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**ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS
August 2002**

(All figures in text below are in seasonally adjusted current dollars and exclude data for semiconductor manufacturing)

• **NEW ORDERS** for manufactured durable goods in August decreased \$1.0 billion or 0.6 percent to \$178.4 billion, the Department of Commerce, U.S. Census Bureau reported today. This followed an 8.6 percent July increase. Excluding transportation, new orders decreased 0.9 percent. Excluding defense, new orders increased 0.6 percent. Year to date, new orders for 2002 were 1.2 percent below the same period a year ago.

Fabricated metal products had the largest decrease, \$0.7 billion or 3.5 percent to \$20.5 billion. Machinery, due to industrial machinery manufacturing, decreased \$0.6 billion or 2.5 percent to \$22.5 billion.

• **SHIPMENTS** of manufactured durable goods in August decreased \$2.4 billion or 1.3 percent to \$176.5 billion. This followed a 3.3 percent July increase. Year to date, shipments for 2002 were 2.0 percent below the same period a year ago.

Transportation equipment had the largest decrease, \$1.8 billion or 3.3 percent to \$53.1 billion, led by motor vehicles and parts which decreased \$0.9 billion and by nondefense aircraft and parts which also decreased by \$0.9 billion.

• **UNFILLED ORDERS** for manufactured durable goods in August increased \$1.9 billion or 0.4 percent to \$490.9 billion. This followed a 0.1 percent July increase.

Transportation equipment had the largest increase, \$4.3 billion or 1.7 percent to \$254.4 billion, due to nondefense aircraft and parts which increased \$3.5 billion. Fabricated metal products decreased \$0.8 billion and machinery decreased \$0.7 billion..

• **INVENTORIES** of manufactured durable goods in August, down nineteen consecutive months, decreased \$0.5 billion or 0.2 percent to \$264.0 billion. This followed a 0.4 percent July decrease.

Computers and electronic products had the largest decrease, \$0.2 billion or 0.5 percent to \$42.8 billion, due to communications equipment which decreased \$0.2 billion. Machinery also decreased \$0.2 billion or 0.4 percent to \$44.8 billion.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in August increased \$1.6 billion or 28.9 percent to \$7.1 billion. Shipments increased 0.4 percent to \$6.5 billion. Unfilled orders increased \$0.6 billion or 0.5 percent to \$125.4 billion. Inventories increased \$0.5 billion or 2.7 percent to \$18.5 billion.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in August increased \$3.4 billion or 5.9 percent to \$60.5 billion. Shipments decreased \$1.0 billion or 1.7 percent to \$57.4 billion. Unfilled orders increased \$3.0 billion or 1.4 percent to \$216.0 billion, this was the first increase since January 2001. Inventories, down nineteen consecutive months, decreased \$0.9 billion or 0.8 percent to \$114.1 billion.

• **REVISED JULY DATA** Revised seasonally adjusted July figures for all manufacturing industries are: new orders, \$326.7 billion (revised from \$327.6 billion); shipments, \$326.1 billion (revised from \$325.9 billion); unfilled orders, \$489.0 billion (revised from \$490.1 billion); and total inventories, \$427.9 billion (revised from \$427.8 billion).

SEE BACK PAGE FOR SURVEY DESCRIPTION

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 ¹			
	Monthly			Percent Change			Monthly			Percent Change Aug 02/01
	Aug 2002 ²	Jul 2002 ¹	Jun 2002	Jul - Aug ²	Jun - Jul ¹	May - Jun	Aug 2002 ²	Jul 2002 ¹	Aug 2001	
DURABLE GOODS										
Total: ⁴										
Shipments.....	176,473	178,855	173,205	-1.3	3.3	-1.5	179,145	153,420	178,600	0.3
New Orders.....	178,364	179,409	165,261	-0.6	8.6	-4.5	177,772	154,063	170,755	4.1
Excluding transportation: ⁴										
Shipments.....	123,409	123,957	121,689	-0.4	1.9	-1.6	123,886	114,794	124,848	-0.8
New Orders.....	120,978	122,132	118,430	-0.9	3.1	-3.9	119,414	114,108	120,486	-0.9
Excluding defense: ⁴										
Shipments.....	168,721	171,131	165,183	-1.4	3.6	-1.9	171,657	146,623	171,813	-0.1
New Orders.....	169,933	168,975	157,891	0.6	7.0	-5.3	171,073	146,528	166,555	2.7
Manufacturing with unfilled orders: ⁴										
Shipments.....	122,819	123,861	121,501	-0.8	1.9	-1.0	123,508	108,358	125,226	-1.4
New Orders.....	124,710	124,415	113,557	0.2	9.6	-5.3	122,135	109,001	117,381	4.1
Primary metals:										
Shipments.....	11,408	11,356	11,206	0.5	1.3	-0.9	11,802	10,655	11,868	-0.6
New Orders.....	11,412	11,203	11,119	1.9	0.8	-2.8	11,652	10,416	11,456	1.7
Fabricated metal products:										
Shipments.....	21,244	21,357	21,029	-0.5	1.6	-0.1	22,153	20,340	22,536	-1.7
New Orders.....	20,486	21,219	20,651	-3.5	2.8	-3.1	21,050	21,040	22,059	-4.6
Machinery:										
Shipments.....	23,206	23,261	22,936	-0.2	1.4	-2.5	22,415	21,152	23,241	-3.6
New Orders.....	22,460	23,027	20,863	-2.5	10.4	-8.4	21,651	21,158	22,726	-4.7
Computers and electronic products: ⁴										
Shipments.....	26,867	27,033	26,126	-0.6	3.5	-2.8	25,285	23,063	24,721	2.3
New Orders.....	26,375	26,457	25,542	-0.3	3.6	-4.6	23,524	21,946	22,320	5.4
Computers and related products:										
Shipments.....	6,769	7,085	6,252	-4.5	13.3	-5.0	6,004	5,688	5,375	11.7
New Orders.....	6,685	6,783	5,991	-1.4	13.2	-9.7	6,000	5,278	5,558	8.0
Communications equipment:										
Shipments.....	5,444	5,447	5,573	-0.1	-2.3	-4.9	4,971	4,579	6,075	-18.2
New Orders.....	5,317	5,541	5,075	-4.0	9.2	-15.6	3,831	4,393	4,166	-8.0
Semiconductors: ⁵										
Shipments.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
New Orders.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:										
Shipments.....	8,978	9,106	9,012	-1.4	1.0	-2.0	8,923	8,177	9,858	-9.5
New Orders.....	8,897	8,638	9,225	3.0	-6.4	-1.3	8,791	8,066	9,568	-8.1
Transportation equipment:										
Shipments.....	53,064	54,898	51,516	-3.3	6.6	-1.4	55,259	38,626	53,752	2.8
New Orders.....	57,386	57,277	46,831	0.2	22.3	-6.0	58,358	39,955	50,269	16.1
Motor vehicles and parts:										
Shipments.....	39,240	40,174	37,122	-2.3	8.2	-2.8	41,735	26,760	39,163	6.6
New Orders.....	38,819	40,366	37,230	-3.8	8.4	-3.0	41,037	27,180	38,855	5.6
Nondefense aircraft and parts:										
Shipments.....	5,649	6,549	6,145	-13.7	6.6	-1.7	5,315	5,066	7,412	-28.3
New Orders.....	9,108	6,182	2,663	47.3	132.1	-48.9	8,881	4,943	6,473	37.2
Defense aircraft and parts:										
Shipments.....	2,944	3,142	3,154	-6.3	-0.4	7.6	2,909	2,683	2,458	18.3
New Orders.....	3,144	6,212	2,620	-49.4	137.1	17.6	2,341	5,079	1,087	115.4
All other durable goods:										
Shipments.....	31,706	31,844	31,380	-0.4	1.5	-1.0	33,308	31,407	32,624	2.1
New Orders.....	31,348	31,588	31,030	-0.8	1.8	-1.7	32,746	31,482	32,357	1.2
Capital goods: ³										
Shipments.....	63,924	64,905	63,027	-1.5	3.0	-1.4	61,530	57,056	62,788	-2.0
New Orders.....	67,549	62,607	57,034	7.9	9.8	-7.2	62,734	53,714	56,680	10.7
Nondefense capital goods:										
Shipments.....	57,428	58,436	56,314	-1.7	3.8	-2.2	55,301	51,265	56,723	-2.5
New Orders.....	60,477	57,119	50,774	5.9	12.5	-9.6	57,049	50,268	52,881	7.9
Excluding aircraft:										
Shipments.....	54,810	55,006	53,312	-0.4	3.2	-2.1	52,887	48,758	52,956	-0.1
New Orders.....	54,310	53,984	50,438	0.6	7.0	-6.3	51,086	48,056	49,976	2.2
Defense capital goods:										
Shipments.....	6,496	6,469	6,713	0.4	-3.6	6.3	6,229	5,791	6,065	2.7
New Orders.....	7,072	5,488	6,260	28.9	-12.3	18.3	5,685	3,446	3,799	49.6

NA Not Available ¹ Revised

¹ 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.

² 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(01), "Manufacturers' Shipments, Inventories, and Orders: 1992-2001."

³ 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.

⁴ Aggregate estimates and percent changes exclude semiconductor industry data. Due to the number of large semiconductor manufacturers choosing not to participate in this voluntary monthly survey, the Census Bureau cannot currently produce monthly estimates of semiconductor shipments, orders, or inventories.

⁵ Due to the number of large semiconductor manufacturers choosing not to participate in this voluntary monthly survey, the Census Bureau cannot currently produce monthly estimates of semiconductor shipments, orders, or inventories.

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 ¹			
	Monthly			Percent Change			Monthly			Percent Change Aug 02/01
	Aug 2002 ²	Jul 2002 ¹	Jun 2002	Jul - Aug ²	Jun - Jul ¹	May - Jun	Aug 2002 ²	Jul 2002 ¹	Aug 2001	
DURABLE GOODS										
Total: ⁴										
Unfilled Orders.....	490,874	488,983	488,429	0.4	0.1	-1.6	488,818	490,191	518,727	-5.8
Total Inventories.....	263,982	264,461	265,478	-0.2	-0.4	-0.4	267,273	266,067	291,555	-8.3
Excluding transportation: ⁴										
Unfilled Orders.....	236,458	238,889	240,714	-1.0	-0.8	-1.3	235,719	240,191	261,632	-9.9
Total Inventories.....	192,588	193,051	193,085	-0.2	0.0	-0.6	194,443	193,923	215,095	-9.6
Excluding defense: ⁴										
Unfilled Orders.....	344,790	343,578	345,734	0.4	-0.6	-2.1	345,060	345,644	389,456	-11.4
Total Inventories.....	242,002	242,944	243,066	-0.4	-0.1	-0.5	244,586	244,350	269,487	-9.2
Manufacturing with unfilled orders: ⁴										
Unfilled Orders.....	490,874	488,983	488,429	0.4	0.1	-1.6	488,818	490,191	518,727	-5.8
Total Inventories.....	215,104	215,320	216,405	-0.1	-0.5	-0.4	217,797	216,651	238,903	-8.8
Primary metals:										
Unfilled Orders.....	15,930	15,926	16,079	0.0	-1.0	-0.5	16,016	16,166	17,961	-10.8
Total Inventories.....	18,449	18,304	18,282	0.8	0.1	0.7	18,526	18,330	19,992	-7.3
Fabricated metal products:										
Unfilled Orders.....	38,729	39,487	39,625	-1.9	-0.3	-0.9	39,423	40,526	43,513	-9.4
Total Inventories.....	30,573	30,571	30,494	0.0	0.3	-0.6	30,648	30,822	33,255	-7.8
Machinery:										
Unfilled Orders.....	47,220	47,966	48,200	-1.6	-0.5	-4.1	47,168	47,932	55,809	-15.5
Total Inventories.....	44,775	44,977	45,063	-0.4	-0.2	-0.9	45,019	44,869	48,963	-8.1
Computers and electronic products: ⁴										
Unfilled Orders.....	110,987	111,479	112,055	-0.4	-0.5	-0.5	109,343	111,104	118,238	-7.5
Total Inventories.....	42,789	43,016	42,992	-0.5	0.1	-1.7	44,114	43,697	53,984	-18.3
Computers and related products:										
Unfilled Orders.....	6,180	6,264	6,566	-1.3	-4.6	-3.8	6,280	6,284	7,504	-16.3
Total Inventories.....	6,744	6,906	7,054	-2.3	-2.1	-0.1	7,194	7,063	8,840	-18.6
Communications equipment:										
Unfilled Orders.....	41,602	41,729	41,635	-0.3	0.2	-1.2	40,227	41,367	44,412	-9.4
Total Inventories.....	10,050	10,261	10,127	-2.1	1.3	-2.5	10,243	10,357	14,623	-30.0
Semiconductors: ⁵										
Unfilled Orders.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:										
Unfilled Orders.....	14,490	14,571	15,039	-0.6	-3.1	1.4	14,552	14,684	15,805	-7.9
Total Inventories.....	12,908	13,052	13,103	-1.1	-0.4	-0.3	12,850	13,011	13,997	-8.2
Transportation equipment:										
Unfilled Orders.....	254,416	250,094	247,715	1.7	1.0	-1.9	253,099	250,000	257,095	-1.6
Total Inventories.....	71,394	71,410	72,393	0.0	-1.4	0.3	72,830	72,144	76,460	-4.7
Motor vehicles and parts:										
Unfilled Orders.....	12,549	12,970	12,778	-3.2	1.5	0.9	12,277	12,975	12,551	-2.2
Total Inventories.....	20,243	20,468	20,315	-1.1	0.8	0.7	20,643	21,032	21,517	-4.1
Nondefense Aircraft and parts:										
Unfilled Orders.....	116,109	112,650	113,017	3.1	-0.3	-3.0	116,831	113,265	135,919	-14.0
Total Inventories.....	29,592	29,735	30,094	-0.5	-1.2	-0.6	29,957	29,703	33,235	-9.9
Defense Aircraft and parts:										
Unfilled Orders.....	58,060	57,860	54,790	0.3	5.6	-1.0	57,396	57,964	41,187	39.4
Total Inventories.....	10,903	10,611	10,853	2.8	-2.2	2.2	11,372	10,665	10,401	9.3
All other durable goods:										
Unfilled Orders.....	9,102	9,460	9,716	-3.8	-2.6	-3.5	9,217	9,779	10,306	-10.6
Total Inventories.....	43,094	43,131	43,151	-0.1	0.0	0.2	43,286	43,194	44,904	-3.6
Capital goods: ³										
Unfilled Orders.....	341,368	337,743	340,041	1.1	-0.7	-1.7	338,090	336,886	360,700	-6.3
Total Inventories.....	132,621	133,025	134,537	-0.3	-1.1	-0.5	134,730	133,573	151,140	-10.9
Nondefense capital goods:										
Unfilled Orders.....	215,969	212,920	214,237	1.4	-0.6	-2.5	214,828	213,080	248,149	-13.4
Total Inventories.....	114,090	114,983	115,653	-0.8	-0.6	-0.7	115,668	115,371	132,017	-12.4
Excluding aircraft:										
Unfilled Orders.....	129,401	129,901	130,923	-0.4	-0.8	-2.1	128,260	130,061	144,939	-11.5
Total Inventories.....	91,097	91,847	91,946	-0.8	-0.1	-0.9	92,341	92,249	105,097	-12.1
Defense capital goods:										
Unfilled Orders.....	125,399	124,823	125,804	0.5	-0.8	-0.4	123,262	123,806	112,551	9.5
Total Inventories.....	18,531	18,042	18,884	2.7	-4.5	0.8	19,062	18,202	19,123	-0.3

See footnotes at end of Table 1