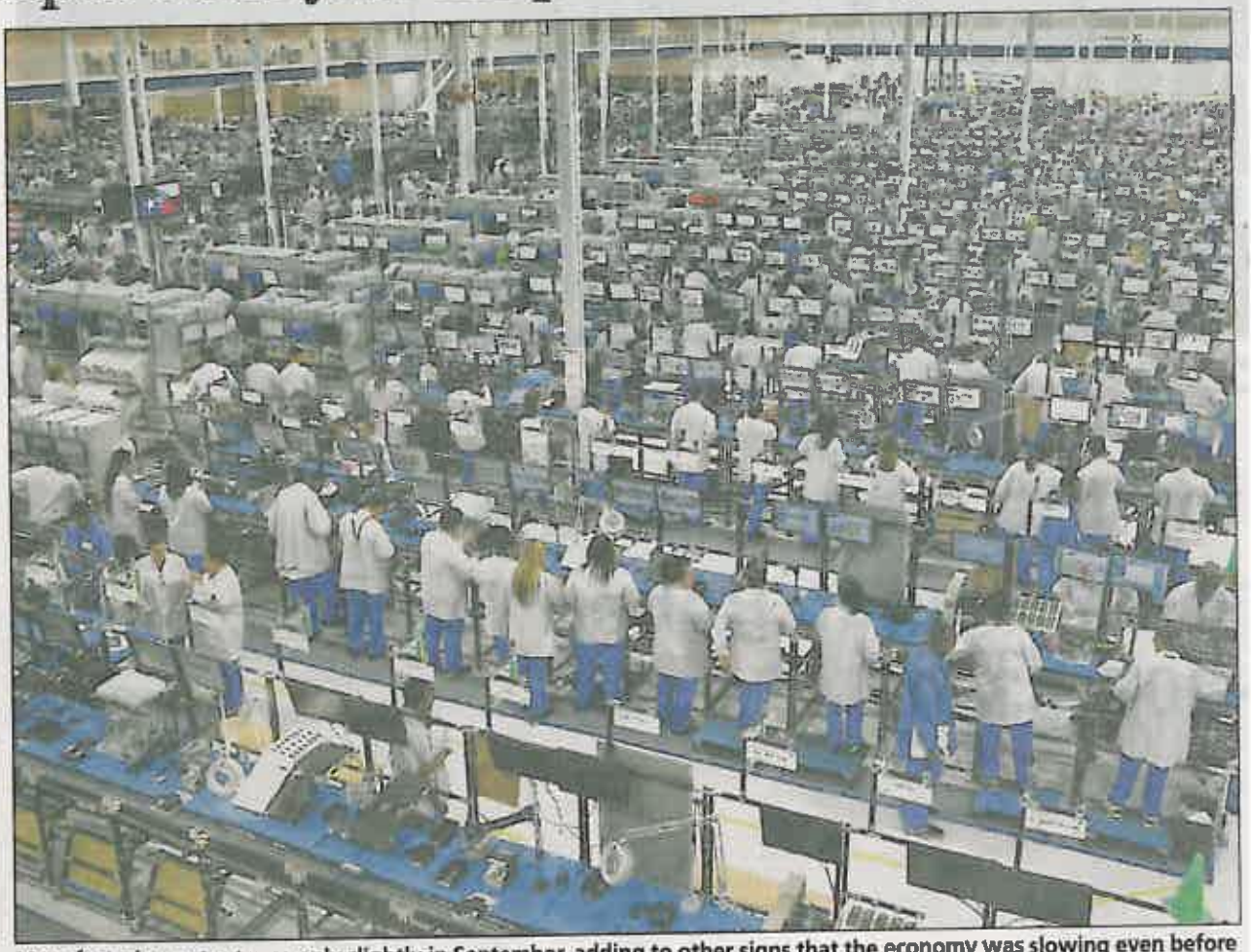
# Factory output rises just 0.1 percent in September

## Measure signals slowing growth

By Christopher S. Rugaber
Associated Press



Manufacturing output rose only slightly in September, adding to other signs that the economy was slowing even before the government shutdown happened. AP

WASHINGTON — U.S. factories barely boosted their output in September, adding to other signs that the economy was slowing even before the government shutdown began on Oct. 1.

Manufacturing production rose only 0.1 percent, the Federal Reserve said Monday. That's down from a 0.5 percent gain in August, which was slightly lower than previously reported.

Automakers boosted their output in September, but the gain was offset by declines at makers of computers, furniture and appliances.

Overall industrial production increased 0.6 percent in September, mostly because of a 4.4 percent jump in utility output. Utilities had fallen for five months. But September was unseasonably warm, likely increasing air conditioning use.

Mining output, which includes oil production, rose 0.2 percent, its sixth straight increase.

A measure of the total existing capacity used by factories, mines and utilities rose to the highest level since July 2008. That suggests that if demand rises much more, companies will have to invest in more factories and other production facilities to increase output.

Factory output is the largest component of industrial production. It had shown signs of rebounding over the summer, raising hopes that factories would help drive economic growth in the second half of the year.

But several reports suggest businesses and consumers had both grown more cautious right before the 16-day partial government shutdown. And overall hiring has slowed. Those factors could keep the economy weak until next year.