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Chris Savage or Patrick Kent
Manufacturing and Construction Division
(301) 763-4832

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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders February 2005

New Orders

New orders for manufactured durable goods in February increased \$0.6 billion or 0.3 percent to \$200.8 billion, the U.S. Census Bureau announced today. This followed a 1.1 percent January decrease. Excluding transportation, new orders decreased 0.2 percent. Excluding defense, new orders increased 0.2 percent.

Transportation equipment had the largest increase, \$0.9 billion or 1.6 percent to \$53.6 billion, due to nondefense aircraft and parts, which increased \$1.7 billion.

Shipments

Shipments of manufactured durable goods in February, down following four consecutive increases, decreased \$3.4 billion or 1.6 percent to \$204.9 billion. This followed a 0.9 percent January increase.

Transportation equipment, down five of the last six months, had the largest decrease, \$1.6 billion or 2.9 percent to \$52.6 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in February, up twelve of the last thirteen months, increased \$3.3 billion or 0.6 percent to \$555.4 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a slight decrease in January.

Machinery, up eighteen of the last nineteen months, had the largest increase, up \$1.1 billion or 2.1 percent to \$53.1 billion. Transportation equipment increased \$1.0 billion or 0.4 percent to \$263.5 billion.

Inventories

Inventories of manufactured durable goods in February, up fifteen consecutive months, increased \$1.9 billion or 0.6 percent to \$289.6 billion. This followed a 1.6 percent January increase.

Transportation equipment, up four of the last five months, had the largest increase, \$1.1 billion or 1.6 percent to \$71.5 billion.

Capital Goods

Nondefense new orders for capital goods in February decreased slightly to \$70.3 billion. Shipments decreased \$1.8 billion or 2.7 percent to \$66.7 billion. Unfilled orders increased \$3.5 billion or 1.4 percent to \$250.0 billion. Inventories increased \$0.8 billion or 0.7 percent to \$113.1 billion.

Defense new orders for capital goods in February increased \$0.4 billion or 6.5 percent to \$7.2 billion. Shipments increased \$0.3 billion or 4.2 percent to \$8.4 billion. Unfilled orders decreased \$1.2 billion or 0.8 percent to \$145.7 billion. Inventories decreased \$0.1 billion or 0.4 percent to \$20.0 billion.

Revised January Data

Revised seasonally adjusted January figures for all manufacturing industries are: new orders, \$380.2 billion (revised from \$380.5 billion); shipments, \$388.3 billion (revised from \$389.4 billion); unfilled orders, \$552.0 billion (revised from \$551.2 billion); and total inventories, \$478.6 billion (revised from \$477.5 billion).

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. 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, 2005, at 10:00 a.m. EST. The advance report on durable goods for March is scheduled for release on April 27, 2005, at 8:30 a.m. EDT. See back page for survey description and release dates.

Table 1. Durable Goods Manufacturers' Shipments and New Orders
[Millions of Dollars]

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹					
	Monthly			Percent Change			Monthly			Year to Date		
	Feb 2005 ²	Jan 2005 ^r	Dec 2004	Jan - Feb ²	Dec - Jan ^r	Nov - Dec	Feb 2005 ²	Jan 2005 ^r	Feb 2004	2005	2004	Percent Change 05/04
DURABLE GOODS												
Total:												
Shipments.....	204,850	208,237	206,456	-1.6	0.9	3.0	195,090	184,148	184,081	379,238	350,251	8.3
New Orders ⁴	200,814	200,181	202,476	0.3	-1.1	1.5	194,580	185,082	184,072	379,662	351,666	8.0
Excluding transportation:												
Shipments.....	152,259	154,076	151,591	-1.2	1.6	2.7	142,371	136,840	127,806	279,211	247,478	12.8
New Orders ⁴	147,212	147,447	146,195	-0.2	0.9	3.1	141,289	135,875	128,434	277,164	247,909	11.8
Excluding defense:												
Shipments.....	194,846	198,314	197,046	-1.7	0.6	3.2	185,470	176,150	173,497	361,620	331,901	9.0
New Orders ⁴	192,260	191,897	193,727	0.2	-0.9	2.2	186,415	176,421	172,831	362,836	329,959	10.0
Manufacturing with unfilled orders:												
Shipments.....	140,544	143,265	140,430	-1.9	2.0	2.7	133,573	127,532	124,287	261,105	237,288	10.0
New Orders ⁴	143,848	143,116	143,444	0.5	-0.2	0.3	140,273	135,681	131,163	275,954	251,549	9.7
Primary metals:												
Shipments.....	15,191	15,484	15,338	-1.9	1.0	3.0	14,952	14,932	12,276	29,884	23,824	25.4
New Orders.....	14,932	14,848	15,252	0.6	-2.6	2.2	15,361	15,041	13,514	30,402	26,001	16.9
Fabricated metal products:												
Shipments.....	23,568	23,729	23,478	-0.7	1.1	0.5	22,713	21,797	20,299	44,510	39,525	12.6
New Orders.....	23,993	24,229	23,630	-1.0	2.5	0.0	24,018	23,031	21,985	47,049	43,050	9.3
Machinery:												
Shipments.....	26,242	27,130	26,720	-3.3	1.5	6.6	24,434	23,723	21,326	48,157	41,198	16.9
New Orders.....	27,353	27,648	27,251	-1.1	1.5	5.4	26,221	25,639	23,155	51,860	44,538	16.4
Computers and electronic products:												
Shipments.....	41,693	42,087	40,579	-0.9	3.7	0.7	37,828	36,378	34,872	74,206	67,300	10.3
New Orders ⁴	35,165	34,759	35,059	1.2	-0.9	8.2	32,651	31,555	30,433	64,206	57,782	11.1
Computers and related products:												
Shipments.....	10,189	10,195	9,481	-0.1	7.5	2.1	8,311	8,975	6,680	17,286	14,024	23.3
New Orders.....	10,229	10,023	10,258	2.1	-2.3	9.9	8,515	8,457	6,833	16,972	13,501	25.7
Communications equipment:												
Shipments.....	7,211	7,082	6,924	1.8	2.3	0.5	6,359	5,948	6,127	12,307	11,859	3.8
New Orders.....	7,365	7,455	7,574	-1.2	-1.6	24.0	7,022	7,456	7,176	14,478	13,134	10.2
Semiconductors:												
Shipments.....	7,340	7,907	6,994	-7.2	13.1	-4.3	7,210	7,215	6,885	14,425	12,846	12.3
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	9,286	9,378	8,999	-1.0	4.2	-0.7	8,744	8,062	8,023	16,806	15,376	9.3
New Orders.....	9,429	9,875	8,688	-4.5	13.7	-6.9	9,285	8,750	8,662	18,035	16,189	11.4
Transportation equipment:												
Shipments.....	52,591	54,161	54,865	-2.9	-1.3	3.8	52,719	47,308	56,275	100,027	102,773	-2.7
New Orders.....	53,602	52,734	56,281	1.6	-6.3	-2.3	53,291	49,207	55,638	102,498	103,757	-1.2
Motor vehicles and parts:												
Shipments.....	37,414	38,111	39,770	-1.8	-4.2	4.8	38,379	34,528	40,174	72,907	75,136	-3.0
New Orders.....	37,374	37,842	39,609	-1.2	-4.5	4.8	38,529	34,679	40,647	73,208	76,034	-3.7
Nondefense aircraft and parts:												
Shipments.....	5,524	5,977	5,906	-7.6	1.2	7.3	5,187	4,563	5,610	9,750	9,531	2.3
New Orders.....	7,184	5,437	8,008	32.1	-32.1	-16.7	6,490	5,058	5,125	11,548	8,895	29.8
Defense aircraft and parts:												
Shipments.....	3,524	3,792	3,170	-7.1	19.6	-6.0	3,258	3,077	4,467	6,335	7,377	-14.1
New Orders.....	3,282	2,949	1,923	11.3	53.4	-39.5	2,967	3,021	3,388	5,988	6,379	-6.1
All other durable goods:												
Shipments.....	36,279	36,268	36,477	0.0	-0.6	4.4	33,700	31,948	31,010	65,648	60,255	9.0
New Orders.....	36,340	36,088	36,315	0.7	-0.6	1.8	33,753	31,859	30,685	65,612	60,349	8.7
Capital goods:³												
Shipments.....	75,148	76,656	74,945	-2.0	2.3	3.6	69,169	65,895	65,233	135,064	123,715	9.2
New Orders.....	77,450	77,015	76,978	0.6	0.0	-1.7	72,816	71,502	68,518	144,318	130,582	10.5
Nondefense capital goods:												
Shipments.....	66,734	68,580	66,871	-2.7	2.6	4.1	61,038	59,309	56,075	120,347	107,779	11.7
New Orders.....	70,253	70,256	69,489	0.0	1.1	-0.6	66,024	64,499	58,391	130,523	111,162	17.4
Excluding aircraft:												
Shipments.....	64,662	66,366	64,076	-2.6	3.6	3.1	59,041	58,005	53,578	117,046	104,004	12.5
New Orders.....	66,765	68,201	65,348	-2.1	4.4	3.4	62,968	62,319	56,764	125,287	108,118	15.9
Defense capital goods:												
Shipments.....	8,414	8,076	8,074	4.2	0.0	-1.0	8,131	6,586	9,158	14,717	15,936	-7.6
New Orders.....	7,197	6,759	7,489	6.5	-9.7	-11.0	6,792	7,003	10,127	13,795	19,420	-29.0

NA Not Available ^r Revised

¹ 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.

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: M3-1(02), "Manufacturers' Shipments, Inventories, and Orders: 1992-2002."

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 Inventories
 [Millions of Dollars]

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹			
	Monthly			Percent Change			Monthly			Percent Change 2005/2004
	Feb 2005 ²	Jan 2005 ^r	Dec 2004	Jan - Feb ²	Dec - Jan ^r	Nov - Dec	Feb 2005 ²	Jan 2005 ^r	Feb 2004	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	555,353	552,049	552,198	0.6	0.0	0.5	561,693	554,993	516,677	8.7
Total Inventories.....	289,631	287,761	283,320	0.6	1.6	0.3	292,731	286,708	267,403	9.5
Excluding transportation:										
Unfilled Orders ⁴	291,813	289,520	288,242	0.8	0.4	0.6	295,423	289,295	264,412	11.7
Total Inventories.....	218,121	217,344	214,060	0.4	1.5	0.6	220,470	216,943	198,882	10.9
Excluding defense:										
Unfilled Orders ⁴	392,694	387,940	386,450	1.2	0.4	1.0	397,641	389,486	355,363	11.9
Total Inventories.....	264,744	262,710	258,415	0.8	1.7	0.1	267,625	261,875	243,040	10.1
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	555,353	552,049	552,198	0.6	0.0	0.5	561,693	554,993	516,677	8.7
Total Inventories.....	227,230	225,552	222,155	0.7	1.5	0.6	229,226	224,598	207,911	10.3
Primary metals:										
Unfilled Orders.....	18,789	19,048	19,684	-1.4	-3.2	-0.4	19,383	18,974	18,179	6.6
Total Inventories.....	22,816	22,507	21,701	1.4	3.7	1.8	22,938	22,743	17,766	29.1
Fabricated metal products:										
Unfilled Orders.....	46,997	46,572	46,072	0.9	1.1	0.3	47,157	45,852	41,546	13.5
Total Inventories.....	36,594	36,132	35,593	1.3	1.5	1.4	36,906	36,012	31,758	16.2
Machinery:										
Unfilled Orders.....	53,147	52,036	51,518	2.1	1.0	1.0	54,104	52,317	46,222	17.1
Total Inventories.....	46,888	46,812	46,065	0.2	1.6	0.8	47,707	46,796	42,973	11.0
Computers and electronic products:										
Unfilled Orders ⁴	143,487	142,675	142,096	0.6	0.4	1.0	145,311	143,278	132,484	9.7
Total Inventories.....	49,699	49,890	49,317	-0.4	1.2	-0.4	49,981	49,515	47,316	5.6
Computers and related products:										
Unfilled Orders.....	9,002	8,962	9,134	0.4	-1.9	9.3	8,961	8,757	8,282	8.2
Total Inventories.....	6,527	6,548	6,469	-0.3	1.2	1.1	6,552	6,356	6,044	8.4
Communications equipment:										
Unfilled Orders.....	55,588	55,434	55,061	0.3	0.7	1.2	56,163	55,500	51,044	10.0
Total Inventories.....	10,761	11,134	11,083	-3.4	0.5	1.0	10,796	11,110	10,607	1.8
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.....	15,849	15,706	15,209	0.9	3.3	-2.0	16,081	15,540	14,228	13.0
Total Inventories.....	13,146	13,134	13,003	0.1	1.0	0.6	13,478	13,104	12,612	6.9
Transportation equipment:										
Unfilled Orders.....	263,540	262,529	263,956	0.4	-0.5	0.5	266,270	265,698	252,265	5.6
Total Inventories.....	71,510	70,417	69,260	1.6	1.7	-0.7	72,261	69,765	68,521	5.5
Motor vehicles and parts:										
Unfilled Orders.....	14,339	14,379	14,648	-0.3	-1.8	-1.1	14,966	14,816	14,518	3.1
Total Inventories.....	22,335	22,207	21,717	0.6	2.3	-1.3	22,620	22,157	21,104	7.2
Nondefense Aircraft and parts:										
Unfilled Orders.....	117,542	115,882	116,422	1.4	-0.5	1.8	118,936	117,633	104,435	13.9
Total Inventories.....	24,543	23,690	23,215	3.6	2.0	-1.9	24,725	23,285	23,940	3.3
Defense Aircraft and parts:										
Unfilled Orders.....	52,553	52,795	53,638	-0.5	-1.6	-2.3	52,326	52,617	59,772	-12.5
Total Inventories.....	12,284	12,336	12,277	-0.4	0.5	3.1	12,576	12,272	11,756	7.0
All other durable goods:										
Unfilled Orders.....	13,544	13,483	13,663	0.5	-1.3	-1.2	13,387	13,334	11,753	13.9
Total Inventories.....	48,978	48,869	48,381	0.2	1.0	0.1	49,460	48,773	46,457	6.5
Capital goods:³										
Unfilled Orders.....	395,734	393,432	393,073	0.6	0.1	0.5	400,169	396,522	364,664	9.7
Total Inventories.....	133,096	132,399	130,914	0.5	1.1	0.1	134,364	131,484	125,987	6.6
Nondefense capital goods:										
Unfilled Orders.....	250,042	246,523	244,847	1.4	0.7	1.1	253,214	248,228	222,930	13.6
Total Inventories.....	113,087	112,302	110,981	0.7	1.2	0.1	114,296	111,527	106,303	7.5
Excluding aircraft:										
Unfilled Orders.....	156,772	154,669	152,834	1.4	1.2	0.8	158,550	154,623	143,398	10.6
Total Inventories.....	95,523	95,430	94,394	0.1	1.1	0.6	96,547	94,950	89,068	8.4
Defense capital goods:										
Unfilled Orders.....	145,692	146,909	148,226	-0.8	-0.9	-0.4	146,955	148,294	141,734	3.7
Total Inventories.....	20,009	20,097	19,933	-0.4	0.8	0.5	20,068	19,957	19,684	2.0

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/>.

2005 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
Dec 2004	1/27/05	2/3/05
Jan 2005	2/24/05	3/4/05
Feb 2005	3/24/05	3/31/05
Mar 2005	4/27/05	5/3/05
Apr 2005	5/25/05	6/2/05
May 2005	6/24/05	7/5/05
Jun 2005	7/27/05	8/2/05
Jul 2005	8/24/05	8/30/05
Aug 2005	9/28/05	10/4/05
Sep 2005	10/27/05	11/3/05
Oct 2005	11/29/05	12/6/05
Nov 2005	12/23/05	