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U.S. Census Bureau  
For Data - (301) 457-4673  
For Questions - Dan Sansbury or Derrick Roy  
(301) 763-4832 or (301) 763-4814  
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## ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS July 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 July increased \$14.4 billion or 8.7 percent to \$179.7 billion, the Department of Commerce, U.S. Census Bureau reported today. This followed a 4.5 percent June decrease and is the largest increase since October 2001. Excluding transportation, new orders increased 3.9 percent. Excluding Defense, new orders increased 7.3 percent; this is the largest increase on record. Year to date, new orders for 2002 were 1.9 percent below the same period a year ago.

Transportation equipment had the largest increase, \$9.8 billion or 20.8 percent to \$56.7 billion, led mostly by aircraft and parts which increased \$6.9 billion. Machinery increased \$2.5 billion or 11.8 percent to \$23.3 billion; this is the largest increase on record.

● **SHIPMENTS** of manufactured durable goods in July increased \$5.3 billion or 3.1 percent to \$178.5 billion. This followed a 1.6 percent June decrease. Year to date, shipments for 2002 were 2.4 percent below the same period a year ago.

Transportation equipment had the largest increase, \$3.2 billion or 6.2 percent to \$54.7 billion, led by motor vehicles and parts which increased \$2.8 billion. Computers and electronic products increased \$0.9 billion or 3.5 percent to \$27.0 billion.

● **UNFILLED ORDERS** for manufactured durable goods in July increased \$1.3 billion or 0.3 percent to \$489.8 billion. This followed a 1.6 percent June decrease.

Transportation equipment had the largest increase, \$2.0 billion or 0.8 percent to \$249.9 billion, due to defense aircraft and parts which increased \$3.0 billion.

● **INVENTORIES** of manufactured durable goods in July, down eighteen consecutive months, decreased \$1.0 billion or 0.4 percent to \$264.5 billion. This followed a 0.3 percent June decrease.

Transportation equipment had the largest decrease, \$1.0 billion or 1.3 percent to \$71.4 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in July decreased \$0.9 billion or 14.3 percent to \$5.4 billion. Shipments decreased \$0.2 billion or 3.2 percent to \$6.5 billion. Unfilled orders decreased \$1.1 billion or 0.9 percent to \$124.7 billion. Inventories decreased \$0.9 billion or 4.8 percent to \$18.0 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in July increased \$6.9 billion or 13.5 percent to \$57.7 billion. Shipments increased \$2.0 billion or 3.6 percent to \$58.3 billion. Unfilled orders, down eighteen consecutive months, decreased \$0.7 billion or 0.3 percent to \$213.6 billion. Inventories, down eighteen consecutive months, decreased \$0.5 billion or 0.5 percent to \$115.1 billion.

● **REVISED JUNE DATA** Revised seasonally adjusted June figures for all manufacturing industries are: new orders, \$312.0 billion (revised from \$313.2 billion); shipments, \$319.8 billion (revised from \$320.5 billion); unfilled orders, \$488.5 billion (revised from \$489.1 billion); and total inventories, \$428.3 billion (revised from \$428.0 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 <sup>1</sup>						Not Seasonally Adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent Change
	Jul 2002 <sup>2</sup>	Jun 2002 <sup>1</sup>	May 2002	Jun - Jul <sup>2</sup>	May - Jun <sup>1</sup>	Apr - May	Jul 2002 <sup>2</sup>	Jun 2002 <sup>1</sup>	Jul 2001	Jul 02/01
<b>DURABLE GOODS</b>										
Total: <sup>4</sup>										
Shipments.....	178,471	173,183	175,927	3.1	-1.6	-0.3	153,219	188,105	149,537	2.5
New Orders.....	179,740	165,332	173,064	8.7	-4.5	0.4	154,492	176,269	144,180	7.2
Excluding transportation: <sup>4</sup>										
Shipments.....	123,777	121,671	123,660	1.7	-1.6	0.7	114,644	132,373	113,895	0.7
New Orders.....	123,018	118,393	123,225	3.9	-3.9	0.8	114,684	126,656	112,086	2.3
Excluding defense: <sup>4</sup>										
Shipments.....	170,720	165,157	168,342	3.4	-1.9	-0.3	146,400	179,140	143,389	2.1
New Orders.....	169,461	157,966	166,764	7.3	-5.3	0.7	146,896	169,108	139,936	5.0
Manufacturing with unfilled orders: <sup>4</sup>										
Shipments.....	123,947	121,507	122,732	2.0	-1.0	-0.2	108,549	132,081	108,126	0.4
New Orders.....	125,216	113,656	119,869	10.2	-5.2	0.8	109,822	120,245	102,769	6.9
Primary metals:										
Shipments.....	11,339	11,210	11,309	1.2	-0.9	-0.1	10,679	11,605	10,542	1.3
New Orders.....	11,138	11,120	11,445	0.2	-2.8	1.4	10,419	11,404	10,361	0.6
Fabricated metal products:										
Shipments.....	21,333	21,037	21,047	1.4	0.0	-0.6	20,277	21,946	19,749	2.7
New Orders.....	21,568	20,633	21,312	4.5	-3.2	1.9	21,162	21,220	20,058	5.5
Machinery:										
Shipments.....	23,354	22,952	23,529	1.8	-2.5	3.6	21,264	25,443	21,447	-0.9
New Orders.....	23,342	20,886	22,772	11.8	-8.3	1.5	21,444	22,587	20,886	2.7
Computers and electronic products: <sup>4</sup>										
Shipments.....	27,045	26,138	26,872	3.5	-2.7	0.1	23,202	30,334	23,701	-2.1
New Orders.....	26,543	25,545	26,780	3.9	-4.6	0.0	22,080	28,813	21,488	2.8
Computers and related products:										
Shipments.....	7,095	6,253	6,578	13.5	-4.9	-1.4	5,670	8,043	5,827	-2.7
New Orders.....	6,814	5,984	6,634	13.9	-9.8	3.5	5,274	7,663	5,608	-6.0
Communications equipment:										
Shipments.....	5,461	5,583	5,859	-2.2	-4.7	-3.5	4,624	6,664	5,898	-21.6
New Orders.....	5,626	5,097	6,016	10.4	-15.3	-2.7	4,464	5,452	4,529	-1.4
Semiconductors: <sup>5</sup>										
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.....	9,112	9,011	9,199	1.1	-2.0	-0.5	8,166	9,792	8,711	-6.3
New Orders.....	9,075	9,225	9,346	-1.6	-1.3	-1.6	8,481	9,758	9,083	-6.6
Transportation equipment:										
Shipments.....	54,694	51,512	52,267	6.2	-1.4	-2.5	38,575	55,732	35,642	8.2
New Orders.....	56,722	46,939	49,839	20.8	-5.8	-0.5	39,808	49,613	32,094	24.0
Motor vehicles and parts:										
Shipments.....	39,959	37,113	38,206	7.7	-2.9	-2.5	26,737	39,401	23,810	12.3
New Orders.....	40,012	37,219	38,385	7.5	-3.0	-2.4	26,951	39,228	23,729	13.6
Nondefense aircraft and parts:										
Shipments.....	6,597	6,147	6,249	7.3	-1.6	-6.7	5,049	7,029	5,872	-14.0
New Orders.....	6,172	2,785	5,216	121.6	-46.6	39.5	4,925	3,563	3,959	24.4
Defense aircraft and parts:										
Shipments.....	3,164	3,157	2,930	0.2	7.7	2.9	2,681	3,656	1,943	38.0
New Orders.....	6,140	2,617	2,227	134.6	17.5	3.9	5,032	2,499	1,275	294.7
All other durable goods:										
Shipments.....	31,594	31,323	31,704	0.9	-1.2	0.6	31,056	33,253	29,745	4.4
New Orders.....	31,352	30,984	31,570	1.2	-1.9	0.8	31,098	32,874	30,210	2.9
Capital goods: <sup>3</sup>										
Shipments.....	64,841	63,031	63,910	2.9	-1.4	0.8	57,121	71,215	58,125	-1.7
New Orders.....	63,017	57,042	61,466	10.5	-7.2	2.4	54,319	62,399	52,596	3.3
Nondefense capital goods:										
Shipments.....	58,339	56,317	57,593	3.6	-2.2	0.7	51,300	63,921	52,682	-2.6
New Orders.....	57,659	50,789	56,174	13.5	-9.6	3.6	50,806	56,697	48,476	4.8
Excluding aircraft:										
Shipments.....	54,891	53,317	54,450	3.0	-2.1	1.2	48,820	60,359	49,786	-1.9
New Orders.....	54,518	50,455	53,837	8.1	-6.3	0.5	48,633	55,801	47,805	1.7
Defense capital goods:										
Shipments.....	6,502	6,714	6,317	-3.2	6.3	1.7	5,821	7,294	5,443	6.9
New Orders.....	5,358	6,253	5,292	-14.3	18.2	-8.6	3,513	5,702	4,120	-14.7

NA Not Available <sup>1</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(01), "Manufacturers' Shipments, Inventories, and Orders: 1992-2001."

<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.

<sup>4</sup> 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.

<sup>5</sup> 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 <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent Change Jul 02/01
	Jul 2002 <sup>2</sup>	Jun 2002 <sup>1</sup>	May 2002	Jun - Jul <sup>2</sup>	May - Jun <sup>1</sup>	Apr - May	Jul 2002 <sup>2</sup>	Jun 2002 <sup>1</sup>	Jul 2001	
<b>DURABLE GOODS</b>										
<b>Total:</b> <sup>4</sup>										
Unfilled Orders.....	489,791	488,522	496,373	0.3	-1.6	-0.6	490,922	489,649	526,572	-6.8
Total Inventories.....	264,532	265,500	266,417	-0.4	-0.3	-0.5	266,082	263,498	292,889	-9.2
<b>Excluding transportation:</b> <sup>4</sup>										
Unfilled Orders.....	239,936	240,695	243,973	-0.3	-1.3	-0.2	240,876	240,836	265,994	-9.4
Total Inventories.....	193,128	193,140	194,247	0.0	-0.6	-0.7	194,053	192,182	216,669	-10.4
<b>Excluding defense:</b> <sup>4</sup>										
Unfilled Orders.....	344,576	345,835	353,026	-0.4	-2.0	-0.4	346,336	345,840	394,714	-12.3
Total Inventories.....	243,077	243,075	244,360	0.0	-0.5	-0.4	244,407	241,148	271,097	-9.8
<b>Manufacturing with unfilled orders:</b> <sup>4</sup>										
Unfilled Orders.....	489,791	488,522	496,373	0.3	-1.6	-0.6	490,922	489,649	526,572	-6.8
Total Inventories.....	215,452	216,434	217,337	-0.5	-0.4	-0.7	216,756	214,777	239,999	-9.7
<b>Primary metals:</b>										
Unfilled Orders.....	15,875	16,076	16,166	-1.3	-0.6	0.8	16,145	16,405	18,373	-12.1
Total Inventories.....	18,236	18,279	18,153	-0.2	0.7	-0.8	18,316	18,106	20,263	-9.6
<b>Fabricated metal products:</b>										
Unfilled Orders.....	39,834	39,599	40,003	0.6	-1.0	0.7	40,673	39,788	43,990	-7.5
Total Inventories.....	30,626	30,575	30,687	0.2	-0.4	-1.1	30,900	30,701	33,601	-8.0
<b>Machinery:</b>										
Unfilled Orders.....	48,195	48,207	50,273	0.0	-4.1	-1.5	48,107	47,927	56,324	-14.6
Total Inventories.....	45,029	45,074	45,473	-0.1	-0.9	-0.6	44,912	44,585	48,942	-8.2
<b>Computers and electronic products:</b> <sup>4</sup>										
Unfilled Orders.....	111,544	112,046	112,639	-0.4	-0.5	-0.1	111,088	112,210	120,639	-7.9
Total Inventories.....	43,091	42,994	43,743	0.2	-1.7	-1.5	43,792	42,732	54,453	-19.6
<b>Computers and related products:</b>										
Unfilled Orders.....	6,277	6,558	6,827	-4.3	-3.9	0.8	6,287	6,683	7,321	-14.1
Total Inventories.....	6,939	7,053	7,064	-1.6	-0.2	0.2	7,062	6,899	8,533	-17.2
<b>Communications equipment:</b>										
Unfilled Orders.....	41,812	41,647	42,133	0.4	-1.2	0.4	41,393	41,553	46,321	-10.6
Total Inventories.....	10,253	10,131	10,385	1.2	-2.4	-2.6	10,333	9,917	14,974	-31.0
<b>Semiconductors:</b> <sup>5</sup>										
Unfilled Orders.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories.....	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	15,003	15,040	14,826	-0.2	1.4	1.0	15,110	14,795	16,095	-6.1
Total Inventories.....	13,085	13,103	13,143	-0.1	-0.3	-0.5	13,011	12,980	14,073	-7.5
<b>Transportation equipment:</b>										
Unfilled Orders.....	249,855	247,827	252,400	0.8	-1.8	-1.0	250,046	248,813	260,578	-4.0
Total Inventories.....	71,404	72,360	72,170	-1.3	0.3	0.0	72,029	71,316	76,220	-5.5
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	12,829	12,776	12,670	0.4	0.8	1.4	12,769	12,555	12,859	-0.7
Total Inventories.....	20,485	20,303	20,168	0.9	0.7	0.4	20,969	20,116	21,870	-4.1
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	112,712	113,137	116,499	-0.4	-2.9	-0.9	113,406	113,530	136,858	-17.1
Total Inventories.....	29,756	30,060	30,279	-1.0	-0.7	0.7	29,700	29,416	32,837	-9.6
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	57,760	54,784	55,324	5.4	-1.0	-1.3	57,919	55,568	42,558	36.1
Total Inventories.....	10,587	10,874	10,617	-2.6	2.4	-2.1	10,659	10,827	10,227	4.2
<b>All other durable goods:</b>										
Unfilled Orders.....	9,485	9,727	10,066	-2.5	-3.4	-1.3	9,753	9,711	10,573	-7.8
Total Inventories.....	43,061	43,115	43,048	-0.1	0.2	0.3	43,122	43,078	45,337	-4.9
<b>Capital goods:</b> <sup>3</sup>										
Unfilled Orders.....	338,221	340,045	346,034	-0.5	-1.7	-0.7	337,423	340,225	366,808	-8.0
Total Inventories.....	133,091	134,519	135,200	-1.1	-0.5	-0.7	133,560	132,908	150,653	-11.3
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	213,569	214,249	219,777	-0.3	-2.5	-0.6	213,580	214,074	251,991	-15.2
Total Inventories.....	115,118	115,643	116,460	-0.5	-0.7	-0.6	115,397	114,130	131,751	-12.4
<b>Excluding aircraft:</b>										
Unfilled Orders.....	130,562	130,935	133,797	-0.3	-2.1	-0.5	130,573	130,760	147,919	-11.7
Total Inventories.....	91,968	91,936	92,778	0.0	-0.9	-0.7	92,275	91,031	105,142	-12.2
<b>Defense capital goods:</b>										
Unfilled Orders.....	124,652	125,796	126,257	-0.9	-0.4	-0.8	123,843	126,151	114,817	7.9
Total Inventories.....	17,973	18,876	18,740	-4.8	0.7	-1.4	18,163	18,778	18,902	-3.9

See footnotes at end of Table 1