

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR IMMEDIATE RELEASE
WEDNESDAY, MARCH 24, 2010, AT 8:30 A.M. EDT

Chris Savage or Jessica Young
Manufacturing and Construction Division
(301) 763-4832

M3-1 (10)-02
CB10-38

Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders February 2010

New Orders

New orders for manufactured durable goods in February increased \$0.9 billion or 0.5 percent to \$178.1 billion, the U.S. Census Bureau announced today. This was the third consecutive monthly increase and followed a 3.9 percent January increase. Excluding transportation, new orders increased 0.9 percent. Excluding defense, new orders increased 1.6 percent.

Machinery, up three of the last four months, had the largest increase, \$1.1 billion or 4.7 percent to \$23.3 billion.

Shipments

Shipments of manufactured durable goods in February, down two consecutive months, decreased \$1.0 billion or 0.6 percent to \$179.8 billion. This followed a 0.1 percent January decrease.

Transportation equipment, also down two consecutive months, had the largest decrease, \$1.5 billion or 3.4 percent to \$43.8 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in February, up two consecutive months, increased \$2.9 billion or 0.4 percent to \$722.1 billion. This followed a 0.2 percent January increase.

Transportation equipment, also up two consecutive months, had the largest increase, \$2.2 billion or 0.5 percent to \$413.2 billion.

Inventories

Inventories of manufactured durable goods in February, up two consecutive months, increased \$1.0 billion or 0.3 percent to \$303.9 billion. This followed a 0.1 percent January increase.

Primary metals, up four consecutive months, had the largest increase, \$0.4 billion or 1.6 percent to \$26.5 billion.

Capital Goods

Nondefense new orders for capital goods in February increased \$3.0 billion or 5.2 percent to \$60.4 billion. Shipments increased \$0.2 billion or 0.3 percent to \$57.3 billion. Unfilled orders increased \$3.1 billion or 0.7 percent to \$412.3 billion. Inventories increased \$0.2 billion or 0.2 percent to \$132.3 billion.

Defense new orders for capital goods in February decreased \$0.5 billion or 4.5 percent to \$10.7 billion. Shipments decreased \$0.5 billion or 4.6 percent to \$10.8 billion. Unfilled orders decreased \$0.1 billion or 0.1 percent to \$132.5 billion. Inventories increased \$0.4 billion or 1.7 percent to \$20.9 billion.

Revised January Data

Revised seasonally adjusted January figures for all manufacturing industries were: new orders, \$381.1 billion (revised from \$378.4 billion); shipments, \$384.7 billion (revised from \$383.7 billion); unfilled orders, \$719.2 billion (revised from \$717.8 billion); and total inventories, \$495.3 billion (revised from \$495.2 billion).

Figures in text are adjusted for seasonality but not for inflation. Figures on new and unfilled orders exclude data for semiconductor manufacturing. For data, call (301) 763-4673 or go to <http://www.census.gov/m3>.

Revised and more detailed estimates, plus nondurable goods data, will be published on March 31, 2010, at 10:00 a.m. EDT. The advance report on durable goods for March is scheduled for release on April 23, 2010, at 8:30 a.m. EDT. See back page for survey description and benchmark notice.

Table 1. Durable Goods Manufacturers' Shipments and New Orders¹

[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]

Item	Seasonally Adjusted						Not Seasonally Adjusted					
	Monthly			Percent Change			Monthly			Year to Date		
	Feb 2010 ²	Jan 2010 ^r	Dec 2009	Jan - Feb ²	Dec- Jan ^r	Nov - Dec	Feb 2010 ²	Jan 2010 ^r	Feb 2009	2010	2009	Change 10/09
DURABLE GOODS												
Total:												
Shipments.....	179,800	180,843	180,942	-0.6	-0.1	2.4	167,712	160,739	164,265	328,451	322,645	1.8
New Orders ⁴	178,118	177,205	170,500	0.5	3.9	1.8	167,752	160,879	149,076	328,631	294,944	11.4
Excluding transportation:												
Shipments.....	135,980	135,503	134,705	0.4	0.6	1.4	125,456	122,106	121,598	247,562	242,492	2.1
New Orders ⁴	132,130	130,906	131,729	0.9	-0.6	1.9	124,346	119,482	114,763	243,828	225,903	7.9
Excluding defense:												
Shipments.....	165,830	166,065	167,734	-0.1	-1.0	2.9	154,322	148,624	151,576	302,946	300,509	0.8
New Orders ⁴	164,461	161,905	159,155	1.6	1.7	1.7	154,721	146,034	137,494	300,755	273,506	10.0
Manufacturing with unfilled orders:												
Shipments.....	130,292	130,408	131,932	-0.1	-1.2	2.9	121,824	114,840	119,217	236,664	232,380	1.8
New Orders ⁴	133,207	131,958	125,550	0.9	5.1	2.2	125,760	121,487	106,639	247,247	212,036	16.6
Primary metals:												
Shipments.....	16,837	16,448	16,369	2.4	0.5	7.6	15,890	15,390	13,151	31,280	26,714	17.1
New Orders.....	17,341	17,087	16,726	1.5	2.2	10.1	16,742	16,509	12,075	33,251	24,788	34.1
Fabricated metal products:												
Shipments.....	24,377	24,009	23,982	1.5	0.1	-0.6	22,607	21,658	22,772	44,265	45,694	-3.1
New Orders.....	24,512	24,060	23,929	1.9	0.5	-2.1	23,259	21,994	21,552	45,253	43,016	5.2
Machinery:												
Shipments.....	23,144	22,536	24,026	2.7	-6.2	5.7	22,047	20,348	22,823	42,395	45,298	-6.4
New Orders.....	23,344	22,291	24,439	4.7	-8.8	7.3	22,135	21,696	20,822	43,831	41,201	6.4
Computers and electronic products:												
Shipments.....	30,834	31,796	29,695	-3.0	7.1	-1.6	27,297	29,050	24,700	56,347	50,019	12.7
New Orders ⁴	25,994	26,146	25,838	-0.6	1.2	0.5	23,945	22,355	22,751	46,300	42,522	8.9
Computers and related products:												
Shipments.....	4,544	4,879	4,691	-6.9	4.0	2.2	3,773	4,152	3,820	7,925	7,591	4.4
New Orders.....	4,386	4,370	4,890	0.4	-10.6	0.4	3,615	3,643	3,823	7,258	7,190	0.9
Communications equipment:												
Shipments.....	4,794	4,874	4,837	-1.6	0.8	-4.0	4,043	3,813	4,060	7,856	7,876	-0.3
New Orders.....	5,030	5,116	4,968	-1.7	3.0	1.7	4,851	4,040	4,577	8,891	8,442	5.3
Semiconductors:												
Shipments.....	4,597	5,188	4,060	-11.4	27.8	-0.4	3,896	6,507	2,611	10,403	7,357	41.4
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	8,551	8,444	8,616	1.3	-2.0	0.5	7,932	7,419	8,039	15,351	15,775	-2.7
New Orders.....	8,433	8,724	8,440	-3.3	3.4	-4.1	8,223	8,367	7,936	16,590	15,949	4.0
Transportation equipment:												
Shipments.....	43,820	45,340	46,237	-3.4	-1.9	5.2	42,256	38,633	42,667	80,889	80,153	0.9
New Orders.....	45,988	46,299	38,771	-0.7	19.4	1.6	43,406	41,397	34,313	84,803	69,041	22.8
Motor vehicles and parts:												
Shipments.....	24,834	25,342	25,704	-2.0	-1.4	4.7	24,702	23,026	24,301	47,728	47,130	1.3
New Orders.....	24,656	25,140	25,732	-1.9	-2.3	5.7	24,573	23,172	24,307	47,745	47,106	1.4
Nondefense aircraft and parts:												
Shipments.....	6,605	6,811	8,742	-3.0	-22.1	17.5	5,963	5,025	7,235	10,988	13,746	-20.1
New Orders.....	9,764	7,358	3,132	32.7	134.9	-28.4	8,208	4,954	1,084	13,162	5,125	156.8
Defense aircraft and parts:												
Shipments.....	5,904	6,237	5,783	-5.3	7.9	0.9	5,444	4,897	4,785	10,341	8,383	23.4
New Orders.....	5,611	6,927	5,904	-19.0	17.3	22.7	5,237	6,793	4,678	12,030	8,673	38.7
All other durable goods:												
Shipments.....	32,237	32,270	32,017	-0.1	0.8	0.0	29,683	28,241	30,113	57,924	58,992	-1.8
New Orders.....	32,506	32,598	32,357	-0.3	0.7	0.1	30,042	28,561	29,627	58,603	58,427	0.3
Capital goods:³												
Shipments.....	68,143	68,505	70,121	-0.5	-2.3	2.9	63,644	59,539	63,584	123,183	123,086	0.1
New Orders.....	71,075	68,608	63,332	3.6	8.3	2.0	66,700	62,062	54,598	128,762	106,711	20.7
Nondefense capital goods:												
Shipments.....	57,313	57,152	59,784	0.3	-4.4	4.1	52,994	50,017	53,436	103,011	105,666	-2.5
New Orders.....	60,376	57,402	55,000	5.2	4.4	2.2	56,327	51,081	45,042	107,408	89,321	20.2
Excluding aircraft:												
Shipments.....	54,190	53,747	54,783	0.8	-1.9	2.3	50,265	47,989	49,941	98,254	98,754	-0.5
New Orders.....	53,652	53,051	55,212	1.1	-3.9	3.0	51,366	49,070	47,809	100,436	93,383	7.6
Defense capital goods:												
Shipments.....	10,830	11,353	10,337	-4.6	9.8	-3.6	10,650	9,522	10,148	20,172	17,420	15.8
New Orders.....	10,699	11,206	8,332	-4.5	34.5	0.6	10,373	10,981	9,556	21,354	17,390	22.8

NA Not Available ^r Revised data due to late receipts and concurrent seasonal adjustment

¹ Estimates of shipments and new orders are for the duration of the period, while estimates of unfilled orders and total inventories are for the end of the period. Not seasonally adjusted estimates of shipments and new orders include adjusted data for non-calendar reporters. Seasonally adjusted estimates include concurrent adjustments for holiday and trading-day differences, where appropriate, as well as seasonal variation, based on the results of the latest annual review of the model parameters. Estimates are not adjusted for price change.

² Based on advance sample. Estimates of manufacturers' shipments, inventories, and orders are subject to survey error and revision. One major component of survey error is nonsampling error, which includes errors of coverage, response and nonreporting. Since the survey panel is not a probability sample, estimates of sampling error cannot be calculated. Further details on survey design, methodology, and data limitations are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-3(07), "Manufacturers' Shipments, Inventories, and Orders: 2004-2007."

³ The Capital Goods Industries include Nondefense : small arms and ordnance; farm machinery and equipment; construction machinery; mining, oil, and gas field machinery; industrial machinery; vending laundry, and other machinery; photographic equipment; metalworking machinery; turbines and generators; other power transmission equipment; pumps and compressors; material handling equipment; all other machinery; electronic computers; computer storage devices; other computer peripheral equipment; communications equipment; search and navigation equipment; electromedical, measuring, and control instruments; electrical equipment; other electrical equipment, appliances, and components; heavy duty trucks; aircraft; railroad rolling stock; ships and boats; office and institutional furniture; and medical equipment and supplies.

Defense Capital Goods include : small arms and ordnance, communications equipment, aircraft; missiles, space vehicles, and parts, ships and boats, and search and navigation equipment

⁴ Data on new and unfilled orders are not available for the semiconductor industry. Estimates and percent changes for new orders and unfilled orders exclude semiconductor industry data. Inventories for semiconductor industry data are included in computers and electronic products and total durable goods industries, but are not shown separately.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories¹

[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]

Item	Seasonally Adjusted						Not Seasonally Adjusted			
	Monthly			Percent Change			Monthly			Percent
	Feb 2010 ²	Jan 2010 ^r	Dec 2009	Jan - Feb ²	Dec - Jan ^r	Nov - Dec	Feb 2010 ²	Jan 2010 ^r	Feb 2009	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	722,137	719,222	717,672	0.4	0.2	-0.9	727,417	723,481	778,409	-6.6
Total Inventories.....	303,918	302,894	302,714	0.3	0.1	-0.2	307,271	303,140	337,834	-9.0
Excluding transportation:										
Unfilled Orders ⁴	308,910	308,163	307,572	0.2	0.2	0.4	309,746	306,960	321,686	-3.7
Total Inventories.....	213,609	212,781	213,182	0.4	-0.2	-0.1	216,605	213,807	243,142	-10.9
Excluding defense:										
Unfilled Orders ⁴	573,458	570,230	569,202	0.6	0.2	-0.8	576,704	572,409	616,551	-6.5
Total Inventories.....	276,830	276,179	276,421	0.2	-0.1	-0.2	280,166	276,427	312,070	-10.2
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	722,137	719,222	717,672	0.4	0.2	-0.9	727,417	723,481	778,409	-6.6
Total Inventories.....	246,029	245,132	244,369	0.4	0.3	-0.2	248,323	245,186	271,625	-8.6
Primary metals:										
Unfilled Orders.....	16,751	16,247	15,608	3.1	4.1	2.3	16,946	16,094	16,401	3.3
Total Inventories.....	26,524	26,098	25,805	1.6	1.1	1.1	26,526	26,170	29,927	-11.4
Fabricated metal products:										
Unfilled Orders.....	49,210	49,075	49,024	0.3	0.1	-0.1	48,872	48,220	54,057	-9.6
Total Inventories.....	36,976	36,663	36,738	0.9	-0.2	-0.6	37,555	37,003	43,008	-12.7
Machinery:										
Unfilled Orders.....	87,827	87,627	87,872	0.2	-0.3	0.5	88,227	88,139	93,814	-6.0
Total Inventories.....	46,968	47,121	47,534	-0.3	-0.9	-0.5	47,961	47,411	55,390	-13.4
Computers and electronic products:										
Unfilled Orders ⁴	122,293	122,536	122,998	-0.2	-0.4	0.2	122,954	122,410	124,439	-1.2
Total Inventories.....	43,294	43,064	43,402	0.5	-0.8	1.2	43,913	43,213	47,448	-7.5
Computers and related products:										
Unfilled Orders.....	4,040	4,198	4,707	-3.8	-10.8	4.4	4,040	4,198	3,689	9.5
Total Inventories.....	4,298	4,265	4,198	0.8	1.6	2.2	4,347	4,099	4,744	-8.4
Communications equipment:										
Unfilled Orders.....	38,001	37,765	37,523	0.6	0.6	0.4	38,117	37,309	37,320	2.1
Total Inventories.....	9,466	9,321	9,350	1.6	-0.3	3.1	9,693	9,492	10,523	-7.9
Semiconductors:										
Unfilled Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:										
Unfilled Orders.....	20,369	20,487	20,207	-0.6	1.4	-0.9	20,665	20,374	21,773	-5.1
Total Inventories.....	12,105	12,109	12,022	0.0	0.7	-1.0	12,387	12,226	14,094	-12.1
Transportation equipment:										
Unfilled Orders.....	413,227	411,059	410,100	0.5	0.2	-1.8	417,671	416,521	456,723	-8.6
Total Inventories.....	90,309	90,113	89,532	0.2	0.6	-0.5	90,666	89,333	94,692	-4.3
Motor vehicles and parts:										
Unfilled Orders.....	13,680	13,858	14,060	-1.3	-1.4	0.2	14,090	14,219	15,625	-9.8
Total Inventories.....	18,512	18,519	18,543	0.0	-0.1	1.6	18,839	18,741	20,605	-8.6
Nondefense Aircraft and parts:										
Unfilled Orders.....	274,274	271,115	270,568	1.2	0.2	-2.0	276,505	274,260	299,489	-7.7
Total Inventories.....	45,800	45,441	44,988	0.8	1.0	-0.5	45,800	44,509	47,291	-3.2
Defense Aircraft and parts:										
Unfilled Orders.....	45,868	46,161	45,471	-0.6	1.5	0.3	46,682	46,889	48,517	-3.8
Total Inventories.....	15,948	15,743	15,330	1.3	2.7	-1.9	15,840	15,630	14,914	6.2
All other durable goods:										
Unfilled Orders.....	12,460	12,191	11,863	2.2	2.8	3.0	12,082	11,723	11,202	7.9
Total Inventories.....	47,742	47,726	47,681	0.0	0.1	-0.7	48,263	47,784	53,275	-9.4
Capital goods:³										
Unfilled Orders.....	544,813	541,881	541,778	0.5	0.0	-1.2	549,460	546,404	597,560	-8.0
Total Inventories.....	153,162	152,568	151,378	0.4	0.8	-0.7	154,705	151,895	166,594	-7.1
Nondefense capital goods:										
Unfilled Orders.....	412,291	409,228	408,978	0.7	0.1	-1.2	415,238	411,905	451,925	-8.1
Total Inventories.....	132,279	132,038	131,455	0.2	0.4	-0.6	133,697	131,254	146,617	-8.8
Excluding aircraft:										
Unfilled Orders.....	173,094	173,632	174,328	-0.3	-0.4	0.2	174,257	173,156	187,811	-7.2
Total Inventories.....	95,845	96,018	95,953	-0.2	0.1	-0.2	97,284	96,120	108,995	-10.7
Defense capital goods:										
Unfilled Orders.....	132,522	132,653	132,800	-0.1	-0.1	-1.5	134,222	134,499	145,635	-7.8
Total Inventories.....	20,883	20,530	19,923	1.7	3.0	-1.6	21,008	20,641	19,977	5.2

See footnotes at end of Table 1

Survey Description

This report is compiled from results of the U.S. Census Bureau's Manufacturers' Shipments, Inventories, and Orders (M3) survey. This survey provides statistics on manufacturers' value of shipments, new orders (net of cancellations), end-of-month order backlog (unfilled orders), end-of-month total inventory (at current cost or market value), and inventories by stage of fabrication (materials and supplies, work-in-process, and finished goods). The M3 includes approximately 4,300 reporting units. Units may be divisions of diversified large companies, large homogenous companies, or single-unit manufacturers in 89 industry categories. Due to the small monthly sample, these 89 categories have been combined into 59 publication levels. The survey methodology assumes that the month-to-month changes of the total operations of those companies in the monthly survey effectively represent the month-to-month movements of all establishments that make up the category. The current coverage levels in the survey show that reported data in the monthly survey represent approximately 60 percent of the shipments estimates at the total manufacturing level. Data published represent manufacturing in a calendar month. The data collection is based on a voluntary survey authorized by Title 13 of the United States Code.

The data presented in this release are based on data obtained from a panel of 4,300 reporting units and provide an indication of the activity within the manufacturing sector. The results differ from what would be obtained from a complete enumeration of all manufacturing companies. In addition, a different panel of 4,300 companies would yield different results. The M3 panel is comprised of companies with \$500 million or more in shipments and a limited number of smaller companies. From a statistical perspective, the panel is not a probability sample; therefore, the sampling errors that are normally provided with sample surveys cannot be measured. Nonsampling errors are attributable to many sources. The use of company or divisional reports to estimate the monthly change for establishments is one source of nonsampling error. The use of primarily large companies to represent the month-to-month movement of all companies is another potential source. Any corrections will be published in the full report. Corrections received after the full report will be released in the next month's advance report. Any revisions made later than two months will be reflected in the annual benchmark publication.

Additional survey documentation can be found on our web site: <http://www.census.gov/m3>.

Benchmark Notice

Revised historical data for Manufacturers' Shipments, Inventories, and Orders will be issued on May 14, 2010. These revisions reflect:

- benchmarking the shipments and inventory data to the 2007 Economic Census and the 2008 Annual Survey of Manufactures (ASM) data;
- adjusting new orders and order backlog to be consistent with the benchmarked shipments and inventory data;
- correcting monthly data for late receipts, reclassifications of reported data, and revisions to previously reported data; and
- updating the seasonal adjustment factors for all series.

As of the Benchmark release, shipments for the semiconductor industry will no longer be shown separately, but will be included in the computers and electronic products, and all other applicable aggregate totals. An accompanying press release will include the revised 2010 January through March data. Please call Chris Savage on (301)763-4832 with any questions.