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

New Orders

New orders for manufactured durable goods in July increased \$12.9 billion or 5.9 percent to \$230.7 billion, the U.S. Census Bureau announced today. This was the fifth increase in the last six months and at the highest level since the series was first stated on a NAICS basis in 1992. This increase followed a 1.9 percent June increase. Excluding transportation, new orders increased 3.7 percent. Excluding defense, new orders increased 4.9 percent.

Transportation equipment, up two consecutive months, had the largest increase, \$7.4 billion or 10.8 percent to \$75.4 billion. This was led by nondefense aircraft and parts, which increased \$2.4 billion.

Shipments

Shipments of manufactured durable goods in July, up four of the last five months, increased \$8.1 billion or 3.8 percent to \$219.8 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 1.1 percent June decrease.

Transportation equipment, up two of the last three months, had the largest increase, \$5.2 billion or 9.1 percent to \$62.4 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in July, up twenty-six of the last twenty-seven months, increased \$17.6 billion or 2.4 percent to \$754.9 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 1.6 percent June increase.

Transportation equipment, up eighteen consecutive months, had the largest increase, \$13.0 billion or 3.1 percent to \$434.0 billion.

Inventories

Inventories of manufactured durable goods in July, up sixteen of the last seventeen months, increased \$0.4 billion or 0.1 percent to \$313.0 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a slight June decrease.

Transportation equipment, up six of the last seven months, had the largest increase, \$0.5 billion or 0.7 percent to \$77.8 billion.

Capital Goods

Nondefense new orders for capital goods in July increased \$4.5 billion or 5.8 percent to \$81.9 billion. Shipments increased \$0.9 billion or 1.4 percent to \$66.7 billion. Unfilled orders increased \$15.2 billion or 3.7 percent to \$424.2 billion. Inventories increased \$0.5 billion or 0.4 percent to \$122.0 billion.

Defense new orders for capital goods in July increased \$2.6 billion or 35.7 percent to \$9.7 billion. Shipments increased \$0.7 billion or 9.1 percent to \$8.7 billion. Unfilled orders increased \$1.0 billion or 0.7 percent to \$143.6 billion. Inventories increased \$0.1 billion or 0.6 percent to \$17.0 billion.

Revised June Data

Revised seasonally adjusted June figures for all manufacturing industries were: new orders, \$420.8 billion (revised from \$419.5 billion); shipments, \$414.7 billion (revised from \$414.3 billion); unfilled orders, \$737.2 billion (revised from \$736.1 billion); and total inventories, \$516.5 billion (revised from \$516.9 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 August 31, 2007, at 10:00 a.m. EDT. The advance report on durable goods for August is scheduled for release on September 26, 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		
	Jul 2007 ²	Jun 2007 ¹	May 2007	Jun - Jul ²	May - Jun ¹	Apr - May	Jul 2007 ²	Jun 2007 ¹	Jul 2006	2007	2006	Percent Change 07/06
DURABLE GOODS												
Total:												
Shipments.....	219,801	211,686	213,967	3.8	-1.1	0.2	191,799	230,203	183,198	1,466,420	1,465,463	0.1
New Orders ⁴	230,698	217,801	213,829	5.9	1.9	-2.4	199,751	229,802	182,768	1,491,809	1,473,531	1.2
Excluding transportation:												
Shipments.....	157,384	154,481	156,733	1.9	-1.4	-0.3	146,924	167,063	143,636	1,072,244	1,068,409	0.4
New Orders ⁴	155,306	149,784	151,553	3.7	-1.2	-0.3	144,593	157,953	141,453	1,047,710	1,051,665	-0.4
Excluding defense:												
Shipments.....	209,432	202,231	204,024	3.6	-0.9	0.1	182,542	220,157	174,813	1,400,049	1,402,059	-0.1
New Orders ⁴	219,173	208,955	204,279	4.9	2.3	-2.8	191,515	221,468	175,452	1,429,186	1,410,820	1.3
Manufacturing with unfilled orders:												
Shipments.....	152,880	148,393	149,706	3.0	-0.9	0.8	135,889	161,552	129,995	1,023,791	1,003,816	2.0
New Orders ⁴	170,519	159,972	155,984	6.6	2.6	-3.6	150,094	166,878	135,578	1,094,182	1,058,494	3.4
Primary metals:												
Shipments.....	20,645	20,334	20,746	1.5	-2.0	2.2	19,358	21,230	18,901	142,598	135,580	5.2
New Orders.....	20,715	19,194	20,434	7.9	-6.1	-4.7	19,161	19,364	18,885	142,672	137,621	3.7
Fabricated metal products:												
Shipments.....	26,545	26,032	26,204	2.0	-0.7	0.5	25,350	27,521	23,851	181,167	177,701	2.0
New Orders.....	26,818	26,447	26,197	1.4	1.0	-0.9	25,535	27,288	24,101	185,695	183,959	0.9
Machinery:												
Shipments.....	28,183	27,719	27,941	1.7	-0.8	-0.1	26,703	30,106	25,754	193,031	191,564	0.8
New Orders.....	30,252	28,678	27,726	5.5	3.4	-0.7	28,208	29,191	26,578	199,549	200,707	-0.6
Computers and electronic products:												
Shipments.....	33,326	32,113	33,446	3.8	-4.0	-2.4	28,873	36,615	28,862	222,575	222,680	0.0
New Orders ⁴	28,813	26,834	28,059	7.4	-4.4	5.3	24,619	30,482	24,503	181,738	183,357	-0.9
Computers and related products:												
Shipments.....	5,004	5,417	5,862	-7.6	-7.6	12.5	4,256	6,563	5,576	35,607	38,455	-7.4
New Orders.....	5,325	5,544	5,808	-4.0	-4.5	15.3	4,577	6,690	5,677	35,896	38,255	-6.2
Communications equipment:												
Shipments.....	5,481	5,472	5,515	0.2	-0.8	1.4	4,422	6,511	4,157	36,302	37,160	-2.3
New Orders.....	6,711	5,562	6,135	20.7	-9.3	15.9	5,495	6,329	4,676	38,421	39,097	-1.7
Semiconductors:												
Shipments.....	6,742	5,464	6,416	23.4	-14.8	-18.1	6,253	5,727	6,013	45,002	46,610	-3.4
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,968	10,771	10,832	1.8	-0.6	-2.8	10,181	11,600	9,543	74,640	69,772	7.0
New Orders.....	10,881	11,014	11,120	-1.2	-1.0	-4.0	10,398	11,530	10,310	77,784	74,378	4.6
Transportation equipment:												
Shipments.....	62,417	57,205	57,234	9.1	-0.1	1.7	44,875	63,140	39,562	394,176	397,054	-0.7
New Orders.....	75,392	68,017	62,276	10.8	9.2	-7.1	55,158	71,849	41,315	444,099	421,866	5.3
Motor vehicles and parts:												
Shipments.....	42,716	39,096	38,999	9.3	0.2	1.2	28,771	42,466	25,941	271,580	284,222	-4.4
New Orders.....	42,781	38,951	39,220	9.8	-0.7	1.9	29,374	41,903	26,857	271,302	286,417	-5.3
Nondefense aircraft and parts:												
Shipments.....	9,509	8,792	8,549	8.2	2.8	1.4	7,321	10,653	5,520	58,291	49,490	17.8
New Orders.....	21,881	19,439	14,175	12.6	37.1	-21.4	18,254	20,735	7,910	108,968	75,371	44.6
Defense aircraft and parts:												
Shipments.....	3,842	3,251	3,514	18.2	-7.5	4.3	3,215	3,625	2,874	22,861	21,482	6.4
New Orders.....	3,659	3,161	2,770	15.8	14.1	14.8	2,456	3,284	1,998	18,248	20,898	-12.7
All other durable goods:												
Shipments.....	37,717	37,512	37,564	0.5	-0.1	0.3	36,459	39,991	36,725	258,233	271,112	-4.8
New Orders.....	37,827	37,617	38,017	0.6	-1.1	0.2	36,672	40,098	37,076	260,272	271,643	-4.2
Capital goods: ³												
Shipments.....	75,322	73,681	74,319	2.2	-0.9	0.8	67,244	82,152	66,029	506,111	505,161	0.2
New Orders.....	91,613	84,590	80,969	8.3	4.5	-5.6	79,649	89,565	68,734	566,575	539,635	5.0
Nondefense capital goods:												
Shipments.....	66,660	65,745	66,043	1.4	-0.5	0.7	59,362	73,901	58,938	450,338	451,562	-0.3
New Orders.....	81,903	77,436	72,788	5.8	6.4	-6.8	72,754	83,019	62,596	513,765	487,009	5.5
Excluding aircraft:												
Shipments.....	60,694	60,367	60,873	0.5	-0.8	0.7	55,236	67,222	55,739	415,314	420,565	-1.2
New Orders.....	63,404	62,065	62,120	2.2	-0.1	-1.5	57,448	66,663	57,208	430,014	435,712	-1.3
Defense capital goods:												
Shipments.....	8,662	7,936	8,276	9.1	-4.1	2.2	7,882	8,251	7,091	55,773	53,599	4.1
New Orders.....	9,710	7,154	8,181	35.7	-12.6	7.2	6,895	6,546	6,138	52,810	52,626	0.3

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
	Jul 2007 ²	Jun 2007 ^r	May 2007	Jun - Jul ²	May - Jun ^r	Apr - May	Jul 2007 ²	Jun 2007 ^r	Jul 2006	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	754,862	737,223	725,644	2.4	1.6	0.9	752,233	738,028	622,083	20.9
Total Inventories.....	313,049	312,641	312,653	0.1	0.0	0.1	315,131	310,779	302,580	4.1
Excluding transportation:										
Unfilled Orders ⁴	320,815	316,151	315,384	1.5	0.2	0.4	321,312	317,390	293,318	9.5
Total Inventories.....	235,287	235,383	235,271	0.0	0.0	-0.1	236,550	234,201	228,239	3.6
Excluding defense:										
Unfilled Orders ⁴	598,895	582,412	570,224	2.8	2.1	1.2	597,618	582,392	476,948	25.3
Total Inventories.....	291,862	291,544	291,537	0.1	0.0	0.1	293,797	289,618	280,807	4.6
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	754,862	737,223	725,644	2.4	1.6	0.9	752,233	738,028	622,083	20.9
Total Inventories.....	246,900	246,298	246,197	0.2	0.0	0.2	248,531	245,030	235,790	5.4
Primary metals:										
Unfilled Orders.....	27,001	26,931	28,071	0.3	-4.1	-1.1	26,766	26,963	28,281	-5.4
Total Inventories.....	31,969	31,925	31,497	0.1	1.4	-0.1	32,140	31,734	29,499	9.0
Fabricated metal products:										
Unfilled Orders.....	56,722	56,449	56,034	0.5	0.7	0.0	57,653	57,468	54,386	6.0
Total Inventories.....	41,512	41,459	41,621	0.1	-0.4	0.0	41,763	41,486	40,086	4.2
Machinery:										
Unfilled Orders.....	84,091	82,022	81,063	2.5	1.2	-0.3	83,406	81,901	71,414	16.8
Total Inventories.....	50,990	50,673	50,424	0.6	0.5	0.1	50,934	50,276	47,448	7.3
Computers and electronic products:										
Unfilled Orders ⁴	114,491	112,262	112,077	2.0	0.2	0.9	114,357	112,358	104,377	9.6
Total Inventories.....	42,726	43,489	43,762	-1.8	-0.6	-0.2	43,252	42,941	43,604	-0.8
Computers and related products:										
Unfilled Orders.....	3,696	3,375	3,248	9.5	3.9	-1.6	3,696	3,375	3,410	8.4
Total Inventories.....	4,364	4,437	4,449	-1.6	-0.3	0.0	4,422	4,296	4,438	-0.4
Communications equipment:										
Unfilled Orders.....	34,943	33,713	33,623	3.6	0.3	1.9	35,009	33,936	32,070	9.2
Total Inventories.....	7,097	7,189	7,268	-1.3	-1.1	1.1	7,084	6,929	7,475	-5.2
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.....	24,581	24,668	24,425	-0.4	1.0	1.2	24,880	24,663	22,245	11.8
Total Inventories.....	14,483	14,329	14,338	1.1	-0.1	-0.6	14,508	14,237	13,927	4.2
Transportation equipment:										
Unfilled Orders.....	434,047	421,072	410,260	3.1	2.6	1.2	430,921	420,638	328,765	31.1
Total Inventories.....	77,762	77,258	77,382	0.7	-0.2	0.5	78,581	76,578	74,341	5.7
Motor vehicles and parts:										
Unfilled Orders.....	20,767	20,702	20,847	0.3	-0.7	1.1	20,689	20,086	20,120	2.8
Total Inventories.....	24,722	24,568	25,007	0.6	-1.8	-0.2	24,952	24,271	25,271	-1.3
Nondefense Aircraft and parts:										
Unfilled Orders.....	271,119	258,747	248,100	4.8	4.3	2.3	269,227	258,294	182,282	47.7
Total Inventories.....	30,782	30,521	30,231	0.9	1.0	1.4	31,178	30,204	26,377	18.2
Defense Aircraft and parts:										
Unfilled Orders.....	40,493	40,676	40,766	-0.4	-0.2	-1.8	40,410	41,169	42,384	-4.7
Total Inventories.....	12,834	12,711	12,720	1.0	-0.1	0.1	12,946	12,768	12,686	2.0
All other durable goods:										
Unfilled Orders.....	13,929	13,819	13,714	0.8	0.8	3.4	14,250	14,037	12,615	13.0
Total Inventories.....	53,607	53,508	53,629	0.2	-0.2	0.0	53,953	53,527	53,675	0.5
Capital goods:³										
Unfilled Orders.....	567,767	551,476	540,567	3.0	2.0	1.2	564,354	551,949	445,561	26.7
Total Inventories.....	139,017	138,414	138,199	0.4	0.2	0.6	139,640	137,339	131,893	5.9
Nondefense capital goods:										
Unfilled Orders.....	424,176	408,933	397,242	3.7	2.9	1.7	422,118	408,726	312,585	35.0
Total Inventories.....	122,044	121,534	121,385	0.4	0.1	0.8	122,632	120,452	114,673	6.9
Excluding aircraft:										
Unfilled Orders.....	179,768	177,058	175,360	1.5	1.0	0.7	179,620	177,408	154,204	16.5
Total Inventories.....	98,292	97,895	97,719	0.4	0.2	0.4	98,603	97,118	93,725	5.2
Defense capital goods:										
Unfilled Orders.....	143,591	142,543	143,325	0.7	-0.5	-0.1	142,236	143,223	132,976	7.0
Total Inventories.....	16,973	16,880	16,814	0.6	0.4	-0.9	17,008	16,887	17,220	-1.2

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>.