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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders May 2010

New Orders

New orders for manufactured durable goods in May decreased \$2.2 billion or 1.1 percent to \$192.0 billion, the U.S. Census Bureau announced today. This decrease followed five consecutive monthly increases including a 3.0 percent April increase. Excluding transportation, new orders increased 0.9 percent. Excluding defense, new orders decreased 1.1 percent.

Transportation equipment, down three of the last four months, had the largest decrease, \$3.5 billion or 6.9 percent to \$46.9 billion. This was led by nondefense aircraft and parts which decreased \$3.0 billion.

Shipments

Shipments of manufactured durable goods in May, down following two consecutive monthly increases, decreased \$0.8 billion or 0.4 percent to \$196.0 billion. This followed a 1.8 percent April increase.

Transportation equipment, down following two consecutive monthly increases, had the largest decrease, \$1.3 billion or 2.8 percent to \$47.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in May, up four of the last five months, increased \$1.4 billion or 0.2 percent to \$802.8 billion. This followed a 0.4 percent April increase.

Machinery, up six of the last seven months, had the largest increase, \$1.5 billion or 1.7 percent to \$93.1 billion.

Inventories

Inventories of manufactured durable goods in May, up five consecutive months, increased \$2.5 billion or 0.8 percent to \$304.4 billion. This followed a 0.8 percent April increase.

Primary metals, up seven consecutive months, had the largest increase, \$0.9 billion or 3.0 percent to \$30.7 billion.

Capital Goods

Nondefense new orders for capital goods in May decreased \$1.8 billion or 2.8 percent to \$63.7 billion. Shipments increased \$0.2 billion or 0.3 percent to \$62.4 billion. Unfilled orders increased \$1.3 billion or 0.3 percent to \$484.7 billion. Inventories increased \$0.9 billion or 0.7 percent to \$126.2 billion.

Defense new orders for capital goods in May decreased \$0.3 billion or 3.0 percent to \$10.3 billion. Shipments decreased \$0.6 billion or 5.7 percent to \$10.0 billion. Unfilled orders increased \$0.3 billion or 0.2 percent to \$139.8 billion. Inventories decreased \$0.1 billion or 0.7 percent to \$17.9 billion.

Revised April Data

Revised seasonally adjusted April figures for all manufacturing industries were: new orders, \$420.2 billion (revised from \$420.1 billion); shipments, \$422.8 billion (revised from \$422.3 billion); unfilled orders, \$801.4 billion (revised from \$801.2 billion); and total inventories, \$522.3 billion (revised from \$521.7 billion).

Figures in text are adjusted for seasonality but not for inflation. 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 July 2, 2010, at 10:00 a.m. EDT. The advance report on durable goods for June is scheduled for release on July 28, 2010, at 8:30 a.m. EDT. See back page for survey description.

Table 1. Durable Goods Manufacturers' Shipments and New Orders¹

[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]

Item	Seasonally Adjusted						Not Seasonally Adjusted					
	Monthly			Percent Change			Monthly			Year to Date		
	May 2010 ²	Apr 2010 ¹	Mar 2010	Apr - May ²	Mar - Apr ¹	Feb - Mar	May 2010 ²	Apr 2010 ¹	May 2009	2010	2009	Change 10/09
DURABLE GOODS												
Total:												
Shipments.....	195,977	196,765	193,305	-0.4	1.8	2.1	194,351	196,211	174,192	945,597	881,676	7.2
New Orders ⁴	192,008	194,175	188,530	-1.1	3.0	0.1	187,458	190,515	162,589	931,343	799,139	16.5
Excluding transportation:												
Shipments.....	148,913	148,357	145,036	0.4	2.3	1.9	148,026	149,135	129,063	709,526	652,331	8.8
New Orders ⁴	145,104	143,802	144,892	0.9	-0.8	4.9	143,932	143,534	121,682	697,777	605,691	15.2
Excluding defense:												
Shipments.....	183,579	183,518	179,607	0.0	2.2	2.3	182,161	183,660	160,985	880,729	819,801	7.4
New Orders ⁴	179,233	181,151	175,005	-1.1	3.5	0.0	176,462	179,495	150,089	864,974	738,504	17.1
Manufacturing with unfilled orders:												
Shipments.....	143,232	143,147	142,593	0.1	0.4	2.8	141,920	140,415	126,345	688,124	640,076	7.5
New Orders.....	144,642	146,699	141,910	-1.4	3.4	-0.6	140,082	142,800	118,983	702,442	580,667	21.0
Primary metals:												
Shipments.....	20,240	20,040	19,994	1.0	0.2	5.9	20,683	20,672	13,654	97,259	71,873	35.3
New Orders.....	20,288	20,133	20,151	0.8	-0.1	3.8	20,804	20,473	13,152	99,615	67,052	48.6
Fabricated metal products:												
Shipments.....	27,820	27,491	27,101	1.2	1.4	1.6	28,059	27,414	25,390	131,913	127,027	3.8
New Orders.....	27,413	27,741	27,570	-1.2	0.6	1.7	28,123	28,068	25,168	135,530	122,211	10.9
Machinery:												
Shipments.....	24,713	23,938	24,376	3.2	-1.8	4.2	25,330	24,910	22,795	119,378	117,691	1.4
New Orders.....	26,229	24,840	26,285	5.6	-5.5	11.0	26,326	26,443	21,257	125,849	106,501	18.2
Computers and electronic products⁴:												
Shipments.....	32,724	33,594	30,845	-2.6	8.9	-2.2	30,094	32,860	26,225	154,925	136,975	13.1
New Orders.....	27,581	27,558	27,102	0.1	1.7	5.3	24,347	24,709	21,343	126,205	112,474	12.2
Computers and related products:												
Shipments.....	5,857	6,051	6,001	-3.2	0.8	9.1	5,098	5,534	4,454	26,531	24,169	9.8
New Orders.....	6,151	6,000	6,374	2.5	-5.9	17.7	5,392	5,483	4,646	26,553	22,876	16.1
Communications equipment:												
Shipments.....	3,835	3,883	3,766	-1.2	3.1	3.5	3,486	3,201	3,162	16,971	16,159	5.0
New Orders.....	3,268	3,609	3,409	-9.4	5.9	-2.9	2,663	3,267	3,313	16,340	17,192	-5.0
Semiconductors⁴:												
Shipments.....	NA	NA	4,092	NA	NA	-18.5	NA	NA	4,241	NA	NA	NA
New Orders.....	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Electrical equipment, appliances, and components:												
Shipments.....	9,568	9,540	9,400	0.3	1.5	2.8	9,657	9,646	8,807	45,710	43,999	3.9
New Orders.....	9,755	9,766	10,395	-0.1	-6.1	13.4	9,937	9,972	8,567	48,612	42,985	13.1
Transportation equipment:												
Shipments.....	47,064	48,408	48,269	-2.8	0.3	2.6	46,325	47,076	45,129	236,071	229,345	2.9
New Orders.....	46,904	50,373	43,638	-6.9	15.4	-13.2	43,526	46,981	40,907	233,566	193,448	20.7
Motor vehicles and parts:												
Shipments.....	29,479	29,324	28,770	0.5	1.9	4.3	29,058	29,343	24,993	145,104	131,769	10.1
New Orders.....	29,446	29,231	28,649	0.7	2.0	4.5	28,881	29,307	24,681	144,589	130,922	10.4
Nondefense aircraft and parts:												
Shipments.....	6,229	6,925	6,973	-10.1	-0.7	4.5	5,962	6,224	7,532	31,587	38,625	-18.2
New Orders.....	7,144	10,144	3,213	-29.6	215.7	-71.1	5,503	8,274	4,847	32,048	12,014	166.8
Defense aircraft and parts:												
Shipments.....	5,049	5,594	5,754	-9.7	-2.8	0.2	4,855	5,149	5,448	26,366	24,123	9.3
New Orders.....	4,907	5,283	5,501	-7.1	-4.0	1.4	4,272	4,403	4,350	26,853	23,676	13.4
All other durable goods:												
Shipments.....	33,848	33,754	33,320	0.3	1.3	2.1	34,203	33,633	32,192	160,341	154,766	3.6
New Orders.....	33,838	33,764	33,389	0.2	1.1	1.2	34,395	33,869	32,195	161,966	154,468	4.9
Capital goods:³												
Shipments.....	72,373	72,775	73,321	-0.6	-0.7	1.9	70,471	70,607	67,033	351,383	340,568	3.2
New Orders.....	74,039	76,170	71,570	-2.8	6.4	-5.7	68,909	72,743	60,986	358,102	292,784	22.3
Nondefense capital goods:												
Shipments.....	62,387	62,190	62,245	0.3	-0.1	2.5	60,638	60,432	56,235	298,524	290,295	2.8
New Orders.....	63,728	65,540	60,600	-2.8	8.2	-6.7	60,005	63,636	50,476	304,300	243,078	25.2
Excluding aircraft:												
Shipments.....	59,039	58,121	58,121	1.6	0.0	2.3	57,325	56,797	51,259	280,508	265,835	5.5
New Orders.....	59,607	58,384	59,980	2.1	-2.7	6.7	57,184	57,884	48,286	285,628	247,289	15.5
Defense capital goods:												
Shipments.....	9,986	10,585	11,076	-5.7	-4.4	-1.5	9,833	10,175	10,798	52,859	50,273	5.1
New Orders.....	10,311	10,630	10,970	-3.0	-3.1	0.0	8,904	9,107	10,510	53,802	49,706	8.2

NA Not Available ¹ Revised data due to late receipts and concurrent seasonal adjustment¹ Estimates of shipments and new orders are for the duration of the period, while estimates of unfilled orders and total inventories are for the end of the period. Not seasonally adjusted estimates of shipments and new orders include adjusted data for non-calendar reporters. Seasonally adjusted estimates include concurrent adjustments for holiday and trading-day differences, where appropriate, as well as seasonal variation, based on the results of the latest annual review of the model parameters. Estimates are not adjusted for price changes.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. For further details on survey design, methodology, and data limitations, see <http://www.census.gov/manufacturing/m3>.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 equipment⁴ Estimates of shipments for the semiconductor industry are no longer shown separately. Estimates and percent changes of shipments and inventories for the semiconductor industry are included in computers and electronic products, and all other applicable aggregate totals. Estimates and percent changes for new orders and unfilled orders excludes semiconductor industry data.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories¹

[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]

Item	Seasonally Adjusted						Not Seasonally Adjusted			
	Monthly			Percent Change			Monthly			Percent
	May 2010 ²	Apr 2010 ^f	Mar 2010	Apr - May ²	Mar - Apr ^f	Feb - Mar	May 2010 ²	Apr 2010 ^f	May 2009	2010/ 2009
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	802,831	801,421	797,869	0.2	0.4	-0.1	807,004	808,842	833,241	-3.1
Total Inventories.....	304,395	301,897	299,463	0.8	0.8	0.6	307,147	303,728	316,492	-3.0
Excluding transportation:										
Unfilled Orders ⁴	323,179	321,609	320,022	0.5	0.5	1.2	326,552	325,591	319,179	2.3
Total Inventories.....	225,513	223,411	221,415	0.9	0.9	0.6	226,893	224,082	235,399	-3.6
Excluding defense:										
Unfilled Order ⁴	649,316	648,283	644,508	0.2	0.6	-0.1	651,951	652,595	666,167	-2.1
Total Inventories.....	281,291	278,639	275,883	1.0	1.0	0.7	283,988	280,365	293,144	-3.1
Manufacturing with unfilled orders:										
Unfilled Orders.....	802,831	801,421	797,869	0.2	0.4	-0.1	807,004	808,842	833,241	-3.1
Total Inventories.....	247,033	245,136	242,715	0.8	1.0	0.7	249,215	246,642	254,855	-2.2
Primary metals:										
Unfilled Orders.....	18,650	18,602	18,509	0.3	0.5	0.9	18,727	18,606	15,115	23.9
Total Inventories.....	30,702	29,812	28,673	3.0	4.0	2.4	30,545	29,576	28,231	8.2
Fabricated metal products:										
Unfilled Orders.....	54,013	54,420	54,170	-0.7	0.5	0.9	55,691	55,627	57,297	-2.8
Total Inventories.....	41,266	40,930	40,617	0.8	0.8	1.4	41,392	41,106	42,364	-2.3
Machinery:										
Unfilled Orders.....	93,066	91,550	90,648	1.7	1.0	2.2	93,637	92,641	89,268	4.9
Total Inventories.....	49,681	49,483	49,343	0.4	0.3	0.0	50,049	49,876	54,629	-8.4
Computers and electronic products⁴:										
Unfilled Orders.....	120,989	120,753	120,647	0.2	0.1	0.3	121,361	122,053	123,472	-1.7
Total Inventories.....	43,671	43,400	43,163	0.6	0.5	0.1	44,181	43,397	45,858	-3.7
Computers and related products:										
Unfilled Orders.....	5,393	5,099	5,150	5.8	-1.0	7.8	5,393	5,099	4,225	27.6
Total Inventories.....	4,603	4,494	4,486	2.4	0.2	-1.8	4,870	4,436	4,647	4.8
Communications equipment:										
Unfilled Orders.....	27,842	28,409	28,683	-2.0	-1.0	-1.2	28,143	28,966	29,545	-4.7
Total Inventories.....	7,539	7,523	7,402	0.2	1.6	-5.2	7,682	7,560	8,697	-11.7
Semiconductors⁴:										
Unfilled Orders.....	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total Inventories.....	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Electrical equipment, appliances, and components:										
Unfilled Orders.....	23,696	23,509	23,283	0.8	1.0	4.5	24,003	23,723	22,275	7.8
Total Inventories.....	13,740	13,648	13,580	0.7	0.5	0.5	13,969	13,871	14,848	-5.9
Transportation equipment:										
Unfilled Orders.....	479,652	479,812	477,847	0.0	0.4	-1.0	480,452	483,251	514,062	-6.5
Total Inventories.....	78,882	78,486	78,048	0.5	0.6	0.6	80,254	79,646	81,093	-1.0
Motor vehicles and parts:										
Unfilled Orders.....	14,111	14,144	14,237	-0.2	-0.7	-0.8	14,133	14,310	15,381	-8.1
Total Inventories.....	20,324	20,076	19,866	1.2	1.1	0.7	20,707	20,530	20,151	2.8
Nondefense Aircraft and parts:										
Unfilled Orders.....	324,224	323,309	320,090	0.3	1.0	-1.2	324,026	324,485	339,407	-4.5
Total Inventories.....	35,921	35,561	34,914	1.0	1.9	1.6	36,778	36,108	35,777	2.8
Defense Aircraft and parts:										
Unfilled Orders.....	47,734	47,876	48,187	-0.3	-0.6	-0.5	48,235	48,818	50,586	-4.6
Total Inventories.....	12,145	12,191	12,271	-0.4	-0.7	-0.9	12,208	12,191	12,124	0.7
All other durable goods:										
Unfilled Orders.....	12,765	12,775	12,765	-0.1	0.1	0.5	13,133	12,941	11,752	11.8
Total Inventories.....	46,453	46,138	46,039	0.7	0.2	0.2	46,757	46,256	49,469	-5.5
Capital goods:³										
Unfilled Orders.....	624,530	622,864	619,469	0.3	0.5	-0.3	627,171	628,733	657,681	-4.6
Total Inventories.....	144,037	143,259	142,272	0.5	0.7	-0.1	145,907	144,217	151,605	-3.8
Nondefense capital goods:										
Unfilled Orders.....	484,735	483,394	480,044	0.3	0.7	-0.3	485,945	486,578	504,578	-3.7
Total Inventories.....	126,179	125,269	124,055	0.7	1.0	-0.2	128,057	126,122	133,623	-4.2
Excluding aircraft:										
Unfilled Orders.....	190,351	189,783	189,520	0.3	0.1	1.0	191,982	192,123	195,320	-1.7
Total Inventories.....	98,494	97,880	97,419	0.6	0.5	-0.6	99,643	98,274	106,262	-6.2
Defense capital goods:										
Unfilled Orders.....	139,795	139,470	139,425	0.2	0.0	-0.1	141,226	142,155	153,103	-7.8
Total Inventories.....	17,858	17,990	18,217	-0.7	-1.2	0.0	17,850	18,095	17,982	-0.7

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 65 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 60 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>.