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

New Orders

New orders for manufactured durable goods in October increased \$1.0 billion or 0.4 percent to \$243.8 billion, the U.S. Census Bureau announced today. This increase, up following two consecutive monthly decreases, followed a 0.9 percent September decrease. Excluding transportation, new orders decreased 0.9 percent. Excluding defense, new orders decreased 0.6 percent.

Transportation equipment, also up following two consecutive monthly decreases, drove the increase, \$2.5 billion or 3.4 percent to \$76.3 billion.

Shipments

Shipments of manufactured durable goods in October, up four of the last five months, increased \$0.3 billion or 0.1 percent to \$246.5 billion. This followed a 0.3 percent September increase.

Transportation equipment, also up four of the last five months, drove the increase, \$0.4 billion or 0.5 percent to \$72.9 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in October, up eighteen of the last nineteen months, increased \$5.0 billion or 0.4 percent to \$1,174.0 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 0.4 percent September increase.

Transportation equipment, up thirteen of the last fourteen months, led the increase, \$3.4 billion or 0.5 percent to \$746.3 billion.

Inventories

Inventories of manufactured durable goods in October, up eighteen of the last nineteen months, increased \$2.0 billion or 0.5 percent to \$406.8 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 0.5 percent September increase.

Transportation equipment, also up eighteen of the last nineteen months, led the increase, \$0.9 billion or 0.7 percent to \$131.7 billion.

Capital Goods

Nondefense new orders for capital goods in October decreased \$0.1 billion or 0.1 percent to \$82.2 billion. Shipments decreased \$0.6 billion or 0.8 percent to \$80.1 billion. Unfilled orders increased \$2.1 billion or 0.3 percent to \$735.1 billion. Inventories increased \$0.9 billion or 0.5 percent to \$185.9 billion.

Defense new orders for capital goods in October increased \$1.1 billion or 11.2 percent to \$10.5 billion. Shipments increased \$0.1 billion or 1.4 percent to \$9.8 billion. Unfilled orders increased \$0.7 billion or 0.4 percent to \$158.6 billion. Inventories increased \$0.2 billion or 1.0 percent to \$23.9 billion.

Revised September Data

Revised seasonally adjusted September figures for all manufacturing industries were: new orders, \$500.3 billion (revised from \$499.4 billion); shipments, \$503.7 billion (revised from \$503.4 billion); unfilled orders, \$1,169.1 billion (revised from \$1,168.7 billion); and total inventories, \$655.5 billion (revised from \$655.2 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 December 5, 2014, at 10:00 a.m. EST. The Advance Report on durable goods for November is scheduled for release on December 23, 2014 at 8:30 a.m. EST. 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 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		Percent Change 2014/2013
	Oct 2014 ²	Sep 2014 ¹	Aug 2014	Sep - Oct ²	Aug - Sep ¹	Jul - Aug	Oct 2014 ²	Sep 2014 ¹	Oct 2013	2014	2013	
DURABLE GOODS												
Total:												
Shipments.....	246,456	246,202	245,532	0.1	0.3	-1.7	256,834	259,490	242,424	2,425,531	2,305,252	5.2
New Orders ⁴	243,806	242,827	245,001	0.4	-0.9	-18.3	246,626	256,828	233,977	2,447,135	2,276,173	7.5
Excluding transportation:												
Shipments.....	173,565	173,671	173,222	-0.1	0.3	-0.1	179,064	182,417	167,707	1,712,551	1,621,886	5.6
New Orders ⁴	167,551	169,070	168,710	-0.9	0.2	0.7	169,958	177,096	159,800	1,663,978	1,575,784	5.6
Excluding defense:												
Shipments.....	234,503	234,471	233,602	0.0	0.4	-1.8	245,308	246,610	230,779	2,309,539	2,185,495	5.7
New Orders ⁴	230,176	231,619	234,412	-0.6	-1.2	-19.0	234,500	244,446	224,848	2,333,795	2,172,439	7.4
Manufacturing with unfilled orders:												
Shipments.....	174,280	174,122	173,615	0.1	0.3	-0.7	178,105	184,251	166,712	1,702,838	1,613,633	5.5
New Orders.....	179,247	178,270	181,084	0.5	-1.6	-22.3	177,217	188,371	166,485	1,801,957	1,654,342	8.9
Primary metals:												
Shipments.....	27,913	27,876	27,692	0.1	0.7	0.4	28,656	28,447	26,637	274,388	256,343	7.0
New Orders.....	28,001	28,678	27,972	-2.4	2.5	0.3	28,619	28,480	27,244	277,002	259,166	6.9
Fabricated metal products:												
Shipments.....	30,382	30,517	30,268	-0.4	0.8	0.0	32,163	32,137	30,782	302,969	292,795	3.5
New Orders.....	30,858	30,927	30,612	-0.2	1.0	-0.2	31,412	31,769	28,587	305,254	300,772	1.5
Machinery:												
Shipments.....	37,140	37,171	37,017	-0.1	0.4	0.2	37,451	38,371	34,257	364,035	342,555	6.3
New Orders.....	36,650	37,095	38,226	-1.2	-3.0	1.2	36,590	38,042	34,944	375,091	348,235	7.7
Computers and electronic products⁴:												
Shipments.....	28,995	28,944	29,590	0.2	-2.2	-1.2	29,472	31,453	28,045	287,599	273,983	5.0
New Orders.....	22,457	22,433	22,894	0.1	-2.0	1.7	21,399	26,422	20,775	219,021	209,892	4.3
Computers and related products:												
Shipments.....	1,962	1,975	2,079	-0.7	-5.0	-10.2	1,569	2,764	1,773	21,062	22,120	-4.8
New Orders.....	2,043	2,115	2,156	-3.4	-1.9	-11.7	1,650	2,904	1,797	21,806	22,249	-2.0
Communications equipment:												
Shipments.....	3,725	3,790	3,740	-1.7	1.3	-2.9	3,436	4,549	3,696	37,372	38,981	-4.1
New Orders.....	3,820	3,509	4,236	8.9	-17.2	1.3	3,627	4,430	4,000	40,160	42,921	-6.4
Electrical equipment, appliances, and components:												
Shipments.....	10,560	10,642	10,646	-0.8	0.0	0.4	10,811	11,418	10,578	104,628	103,123	1.5
New Orders.....	10,907	11,255	10,913	-3.1	3.1	3.1	11,299	11,562	10,891	107,733	104,322	3.3
Transportation equipment:												
Shipments.....	72,891	72,531	72,310	0.5	0.3	-5.4	77,770	77,073	74,717	712,980	683,366	4.3
New Orders.....	76,255	73,757	76,291	3.4	-3.3	-42.4	76,668	79,732	74,177	783,157	700,389	11.8
Motor vehicles and parts:												
Shipments.....	47,633	47,332	47,255	0.6	0.2	-7.0	53,377	49,330	51,712	474,386	454,688	4.3
New Orders.....	47,599	47,455	47,581	0.3	-0.3	-6.5	53,048	49,497	51,423	474,622	453,773	4.6
Nondefense aircraft and parts:												
Shipments.....	13,155	13,414	13,192	-1.9	1.7	-1.5	12,567	14,682	11,448	121,141	109,461	10.7
New Orders.....	15,270	15,282	18,192	-0.1	-16.0	-74.0	11,330	18,307	13,655	192,243	143,240	34.2
Defense aircraft and parts:												
Shipments.....	4,540	4,526	4,362	0.3	3.8	-4.3	4,289	5,021	4,467	44,359	46,188	-4.0
New Orders.....	5,355	3,686	3,806	45.3	-3.2	-4.7	5,331	3,994	3,990	42,365	39,001	8.6
All other durable goods:												
Shipments.....	38,575	38,521	38,009	0.1	1.3	-0.1	40,511	40,591	37,408	378,932	353,087	7.3
New Orders.....	38,678	38,682	38,093	0.0	1.5	0.1	40,639	40,821	37,359	379,877	353,397	7.5
Capital goods³:												
Shipments.....	89,886	90,380	89,638	-0.5	0.8	0.5	88,848	97,518	82,762	869,143	827,469	5.0
New Orders.....	92,643	91,705	95,379	1.0	-3.9	-34.1	86,261	99,821	81,189	947,629	863,902	9.7
Nondefense capital goods:												
Shipments.....	80,094	80,723	79,832	-0.8	1.1	0.3	79,414	86,907	73,308	774,366	730,417	6.0
New Orders.....	82,159	82,277	86,659	-0.1	-5.1	-36.4	77,632	89,204	74,677	856,347	780,675	9.7
Excluding aircraft:												
Shipments.....	70,499	70,766	70,450	-0.4	0.4	0.2	70,140	75,963	65,273	689,456	654,772	5.3
New Orders.....	71,212	72,148	73,112	-1.3	-1.3	0.4	70,338	76,676	65,374	711,480	674,868	5.4
Defense capital goods:												
Shipments.....	9,792	9,657	9,806	1.4	-1.5	2.2	9,434	10,611	9,454	94,777	97,052	-2.3
New Orders.....	10,484	9,428	8,720	11.2	8.1	4.9	8,629	10,617	6,512	91,282	83,227	9.7

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 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 Change 2014/ 2013
	Oct 2014 ²	Sep 2014 ^r	Aug 2014	Sep - Oct ²	Aug - Sep ^r	Jul - Aug	Oct 2014 ²	Sep 2014 ^r	Oct 2013	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	1,174,044	1,169,077	1,164,929	0.4	0.4	0.6	1,159,397	1,160,285	1,031,573	12.4
Total Inventories.....	406,827	404,798	402,908	0.5	0.5	0.4	407,806	403,607	384,607	6.0
Excluding transportation:										
Unfilled Orders ⁴	427,721	426,118	423,196	0.4	0.7	0.8	422,779	422,565	395,021	7.0
Total Inventories.....	275,133	274,006	273,029	0.4	0.4	0.4	275,374	272,999	263,630	4.5
Excluding defense:										
Unfilled Orders ⁴	983,953	980,663	975,992	0.3	0.5	0.9	971,145	972,633	837,242	16.0
Total Inventories.....	377,594	375,800	373,609	0.5	0.6	0.4	378,619	374,785	356,652	6.2
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,174,044	1,169,077	1,164,929	0.4	0.4	0.6	1,159,397	1,160,285	1,031,573	12.4
Total Inventories.....	334,371	332,486	330,808	0.6	0.5	0.4	335,101	331,397	315,069	6.4
Primary metals:										
Unfilled Orders.....	40,403	40,315	39,513	0.2	2.0	0.7	38,667	38,704	34,950	10.6
Total Inventories.....	37,802	37,494	37,159	0.8	0.9	0.9	37,585	37,516	34,698	8.3
Fabricated metal products:										
Unfilled Orders.....	87,629	87,153	86,743	0.5	0.5	0.4	86,082	86,833	86,929	-1.0
Total Inventories.....	50,090	49,952	49,841	0.3	0.2	0.4	49,898	49,869	47,521	5.0
Machinery:										
Unfilled Orders.....	119,999	120,489	120,565	-0.4	-0.1	1.0	118,803	119,664	107,470	10.5
Total Inventories.....	68,038	67,799	67,354	0.4	0.7	0.0	68,179	67,518	66,332	2.8
Computers and electronic products⁴:										
Unfilled Orders.....	145,940	144,861	143,849	0.7	0.7	0.9	145,908	144,661	136,359	7.0
Total Inventories.....	49,261	48,849	48,684	0.8	0.3	0.5	49,800	48,601	47,227	5.4
Computers and related products:										
Unfilled Orders.....	4,133	4,052	3,912	2.0	3.6	2.0	4,133	4,052	3,356	23.2
Total Inventories.....	4,668	4,710	4,659	-0.9	1.1	-0.9	4,818	4,665	4,615	4.4
Communications equipment:										
Unfilled Orders.....	38,339	38,244	38,525	0.2	-0.7	1.3	38,315	38,124	34,370	11.5
Total Inventories.....	7,534	7,532	7,617	0.0	-1.1	-0.6	7,559	7,441	7,515	0.6
Electrical equipment, appliances, and components:										
Unfilled Orders.....	25,768	25,421	24,808	1.4	2.5	1.1	25,395	24,907	22,173	14.5
Total Inventories.....	16,375	16,558	16,749	-1.1	-1.1	0.7	16,411	16,316	17,102	-4.0
Transportation equipment:										
Unfilled Orders.....	746,323	742,959	741,733	0.5	0.2	0.5	736,618	737,720	636,552	15.7
Total Inventories.....	131,694	130,792	129,879	0.7	0.7	0.4	132,432	130,608	120,977	9.5
Motor vehicles and parts:										
Unfilled Orders.....	17,285	17,319	17,196	-0.2	0.7	1.9	16,752	17,081	15,870	5.6
Total Inventories.....	27,435	27,248	26,953	0.7	1.1	1.1	27,935	27,393	26,044	7.3
Nondefense Aircraft and parts:										
Unfilled Orders.....	574,303	572,188	570,320	0.4	0.3	0.9	566,810	568,047	465,135	21.9
Total Inventories.....	74,393	73,812	73,035	0.8	1.1	0.0	74,544	73,471	66,379	12.3
Defense Aircraft and parts:										
Unfilled Orders.....	63,330	62,515	63,355	1.3	-1.3	-0.9	62,517	61,475	65,172	-4.1
Total Inventories.....	14,520	14,316	14,588	1.4	-1.9	1.2	14,526	14,298	13,431	8.2
All other durable goods:										
Unfilled Orders.....	7,982	7,879	7,718	1.3	2.1	1.1	7,924	7,796	7,140	11.0
Total Inventories.....	53,567	53,354	53,242	0.4	0.2	0.2	53,501	53,179	50,750	5.4
Capital goods³:										
Unfilled Orders.....	893,699	890,942	889,617	0.3	0.1	0.6	882,931	885,518	777,647	13.5
Total Inventories.....	209,779	208,607	207,646	0.6	0.5	0.2	210,650	207,600	198,251	6.3
Nondefense capital goods:										
Unfilled Orders.....	735,110	733,045	731,491	0.3	0.2	0.9	725,852	727,634	613,529	18.3
Total Inventories.....	185,916	184,979	183,755	0.5	0.7	0.2	186,839	184,130	175,421	6.5
Excluding aircraft:										
Unfilled Orders.....	252,950	252,237	250,855	0.3	0.6	1.1	250,669	250,471	227,935	10.0
Total Inventories.....	123,429	123,168	122,748	0.2	0.3	0.3	124,282	122,571	120,871	2.8
Defense capital goods:										
Unfilled Orders.....	158,589	157,897	158,126	0.4	-0.1	-0.7	157,079	157,884	164,118	-4.3
Total Inventories.....	23,863	23,628	23,891	1.0	-1.1	0.4	23,811	23,470	22,830	4.3

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>.

Release Dates for the M3 Survey

Survey month	Advance Report (8:30 a.m. release time)	Full Report (10:00 a.m. release time)
October 2014	November 26, 2014	December 5, 2014
November 2014	December 23, 2014	January 6, 2015
December 2014	January 27, 2015	February 3, 2015
January 2015	February 26, 2015	March 5, 2015
February 2015	March 25, 2015	April 2, 2015
March 2015	April 24, 2015	May 4, 2015
April 2015	May 26, 2015	June 2, 2015
May 2015	June 23, 2015	July 2, 2015
June 2015	July 27, 2015	August 4, 2015
July 2015	August 26, 2015	September 2, 2015
August 2015	September 24, 2015	October 2, 2015
September 2015	October 27, 2015	November 3, 2015
October 2015	November 25, 2015	December 3, 2015
November 2015	December 23, 2015	Not available at this time