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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders August 2009

New Orders

New orders for manufactured durable goods in August decreased \$4.0 billion or 2.4 percent to \$164.4 billion, the U.S. Census Bureau announced today. This was the second decrease in the last three months. This followed a 4.8 percent July increase. Excluding transportation, new orders were down slightly. Excluding defense, new orders decreased 2.4 percent.

Transportation equipment, also down two of the last three months, had the largest decrease, \$4.0 billion or 9.3 percent to \$39.5 billion. This was led by nondefense aircraft and parts, which decreased \$3.7 billion.

Shipments

Shipments of manufactured durable goods in August, down following two consecutive monthly increases, decreased \$2.4 billion or 1.4 percent to \$171.3 billion. This followed a 2.2 percent July increase.

Transportation equipment, also down following two consecutive monthly increases, had the largest decrease, \$0.9 billion or 2.0 percent to \$42.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in August, down eleven consecutive months, decreased \$2.8 billion or 0.4 percent to \$737.1 billion. This was the longest streak of consecutive monthly decreases since the series was first published on a NAICS basis in 1992 and followed a 0.1 percent July decrease.

Transportation equipment, down ten of the last eleven months, had the largest decrease, \$2.7 billion or 0.6 percent to \$431.4 billion.

Inventories

Inventories of manufactured durable goods in August, down eight consecutive months, decreased \$4.2 billion or 1.3 percent to \$308.9 billion. This followed a 1.1 percent July decrease.

Transportation equipment, down following two consecutive monthly increases, had the largest decrease, \$2.8 billion or 2.9 percent to \$91.2 billion.

Capital Goods

Nondefense new orders for capital goods in August decreased \$4.0 billion or 7.1 percent to \$52.7 billion. Shipments decreased \$1.4 billion or 2.4 percent to \$55.5 billion. Unfilled orders decreased \$2.7 billion or 0.6 percent to \$422.8 billion. Inventories decreased \$2.3 billion or 1.7 percent to \$135.3 billion.

Defense new orders for capital goods in August increased \$0.1 billion or 1.1 percent to \$9.9 billion. Shipments increased \$0.3 billion or 2.9 percent to \$10.8 billion. Unfilled orders decreased \$0.8 billion or 0.6 percent to \$140.7 billion. Inventories decreased \$0.1 billion or 0.3 percent to \$20.2 billion.

Revised July Data

Revised seasonally adjusted July figures for all manufacturing industries were: new orders, \$354.9 billion (revised from \$355.5 billion); shipments, \$360.0 billion (revised from \$359.7 billion); unfilled orders, \$740.0 billion (revised from \$740.6 billion); and total inventories, \$502.4 billion (revised from \$503.1 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 October 2, 2009, at 10:00 a.m. EDT. The advance report on durable goods for September is scheduled for release on October 28, 2009, at 8:30 a.m. EDT. See back page for survey description.

Table 1. Durable Goods Manufacturers' Shipments and New Orders [Millions of Dollars]

ltem	Seasonally Adjusted Monthly Percent Change						Not Seasonally Adjusted ¹ Monthly Year to Date					
	Aug 2009 ²	Jul 2009 ^r	Jun 2009	Jul - Aug ²	Jun - Jul ^r	May - Jun	Aug 2009 ²	Jul 2009 ^r	Aug 2008	2009	2008	Percent Change 09/08
DURABLE GOODS												
Total: Shipments New Orders ⁴	171,256 164,442	173,657 168,480	169,836 160,821	-1.4 -2.4	2.2 4.8	0.8 -1.1	175,081 165,888	164,742 156,300		1,373,189 1,276,918	1,693,270 1,700,733	-18.9 -24.9
Excluding transportation: Shipments New Orders ⁴	129,115 124,989	130,657 124,996	127,146 123,867	-1.2 0.0	2.8 0.9	0.6 2.6	131,929 125,674	129,224 122,709			1,270,804 1,252,967	-18.8 -22.2
Excluding defense: Shipments New Orders ⁴	157,465 151,490	160,020 155,183	155,658 148,863	-1.6 -2.4	2.8 4.2	0.4 0.8	161,424 154,305	152,342 146,331		1,269,244 1,181,293	1,602,859 1,608,791	-20.8 -26.6
Manufacturing with unfilled orders: Shipments New Orders ⁴	123,094 120,283	124,502 123,768	123,467 117,408	-1.1 -2.8	0.8 5.4	1.6 -1.4	125,909 120,639	117,826 115,002	152,372	989,720	1,214,159 1,262,296	
Primary metals: Shipments New Orders	13,326 13,747	13,121 13,491	12,277 13,074	1.6 1.9	6.9 3.2	1.7 12.2	14,363 14,947	13,456 13,917	23,845 22,223	106,555 103,741	182,274 183,408	
Fabricated metal products: Shipments New Orders	23,832 23,512	23,823 23,314	23,439 22,516	0.0 0.8	1.6 3.5	0.9 0.5	25,597 24,735	23,952 23,304	29,590 28,545	192,761 185,276	223,557 226,292	-13.8 -18.1
Machinery: Shipments New Orders	22,101 21,621	22,421 21,477	23,327 23,307	-1.4 0.7	-3.9 -7.9	0.7 4.6	21,592 20,753	21,962 21,456	27,975 28,759			-20.2 -29.9
Computers and electronic products: Shipments New Orders ⁴	29,251 25,387	30,047 25,573	27,879 25,138	-2.6 -0.7	7.8 1.7	0.6 1.5	28,071 23,286	28,493 22,442	29,516 25,042	221,039 188,992		-11.7 -10.6
Computers and related products: Shipments New Orders	4,265 4,379	4,443 4,489	4,366 4,660	-4.0 -2.5	1.8 -3.7	0.3 0.5	3,891 4,005	3,965 4,011	4,323 4,404	33,351 33,231	39,526 39,713	-15.6 -16.3
Communications equipment: Shipments New Orders	5,197 5,474	5,336 5,390	5,114 4,923	-2.6 1.6	4.3 9.5	11.7 -0.6	4,953 4,700	4,510 4,420		37,329 37,881	43,902 44,684	-15.0 -15.2
Semiconductors: Shipments New Orders ⁴	4,003 (NA)	4,443 (NA)	2,956 (NA)	-9.9 (NA)	50.3 (NA)	-14.9 (NA)	3,923 (NA)	5,618 (NA)	4,259 (NA)	30,246 (NA)		-25.6 (NA)
Electrical equipment, appliances, and components: Shipments New Orders	8,237 8,380	8,523 8,424	8,318 8,081	-3.4 -0.5	2.5 4.2	0.3 1.7	8,514 8,509	8,281 8,472	10,823 10,300	67,241 65,996	84,982 87,008	-20.9 -24.1
Transportation equipment: Shipments New Orders	42,141 39,453	43,000 43,484	42,690 36,954	-2.0 -9.3	0.7 17.7	1.5 -11.9	43,152 40,214	35,518 33,591	51,133 52,585	341,904 301,866		-19.1 -32.6
Motor vehicles and parts: Shipments New Orders	23,225 23,094	23,600 23,003	22,834 22,641	-1.6 0.4	3.4 1.6	0.2 -0.2	24,590 24,249	18,534 18,342	31,827 31,428			-29.3 -29.6
Nondefense aircraft and parts: Shipments New Orders	7,045 5,084	7,492 8,796	7,304 4,437	-6.0 -42.2	2.6 98.2	1.2 -30.5	6,707 5,172	6,384 6,523	7,946 7,868		66,140 90,291	-10.1 -63.1
Defense aircraft and parts: Shipments New Orders	5,583 5,019	5,446 5,613	6,194 7,081	2.5 -10.6	-12.1 -20.7	8.8 30.3	5,558 4,357	4,825 4,775	4,669 4,557	42,092 40,997	34,990 36,879	
All other durable goods: Shipments New Orders	32,368 32,342	32,722 32,717	31,906 31,751	-1.1 -1.1	2.6 3.0	-0.2 0.2	33,792 33,444	33,080 33,118	37,965 37,483	257,034 256,528		-13.1 -13.3
Capital goods: ³ Shipments New Orders	66,224 62,679	67,310 66,575	67,412 61,502	-1.6 -5.9	-0.2 8.2	1.8 -5.6	64,661 58,935	62,580 59,051	73,646 73,472	529,107 473,359	603,871 643,302	-12.4 -26.4
Nondefense capital goods: Shipments New Orders	55,470 52,735	56,860 56,735	56,529 53,014	-2.4 -7.1	0.6 7.0	1.1 -0.2	53,895 49,961	52,885 51,927	64,611 64,772	448,573 400,343		-16.0 -30.1
Excluding aircraft: Shipments New Orders	51,922 51,395	52,937 51,576	52,774 52,237	-1.9 -0.4	0.3 -1.3	1.4 3.8	50,546 48,388	49,753 48,497	60,457 60,479	417,418 397,717		
Defense capital goods: Shipments New Orders	10,754 9,944	10,450 9,840	10,883 8,488	2.9 1.1	-4.0 15.9	5.3 -29.5	10,766 8,974	9,695 7,124	9,035 8,700			14.8 3.1

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]

	Seasonally Adjusted Monthly Percent Change						Not Seasonally Adjusted ¹ Monthly Percent				
ltem	Aug 2009 ²	Jul 2009 ^r	Jun 2009	Jul - Aug ²	Jun - Jul ^r	May - Jun	Aug 2009 ²	Jul 2009 ^r	Aug 2008	Change 2009/ 2008	
DURABLE GOODS											
Total: Unfilled Orders ⁴ Total Inventories	737,140	739,951	740,685	-0.4	-0.1	-0.8	732,728	737,998	819,953	-10.6	
	308,883	313,089	316,667	-1.3	-1.1	-1.5	310,783	313,946	341,870	-9.1	
Excluding transportation: Unfilled Orders ⁴ Total Inventories	305,764	305,887	307,105	0.0	-0.4	-0.1	304,931	307,263	357,858	-14.8	
	217,651	219,093	223,434	-0.7	-1.9	-2.2	218,693	219,165	251,996	-13.2	
Excluding defense: Unfilled Orders ⁴ Total Inventories	580,073	582,045	582,439	-0.3	-0.1	-0.7	578,492	581,688	667,113	-13.3	
	282,653	286,839	290,643	-1.5	-1.3	-1.6	284,510	287,647	317,210	-10.3	
Manufacturing with unfilled orders: Unfilled Orders ⁴ Total Inventories	737,140 248,396	739,951 252,213	740,685 254,527	-0.4 -1.5	-0.1 -0.9	-0.8 -1.6	732,728 250,115	737,998 253,098	819,953 274,853	-10.6 -9.0	
Primary metals: Unfilled Orders Total Inventories	15,124	14,703	14,333	2.9	2.6	5.9	15,513	14,929	28,397	-45.4	
	25,260	25,479	26,193	-0.9	-2.7	-3.2	25,602	25,674	35,367	-27.6	
Fabricated metal products: Unfilled Orders Total Inventories	49,006	49,326	49,835	-0.6	-1.0	-1.8	49,250	50,112	62,154	-20.8	
	37,390	37,896	38,684	-1.3	-2.0	-2.4	37,397	38,007	44,907	-16.7	
Machinery: Unfilled Orders Total Inventories	86,133	86,613	87,557	-0.6	-1.1	0.0	85,775	86,614	105,613	-18.8	
	49,602	49,655	50,742	-0.1	-2.1	-1.6	49,488	49,129	54,576	-9.3	
Computers and electronic products: Unfilled Orders ⁴ Total Inventories	124,149	124,010	124,041	0.1	0.0	0.2	122,778	123,640	123,374	-0.5	
	43,501	43,619	44,275	-0.3	-1.5	-2.9	44,239	43,822	47,923	-7.7	
Computers and related products: Unfilled Orders Total Inventories	3,970 4,195	3,856 4,240	3,810 4,330	3.0 -1.1	1.2 -2.1	8.4 -1.7	3,970 4,424	3,856 4,277	3,904 5,311	1.7 -16.7	
Communications equipment: Unfilled Orders Total Inventories	37,796	37,519	37,465	0.7	0.1	-0.5	37,306	37,559	37,199	0.3	
	9,254	9,303	9,531	-0.5	-2.4	-9.2	9,282	9,226	10,050	-7.6	
Semiconductors: Unfilled Orders ⁴ Total Inventories ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	
	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	
Electrical equipment, appliances, and components: Unfilled Orders Total Inventories	20,150 12,578	20,007 12,750	20,106 12,917	0.7 -1.3	-0.5 -1.3	-1.2 -2.1	20,354 12,548	20,359 12,780	25,090 15,199	-18.9 -17.4	
Transportation equipment: Unfilled Orders Total Inventories	431,376	434,064	433,580	-0.6	0.1	-1.3	427,797	430,735	462,095	-7.4	
	91,232	93,996	93,233	-2.9	0.8	0.0	92,090	94,781	89,874	2.5	
Motor vehicles and parts: Unfilled Orders Total Inventories	13,840	13,971	14,568	-0.9	-4.1	-1.3	13,886	14,227	17,192	-19.2	
	18,380	18,593	18,760	-1.1	-0.9	-0.9	18,527	18,790	23,407	-20.8	
Nondefense Aircraft and parts: Unfilled Orders Total Inventories	283,773	285,734	284,430	-0.7	0.5	-1.0	281,969	283,504	304,766	-7.5	
	45,978	48,200	47,672	-4.6	1.1	1.2	46,496	48,655	40,720	14.2	
Defense Aircraft and parts: Unfilled Orders Total Inventories	47,800	48,364	48,197	-1.2	0.3	1.9	47,132	48,333	45,191	4.3	
	15,888	15,794	15,530	0.6	1.7	0.3	15,972	15,873	14,308	11.6	
All other durable goods: Unfilled Orders Total Inventories	11,202	11,228	11,233	-0.2	0.0	-1.4	11,261	11,609	13,230	-14.9	
	49,320	49,694	50,623	-0.8	-1.8	-1.3	49,419	49,753	54,024	-8.5	
Capital goods: ³ Unfilled Orders Total Inventories	563,522	567,067	567,802	-0.6	-0.1	-1.0	558,187	563,913	614,888	-9.2	
	155,471	157,822	159,466	-1.5	-1.0	-1.2	156,536	157,995	160,623	-2.5	
Nondefense capital goods: Unfilled Orders Total Inventories	422,845	425,580	425,705	-0.6	0.0	-0.8	420,040	423,974	477,523	-12.0	
	135,305	137,596	139,419	-1.7	-1.3	-1.2	136,411	137,799	141,549	-3.6	
Excluding aircraft: Unfilled Orders Total Inventories	174,617	175,144	176,505	-0.3	-0.8	-0.3	173,481	175,639	204,915	-15.3	
	98,877	99,317	101,312	-0.4	-2.0	-2.2	99,561	99,114	109,601	-9.2	
Defense capital goods: Unfilled Orders Total Inventories	140,677	141,487	142,097	-0.6	-0.4	-1.7	138,147	139,939	137,365	0.6	
	20,166	20,226	20,047	-0.3	0.9	-1.0	20,125	20,196	19,074	5.5	

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.