

U.S. Census Bureau News

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

FOR IMMEDIATE RELEASE
THURSDAY, JANUARY 26, 2012, AT 8:30 A.M. EST

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M3-1 (11)-12
CB12-17

Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders December 2011

New Orders

New orders for manufactured durable goods in December increased \$6.2 billion or 3.0 percent to \$214.5 billion, the U.S. Census Bureau announced today. This increase, up five of the last six months, followed a 4.3 percent November increase. Excluding transportation, new orders increased 2.1 percent. Excluding defense, new orders increased 3.5 percent.

Transportation equipment, up two consecutive months, had the largest increase, \$3.0 billion or 5.5 percent to \$58.4 billion. This was due to nondefense aircraft and parts, which increased \$3.1 billion.

Shipments

Shipments of manufactured durable goods in December, up two of the last three months, increased \$4.3 billion or 2.1 percent to \$207.3 billion. This followed a 0.3 percent November decrease.

Primary metals, up seventeen of the last eighteen months, had the largest increase, \$2.2 billion or 8.2 percent to \$29.0 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 5.0 percent November increase.

Unfilled Orders

Unfilled orders for manufactured durable goods in December, up twenty of the last twenty one months, increased \$13.1 billion or 1.5 percent to \$912.3 billion. This followed a 1.4 percent November increase.

Transportation equipment, up eleven of the last twelve months, had the largest increase, \$10.6 billion or 2.1 percent to \$529.7 billion.

Inventories

Inventories of manufactured durable goods in December, up twenty four consecutive months, increased \$1.2 billion or 0.3 percent to \$370.1 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 0.6 percent November increase.

Transportation equipment, also up twenty four consecutive months, had the largest increase, \$1.7 billion or 1.5 percent to \$116.4 billion.

Capital Goods

Nondefense new orders for capital goods in December increased \$4.6 billion or 5.8 percent to \$84.4 billion. Shipments increased \$1.8 billion or 2.6 percent to \$71.5 billion. Unfilled orders increased \$12.9 billion or 2.4 percent to \$545.6 billion. Inventories increased \$1.0 billion or 0.6 percent to \$170.6 billion.

Defense new orders for capital goods in December decreased \$0.8 billion or 12.4 percent to \$5.3 billion. Shipments increased \$0.6 billion or 8.9 percent to \$7.6 billion. Unfilled orders decreased \$2.2 billion or 1.5 percent to \$149.0 billion. Inventories decreased \$0.6 billion or 2.7 percent to \$20.0 billion.

Revised November Data

Revised seasonally adjusted November figures for all manufacturing industries were: new orders, \$461.2 billion (revised from \$459.2 billion); shipments, \$455.9 billion (revised from \$455.0 billion); unfilled orders, \$899.2 billion (revised from \$898.3 billion); and total inventories, \$609.9 billion (revised from \$609.8 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 February 3, 2012, at 10:00 a.m. EST. The advance report on durable goods for January is scheduled for release on February 28, 2012, at 8:30 a.m. EST. See back page for survey description.

Table 1. Durable Goods Manufacturers' Shipments and New Orders ¹

[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		
	Dec 2011 ²	Nov 2011 ^f	Oct 2011	Nov - Dec ²	Oct - Nov ^f	Sep - Oct	Dec 2011 ²	Nov 2011 ^f	Dec 2010	2011	2010	Change 11/10
DURABLE GOODS												
Total:												
Shipments.....	207,255	202,972	203,613	2.1	-0.3	1.5	203,106	195,412	190,512	2,379,105	2,206,324	7.8
New Orders ⁴	214,522	208,280	199,627	3.0	4.3	0.1	224,580	197,702	196,345	2,381,397	2,165,303	10.0
Excluding transportation:												
Shipments.....	159,527	155,727	155,157	2.4	0.4	0.3	153,887	148,606	142,866	1,817,096	1,668,164	8.9
New Orders ⁴	156,148	152,940	152,173	2.1	0.5	1.6	152,263	143,538	145,394	1,774,565	1,631,797	8.7
Excluding defense:												
Shipments.....	197,368	193,606	194,542	1.9	-0.5	1.9	191,931	185,988	178,645	2,260,081	2,064,264	9.5
New Orders ⁴	206,699	199,779	190,913	3.5	4.6	1.1	212,008	190,203	179,771	2,258,662	2,023,802	11.6
Manufacturing with unfilled orders:												
Shipments.....	151,455	146,377	146,056	3.5	0.2	0.4	150,453	140,187	140,032	1,715,054	1,588,369	8.0
New Orders.....	164,528	158,378	149,157	3.9	6.2	-1.1	175,964	149,099	150,423	1,795,660	1,619,154	10.9
Primary metals:												
Shipments.....	29,033	26,842	25,569	8.2	5.0	4.0	24,318	24,237	17,449	287,911	220,613	30.5
New Orders.....	29,263	27,838	26,355	5.1	5.6	5.9	25,377	25,243	19,210	289,469	228,573	26.6
Fabricated metal products:												
Shipments.....	25,848	25,533	25,221	1.2	1.2	-0.4	23,688	24,565	22,372	299,650	282,500	6.1
New Orders.....	25,578	25,950	25,867	-1.4	0.3	0.2	23,069	24,578	22,371	304,743	283,133	7.6
Machinery:												
Shipments.....	31,620	30,417	30,284	4.0	0.4	-2.7	32,383	28,233	30,118	353,995	315,938	12.0
New Orders.....	34,019	32,101	31,638	6.0	1.5	0.8	33,802	29,082	32,405	378,559	333,934	13.4
Computers and electronic products⁴:												
Shipments.....	29,981	30,284	31,264	-1.0	-3.1	1.1	32,193	29,698	33,179	368,305	364,198	1.1
New Orders.....	23,802	23,520	24,921	1.2	-5.6	1.3	29,375	22,000	31,913	290,380	295,622	-1.8
Computers and related products:												
Shipments.....	5,914	5,806	6,437	1.9	-9.8	6.8	7,198	5,194	6,883	69,830	63,626	9.8
New Orders.....	5,779	5,933	6,408	-2.6	-7.4	4.3	7,063	5,321	6,841	69,556	63,736	9.1
Communications equipment:												
Shipments.....	3,119	2,847	2,909	9.6	-2.1	-8.1	3,902	2,955	4,299	37,369	44,445	-15.9
New Orders.....	2,918	2,855	3,143	2.2	-9.2	1.4	4,133	2,363	5,432	36,019	44,465	-19.0
Electrical equipment, appliances, and components:												
Shipments.....	10,146	10,080	10,180	0.7	-1.0	-0.9	9,940	9,953	9,879	121,213	115,002	5.4
New Orders.....	10,564	10,679	10,663	-1.1	0.2	-0.3	9,870	10,430	10,112	125,239	119,623	4.7
Transportation equipment:												
Shipments.....	47,728	47,245	48,456	1.0	-2.5	5.2	49,219	46,806	47,646	562,009	538,160	4.4
New Orders.....	58,374	55,340	47,454	5.5	16.6	-4.5	72,317	54,164	50,951	606,832	533,506	13.7
Motor vehicles and parts:												
Shipments.....	30,221	29,942	30,241	0.9	-1.0	6.6	28,138	29,499	26,318	352,124	321,179	9.6
New Orders.....	30,261	30,075	30,071	0.6	0.0	5.9	28,682	29,817	26,894	352,589	321,075	9.8
Nondefense aircraft and parts:												
Shipments.....	7,800	7,708	8,721	1.2	-11.6	8.3	10,087	7,858	9,438	88,929	80,141	11.0
New Orders.....	19,506	16,400	8,717	18.9	88.1	-13.9	31,359	16,238	10,382	132,904	86,478	53.7
Defense aircraft and parts:												
Shipments.....	3,972	3,788	3,704	4.9	2.3	-2.3	4,863	3,716	5,262	48,700	58,765	-17.1
New Orders.....	3,861	4,144	3,823	-6.8	8.4	14.8	5,896	3,800	6,482	51,591	59,799	-13.7
All other durable goods:												
Shipments.....	32,899	32,571	32,639	1.0	-0.2	0.7	31,365	31,920	29,869	386,022	369,913	4.4
New Orders.....	32,922	32,852	32,729	0.2	0.4	1.1	30,770	32,205	29,383	386,175	370,912	4.1
Capital goods³:												
Shipments.....	79,053	76,611	78,255	3.2	-2.1	-0.5	85,697	73,764	82,653	914,178	867,486	5.4
New Orders.....	89,699	85,834	79,255	4.5	8.3	-5.4	107,361	81,167	87,915	982,115	885,497	10.9
Nondefense capital goods:												
Shipments.....	71,473	69,649	71,288	2.6	-2.3	0.3	77,513	66,693	73,488	822,041	753,673	9.1
New Orders.....	84,360	79,736	72,748	5.8	9.6	-3.5	98,224	75,889	75,309	886,651	774,373	14.5
Excluding aircraft:												
Shipments.....	66,922	65,060	65,746	2.9	-1.0	-0.9	71,054	61,856	67,225	769,792	705,828	9.1
New Orders.....	68,931	67,015	67,812	2.9	-1.2	-0.9	72,099	62,805	69,633	794,481	722,301	10.0
Defense capital goods:												
Shipments.....	7,580	6,962	6,967	8.9	-0.1	-8.2	8,184	7,071	9,165	92,137	113,813	-19.0
New Orders.....	5,339	6,098	6,507	-12.4	-6.3	-22.2	9,137	5,278	12,606	95,464	111,124	-14.1

¹ Revised data due to late receipts and concurrent seasonal adjustment.² 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.³ 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>.⁴ 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.

⁵ 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 exclude semiconductor industry data.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories ¹

[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
	Dec 2011 ²	Nov 2011 ^r	Oct 2011	Nov - Dec ²	Oct - Nov ^r	Sep - Oct	Dec 2011 ²	Nov 2011 ^r	Dec 2010	2011/2010
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	912,307	899,234	887,233	1.5	1.4	0.4	910,064	884,553	829,458	9.7
Total Inventories.....	370,082	368,909	366,881	0.3	0.6	0.4	359,426	369,535	325,238	10.5
Excluding transportation:										
Unfilled Orders ⁴	382,621	380,194	376,288	0.6	1.0	1.1	375,981	373,568	340,198	10.5
Total Inventories.....	253,654	254,230	253,534	-0.2	0.3	0.4	247,259	254,724	228,542	8.2
Excluding defense:										
Unfilled Orders ⁴	743,801	728,664	715,798	2.1	1.8	0.5	742,949	718,835	666,054	11.5
Total Inventories.....	344,730	342,888	341,188	0.5	0.5	0.4	334,337	343,559	300,504	11.3
Manufacturing with unfilled orders:										
Unfilled Orders.....	912,307	899,234	887,233	1.5	1.4	0.4	910,064	884,553	829,458	9.7
Total Inventories.....	303,176	302,284	300,434	0.3	0.6	0.3	294,495	302,906	265,441	10.9
Primary metals:										
Unfilled Orders.....	34,141	33,911	32,915	0.7	3.0	2.4	33,219	32,160	31,661	4.9
Total Inventories.....	34,315	34,394	34,342	-0.2	0.2	0.0	33,413	34,064	30,070	11.1
Fabricated metal products:										
Unfilled Orders.....	66,101	66,371	65,954	-0.4	0.6	1.0	64,381	65,000	59,288	8.6
Total Inventories.....	46,034	46,305	46,260	-0.6	0.1	0.7	45,112	45,902	41,297	9.2
Machinery:										
Unfilled Orders.....	121,204	118,805	117,121	2.0	1.4	1.2	118,842	117,423	94,278	26.1
Total Inventories.....	60,620	60,371	59,813	0.4	0.9	0.3	58,806	60,933	51,788	13.6
Computers and electronic products⁵:										
Unfilled Orders.....	124,375	124,748	124,819	-0.3	-0.1	0.6	124,260	123,041	123,871	0.3
Total Inventories.....	47,514	47,964	48,124	-0.9	-0.3	0.0	46,385	48,690	44,801	3.5
Computers and related products:										
Unfilled Orders.....	3,380	3,515	3,388	-3.8	3.7	-0.8	3,380	3,515	3,654	-7.5
Total Inventories.....	6,035	6,109	6,142	-1.2	-0.5	1.0	5,702	6,399	5,064	12.6
Communications equipment:										
Unfilled Orders.....	28,206	28,407	28,399	-0.7	0.0	0.8	28,241	28,010	29,591	-4.6
Total Inventories.....	8,948	9,483	9,698	-5.6	-2.2	-0.4	8,892	9,787	9,358	-5.0
Electrical equipment, appliances, and components:										
Unfilled Orders.....	28,204	27,786	27,187	1.5	2.2	1.8	27,278	27,348	23,252	17.3
Total Inventories.....	15,406	15,448	15,459	-0.3	-0.1	0.5	14,793	15,383	14,412	2.6
Transportation equipment:										
Unfilled Orders.....	529,686	519,040	510,945	2.1	1.6	-0.2	534,083	510,985	489,260	9.2
Total Inventories.....	116,428	114,679	113,347	1.5	1.2	0.5	112,167	114,811	96,696	16.0
Motor vehicles and parts:										
Unfilled Orders.....	13,913	13,873	13,740	0.3	1.0	-1.2	14,261	13,717	13,796	3.4
Total Inventories.....	26,617	26,426	26,505	0.7	-0.3	0.9	25,437	26,623	22,792	11.6
Nondefense Aircraft and parts:										
Unfilled Orders.....	376,132	364,426	355,734	3.2	2.4	0.0	381,391	360,119	337,416	13.0
Total Inventories.....	64,364	62,924	61,837	2.3	1.8	1.0	61,747	62,838	49,696	24.2
Defense Aircraft and parts:										
Unfilled Orders.....	55,563	55,674	55,318	-0.2	0.6	0.2	54,996	53,963	52,105	5.5
Total Inventories.....	14,673	14,823	14,302	-1.0	3.6	-1.8	14,455	14,799	13,744	5.2
All other durable goods:										
Unfilled Orders.....	8,596	8,573	8,292	0.3	3.4	1.1	8,001	8,596	7,848	1.9
Total Inventories.....	49,765	49,748	49,536	0.0	0.4	0.7	48,750	49,752	46,174	5.6
Capital goods³:										
Unfilled Orders.....	694,669	684,023	674,800	1.6	1.4	0.1	696,149	674,485	628,212	10.8
Total Inventories.....	190,661	190,213	188,338	0.2	1.0	0.6	184,834	191,652	163,260	13.2
Nondefense capital goods:										
Unfilled Orders.....	545,648	532,761	522,674	2.4	1.9	0.3	548,150	527,439	483,540	13.4
Total Inventories.....	170,620	169,614	168,096	0.6	0.9	0.5	164,838	171,074	143,611	14.8
Excluding aircraft:										
Unfilled Orders.....	213,627	211,618	209,663	0.9	0.9	1.0	210,783	209,738	186,094	13.3
Total Inventories.....	115,402	115,547	114,979	-0.1	0.5	0.3	112,010	117,161	101,906	9.9
Defense capital goods:										
Unfilled Orders.....	149,021	151,262	152,126	-1.5	-0.6	-0.3	147,999	147,046	144,672	2.3
Total Inventories.....	20,041	20,599	20,242	-2.7	1.8	1.0	19,996	20,578	19,649	1.8

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 4,300 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>.

Benchmark Notice

Revised historical data for Manufacturers' Shipments, Inventories, and Orders will be issued on May 18, 2012. These revisions reflect:

- benchmarking the shipments and inventories data to the 2010 Annual Survey of Manufactures (ASM) data, as well as revised ASM benchmarks for prior years;
- incorporating the unfilled orders to shipments ratios obtained from the 2009/2010 Manufacturers' Unfilled Orders Survey by applying these ratios to the respective ASM shipments data, as well as incorporating revised unfilled orders to shipments ratios for prior years;
- adjusting the new orders data to be consistent with the benchmarked shipments and unfilled orders data;
- correcting monthly data for late receipts, reclassifications of reported data, and revisions to previously reported data;
- incorporating the monthly data corrections when producing estimates for industry groups for which we identified companies to be tabbed separately from the link-relative estimation procedure;
- implementing a new SAS[®] benchmarking program, which is based on the same benchmarking methodology as the previous ASCII Fortran program; and
- updating the seasonally adjusted data, based on the results of benchmarking and the recent annual review of the seasonal adjustment models.

An accompanying press release will include the revised 2012 January through March data. Please call Chris Savage on (301) 763-4834 with any questions.