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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders March 2005

New Orders

New orders for manufactured durable goods in March decreased \$5.6 billion or 2.8 percent to \$194.0 billion, the U.S. Census Bureau announced today. This followed a 0.2 percent February decrease. Excluding transportation, new orders decreased 1.0 percent. Excluding defense, new orders decreased 3.0 percent.

Transportation equipment, down four consecutive months, had the largest decrease, \$4.1 billion or 7.8 percent to \$48.5 billion. This was due to nondefense aircraft and parts, which decreased \$1.6 billion.

Shipments

Shipments of manufactured durable goods in March, down two consecutive months, decreased \$0.3 billion or 0.2 percent to \$204.0 billion. This followed a 1.8 percent February decrease.

Machinery, down two consecutive months, had the largest decrease, \$0.7 billion or 2.8 percent to \$25.5 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in March, down two of the last three months, decreased \$2.7 billion or 0.5 percent to \$551.9 billion. This followed a 0.5 percent February increase.

Transportation equipment, down two of the last three months, had the largest decrease, \$4.0 billion or 1.5 percent to \$258.6 billion.

Inventories

Inventories of manufactured durable goods in March, up sixteen consecutive months, increased \$1.2 billion or 0.4 percent to \$291.0 billion. This followed a 0.7 percent February increase.

Primary metals, up seventeen consecutive months, had the largest increase, \$0.6 billion or 2.6 percent to \$23.5 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 1.7 percent February increase.

Capital Goods

Nondefense new orders for capital goods in March decreased \$4.3 billion or 6.2 percent to \$65.4 billion. Shipments increased \$0.1 billion or 0.1 percent to \$66.7 billion. Unfilled orders decreased \$1.2 billion or 0.5 percent to \$248.4 billion. Inventories increased \$0.4 billion or 0.4 percent to \$113.6 billion.

Defense new orders for capital goods in March increased \$0.4 billion or 5.2 percent to \$7.3 billion. Shipments decreased \$0.2 billion or 1.9 percent to \$8.2 billion. Unfilled orders decreased \$0.9 billion or 0.6 percent to \$144.5 billion. Inventories decreased \$0.3 billion or 1.6 percent to \$19.7 billion.

Revised February Data

Revised seasonally adjusted February figures for all manufacturing industries are: new orders, \$378.6 billion (revised from \$380.4 billion); shipments, \$383.2 billion (revised from \$384.3 billion); unfilled orders, \$554.7 billion (revised from \$555.5 billion); and total inventories, \$481.3 billion (revised from \$481.0 billion).

Figures in text, other than year-to-date, are in seasonally adjusted current dollars. Figures on new and unfilled orders exclude data for semiconductor manufacturing. For data, call (301) 763-4673 or go to <<http://www.census.gov/m3>>.

Revised and more detailed estimates, plus nondurable goods data, will be published on May 3, 2005, at 10:00 a.m. EDT. The advance report on durable goods for April is scheduled for release on May 25, 2005, at 8:30 a.m. EDT. See back page for survey description.

Table 1. Durable Goods Manufacturers' Shipments and New Orders
[Millions of Dollars]

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹					
	Monthly			Percent Change			Monthly			Year to Date		
	Mar 2005 ²	Feb 2005 ^r	Jan 2005	Feb - Mar ²	Jan - Feb ^r	Dec - Jan	Mar 2005 ²	Feb 2005 ^r	Mar 2004	2005	2004	Percent Change 05/04
DURABLE GOODS												
Total:												
Shipments.....	203,966	204,274	208,112	-0.2	-1.8	0.8	222,939	195,351	218,053	602,431	568,304	6.0
New Orders ⁴	194,030	199,660	200,024	-2.8	-0.2	-1.2	213,981	194,927	220,088	593,921	571,754	3.9
Excluding transportation:												
Shipments.....	151,499	151,689	153,955	-0.1	-1.5	1.6	163,562	142,260	153,639	442,654	401,117	10.4
New Orders ⁴	145,526	147,067	147,310	-1.0	-0.2	0.8	157,900	141,581	152,709	435,300	400,618	8.7
Excluding defense:												
Shipments.....	194,020	194,232	198,190	-0.1	-2.0	0.6	212,123	185,799	207,288	574,063	539,189	6.5
New Orders ⁴	185,653	191,408	191,741	-3.0	-0.2	-1.0	202,495	186,807	205,843	565,655	535,802	5.6
Manufacturing with unfilled orders:												
Shipments.....	140,510	140,516	143,256	0.0	-1.9	2.0	153,493	134,177	146,469	415,165	383,757	8.2
New Orders ⁴	137,771	143,188	143,073	-3.8	0.1	-0.3	152,017	140,903	155,785	428,500	407,334	5.2
Primary metals:												
Shipments.....	15,160	15,132	15,458	0.2	-2.1	0.8	16,293	14,951	14,270	46,147	38,094	21.1
New Orders.....	15,039	14,890	14,810	1.0	0.5	-2.9	16,266	15,364	15,150	46,624	41,151	13.3
Fabricated metal products:												
Shipments.....	23,702	23,497	23,725	0.9	-1.0	1.1	24,722	22,540	23,793	69,057	63,318	9.1
New Orders.....	24,108	24,130	24,224	-0.1	-0.4	2.5	25,866	23,972	25,398	72,876	68,448	6.5
Machinery:												
Shipments.....	25,531	26,268	27,155	-2.8	-3.3	1.6	28,395	24,828	27,286	76,946	68,484	12.4
New Orders.....	25,345	27,436	27,660	-7.6	-0.8	1.5	28,326	26,713	28,771	80,643	73,309	10.0
Computers and electronic products:												
Shipments.....	41,449	41,320	42,082	0.3	-1.8	3.7	46,246	37,619	43,078	120,246	110,378	8.9
New Orders ⁴	35,681	34,897	34,775	2.2	0.4	-0.8	39,974	32,581	37,784	104,109	95,566	8.9
Computers and related products:												
Shipments.....	10,017	10,028	10,193	-0.1	-1.6	7.5	11,430	8,279	9,881	28,684	23,905	20.0
New Orders.....	9,284	10,067	10,021	-7.8	0.5	-2.3	10,481	8,483	9,631	27,421	23,132	18.5
Communications equipment:												
Shipments.....	7,099	7,150	7,078	-0.7	1.0	2.2	8,157	6,337	7,870	20,442	19,729	3.6
New Orders.....	7,740	7,366	7,477	5.1	-1.5	-1.3	8,853	7,116	7,734	23,425	20,868	12.3
Semiconductors:												
Shipments.....	7,197	7,286	7,905	-1.2	-7.8	13.0	7,482	7,150	7,281	21,845	20,127	8.5
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	9,146	9,270	9,381	-1.3	-1.2	4.2	9,831	8,731	9,447	26,625	24,823	7.3
New Orders.....	9,011	9,327	9,868	-3.4	-5.5	13.6	9,501	9,216	9,643	27,469	25,832	6.3
Transportation equipment:												
Shipments.....	52,467	52,585	54,157	-0.2	-2.9	-1.3	59,377	53,091	64,414	159,777	167,187	-4.4
New Orders.....	48,504	52,593	52,714	-7.8	-0.2	-6.3	56,081	53,346	67,379	158,621	171,136	-7.3
Motor vehicles and parts:												
Shipments.....	36,145	37,060	38,100	-2.5	-2.7	-4.2	40,302	38,317	46,403	113,148	121,539	-6.9
New Orders.....	36,091	36,989	37,820	-2.4	-2.2	-4.5	40,119	38,448	46,480	113,238	122,514	-7.6
Nondefense aircraft and parts:												
Shipments.....	6,459	5,552	5,977	16.3	-7.1	1.2	8,256	5,182	7,219	18,001	16,750	7.5
New Orders.....	5,409	6,998	5,432	-22.7	28.8	-32.2	6,353	6,515	7,413	17,921	16,308	9.9
Defense aircraft and parts:												
Shipments.....	3,653	3,608	3,792	1.2	-4.9	19.6	3,899	3,263	4,232	10,239	11,609	-11.8
New Orders.....	1,957	3,009	2,949	-35.0	2.0	53.4	3,005	2,982	4,205	9,008	10,584	-14.9
All other durable goods:												
Shipments.....	36,511	36,202	36,154	0.9	0.1	-0.9	38,075	33,591	35,765	103,633	96,020	7.9
New Orders.....	36,342	36,387	35,973	-0.1	1.2	-0.9	37,967	33,735	35,963	103,579	96,312	7.5
Capital goods:³												
Shipments.....	74,902	74,998	76,685	-0.1	-2.2	2.3	83,993	69,714	80,199	219,613	203,914	7.7
New Orders.....	72,740	76,696	77,044	-5.2	-0.5	0.1	82,758	73,369	86,205	227,594	216,787	5.0
Nondefense capital goods:												
Shipments.....	66,682	66,623	68,610	0.1	-2.9	2.6	75,042	61,656	71,187	196,016	178,966	9.5
New Orders.....	65,447	69,762	70,286	-6.2	-0.7	1.1	72,611	66,637	73,524	203,713	184,686	10.3
Excluding aircraft:												
Shipments.....	63,859	64,543	66,396	-1.1	-2.8	3.6	71,232	59,659	67,723	188,905	171,727	10.0
New Orders.....	63,412	66,510	68,231	-4.7	-2.5	4.4	70,442	63,581	70,758	196,308	178,876	9.7
Defense capital goods:												
Shipments.....	8,220	8,375	8,075	-1.9	3.7	0.0	8,951	8,058	9,012	23,597	24,948	-5.4
New Orders.....	7,293	6,934	6,758	5.2	2.6	-9.8	10,147	6,732	12,681	23,881	32,101	-25.6

NA Not Available ^r 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(02), "Manufacturers' Shipments, Inventories, and Orders: 1992-2002."

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.

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

⁴ Data on new and unfilled orders are not available for the semiconductor industry. Estimates and percent changes for new orders and unfilled orders exclude semiconductor industry data. Inventories for semiconductor industry data are included in computers and electronic products and total durable goods industries, but are not shown separately.

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 2005/2004
	Mar 2005 ²	Feb 2005 ^r	Jan 2005	Feb - Mar ²	Jan - Feb ^r	Dec - Jan	Mar 2005 ²	Feb 2005 ^r	Mar 2004	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	551,948	554,687	552,015	-0.5	0.5	0.0	560,179	561,655	525,993	6.5
Total Inventories.....	291,048	289,824	287,835	0.4	0.7	1.6	290,162	292,652	264,981	9.5
Excluding transportation:										
Unfilled Orders ⁴	293,390	292,166	289,502	0.4	0.9	0.4	297,536	295,716	270,763	9.9
Total Inventories.....	219,523	218,444	217,429	0.5	0.5	1.6	219,120	220,631	197,679	10.8
Excluding defense:										
Unfilled Orders ⁴	391,198	392,368	387,906	-0.3	1.2	0.4	395,437	397,583	361,199	9.5
Total Inventories.....	266,566	264,993	262,790	0.6	0.8	1.7	266,008	267,554	241,013	10.4
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	551,948	554,687	552,015	-0.5	0.5	0.0	560,179	561,655	525,993	6.5
Total Inventories.....	228,161	227,337	225,598	0.4	0.8	1.5	227,035	229,113	206,055	10.2
Primary metals:										
Unfilled Orders.....	18,673	18,794	19,036	-0.6	-1.3	-3.3	19,342	19,369	19,059	1.5
Total Inventories.....	23,521	22,915	22,538	2.6	1.7	3.9	23,418	22,966	17,951	30.5
Fabricated metal products:										
Unfilled Orders.....	47,610	47,204	46,571	0.9	1.4	1.1	48,437	47,293	43,151	12.3
Total Inventories.....	36,863	36,626	36,131	0.6	1.4	1.5	37,168	36,990	31,882	16.6
Machinery:										
Unfilled Orders.....	53,005	53,191	52,023	-0.3	2.2	1.0	54,098	54,167	47,707	13.4
Total Inventories.....	47,171	47,088	46,860	0.2	0.5	1.7	47,381	47,934	42,788	10.7
Computers and electronic products:										
Unfilled Orders ⁴	144,986	143,557	142,694	1.0	0.6	0.4	146,594	145,384	134,471	9.0
Total Inventories.....	49,573	49,527	49,838	0.1	-0.6	1.1	48,281	49,654	46,126	4.7
Computers and related products:										
Unfilled Orders.....	8,268	9,001	8,962	-8.1	0.4	-1.9	8,012	8,961	8,032	-0.2
Total Inventories.....	6,719	6,586	6,554	2.0	0.5	1.3	6,348	6,580	5,609	13.2
Communications equipment:										
Unfilled Orders.....	56,317	55,676	55,460	1.2	0.4	0.7	56,975	56,279	50,908	11.9
Total Inventories.....	10,617	10,798	11,141	-1.7	-3.1	0.5	10,324	10,847	10,319	0.0
Semiconductors:										
Unfilled Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:										
Unfilled Orders.....	15,618	15,753	15,696	-0.9	0.4	3.2	15,696	16,026	14,424	8.8
Total Inventories.....	13,309	13,175	13,136	1.0	0.3	1.0	13,482	13,478	12,535	7.6
Transportation equipment:										
Unfilled Orders.....	258,558	262,521	262,513	-1.5	0.0	-0.5	262,643	265,939	255,230	2.9
Total Inventories.....	71,525	71,380	70,406	0.2	1.4	1.7	71,042	72,021	67,302	5.6
Motor vehicles and parts:										
Unfilled Orders.....	14,243	14,297	14,368	-0.4	-0.5	-1.9	14,755	14,938	14,595	1.1
Total Inventories.....	22,666	22,369	22,194	1.3	0.8	2.2	22,750	22,586	21,067	8.0
Nondefense Aircraft and parts:										
Unfilled Orders.....	116,273	117,323	115,877	-0.9	1.2	-0.5	117,058	118,961	104,629	11.9
Total Inventories.....	24,403	24,423	23,690	-0.1	3.1	2.0	24,116	24,532	23,225	3.8
Defense Aircraft and parts:										
Unfilled Orders.....	50,500	52,196	52,795	-3.2	-1.1	-1.6	51,442	52,336	59,745	-13.9
Total Inventories.....	12,146	12,245	12,336	-0.8	-0.7	0.5	11,915	12,571	11,409	4.4
All other durable goods:										
Unfilled Orders.....	13,498	13,667	13,482	-1.2	1.4	-1.3	13,369	13,477	11,951	11.9
Total Inventories.....	49,086	49,113	48,926	-0.1	0.4	1.1	49,390	49,609	46,397	6.5
Capital goods:³										
Unfilled Orders.....	392,968	395,130	393,432	-0.5	0.4	0.1	398,896	400,131	370,670	7.6
Total Inventories.....	133,217	133,111	132,463	0.1	0.5	1.2	132,076	134,330	124,028	6.5
Nondefense capital goods:										
Unfilled Orders.....	248,427	249,662	246,523	-0.5	1.3	0.7	250,735	253,166	225,267	11.3
Total Inventories.....	113,563	113,138	112,372	0.4	0.7	1.3	112,637	114,265	104,517	7.8
Excluding aircraft:										
Unfilled Orders.....	156,189	156,636	154,669	-0.3	1.3	1.2	157,712	158,502	146,433	7.7
Total Inventories.....	95,974	95,716	95,500	0.3	0.2	1.2	95,236	96,708	87,786	8.5
Defense capital goods:										
Unfilled Orders.....	144,541	145,468	146,909	-0.6	-1.0	-0.9	148,161	146,965	145,403	1.9
Total Inventories.....	19,654	19,973	20,091	-1.6	-0.6	0.8	19,439	20,065	19,511	-0.4

See footnotes at end of Table 1

Survey Description

This report is compiled from results of the U.S. Census Bureau's Manufacturers' Shipments, Inventories, and Orders (M3) survey. This survey provides statistics on manufacturers' value of shipments, new orders (net of cancellations), end-of-month order backlog (unfilled orders), and end-of-month total inventory (at current cost or market value). The M3 includes approximately 4,000 reporting units. Units may be divisions of diversified large companies, large homogenous companies, or single-unit manufacturers in 89 industry categories. Due to the small monthly sample, these 89 categories have been combined into 59 publication levels. The survey methodology assumes that the month-to-month changes of the total operations of those companies in the monthly survey effectively represent the month-to-month movements of all establishments that make up the category. The current coverage levels in the survey show that reported data in the monthly survey represent approximately 60 percent of the shipments estimates at the total manufacturing level. Data published represent manufacturing in a calendar month. The data collection is based on a voluntary survey authorized by Title 13 of the United States Code.

The data presented in this release are based on data obtained from a panel of 4,000 reporting units and provide an indication of the activity within the manufacturing sector. The results differ from what would be obtained from a complete enumeration of all manufacturing companies. In addition, a different panel of 4,000 companies would yield different results. The M3 panel is comprised of companies with \$500 million or more in shipments and a limited number of smaller companies. From a statistical perspective, the panel is not a probability sample; therefore, the sampling errors that are normally provided with sample surveys cannot be measured. Nonsampling errors are attributable to many sources. The use of company or divisional reports to estimate the monthly change for establishments is one source of nonsampling error. The use of primarily large companies to represent the month-to-month movement of all companies is another potential source.

Additional survey documentation can be found on our web site: <http://www.census.gov/m3/>.

2005 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
Dec 2004	1/27/05	2/3/05
Jan 2005	2/24/05	3/4/05
Feb 2005	3/24/05	3/31/05
Mar 2005	4/27/05	5/3/05
Apr 2005	5/25/05	6/2/05
May 2005	6/24/05	7/5/05
Jun 2005	7/27/05	8/2/05
Jul 2005	8/24/05	8/30/05
Aug 2005	9/28/05	10/4/05
Sep 2005	10/27/05	11/3/05
Oct 2005	11/29/05	12/6/05
Nov 2005	12/23/05	