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**ECONOMICS  
AND  
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**BUREAU OF THE  
CENSUS**

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**Special Notice:** Because of the terrorist attacks of September 11, the Census Bureau altered an option in its seasonal adjustment procedures used to produce the seasonally adjusted data for the September and October releases. This alteration ensured that the published seasonally adjusted values fully include the effects of the attacks and eliminated the distortion that September's atypical events would otherwise have had on seasonal factors for September, October, and surrounding months. The revised seasonal adjustment option was used whenever the appropriate statistical test showed that the unadjusted September or October value was not in a typical range. For further information, see <http://www.census.gov/indicator/www/m3/oct2001faq.html>

**ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS  
OCTOBER 2001**

(All figures in text below are in seasonally adjusted current dollars)

● **NEW ORDERS** for manufactured durable goods in October, up for the first time since May, increased \$20.9 billion or 12.8 percent to \$184.8 billion, the Department of Commerce, Bureau of the Census reported today. Excluding transportation, new orders increased 3.4 percent. Year to date, new orders are 12.4 percent below the same period a year ago.

Transportation equipment, led by defense aircraft and parts, had the largest increase, \$16.8 billion or 38.8 percent to \$60.1 billion; nondefense aircraft and parts increased \$1.8 billion or 49.3 percent to \$5.4 billion. Computers and electronic products increased \$3.0 billion or 10.3 percent to \$32.2 billion; this is the largest increase since May 2000. Fabricated metals increased \$0.6 billion or 3.1 percent to \$19.9 billion.

● **SHIPMENTS** of durable goods in October, up for the first time since May, increased \$5.5 billion or 3.2 percent to \$180.0 billion. Year to date, shipments are 7.8 percent below the same period a year ago.

All durable goods subsectors increased. Transportation equipment had the largest increase, \$3.1 billion or 6.3 percent to \$51.8 billion, due to motor vehicles and parts; nondefense aircraft and parts decreased \$0.1 billion or 1.3 percent to \$8.2 billion. Machinery increased \$0.7 billion or 3.2 percent to \$23.2 billion.

● **UNFILLED ORDERS** for durable goods in October, up for the first time since December 2000, increased \$4.7 billion or 0.9 percent to \$557.2 billion.

Transportation equipment, the only subsector to increase, was up \$8.3 billion or 3.0 percent to \$286.8 billion, due to defense aircraft and parts; nondefense aircraft and parts decreased \$2.8 billion or 1.9 percent to \$141.5 billion. Machinery, down nine of the last ten months, decreased \$1.1 billion or 1.8 percent to \$58.2 billion. Computers and electronic products, down eleven consecutive months, decreased \$0.9 billion or 0.7 percent to \$127.1 billion. Primary metals, down four consecutive months, decreased \$0.7 billion or 3.8 percent to \$17.7 billion; this is the largest decrease since October 1998.

● **INVENTORIES** for durable goods in October, down nine consecutive months, decreased \$1.3 billion or 0.4 percent to \$290.7 billion. Computers and electronic products, down eight consecutive months, had the largest decrease, \$0.8 billion or 1.4 percent to \$52.1 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in October increased \$12.4 billion or 206.3 percent to \$18.4 billion. Shipments decreased \$0.1 billion or 1.0 percent to \$6.4 billion. Unfilled orders increased \$12.0 billion or 9.8 percent to \$134.4 billion. Inventories increased \$0.1 billion or 0.3 percent to \$18.2 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in October, up for the first time since March, increased \$3.8 billion or 7.4 percent to \$55.0 billion. Shipments, up for the first time since May, increased \$0.5 billion or 0.9 percent to \$59.5 billion. Unfilled orders, down ten consecutive months, decreased \$4.5 billion or 1.8 percent to \$253.2 billion. Inventories, down nine consecutive months, decreased \$0.7 billion or 0.5 percent to \$124.1 billion.

● **REVISED SEPTEMBER DATA** Revised seasonally adjusted September figures for all manufacturing industries are: shipments, \$322.2 billion (revised from \$323.1 billion); new orders, \$311.6 billion (revised from \$313.1 billion); unfilled orders, \$552.5 billion (revised from \$553.2 billion); and total inventories, \$460.7 billion (revised from \$460.9 billion).

Our internet site address is: <http://www.census.gov/indicator/www/m3>

**Table 1. DURABLE GOODS MANUFACTURERS' SHIPMENTS AND NEW ORDERS**  
(Millions of Dollars)

Item	Seasonally Adjusted						Not Seasonally Adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent Change Oct 01/00
	Oct 2001 <sup>2</sup>	Sep 2001 <sup>r</sup>	Aug 2001	Sep - Oct <sup>2</sup>	Aug - Sep <sup>r</sup>	Jul - Aug	Oct 2001 <sup>2</sup>	Sep 2001 <sup>r</sup>	Oct 2000	
<b>DURABLE GOODS</b>										
<b>Total:</b>										
Shipments.....	180,039	174,503	185,543	+3.2	-6.0	-1.1	183,867	188,978	205,241	-10.4
New Orders.....	184,764	163,847	180,539	+12.8	-9.2	-0.6	185,925	177,927	204,126	-8.9
<b>Excluding transportation:</b>										
Shipments.....	128,210	125,756	131,677	+2.0	-4.5	-1.2	129,357	135,879	149,225	-13.3
New Orders.....	124,674	120,563	128,860	+3.4	-6.4	0.0	125,755	129,823	150,259	-16.3
<b>Excluding defense:</b>										
Shipments.....	172,794	166,857	178,082	+3.6	-6.3	-1.2	176,639	180,547	198,699	-11.1
New Orders.....	165,329	156,630	173,951	+5.6	-10.0	-0.2	167,805	170,764	198,042	-15.3
<b>Primary metals:</b>										
Shipments.....	11,507	11,318	11,951	+1.7	-5.3	-1.2	11,882	11,460	13,629	-12.8
New Orders.....	10,812	11,100	11,774	-2.6	-5.7	-1.2	10,724	10,810	12,838	-16.5
<b>Fabricated metal products:</b>										
Shipments.....	20,239	19,903	20,555	+1.7	-3.2	+0.8	21,191	20,414	21,987	-3.6
New Orders.....	19,932	19,327	20,185	+3.1	-4.3	-1.1	20,271	19,377	21,729	-6.7
<b>Machinery:</b>										
Shipments.....	23,235	22,515	24,701	+3.2	-8.8	+0.4	22,741	23,768	24,816	-8.4
New Orders.....	22,168	22,240	24,034	-0.3	-7.5	+1.8	21,508	23,655	24,762	-13.1
<b>Computers and electronic products:</b>										
Shipments.....	33,142	32,904	33,261	+0.7	-1.1	-5.9	32,131	38,620	45,183	-28.9
New Orders.....	32,248	29,245	32,010	+10.3	-8.6	+0.2	31,919	35,247	46,433	-31.3
<b>Computers and related products:</b>										
Shipments.....	7,846	7,824	7,386	+0.3	+5.9	-13.2	7,252	9,651	11,018	-34.2
New Orders.....	8,192	6,917	7,443	+18.4	-7.1	-8.8	7,543	8,523	10,973	-31.3
<b>Communications equipment:</b>										
Shipments.....	5,990	6,117	6,577	-2.1	-7.0	-2.0	5,557	7,324	9,004	-38.3
New Orders.....	5,690	3,597	5,922	+58.2	-39.3	-1.9	5,519	5,713	9,419	-41.4
<b>Semiconductors:</b>										
Shipments.....	6,240	6,318	6,014	-1.2	+5.1	-9.1	6,277	7,100	9,620	-34.8
New Orders.....	5,482	6,619	5,662	-17.2	+16.9	+20.7	6,398	7,321	10,241	-37.5
<b>Electrical equipment, appliances, and components:</b>										
Shipments.....	10,014	9,786	10,652	+2.3	-8.1	+1.5	9,691	10,885	11,017	-12.0
New Orders.....	9,676	9,318	10,413	+3.8	-10.5	-2.2	9,566	10,129	11,293	-15.3
<b>Transportation equipment:</b>										
Shipments.....	51,829	48,747	53,866	+6.3	-9.5	-0.7	54,510	53,099	56,016	-2.7
New Orders.....	60,090	43,284	51,679	+38.8	-16.2	-2.1	60,170	48,104	53,867	+11.7
<b>Motor vehicles and parts:</b>										
Shipments.....	35,985	32,380	38,004	+11.1	-14.8	-0.7	39,803	34,854	42,568	-6.5
New Orders.....	35,559	32,157	37,819	+10.6	-15.0	-0.7	39,360	34,520	42,495	-7.4
<b>Aircraft and parts:</b>										
Shipments.....	10,579	11,186	10,757	-5.4	+4.0	-1.0	9,442	12,345	8,489	+11.2
New Orders.....	20,672	6,205	8,943	233.2	-30.6	-8.8	17,070	8,638	6,315	170.3
<b>All other durable goods:</b>										
Shipments.....	30,073	29,330	30,557	+2.5	-4.0	+0.6	31,721	30,732	32,593	-2.7
New Orders.....	29,838	29,333	30,444	+1.7	-3.6	+0.3	31,767	30,605	33,204	-4.3
<b>Capital goods:<sup>3</sup></b>										
Shipments.....	65,944	65,458	68,121	+0.7	-3.9	-2.1	63,379	72,707	74,006	-14.4
New Orders.....	73,391	57,208	64,722	+28.3	-11.6	-1.7	68,685	65,591	73,231	-6.2
<b>Nondefense capital goods:</b>										
Shipments.....	59,513	58,965	61,468	+0.9	-4.1	-2.6	56,981	65,577	68,372	-16.7
New Orders.....	54,989	51,200	58,921	+7.4	-13.1	-0.9	51,143	59,546	67,861	-24.6
<b>Defense capital goods:</b>										
Shipments.....	6,431	6,493	6,653	-1.0	-2.4	+3.3	6,398	7,130	5,634	+13.6
New Orders.....	18,402	6,008	5,801	206.3	+3.6	-8.4	17,542	6,045	5,370	226.7

(NA) Not Available    <sup>r</sup> Revised

<sup>1</sup> Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders and total inventories are as of the end of the period and are not adjusted for trading-day or calendar-month variations.

<sup>2</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. Further details on survey design, methodology, and data limitations are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-1(00), "Manufacturers' Shipments, Inventories, and Orders: 1992-2000."

<sup>3</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.

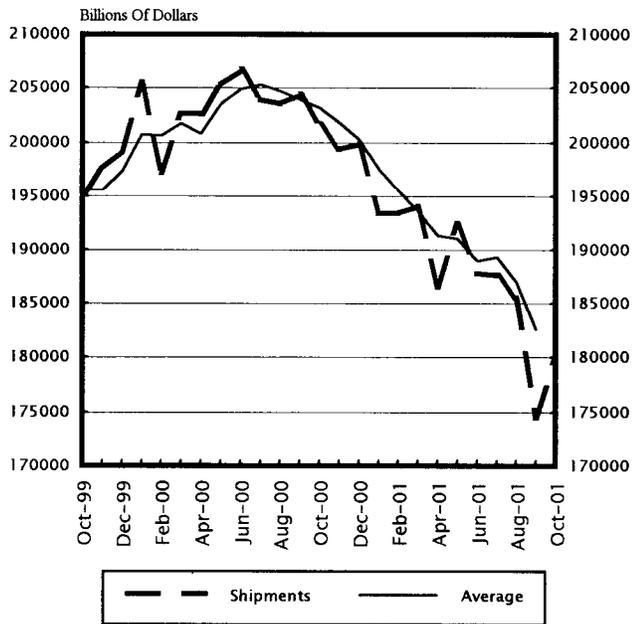
Defense Capital Goods include: small arms and ordnance, communications equipment, aircraft; missiles, space vehicles, and parts, ships and boats, and search and navigation equipment.

**Table 2. DURABLE GOODS MANUFACTURERS' UNFILLED ORDERS AND TOTAL INVENTORIES**  
(Millions of Dollars)

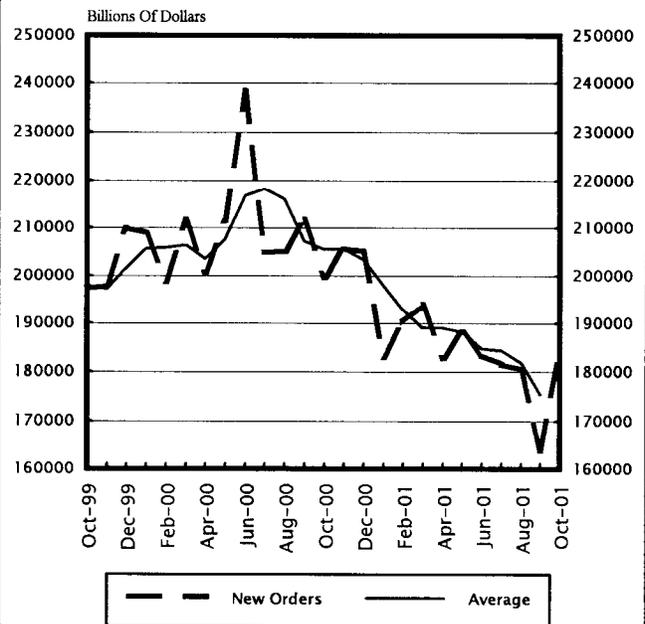
Item	Seasonally Adjusted						Not Seasonally Adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent Change Oct 01/00
	Oct 2001 <sup>2</sup>	Sep 2001 <sup>r</sup>	Aug 2001	Sep - Oct <sup>2</sup>	Aug - Sep <sup>r</sup>	Jul - Aug	Oct 2001 <sup>2</sup>	Sep 2001 <sup>r</sup>	Oct 2000	
<b>DURABLE GOODS</b>										
<b>Total:</b>										
Unfilled Orders.....	557,241	552,516	563,172	+0.9	-1.9	-0.9	548,566	546,508	582,188	-5.8
Total Inventories.....	290,678	291,941	295,392	-0.4	-1.2	-0.9	290,944	290,120	308,632	-5.7
<b>Excluding transportation:</b>										
Unfilled Orders.....	270,428	273,964	279,157	-1.3	-1.9	-1.0	267,815	271,417	315,330	-15.1
Total Inventories.....	216,080	217,776	221,229	-0.8	-1.6	-1.0	215,180	215,297	229,728	-6.3
<b>Excluding defense:</b>										
Unfilled Orders.....	404,289	411,754	421,981	-1.8	-2.4	-1.0	400,306	409,140	445,093	-10.1
Total Inventories.....	269,142	270,648	273,887	-0.6	-1.2	-1.0	269,134	268,298	285,048	-5.6
<b>Primary metals:</b>										
Unfilled Orders.....	17,721	18,416	18,634	-3.8	-1.2	-0.9	16,735	17,893	18,924	-11.6
Total Inventories.....	20,230	20,402	20,560	-0.8	-0.8	-0.9	20,177	20,379	22,832	-11.6
<b>Fabricated metal products:</b>										
Unfilled Orders.....	40,736	41,043	41,619	-0.7	-1.4	-0.9	40,077	40,997	42,895	-6.6
Total Inventories.....	33,770	33,854	34,011	-0.2	-0.5	-0.3	33,351	33,522	35,076	-4.9
<b>Machinery:</b>										
Unfilled Orders.....	58,243	59,310	59,585	-1.8	-0.5	-1.1	57,754	58,987	64,472	-10.4
Total Inventories.....	49,757	50,074	50,288	-0.6	-0.4	-0.7	49,750	49,459	50,760	-2.0
<b>Computers and electronic products:</b>										
Unfilled Orders.....	127,121	128,015	131,674	-0.7	-2.8	-0.9	126,438	126,650	156,029	-19.0
Total Inventories.....	52,080	52,835	55,349	-1.4	-4.5	-1.9	51,913	51,936	58,219	-10.8
<b>Computers and related products:</b>										
Unfilled Orders.....	9,551	9,205	10,112	+3.8	-9.0	+0.6	9,537	9,246	10,152	-6.1
Total Inventories.....	8,252	8,151	8,568	+1.2	-4.9	-1.6	8,103	7,810	9,008	-10.0
<b>Communications equipment:</b>										
Unfilled Orders.....	41,317	41,617	44,137	-0.7	-5.7	-1.5	40,837	40,875	49,271	-17.1
Total Inventories.....	9,307	9,770	10,850	-4.7	-10.0	-3.3	9,337	9,667	12,472	-25.1
<b>Semiconductors:</b>										
Unfilled Orders.....	14,695	15,453	15,152	-4.9	+2.0	-2.3	15,655	15,534	29,829	-47.5
Total Inventories.....	7,616	7,776	7,957	-2.1	-2.3	-0.3	7,497	7,438	7,601	-1.4
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	16,523	16,861	17,329	-2.0	-2.7	-1.4	16,346	16,471	19,211	-14.9
Total Inventories.....	15,016	15,018	15,151	0.0	-0.9	-0.5	14,945	14,615	15,641	-4.4
<b>Transportation equipment:</b>										
Unfilled Orders.....	286,813	278,552	284,015	+3.0	-1.9	-0.8	280,751	275,091	266,858	+5.2
Total Inventories.....	74,598	74,165	74,163	+0.6	0.0	-0.3	75,764	74,823	78,904	-4.0
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	11,945	12,371	12,594	-3.4	-1.8	-1.4	11,451	11,894	13,118	-12.7
Total Inventories.....	20,932	21,095	21,214	-0.8	-0.6	-1.4	20,947	21,112	23,168	-9.6
<b>Aircraft and parts:</b>										
Unfilled Orders.....	199,305	189,212	194,193	+5.3	-2.6	-0.9	196,100	188,472	179,612	+9.2
Total Inventories.....	41,781	41,262	41,171	+1.3	+0.2	+0.5	42,794	41,730	43,521	-1.7
<b>All other durable goods:</b>										
Unfilled Orders.....	10,084	10,319	10,316	-2.3	0.0	-1.1	10,465	10,419	13,799	-24.2
Total Inventories.....	45,227	45,593	45,870	-0.8	-0.6	-1.0	45,044	45,386	47,200	-4.6
<b>Capital goods:<sup>3</sup></b>										
Unfilled Orders.....	387,609	380,162	388,412	+2.0	-2.1	-0.9	380,766	375,460	393,172	-3.2
Total Inventories.....	142,364	142,993	145,311	-0.4	-1.6	-0.6	143,351	142,263	150,426	-4.7
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	253,188	257,712	265,477	-1.8	-2.9	-1.0	250,234	256,072	271,302	-7.8
Total Inventories.....	124,144	124,830	126,954	-0.5	-1.7	-0.8	124,945	123,638	131,210	-4.8
<b>Defense capital goods:</b>										
Unfilled Orders.....	134,421	122,450	122,935	+9.8	-0.4	-0.7	130,532	119,388	121,870	+7.1
Total Inventories.....	18,220	18,163	18,357	+0.3	-1.1	+0.8	18,406	18,625	19,216	-4.2

<sup>1</sup> e footnotes at end of Table 1

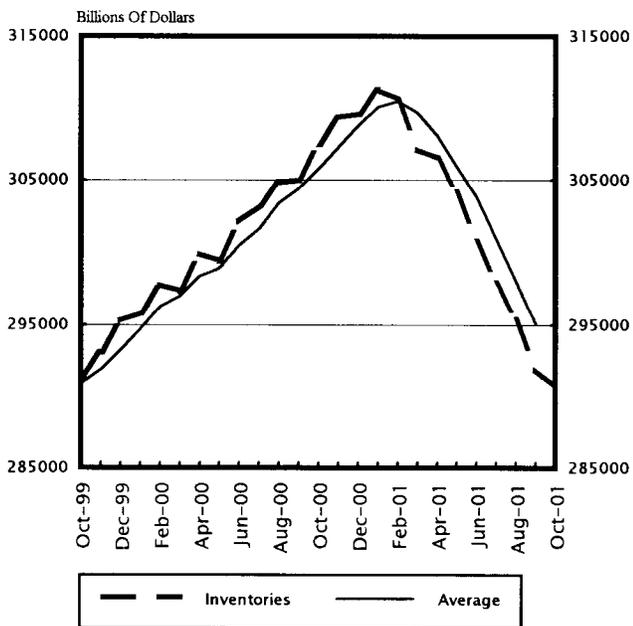
**Durable Goods Shipments and Three Month Moving Average**



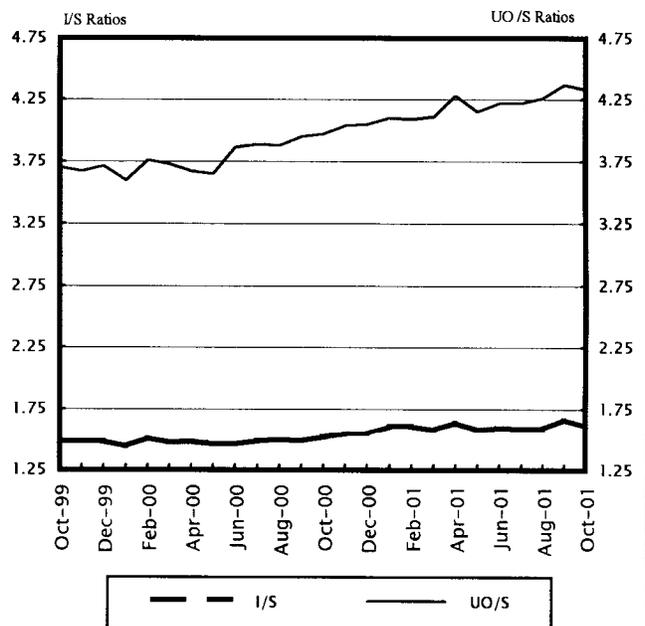
**Durable Goods New Orders and Three Month Moving Average**



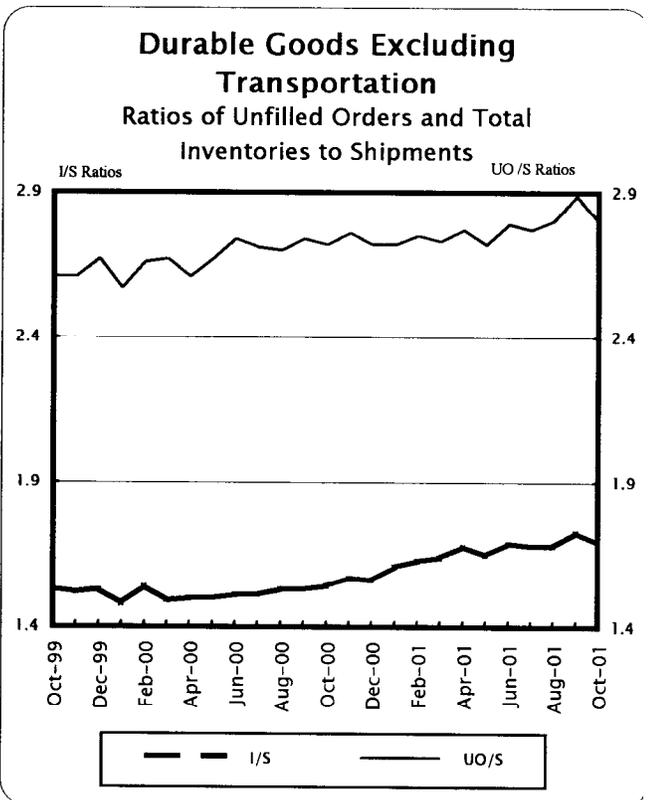
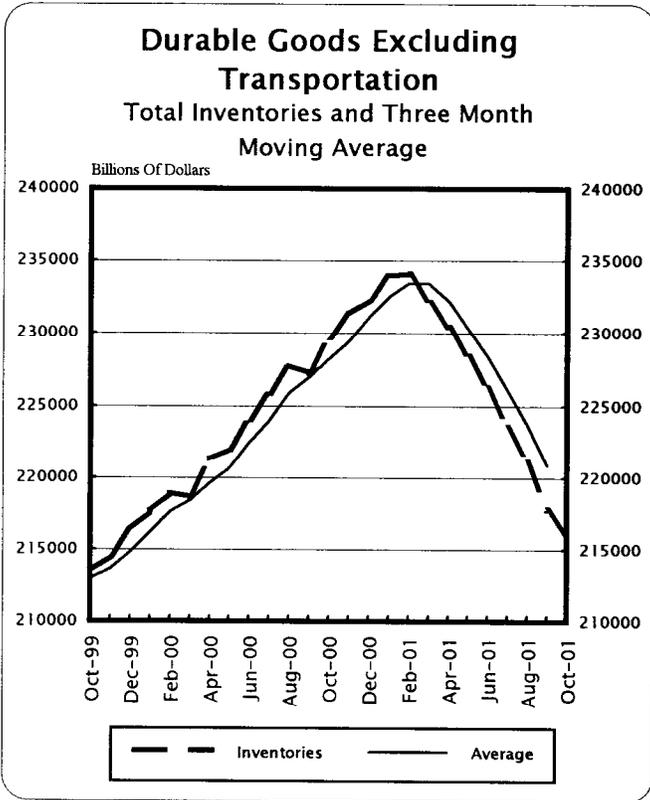
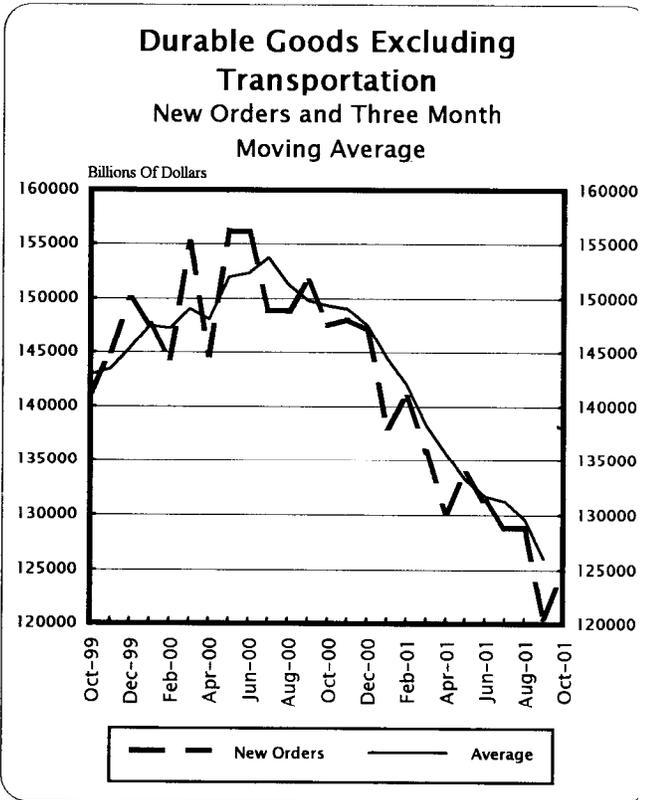
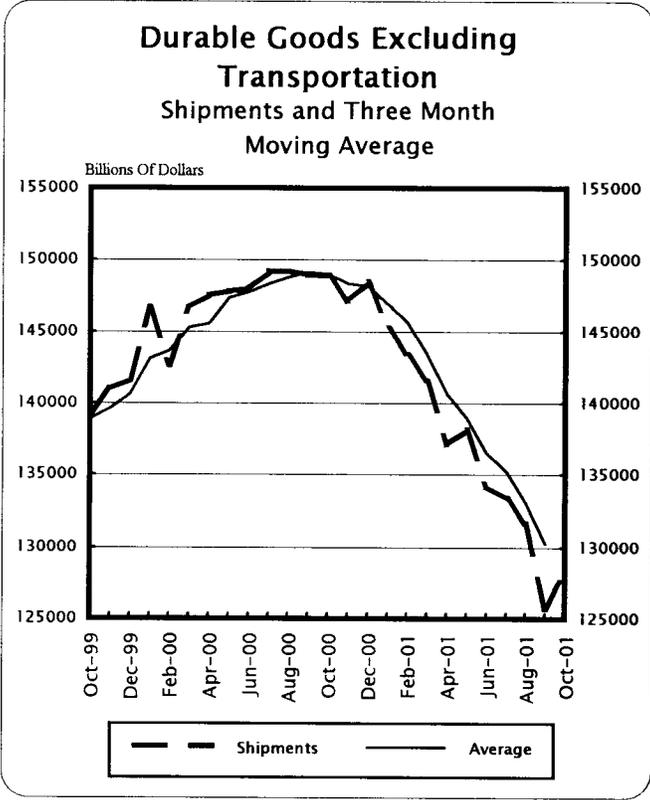
**Durable Goods Total Inventories and Three Month Moving Average**



**Durable Goods Ratios of Unfilled Orders and Total Inventories to Shipments**

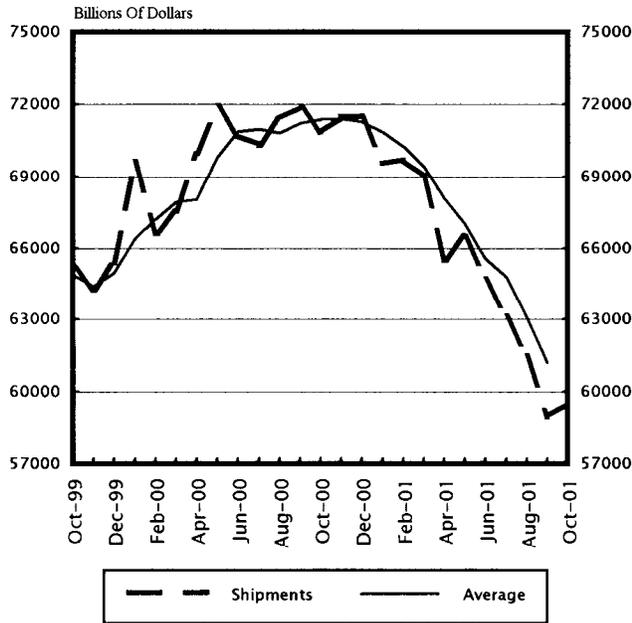


Note: All charts based on seasonally adjusted current dollars.

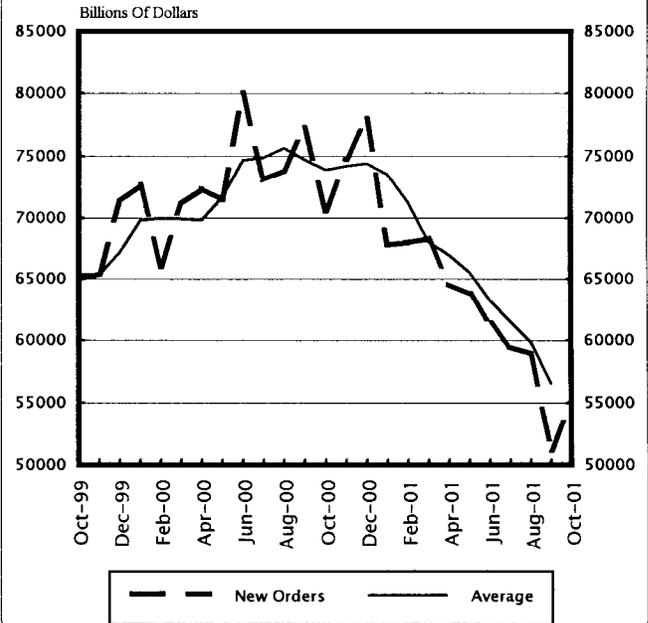


Note: All charts based on seasonally adjusted current dollars.

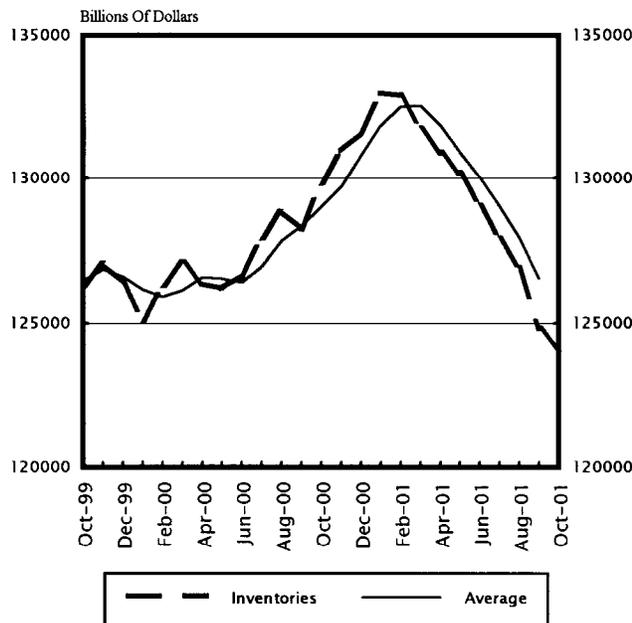
**Nondefense Capital Goods Shipments and Three Month Moving Average**



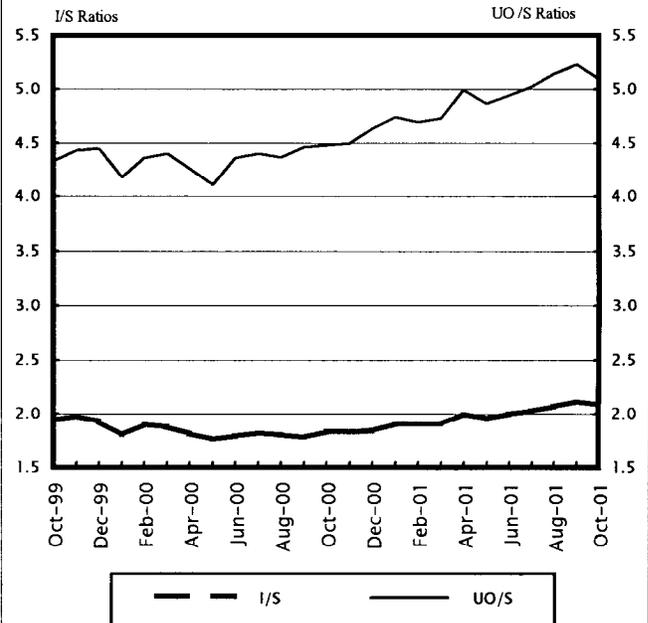
**Nondefense Capital Goods New Orders and Three Month Moving Average**



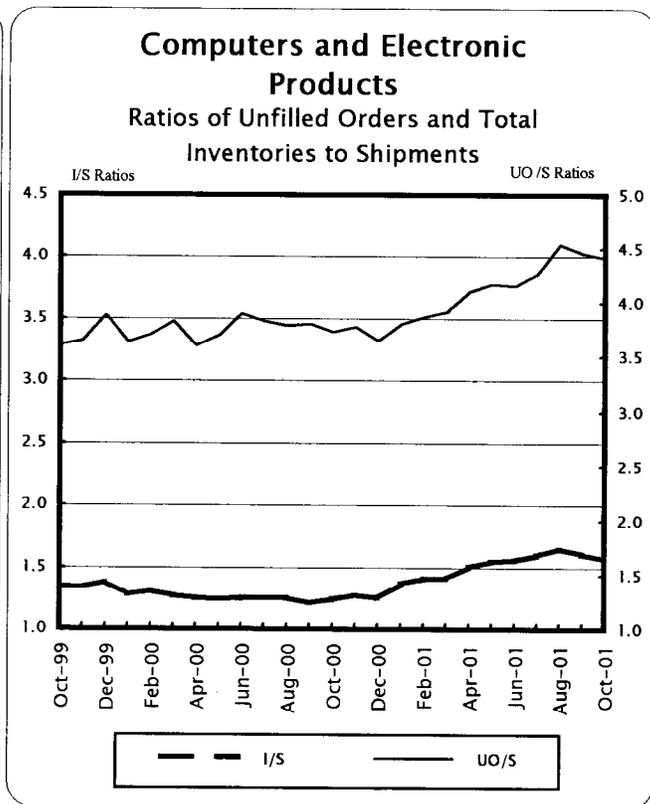
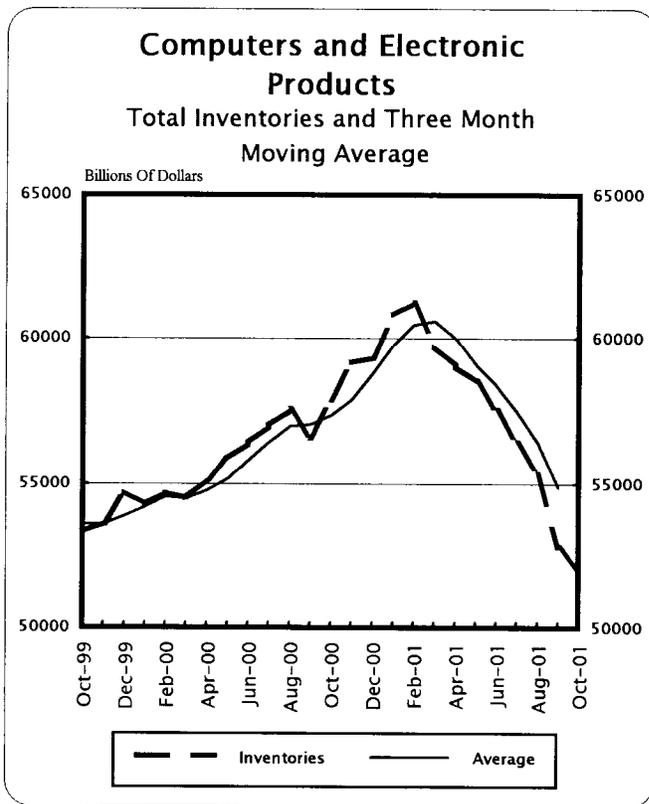
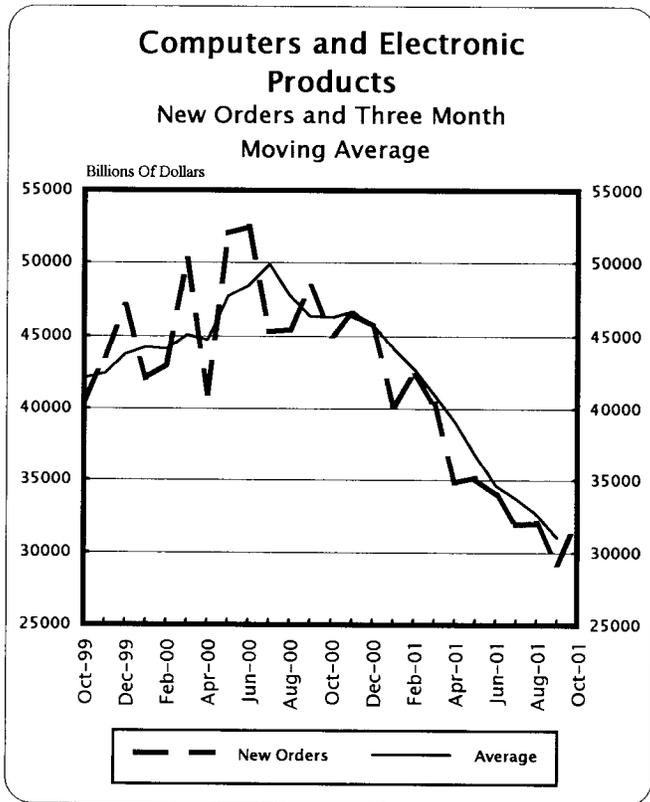
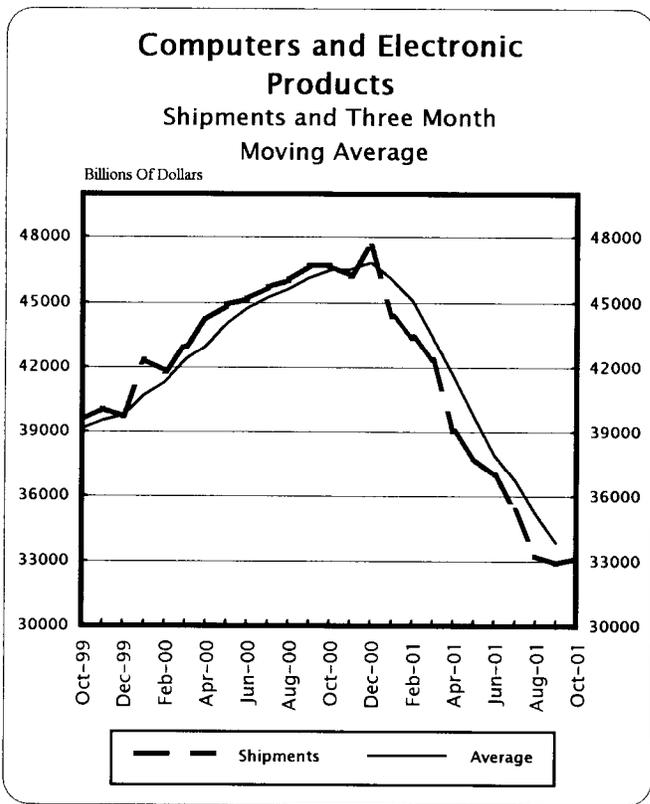
**Nondefense Capital Goods Total Inventories and Three Month Moving Average**



**Nondefense Capital Goods Ratios of Unfilled Orders and Total Inventories to Shipments**



Note: All charts based on seasonally adjusted current dollars.



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