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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders December 2007

New Orders

New orders for manufactured durable goods in December increased \$11.2 billion or 5.2 percent to \$226.6 billion, the U.S. Census Bureau announced today. This was the second consecutive monthly increase and followed 0.5 percent November increase. Excluding transportation, new orders increased 2.6 percent. Excluding defense, new orders increased 2.9 percent.

Transportation equipment, up three consecutive months, had the largest increase, \$7.3 billion or 11.3 percent to \$71.4 billion. This was due to defense aircraft and parts, which increased \$3.5 billion.

Shipments

Shipments of manufactured durable goods in December, down four of the last five months, decreased \$0.1 billion or 0.1 percent to \$212.6 billion. This followed a 0.2 percent November decrease.

Transportation equipment, down four of the last five months, had the largest decrease, \$0.8 billion or 1.4 percent to \$55.8 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in December, up thirty-one of the last thirty-two months, increased \$20.0 billion or 2.5 percent to \$808.6 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 1.2 percent November increase.

Transportation equipment, up twenty-six of the last twenty-seven months, had the largest increase, \$15.6 billion or 3.4 percent to \$474.8 billion.

Inventories

Inventories of manufactured durable goods in December, up five of the last six months, increased \$3.5 billion or 1.1 percent to \$320.7 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.8 percent November increase.

Transportation equipment, up eleven of the last twelve months, had the largest increase, \$2.3 billion or 2.8 percent to \$82.1 billion.

Capital Goods

Nondefense new orders for capital goods in December increased \$4.2 billion or 5.4 percent to \$81.1 billion. Shipments increased \$1.1 billion or 1.7 percent to \$68.6 billion. Unfilled orders increased \$12.5 billion or 2.8 percent to \$461.9 billion. Inventories increased \$1.4 billion or 1.1 percent to \$127.0 billion.

Defense new orders for capital goods in December increased \$5.2 billion or 80.6 percent to \$11.6 billion. Shipments decreased \$0.4 billion or 4.9 percent to \$8.0 billion. Unfilled orders increased \$3.7 billion or 2.5 percent to \$148.5 billion. Inventories increased \$0.7 billion or 4.1 percent to \$18.4 billion.

Revised November Data

Revised seasonally adjusted November figures for all manufacturing industries were: new orders, \$432.0 billion (revised from \$430.3 billion); shipments, \$429.3 billion (revised from \$429.4 billion); unfilled orders, \$788.6 billion (revised from \$786.8 billion); and total inventories, \$524.1 billion (revised from \$524.4 billion).

Figures in text 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 February 4, 2008, at 10:00 a.m. EST. The advance report on durable goods for January is scheduled for release on February 27, 2008, at 8:30 a.m. EST. See back page for survey description and 2008 release schedule.

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		
	Dec 2007 ²	Nov 2007 ¹	Oct 2007	Nov - Dec ²	Oct - Nov ¹	Sep - Oct	Dec 2007 ²	Nov 2007 ¹	Dec 2006	2007	2006	Percent Change 07/06
DURABLE GOODS												
Total:												
Shipments.....	212,577	212,706	213,235	-0.1	-0.2	0.5	209,394	208,101	210,715	2,548,440	2,537,908	0.4
New Orders ⁴	226,601	215,433	214,256	5.2	0.5	-0.5	237,085	209,239	225,882	2,597,745	2,572,693	1.0
Excluding transportation:												
Shipments.....	156,759	156,076	156,360	0.4	-0.2	0.6	155,294	151,245	152,585	1,861,195	1,847,415	0.7
New Orders ⁴	155,206	151,303	151,841	2.6	-0.4	-1.0	154,478	144,893	150,727	1,812,366	1,805,155	0.4
Excluding defense:												
Shipments.....	202,972	202,696	203,400	0.1	-0.3	0.4	198,462	197,807	199,477	2,430,875	2,423,924	0.3
New Orders ⁴	213,399	207,468	204,009	2.9	1.7	-0.6	216,855	201,255	210,403	2,474,646	2,446,174	1.2
Manufacturing with unfilled orders:												
Shipments.....	149,621	148,879	149,228	0.5	-0.2	0.0	148,917	144,580	147,343	1,780,966	1,749,727	1.8
New Orders ⁴	169,582	158,114	156,800	7.3	0.8	-0.7	182,263	152,744	167,711	1,907,020	1,864,164	2.3
Primary metals:												
Shipments.....	20,373	20,292	20,425	0.4	-0.7	1.7	17,503	19,059	17,228	241,422	232,809	3.7
New Orders.....	20,827	20,863	20,651	-0.2	1.0	3.8	18,746	19,754	17,654	241,928	233,261	3.7
Fabricated metal products:												
Shipments.....	26,057	26,112	26,135	-0.2	-0.1	0.6	23,648	24,946	23,385	312,425	305,268	2.3
New Orders.....	27,409	26,659	26,730	2.8	-0.3	2.5	24,588	24,773	23,531	317,123	310,265	2.2
Machinery:												
Shipments.....	29,382	28,305	27,979	3.8	1.2	-2.1	28,889	26,128	27,514	332,662	327,886	1.5
New Orders.....	31,104	28,910	29,331	7.6	-1.4	-2.8	30,771	26,898	29,069	344,791	342,503	0.7
Computers and electronic products:												
Shipments.....	33,463	33,684	33,681	-0.7	0.0	2.2	39,508	33,940	37,015	398,248	393,953	1.1
New Orders ⁴	28,475	27,213	27,119	4.6	0.3	-8.2	35,972	26,405	33,954	329,695	327,403	0.7
Computers and related products:												
Shipments.....	5,861	5,628	5,667	4.1	-0.7	-3.8	7,698	5,347	7,032	66,078	66,547	-0.7
New Orders.....	6,008	5,694	5,092	5.5	11.8	-14.9	7,845	5,413	7,072	66,279	66,344	-0.1
Communications equipment:												
Shipments.....	5,598	5,445	5,221	2.8	4.3	-7.5	7,129	5,352	6,231	65,826	65,836	0.0
New Orders.....	5,863	5,231	4,808	12.1	8.8	-22.2	7,330	4,720	6,819	67,766	68,593	-1.2
Semiconductors:												
Shipments.....	5,937	6,508	6,551	-8.8	-0.7	18.3	5,655	7,026	5,201	76,749	79,652	-3.6
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,693	10,766	10,902	-0.7	-1.2	0.9	10,265	10,552	10,272	129,541	122,693	5.6
New Orders.....	10,609	10,757	10,700	-1.4	0.5	2.0	9,641	10,410	9,880	130,641	126,790	3.0
Transportation equipment:												
Shipments.....	55,818	56,630	56,875	-1.4	-0.4	0.3	54,100	56,856	58,130	687,245	690,493	-0.5
New Orders.....	71,395	64,130	62,415	11.3	2.7	0.8	82,607	64,346	75,155	785,379	767,538	2.3
Motor vehicles and parts:												
Shipments.....	37,135	37,713	37,705	-1.5	0.0	-1.6	32,471	37,282	37,317	466,197	485,954	-4.1
New Orders.....	36,874	37,753	37,656	-2.3	0.3	-0.9	32,828	37,707	38,430	464,205	488,996	-5.1
Nondefense aircraft and parts:												
Shipments.....	9,229	9,169	9,379	0.7	-2.2	6.4	10,797	9,586	9,344	106,272	90,052	18.0
New Orders.....	21,677	19,404	15,090	11.7	28.6	0.3	31,240	19,431	23,471	200,051	152,201	31.4
Defense aircraft and parts:												
Shipments.....	3,234	3,441	3,556	-6.0	-3.2	8.5	3,984	3,610	4,377	40,992	40,053	2.3
New Orders.....	5,987	2,515	3,421	138.1	-26.5	-16.2	8,617	2,884	7,898	42,164	42,108	0.1
All other durable goods:												
Shipments.....	36,791	36,917	37,238	-0.3	-0.9	0.5	35,481	36,620	37,171	446,897	464,806	-3.9
New Orders.....	36,782	36,901	37,310	-0.3	-1.1	0.2	34,760	36,653	36,639	448,188	464,933	-3.6
Capital goods:³												
Shipments.....	76,526	75,809	75,721	0.9	0.1	-0.5	83,275	73,588	80,616	893,594	882,821	1.2
New Orders.....	92,743	83,367	81,468	11.2	2.3	-1.7	111,479	81,285	99,098	1,002,717	975,624	2.8
Nondefense capital goods:												
Shipments.....	68,554	67,428	67,656	1.7	-0.3	-0.6	74,523	64,897	71,667	795,552	787,596	1.0
New Orders.....	81,099	76,918	73,022	5.4	5.3	-2.6	93,612	74,861	87,199	899,713	869,149	3.5
Excluding aircraft:												
Shipments.....	63,231	61,981	61,835	2.0	0.2	-1.2	67,752	58,958	65,424	730,853	730,560	0.0
New Orders.....	64,259	61,546	61,643	4.4	-0.2	-3.0	67,836	58,643	66,686	745,081	756,423	-1.5
Defense capital goods:												
Shipments.....	7,972	8,381	8,065	-4.9	3.9	-0.1	8,752	8,691	8,949	98,042	95,225	3.0
New Orders.....	11,644	6,449	8,446	80.6	-23.6	5.9	17,867	6,424	11,899	103,004	106,475	-3.3

NA Not Available ¹ 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: M3-3(06), "Manufacturers' Shipments, Inventories, and Orders: 2001-2006."

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 2007/2006
	Dec 2007 ²	Nov 2007 ^r	Oct 2007	Nov - Dec ²	Oct - Nov ^r	Sep - Oct	Dec 2007 ²	Nov 2007 ^r	Dec 2006	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	808,570	788,609	779,374	2.5	1.2	1.0	807,896	774,550	681,842	18.5
Total Inventories.....	320,716	317,222	314,834	1.1	0.8	0.4	311,797	317,795	300,664	3.7
Excluding transportation:										
Unfilled Orders ⁴	333,795	329,411	327,676	1.3	0.5	0.6	328,764	323,925	300,844	9.3
Total Inventories.....	238,608	237,385	236,466	0.5	0.4	0.4	232,838	237,364	229,361	1.5
Excluding defense:										
Unfilled Orders ⁴	646,148	629,784	618,504	2.6	1.8	1.2	643,999	619,951	523,479	23.0
Total Inventories.....	297,533	295,129	293,216	0.8	0.7	0.3	289,065	295,723	280,371	3.1
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	808,570	788,609	779,374	2.5	1.2	1.0	807,896	774,550	681,842	18.5
Total Inventories.....	253,789	250,922	248,802	1.1	0.9	0.5	247,048	251,410	235,434	4.9
Primary metals:										
Unfilled Orders.....	27,573	27,119	26,548	1.7	2.2	0.9	27,198	25,955	26,692	1.9
Total Inventories.....	30,909	30,757	30,972	0.5	-0.7	-1.3	30,908	30,572	31,412	-1.6
Fabricated metal products:										
Unfilled Orders.....	59,719	58,367	57,820	2.3	0.9	1.0	57,823	56,883	53,125	8.8
Total Inventories.....	42,294	42,012	41,849	0.7	0.4	0.7	41,260	41,421	40,464	2.0
Machinery:										
Unfilled Orders.....	90,205	88,483	87,878	1.9	0.7	1.6	89,017	87,135	76,888	15.8
Total Inventories.....	52,120	52,074	51,816	0.1	0.5	0.6	50,484	52,424	47,940	5.3
Computers and electronic products:										
Unfilled Orders ⁴	118,650	117,701	117,664	0.8	0.0	0.0	118,388	116,269	110,192	7.4
Total Inventories.....	44,337	43,888	43,539	1.0	0.8	0.6	42,953	44,636	42,882	0.2
Computers and related products:										
Unfilled Orders.....	3,608	3,461	3,395	4.2	1.9	-14.5	3,608	3,461	3,407	5.9
Total Inventories.....	4,556	4,512	4,440	1.0	1.6	-1.0	4,241	4,800	4,257	-0.4
Communications equipment:										
Unfilled Orders.....	35,333	35,068	35,282	0.8	-0.6	-1.2	34,830	34,629	32,890	5.9
Total Inventories.....	7,495	7,316	7,199	2.4	1.6	-1.0	7,314	7,611	7,114	2.8
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.....	23,685	23,769	23,778	-0.4	0.0	-0.8	22,836	23,460	21,736	5.1
Total Inventories.....	14,987	14,783	14,543	1.4	1.7	1.5	14,577	14,697	14,044	3.8
Transportation equipment:										
Unfilled Orders.....	474,775	459,198	451,698	3.4	1.7	1.2	479,132	450,625	380,998	25.8
Total Inventories.....	82,108	79,837	78,368	2.8	1.9	0.5	78,959	80,431	71,303	10.7
Motor vehicles and parts:										
Unfilled Orders.....	18,916	19,177	19,137	-1.4	0.2	-0.3	18,975	18,618	20,967	-9.5
Total Inventories.....	24,169	23,928	24,143	1.0	-0.9	-0.4	23,105	23,911	24,219	-4.6
Nondefense Aircraft and parts:										
Unfilled Orders.....	309,040	296,592	286,357	4.2	3.6	2.0	312,329	291,886	218,550	42.9
Total Inventories.....	33,704	32,794	31,661	2.8	3.6	0.6	32,254	33,374	26,131	23.4
Defense Aircraft and parts:										
Unfilled Orders.....	45,601	42,848	43,774	6.4	-2.1	-0.3	46,195	41,562	45,023	2.6
Total Inventories.....	13,772	13,086	12,809	5.2	2.2	-0.3	13,503	13,064	12,109	11.5
All other durable goods:										
Unfilled Orders.....	13,963	13,972	13,988	-0.1	-0.1	0.5	13,502	14,223	12,211	10.6
Total Inventories.....	53,961	53,871	53,747	0.2	0.2	0.4	52,656	53,614	52,619	0.1
Capital goods:³										
Unfilled Orders.....	610,360	594,143	586,585	2.7	1.3	1.0	613,013	584,809	503,890	21.7
Total Inventories.....	145,412	143,293	141,485	1.5	1.3	0.9	141,284	145,002	131,279	7.6
Nondefense capital goods:										
Unfilled Orders.....	461,877	449,332	439,842	2.8	2.2	1.2	462,852	443,763	358,691	29.0
Total Inventories.....	126,989	125,600	123,988	1.1	1.3	0.7	123,043	127,308	115,041	7.0
Excluding aircraft:										
Unfilled Orders.....	181,828	180,800	181,235	0.6	-0.2	-0.1	179,148	179,064	164,920	8.6
Total Inventories.....	100,935	100,383	99,809	0.5	0.6	0.8	98,097	101,576	94,214	4.1
Defense capital goods:										
Unfilled Orders.....	148,483	144,811	146,743	2.5	-1.3	0.3	150,161	141,046	145,199	3.4
Total Inventories.....	18,423	17,693	17,497	4.1	1.1	1.8	18,241	17,694	16,238	12.3

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 4,200 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 62 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 4,200 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 4,200 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>.

2008 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
Nov 2007	December 27, 2007	January 3, 2008
Dec 2007	January 29, 2008	February 4, 2008
Jan 2008	February 27, 2008	March 5, 2008
Feb 2008	March 26, 2008	April 2, 2008
Mar 2008	April 24, 2008	May 2, 2008
Apr 2008	May 28, 2008	June 3, 2008
May 2008	June 25, 2008	July 2, 2008
Jun 2008	July 25, 2008	August 4, 2008
Jul 2008	August 27, 2008	September 3, 2008
Aug 2008	September 25, 2008	October 2, 2008
Sep 2008	October 29, 2008	November 4, 2008
Oct 2008	November 26, 2008	December 4, 2008
Nov 2008	December 24, 2008	