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**ECONOMICS  
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STATISTICS  
ADMINISTRATION**

**U.S. CENSUS BUREAU**

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**ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS  
December 2003**

(Figures in text, other than year-to-date, are in seasonally adjusted current dollars. Figures on new and unfilled orders exclude data for semiconductor manufacturing.)

● **NEW ORDERS** for manufactured durable goods in December decreased \$0.1 billion to \$181.4 billion, the Department of Commerce, U.S. Census Bureau reported today. This followed a 2.3 percent November decrease. Excluding transportation, new orders decreased 0.7 percent. Excluding defense, new orders increased 0.2 percent. New orders for 2003 were 2.8 percent above the prior year.

Computers and electronic products had the largest decrease, \$0.8 billion or 2.7 percent to \$28.8 billion, due to communications equipment, which decreased by \$0.9 billion. Communications equipment was at the lowest level since December 1996.

● **SHIPMENTS** of manufactured durable goods in December, up four consecutive months, increased \$1.2 billion or 0.6 percent to \$185.4 billion. This followed a 0.3 percent November increase. Shipments for 2003 were 0.8 percent above the prior year.

Machinery, up three of the last four months, had the largest increase, \$0.7 billion or 3.1 percent to \$22.0 billion.

● **UNFILLED ORDERS** for manufactured durable goods in December, up five consecutive months, increased \$2.0 billion or 0.4 percent to \$505.8 billion. This followed a 0.7 percent November increase.

Transportation equipment, up nine of the past eleven months, had the largest increase, \$2.0 billion or 0.8 percent to \$251.6 billion.

● **INVENTORIES** of manufactured durable goods in December increased \$0.5 billion or 0.2 percent to \$262.0 billion. This followed a 0.3 percent November decrease.

Transportation equipment had the largest increase, \$0.3 billion or 0.5 percent to \$67.3 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in December increased 0.1 percent to \$9.2 billion. Shipments increased \$0.2 billion or 2.9 percent to \$7.7 billion. Unfilled orders increased \$1.5 billion or 1.1 percent to \$138.2 billion. Inventories increased \$0.3 billion or 1.7 percent to \$19.5 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in December increased \$0.1 billion or 0.2 percent to \$58.1 billion. Shipments decreased \$0.1 billion or 0.2 percent to \$58.7 billion. Unfilled orders decreased \$0.6 billion or 0.3 percent to \$220.6 billion. Inventories decreased \$0.2 billion or 0.2 percent to \$105.2 billion.

● **REVISED November DATA** Revised seasonally adjusted November figures for all manufacturing industries are: new orders, \$336.9 billion (unrevised); shipments, \$339.7 billion (revised from \$339.9 billion); unfilled orders, \$503.8 billion (revised from \$503.6 billion); and total inventories, \$437.8 billion (revised from \$437.9 billion).

**SEE BACK PAGE FOR SURVEY DESCRIPTION**

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



**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 2003/2002
	Dec 2003 <sup>2</sup>	Nov 2003 <sup>r</sup>	Oct 2003	Nov - Dec <sup>2</sup>	Oct - Nov <sup>r</sup>	Sep - Oct	Dec 2003 <sup>2</sup>	Nov 2003 <sup>r</sup>	Dec 2002	
<b>DURABLE GOODS</b>										
<b>Total:</b>										
Unfilled Orders <sup>4</sup> .....	505,758	503,803	500,307	0.4	0.7	1.7	501,930	495,293	480,679	4.4
Total Inventories.....	262,002	261,493	262,351	0.2	-0.3	0.3	255,149	262,261	264,446	-3.5
<b>Excluding transportation:</b>										
Unfilled Orders <sup>4</sup> .....	254,122	254,184	251,891	0.0	0.9	2.5	251,189	251,173	236,263	6.3
Total Inventories.....	194,682	194,481	194,796	0.1	-0.2	0.2	190,031	194,704	198,677	-4.4
<b>Excluding defense:</b>										
Unfilled Orders <sup>4</sup> .....	347,125	346,487	345,067	0.2	0.4	1.8	344,125	343,286	336,134	2.4
Total Inventories.....	237,778	237,936	238,915	-0.1	-0.4	0.1	231,617	238,722	243,379	-4.8
<b>Manufacturing with unfilled orders:</b>										
Unfilled Orders <sup>4</sup> .....	505,758	503,803	500,307	0.4	0.7	1.7	501,930	495,293	480,679	4.4
Total Inventories.....	204,895	204,821	205,379	0.0	-0.3	0.3	199,873	205,624	209,343	-4.5
<b>Primary metals:</b>										
Unfilled Orders.....	16,500	16,344	15,642	1.0	4.5	6.7	16,048	15,533	14,459	11.0
Total Inventories.....	17,252	17,260	17,162	0.0	0.6	-1.3	17,422	17,346	19,144	-9.0
<b>Fabricated metal products:</b>										
Unfilled Orders.....	38,444	38,182	37,473	0.7	1.9	1.8	37,882	37,883	36,900	2.7
Total Inventories.....	30,770	30,984	31,038	-0.7	-0.2	0.4	30,236	30,779	31,227	-3.2
<b>Machinery:</b>										
Unfilled Orders.....	43,301	42,618	41,654	1.6	2.3	0.5	42,297	42,209	42,420	-0.3
Total Inventories.....	41,466	41,208	41,465	0.6	-0.6	0.2	40,403	41,566	42,296	-4.5
<b>Computers and electronic products:</b>										
Unfilled Orders <sup>4</sup> .....	129,699	131,039	131,589	-1.0	-0.4	2.7	129,231	129,488	118,817	8.8
Total Inventories.....	47,478	47,256	47,174	0.5	0.2	0.5	45,697	47,616	49,287	-7.3
<b>Computers and related products:</b>										
Unfilled Orders.....	8,883	8,651	8,684	2.7	-0.4	-2.7	8,805	8,871	8,124	8.4
Total Inventories.....	6,092	6,019	6,068	1.2	-0.8	-1.6	5,630	6,278	5,975	-5.8
<b>Communications equipment:</b>										
Unfilled Orders.....	50,460	52,860	54,405	-4.5	-2.8	5.4	49,990	52,508	44,747	11.7
Total Inventories.....	10,850	11,208	11,003	-3.2	1.9	-0.4	10,455	11,342	12,457	-16.1
<b>Semiconductors:</b>										
Unfilled Orders <sup>4</sup> .....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories <sup>4</sup> .....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	13,777	14,003	14,160	-1.6	-1.1	0.7	13,550	13,938	13,792	-1.8
Total Inventories.....	12,374	12,375	12,290	0.0	0.7	0.0	11,947	12,253	12,234	-2.3
<b>Transportation equipment:</b>										
Unfilled Orders.....	251,636	249,619	248,416	0.8	0.5	0.9	250,741	244,120	244,416	2.6
Total Inventories.....	67,320	67,012	67,555	0.5	-0.8	0.5	65,118	67,557	65,769	-1.0
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	13,275	13,276	13,027	0.0	1.9	4.0	13,322	12,948	12,133	9.8
Total Inventories.....	20,092	20,053	20,024	0.2	0.1	0.1	19,607	20,138	20,256	-3.2
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	104,702	103,877	104,831	0.8	-0.9	0.1	104,926	103,003	111,494	-5.9
Total Inventories.....	24,011	24,180	24,822	-0.7	-2.6	-0.9	23,032	24,652	25,368	-9.2
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	62,331	61,828	61,123	0.8	1.2	0.9	60,673	59,085	55,964	8.4
Total Inventories.....	11,649	11,164	11,029	4.3	1.2	1.7	11,253	11,135	9,610	17.1
<b>All other durable goods:</b>										
Unfilled Orders.....	12,401	11,998	11,373	3.4	5.5	6.4	12,181	12,122	9,875	23.4
Total Inventories.....	45,342	45,398	45,667	-0.1	-0.6	0.2	44,326	45,144	44,489	-0.4
<b>Capital goods:<sup>3</sup></b>										
Unfilled Orders.....	358,802	357,936	357,078	0.2	0.2	1.3	357,081	352,010	338,711	5.4
Total Inventories.....	124,735	124,562	124,708	0.1	-0.1	0.2	121,025	125,817	126,811	-4.6
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	220,635	221,266	222,111	-0.3	-0.4	1.4	218,958	219,662	213,402	2.6
Total Inventories.....	105,205	105,364	105,724	-0.2	-0.3	-0.2	101,838	106,680	109,106	-6.7
<b>Excluding aircraft:</b>										
Unfilled Orders.....	140,752	141,499	141,769	-0.5	-0.2	2.0	138,851	140,769	128,271	8.2
Total Inventories.....	88,228	88,315	88,141	-0.1	0.2	0.0	85,554	89,132	90,539	-5.5
<b>Defense capital goods:</b>										
Unfilled Orders.....	138,167	136,670	134,967	1.1	1.3	1.1	138,123	132,348	125,309	10.2
Total Inventories.....	19,530	19,198	18,984	1.7	1.1	2.3	19,187	19,137	17,705	8.4

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), and end-of-month total inventory (at current cost or market value). The M3 includes approximately 4,000 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 4,000 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 4,000 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.

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

### 2004 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
Dec 2003	1/28/04	2/4/04
Jan 2004	2/26/04	3/4/04
Feb 2004	3/24/04	3/31/04
Mar 2004	4/23/04	5/4/04
Apr 2004	5/26/04	6/3/04
May 2004	6/24/04	7/2/04
Jun 2004	7/28/04	8/4/04
Jul 2004	8/25/04	9/2/04
Aug 2004	9/24/04	10/4/04
Sep 2004	10/27/04	11/3/04
Oct 2004	11/24/04	12/2/04
Nov 2004	12/23/04	