

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR IMMEDIATE RELEASE
FRIDAY, SEPTEMBER 25, 2009, AT 8:30 A.M. EDT

Chris Savage or Jessica Young
Manufacturing and Construction Division
(301) 763-4832

M3-1 (09)-08
CB09-149

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 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 2009/2008
	Aug 2009 ²	Jul 2009 ^r	Jun 2009	Jul - Aug ²	Jun - Jul ^r	May - Jun	Aug 2009 ²	Jul 2009 ^r	Aug 2008	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	737,140	739,951	740,685	-0.4	-0.1	-0.8	732,728	737,998	819,953	-10.6
Total Inventories.....	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	305,764	305,887	307,105	0.0	-0.4	-0.1	304,931	307,263	357,858	-14.8
Total Inventories.....	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	580,073	582,045	582,439	-0.3	-0.1	-0.7	578,492	581,688	667,113	-13.3
Total Inventories.....	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	737,140	739,951	740,685	-0.4	-0.1	-0.8	732,728	737,998	819,953	-10.6
Total Inventories.....	248,396	252,213	254,527	-1.5	-0.9	-1.6	250,115	253,098	274,853	-9.0
Primary metals:										
Unfilled Orders.....	15,124	14,703	14,333	2.9	2.6	5.9	15,513	14,929	28,397	-45.4
Total Inventories.....	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.....	49,006	49,326	49,835	-0.6	-1.0	-1.8	49,250	50,112	62,154	-20.8
Total Inventories.....	37,390	37,896	38,684	-1.3	-2.0	-2.4	37,397	38,007	44,907	-16.7
Machinery:										
Unfilled Orders.....	86,133	86,613	87,557	-0.6	-1.1	0.0	85,775	86,614	105,613	-18.8
Total Inventories.....	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	124,149	124,010	124,041	0.1	0.0	0.2	122,778	123,640	123,374	-0.5
Total Inventories.....	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.....	3,970	3,856	3,810	3.0	1.2	8.4	3,970	3,856	3,904	1.7
Total Inventories.....	4,195	4,240	4,330	-1.1	-2.1	-1.7	4,424	4,277	5,311	-16.7
Communications equipment:										
Unfilled Orders.....	37,796	37,519	37,465	0.7	0.1	-0.5	37,306	37,559	37,199	0.3
Total Inventories.....	9,254	9,303	9,531	-0.5	-2.4	-9.2	9,282	9,226	10,050	-7.6
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.....	20,150	20,007	20,106	0.7	-0.5	-1.2	20,354	20,359	25,090	-18.9
Total Inventories.....	12,578	12,750	12,917	-1.3	-1.3	-2.1	12,548	12,780	15,199	-17.4
Transportation equipment:										
Unfilled Orders.....	431,376	434,064	433,580	-0.6	0.1	-1.3	427,797	430,735	462,095	-7.4
Total Inventories.....	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.....	13,840	13,971	14,568	-0.9	-4.1	-1.3	13,886	14,227	17,192	-19.2
Total Inventories.....	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.....	283,773	285,734	284,430	-0.7	0.5	-1.0	281,969	283,504	304,766	-7.5
Total Inventories.....	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.....	47,800	48,364	48,197	-1.2	0.3	1.9	47,132	48,333	45,191	4.3
Total Inventories.....	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.....	11,202	11,228	11,233	-0.2	0.0	-1.4	11,261	11,609	13,230	-14.9
Total Inventories.....	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.....	563,522	567,067	567,802	-0.6	-0.1	-1.0	558,187	563,913	614,888	-9.2
Total Inventories.....	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.....	422,845	425,580	425,705	-0.6	0.0	-0.8	420,040	423,974	477,523	-12.0
Total Inventories.....	135,305	137,596	139,419	-1.7	-1.3	-1.2	136,411	137,799	141,549	-3.6
Excluding aircraft:										
Unfilled Orders.....	174,617	175,144	176,505	-0.3	-0.8	-0.3	173,481	175,639	204,915	-15.3
Total Inventories.....	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.....	140,677	141,487	142,097	-0.6	-0.4	-1.7	138,147	139,939	137,365	0.6
Total Inventories.....	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>.