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

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

● **NEW ORDERS**, excluding semiconductors, for manufactured durable goods in May increased \$1.0 billion or 0.6 percent to \$173.2 billion, the Department of Commerce, U.S. Census Bureau reported today. This followed a 0.4 percent April increase. Excluding transportation and semiconductors, new orders increased 0.6 percent. Year to date, new orders for 2002 were 2.9 percent below the same period a year ago.

Fabricated metal products had the largest increase, \$0.5 billion or 2.4 percent to \$21.3 billion. Transportation equipment increased \$0.3 billion or 0.5 percent to \$50.4 billion, led mostly by nondefense aircraft and parts which increased \$1.8 billion. Computers and electronic products, excluding semiconductors, also increased \$0.3 billion or 1.0 percent to \$27.1 billion.

● **SHIPMENTS**, excluding semiconductors, of durable goods in May decreased \$0.1 billion to \$176.1 billion. This followed a 3.4 percent April increase. Year to date, shipments for 2002 were 3.1 percent below the same period a year ago.

Transportation equipment had the largest decrease, \$1.1 billion or 2.0 percent to \$52.5 billion, led by motor vehicles and parts. Machinery increased \$0.6 billion or 2.6 percent to \$23.2 billion.

● **UNFILLED ORDERS**, excluding semiconductors, for durable goods in May decreased \$2.9 billion or 0.6 percent to \$496.4 billion. This followed a 0.8 percent April decrease.

Transportation equipment had the largest decrease, \$2.2 billion or 0.9 percent to \$252.7 billion. Machinery, down five consecutive months, decreased \$0.9 billion or 1.7 percent to \$50.3 billion.

● **INVENTORIES**, excluding semiconductors, for durable goods in May, down sixteen consecutive months, decreased \$1.5 billion or 0.6 percent to \$266.3 billion. This followed a 0.5 percent April decrease.

Machinery, down fourteen consecutive months, had the largest decrease, \$0.4 billion or 0.9 percent to \$45.3 billion. Computers and electronic products, excluding semiconductors, also decreased \$0.4 billion or 0.9 percent to \$44.1 billion, mostly due to nondefense communication equipment.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in May decreased \$0.6 billion or 9.7 percent to \$5.2 billion. Shipments increased \$0.1 billion or 1.0 percent to \$6.3 billion. Unfilled orders decreased \$1.1 billion or 0.9 percent to \$126.1 billion. Inventories decreased \$0.2 billion or 1.3 percent to \$18.8 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in May increased \$1.8 billion or 3.3 percent to \$56.2 billion. Shipments increased \$0.6 billion or 1.1 percent to \$57.7 billion. Unfilled orders, down sixteen consecutive months, decreased \$1.6 billion or 0.7 percent to \$219.9 billion. Inventories, down sixteen consecutive months, decreased \$0.9 billion or 0.7 percent to \$116.2 billion.

● **REVISED APRIL DATA** Revised seasonally adjusted April figures for all manufacturing industries are: new orders, \$318.2 billion (revised from \$318.8 billion); shipments, \$322.2 billion (revised from \$322.6 billion); unfilled orders, \$499.4 billion (revised from \$499.5 billion); and total inventories, \$430.0 billion (revised from \$430.5 billion).

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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
	May 2002 ²	Apr 2002 ¹	Mar 2002	Apr - May ²	Mar - Apr ¹	Feb - Mar	May 2002 ²	Apr 2002 ¹	May 2001	May 02/01
DURABLE GOODS										
Total: ⁴										
Shipments.....	176,101	176,174	170,376	0.0	3.4	0.0	182,336	174,068	183,764	-0.8
New Orders.....	173,172	172,207	171,520	0.6	0.4	-0.3	177,195	170,865	176,924	0.2
Excluding transportation: ⁴										
Shipments.....	123,557	122,544	119,910	0.8	2.2	0.8	125,131	120,103	128,611	-2.7
New Orders.....	122,812	122,111	117,669	0.6	3.8	0.0	123,560	120,407	123,734	-0.1
Excluding defense: ⁴										
Shipments.....	168,542	168,635	162,409	-0.1	3.8	-0.4	174,867	167,117	177,266	-1.4
New Orders.....	166,979	165,573	159,715	0.8	3.7	-1.6	172,231	164,853	171,176	0.6
Manufacturing with unfilled orders: ³										
Shipments.....	122,755	122,750	121,072	0.0	1.4	0.7	125,853	120,620	130,304	-3.4
New Orders.....	119,826	118,783	122,216	0.9	-2.8	0.3	120,712	117,417	123,464	-2.2
Primary metals:										
Shipments.....	11,376	11,312	10,954	0.6	3.3	3.1	12,052	11,708	12,272	-1.8
New Orders.....	11,397	11,290	10,623	0.9	6.3	0.2	11,908	11,624	12,069	-1.3
Fabricated metal products:										
Shipments.....	20,912	21,011	20,518	-0.5	2.4	0.6	21,807	21,183	22,213	-1.8
New Orders.....	21,273	20,768	20,568	2.4	1.0	0.8	22,456	21,067	21,797	3.0
Machinery:										
Shipments.....	23,195	22,599	22,526	2.6	0.3	-2.5	24,016	23,320	25,060	-4.2
New Orders.....	22,342	22,425	21,458	-0.4	4.5	-2.4	22,877	23,465	24,095	-5.1
Computers and electronic products: ⁴										
Shipments.....	27,285	26,914	26,463	1.4	1.7	0.9	25,377	23,461	26,846	-5.5
New Orders.....	27,053	26,792	26,048	1.0	2.9	0.3	24,464	23,581	24,569	-0.4
Computers and related products:										
Shipments.....	6,783	6,723	6,402	0.9	5.0	-3.8	5,840	5,320	6,512	-10.3
New Orders.....	6,708	6,459	6,386	3.9	1.1	-5.6	6,040	5,016	6,716	-10.1
Communications equipment:										
Shipments.....	6,037	6,067	5,941	-0.5	2.1	-3.1	5,615	5,221	6,869	-18.3
New Orders.....	6,281	6,182	5,407	1.6	14.3	-15.9	5,496	5,303	5,609	-2.0
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.....	9,230	9,246	9,005	-0.2	2.7	3.2	9,333	8,981	10,462	-10.8
New Orders.....	9,374	9,571	8,676	-2.1	10.3	-2.8	9,433	9,248	9,839	-4.1
Transportation equipment:										
Shipments.....	52,544	53,630	50,466	-2.0	6.3	-1.9	57,205	53,965	55,153	3.7
New Orders.....	50,360	50,096	53,851	0.5	-7.0	-0.9	53,635	50,458	53,190	0.8
Motor vehicles and parts:										
Shipments.....	38,348	39,196	34,931	-2.2	12.2	-3.8	42,903	40,842	40,389	6.2
New Orders.....	38,527	39,318	35,087	-2.0	12.1	-3.5	42,766	40,818	39,795	7.5
Nondefense aircraft and parts:										
Shipments.....	6,407	6,699	7,365	-4.4	-9.0	-1.6	6,529	6,015	8,056	-19.0
New Orders.....	5,578	3,739	6,502	49.2	-42.5	3.5	5,386	3,224	6,843	-21.3
Defense aircraft and parts:										
Shipments.....	2,918	2,852	3,028	2.3	-5.8	10.5	2,832	2,478	2,089	35.6
New Orders.....	2,156	2,152	6,335	0.2	-66.0	72.8	1,846	1,981	2,869	-35.7
All other durable goods:										
Shipments.....	31,559	31,462	30,444	0.3	3.3	2.0	32,546	31,450	31,758	2.5
New Orders.....	31,373	31,265	30,296	0.3	3.2	1.8	32,422	31,422	31,365	3.4
Capital goods: ³										
Shipments.....	64,020	63,338	63,833	1.1	-0.8	1.1	63,198	59,707	67,473	-6.3
New Orders.....	61,325	60,081	64,341	2.1	-6.6	1.6	59,259	56,509	62,894	-5.8
Nondefense capital goods:										
Shipments.....	57,728	57,110	57,135	1.1	0.0	0.1	56,895	53,847	61,749	-7.9
New Orders.....	56,167	54,368	53,642	3.3	1.4	-3.3	55,056	51,558	58,229	-5.4
Excluding aircraft:										
Shipments.....	54,464	53,715	53,056	1.4	1.2	-0.3	53,359	50,718	57,056	-6.5
New Orders.....	53,837	53,712	50,853	0.2	5.6	-4.5	52,454	51,168	54,590	-3.9
Defense capital goods:										
Shipments.....	6,292	6,228	6,698	1.0	-7.0	10.9	6,303	5,860	5,724	10.1
New Orders.....	5,158	5,713	10,699	9.7	-46.6	36.6	4,203	4,951	4,665	-9.9

(NA) Not Available ¹ Revised¹ 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 May 02/01
	May 2002 ²	Apr 2002 ¹	Mar 2002	Apr - May ²	Mar - Apr ¹	Feb - Mar	May 2002 ²	Apr 2002 ¹	May 2001	
DURABLE GOODS										
Total:⁴										
Unfilled Orders.....	496,441	499,370	503,337	-0.6	-0.8	0.2	501,035	506,176	539,731	-7.2
Total Inventories.....	266,287	267,833	269,094	-0.6	-0.5	-1.0	268,191	268,497	299,617	-10.5
Excluding transportation:⁴										
Unfilled Orders.....	243,789	244,534	244,967	-0.3	-0.2	-0.9	246,112	247,683	273,059	-9.9
Total Inventories.....	194,329	195,674	196,654	-0.7	-0.5	-0.6	196,293	196,716	222,793	-11.9
Excluding defense:⁴										
Unfilled Orders.....	353,270	354,833	357,895	-0.4	-0.9	-0.7	355,480	358,116	403,841	-12.0
Total Inventories.....	244,181	245,409	246,595	-0.5	-0.5	-1.1	246,178	246,316	277,330	-11.2
Manufacturing with unfilled orders:⁴										
Unfilled Orders.....	496,441	499,370	503,337	-0.6	-0.8	0.2	501,035	506,176	539,731	-7.2
Total Inventories.....	217,429	219,003	220,215	-0.7	-0.6	-1.3	218,890	219,481	245,832	-11.0
Primary metals:										
Unfilled Orders.....	16,054	16,033	16,055	0.1	-0.1	-2.0	16,490	16,634	18,592	-11.3
Total Inventories.....	18,125	18,305	18,399	-1.0	-0.5	-1.3	18,003	18,144	20,764	-13.3
Fabricated metal products:										
Unfilled Orders.....	40,114	39,753	39,996	0.9	-0.6	0.1	40,526	39,877	43,771	-7.4
Total Inventories.....	30,816	31,061	31,293	-0.8	-0.7	-0.2	31,085	31,347	34,430	-9.7
Machinery:										
Unfilled Orders.....	50,275	51,128	51,302	-1.7	-0.3	-2.0	50,707	51,846	58,262	-13.0
Total Inventories.....	45,321	45,743	46,304	-0.9	-1.2	-0.4	45,681	46,057	50,157	-8.9
Computers and electronic products:⁴										
Unfilled Orders.....	112,435	112,667	112,789	-0.2	-0.1	-0.4	113,421	114,334	125,631	-9.7
Total Inventories.....	44,093	44,498	44,506	-0.9	0.0	-1.6	45,051	44,702	56,637	-20.5
Computers and related products:										
Unfilled Orders.....	6,696	6,771	7,035	-1.1	-3.8	-0.2	6,887	6,687	7,532	-8.6
Total Inventories.....	7,057	7,043	7,150	0.2	-1.5	1.1	7,538	7,185	9,520	-20.8
Communications equipment:										
Unfilled Orders.....	42,223	41,979	41,864	0.6	0.3	-1.3	42,704	42,823	49,776	-14.2
Total Inventories.....	10,343	10,672	10,546	-3.1	1.2	-4.0	10,523	10,707	15,686	-32.9
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.....	14,900	14,756	14,431	1.0	2.3	-2.2	14,943	14,843	16,353	-8.6
Total Inventories.....	13,161	13,208	13,240	-0.4	-0.2	-0.7	13,450	13,511	14,949	-10.0
Transportation equipment:										
Unfilled Orders.....	252,652	254,836	258,370	-0.9	-1.4	1.3	254,923	258,493	266,672	-4.4
Total Inventories.....	71,958	72,159	72,440	-0.3	-0.4	-2.2	71,898	71,781	76,824	-6.4
Motor vehicles and parts:										
Unfilled Orders.....	12,668	12,489	12,367	1.4	1.0	1.3	12,721	12,858	13,291	-4.3
Total Inventories.....	20,069	20,086	19,851	-0.1	1.2	0.7	20,163	20,077	21,922	-8.0
Nondefense Aircraft and parts:										
Unfilled Orders.....	116,701	117,530	120,490	-0.7	-2.5	-0.7	116,859	118,002	138,793	-15.8
Total Inventories.....	30,139	30,067	30,559	0.2	-1.6	-5.2	30,033	29,913	32,811	-8.5
Defense Aircraft and parts:										
Unfilled Orders.....	55,268	56,030	56,730	-1.4	-1.2	6.2	56,777	57,763	43,902	29.3
Total Inventories.....	10,634	10,830	10,776	-1.8	0.5	0.5	10,546	10,648	10,289	2.5
All other durable goods:										
Unfilled Orders.....	10,011	10,197	10,394	-1.8	-1.9	-1.4	10,025	10,149	10,450	-4.1
Total Inventories.....	42,813	42,859	42,912	-0.1	-0.1	0.4	43,023	42,955	45,856	-6.2
Capital goods:³										
Unfilled Orders.....	345,923	348,618	351,875	-0.8	-0.9	0.1	348,872	352,811	379,917	-8.2
Total Inventories.....	135,041	136,134	137,359	-0.8	-0.9	-1.8	136,245	136,608	154,925	-12.1
Nondefense capital goods:										
Unfilled Orders.....	219,868	221,429	224,171	-0.7	-1.2	-1.5	221,211	223,050	261,329	-15.4
Total Inventories.....	116,250	117,105	118,239	-0.7	-1.0	-2.1	117,412	117,630	135,459	-13.3
Excluding aircraft:										
Unfilled Orders.....	134,016	134,643	134,646	-0.5	0.0	-1.6	135,359	136,264	154,256	-12.3
Total Inventories.....	92,700	93,463	94,011	-0.8	-0.6	-1.1	94,173	94,207	109,084	-13.7
Defense capital goods:										
Unfilled Orders.....	126,055	127,189	127,704	-0.9	-0.4	3.2	127,661	129,761	118,588	7.7
Total Inventories.....	18,791	19,029	19,120	-1.3	-0.5	0.4	18,833	18,978	19,466	-3.3

See footnotes at end of Table 1