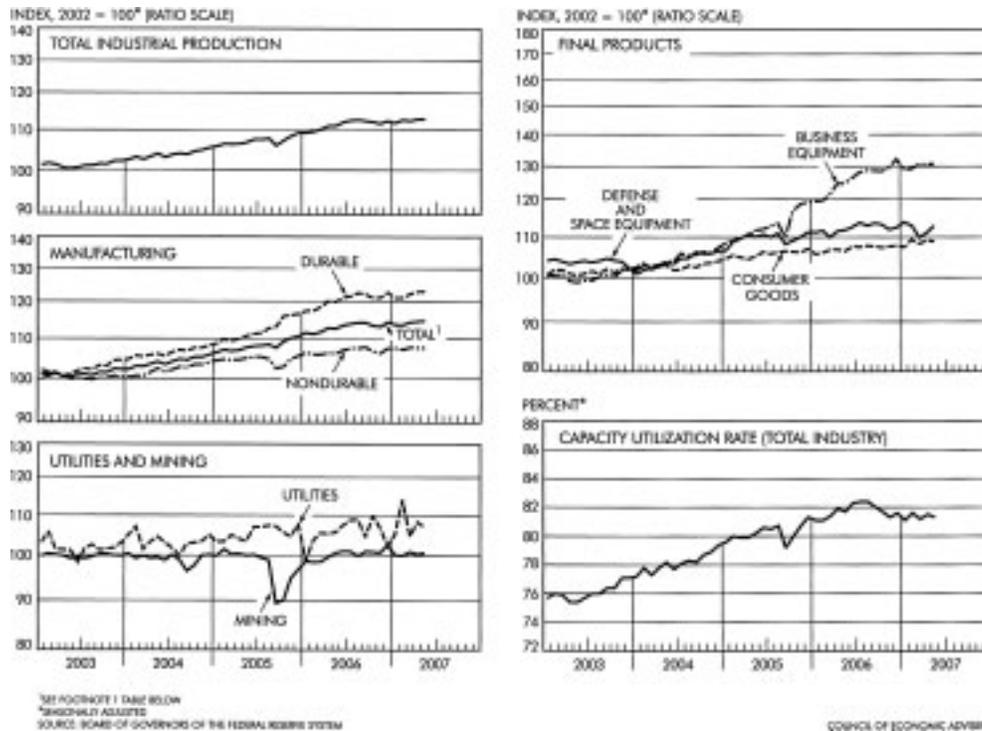


PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION AND CAPACITY UTILIZATION

Industrial production was unchanged in May; capacity utilization fell.



[Monthly data seasonally adjusted]

Period	Total industrial production ¹			Industry production indexes, 2002=100						Capacity utilization rate (output as percent of capacity) ¹	
	Index, 2002=100	Percent change ²		Total ¹	Manufacturing			Mining	Utilities	Total industry	Total manufacturing
		From preceding month	From year earlier		Durable	Non-durable	Other (non-NAICS) ¹				
1997	89.2	.....	7.2	88.3	80.4	99.6	97.7	108.0	89.7	83.9	83.0
1998	94.6	.....	6.1	94.4	89.2	101.0	104.2	106.5	92.0	82.8	81.7
1999	99.1	.....	4.7	99.5	97.3	101.7	107.6	101.2	94.7	81.9	80.8
2000	103.6	.....	4.5	104.3	105.4	102.3	109.6	103.5	97.4	81.7	80.1
2001	100.0	.....	-3.5	100.0	100.4	99.0	103.2	104.5	97.0	76.1	73.9
2002	100.0	.....	.0	100.0	100.0	100.0	100.0	100.0	100.0	74.8	73.0
2003	101.1	.....	1.1	101.1	102.3	100.1	97.0	99.9	101.9	76.1	74.2
2004	103.6	.....	2.5	104.0	106.3	102.0	97.8	99.2	103.3	78.1	76.6
2005	106.9	.....	3.2	108.0	112.1	104.5	99.6	97.6	105.5	80.2	78.8
2006	111.1	.....	3.9	113.0	120.4	106.7	98.0	100.2	105.2	81.7	80.4
2006: May	110.9	-0.1	4.0	112.6	120.1	106.1	98.0	100.7	105.7	81.7	80.3
June	111.9	.9	4.3	113.5	121.3	107.0	98.1	101.1	107.4	82.3	80.8
July	112.3	.4	4.7	113.9	121.7	107.4	98.1	101.0	108.7	82.4	80.9
Aug	112.5	.2	4.6	114.3	122.6	107.5	97.0	99.9	108.8	82.4	81.1
Sept	112.2	-0.3	6.0	114.3	122.2	107.8	97.2	101.0	104.5	82.0	80.9
Oct	112.0	-0.2	4.6	113.4	121.2	106.7	99.6	100.9	109.8	81.7	80.1
Nov	111.5	-0.4	3.0	113.2	121.3	106.2	99.4	100.7	106.8	81.3	79.8
Dec	112.2	.6	2.8	114.4	122.7	107.4	98.7	102.5	102.5	81.6	80.5
2007: Jan	111.7	-0.5	2.4	113.7	121.2	107.5	98.4	100.2	105.1	81.1	79.8
Feb ^r	112.5	.8	2.9	113.6	121.3	107.2	98.6	100.0	114.1	81.6	79.6
Mar ^r	112.2	-0.3	2.1	114.4	122.3	107.7	99.1	100.9	104.7	81.2	80.0
Apr ^r	112.7	.4	1.6	114.6	122.9	107.6	98.7	100.3	108.2	81.5	80.0
May ^p	112.7	.0	1.6	114.7	123.0	107.6	98.3	100.7	106.9	81.3	79.9

¹Total industry and total manufacturing series include manufacturing as defined in the North American Industry Classification System (NAICS) plus those industries—logging and newspaper, periodical, book and directory-publishing—that have traditionally been included in manufacturing.

²Percent changes based on unrounded indexes.

NOTE.—Data based on the North American Industry Classification System (NAICS) except series as defined in footnote 1.

Source: Board of Governors of the Federal Reserve System.