above its year-earlier level. **Capacity utilization** for total industry edged down to 78.7 percent, a rate 1.2 percentage points above its level from a year earlier but 1.6 percentage points below its long-run (1972-2011) average.

Activity among members of the Industrial Supply Association continued to demonstrate strength in early 2012, according to the latest **ISA Economic Indicators Report** (EIR). The report, calculated similarly to the ISM's Purchasing Managers Index (PMI), showed manufacturer activity in February at 63.99 percent, up from the January index of 62.64 percent. The distribu-

tor index was 64.83 percent, up from the January index of 64.11 percent.

**Canadian manufacturing sales** declined 0.9 percent to C\$49.6 billion (US\$50 billion) in January, the second decrease in seven months, according to Statistics Canada. The decrease partly reflected a drop in production in the aerospace product and parts industry. Lower sales in the primary metals, machinery and other transportation equipment industries also contributed to the overall decline. Excluding the aerospace industry, sales were virtually unchanged from December.

January **U.S. manufacturing technology orders** totaled \$401.69 million according to the Association for Manufacturing Technology. This total, as reported by companies participating in the USMTO program, was down 26.5 percent from December but up 8.4 percent when compared with the total of \$370.46 million reported for January 2011.

Heating, Airconditioning and Refrigeration Distributors International (HARDI) reported that **North American HVACR average distributor sales** for January 2012 were up 6.2 percent. U.S. sales were up 6.3 percent for the month.

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**Calculation of MDM Inflation Index for February 2012**

	BLS Price Indices Feb. '12	BLS Price Indices Jan. '12	BLS Price Indices Feb. '11	% Sales Weight	Weighted Indices Feb. '12 (1)X(4)	% Change Feb. '12 Jan. '12	% Change Feb. '12 Feb. '11
1136 Abr. Prod.	549.8	543.0	529.0	19.1	105.01	1.26	3.93
1135 Cutting Tools	486.7	487.0	471.8	18.9	91.99	-0.06	3.16
1145 Power Trans.	768.8	767.3	743.2	15.4	118.40	0.20	3.45
1081 Fasteners	500.2	501.8	481.5	9.0	45.01	-0.32	3.87
1149.01 Valves, etc.	920.2	907.7	859.9	7.6	69.93	1.37	7.02
1132 Power Tools	344.3	344.3	340.3	6.5	22.38	0.00	1.17
1144 Mat. Handling	550.5	549.9	529.8	6.2	34.13	0.10	3.90
0713.03 Belting	781.2	781.9	675.3	6.1	47.65	-0.08	15.68
1042 Hand Tools	747.5	749.9	732.8	8.1	60.55	-0.32	2.00
108 Misc. Metal	477.2	473.5	459.7	3.1	14.79	0.78	3.81
"New" February Index	318.6	February Inflation Index			609.84	0.36	4.58
"New" January Index	317.5	January Inflation Index			607.63		
		February 2011 Inflation Index			583.12		

New index reflects 1977=100 base other #: 1967 To convert multiply by .52247