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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders July 2008

New Orders

New orders for manufactured durable goods in July increased \$2.9 billion or 1.3 percent to \$219.3 billion, the U.S. Census Bureau announced today. This was the third consecutive monthly increase and followed a 1.3 percent June increase. Excluding transportation, new orders increased 0.7 percent. Excluding defense, new orders increased 2.8 percent.

Transportation equipment, up two of the last three months, had the largest increase, \$1.7 billion or 3.1 percent to \$57.5 billion.

Shipments

Shipments of manufactured durable goods in July, up three of the last four months, increased \$5.3 billion or 2.5 percent to \$218.3 billion. This followed a 0.9 percent June increase.

Transportation equipment, up three of the last four months, had the largest increase, \$2.0 billion or 3.8 percent to \$55.0 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in July, up twenty-nine of the last thirty months, increased \$6.6 billion or 0.8 percent to \$824.4 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.9 percent June increase.

Machinery, up thirteen of the last fourteen months, had the largest increase, \$3.9 billion or 3.8 percent to \$105.5 billion. This increase was both the largest monthly percent change and was also at the highest level since the series was first stated on a NAICS basis in 1992.

Inventories

Inventories of manufactured durable goods in July, up twelve of the last thirteen months, increased \$2.7 billion or 0.8 percent to \$335.8 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 June increase.

Transportation equipment, up twenty-two of the last twenty-three months, had the largest increase, \$0.8 billion or 0.9 percent to \$88.1 billion.

Capital Goods

Nondefense new orders for capital goods in July increased \$4.5 billion or 6.3 percent to \$76.3 billion. Shipments increased \$1.1 billion or 1.6 percent to \$69.1 billion. Unfilled orders increased \$7.2 billion or 1.5 percent to \$481.3 billion. Inventories increased \$1.8 billion or 1.3 percent to \$138.5 billion.

Defense new orders for capital goods in July decreased \$2.9 billion or 25.7 percent to \$8.4 billion. Shipments increased \$0.3 billion or 3.6 percent to \$9.5 billion. Unfilled orders decreased \$1.1 billion or 0.8 percent to \$138.0 billion. Inventories decreased 0.2 percent to \$19.2 billion.

Revised June Data

Revised seasonally adjusted June figures for all manufacturing industries were: new orders, \$458.6 billion (revised from \$457.6 billion); shipments, \$455.3 billion (revised from \$454.6 billion); unfilled orders, \$817.8 billion (revised from \$817.4 billion); and total inventories, \$555.6 billion (revised from \$554.3 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 September 3, 2008, at 10:00 a.m. EDT. The advance report on durable goods for August is scheduled for release on September 25, 2008, 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 2008 ²	Jun 2008 ¹	May 2008	Jun - Jul ²	May - Jun ¹	Apr - May	Jul 2008 ²	Jun 2008 ¹	Jul 2007	2008	2007	Percent Change 08/07
DURABLE GOODS												
Total:												
Shipments.....	218,285	213,023	211,049	2.5	0.9	-1.2	198,663	230,264	193,082	1,481,985	1,479,372	0.2
New Orders ⁴	219,258	216,357	213,671	1.3	1.3	0.1	194,981	228,247	199,832	1,495,240	1,504,754	-0.6
Excluding transportation:												
Shipments.....	163,309	160,055	159,209	2.0	0.5	-0.3	155,923	172,287	147,760	1,110,176	1,081,203	2.7
New Orders ⁴	161,767	160,601	156,819	0.7	2.4	-0.5	153,642	168,849	145,673	1,100,636	1,061,276	3.7
Excluding defense:												
Shipments.....	205,821	201,207	199,149	2.3	1.0	-1.2	187,189	217,597	184,148	1,402,564	1,415,280	-0.9
New Orders ⁴	207,891	202,199	200,960	2.8	0.6	-0.7	186,796	213,640	191,694	1,414,694	1,444,072	-2.0
Manufacturing with unfilled orders:												
Shipments.....	157,645	154,282	151,969	2.2	1.5	-0.3	144,789	167,562	136,699	1,061,690	1,029,882	3.1
New Orders ⁴	164,204	161,788	159,290	1.5	1.6	0.6	146,742	169,431	148,550	1,111,261	1,093,804	1.6
Primary metals:												
Shipments.....	23,898	23,106	22,291	3.4	3.7	1.4	23,100	24,441	19,481	158,217	142,812	10.8
New Orders.....	24,234	23,716	22,008	2.2	7.8	-1.8	23,093	24,296	19,015	160,773	142,633	12.7
Fabricated metal products:												
Shipments.....	28,471	28,044	27,691	1.5	1.3	-0.4	27,995	29,604	26,748	193,716	190,349	1.8
New Orders.....	28,178	28,079	27,771	0.4	1.1	0.3	27,329	28,979	26,925	197,532	194,713	1.4
Machinery:												
Shipments.....	29,220	29,486	28,837	-0.9	2.3	0.1	28,253	31,681	26,800	205,926	192,684	6.9
New Orders.....	33,073	31,617	30,748	4.6	2.8	-3.9	32,102	31,751	28,352	220,747	198,841	11.0
Computers and electronic products:												
Shipments.....	33,098	31,314	32,417	5.7	-3.4	-2.7	29,004	35,364	27,410	220,524	217,910	1.2
New Orders ⁴	27,698	28,053	28,093	-1.3	-0.1	2.8	23,265	31,756	23,886	186,519	182,966	1.9
Computers and related products:												
Shipments.....	4,430	5,060	5,318	-12.5	-4.9	2.9	3,659	6,199	4,152	34,527	35,637	-3.1
New Orders.....	4,701	5,262	5,523	-10.7	-4.7	9.3	3,930	6,401	4,432	34,894	35,906	-2.8
Communications equipment:												
Shipments.....	6,209	6,104	5,793	1.7	5.4	4.6	4,954	7,197	4,626	38,757	37,730	2.7
New Orders.....	6,106	5,936	6,072	2.9	-2.2	4.9	4,796	6,720	5,315	39,540	39,212	0.8
Semiconductors:												
Shipments.....	5,586	4,172	4,699	33.9	-11.2	-21.3	5,635	3,886	5,101	36,316	38,540	-5.8
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	11,069	10,702	10,693	3.4	0.1	0.3	10,530	11,375	9,974	74,108	73,085	1.4
New Orders.....	10,934	11,635	11,078	-6.0	5.0	1.1	10,704	12,027	9,968	76,877	75,899	1.3
Transportation equipment:												
Shipments.....	54,976	52,968	51,840	3.8	2.2	-3.8	42,740	57,977	45,322	371,809	398,169	-6.6
New Orders.....	57,491	55,756	56,852	3.1	-1.9	1.8	41,339	59,398	54,159	394,604	443,478	-11.0
Motor vehicles and parts:												
Shipments.....	33,534	32,913	32,260	1.9	2.0	-3.7	24,299	35,148	29,910	237,034	280,038	-15.4
New Orders.....	33,204	32,812	32,183	1.2	2.0	-3.8	24,462	34,751	30,299	235,869	279,689	-15.7
Nondefense aircraft and parts:												
Shipments.....	9,223	8,455	8,208	9.1	3.0	-5.1	7,602	10,191	7,037	58,189	55,578	4.7
New Orders.....	12,874	10,054	12,783	28.0	-21.3	6.0	8,620	11,214	16,626	82,419	100,604	-18.1
Defense aircraft and parts:												
Shipments.....	5,141	4,647	4,505	10.6	3.2	-2.7	4,539	5,198	3,083	30,417	22,053	37.9
New Orders.....	5,091	4,723	5,174	7.8	-8.7	14.7	3,982	5,062	2,391	31,505	17,814	76.9
All other durable goods:												
Shipments.....	37,553	37,403	37,280	0.4	0.3	0.4	37,041	39,822	37,347	257,685	264,363	-2.5
New Orders.....	37,650	37,501	37,121	0.4	1.0	-0.3	37,149	40,040	37,527	258,188	266,224	-3.0
Capital goods: ³												
Shipments.....	78,603	77,191	76,753	1.8	0.6	-0.5	71,490	85,069	66,654	530,371	505,119	5.0
New Orders.....	84,645	82,995	83,427	2.0	-0.5	1.5	72,811	87,713	77,397	570,169	560,384	1.7
Nondefense capital goods:												
Shipments.....	69,138	68,058	67,712	1.6	0.5	-0.2	62,625	75,538	59,186	468,786	452,360	3.6
New Orders.....	76,288	71,741	73,639	6.3	-2.6	0.0	67,048	76,394	70,689	508,645	510,196	-0.3
Excluding aircraft:												
Shipments.....	63,918	63,527	63,260	0.6	0.4	0.2	58,605	69,960	55,559	437,348	421,676	3.7
New Orders.....	67,571	65,853	65,001	2.6	1.3	-0.3	62,040	69,794	57,209	454,769	436,569	4.2
Defense capital goods:												
Shipments.....	9,465	9,133	9,041	3.6	1.0	-2.3	8,865	9,531	7,468	61,585	52,759	16.7
New Orders.....	8,357	11,254	9,788	-25.7	15.0	14.1	5,763	11,319	6,708	61,524	50,188	22.6

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(07), "Manufacturers' Shipments, Inventories, and Orders: 2004-2007."

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 2008/2007
	Jul 2008 ²	Jun 2008 ^r	May 2008	Jun - Jul ²	May - Jun ^r	Apr - May	Jul 2008 ²	Jun 2008 ^r	Jul 2007	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	824,358	817,799	810,293	0.8	0.9	0.9	821,387	819,434	721,800	13.8
Total Inventories.....	335,778	333,124	330,426	0.8	0.8	0.5	338,008	330,659	315,545	7.1
Excluding transportation:										
Unfilled Orders ⁴	360,767	356,723	352,005	1.1	1.3	0.7	361,797	358,443	328,052	10.3
Total Inventories.....	247,702	245,834	244,066	0.8	0.7	0.3	249,215	244,119	237,388	5.0
Excluding defense:										
Unfilled Orders ⁴	670,447	662,791	657,627	1.2	0.8	1.0	668,953	663,711	578,561	15.6
Total Inventories.....	311,311	308,610	305,912	0.9	0.9	0.5	313,470	306,098	293,586	6.8
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	824,358	817,799	810,293	0.8	0.9	0.9	821,387	819,434	721,800	13.8
Total Inventories.....	269,456	266,808	264,517	1.0	0.9	0.6	271,290	265,047	249,413	8.8
Primary metals:										
Unfilled Orders.....	29,957	29,621	29,011	1.1	2.1	-1.0	29,819	29,826	26,766	11.4
Total Inventories.....	33,951	33,530	32,971	1.3	1.7	2.1	34,468	33,543	31,837	8.3
Fabricated metal products:										
Unfilled Orders.....	62,209	62,502	62,467	-0.5	0.1	0.1	63,235	63,901	59,613	6.1
Total Inventories.....	44,190	43,523	42,976	1.5	1.3	0.3	44,543	43,416	42,104	5.8
Machinery:										
Unfilled Orders.....	105,467	101,614	99,483	3.8	2.1	2.0	105,208	101,359	84,541	24.4
Total Inventories.....	54,186	53,881	53,562	0.6	0.6	0.3	54,010	53,339	51,067	5.8
Computers and electronic products:										
Unfilled Orders ⁴	124,397	124,211	123,300	0.1	0.7	0.3	124,078	124,182	118,349	4.8
Total Inventories.....	46,503	46,325	46,388	0.4	-0.1	0.1	46,916	45,422	43,792	7.1
Computers and related products:										
Unfilled Orders.....	4,084	3,813	3,611	7.1	5.6	6.0	4,084	3,813	3,754	8.8
Total Inventories.....	5,019	5,081	5,160	-1.2	-1.5	-0.3	5,049	4,884	4,609	9.5
Communications equipment:										
Unfilled Orders.....	37,087	37,190	37,358	-0.3	-0.4	0.8	37,200	37,358	36,532	1.8
Total Inventories.....	9,676	9,706	9,897	-0.3	-1.9	-0.4	9,611	9,275	8,801	9.2
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.....	25,468	25,603	24,670	-0.5	3.8	1.6	25,833	25,659	24,664	4.7
Total Inventories.....	15,317	15,247	15,122	0.5	0.8	-1.1	15,362	15,177	14,437	6.4
Transportation equipment:										
Unfilled Orders.....	463,591	461,076	458,288	0.5	0.6	1.1	459,590	460,991	393,748	16.7
Total Inventories.....	88,076	87,290	86,360	0.9	1.1	0.9	88,793	86,540	78,157	13.6
Motor vehicles and parts:										
Unfilled Orders.....	17,124	17,454	17,555	-1.9	-0.6	-0.4	17,400	17,237	20,084	-13.4
Total Inventories.....	23,427	23,688	23,653	-1.1	0.1	-0.3	23,569	23,370	25,376	-7.1
Nondefense Aircraft and parts:										
Unfilled Orders.....	307,948	304,297	302,698	1.2	0.5	1.5	304,845	303,827	242,284	25.8
Total Inventories.....	39,106	37,773	37,078	3.5	1.9	2.0	39,540	37,431	30,102	31.4
Defense Aircraft and parts:										
Unfilled Orders.....	44,472	44,522	44,446	-0.1	0.2	1.5	44,390	44,947	37,908	17.1
Total Inventories.....	14,224	14,502	14,251	-1.9	1.8	2.0	14,337	14,594	12,685	13.0
All other durable goods:										
Unfilled Orders.....	13,269	13,172	13,074	0.7	0.7	-1.2	13,624	13,516	14,119	-3.5
Total Inventories.....	53,555	53,328	53,047	0.4	0.5	-0.1	53,916	53,222	54,151	-0.4
Capital goods:³										
Unfilled Orders.....	619,333	613,291	607,487	1.0	1.0	1.1	615,255	613,934	531,637	15.7
Total Inventories.....	157,626	155,852	154,810	1.1	0.7	0.5	158,179	154,206	141,196	12.0
Nondefense capital goods:										
Unfilled Orders.....	481,284	474,134	470,451	1.5	0.8	1.3	478,674	474,251	401,631	19.2
Total Inventories.....	138,451	136,646	135,505	1.3	0.8	0.7	139,046	135,045	123,841	12.3
Excluding aircraft:										
Unfilled Orders.....	205,749	202,096	199,770	1.8	1.2	0.9	206,205	202,770	187,915	9.7
Total Inventories.....	107,777	107,228	106,683	0.5	0.5	0.1	108,042	105,925	101,351	6.6
Defense capital goods:										
Unfilled Orders.....	138,049	139,157	137,036	-0.8	1.5	0.5	136,581	139,683	130,006	5.1
Total Inventories.....	19,175	19,206	19,305	-0.2	-0.5	-0.3	19,133	19,161	17,355	10.2

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 4,300 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 61 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 4,300 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 4,300 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>.