

**UNITED STATES DEPARTMENT OF  
COMMERCE  
NEWS**  
WASHINGTON, DC 20230

**ECONOMICS  
AND  
STATISTICS  
ADMINISTRATION**

**U.S. CENSUS BUREAU**

U.S. Census Bureau  
For Data - (301) 763-4673  
For Questions - Dan Sansbury or Derrick Roy (301) 763-4832  
M3-1(03)-01

For Release 8:30 A.M. EDT  
April 24, 2003  
CB-03-71

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

(Figures in text, other than year-to-date, are in seasonally adjusted current dollars. All figures **exclude data for semiconductor manufacturing**)

● **NEW ORDERS** for manufactured durable goods in March increased \$3.4 billion or 2.0 percent to \$173.6 billion, the Department of Commerce, U.S. Census Bureau reported today. This followed a 1.5 percent February decrease. Excluding transportation, new orders increased 1.8 percent. Excluding defense, new orders increased 1.3 percent. Year-to-date, new orders for 2003 were 1.2 percent above the same period a year ago.

Transportation equipment, up three consecutive months, had the largest increase, \$1.2 billion or 2.4 percent to \$52.4 billion, due to defense aircraft and parts, which increased by \$3.2 billion. Computers and electronic products increased \$1.1 billion or 4.0 percent to \$27.4 billion.

● **SHIPMENTS** of manufactured durable goods in March increased \$1.8 billion or 1.0 percent to \$172.1 billion. This followed a 2.1 percent February decrease. Year-to-date, shipments for 2003 were 0.4 percent above the same period a year ago.

The category of "all other durable goods" had the largest increase, \$1.1 billion or 3.4 percent to \$31.8 billion. Computers and electronic products increased \$0.6 billion or 2.5 percent to \$26.2 billion.

● **UNFILLED ORDERS** for manufactured durable goods in March, following six consecutive monthly decreases, increased \$1.5 billion or 0.3 percent to \$477.6 billion. This followed a \$0.1 billion February decrease.

Computers and electronic products had the largest increase, \$1.2 billion or 1.1 percent to \$110.5 billion. This is the largest percent increase since August 2000. Transportation equipment increased \$0.9 billion or 0.4 percent to \$247.1 billion.

● **INVENTORIES** of manufactured durable goods in March increased \$0.1 billion to \$264.9 billion, following a slight decrease in February. This was the second increase in the past twenty-six months.

The category of "all other durable goods" had the largest increase, \$0.1 billion or 0.3 percent to \$43.9 billion. Transportation equipment and fabricated metal products both increased \$0.1 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in March, at the highest level since October 2001, increased \$1.5 billion or 16.1 percent to \$10.8 billion. Shipments decreased \$0.1 billion or 0.7 percent to \$7.2 billion. Unfilled orders, at the highest level since December 1996, increased \$3.5 billion or 2.8 percent to \$128.5 billion. Inventories, at the highest level since March 2002, increased \$0.2 billion or 1.0 percent to \$19.1 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in March increased \$1.0 billion or 1.8 percent to \$55.0 billion. Shipments increased \$0.7 billion or 1.2 percent to \$55.7 billion. Unfilled orders, at the lowest level since February 1996, decreased \$0.8 billion or 0.4 percent to \$208.4 billion. Inventories, down twenty-five of the past twenty-six months, decreased \$0.1 billion or 0.1 percent to \$111.0 billion.

● **REVISED FEBRUARY DATA** Revised seasonally adjusted February figures for all manufacturing industries are: new orders, \$321.4 billion (revised from \$321.2 billion); shipments, \$321.5 billion (revised from \$322.2 billion); unfilled orders, \$476.1 billion (revised from \$475.1 billion); and total inventories, \$433.2 billion (revised from \$433.0 billion).

**Beginning with next month's press release, we will no longer mail printed copies free of charge. You can access the current release at the website shown below. If you would like to purchase a monthly subscription, please call (301)763-4673.**

**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>					Percent Change 2003/ 2002
	Monthly			Percent Change			Monthly			Year to Date		
	Mar 2003 <sup>2</sup>	Feb 2003 <sup>1</sup>	Jan 2003	Feb - Mar <sup>2</sup>	Jan - Feb <sup>1</sup>	Dec - Jan	Mar 2003 <sup>2</sup>	Feb 2003 <sup>1</sup>	Mar 2002	2003	2002	
<b>DURABLE GOODS</b>												
<b>Total:</b> <sup>4</sup>												
Shipments.....	172,061	170,297	173,926	1.0	-2.1	2.5	185,426	163,692	184,912	504,773	502,576	0.4
New Orders.....	173,599	170,199	172,704	2.0	-1.5	2.1	188,233	166,345	186,943	516,072	509,997	1.2
<b>Excluding transportation:</b> <sup>4</sup>												
Shipments.....	120,603	118,347	122,346	1.9	-3.3	0.8	129,214	112,275	128,827	349,662	348,274	0.4
New Orders.....	121,203	119,016	122,273	1.8	-2.7	1.5	130,023	114,746	126,170	357,007	347,326	2.8
<b>Excluding defense:</b> <sup>4</sup>												
Shipments.....	163,491	161,586	165,375	1.2	-2.3	2.0	175,889	155,636	176,290	480,193	480,840	-0.1
New Orders.....	161,847	159,703	165,017	1.3	-3.2	2.4	174,241	155,980	173,145	483,737	479,960	0.8
<b>Manufacturing with unfilled orders:</b> <sup>4</sup>												
Shipments.....	119,560	118,905	120,784	0.6	-1.6	2.5	129,362	114,364	131,592	350,961	354,034	-0.9
New Orders.....	121,098	118,807	119,562	1.9	-0.6	2.0	132,169	117,017	133,623	362,260	361,455	0.2
<b>Primary metals:</b>												
Shipments.....	11,021	10,995	11,351	0.2	-3.1	1.5	11,385	10,696	11,425	33,173	32,574	1.8
New Orders.....	10,415	10,881	11,183	-4.3	-2.7	2.7	10,842	11,047	11,195	33,405	33,189	0.7
<b>Fabricated metal products:</b>												
Shipments.....	20,762	20,599	20,870	0.8	-1.3	-0.5	21,078	19,939	21,084	60,248	60,335	-0.1
New Orders.....	20,500	20,230	20,595	1.3	-1.8	1.0	21,045	19,881	21,442	60,253	60,519	-0.4
<b>Machinery:</b>												
Shipments.....	22,220	21,925	22,406	1.3	-2.1	0.7	24,745	21,134	24,955	65,387	66,228	-1.3
New Orders.....	22,354	21,844	22,401	2.3	-2.5	3.2	24,814	21,412	23,624	66,829	64,515	3.6
<b>Computers and electronic products:</b> <sup>4</sup>												
Shipments.....	26,184	25,544	26,759	2.5	-4.5	4.2	30,710	23,386	30,727	75,995	76,613	-0.8
New Orders.....	27,373	26,319	27,315	4.0	-3.6	4.1	32,053	24,645	30,030	80,832	76,876	5.1
<b>Computers and related products:</b>												
Shipments.....	6,357	6,642	7,687	-4.3	-13.6	19.7	8,181	5,570	8,291	19,940	19,165	4.0
New Orders.....	6,571	6,485	7,425	1.3	-12.7	0.9	8,375	5,588	8,215	19,881	19,352	2.7
<b>Communications equipment:</b>												
Shipments.....	5,616	5,493	5,588	2.2	-1.7	8.4	6,656	4,837	6,828	15,803	16,666	-5.2
New Orders.....	6,354	6,369	6,319	-0.2	0.8	44.2	7,620	5,841	6,301	19,369	17,154	12.9
<b>Semiconductors:</b> <sup>5</sup>												
Shipments.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
New Orders.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
<b>Electrical equipment, appliances, and components:</b>												
Shipments.....	8,648	8,566	8,949	1.0	-4.3	0.0	9,297	8,142	9,777	25,165	25,998	-3.2
New Orders.....	8,786	8,569	8,724	2.5	-1.8	-1.9	9,275	8,386	9,218	25,397	25,698	-1.2
<b>Transportation equipment:</b>												
Shipments.....	51,458	51,950	51,580	-0.9	0.7	6.8	56,212	51,417	56,085	155,111	154,302	0.5
New Orders.....	52,396	51,183	50,431	2.4	1.5	3.5	58,210	51,599	60,773	159,065	162,671	-2.2
<b>Motor vehicles and parts:</b>												
Shipments.....	36,839	36,991	37,999	-0.4	-2.7	10.1	39,476	37,236	38,480	113,581	110,936	2.4
New Orders.....	36,674	37,095	37,970	-1.1	-2.3	9.9	39,216	37,573	38,565	114,085	111,625	2.2
<b>Nondefense aircraft and parts:</b>												
Shipments.....	6,042	6,067	4,744	-0.4	27.9	-19.9	7,107	5,949	8,580	16,647	20,957	-20.6
New Orders.....	3,134	3,584	5,166	-12.6	-30.6	-24.5	4,396	3,804	8,116	12,945	18,407	-29.7
<b>Defense aircraft and parts:</b>												
Shipments.....	3,320	3,250	3,237	2.2	0.4	26.8	3,696	2,819	3,185	9,095	7,703	18.1
New Orders.....	5,697	2,448	2,368	132.7	3.4	-11.7	6,391	2,858	7,132	12,165	14,680	-17.1
<b>All other durable goods:</b>												
Shipments.....	31,768	30,718	32,011	3.4	-4.0	-1.1	31,999	28,978	30,859	89,694	86,526	3.7
New Orders.....	31,775	31,173	32,055	1.9	-2.8	-0.8	31,994	29,375	30,661	90,291	86,529	4.3
<b>Capital goods:</b> <sup>3</sup>												
Shipments.....	62,976	62,358	63,084	1.0	-1.2	2.6	71,332	58,685	72,049	183,466	183,940	-0.3
New Orders.....	65,759	63,303	63,674	3.9	-0.6	1.4	74,942	60,663	72,781	193,067	184,511	4.6
<b>Nondefense capital goods:</b>												
Shipments.....	55,738	55,066	55,825	1.2	-1.4	1.1	63,302	51,861	64,742	162,575	165,432	-1.7
New Orders.....	54,982	54,020	56,883	1.8	-5.0	1.9	62,604	51,687	60,670	164,944	159,983	3.1
<b>Excluding aircraft:</b>												
Shipments.....	53,010	52,224	54,100	1.5	-3.5	3.1	59,900	49,163	59,811	155,249	154,394	0.6
New Orders.....	54,631	52,928	54,312	3.2	-2.5	5.2	61,579	50,739	57,029	160,899	153,301	5.0
<b>Defense capital goods:</b>												
Shipments.....	7,238	7,292	7,259	-0.7	0.5	15.6	8,030	6,824	7,307	20,891	18,508	12.9
New Orders.....	10,777	9,283	6,791	16.1	36.7	-2.5	12,338	8,976	12,111	28,123	24,528	14.7

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, 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.

<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 2003/2002
	Mar 2003 <sup>2</sup>	Feb 2003 <sup>r</sup>	Jan 2003	Feb - Mar <sup>2</sup>	Jan - Feb <sup>r</sup>	Dec - Jan	Mar 2003 <sup>2</sup>	Feb 2003 <sup>r</sup>	Mar 2002	
<b>DURABLE GOODS</b>										
<b>Total:</b> <sup>4</sup>										
Unfilled Orders.....	477,636	476,098	476,196	0.3	0.0	-0.3	483,704	480,897	509,379	-5.0
Total Inventories.....	264,856	264,782	264,821	0.0	0.0	-0.2	262,828	266,645	266,769	-1.5
<b>Excluding transportation:</b> <sup>4</sup>										
Unfilled Orders.....	230,579	229,979	229,310	0.3	0.3	0.0	233,286	232,477	247,379	-5.7
Total Inventories.....	191,517	191,532	191,868	0.0	-0.2	-0.3	190,736	193,333	195,614	-2.5
<b>Excluding defense:</b> <sup>4</sup>										
Unfilled Orders.....	329,666	331,310	333,193	-0.5	-0.6	-0.1	332,168	333,816	360,380	-7.8
Total Inventories.....	241,217	241,774	242,477	-0.2	-0.3	0.0	239,633	243,510	244,925	-2.2
<b>Manufacturing with unfilled orders:</b> <sup>4</sup>										
Unfilled Orders.....	477,636	476,098	476,196	0.3	0.0	-0.3	483,704	480,897	509,379	-5.0
Total Inventories.....	215,222	215,054	215,316	0.1	-0.1	-0.3	213,315	216,270	217,987	-2.1
<b>Primary metals:</b>										
Unfilled Orders.....	14,043	14,649	14,763	-4.1	-0.8	-1.1	14,537	15,080	16,718	-13.0
Total Inventories.....	19,062	19,091	18,933	-0.2	0.8	1.0	18,835	19,092	18,186	3.6
<b>Fabricated metal products:</b>										
Unfilled Orders.....	36,894	37,156	37,525	-0.7	-1.0	-0.7	36,947	36,980	39,993	-7.6
Total Inventories.....	30,839	30,783	30,787	0.2	0.0	-0.2	31,125	30,997	31,506	-1.2
<b>Machinery:</b>										
Unfilled Orders.....	44,629	44,495	44,576	0.3	-0.2	0.0	45,056	44,987	51,701	-12.9
Total Inventories.....	44,185	44,152	44,304	0.1	-0.3	-1.0	44,345	44,856	46,340	-4.3
<b>Computers and electronic products:</b> <sup>4</sup>										
Unfilled Orders.....	110,460	109,271	108,496	1.1	0.7	0.5	112,234	110,891	114,214	-1.7
Total Inventories.....	41,160	41,347	41,759	-0.5	-1.0	-1.2	40,012	41,526	43,304	-7.6
<b>Computers and related products:</b>										
Unfilled Orders.....	7,603	7,389	7,546	2.9	-2.1	-3.4	7,644	7,450	6,991	9.3
Total Inventories.....	6,956	6,865	6,882	1.3	-0.2	-2.6	6,615	6,969	6,794	-2.6
<b>Communications equipment:</b>										
Unfilled Orders.....	40,346	39,608	38,732	1.9	2.3	1.9	41,236	40,272	42,741	-3.5
Total Inventories.....	8,175	8,333	8,600	-1.9	-3.1	-2.2	7,988	8,372	10,374	-23.0
<b>Semiconductors:</b> <sup>5</sup>										
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.....	14,327	14,189	14,186	1.0	0.0	-1.6	14,431	14,453	14,576	-1.0
Total Inventories.....	12,377	12,383	12,438	0.0	-0.4	0.3	12,468	12,672	13,320	-6.4
<b>Transportation equipment:</b>										
Unfilled Orders.....	247,057	246,119	246,886	0.4	-0.3	-0.5	250,418	248,420	262,000	-4.4
Total Inventories.....	73,339	73,250	72,953	0.1	0.4	0.3	72,092	73,312	71,155	1.3
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	12,228	12,393	12,289	-1.3	0.8	-0.2	12,747	13,007	12,882	-1.0
Total Inventories.....	20,935	21,170	21,025	-1.1	0.7	1.4	20,629	21,018	19,605	5.2
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	108,189	111,097	113,580	-2.6	-2.2	0.4	108,288	110,999	120,793	-10.4
Total Inventories.....	29,303	29,557	30,104	-0.9	-1.8	0.6	28,782	29,554	30,128	-4.5
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	57,990	55,613	56,415	4.3	-1.4	-1.5	59,369	56,674	58,260	1.9
Total Inventories.....	11,609	11,295	10,898	2.8	3.6	-2.3	11,357	11,517	10,452	8.7
<b>All other durable goods:</b>										
Unfilled Orders.....	10,226	10,219	9,764	0.1	4.7	0.5	10,081	10,086	10,177	-0.9
Total Inventories.....	43,894	43,776	43,647	0.3	0.3	0.4	43,951	44,190	42,958	2.3
<b>Capital goods:</b> <sup>3</sup>										
Unfilled Orders.....	336,879	334,096	333,151	0.8	0.3	0.2	341,258	337,648	356,009	-4.1
Total Inventories.....	130,059	129,937	130,824	0.1	-0.7	-0.8	128,423	130,871	135,526	-5.2
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	208,356	209,112	210,158	-0.4	-0.5	0.5	209,781	210,479	225,339	-6.9
Total Inventories.....	110,963	111,029	112,136	-0.1	-1.0	-0.6	109,627	111,981	116,884	-6.2
<b>Excluding aircraft:</b>										
Unfilled Orders.....	126,422	124,801	124,097	1.3	0.6	0.2	127,847	126,168	135,814	-5.9
Total Inventories.....	88,437	88,542	89,107	-0.1	-0.6	-1.0	87,588	89,486	93,069	-5.9
<b>Defense capital goods:</b>										
Unfilled Orders.....	128,523	124,984	122,993	2.8	1.6	-0.4	131,477	127,169	130,670	0.6
Total Inventories.....	19,096	18,908	18,688	1.0	1.2	-1.8	18,796	18,890	18,642	0.8

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 3,500 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 3,500 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 3,500 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/>.