

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR IMMEDIATE RELEASE
WEDNESDAY, MARCH 26, 2008, AT 8:30 A.M. EDT

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M3-1 (08)-02
CB08-51

Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders February 2008

New Orders

New orders for manufactured durable goods in February decreased \$3.6 billion or 1.7 percent to \$210.6 billion, the U.S. Census Bureau announced today. This was the second consecutive monthly decrease and followed a 4.7 percent January decrease. Excluding transportation, new orders decreased 2.6 percent. Excluding defense, new orders decreased 1.6 percent.

Machinery, down following two consecutive monthly increases, had the largest decrease, \$4.2 billion or 13.3 percent to \$27.1 billion. This was the largest percentage decrease since the series was first stated on a NAICS basis in 1992.

Shipments

Shipments of manufactured durable goods in February, down three of the last four months, decreased \$6.0 billion or 2.8 percent to \$210.5 billion. This followed a 2.3 percent January increase.

Computers and electronic products, down following two consecutive monthly increases, had the largest decrease, \$3.8 billion or 10.3 percent to \$32.9 billion. This was also the largest percentage decrease since the series was first stated on a NAICS basis in 1992 and was led by semiconductors.

Unfilled Orders

Unfilled orders for manufactured durable goods in February, up thirty-three of the last thirty-four months, increased \$6.1 billion or 0.8 percent to \$820.6 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.8 percent January increase.

Transportation equipment, up twenty-eight of the last twenty-nine months, had the largest increase, \$6.9 billion or 1.4 percent to \$485.3 billion.

Inventories

Inventories of manufactured durable goods in February, up seven of the last eight months, increased \$1.6 billion or 0.5 percent to \$323.7 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.6 percent January increase.

Transportation equipment, up thirteen of the last fourteen months, had the largest increase, \$0.9 billion or 1.1 percent to \$83.9 billion.

Capital Goods

Nondefense new orders for capital goods in February decreased \$0.7 billion or 1.0 percent to \$73.6 billion. Shipments decreased \$3.1 billion or 4.5 percent to \$66.2 billion. Unfilled orders increased \$7.4 billion or 1.6 percent to \$474.8 billion. Inventories increased \$0.9 billion or 0.7 percent to \$129.6 billion.

Defense new orders for capital goods in February decreased \$1.0 billion or 10.1 percent to \$8.8 billion. Shipments decreased \$0.3 billion or 3.1 percent to \$8.7 billion. Unfilled orders increased \$0.1 billion or 0.1 percent to \$149.1 billion. Inventories increased \$0.4 billion or 2.4 percent to \$18.7 billion.

Revised January Data

Revised seasonally adjusted January figures for all manufacturing industries were: new orders, \$430.3 billion (revised from \$429.2 billion); shipments, \$432.6 billion (revised from \$431.8 billion); unfilled orders, \$814.5 billion (revised from \$813.3 billion); and total inventories, \$535.4 billion (unchanged).

Figures in text 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 April 2, 2008, at 10:00 a.m. EDT. The advance report on durable goods for March is scheduled for release on April 24, 2008, 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		
	Feb 2008 ²	Jan 2008 ¹	Dec 2007	Jan - Feb ²	Dec - Jan ¹	Nov - Dec	Feb 2008 ²	Jan 2008 ¹	Feb 2007	2008	2007	Percent Change 08/07
DURABLE GOODS												
Total:												
Shipments.....	210,524	216,516	211,747	-2.8	2.3	-0.3	205,924	194,959	196,793	400,883	385,510	4.0
New Orders ⁴	210,648	214,239	224,687	-1.7	-4.7	4.4	208,131	202,009	199,644	410,140	393,429	4.2
Excluding transportation:												
Shipments.....	155,278	158,881	156,115	-2.3	1.8	0.2	149,748	144,994	141,487	294,742	280,689	5.0
New Orders ⁴	148,500	152,469	154,029	-2.6	-1.0	1.9	146,668	144,728	140,740	291,396	279,954	4.1
Excluding defense:												
Shipments.....	199,359	205,779	202,005	-3.1	1.9	-0.2	194,924	186,014	187,278	380,938	368,043	3.5
New Orders ⁴	199,337	202,675	211,578	-1.6	-4.2	2.0	197,007	190,489	190,589	387,496	374,100	3.6
Manufacturing with unfilled orders:												
Shipments.....	149,257	151,412	148,611	-1.4	1.9	0.0	145,651	136,069	137,161	281,720	266,940	5.5
New Orders ⁴	155,386	157,855	167,984	-1.6	-6.0	6.4	153,983	151,521	146,032	305,504	288,472	5.9
Primary metals:												
Shipments.....	20,758	20,666	20,410	0.4	1.3	0.6	21,164	20,528	18,839	41,692	38,391	8.6
New Orders.....	21,191	20,972	20,794	1.0	0.9	-0.3	22,133	21,681	19,006	43,814	39,507	10.9
Fabricated metal products:												
Shipments.....	25,656	26,001	25,579	-1.3	1.6	-1.8	25,017	24,332	24,156	49,349	48,205	2.4
New Orders.....	25,587	26,025	26,896	-1.7	-3.2	1.1	25,464	25,122	25,108	50,586	50,449	0.3
Machinery:												
Shipments.....	29,261	28,381	29,063	3.1	-2.3	3.1	28,272	25,949	24,726	54,221	48,029	12.9
New Orders.....	27,134	31,286	31,176	-13.3	0.4	7.8	27,370	31,324	26,628	58,694	52,839	11.1
Computers and electronic products:												
Shipments.....	32,938	36,722	33,921	-10.3	8.3	0.8	30,837	31,708	29,875	62,545	58,846	6.3
New Orders ⁴	27,864	27,235	28,055	2.3	-2.9	3.7	26,458	23,614	25,020	50,072	47,210	6.1
Computers and related products:												
Shipments.....	5,551	5,743	5,822	-3.3	-1.4	3.6	4,779	4,586	4,789	9,365	9,036	3.6
New Orders.....	5,701	5,183	5,972	10.0	-13.2	5.1	4,929	4,026	4,706	8,955	8,894	0.7
Communications equipment:												
Shipments.....	5,326	5,341	5,571	-0.3	-4.1	2.4	4,794	4,194	4,844	8,988	8,982	0.1
New Orders.....	5,411	5,106	5,943	6.0	-14.1	13.0	5,371	4,287	5,219	9,658	9,731	-0.8
Semiconductors:												
Shipments.....	6,005	8,720	6,433	-31.1	35.6	-1.1	6,125	8,402	6,020	14,527	13,613	6.7
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,734	10,891	10,765	-1.4	1.2	0.0	10,187	9,650	9,821	19,837	19,296	2.8
New Orders.....	11,029	10,851	10,875	1.6	-0.2	1.2	11,070	10,296	10,730	21,366	21,513	-0.7
Transportation equipment:												
Shipments.....	55,246	57,635	55,632	-4.1	3.6	-1.7	56,176	49,965	55,306	106,141	104,821	1.3
New Orders.....	62,148	61,770	70,658	0.6	-12.6	10.1	61,463	57,281	58,904	118,744	113,475	4.6
Motor vehicles and parts:												
Shipments.....	35,890	36,937	36,947	-2.8	0.0	-2.0	37,570	34,162	38,975	71,732	74,647	-3.9
New Orders.....	35,525	36,505	36,485	-2.7	0.1	-3.4	37,214	34,140	38,960	71,354	75,248	-5.2
Nondefense aircraft and parts:												
Shipments.....	8,444	10,299	9,205	-18.0	11.9	0.4	8,071	7,435	7,494	15,506	13,690	13.3
New Orders.....	15,565	14,772	21,150	5.4	-30.2	9.0	13,665	13,095	11,797	26,760	18,863	41.9
Defense aircraft and parts:												
Shipments.....	4,555	3,640	3,266	25.1	11.5	-5.1	4,308	2,867	3,199	7,175	5,862	22.4
New Orders.....	4,294	4,117	6,111	4.3	-32.6	142.8	3,989	4,342	2,965	8,331	5,629	48.0
All other durable goods:												
Shipments.....	35,931	36,220	36,377	-0.8	-0.4	-1.4	34,271	32,827	34,070	67,098	67,922	-1.2
New Orders.....	35,695	36,100	36,233	-1.1	-0.4	-1.8	34,173	32,691	34,248	66,864	68,436	-2.3
Capital goods:³												
Shipments.....	74,832	78,230	76,372	-4.3	2.4	0.9	71,771	67,638	67,391	139,409	129,528	7.6
New Orders.....	82,367	84,080	92,694	-2.0	-9.3	11.3	79,539	78,875	73,224	158,414	142,402	11.2
Nondefense capital goods:												
Shipments.....	66,176	69,299	68,280	-4.5	1.5	1.4	62,995	60,086	59,275	123,081	114,713	7.3
New Orders.....	73,611	74,336	81,127	-1.0	-8.4	5.4	70,830	69,200	65,435	140,030	125,739	11.4
Excluding aircraft:												
Shipments.....	61,294	62,622	62,898	-2.1	-0.4	1.6	58,299	55,973	54,747	114,272	106,906	6.9
New Orders.....	61,907	63,584	64,768	-2.6	-1.8	5.2	61,335	60,037	57,335	121,372	114,090	6.4
Defense capital goods:												
Shipments.....	8,656	8,931	8,092	-3.1	10.4	-3.4	8,776	7,552	8,116	16,328	14,815	10.2
New Orders.....	8,756	9,744	11,567	-10.1	-15.8	83.1	8,709	9,675	7,789	18,384	16,663	10.3

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: M3-3(06), "Manufacturers' Shipments, Inventories, and Orders: 2001-2006."

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 2008/2007
	Feb 2008 ²	Jan 2008 ^r	Dec 2007	Jan - Feb ²	Dec - Jan ^r	Nov - Dec	Feb 2008 ²	Jan 2008 ^r	Feb 2007	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	820,606	814,477	808,034	0.8	0.8	2.5	831,537	823,205	703,374	18.2
Total Inventories.....	323,724	322,163	320,351	0.5	0.6	1.1	326,980	321,595	313,882	4.2
Excluding transportation:										
Unfilled Orders ⁴	335,311	336,084	333,776	-0.2	0.7	1.3	339,564	336,519	313,722	8.2
Total Inventories.....	239,863	239,219	238,355	0.3	0.4	0.5	242,686	239,287	238,178	1.9
Excluding defense:										
Unfilled Orders ⁴	657,564	651,581	645,965	0.9	0.9	2.5	665,356	657,148	543,149	22.5
Total Inventories.....	300,323	299,141	297,162	0.4	0.7	0.8	303,572	298,788	293,105	3.6
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	820,606	814,477	808,034	0.8	0.8	2.5	831,537	823,205	703,374	18.2
Total Inventories.....	256,678	255,186	253,277	0.6	0.8	1.0	258,858	254,786	245,893	5.3
Primary metals:										
Unfilled Orders.....	28,250	27,817	27,511	1.6	1.1	1.4	29,162	28,193	27,808	4.9
Total Inventories.....	30,959	30,807	30,730	0.5	0.3	-0.1	31,065	30,977	31,196	-0.4
Fabricated metal products:										
Unfilled Orders.....	59,662	59,731	59,707	-0.1	0.0	2.3	59,116	58,669	55,369	6.8
Total Inventories.....	42,294	42,387	42,296	-0.2	0.2	0.6	42,941	42,534	42,184	1.8
Machinery:										
Unfilled Orders.....	91,498	93,625	90,720	-2.3	3.2	2.4	93,755	94,657	81,698	14.8
Total Inventories.....	52,914	52,630	52,172	0.5	0.9	0.7	53,850	52,647	50,966	5.7
Computers and electronic products:										
Unfilled Orders ⁴	118,301	117,370	118,137	0.8	-0.6	0.5	119,828	118,082	112,169	6.8
Total Inventories.....	44,472	44,215	44,179	0.6	0.1	0.6	44,796	44,048	44,702	0.2
Computers and related products:										
Unfilled Orders.....	3,201	3,051	3,611	4.9	-15.5	4.3	3,201	3,051	3,265	-2.0
Total Inventories.....	4,615	4,554	4,625	1.3	-1.5	2.5	4,676	4,441	4,581	2.1
Communications equipment:										
Unfilled Orders.....	35,318	35,233	35,468	0.2	-0.7	1.1	35,623	35,046	33,639	5.9
Total Inventories.....	7,484	7,457	7,461	0.4	-0.1	2.0	7,621	7,534	7,588	0.4
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.....	24,127	23,832	23,872	1.2	-0.2	0.5	24,553	23,670	23,953	2.5
Total Inventories.....	15,259	15,103	14,887	1.0	1.5	0.6	15,646	15,220	14,678	6.6
Transportation equipment:										
Unfilled Orders.....	485,295	478,393	474,258	1.4	0.9	3.3	491,973	486,686	389,652	26.3
Total Inventories.....	83,861	82,944	81,996	1.1	1.2	2.7	84,294	82,308	75,704	11.3
Motor vehicles and parts:										
Unfilled Orders.....	17,920	18,285	18,717	-2.0	-2.3	-2.4	18,534	18,890	21,568	-14.1
Total Inventories.....	23,566	23,753	23,953	-0.8	-0.8	0.1	23,748	23,735	25,789	-7.9
Nondefense Aircraft and parts:										
Unfilled Orders.....	320,131	313,010	308,537	2.3	1.4	4.0	323,575	317,981	223,723	44.6
Total Inventories.....	35,668	35,131	33,875	1.5	3.7	3.3	35,835	34,691	28,155	27.3
Defense Aircraft and parts:										
Unfilled Orders.....	45,910	46,171	45,694	-0.6	1.0	6.6	47,382	47,701	44,790	5.8
Total Inventories.....	13,969	13,907	13,747	0.4	1.2	5.1	13,951	13,747	12,352	12.9
All other durable goods:										
Unfilled Orders.....	13,473	13,709	13,829	-1.7	-0.9	-1.0	13,150	13,248	12,725	3.3
Total Inventories.....	53,965	54,077	54,091	-0.2	0.0	0.4	54,388	53,861	54,452	-0.1
Capital goods:³										
Unfilled Orders.....	623,868	616,333	610,483	1.2	1.0	2.7	632,568	624,800	516,764	22.4
Total Inventories.....	148,278	146,919	145,267	0.9	1.1	1.6	149,741	146,315	137,189	9.1
Nondefense capital goods:										
Unfilled Orders.....	474,792	467,357	462,320	1.6	1.1	2.9	480,750	472,915	369,717	30.0
Total Inventories.....	129,625	128,695	126,818	0.7	1.5	1.2	131,063	128,146	120,447	8.8
Excluding aircraft:										
Unfilled Orders.....	184,386	183,773	182,811	0.3	0.5	1.0	187,197	184,161	172,104	8.8
Total Inventories.....	101,725	101,210	100,606	0.5	0.6	0.5	103,006	101,006	98,723	4.3
Defense capital goods:										
Unfilled Orders.....	149,076	148,976	148,163	0.1	0.5	2.4	151,818	151,885	147,047	3.2
Total Inventories.....	18,653	18,224	18,449	2.4	-1.2	4.2	18,678	18,169	16,742	11.6

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), end-of-month total inventory (at current cost or market value), and inventories by stage of fabrication (materials and supplies, work-in-process, and finished goods). The M3 includes approximately 4,300 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 61 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 4,300 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 4,300 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. Any corrections will be published in the full report. Corrections received after the full report will be released in the next month's advance report. Any revisions made later than two months will be reflected in the annual benchmark publication.

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