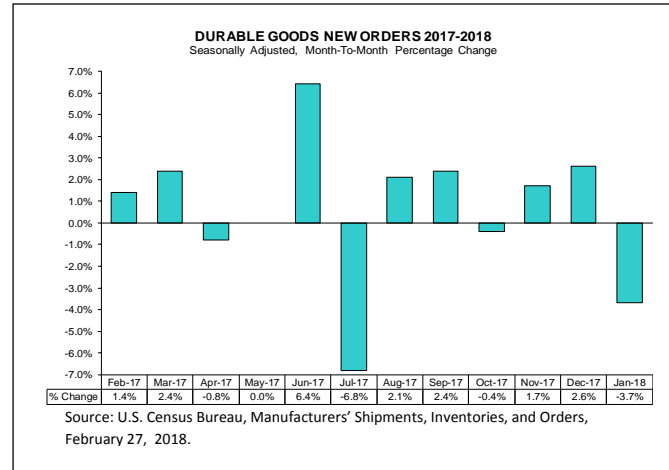


FOR RELEASE AT 8:30 AM EST, TUESDAY, FEBRUARY 27, 2018

MONTHLY ADVANCE REPORT ON MANUFACTURERS' SHIPMENTS, INVENTORIES AND ORDERS JANUARY 2018

Release Number: CB 18-26 M3-1 (18)-01

February 27, 2018 — The U.S. Census Bureau announces the January advance report on manufacturers' shipments, inventories and orders:



New Orders

New orders for manufactured durable goods in January decreased \$9.2 billion or 3.7 percent to \$239.7 billion, the U.S. Census Bureau announced today. This decrease, down following two consecutive monthly increases, followed a 2.6 percent December increase. Excluding transportation, new orders decreased 0.3 percent. Excluding defense, new orders decreased 2.7 percent. Transportation equipment, also down following two consecutive monthly increases, led the decrease, \$8.6 billion or 10.0 percent to \$77.7 billion.

Shipments

Shipments of manufactured durable goods in January, up eight of the last nine months, increased \$0.6 billion or 0.2 percent to \$247.0 billion. This followed a 0.5 percent December increase. Transportation equipment, up two of the last three months, led the increase, \$0.4 billion or 0.5 percent to \$81.3 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in January, down following four consecutive monthly increases, decreased \$3.1 billion or 0.3 percent to \$1,140.9 billion. This followed a 0.6 percent December increase. Transportation equipment, down three of the last four months, drove the decrease, \$3.6 billion or 0.5 percent to \$771.8 billion.

Data Inquiries

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301-763-4832
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Inventories

Inventories of manufactured durable goods in January, up eighteen of the last nineteen months, increased \$1.3 billion or 0.3 percent to \$408.5 billion. This followed a 0.5 percent December increase.

Transportation equipment, up two consecutive months, led the increase, \$0.7 billion or 0.5 percent to \$131.9 billion.

Capital Goods

Nondefense new orders for capital goods in January decreased \$1.2 billion or 1.5 percent to \$73.6 billion. Shipments increased less than \$0.1 billion or virtually unchanged to \$74.4 billion. Unfilled orders decreased \$0.7 billion or 0.1 percent to \$706.1 billion. Inventories increased \$1.0 billion or 0.5 percent to \$181.9 billion. Defense new orders for capital goods in January decreased \$3.3 billion or 26.3 percent to \$9.2 billion. Shipments increased \$0.4 billion or 3.2 percent to \$11.5 billion. Unfilled orders decreased \$2.4 billion or 1.6 percent to \$141.0 billion. Inventories decreased \$0.2 billion or 0.7 percent to \$23.2 billion.

Revised December Data

Revised seasonally adjusted December figures for all manufacturing industries were: new orders, \$497.9 billion (revised from \$498.2 billion); shipments, \$495.4 billion (unchanged); unfilled orders, \$1,144.0 billion (revised from \$1,144.4 billion) and total inventories, \$669.7 billion (revised from \$669.2 billion).

Revised and more detailed estimates, plus nondurable goods data, will be published on March 6, 2018, at 10:00 a.m. EST. The Advance Report on durable goods for February is scheduled for release on March 23, 2018 at 8:30 a.m. EDT. View the full schedule in the Economic Briefing

Room:<www.census.gov/economic-indicators/>. The full text and tables of this release can be found at <www.census.gov/m3>.

EXPLANATORY NOTES

Figures in text are adjusted for seasonality, but not for inflation. Figures on new and unfilled orders exclude data for semiconductor manufacturing.

“Virtually unchanged” indicates that the change is less than 0.05 percent for a percent increase or decrease.

Description of the survey

This report is compiled from results of the U.S. Census Bureau’s Manufacturers’ Shipments, Inventories, and Orders (M3) survey, which is a voluntary survey authorized by Title 13 of the United States Code. This survey provides statistics on a calendar-month basis for 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). Data published from the M3 survey are based on a panel of approximately 5,000 reporting

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units that represent approximately 3,100 companies and provide an indication of month-to-month change for the Manufacturing Sector. These reporting units may be divisions of diversified large companies, large homogenous companies, or single-unit manufacturers in 92 industry categories, which are combined into 65 publication levels due to the small monthly panel size. The survey methodology assumes that the month-to-month changes of the total operations of the reporting units in the M3 panel effectively represent the month-to-month movements of all establishments that make up the category. The companies for which shipments data are currently reported or imputed in the M3 survey represent approximately 64 percent of the total value of shipments for manufacturing establishments in the 2012 Economic Census, and these companies include almost two-thirds of the manufacturing companies with \$500 million or more in shipments in the 2012 Economic Census. The companies for which shipments data are currently reported in the M3 survey represent approximately 57 percent of the total value of shipments for manufacturing establishments in the 2012 Economic Census. Statistics based on the M3 panel differ from the results that would be obtained from a complete enumeration of all manufacturing companies. The M3 panel is not based on 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:

www.census.gov/manufacturing/m3/how_the_data_are_collected/index.html.

API

The Census Bureau's application programming interface (API) lets developers create custom apps to reach new users and makes key demographic, socio-economic and housing statistics more accessible than ever before.

www.census.gov/developers/.

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Benchmark notice

Revised historical data from the Manufacturers' Shipments, Inventories, and Orders (M3) Survey will be issued on May 17, 2018. These revisions result from:

- benchmarking the M3 shipments and inventories data to the 2016 Annual Survey of Manufactures (ASM) and revised 2015 ASM data on a 2012 NAICS basis;
- incorporating the unfilled orders to shipments ratios obtained from the 2016/2015 Manufacturers' Unfilled Orders (M3UFO) Survey by applying these ratios to the respective ASM shipments data, as well as incorporating revised unfilled orders to shipments ratios for prior years by applying them to the respective ASM shipments data;
- 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;
- updating the seasonally adjusted data based on the results of benchmarking and the recent annual review of the seasonal adjustment models.

These revisions will span the seasonally adjusted data for January 2002 through March 2018 and the data not seasonally adjusted for January 2007 through March 2018. An updated Press Release will contain revised monthly tables for January 2018 through March 2018. Please call M3 staff on (301) 763-4832 with any questions.

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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		
	Jan 2018 ²	Dec 2017 ¹	Nov 2017	Dec - Jan ²	Nov - Dec ¹	Oct - Nov	Jan 2018 ²	Dec 2017 ¹	Jan 2017	2018	2017	Percent Change 2018/2017
DURABLE GOODS												
Total:												
Shipments.....	246,997	246,411	245,282	0.2	0.5	1.3	225,021	239,233	207,910	225,021	207,910	8.2
New Orders ⁴	239,724	248,891	242,477	-3.7	2.6	1.7	220,037	253,594	202,122	220,037	202,122	8.9
Excluding transportation:												
Shipments.....	165,682	165,509	163,850	0.1	1.0	0.6	153,261	160,836	140,873	153,261	140,873	8.8
New Orders ⁴	162,002	162,537	161,344	-0.3	0.7	0.4	153,124	157,105	140,367	153,124	140,367	9.1
Excluding defense:												
Shipments.....	233,392	233,172	232,204	0.1	0.4	1.3	214,039	224,221	198,523	214,039	198,523	7.8
New Orders ⁴	228,738	235,015	230,059	-2.7	2.2	1.5	211,211	234,548	192,246	211,211	192,246	9.9
Manufacturing with unfilled orders:												
Shipments.....	174,547	173,863	172,943	0.4	0.5	1.7	157,837	171,866	144,156	157,837	144,156	9.5
New Orders.....	171,441	180,509	174,380	-5.0	3.5	2.2	158,289	190,113	144,748	158,289	144,748	9.4
Primary metals:												
Shipments.....	20,728	20,735	20,202	0.0	2.6	1.2	20,786	18,356	18,459	20,786	18,459	12.6
New Orders.....	20,764	20,961	20,615	-0.9	1.7	1.9	21,436	19,022	18,912	21,436	18,912	13.3
Fabricated metal products:												
Shipments.....	33,659	33,351	32,962	0.9	1.2	0.7	31,760	30,353	28,584	31,760	28,584	11.1
New Orders.....	34,152	33,977	33,380	0.5	1.8	0.3	33,149	30,288	29,690	33,149	29,690	11.7
Machinery:												
Shipments.....	32,788	32,747	32,514	0.1	0.7	-0.1	29,467	32,977	26,411	29,467	26,411	11.6
New Orders.....	32,917	33,057	32,890	-0.4	0.5	-0.3	31,708	32,560	28,868	31,708	28,868	9.8
Computers and electronic products⁴:												
Shipments.....	28,245	28,020	27,935	0.8	0.3	0.6	25,709	31,232	24,603	25,709	24,603	4.5
New Orders.....	24,145	23,993	23,925	0.6	0.3	-0.8	20,808	27,985	19,079	20,808	19,079	9.1
Computers and related products:												
Shipments.....	1,926	1,782	1,889	8.1	-5.7	-3.4	1,472	2,433	1,516	1,472	1,516	-2.9
New Orders.....	1,932	1,816	1,909	6.4	-4.9	-3.9	1,478	2,467	1,522	1,478	1,522	-2.9
Communications equipment:												
Shipments.....	3,298	3,284	3,193	0.4	2.8	1.2	2,615	4,199	2,326	2,615	2,326	12.4
New Orders.....	3,497	3,281	3,368	6.6	-2.6	-6.1	2,791	4,192	2,620	2,791	2,620	6.5
Electrical equipment, appliances, and components:												
Shipments.....	10,315	10,229	10,170	0.8	0.6	-0.1	9,366	9,945	8,805	9,366	8,805	6.4
New Orders.....	9,992	10,069	10,362	-0.8	-2.8	0.4	9,584	10,029	9,507	9,584	9,507	0.8
Transportation equipment:												
Shipments.....	81,315	80,902	81,432	0.5	-0.7	2.8	71,760	78,397	67,037	71,760	67,037	7.0
New Orders.....	77,722	86,354	81,133	-10.0	6.4	4.5	66,913	96,489	61,755	66,913	61,755	8.4
Motor vehicles and parts:												
Shipments.....	56,323	56,146	56,142	0.3	0.0	1.5	52,212	49,620	48,647	52,212	48,647	7.3
New Orders.....	56,438	56,407	56,464	0.1	-0.1	1.9	52,435	50,584	48,846	52,435	48,846	7.3
Nondefense aircraft and parts:												
Shipments.....	11,437	11,372	12,037	0.6	-5.5	11.4	8,784	14,090	8,863	8,784	8,863	-0.9
New Orders.....	10,376	14,487	12,475	-28.4	16.1	14.1	5,848	26,204	3,143	5,848	3,143	86.1
Defense aircraft and parts:												
Shipments.....	4,228	4,233	4,186	-0.1	1.1	-2.1	3,104	5,207	2,609	3,104	2,609	19.0
New Orders.....	2,760	5,069	3,430	-45.6	47.8	3.4	2,436	7,438	3,747	2,436	3,747	-35.0
All other durable goods:												
Shipments.....	39,947	40,427	40,067	-1.2	0.9	0.8	36,173	37,973	34,011	36,173	34,011	6.4
New Orders.....	40,032	40,480	40,172	-1.1	0.8	1.0	36,439	37,221	34,311	36,439	34,311	6.2
Capital goods³:												
Shipments.....	85,898	85,529	85,647	0.4	-0.1	1.9	74,448	93,018	67,139	74,448	67,139	10.9
New Orders.....	82,822	87,248	85,837	-5.1	1.6	2.7	72,125	104,865	65,686	72,125	65,686	9.8
Nondefense capital goods:												
Shipments.....	74,369	74,358	74,537	0.0	-0.2	2.0	65,077	80,631	59,173	65,077	59,173	10.0
New Orders.....	73,644	74,796	75,119	-1.5	-0.4	2.1	64,645	87,899	57,628	64,645	57,628	12.2
Excluding aircraft:												
Shipments.....	67,114	67,080	66,637	0.1	0.7	0.3	60,188	70,871	54,298	60,188	54,298	10.8
New Orders.....	66,695	66,849	67,256	-0.2	-0.6	0.1	62,451	69,667	57,808	62,451	57,808	8.0
Defense capital goods:												
Shipments.....	11,529	11,171	11,110	3.2	0.5	1.4	9,371	12,387	7,966	9,371	7,966	17.6
New Orders.....	9,178	12,452	10,718	-26.3	16.2	6.6	7,480	16,966	8,058	7,480	8,058	-7.2

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 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 2018/2017
	Jan 2018 ²	Dec 2017 ¹	Nov 2017	Dec - Jan ²	Nov - Dec ¹	Oct - Nov	Jan 2018 ²	Dec 2017 ¹	Jan 2017	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	1,140,851	1,143,957	1,137,311	-0.3	0.6	0.1	1,144,965	1,144,513	1,123,334	1.9
Total Inventories.....	408,537	407,286	405,427	0.3	0.5	0.3	408,152	396,641	391,176	4.3
Excluding transportation:										
Unfilled Orders ⁴	369,089	368,602	367,408	0.1	0.3	0.5	367,024	361,725	350,537	4.7
Total Inventories.....	276,676	276,120	274,870	0.2	0.5	0.5	276,201	268,997	261,783	5.5
Excluding defense:										
Unfilled Orders ⁴	966,379	966,866	960,857	-0.1	0.6	0.2	969,871	967,263	942,957	2.9
Total Inventories.....	381,230	379,756	378,140	0.4	0.4	0.4	381,039	369,304	365,180	4.3
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,140,851	1,143,957	1,137,311	-0.3	0.6	0.1	1,144,965	1,144,513	1,123,334	1.9
Total Inventories.....	332,517	331,484	330,122	0.3	0.4	0.3	331,386	322,653	317,718	4.3
Primary metals:										
Unfilled Orders.....	31,674	31,638	31,412	0.1	0.7	1.3	31,912	31,262	29,395	8.6
Total Inventories.....	34,338	34,268	34,237	0.2	0.1	0.4	34,484	34,054	31,887	8.1
Fabricated metal products:										
Unfilled Orders.....	82,390	81,897	81,271	0.6	0.8	0.5	80,740	79,351	74,365	8.6
Total Inventories.....	51,331	51,164	50,880	0.3	0.6	0.8	51,259	50,350	47,961	6.9
Machinery:										
Unfilled Orders.....	102,173	102,044	101,734	0.1	0.3	0.4	102,513	100,272	98,106	4.5
Total Inventories.....	70,325	70,319	69,975	0.0	0.5	0.5	69,972	67,776	66,369	5.4
Computers and electronic products⁴:										
Unfilled Orders.....	119,982	119,915	119,776	0.1	0.1	0.2	119,668	119,133	116,764	2.5
Total Inventories.....	45,481	45,406	45,338	0.2	0.1	0.4	45,037	43,656	43,472	3.6
Computers and related products:										
Unfilled Orders.....	2,011	2,005	1,971	0.3	1.7	1.0	2,011	2,005	1,695	18.6
Total Inventories.....	4,362	4,371	4,364	-0.2	0.2	-0.4	4,359	4,030	4,331	0.6
Communications equipment:										
Unfilled Orders.....	28,659	28,460	28,463	0.7	0.0	0.6	28,307	28,131	26,067	8.6
Total Inventories.....	4,596	4,585	4,591	0.2	-0.1	0.3	4,564	4,372	4,481	1.9
Electrical equipment, appliances, and components:										
Unfilled Orders.....	22,279	22,602	22,762	-1.4	-0.7	0.9	22,319	22,101	22,339	-0.1
Total Inventories.....	18,260	18,114	17,910	0.8	1.1	0.5	18,172	17,316	17,013	6.8
Transportation equipment:										
Unfilled Orders.....	771,762	775,355	769,903	-0.5	0.7	0.0	777,941	782,788	772,797	0.7
Total Inventories.....	131,861	131,166	130,557	0.5	0.5	-0.3	131,951	127,644	129,393	2.0
Motor vehicles and parts:										
Unfilled Orders.....	24,638	24,523	24,262	0.5	1.1	1.3	24,857	24,634	23,099	7.6
Total Inventories.....	35,380	35,163	34,697	0.6	1.3	0.1	35,831	33,988	34,729	3.2
Nondefense Aircraft and parts:										
Unfilled Orders.....	581,181	582,242	579,127	-0.2	0.5	0.1	586,283	589,219	578,059	1.4
Total Inventories.....	67,764	67,057	67,194	1.1	-0.2	0.0	67,648	65,020	67,029	0.9
Defense Aircraft and parts:										
Unfilled Orders.....	70,932	72,400	71,564	-2.0	1.2	-1.0	71,424	72,092	72,538	-1.5
Total Inventories.....	13,184	13,400	13,353	-1.6	0.4	-0.6	13,098	13,321	12,084	8.4
All other durable goods:										
Unfilled Orders.....	10,591	10,506	10,453	0.8	0.5	1.0	9,872	9,606	9,568	3.2
Total Inventories.....	56,941	56,849	56,530	0.2	0.6	0.4	57,277	55,845	55,081	4.0
Capital goods³:										
Unfilled Orders.....	847,086	850,162	848,443	-0.4	0.2	0.0	851,247	853,570	842,724	1.0
Total Inventories.....	205,094	204,260	203,474	0.4	0.4	0.1	203,679	197,757	196,685	3.6
Nondefense capital goods:										
Unfilled Orders.....	706,110	706,835	706,397	-0.1	0.1	0.1	709,669	710,101	697,144	1.8
Total Inventories.....	181,943	180,950	180,412	0.5	0.3	0.3	180,636	174,561	175,085	3.2
Excluding aircraft:										
Unfilled Orders.....	228,667	229,086	229,317	-0.2	-0.1	0.3	227,647	225,384	223,075	2.0
Total Inventories.....	125,626	125,395	124,712	0.2	0.5	0.3	124,517	121,032	119,685	4.0
Defense capital goods:										
Unfilled Orders.....	140,976	143,327	142,046	-1.6	0.9	-0.3	141,578	143,469	145,580	-2.7
Total Inventories.....	23,151	23,310	23,062	-0.7	1.1	-1.5	23,043	23,196	21,600	6.7

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 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.