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## Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders July 2014

### New Orders

New orders for manufactured durable goods in July increased \$55.3 billion or 22.6 percent to \$300.1 billion, the U.S. Census Bureau announced today. This increase, up five of the last six months, was at the highest level since the series was first published on a NAICS basis in 1992, and followed a 2.7 percent June increase. Excluding transportation, new orders decreased 0.8 percent. Excluding defense, new orders increased 24.9 percent.

Transportation equipment, also up five of the last six months, drove the increase, \$56.6 billion or 74.2 percent to \$133.0 billion.

### Shipments

Shipments of manufactured durable goods in July, up five of the last six months, increased \$8.0 billion or 3.3 percent to \$248.9 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 1.2 percent June increase.

Transportation equipment, up two consecutive months, led the increase, \$5.6 billion or 7.9 percent to \$76.3 billion.

### Unfilled Orders

Unfilled orders for manufactured durable goods in July, up fifteen of the last sixteen months, increased \$59.2 billion or 5.4 percent to \$1,158.5 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 1.0 percent June increase.

Transportation equipment, up ten of the last eleven months, led the increase, \$56.7 billion or 8.3 percent to \$738.4 billion.

### Inventories

Inventories of manufactured durable goods in July, up fifteen of the last sixteen months, increased \$2.1 billion or 0.5 percent to \$401.9 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 0.5 percent June increase.

Transportation equipment, also up fifteen of the last sixteen months, led the increase, \$0.7 billion or 0.5 percent to \$129.6 billion.

### Capital Goods

Nondefense new orders for capital goods in July increased \$51.5 billion or 60.8 percent to \$136.3 billion. Shipments increased \$1.1 billion or 1.4 percent to \$79.1 billion. Unfilled orders increased \$57.2 billion or 8.6 percent to \$725.2 billion. Inventories increased \$2.3 billion or 1.2 percent to \$184.2 billion.

Defense new orders for capital goods in July decreased \$1.5 billion or 15.3 percent to \$8.6 billion. Shipments increased \$0.2 billion or 1.7 percent to \$9.6 billion. Unfilled orders decreased \$1.0 billion or 0.6 percent to \$159.5 billion. Inventories decreased \$0.2 billion or 1.0 percent to \$23.8 billion.

### Revised June Data

Revised seasonally adjusted June figures for all manufacturing industries were: new orders, \$505.6 billion (revised from \$503.2 billion); shipments, \$501.7 billion (revised from \$499.8 billion); unfilled orders, \$1,099.3 billion (revised from \$1,098.5 billion); and total inventories, \$654.1 billion (revised from \$653.8 billion).

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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 September 3, 2014, at 10:00 a.m. EDT. The Advance Report on durable goods for August is scheduled for release on September 25, 2014 at 8:30 a.m. EDT. See back page for survey description. To receive the latest updates on the Nation's key economic indicators, download the America's Economy app for Apple and Android smartphones and tablets. The U.S. Census Bureau updated its Application Programming Interface (API) with monthly and quarterly economic indicators. The API allows developers to combine Census Bureau statistics with other data sets to create tools for research on a variety of topics.

Table 1. Durable Goods Manufacturers' Shipments and New Orders <sup>1</sup>

[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		
	Jul 2014 <sup>2</sup>	Jun 2014 <sup>1</sup>	May 2014	Jun - Jul <sup>2</sup>	May - Jun <sup>1</sup>	Apr - May	Jul 2014 <sup>2</sup>	Jun 2014 <sup>1</sup>	Jul 2013	2014	2013	Percent Change 2014/2013
<b>DURABLE GOODS</b>												
<b>Total:</b>												
Shipments.....	248,886	240,870	238,102	3.3	1.2	0.0	235,883	258,028	214,826	1,659,042	1,582,729	4.8
New Orders <sup>4</sup> .....	300,123	244,836	238,337	22.6	2.7	-0.9	282,636	263,315	206,266	1,704,625	1,575,165	8.2
<b>Excluding transportation:</b>												
Shipments.....	172,580	170,131	168,352	1.4	1.1	0.0	171,141	181,492	158,358	1,174,872	1,119,576	4.9
New Orders <sup>4</sup> .....	167,162	168,518	163,589	-0.8	3.0	-0.1	162,273	178,449	151,232	1,150,214	1,097,990	4.8
<b>Excluding defense:</b>												
Shipments.....	237,076	229,358	226,477	3.4	1.3	0.1	225,483	245,408	204,653	1,579,253	1,500,879	5.2
New Orders <sup>4</sup> .....	289,335	231,742	225,582	24.9	2.7	0.2	274,844	245,011	198,202	1,623,889	1,504,051	8.0
<b>Manufacturing with unfilled orders:</b>												
Shipments.....	174,023	169,878	166,802	2.4	1.8	-0.1	164,568	183,326	150,761	1,163,542	1,110,584	4.8
New Orders.....	233,232	181,118	174,172	28.8	4.0	-1.6	221,683	194,801	150,641	1,262,686	1,150,952	9.7
<b>Primary metals:</b>												
Shipments.....	27,412	27,067	26,809	1.3	1.0	0.9	27,131	27,842	24,965	188,676	177,463	6.3
New Orders.....	27,895	27,988	27,455	-0.3	1.9	2.6	27,379	28,220	24,903	192,045	180,881	6.2
<b>Fabricated metal products:</b>												
Shipments.....	30,242	30,158	29,624	0.3	1.8	0.7	30,024	31,688	28,643	206,874	201,433	2.7
New Orders.....	30,646	30,763	29,979	-0.4	2.6	0.5	30,186	31,211	28,606	210,625	212,043	-0.7
<b>Machinery:</b>												
Shipments.....	36,567	35,697	35,894	2.4	-0.5	0.0	35,626	38,372	32,837	251,295	239,950	4.7
New Orders.....	37,690	38,285	36,509	-1.6	4.9	-1.0	36,591	40,197	33,876	263,788	244,938	7.7
<b>Computers and electronic products<sup>5</sup>:</b>												
Shipments.....	29,710	29,038	28,438	2.3	2.1	-1.5	29,516	31,801	26,494	198,107	188,035	5.4
New Orders.....	22,456	22,732	21,849	-1.2	4.0	-1.3	19,694	26,352	18,555	150,435	145,043	3.7
<b>Computers and related products:</b>												
Shipments.....	2,335	2,452	2,333	-4.8	5.1	-3.4	1,582	3,537	1,482	14,990	14,830	1.1
New Orders.....	2,463	2,646	2,677	-6.9	-1.2	13.4	1,710	3,731	1,501	15,436	15,027	2.7
<b>Communications equipment:</b>												
Shipments.....	3,870	3,837	3,706	0.9	3.5	-3.6	3,341	4,563	3,445	25,736	26,742	-3.8
New Orders.....	4,137	3,763	3,560	9.9	5.7	-16.6	3,404	4,116	3,377	28,038	29,874	-6.1
<b>Electrical equipment, appliances, and components:</b>												
Shipments.....	10,661	10,440	10,204	2.1	2.3	0.4	10,375	11,300	9,895	71,709	71,505	0.3
New Orders.....	10,527	10,933	10,320	-3.7	5.9	-3.7	10,026	11,921	9,734	74,113	75,003	1.5
<b>Transportation equipment:</b>												
Shipments.....	76,306	70,739	69,750	7.9	1.4	-0.1	64,742	76,536	56,468	484,170	463,153	4.5
New Orders.....	132,961	76,318	74,748	74.2	2.1	-2.6	120,363	84,866	55,034	554,411	477,175	16.2
<b>Motor vehicles and parts:</b>												
Shipments.....	50,935	46,144	46,706	10.4	-1.2	1.5	42,751	48,505	36,670	322,639	307,440	4.9
New Orders.....	50,980	46,251	46,839	10.2	-1.3	1.7	42,533	48,450	36,381	322,646	307,020	5.1
<b>Nondefense aircraft and parts:</b>												
Shipments.....	13,238	12,868	11,274	2.9	14.1	-5.2	11,622	15,016	10,057	80,976	74,169	9.2
New Orders.....	70,281	16,815	15,141	318.0	11.1	-2.9	69,200	18,041	10,838	148,583	99,877	48.8
<b>Defense aircraft and parts:</b>												
Shipments.....	4,573	4,414	4,613	3.6	-4.3	-1.3	3,821	4,984	3,586	30,738	31,324	-1.9
New Orders.....	4,211	5,918	5,418	-28.8	9.2	17.3	3,284	7,440	3,835	30,376	25,462	19.3
<b>All other durable goods:</b>												
Shipments.....	37,988	37,731	37,383	0.7	0.9	-0.1	38,469	40,489	35,524	258,211	241,190	7.1
New Orders.....	37,948	37,817	37,477	0.3	0.9	0.0	38,397	40,548	35,558	259,208	242,082	7.1
<b>Capital goods<sup>3</sup>:</b>												
Shipments.....	88,715	87,502	85,287	1.4	2.6	-1.0	82,854	96,654	76,966	594,230	571,858	3.9
New Orders.....	144,879	94,904	90,391	52.7	5.0	-5.2	136,801	105,808	76,874	674,637	607,503	11.1
<b>Nondefense capital goods:</b>												
Shipments.....	79,147	78,091	75,792	1.4	3.0	-1.0	74,405	86,515	68,718	529,241	505,496	4.7
New Orders.....	136,298	84,776	80,658	60.8	5.1	-2.3	130,627	91,385	70,429	609,464	549,790	10.9
<b>Excluding aircraft:</b>												
Shipments.....	69,932	68,911	68,280	1.5	0.9	0.1	66,293	75,763	61,620	473,783	454,683	4.2
New Orders.....	72,639	72,986	69,237	-0.5	5.4	-1.4	68,338	78,506	62,238	495,146	474,956	4.3
<b>Defense capital goods:</b>												
Shipments.....	9,568	9,411	9,495	1.7	-0.9	-1.5	8,449	10,139	8,248	64,989	66,362	-2.1
New Orders.....	8,581	10,128	9,733	-15.3	4.1	-24.0	6,174	14,423	6,445	65,173	57,713	12.9

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

<sup>5</sup> 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 <sup>1</sup>

[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 Change 2014/ 2013
	Jul 2014 <sup>2</sup>	Jun 2014 <sup>r</sup>	May 2014	Jun - Jul <sup>2</sup>	May - Jun <sup>r</sup>	Apr - May	Jul 2014 <sup>2</sup>	Jun 2014 <sup>r</sup>	Jul 2013	
<b>DURABLE GOODS</b>										
<b>Total:</b>										
Unfilled Orders <sup>1</sup> .....	1,158,521	1,099,312	1,088,072	5.4	1.0	0.7	1,159,422	1,102,307	1,031,232	12.4
Total Inventories.....	401,903	399,846	397,981	0.5	0.5	1.0	404,958	397,291	381,955	6.0
<b>Excluding transportation:</b>										
Unfilled Orders <sup>1</sup> .....	420,089	417,535	411,874	0.6	1.4	0.6	422,740	421,246	397,681	6.3
Total Inventories.....	272,326	270,939	270,152	0.5	0.3	0.9	274,309	269,440	263,707	4.0
<b>Excluding defense:</b>										
Unfilled Orders <sup>1</sup> .....	967,852	907,621	897,963	6.6	1.1	0.7	967,571	907,848	831,614	16.3
Total Inventories.....	372,752	370,469	369,054	0.6	0.4	1.1	375,639	367,931	353,392	6.3
<b>Manufacturing with unfilled orders:</b>										
Unfilled Orders.....	1,158,521	1,099,312	1,088,072	5.4	1.0	0.7	1,159,422	1,102,307	1,031,232	12.4
Total Inventories.....	329,880	327,823	326,061	0.6	0.5	1.0	333,023	326,178	313,384	6.3
<b>Primary metals:</b>										
Unfilled Orders.....	39,404	38,921	38,000	1.2	2.4	1.7	39,422	39,174	35,545	10.9
Total Inventories.....	36,700	36,431	36,201	0.7	0.6	1.0	36,862	36,439	35,093	5.0
<b>Fabricated metal products:</b>										
Unfilled Orders.....	86,448	86,044	85,439	0.5	0.7	0.4	87,548	87,386	89,562	-2.2
Total Inventories.....	49,587	49,356	49,106	0.5	0.5	0.5	50,128	49,399	47,842	4.8
<b>Machinery:</b>										
Unfilled Orders.....	119,653	118,530	115,942	0.9	2.2	0.5	120,240	119,275	106,778	12.6
Total Inventories.....	67,754	67,194	66,773	0.8	0.6	0.9	68,062	66,411	66,123	2.9
<b>Computers and electronic products<sup>4</sup>:</b>										
Unfilled Orders.....	142,596	141,878	140,910	0.5	0.7	0.4	142,860	142,320	135,602	5.4
Total Inventories.....	48,265	48,463	48,680	-0.4	-0.4	2.3	48,875	47,861	47,224	3.5
<b>Computers and related products:</b>										
Unfilled Orders.....	3,835	3,707	3,513	3.5	5.5	10.9	3,835	3,707	3,424	12.0
Total Inventories.....	4,700	4,598	4,583	2.2	0.3	-2.1	4,801	4,397	4,659	3.0
<b>Communications equipment:</b>										
Unfilled Orders.....	37,967	37,700	37,774	0.7	-0.2	-0.4	37,829	37,766	33,562	12.7
Total Inventories.....	7,656	7,799	7,795	-1.8	0.1	0.7	7,638	7,703	7,358	3.8
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	24,402	24,536	24,043	-0.5	2.1	0.5	24,694	25,043	22,472	9.9
Total Inventories.....	16,789	16,388	16,593	2.4	-1.2	0.0	17,037	16,361	17,118	-0.5
<b>Transportation equipment:</b>										
Unfilled Orders.....	738,432	681,777	676,198	8.3	0.8	0.7	736,682	681,061	633,551	16.3
Total Inventories.....	129,577	128,907	127,829	0.5	0.8	1.2	130,649	127,851	118,248	10.5
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	16,802	16,757	16,650	0.3	0.6	0.8	16,523	16,741	16,365	1.0
Total Inventories.....	26,647	26,586	26,312	0.2	1.0	-0.6	26,893	25,879	25,226	6.6
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	565,769	508,726	504,779	11.2	0.8	0.8	563,315	505,737	457,064	23.2
Total Inventories.....	73,370	72,471	72,177	1.2	0.4	2.2	73,917	72,266	64,088	15.3
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	64,103	64,465	62,961	-0.6	2.4	1.3	64,149	64,686	66,497	-3.5
Total Inventories.....	14,410	14,196	14,224	1.5	-0.2	0.4	14,541	14,218	14,061	3.4
<b>All other durable goods:</b>										
Unfilled Orders.....	7,586	7,626	7,540	-0.5	1.1	1.3	7,976	8,048	7,722	3.3
Total Inventories.....	53,231	53,107	52,799	0.2	0.6	0.4	53,345	52,969	50,307	6.0
<b>Capital goods<sup>3</sup>:</b>										
Unfilled Orders.....	884,674	828,510	821,108	6.8	0.9	0.6	884,852	830,905	776,859	13.9
Total Inventories.....	207,983	205,964	205,198	1.0	0.4	1.2	209,451	204,858	195,895	6.9
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	725,162	668,011	661,326	8.6	1.0	0.7	724,094	667,872	607,565	19.2
Total Inventories.....	184,215	181,950	181,619	1.2	0.2	1.4	185,646	180,883	172,791	7.4
<b>Excluding aircraft:</b>										
Unfilled Orders.....	248,439	245,732	241,657	1.1	1.7	0.4	250,008	247,963	228,112	9.6
Total Inventories.....	122,819	121,723	121,498	0.9	0.2	0.5	123,750	120,540	120,242	2.9
<b>Defense capital goods:</b>										
Unfilled Orders.....	159,512	160,499	159,782	-0.6	0.4	0.1	160,758	163,033	169,294	-5.0
Total Inventories.....	23,768	24,014	23,579	-1.0	1.8	0.0	23,805	23,975	23,104	3.0

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>.