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

New Orders

New orders for manufactured durable goods in February decreased \$1.9 billion or 0.9 percent to \$200.0 billion, the U.S. Census Bureau announced today. This decrease, down four of the last five months, followed a 3.6 percent January increase. Excluding transportation, new orders decreased 0.6 percent. Excluding defense, new orders increased 0.4 percent.

Machinery, down two consecutive months, had the largest decrease, \$1.2 billion or 4.2 percent to \$26.6 billion.

Shipments

Shipments of manufactured durable goods in February, up five of the last six months, increased \$0.7 billion or 0.3 percent to \$203.2 billion. This followed a 0.2 percent January increase.

Machinery, up three of the last four months, had the largest increase, \$0.7 billion or 2.6 percent to \$26.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in February, up ten of the last eleven months, increased \$2.9 billion or 0.4 percent to \$833.7 billion. This followed a 0.7 percent January increase.

Transportation equipment, up two consecutive months, had the largest increase, \$1.1 billion or 0.2 percent to \$477.3 billion.

Inventories

Inventories of manufactured durable goods in February, up fourteen consecutive months, increased \$2.9 billion or 0.9 percent to \$328.3 billion. This followed a 0.9 percent January increase.

Transportation equipment, also up fourteen consecutive months, had the largest increase, \$0.8 billion or 0.9 percent to \$87.8 billion.

Capital Goods

Nondefense new orders for capital goods in February increased \$1.7 billion or 2.5 percent to \$69.1 billion. Shipments increased \$0.7 billion or 1.1 percent to \$66.2 billion. Unfilled orders increased \$2.9 billion or 0.6 percent to \$505.1 billion. Inventories increased \$1.2 billion or 0.8 percent to \$139.7 billion.

Defense new orders for capital goods in February decreased \$2.8 billion or 24.8 percent to \$8.3 billion. Shipments increased \$0.2 billion or 2.5 percent to \$8.5 billion. Unfilled orders decreased \$0.1 billion or 0.1 percent to \$141.4 billion. Inventories increased \$0.1 billion or 0.4 percent to \$17.6 billion.

Revised January Data

Revised seasonally adjusted January figures for all manufacturing industries were: new orders, \$446.1 billion (revised from \$445.6 billion); shipments, \$446.7 billion (revised from \$447.4 billion); unfilled orders, \$830.8 billion (revised from \$829.6 billion); and total inventories, \$560.2 billion (revised from \$559.3 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 March 31, 2011, at 10:00 a.m. EDT. The advance report on durable goods for March is scheduled for release on April 27, 2011, at 8:30 a.m. EDT. See back page for survey description and benchmark notice.

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		
	Feb 2011 ²	Jan 2011 ^f	Dec 2010	Jan - Feb ²	Dec - Jan ^f	Nov - Dec	Feb 2011 ²	Jan 2011 ^f	Feb 2010	2011	2010	Change 11/10
DURABLE GOODS												
Total:												
Shipments.....	203,177	202,472	202,140	0.3	0.2	2.3	188,590	182,096	175,485	370,686	347,937	6.5
New Orders ⁴	199,993	201,846	194,792	-0.9	3.6	-0.6	187,184	185,716	175,761	372,900	346,651	7.6
Excluding transportation:												
Shipments.....	154,149	154,030	153,908	0.1	0.1	2.0	141,653	140,254	130,613	281,907	258,701	9.0
New Orders ⁴	149,821	150,677	155,308	-0.6	-3.0	2.7	140,354	140,060	129,400	280,414	253,203	10.7
Excluding defense:												
Shipments.....	192,320	191,811	190,889	0.3	0.5	2.5	178,125	173,435	162,177	351,560	322,643	9.0
New Orders ⁴	189,402	188,667	183,498	0.4	2.8	-0.5	176,756	172,502	162,925	349,258	319,278	9.4
Manufacturing with unfilled orders:												
Shipments.....	148,237	147,573	148,556	0.4	-0.7	2.8	137,610	131,495	128,788	269,105	251,626	6.9
New Orders.....	151,182	153,605	146,931	-1.6	4.5	-1.3	141,652	143,294	133,380	284,946	262,691	8.5
Primary metals:												
Shipments.....	23,296	22,966	22,111	1.4	3.9	5.2	22,208	21,605	17,667	43,813	34,791	25.9
New Orders.....	22,863	23,356	22,707	-2.1	2.9	-2.0	22,160	23,268	18,602	45,428	37,014	22.7
Fabricated metal products:												
Shipments.....	27,846	27,891	28,012	-0.2	-0.4	1.6	25,554	25,221	24,660	50,775	48,240	5.3
New Orders.....	28,864	28,273	28,009	2.1	0.9	0.9	27,304	26,015	25,631	53,319	49,561	7.6
Machinery:												
Shipments.....	26,066	25,410	27,286	2.6	-6.9	7.3	24,419	23,019	21,912	47,438	42,106	12.7
New Orders.....	26,634	27,790	31,833	-4.2	-12.7	16.3	24,908	27,498	22,263	52,406	43,610	20.2
Computers and electronic products⁴:												
Shipments.....	33,203	33,842	33,172	-1.9	2.0	-1.9	29,338	31,693	27,995	61,031	58,803	3.8
New Orders.....	27,354	27,195	28,643	0.6	-5.1	0.1	24,775	23,665	23,574	48,440	45,998	5.3
Computers and related products:												
Shipments.....	6,150	6,074	6,182	1.3	-1.7	-4.3	4,969	5,364	4,481	10,333	9,380	10.2
New Orders.....	5,826	5,849	6,116	-0.4	-4.4	-9.8	4,645	5,139	4,393	9,784	8,786	11.4
Communications equipment:												
Shipments.....	3,323	3,415	3,453	-2.7	-1.1	-1.1	2,737	2,683	3,026	5,420	5,885	-7.9
New Orders.....	3,127	3,200	3,957	-2.3	-19.1	11.3	2,803	2,535	3,326	5,338	6,342	-15.8
Electrical equipment, appliances, and components:												
Shipments.....	9,972	9,940	10,030	0.3	-0.9	1.8	9,146	8,711	8,456	17,857	16,401	8.9
New Orders.....	10,365	10,105	10,742	2.6	-5.9	-0.2	10,079	9,655	8,933	19,734	17,845	10.6
Transportation equipment:												
Shipments.....	49,028	48,442	48,232	1.2	0.4	3.2	46,937	41,842	44,872	88,779	89,236	-0.5
New Orders.....	50,172	51,169	39,484	-1.9	29.6	-12.0	46,830	45,656	46,361	92,486	93,448	-1.0
Motor vehicles and parts:												
Shipments.....	31,513	30,982	30,281	1.7	2.3	2.8	30,724	28,371	26,810	59,095	55,405	6.7
New Orders.....	31,512	30,920	30,349	1.9	1.9	2.5	30,800	28,515	26,724	59,315	55,471	6.9
Nondefense aircraft and parts:												
Shipments.....	7,128	7,065	7,501	0.9	-5.8	12.6	6,380	5,174	6,009	11,554	10,959	5.4
New Orders.....	10,122	7,986	141	26.7	5,563.8	-97.2	8,098	4,979	8,758	13,077	13,662	-4.3
Defense aircraft and parts:												
Shipments.....	4,524	4,507	4,687	0.4	-3.8	-3.8	4,197	3,482	5,361	7,679	10,137	-24.2
New Orders.....	4,337	5,318	4,487	-18.4	18.5	-11.0	4,006	5,471	5,136	9,477	11,734	-19.2
All other durable goods:												
Shipments.....	33,766	33,981	33,297	-0.6	2.1	0.2	30,988	30,005	29,923	60,993	58,360	4.5
New Orders.....	33,741	33,958	33,374	-0.6	1.7	-0.5	31,128	29,959	30,397	61,087	59,175	3.2
Capital goods³:												
Shipments.....	74,656	73,713	76,501	1.3	-3.6	3.4	68,908	64,432	66,710	133,340	128,829	3.5
New Orders.....	77,447	78,490	71,518	-1.3	9.7	-3.8	71,762	71,512	70,125	143,274	134,601	6.4
Nondefense capital goods:												
Shipments.....	66,206	65,471	67,550	1.1	-3.1	3.5	60,560	57,633	55,654	118,193	107,920	9.5
New Orders.....	69,110	67,397	63,220	2.5	6.6	-3.7	63,335	60,333	59,468	123,668	112,637	9.8
Excluding aircraft:												
Shipments.....	62,134	61,626	63,074	0.8	-2.3	2.4	57,007	55,351	52,247	112,358	101,983	10.2
New Orders.....	61,952	62,791	66,776	-1.3	-6.0	4.0	58,292	58,747	53,321	117,039	103,960	12.6
Defense capital goods:												
Shipments.....	8,450	8,242	8,951	2.5	-7.9	2.4	8,348	6,799	11,056	15,147	20,909	-27.6
New Orders.....	8,337	11,093	8,298	-24.8	33.7	-4.8	8,427	11,179	10,657	19,606	21,964	-10.7

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 periods. 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
	Feb 2011 ²	Jan 2011 ^r	Dec 2010	Jan - Feb ²	Dec - Jan ^r	Nov - Dec	Feb 2011 ²	Jan 2011 ^r	Feb 2010	2011/ 2010
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	833,735	830,790	824,758	0.4	0.7	-0.2	840,326	836,284	803,751	4.6
Total Inventories.....	328,315	325,444	322,550	0.9	0.9	0.8	331,845	325,479	300,856	10.3
Excluding transportation:										
Unfilled Orders ⁴	356,408	354,607	351,302	0.5	0.9	2.1	358,221	354,072	316,582	13.2
Total Inventories.....	240,516	238,444	236,240	0.9	0.9	0.4	243,343	238,777	222,740	9.2
Excluding defense:										
Unfilled Orders ⁴	677,609	674,398	670,884	0.5	0.5	-0.2	682,163	678,084	648,120	5.3
Total Inventories.....	305,306	302,517	299,654	0.9	1.0	0.9	308,690	302,521	277,141	11.4
Manufacturing with unfilled orders:										
Unfilled Orders.....	833,735	830,790	824,758	0.4	0.7	-0.2	840,326	836,284	803,751	4.6
Total Inventories.....	267,391	265,195	262,882	0.8	0.9	0.8	269,702	265,139	243,262	10.9
Primary metals:										
Unfilled Orders.....	21,755	22,188	21,798	-2.0	1.8	2.8	22,581	22,629	18,594	21.4
Total Inventories.....	33,264	32,608	31,950	2.0	2.1	1.4	33,046	32,403	27,930	18.3
Fabricated metal products:										
Unfilled Orders.....	55,384	54,366	53,984	1.9	0.7	0.0	55,177	53,427	53,395	3.3
Total Inventories.....	43,130	42,967	42,543	0.4	1.0	0.4	43,566	43,072	40,539	7.5
Machinery:										
Unfilled Orders.....	113,815	113,247	110,867	0.5	2.1	4.3	114,105	113,616	88,670	28.7
Total Inventories.....	54,052	53,605	52,958	0.8	1.2	0.0	55,223	53,881	50,357	9.7
Computers and electronic products⁵:										
Unfilled Orders.....	124,780	124,500	124,489	0.2	0.0	1.0	125,747	124,862	121,055	3.9
Total Inventories.....	46,456	46,126	46,046	0.7	0.2	0.1	47,177	46,228	43,718	7.9
Computers and related products:										
Unfilled Orders.....	5,030	5,354	5,579	-6.1	-4.0	-1.2	5,030	5,354	4,777	5.3
Total Inventories.....	4,494	4,539	4,461	-1.0	1.7	-2.3	4,562	4,353	4,627	-1.4
Communications equipment:										
Unfilled Orders.....	28,395	28,591	28,806	-0.7	-0.7	1.8	28,697	28,631	29,231	-1.8
Total Inventories.....	8,065	7,921	8,223	1.8	-3.7	-1.9	8,300	8,060	8,015	3.6
Electrical equipment, appliances, and components:										
Unfilled Orders.....	27,710	27,317	27,152	1.4	0.6	2.7	28,030	27,097	22,545	24.3
Total Inventories.....	14,976	14,803	14,779	1.2	0.2	-0.7	15,157	14,793	13,741	10.3
Transportation equipment:										
Unfilled Orders.....	477,327	476,183	473,456	0.2	0.6	-1.8	482,105	482,212	487,169	-1.0
Total Inventories.....	87,799	87,000	86,310	0.9	0.8	1.9	88,502	86,702	78,116	13.3
Motor vehicles and parts:										
Unfilled Orders.....	14,159	14,160	14,222	0.0	-0.4	0.5	14,672	14,596	14,714	-0.3
Total Inventories.....	22,154	21,903	21,715	1.1	0.9	-0.2	22,664	22,122	20,134	12.6
Nondefense Aircraft and parts:										
Unfilled Orders.....	328,481	325,487	324,566	0.9	0.3	-2.2	331,005	329,287	326,268	1.5
Total Inventories.....	42,998	42,572	41,965	1.0	1.4	4.4	43,028	42,071	34,477	24.8
Defense Aircraft and parts:										
Unfilled Orders.....	49,297	49,484	48,673	-0.4	1.7	-0.4	50,153	50,344	49,345	1.6
Total Inventories.....	11,983	12,006	12,007	-0.2	0.0	-1.2	11,948	11,937	12,310	-2.9
All other durable goods:										
Unfilled Orders.....	12,964	12,989	13,012	-0.2	-0.2	0.6	12,581	12,441	12,323	2.1
Total Inventories.....	48,638	48,335	47,964	0.6	0.8	0.9	49,174	48,400	46,455	5.9
Capital goods³:										
Unfilled Orders.....	646,526	643,735	638,958	0.4	0.7	-0.8	651,784	648,930	626,224	4.1
Total Inventories.....	157,326	156,084	154,526	0.8	1.0	0.7	159,239	155,676	144,104	10.5
Nondefense capital goods:										
Unfilled Orders.....	505,093	502,189	500,263	0.6	0.4	-0.9	508,649	505,874	484,886	4.9
Total Inventories.....	139,746	138,578	137,058	0.8	1.1	1.0	141,478	138,070	125,756	12.5
Excluding aircraft:										
Unfilled Orders.....	208,799	208,981	207,816	-0.1	0.6	1.8	210,319	209,034	188,839	11.4
Total Inventories.....	105,300	104,475	103,715	0.8	0.7	-0.1	107,026	104,431	99,414	7.7
Defense capital goods:										
Unfilled Orders.....	141,433	141,546	138,695	-0.1	2.1	-0.5	143,135	143,056	141,338	1.3
Total Inventories.....	17,580	17,506	17,468	0.4	0.2	-1.3	17,761	17,606	18,348	-3.2

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 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 13, 2011. These revisions reflect:

- benchmarking the shipments and inventory data to the 2009 Annual Survey of Manufactures (ASM) data;
- incorporating the unfilled orders to shipments ratios obtained from the 2008/2009 Manufacturers' Unfilled Orders Survey by applying these ratios to the respective ASM shipments data;
- adjusting new orders 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; and
- updating the seasonal adjustment factors for all series.

An accompanying press release will include the revised 2011 January through March data. Please call Heather Dudash on (301)763-4832 with any questions.