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

New Orders

New orders for manufactured durable goods in June increased \$3.0 billion or 1.4 percent to \$217.1 billion, the U.S. Census Bureau announced today. This was the fourth increase in the last five months and followed a 2.3 percent May decrease. Excluding transportation, new orders decreased 0.5 percent. Excluding defense, new orders increased 1.9 percent.

Transportation equipment, up following two consecutive monthly decreases, had the largest increase, \$3.8 billion or 6.1 percent to \$66.2 billion. This was led by nondefense aircraft and parts, which increased \$4.1 billion.

Shipments

Shipments of manufactured durable goods in June, down following three consecutive monthly increases, decreased \$2.3 billion or 1.1 percent to \$212.5 billion. This followed a 0.6 percent May increase.

Computers and electronic products, down four of the last five months, had the largest decrease, \$1.4 billion or 4.0 percent to \$32.8 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in June, up twenty-five of the last twenty-six months, increased \$10.7 billion or 1.5 percent to \$736.5 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.9 percent May increase.

Transportation equipment, up seventeen consecutive months, had the largest increase, \$9.5 billion or 2.3 percent to \$419.8 billion.

Inventories

Inventories of manufactured durable goods in June, up sixteen consecutive months, increased \$0.7 billion or 0.2 percent to \$313.4 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.1 percent May increase.

Primary metals, up three of the last four months, had the largest increase, \$0.5 billion or 1.7 percent to \$32.1 billion.

Capital Goods

Nondefense new orders for capital goods in June increased \$3.4 billion or 4.6 percent to \$76.2 billion. Shipments decreased 0.1 percent to \$66.0 billion. Unfilled orders increased \$10.2 billion or 2.6 percent to \$407.5 billion. Inventories increased \$0.3 billion or 0.3 percent to \$121.7 billion.

Defense new orders for capital goods in June decreased \$1.1 billion or 13.9 percent to \$7.0 billion. Shipments decreased \$0.4 billion or 4.4 percent to \$7.9 billion. Unfilled orders decreased \$0.9 billion or 0.6 percent to \$142.4 billion. Inventories increased 0.2 percent to \$16.8 billion.

Revised May Data

Revised seasonally adjusted May figures for all manufacturing industries were: new orders, \$417.4 billion (revised from \$416.9 billion); shipments, \$418.1 billion (revised from \$417.8 billion); unfilled orders, \$725.8 billion (revised from \$725.7 billion); and total inventories, \$515.3 billion (revised from \$515.0 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 2, 2007, at 10:00 a.m. EDT. The advance report on durable goods for July is scheduled for release on August 24, 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		
	Jun 2007 ²	May 2007 ¹	Apr 2007	May - Jun ²	Apr - May ¹	Mar - Apr	Jun 2007 ²	May 2007 ¹	Jun 2006	2007	2006	Percent Change 07/06
DURABLE GOODS												
Total:												
Shipments.....	212,457	214,742	213,525	-1.1	0.6	2.0	231,940	221,553	235,478	1,277,257	1,282,265	-0.4
New Orders ⁴	217,073	214,040	218,978	1.4	-2.3	1.0	231,115	217,005	234,209	1,293,498	1,290,763	0.2
Excluding transportation:												
Shipments.....	155,832	157,484	157,242	-1.0	0.2	3.4	168,793	160,159	170,205	927,879	924,773	0.3
New Orders ⁴	150,913	151,713	151,970	-0.5	-0.2	2.3	159,864	153,855	163,980	905,070	910,212	-0.6
Excluding defense:												
Shipments.....	203,025	204,883	203,893	-0.9	0.5	2.1	221,878	211,715	225,291	1,220,226	1,227,246	-0.6
New Orders ⁴	208,438	204,518	210,096	1.9	-2.7	1.1	222,740	209,913	221,848	1,239,128	1,235,368	0.3
Manufacturing with unfilled orders:												
Shipments.....	148,671	149,680	148,470	-0.7	0.8	1.0	162,213	153,351	161,664	888,563	873,821	1.7
New Orders ⁴	159,368	156,091	161,755	2.1	-3.5	1.3	167,708	155,874	167,512	944,937	922,916	2.4
Primary metals:												
Shipments.....	20,475	20,758	20,307	-1.4	2.2	2.8	21,441	21,888	21,294	123,448	116,679	5.8
New Orders.....	19,694	20,438	21,444	-3.6	-4.7	7.1	19,960	21,587	21,007	124,104	118,736	4.5
Fabricated metal products:												
Shipments.....	26,061	26,196	26,086	-0.5	0.4	2.0	27,688	27,479	27,486	155,971	153,850	1.4
New Orders.....	26,736	26,295	26,442	1.7	-0.6	3.7	27,738	28,291	27,921	160,629	159,858	0.5
Machinery:												
Shipments.....	27,838	27,903	27,974	-0.2	-0.3	3.3	30,289	28,809	30,396	166,456	165,810	0.4
New Orders.....	28,441	27,721	27,922	2.6	-0.7	-1.7	29,184	28,056	30,205	171,293	174,129	-1.6
Computers and electronic products:												
Shipments.....	32,769	34,127	34,285	-4.0	-0.5	8.9	37,167	32,179	37,625	195,047	193,818	0.6
New Orders ⁴	26,704	27,985	26,642	-4.6	5.0	1.2	30,456	25,140	31,316	157,036	158,854	-1.1
Computers and related products:												
Shipments.....	5,622	5,876	5,209	-4.3	12.8	0.7	6,649	5,012	6,472	31,437	32,879	-4.4
New Orders.....	5,593	5,822	5,038	-3.9	15.6	-6.3	6,620	4,958	6,551	31,249	32,578	-4.1
Communications equipment:												
Shipments.....	5,402	5,494	5,440	-1.7	1.0	1.6	6,406	5,250	6,634	31,775	33,003	-3.7
New Orders.....	5,330	6,112	5,292	-12.8	15.5	1.4	6,121	5,629	6,847	32,718	34,421	-4.9
Semiconductors:												
Shipments.....	6,081	7,113	7,832	-14.5	-9.2	46.9	6,320	7,071	7,117	40,133	40,597	-1.1
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,884	10,848	11,146	0.3	-2.7	1.9	11,793	11,092	11,241	64,651	60,229	7.3
New Orders.....	11,321	11,149	11,584	1.5	-3.8	3.5	11,898	11,395	11,641	67,757	64,068	5.8
Transportation equipment:												
Shipments.....	56,625	57,258	56,283	-1.1	1.7	-1.5	63,147	61,394	65,273	349,378	357,492	-2.3
New Orders.....	66,160	62,327	67,008	6.1	-7.0	-1.7	71,251	63,150	70,229	388,428	380,551	2.1
Motor vehicles and parts:												
Shipments.....	38,611	38,995	38,522	-1.0	1.2	-2.5	42,429	42,629	46,147	242,767	258,281	-6.0
New Orders.....	38,678	39,229	38,477	-1.4	2.0	-2.7	42,016	42,410	45,914	242,036	259,560	-6.8
Nondefense aircraft and parts:												
Shipments.....	8,840	8,672	8,428	1.9	2.9	0.4	10,831	9,103	9,148	51,326	43,970	16.7
New Orders.....	18,326	14,239	18,032	28.7	-21.0	-11.0	20,351	13,407	12,813	90,465	67,461	34.1
Defense aircraft and parts:												
Shipments.....	3,254	3,435	3,369	-5.3	2.0	3.2	3,663	3,273	3,542	19,590	18,608	5.3
New Orders.....	3,032	2,758	2,413	9.9	14.3	18.4	3,249	2,032	3,079	15,721	18,900	-16.8
All other durable goods:												
Shipments.....	37,805	37,652	37,444	0.4	0.6	0.4	40,415	38,712	42,163	222,306	234,387	-5.2
New Orders.....	38,017	38,125	37,936	-0.3	0.5	2.2	40,628	39,386	41,890	224,251	234,567	-4.4
Capital goods: ³												
Shipments.....	73,869	74,270	73,710	-0.5	0.8	1.0	82,447	74,001	82,786	439,111	439,132	0.0
New Orders.....	83,213	80,986	85,756	2.7	-5.6	-0.3	89,340	76,686	89,036	486,693	470,901	3.4
Nondefense capital goods:												
Shipments.....	65,962	65,999	65,611	-0.1	0.6	1.1	74,216	65,687	74,330	391,245	392,624	-0.4
New Orders.....	76,182	72,821	78,128	4.6	-6.8	-0.3	82,718	70,742	78,389	440,724	424,413	3.8
Excluding aircraft:												
Shipments.....	60,574	60,829	60,431	-0.4	0.7	0.9	67,438	60,106	68,337	360,248	364,826	-1.3
New Orders.....	61,745	62,153	63,081	-0.7	-1.5	2.0	66,536	60,734	68,847	372,453	378,504	-1.6
Defense capital goods:												
Shipments.....	7,907	8,271	8,099	-4.4	2.1	0.8	8,231	8,314	8,456	47,866	46,508	2.9
New Orders.....	7,031	8,165	7,628	-13.9	7.0	-0.2	6,622	5,944	10,647	45,969	46,488	-1.1

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
	Jun 2007 ²	May 2007 ^r	Apr 2007	May - Jun ²	Apr - May ^r	Mar - Apr	Jun 2007 ²	May 2007 ^r	Jun 2006	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	736,474	725,777	719,366	1.5	0.9	1.9	738,216	732,721	616,500	19.7
Total Inventories.....	313,409	312,752	312,426	0.2	0.1	0.4	311,647	315,353	295,130	5.6
Excluding transportation:										
Unfilled Orders ⁴	316,652	315,490	314,148	0.4	0.4	0.8	318,168	320,777	289,488	9.9
Total Inventories.....	235,862	235,330	235,430	0.2	0.0	0.0	234,787	237,396	223,373	5.1
Excluding defense:										
Unfilled Orders ⁴	581,795	570,301	563,553	2.0	1.2	2.6	582,514	575,332	470,296	23.9
Total Inventories.....	292,349	291,636	291,241	0.2	0.1	0.2	290,544	294,175	273,659	6.2
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	736,474	725,777	719,366	1.5	0.9	1.9	738,216	732,721	616,500	19.7
Total Inventories.....	247,055	246,311	245,791	0.3	0.2	0.7	245,847	248,303	230,237	6.8
Primary metals:										
Unfilled Orders.....	27,282	28,063	28,383	-2.8	-1.1	4.2	27,348	28,829	28,297	-3.4
Total Inventories.....	32,059	31,512	31,538	1.7	-0.1	0.5	31,878	31,469	28,625	11.4
Fabricated metal products:										
Unfilled Orders.....	56,815	56,140	56,041	1.2	0.2	0.6	57,783	57,733	54,136	6.7
Total Inventories.....	41,677	41,654	41,634	0.1	0.0	0.1	41,737	42,094	39,456	5.8
Machinery:										
Unfilled Orders.....	81,699	81,096	81,278	0.7	-0.2	-0.1	81,725	82,830	70,590	15.8
Total Inventories.....	50,720	50,445	50,396	0.5	0.1	0.4	50,361	50,893	46,882	7.4
Computers and electronic products:										
Unfilled Orders ⁴	112,035	112,019	111,048	0.0	0.9	0.2	112,314	112,705	102,723	9.3
Total Inventories.....	43,448	43,746	43,830	-0.7	-0.2	-0.7	42,839	44,218	41,875	2.3
Computers and related products:										
Unfilled Orders.....	3,219	3,248	3,302	-0.9	-1.6	-4.9	3,219	3,248	3,309	-2.7
Total Inventories.....	4,435	4,446	4,447	-0.2	0.0	-2.5	4,289	4,568	4,201	2.1
Communications equipment:										
Unfilled Orders.....	33,549	33,621	33,003	-0.2	1.9	-0.4	33,833	34,118	31,551	7.2
Total Inventories.....	7,174	7,265	7,186	-1.3	1.1	-0.2	6,900	7,335	7,120	-3.1
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.....	24,875	24,438	24,137	1.8	1.2	1.8	24,842	24,737	21,478	15.7
Total Inventories.....	14,331	14,348	14,424	-0.1	-0.5	0.4	14,293	14,638	13,644	4.8
Transportation equipment:										
Unfilled Orders.....	419,822	410,287	405,218	2.3	1.3	2.7	420,048	411,944	327,012	28.5
Total Inventories.....	77,547	77,422	76,996	0.2	0.6	1.6	76,860	77,957	71,757	7.1
Motor vehicles and parts:										
Unfilled Orders.....	20,927	20,860	20,626	0.3	1.1	-0.2	20,236	20,649	19,204	5.4
Total Inventories.....	24,688	25,043	25,058	-1.4	-0.1	-0.7	24,394	25,261	24,426	-0.1
Nondefense Aircraft and parts:										
Unfilled Orders.....	257,527	248,041	242,474	3.8	2.3	4.1	257,689	248,169	179,892	43.2
Total Inventories.....	30,655	30,229	29,801	1.4	1.4	3.2	30,347	30,496	25,122	20.8
Defense Aircraft and parts:										
Unfilled Orders.....	40,611	40,833	41,510	-0.5	-1.6	-2.3	41,154	41,568	43,260	-4.9
Total Inventories.....	12,698	12,722	12,702	-0.2	0.2	1.3	12,755	12,739	12,501	2.0
All other durable goods:										
Unfilled Orders.....	13,946	13,734	13,261	1.5	3.6	3.9	14,156	13,943	12,264	15.4
Total Inventories.....	53,627	53,625	53,608	0.0	0.0	-0.5	53,679	54,084	52,891	1.5
Capital goods:³										
Unfilled Orders.....	549,977	540,633	533,917	1.7	1.3	2.3	551,472	544,579	442,856	24.5
Total Inventories.....	138,560	138,217	137,395	0.2	0.6	0.6	137,508	139,350	128,554	7.0
Nondefense capital goods:										
Unfilled Orders.....	407,539	397,319	390,497	2.6	1.7	3.3	408,170	399,668	308,927	32.1
Total Inventories.....	121,717	121,405	120,423	0.3	0.8	0.3	120,679	122,493	111,584	8.2
Excluding aircraft:										
Unfilled Orders.....	176,608	175,437	174,113	0.7	0.8	1.5	177,125	178,027	152,735	16.0
Total Inventories.....	97,943	97,738	97,367	0.2	0.4	-0.1	97,212	98,748	91,724	6.0
Defense capital goods:										
Unfilled Orders.....	142,438	143,314	143,420	-0.6	-0.1	-0.3	143,302	144,911	133,929	7.0
Total Inventories.....	16,843	16,812	16,972	0.2	-0.9	2.7	16,829	16,857	16,970	-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), 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>.