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

New Orders

New orders for manufactured durable goods in January decreased \$17.1 billion or 7.8 percent to \$203.9 billion, the U.S. Census Bureau announced today. This followed two consecutive monthly increases including a 2.8 percent December increase. Excluding transportation, new orders decreased 3.1 percent. Excluding defense, new orders decreased 7.8 percent.

Transportation equipment, down following two consecutive monthly increases, had the largest decrease, \$12.3 billion or 18.0 percent to \$56.2 billion. This was led by nondefense aircraft and parts, which decreased \$11.3 billion.

Shipments

Shipments of manufactured durable goods in January, up five of the last six months, increased \$0.5 billion or 0.2 percent to \$211.4 billion. This followed a 0.5 percent December increase.

Computers and electronic products, up three of the last four months, had the largest increase, \$3.6 billion or 10.8 percent to \$36.6 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in January, up twenty of the last twenty-one months, increased \$1.0 billion or 0.1 percent to \$695.5 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 2.2 percent December increase.

Machinery, up twenty-nine consecutive months, had the largest increase, \$1.0 billion or 1.3 percent to \$78.8 billion.

Inventories

Inventories of manufactured durable goods in January, up twelve of the last thirteen months, increased \$1.0 billion or 0.3 percent to \$297.7 billion. This followed a 0.7 percent December increase.

Transportation equipment, up four of the last five months, had the largest increase, \$1.0 billion or 1.4 percent to \$69.5 billion.

Capital Goods

Nondefense new orders for capital goods in January decreased \$16.3 billion or 19.9 percent to \$65.4 billion. Shipments decreased \$0.9 billion or 1.4 percent to \$66.0 billion. Unfilled orders decreased \$0.5 billion or 0.1 percent to \$372.6 billion. Inventories decreased \$0.7 billion or 0.6 percent to \$115.6 billion.

Defense new orders for capital goods in January increased \$0.9 billion or 10.7 percent to \$8.8 billion. Shipments increased \$0.1 billion or 1.4 percent to \$8.4 billion. Unfilled orders increased \$0.5 billion or 0.3 percent to \$139.3 billion. Inventories increased \$0.6 billion or 4.2 percent to \$14.7 billion.

Revised December Data

Revised seasonally adjusted December figures for all manufacturing industries were: new orders, \$404.9 billion (revised from \$405.2 billion); shipments, \$394.8 billion (revised from \$395.9 billion); unfilled orders, \$694.4 billion (revised from \$693.8 billion); and total inventories, \$483.1 billion (revised from \$482.1 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 6, 2007, at 10:00 a.m. EST. The advance report on durable goods for February is scheduled for release on March 28, 2007, at 8:30 a.m. EDT. See back page for survey description.

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		
	Jan 2007 ²	Dec 2006 ^r	Nov 2006	Dec - Jan ²	Nov - Dec ^r	Oct - Nov	Jan 2007 ²	Dec 2006 ^r	Jan 2006	2007	2006	Percent Change 07/06
DURABLE GOODS												
Total:												
Shipments.....	211,440	210,923	209,827	0.2	0.5	0.3	190,259	209,410	185,155	190,259	185,155	2.8
New Orders ⁴	203,896	221,034	215,067	-7.8	2.8	2.2	193,576	227,154	186,071	193,576	186,071	4.0
Excluding transportation:												
Shipments.....	154,463	153,099	153,738	0.9	-0.4	-0.3	140,270	152,883	136,778	140,270	136,778	2.6
New Orders ⁴	147,655	152,454	148,553	-3.1	2.6	-0.9	138,944	151,849	137,329	138,944	137,329	1.2
Excluding defense:												
Shipments.....	201,272	200,848	199,850	0.2	0.5	0.3	182,162	198,049	177,607	182,162	177,607	2.6
New Orders ⁴	193,566	210,017	201,932	-7.8	4.0	0.8	182,884	210,706	180,645	182,884	180,645	1.2
Manufacturing with unfilled orders:												
Shipments.....	145,370	146,741	146,365	-0.9	0.3	0.4	130,456	146,922	126,633	130,456	126,633	3.0
New Orders ⁴	146,408	161,919	158,337	-9.6	2.3	2.3	141,658	169,994	133,367	141,658	133,367	6.2
Primary metals:												
Shipments.....	18,799	18,940	18,711	-0.7	1.2	-0.7	18,706	16,606	17,325	18,706	17,325	8.0
New Orders.....	18,429	18,715	18,437	-1.5	1.5	-1.8	18,955	17,035	18,233	18,955	18,233	4.0
Fabricated metal products:												
Shipments.....	25,028	25,004	24,399	0.1	2.5	-0.3	23,549	22,868	22,470	23,549	22,470	4.8
New Orders.....	25,371	25,027	24,403	1.4	2.6	0.6	24,512	22,385	23,546	24,512	23,546	4.1
Machinery:												
Shipments.....	26,489	28,174	27,839	-6.0	1.2	-1.4	24,010	27,833	23,636	24,010	23,636	1.6
New Orders.....	27,463	30,264	28,081	-9.3	7.8	-8.6	26,511	29,604	26,708	26,511	26,708	-0.7
Computers and electronic products:												
Shipments.....	36,598	33,039	35,535	10.8	-7.0	2.0	30,969	38,839	29,163	30,969	29,163	6.2
New Orders ⁴	28,051	30,419	29,930	-7.8	1.6	8.0	24,504	37,019	23,588	24,504	23,588	3.9
Computers and related products:												
Shipments.....	6,225	6,398	6,580	-2.7	-2.8	35.8	5,060	8,148	5,501	5,060	5,501	-8.0
New Orders.....	6,148	6,473	6,699	-5.0	-3.4	36.8	4,983	8,223	5,171	4,983	5,171	-3.6
Communications equipment:												
Shipments.....	5,446	5,257	5,845	3.6	-10.1	-0.1	4,430	6,677	4,953	4,430	4,953	-10.6
New Orders.....	5,497	6,798	5,908	-19.1	15.1	11.9	4,922	7,984	4,906	4,922	4,906	0.3
Semiconductors:												
Shipments.....	8,582	5,067	6,732	69.4	-24.7	-12.1	7,885	5,328	5,818	7,885	5,818	35.5
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,347	10,126	9,900	2.2	2.3	-1.7	9,272	9,997	8,814	9,272	8,814	5.2
New Orders.....	10,942	10,139	10,230	7.9	-0.9	-2.7	10,458	9,612	9,961	10,458	9,961	5.0
Transportation equipment:												
Shipments.....	56,977	57,824	56,089	-1.5	3.1	2.2	49,989	56,527	48,377	49,989	48,377	3.3
New Orders.....	56,241	68,580	66,514	-18.0	3.1	9.9	54,632	75,305	48,742	54,632	48,742	12.1
Motor vehicles and parts:												
Shipments.....	38,323	40,091	38,366	-4.4	4.5	2.8	35,810	35,784	36,510	35,810	36,510	-1.9
New Orders.....	38,359	40,418	38,396	-5.1	5.3	2.2	36,438	36,860	37,431	36,438	37,431	-2.7
Nondefense aircraft and parts:												
Shipments.....	9,082	8,108	8,235	12.0	-1.5	0.2	6,727	9,844	5,037	6,727	5,037	33.6
New Orders.....	7,440	18,728	14,263	-60.3	31.3	4.2	7,565	24,952	6,458	7,565	6,458	17.1
Defense aircraft and parts:												
Shipments.....	3,802	3,780	3,737	0.6	1.2	0.6	2,877	4,574	2,552	2,877	2,552	12.7
New Orders.....	2,892	6,368	5,464	-54.6	16.5	46.9	3,074	8,282	4,284	3,074	4,284	-28.2
All other durable goods:												
Shipments.....	37,202	37,816	37,354	-1.6	1.2	-1.2	33,764	36,740	35,370	33,764	35,370	-4.5
New Orders.....	37,399	37,890	37,472	-1.3	1.1	-1.4	34,004	36,194	35,293	34,004	35,293	-3.7
Capital goods:³												
Shipments.....	74,349	75,159	75,724	-1.1	-0.7	1.6	63,872	81,545	62,270	63,872	62,270	2.6
New Orders.....	74,273	89,706	85,173	-17.2	5.3	3.3	70,608	103,180	64,554	70,608	64,554	9.4
Nondefense capital goods:												
Shipments.....	65,993	66,921	67,521	-1.4	-0.9	1.8	57,054	72,520	55,809	57,054	55,809	2.2
New Orders.....	65,449	81,735	73,998	-19.9	10.5	-0.3	61,349	90,425	60,837	61,349	60,837	0.8
Excluding aircraft:												
Shipments.....	60,111	61,755	62,252	-2.7	-0.8	2.1	53,285	65,833	53,337	53,285	53,337	-0.1
New Orders.....	61,626	65,560	63,295	-6.0	3.6	-1.0	57,387	68,475	57,223	57,387	57,223	0.3
Defense capital goods:												
Shipments.....	8,356	8,238	8,203	1.4	0.4	0.2	6,818	9,025	6,461	6,818	6,461	5.5
New Orders.....	8,824	7,971	11,175	10.7	-28.7	35.8	9,259	12,755	3,717	9,259	3,717	149.1

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: M3-3(05), "Manufacturers' Shipments, Inventories, and Orders: 1992-2005"

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; 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
	Jan 2007 ²	Dec 2006 ^r	Nov 2006	Dec - Jan ²	Nov - Dec ^r	Oct - Nov	Jan 2007 ²	Dec 2006 ^r	Jan 2006	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	695,458	694,420	679,242	0.1	2.2	1.8	702,425	691,223	579,162	21.3
Total Inventories.....	297,703	296,698	294,683	0.3	0.7	0.3	296,474	287,943	273,315	8.5
Excluding transportation:										
Unfilled Orders ⁴	316,195	314,421	309,999	0.6	1.4	0.5	316,349	309,790	277,657	13.9
Total Inventories.....	228,181	228,128	226,019	0.0	0.9	0.2	227,649	222,231	209,488	8.7
Excluding defense:										
Unfilled Orders ⁴	542,382	541,506	527,270	0.2	2.7	1.7	546,947	538,340	440,739	24.1
Total Inventories.....	278,589	278,001	275,505	0.2	0.9	0.3	277,560	269,776	254,647	9.0
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	695,458	694,420	679,242	0.1	2.2	1.8	702,425	691,223	579,162	21.3
Total Inventories.....	232,771	231,386	229,881	0.6	0.7	0.3	232,027	225,044	212,116	9.4
Primary metals:										
Unfilled Orders.....	25,712	26,082	26,307	-1.4	-0.9	-1.0	26,050	25,801	26,182	-0.5
Total Inventories.....	29,765	29,980	29,967	-0.7	0.0	-0.3	30,019	30,058	25,862	16.1
Fabricated metal products:										
Unfilled Orders.....	53,956	53,613	53,590	0.6	0.0	0.0	52,853	51,890	48,181	9.7
Total Inventories.....	38,498	38,335	37,982	0.4	0.9	0.2	38,402	37,377	34,637	10.9
Machinery:										
Unfilled Orders.....	78,839	77,865	75,775	1.3	2.8	0.3	79,267	76,766	64,777	22.4
Total Inventories.....	47,451	47,464	46,473	0.0	2.1	0.2	47,360	45,936	43,718	8.3
Computers and electronic products:										
Unfilled Orders ⁴	121,938	121,903	119,456	0.0	2.0	1.0	122,794	121,374	107,818	13.9
Total Inventories.....	46,823	46,722	46,203	0.2	1.1	0.8	46,479	44,888	43,184	7.6
Computers and related products:										
Unfilled Orders.....	4,387	4,464	4,389	-1.7	1.7	2.8	4,387	4,464	4,372	0.3
Total Inventories.....	4,456	4,463	4,389	-0.2	1.7	4.0	4,323	4,130	4,041	7.0
Communications equipment:										
Unfilled Orders.....	37,392	37,341	35,800	0.1	4.3	0.2	37,230	36,738	32,965	12.9
Total Inventories.....	10,209	9,978	10,077	2.3	-1.0	-1.3	10,323	9,602	10,356	-0.3
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.....	23,270	22,675	22,662	2.6	0.1	1.5	23,239	22,053	18,981	22.4
Total Inventories.....	14,276	14,378	14,194	-0.7	1.3	0.8	14,275	13,901	13,076	9.2
Transportation equipment:										
Unfilled Orders.....	379,263	379,999	369,243	-0.2	2.9	2.9	386,076	381,433	301,505	28.0
Total Inventories.....	69,522	68,570	68,664	1.4	-0.1	0.5	68,825	65,712	63,827	7.8
Motor vehicles and parts:										
Unfilled Orders.....	19,955	19,919	19,592	0.2	1.7	0.2	20,649	20,021	18,013	14.6
Total Inventories.....	24,663	24,376	24,548	1.2	-0.7	1.1	24,505	23,287	23,342	5.0
Nondefense Aircraft and parts:										
Unfilled Orders.....	230,626	232,268	221,648	-0.7	4.8	2.8	234,904	234,066	168,855	39.1
Total Inventories.....	25,259	25,050	24,347	0.8	2.9	0.4	24,919	23,890	21,870	13.9
Defense Aircraft and parts:										
Unfilled Orders.....	47,091	48,001	45,413	-1.9	5.7	4.0	47,617	47,420	47,240	0.8
Total Inventories.....	11,625	11,682	12,064	-0.5	-3.2	1.1	11,432	11,375	11,307	1.1
All other durable goods:										
Unfilled Orders.....	12,480	12,283	12,209	1.6	0.6	1.0	12,146	11,906	11,718	3.7
Total Inventories.....	51,368	51,249	51,200	0.2	0.1	-0.1	51,114	50,071	49,011	4.3
Capital goods:³										
Unfilled Orders.....	511,883	511,959	497,412	0.0	2.9	1.9	518,568	511,832	416,979	24.4
Total Inventories.....	130,273	130,398	128,269	-0.1	1.7	0.2	129,524	126,301	120,597	7.4
Nondefense capital goods:										
Unfilled Orders.....	372,624	373,168	358,354	-0.1	4.1	1.8	377,079	372,784	291,942	29.2
Total Inventories.....	115,576	116,300	114,043	-0.6	2.0	0.3	114,834	112,426	106,359	8.0
Excluding aircraft:										
Unfilled Orders.....	169,718	168,203	164,398	0.9	2.3	0.6	169,636	165,534	143,092	18.6
Total Inventories.....	97,041	97,102	95,559	-0.1	1.6	0.3	96,548	94,109	89,618	7.7
Defense capital goods:										
Unfilled Orders.....	139,259	138,791	139,058	0.3	-0.2	2.2	141,489	139,048	125,037	13.2
Total Inventories.....	14,697	14,098	14,226	4.2	-0.9	0.0	14,690	13,875	14,238	3.2

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>.

2007 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
Jan 2007	February 27, 2007	March 6, 2007
Feb 2007	March 28, 2007	April 4, 2007
Mar 2007	April 25, 2007	May 2, 2007
Apr 2007	May 24, 2007	June 4, 2007
May 2007	June 27, 2007	July 3, 2007
Jun 2007	July 26, 2007	August 2, 2007
Jul 2007	August 24, 2007	August 31, 2007
Aug 2007	September 26, 2007	October 4, 2007
Sep 2007	October 25, 2007	November 2, 2007
Oct 2007	November 28, 2007	December 5, 2007
Nov 2007	December 27, 2007	