

US auto factories swung back into gear in October: govt

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US auto production bounced back strongly in October, boosting overall industrial output.

American car assembly lines roared back into action last month, according to official data released Tuesday, a sign the effects of the

global semiconductor shortage that has hobbled production may be ending.

The gains at automakers helped propel US [industrial production](#) 1.6 percent higher in October, according to the Federal Reserve, about double expectations and gaining back ground lost in September, when supply constraints pushed [output](#) sharply lower.

The Fed said factories recovering from Hurricane Ida made up about half of the overall gain in production.

Manufacturing rose 1.2 percent, driven by an 11 percent increase in [motor vehicles](#) and parts, its first gain after two months of declines.

However, auto production was still 1.5 percent lower than October 2020, a sign of the lingering damage from the shortage of crucial computer chips that forced some factories to cut production.

"The level of manufacturing output is back above its pre-pandemic level, for the second time, and this time the absence of hurricanes and the continued strength in the regular monthly surveys points to further gains ahead," Ian Shepherdson of Pantheon Macroeconomics said.

Mining output rose 4.1 percent and utilities climbed 1.2 percent, the report said.

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