U.S. Industrial Production Continues To Rise

Daniel Wagner, AP Business Writer

WASHINGTON (AP) — Industrial production likely rose in January as factories continued boosting their output of goods for businesses and consumers.

Economists expect that the output of the nation's factories, mines and utilities increased 0.5 percent in January, after jumping 0.8 percent in December.

Industrial production has increased 11 percent since hitting its recession low in June 2009. It remains 6 percent below its pre-recession peak, reached in September 2007.

December's increase was the largest in five months. If economists' projections are correct, production will have risen in all but one of the past 19 months. Output edged down in October of last year, when warm weather slashed demand for gas and electricity from utilities.

The Federal Reserve will release the report on Wednesday at 9:15 EST.

Production by factories probably increased for the seventh straight month in January. Factories added 49,000 jobs last month, the most since August 1998. And factory workers' hours increased, another positive sign for manufacturing output.

Makers of machinery, computers, electronics and metals all have showed double-digit increases over the past year. Businesses replaced equipment and machines that wore out during the recession.

Severe winter weather in January might have limited the expected increase in factory production. However, the weather probably stoked demand for energy utilities.

Factory growth has provided crucial momentum for the economic recovery. Manufacturers roared back from the deepest recession in decades as businesses replenished inventories that they sold down during the recession. Rising overseas sales of U.S. exports have helped keep factory growth on a positive trend.

Crude oil field production fell in January as fewer rigs operated, suggesting that mine output might have declined, economists said.

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