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**U.S. CENSUS BUREAU**

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**ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS  
September 2002**

(All figures in text below are in seasonally adjusted current dollars and exclude data for semiconductor manufacturing)

● **NEW ORDERS** for manufactured durable goods in September decreased \$10.5 billion or 5.9 percent to \$167.6 billion, the Department of Commerce, U.S. Census Bureau reported today. This followed a 0.6 percent August decrease and was the largest decrease since November 2001 which also had a 5.9 percent decrease. Excluding transportation, new orders decreased 1.0 percent. Excluding defense, new orders decreased 6.0 percent. Year to date, new orders for 2002 were 0.6 percent below the same period a year ago.

Transportation equipment had the largest decrease, \$9.3 billion or 16.1 percent to \$48.4 billion and was the largest decrease since November 2001, led by nondefense aircraft and parts which decreased by \$4.2 billion.

● **SHIPMENTS** of manufactured durable goods in September decreased \$1.9 billion or 1.1 percent to \$173.9 billion. This followed a 1.6 percent August decrease. Year to date, shipments for 2002 were 1.4 percent below the same period a year ago.

Transportation equipment had the largest decrease, \$0.6 billion or 1.2 percent to \$52.2 billion, due to motor vehicles and parts which decreased \$1.4 billion.

● **UNFILLED ORDERS** for manufactured durable goods in September decreased \$6.3 billion or 1.3 percent to \$485.0 billion. This followed a 0.5 percent August increase and was at the lowest level since October 1996.

Transportation equipment had the largest decrease, \$3.8 billion or 1.5 percent to \$251.3 billion, due to nondefense aircraft and parts which decreased \$1.5 billion. Computers and electronic products, down twenty consecutive months, decreased \$2.1 billion or 1.9 percent to \$108.7 billion, due to communications equipment which decreased \$2.8 billion.

● **INVENTORIES** of manufactured durable goods in September, down twenty consecutive months, decreased \$0.5 billion or 0.2 percent to \$263.5 billion. This followed a 0.2 percent August decrease and was at the lowest level since December 1995.

Transportation equipment, down six of the last seven months and at the lowest level since January 1998, had the largest decrease, \$0.3 billion or 0.4 percent to \$70.8 billion, due to nondefense aircraft and parts which decreased \$0.8 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in September decreased \$0.3 billion or 4.1 percent to \$6.7 billion. Shipments increased \$0.3 billion or 4.3 percent to \$6.8 billion. Unfilled orders decreased \$0.1 billion or 0.1 percent to \$125.2 billion. Inventories decreased \$0.1 billion or 0.3 percent to \$18.5 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in September decreased \$7.5 billion or 12.6 percent to \$52.1 billion, the largest decrease since December 1997. Shipments decreased \$0.4 billion or 0.6 percent to \$56.6 billion. Unfilled orders, down nineteen of the last twenty months and at the lowest level since April 1996, decreased \$4.5 billion or 2.1 percent to \$211.0 billion. Inventories, down twenty consecutive months and at the lowest level since June 1996, decreased \$0.8 billion or 0.7 percent to \$113.2 billion.

● **REVISED AUGUST DATA** Revised seasonally adjusted August figures for all manufacturing industries are: new orders, \$325.5 billion (revised from \$326.6 billion); shipments, \$323.2 billion (revised from \$324.2 billion); unfilled orders, \$491.3 billion (revised from \$491.4 billion); and total inventories, \$428.2 billion (revised from \$427.9 billion).

**SEE BACK PAGE FOR SURVEY DESCRIPTION**

**Our internet site address is: <http://www.census.gov/m3>**

**Table 1. Durable Goods Manufacturers' Shipments and New Orders**  
 (Millions of Dollars)

Item	Seasonally Adjusted						Not Seasonally Adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent Change Sep 02/01
	Sep 2002 <sup>2</sup>	Aug 2002 <sup>1</sup>	Jul 2002	Aug - Sep <sup>2</sup>	Jul - Aug <sup>1</sup>	Jun - Jul	Sep 2002 <sup>2</sup>	Aug 2002 <sup>1</sup>	Sep 2001	
<b>DURABLE GOODS</b>										
<b>Total:</b> <sup>4</sup>										
Shipments.....	173,910	175,825	178,739	-1.1	-1.6	3.2	186,139	179,023	178,840	4.1
New Orders.....	167,633	178,123	179,274	-5.9	-0.6	8.5	175,917	178,211	168,002	4.7
<b>Excluding transportation:</b> <sup>4</sup>										
Shipments.....	121,700	122,997	123,782	-1.1	-0.6	1.7	130,592	123,702	127,882	2.1
New Orders.....	119,215	120,390	121,870	-1.0	-1.2	2.9	126,380	119,053	121,707	3.8
<b>Excluding defense:</b> <sup>4</sup>										
Shipments.....	165,770	168,061	171,014	-1.4	-1.7	3.5	177,135	171,561	170,892	3.7
New Orders.....	159,646	169,856	168,840	-6.0	0.6	6.9	167,781	171,753	161,219	4.1
<b>Manufacturing with unfilled orders:</b> <sup>4</sup>										
Shipments.....	122,160	122,474	123,835	-0.3	-1.1	1.9	131,117	123,254	127,588	2.8
New Orders.....	115,883	124,772	124,370	-7.1	0.3	9.5	120,895	122,442	116,750	3.6
<b>Primary metals:</b>										
Shipments.....	11,328	11,394	11,355	-0.6	0.3	1.3	11,489	11,799	11,030	4.2
New Orders.....	11,331	11,411	11,205	-0.7	1.8	0.8	11,015	11,628	10,412	5.8
<b>Fabricated metal products:</b>										
Shipments.....	21,231	21,343	21,353	-0.5	0.0	1.5	21,830	22,414	21,159	3.2
New Orders.....	21,232	20,803	21,212	2.1	-1.9	2.7	21,332	21,446	20,063	6.3
<b>Machinery:</b>										
Shipments.....	22,867	23,220	23,257	-1.5	-0.2	1.4	24,069	22,407	23,436	2.7
New Orders.....	21,915	22,182	23,004	-1.2	-3.6	10.3	22,756	21,402	23,155	-1.7
<b>Computers and electronic products:</b> <sup>4</sup>										
Shipments.....	26,352	26,524	26,943	-0.6	-1.6	3.1	30,891	24,823	30,885	0.0
New Orders.....	24,284	25,825	26,359	-6.0	-2.0	3.2	28,867	22,903	27,518	4.9
<b>Computers and related products:</b>										
Shipments.....	6,795	6,854	7,072	-0.9	-3.1	13.1	8,603	6,062	8,269	4.0
New Orders.....	7,403	6,771	6,770	9.3	0.0	13.0	8,919	6,058	7,453	19.7
<b>Communications equipment:</b>										
Shipments.....	5,409	5,476	5,447	-1.2	0.5	-2.3	6,394	4,971	7,660	-16.5
New Orders.....	2,582	5,376	5,544	-52.0	-3.0	9.2	4,207	3,849	6,015	-30.1
<b>Semiconductors:</b> <sup>5</sup>										
Shipments.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
New Orders.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
<b>Electrical equipment, appliances, and components:</b>										
Shipments.....	8,836	8,914	9,106	-0.9	-2.1	1.0	9,735	8,919	10,216	-4.7
New Orders.....	9,142	8,874	8,637	3.0	2.7	-6.4	9,649	8,842	9,524	1.3
<b>Transportation equipment:</b>										
Shipments.....	52,210	52,828	54,957	-1.2	-3.9	6.7	55,547	55,321	50,958	9.0
New Orders.....	48,418	57,733	57,404	-16.1	0.6	22.6	49,537	59,158	46,295	7.0
<b>Motor vehicles and parts:</b>										
Shipments.....	37,634	38,990	40,213	-3.5	-3.0	8.3	39,065	41,739	34,060	14.7
New Orders.....	37,561	38,637	40,417	-2.8	-4.4	8.6	38,793	41,153	33,704	15.1
<b>Nondefense aircraft and parts:</b>										
Shipments.....	6,287	5,678	6,555	10.7	-13.4	6.7	7,030	5,361	8,401	-16.3
New Orders.....	4,837	9,005	6,181	-46.3	45.7	132.1	4,430	8,895	5,583	-20.7
<b>Defense aircraft and parts:</b>										
Shipments.....	3,183	2,963	3,142	7.4	-5.7	-0.4	3,614	2,914	3,007	20.2
New Orders.....	2,922	3,107	6,212	-6.0	-50.0	137.1	2,942	2,280	2,408	22.2
<b>All other durable goods:</b>										
Shipments.....	31,086	31,602	31,768	-1.6	-0.5	1.2	32,578	33,340	31,156	4.6
New Orders.....	31,311	31,295	31,453	0.1	-0.5	1.4	32,761	32,832	31,035	5.6
<b>Capital goods:</b> <sup>3</sup>										
Shipments.....	63,372	63,447	64,738	-0.1	-2.0	2.7	70,188	60,989	70,210	0.0
New Orders.....	58,767	66,588	62,423	-11.7	6.7	9.4	64,590	61,680	63,456	1.8
<b>Nondefense capital goods:</b>										
Shipments.....	56,582	56,937	58,266	-0.6	-2.3	3.5	62,798	54,766	63,463	-1.0
New Orders.....	52,055	59,590	56,933	-12.6	4.7	12.1	57,694	56,148	57,705	0.0
<b>Excluding aircraft:</b>										
Shipments.....	53,339	54,315	54,836	-1.8	-1.0	2.9	59,518	52,352	59,313	0.3
New Orders.....	49,919	53,419	53,798	-6.6	-0.7	6.7	55,521	50,185	55,168	0.6
<b>Defense capital goods:</b>										
Shipments.....	6,790	6,510	6,472	4.3	0.6	-3.6	7,390	6,223	6,747	9.5
New Orders.....	6,712	6,998	5,490	-4.1	27.5	-12.3	6,896	5,532	5,751	19.9

NA Not Available <sup>1</sup> Revised

<sup>1</sup> Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders and total inventories are as of the end of the period and are not adjusted for trading-day or calendar-month variations.

<sup>2</sup> 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: M3-1(01), "Manufacturers' Shipments, Inventories, and Orders: 1992-2001."

<sup>3</sup> 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, laundries and other machinery; photographic equipment; metalworking machinery; turbines and generators; other power transmission equipment; pumps and compressors; material handling equipment; all other machine 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.

<sup>4</sup> Aggregate estimates and percent changes exclude semiconductor industry data. Due to the number of large semiconductor manufacturers choosing not to participate in this voluntary monthly survey, the Census Bureau cannot currently produce monthly estimates of semiconductor shipments, orders, or inventories.

<sup>5</sup> Due to the number of large semiconductor manufacturers choosing not to participate in this voluntary monthly survey, the Census Bureau cannot currently produce monthly estimates of semiconductor shipments, orders, or inventories.

**Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories**  
 (Millions of Dollars)

Item	Seasonally Adjusted						Not Seasonally Adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent Change Sep 02/01
	Sep 2002 <sup>2</sup>	Aug 2002 <sup>1</sup>	Jul 2002	Aug - Sep <sup>2</sup>	Jul - Aug <sup>1</sup>	Jun - Jul	Sep 2002 <sup>2</sup>	Aug 2002 <sup>1</sup>	Sep 2001	
<b>DURABLE GOODS</b>										
<b>Total:<sup>4</sup></b>										
Unfilled Orders.....	484,985	491,262	488,964	-1.3	0.5	0.1	479,117	489,339	507,889	-5.7
Total Inventories.....	263,504	263,985	264,398	-0.2	-0.2	-0.4	263,345	267,227	284,151	-7.3
<b>Excluding transportation:<sup>4</sup></b>										
Unfilled Orders.....	233,710	236,195	238,802	-1.1	-1.1	-0.8	231,227	235,439	255,457	-9.5
Total Inventories.....	192,666	192,830	193,039	-0.1	-0.1	0.0	191,746	194,608	208,193	-7.9
<b>Excluding defense:<sup>4</sup></b>										
Unfilled Orders.....	339,231	345,355	343,560	-1.8	0.5	-0.6	336,442	345,796	379,783	-11.4
Total Inventories.....	241,480	242,021	242,879	-0.2	-0.4	-0.1	241,033	244,593	262,323	-8.1
<b>Manufacturing with unfilled orders:<sup>4</sup></b>										
Unfilled Orders.....	484,985	491,262	488,964	-1.3	0.5	0.1	479,117	489,339	507,889	-5.7
Total Inventories.....	213,864	214,923	215,198	-0.5	-0.1	-0.6	213,874	217,557	232,997	-8.2
<b>Primary metals:</b>										
Unfilled Orders.....	15,949	15,946	15,929	0.0	0.1	-0.9	15,524	15,998	17,343	-10.5
Total Inventories.....	18,417	18,425	18,288	0.0	0.7	0.0	18,509	18,495	19,836	-6.7
<b>Fabricated metal products:</b>										
Unfilled Orders.....	38,945	38,944	39,484	0.0	-1.4	-0.4	39,044	39,542	42,417	-8.0
Total Inventories.....	30,818	30,751	30,574	0.2	0.6	0.3	30,712	30,817	32,801	-6.4
<b>Machinery:</b>										
Unfilled Orders.....	45,957	46,909	47,947	-2.0	-2.2	-0.5	45,592	46,905	55,528	-17.9
Total Inventories.....	44,670	44,787	44,973	-0.3	-0.4	-0.2	44,377	45,034	48,112	-7.8
<b>Computers and electronic products:<sup>4</sup></b>										
Unfilled Orders.....	108,704	110,772	111,471	-1.9	-0.6	-0.5	107,151	109,175	114,871	-6.7
Total Inventories.....	42,596	42,712	42,992	-0.3	-0.7	0.0	42,316	43,971	49,390	-14.3
<b>Computers and related products:</b>										
Unfilled Orders.....	6,789	6,181	6,264	9.8	-1.3	-4.6	6,596	6,280	6,688	-1.4
Total Inventories.....	7,345	6,851	6,940	7.2	-1.3	-1.6	7,055	7,265	7,632	-7.6
<b>Communications equipment:</b>										
Unfilled Orders.....	38,805	41,632	41,732	-6.8	-0.2	0.2	38,058	40,245	42,767	-11.0
Total Inventories.....	9,304	9,970	10,260	-6.7	-2.8	1.3	9,305	10,155	12,973	-28.3
<b>Semiconductors:<sup>5</sup></b>										
Unfilled Orders.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	14,836	14,530	14,570	2.1	-0.3	-3.1	14,521	14,607	15,113	-3.9
Total Inventories.....	12,811	12,888	13,048	-0.6	-1.2	-0.4	12,466	12,826	13,554	-8.0
<b>Transportation equipment:</b>										
Unfilled Orders.....	251,275	255,067	250,162	-1.5	2.0	1.0	247,890	253,900	252,432	-1.8
Total Inventories.....	70,838	71,155	71,359	-0.4	-0.3	-1.4	71,599	72,619	75,958	-5.7
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	12,556	12,629	12,982	-0.6	-2.7	1.6	12,117	12,389	12,195	-0.6
Total Inventories.....	20,710	20,295	20,469	2.0	-0.9	0.8	21,040	20,629	21,179	-0.7
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	114,520	115,970	112,643	-1.3	3.0	-0.3	114,199	116,799	133,101	-14.2
Total Inventories.....	28,672	29,448	29,733	-2.6	-1.0	-1.2	28,971	29,940	33,498	-13.5
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	57,743	58,004	57,860	-0.4	0.2	5.6	56,658	57,330	40,588	39.6
Total Inventories.....	10,902	10,876	10,613	0.2	2.5	-2.2	10,983	11,289	10,024	9.6
<b>All other durable goods:</b>										
Unfilled Orders.....	9,319	9,094	9,401	2.5	-3.3	-3.2	9,395	9,212	10,185	-7.8
Total Inventories.....	43,354	43,267	43,164	0.2	0.2	0.0	43,366	43,465	44,500	-2.5
<b>Capital goods:<sup>3</sup></b>										
Unfilled Orders.....	336,262	340,867	337,726	-1.4	0.9	-0.7	331,957	337,555	353,946	-6.2
Total Inventories.....	131,695	132,584	133,070	-0.7	-0.4	-1.1	131,333	134,753	145,950	-10.0
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	211,030	215,557	212,904	-2.1	1.2	-0.6	209,336	214,440	242,391	-13.6
Total Inventories.....	113,194	114,022	115,028	-0.7	-0.9	-0.5	112,676	115,663	126,967	-11.3
<b>Excluding aircraft:</b>										
Unfilled Orders.....	125,569	128,989	129,885	-2.7	-0.7	-0.8	123,875	127,872	140,794	-12.0
Total Inventories.....	90,855	91,120	91,892	-0.3	-0.8	-0.1	89,987	92,336	99,954	-10.0
<b>Defense capital goods:</b>										
Unfilled Orders.....	125,232	125,310	124,822	-0.1	0.4	-0.8	122,621	123,115	111,555	9.9
Total Inventories.....	18,501	18,562	18,042	-0.3	2.9	-4.5	18,657	19,090	18,983	-1.7

See footnotes at end of Table 1