Factory output rose in April on stronger autos

By Martin Crutsinger The Associated Press

WASHINGTON — U.S. factory output increased in April, helped by a gain in auto production. Busier factories have driven stronger hiring this year and helped the economy grow.

The Federal Reserve said

Wednesday that factory production rose 0.6 percent in April, erasing a 0.5 percent decline in March.

Half of the April increase reflected a 3.9 percent jump in the production of motor vehicles and parts.

That's the fifth consecutive gain at auto plants and the biggest rise since January.

Overall industrial production increased 1.1 percent in April.

In addition to the big gain at factories, output at mines and utilities both showed strong gains.

Factory output has risen 18.3 percent since it hit a low in June 2009, the month the recession

ended. Through the first three months of the year, it was growing at an annual rate of nearly 10 percent.

Paul Ashworth, an economist at Capital Economics, said the report is a good sign that "the U.S. economy, for now at least, is shrugging off the euro-zone crisis and the slowdown in China."