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

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

● **NEW ORDERS**, excluding semiconductors, for manufactured durable goods in June decreased \$6.7 billion or 3.8 percent to \$166.6 billion, the Department of Commerce, U.S. Census Bureau reported today. This followed a 0.6 percent May increase. Excluding transportation and semiconductors, new orders decreased 3.1 percent. Year to date, new orders for 2002 were 3.0 percent below the same period a year ago.

Transportation equipment, down four consecutive months, had the largest decrease, \$2.8 billion or 5.6 percent to \$47.0 billion, led mostly by nondefense aircraft and parts which decreased \$1.8 billion. Machinery decreased \$1.5 billion or 6.7 percent to \$21.2 billion.

● **SHIPMENTS**, excluding semiconductors, of manufactured durable goods in June decreased \$2.4 billion or 1.4 percent to \$173.7 billion. This followed a 0.2 percent May decrease. Year to date, shipments for 2002 were 2.9 percent below the same period a year ago.

Transportation equipment had the largest decrease, \$0.9 billion or 1.7 percent to \$51.4 billion, led by motor vehicles and parts which decreased \$1.2 billion. Computers and electronic products, excluding semiconductors, decreased \$0.7 billion or 2.6 percent to \$26.3 billion.

● **UNFILLED ORDERS**, excluding semiconductors, for manufactured durable goods in June decreased \$7.1 billion or 1.4 percent to \$489.3 billion. This followed a 0.6 percent May decrease.

Transportation equipment had the largest decrease, \$4.3 billion or 1.7 percent to \$248.1 billion, led by aircraft and parts which decreased \$3.7 billion. Machinery, down six consecutive months, decreased \$1.9 billion or 3.7 percent to \$48.4 billion.

● **INVENTORIES**, excluding semiconductors, of manufactured durable goods in June, down seventeen consecutive months, decreased \$1.3 billion or 0.5 percent to \$265.3 billion. This followed a 0.5 percent May decrease.

Computers and electronic products, excluding semiconductors, down 15 of the last 16 months, had the largest decrease, \$0.7 billion or 1.7 percent to \$43.0 billion, mostly due to nondefense communication equipment. Machinery, down fifteen consecutive months, decreased \$0.4 billion or 0.9 percent to \$45.1 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in June increased \$1.0 billion or 18.5 percent to \$6.3 billion. Shipments increased \$0.4 billion or 5.8 percent to \$6.7 billion. Unfilled orders decreased \$0.4 billion or 0.3 percent to \$125.8 billion. Inventories increased \$0.2 billion or 1.1 percent to \$19.0 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in June decreased \$4.8 billion or 8.5 percent to \$51.6 billion. Shipments decreased \$1.2 billion or 2.0 percent to \$56.6 billion. Unfilled orders, down seventeen consecutive months, decreased \$5.0 billion or 2.3 percent to \$214.8 billion. Inventories, down seventeen consecutive months, decreased \$1.0 billion or 0.8 percent to \$115.4 billion.

● **REVISED MAY DATA** Revised seasonally adjusted May figures for all manufacturing industries are: new orders, \$320.3 billion (revised from \$321.0 billion); shipments, \$323.2 billion (revised from \$323.6 billion); unfilled orders, \$496.4 billion (revised from \$496.6 billion); and total inventories, \$428.2 billion (unrevised).

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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 Jun 02/01
	Jun 2002 ²	May 2002 ¹	Apr 2002	May - Jun ²	Apr - May ¹	Mar - Apr	Jun 2002 ²	May 2002 ¹	Jun 2001	
DURABLE GOODS										
Total: ⁴										
Shipments.....	173,676	176,097	176,426	-1.4	-0.2	3.6	189,488	182,693	194,826	-2.7
New Orders.....	166,602	173,273	172,325	-3.8	0.6	0.5	178,443	178,187	187,024	-4.6
Excluding transportation: ⁴										
Shipments.....	122,310	123,823	122,800	-1.2	0.8	2.4	133,474	125,567	138,292	-3.5
New Orders.....	119,558	123,426	122,241	-3.1	1.0	3.9	128,220	124,611	133,036	-3.6
Excluding defense: ⁴										
Shipments.....	165,679	168,513	168,907	-1.7	-0.2	4.0	180,512	175,240	186,907	-3.4
New Orders.....	159,049	166,983	165,616	-4.8	0.8	3.7	171,127	173,282	181,233	-5.6
Manufacturing with unfilled orders: ⁴										
Shipments.....	121,687	122,873	123,001	-1.0	-0.1	1.6	132,719	126,307	139,723	-5.0
New Orders.....	114,613	120,049	118,900	-4.5	1.0	-2.7	121,674	121,801	131,921	-7.8
Primary metals:										
Shipments.....	11,207	11,314	11,315	-0.9	0.0	3.3	11,635	12,062	11,974	-2.8
New Orders.....	11,228	11,458	11,290	-2.0	1.5	6.3	11,456	12,036	11,936	-4.0
Fabricated metal products:										
Shipments.....	21,057	21,031	21,171	0.1	-0.7	3.2	22,068	21,964	22,195	-0.6
New Orders.....	20,597	21,302	20,913	-3.3	1.9	1.7	21,391	22,629	22,105	-3.2
Machinery:										
Shipments.....	23,107	23,542	22,718	-1.8	3.6	0.9	25,614	24,373	26,390	-2.9
New Orders.....	21,248	22,781	22,446	-6.7	1.5	4.6	22,966	23,422	25,013	-8.2
Computers and electronic products: ⁴										
Shipments.....	26,294	27,008	26,845	-2.6	0.6	1.4	30,597	25,059	33,707	-9.2
New Orders.....	25,899	26,954	26,787	-3.9	0.6	2.8	29,227	24,407	30,928	-5.5
Computers and related products:										
Shipments.....	6,366	6,578	6,671	-3.2	-1.4	4.2	8,123	5,533	9,073	-10.5
New Orders.....	6,162	6,634	6,407	-7.1	3.5	0.3	7,778	5,909	9,081	-14.3
Communications equipment:										
Shipments.....	5,732	5,995	6,072	-4.4	-1.3	2.2	6,806	5,604	8,898	-23.5
New Orders.....	5,398	6,197	6,184	-12.9	0.2	14.4	5,837	5,562	6,812	-14.3
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.....	9,018	9,206	9,247	-2.0	-0.4	2.7	9,826	9,345	11,324	-13.2
New Orders.....	9,281	9,349	9,495	-0.7	-1.5	9.4	9,847	9,421	10,694	-7.9
Transportation equipment:										
Shipments.....	51,366	52,274	53,626	-1.7	-2.5	6.3	56,014	57,126	56,534	-0.9
New Orders.....	47,044	49,847	50,084	-5.6	-0.5	-7.0	50,223	53,576	53,988	-7.0
Motor vehicles and parts:										
Shipments.....	36,986	38,207	39,203	-3.2	-2.5	12.2	39,611	42,946	38,871	1.9
New Orders.....	37,074	38,393	39,327	-3.4	-2.4	12.1	39,447	42,816	38,520	2.4
Nondefense aircraft and parts:										
Shipments.....	6,148	6,249	6,698	-1.6	-6.7	-9.1	7,037	6,417	9,463	-25.6
New Orders.....	2,775	5,216	3,740	-46.8	39.5	-42.5	3,648	5,411	9,441	-61.4
Defense aircraft and parts:										
Shipments.....	3,129	2,931	2,847	6.8	3.0	-6.0	3,662	2,820	2,956	23.9
New Orders.....	2,827	2,229	2,144	26.8	4.0	-66.2	2,727	1,784	2,280	19.6
All other durable goods:										
Shipments.....	31,627	31,722	31,504	-0.3	0.7	3.5	33,734	32,764	32,702	3.2
New Orders.....	31,305	31,582	31,310	-0.9	0.9	3.3	33,333	32,696	32,360	3.0
Capital goods: ³										
Shipments.....	63,263	64,080	63,407	-1.3	1.1	-0.7	71,711	63,233	77,867	-7.9
New Orders.....	57,834	61,656	60,010	-6.2	2.7	-6.7	63,356	59,624	70,287	-9.9
Nondefense capital goods:										
Shipments.....	56,582	57,765	57,195	-2.0	1.0	0.1	64,412	56,942	70,932	-9.2
New Orders.....	51,575	56,376	54,220	-8.5	4.0	1.1	57,727	55,454	65,800	-12.3
Excluding aircraft:										
Shipments.....	53,594	54,622	53,799	-1.9	1.5	1.4	60,850	53,501	65,367	-6.9
New Orders.....	51,253	54,039	53,563	-5.2	0.9	5.3	56,831	52,819	61,011	-6.9
Defense capital goods:										
Shipments.....	6,681	6,315	6,212	5.8	1.7	-7.3	7,299	6,291	6,935	5.2
New Orders.....	6,259	5,280	5,790	18.5	-8.8	-45.9	5,629	4,170	4,487	25.5

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.

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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 Jun 02/01
	Jun 2002 ²	May 2002 ¹	Apr 2002	May - Jun ²	Apr - May ¹	Mar - Apr	Jun 2002 ²	May 2002 ¹	Jun 2001	
DURABLE GOODS										
Total: ⁴										
Unfilled Orders.....	489,338	496,412	499,236	-1.4	-0.6	-0.8	490,459	501,504	531,929	-7.8
Total Inventories.....	265,288	266,540	267,811	-0.5	-0.5	-0.5	263,225	268,439	291,294	-9.6
Excluding transportation: ⁴										
Unfilled Orders.....	241,259	244,011	244,408	-1.1	-0.2	-0.2	241,316	246,570	267,803	-9.9
Total Inventories.....	193,340	194,369	195,636	-0.5	-0.6	-0.5	192,419	196,487	216,676	-11.2
Excluding defense: ⁴										
Unfilled Orders.....	346,444	353,074	354,604	-1.9	-0.4	-0.9	346,504	355,889	398,167	-13.0
Total Inventories.....	243,119	244,478	245,398	-0.6	-0.4	-0.5	241,270	246,440	269,736	-10.6
Manufacturing with unfilled orders: ⁴										
Unfilled Orders.....	489,338	496,412	499,236	-1.4	-0.6	-0.8	490,459	501,504	531,929	-7.8
Total Inventories.....	216,003	217,319	218,917	-0.6	-0.7	-0.6	214,265	218,756	238,789	-10.3
Primary metals:										
Unfilled Orders.....	16,195	16,174	16,030	0.1	0.9	-0.2	16,429	16,608	18,554	-11.5
Total Inventories.....	18,268	18,151	18,302	0.6	-0.8	-0.5	18,092	17,991	20,303	-10.9
Fabricated metal products:										
Unfilled Orders.....	39,549	40,009	39,738	-1.1	0.7	-0.6	39,851	40,528	43,681	-8.8
Total Inventories.....	30,528	30,679	31,024	-0.5	-1.1	-0.9	30,678	30,963	33,739	-9.1
Machinery:										
Unfilled Orders.....	48,410	50,269	51,030	-3.7	-1.5	-0.5	48,144	50,792	56,885	-15.4
Total Inventories.....	45,061	45,461	45,753	-0.9	-0.6	-1.2	44,592	45,842	49,026	-9.0
Computers and electronic products: ⁴										
Unfilled Orders.....	112,282	112,677	112,731	-0.4	0.0	-0.1	112,362	113,732	122,852	-8.5
Total Inventories.....	43,023	43,745	44,429	-1.7	-1.5	-0.2	42,756	44,820	53,843	-20.6
Computers and related products:										
Unfilled Orders.....	6,623	6,827	6,771	-3.0	0.8	-3.8	6,718	7,063	7,540	-10.9
Total Inventories.....	7,069	7,064	7,048	0.1	0.2	-1.4	6,882	7,558	8,200	-16.1
Communications equipment:										
Unfilled Orders.....	41,844	42,178	41,976	-0.8	0.5	0.3	41,796	42,765	47,690	-12.4
Total Inventories.....	10,064	10,373	10,661	-3.0	-2.7	1.1	9,864	10,570	14,892	-33.8
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.....	15,085	14,822	14,679	1.8	1.0	1.7	14,850	14,829	15,723	-5.6
Total Inventories.....	13,140	13,151	13,209	-0.1	-0.4	-0.2	13,017	13,444	14,301	-9.0
Transportation equipment:										
Unfilled Orders.....	248,079	252,401	254,828	-1.7	-1.0	-1.4	249,143	254,934	264,126	-5.7
Total Inventories.....	71,948	72,171	72,175	-0.3	0.0	-0.4	70,806	71,952	74,618	-5.1
Motor vehicles and parts:										
Unfilled Orders.....	12,765	12,677	12,491	0.7	1.5	1.0	12,564	12,728	12,940	-2.9
Total Inventories.....	20,240	20,159	20,089	0.4	0.3	1.2	20,093	20,173	21,385	-6.0
Nondefense Aircraft and parts:										
Unfilled Orders.....	113,126	116,499	117,532	-2.9	-0.9	-2.5	113,607	116,996	138,771	-18.1
Total Inventories.....	29,967	30,279	30,066	-1.0	0.7	-1.6	29,303	30,067	32,094	-8.7
Defense Aircraft and parts:										
Unfilled Orders.....	55,023	55,325	56,027	-0.5	-1.3	-1.2	55,792	56,727	43,226	29.1
Total Inventories.....	10,602	10,623	10,842	-0.2	-2.0	0.6	10,425	10,567	9,957	4.7
All other durable goods:										
Unfilled Orders.....	9,738	10,060	10,200	-3.2	-1.4	-1.9	9,680	10,081	10,108	-4.2
Total Inventories.....	43,320	43,182	42,919	0.3	0.6	0.0	43,284	43,427	45,464	-4.8
Capital goods: ³										
Unfilled Orders.....	340,625	346,054	348,478	-1.6	-0.7	-1.0	340,694	349,049	372,337	-8.5
Total Inventories.....	134,390	135,161	136,121	-0.6	-0.7	-0.9	132,656	136,333	149,408	-11.2
Nondefense capital goods:										
Unfilled Orders.....	214,800	219,807	221,196	-2.3	-0.6	-1.3	214,621	221,306	256,197	-16.2
Total Inventories.....	115,437	116,422	117,117	-0.8	-0.6	-0.9	113,871	117,544	130,702	-12.9
Excluding aircraft:										
Unfilled Orders.....	131,486	133,827	134,410	-1.7	-0.4	-0.2	131,307	135,326	149,900	-12.4
Total Inventories.....	91,888	92,740	93,475	-0.9	-0.8	-0.6	90,964	94,268	104,864	-13.3
Defense capital goods:										
Unfilled Orders.....	125,825	126,247	127,282	-0.3	-0.8	-0.3	126,073	127,743	116,140	8.6
Total Inventories.....	18,953	18,739	19,004	1.1	-1.4	-0.6	18,785	18,789	18,706	0.4

See footnotes at end of Table 1