

U.S. Data Review

- Industrial production: soft mining and utilities; respectable manufacturing

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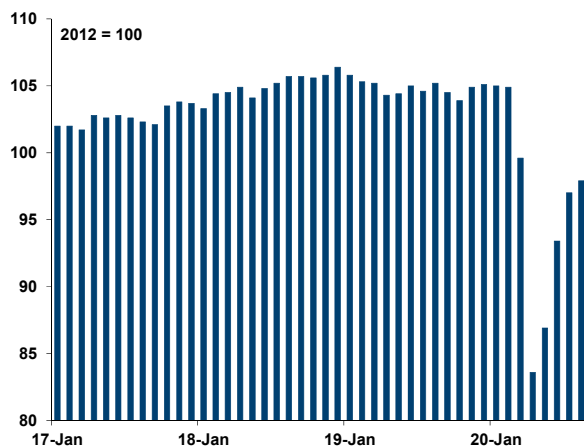
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Industrial Production

Industrial output rose 0.4 percent in August, lighter than the expected increase of 1.0 percent. However, the change occurred from net upward revisions in the prior several months, with the adjustments equivalent to approximately 0.8 percentage point of growth. The manufacturing component registered a respectable performance with an increase of 1.0 percent that was joined by net upward revision equivalent to approximately 0.6 percentage point of growth. Mining activity fell 2.5 percent, erasing much of the improvement in the prior two months that had suggested a correction phase might have ended (chart, right). A renewed drop in oil and gas extraction in August offset an increase in other mining activity. Utility output fell 0.4 percent, as hot weather was not as much of a factor as it was in July.

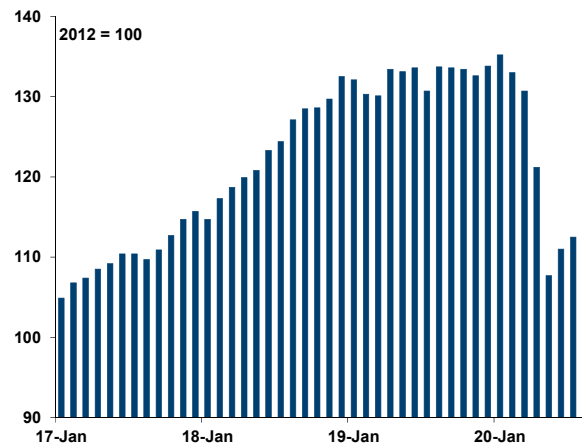
The increase in manufacturing activity was broad-based, with 19 of 20 industries in the report posting increases. Activity in the motor vehicle sector fell in August, but this industry had registered a strong performance in the prior few months, moving above levels seen before the onset of the pandemic. Even with the drop of 3.7 percent in August, production in the vehicle sector was in line with pre-virus levels. The manufacturing sector in total has now recouped 67 percent of the ground lost during the spring (chart, left).

Industrial Production: Manufacturing



Source: Federal Reserve Board via Haver Analytics

Industrial Production: Mining



Source: Federal Reserve Board via Haver Analytics

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