

Excerpt from the Weekly Chemistry & Economic Trend Report
Provided by the America Chemistry Council
July 14, 2017

Industrial Production



Source: Federal Reserve

Industrial production rose for a fifth consecutive month in June, up 0.4%. Utility output was flat, but mining output continued to grow as the oil and gas sector rebuilds momentum. Manufacturing output, which fell in May, rose 0.2% with stronger performance in durable manufacturing, especially wood products, vehicles, machinery, and primary metals. Nondurable manufacturing was flat with declines across several sectors offset by a large gain in plastic and rubber products and smaller gains among others. While overall industrial production accelerated during the 2nd quarter (largely due to higher oil and gas production), manufacturing output decelerated slightly compared to the 1st quarter, but remained well ahead of year ago levels. In addition, capacity utilization tightened to 76.6%, up from 75.8% a year ago. It remains below its long-term average of 79.9%, however. Over the same period, overall industrial capacity was 1.0% higher.