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

New Orders

New orders for manufactured durable goods in June increased \$1.6 billion or 0.8 percent to \$215.4 billion, the U.S. Census Bureau announced today. This was the second consecutive monthly increase and followed a 0.1 percent May increase. Excluding transportation, new orders increased 2.0 percent. Excluding defense, new orders increased 0.1 percent.

Primary metals, up five of the last six months, had the largest increase, \$1.1 billion or 5.1 percent to \$23.1 billion.

Shipments

Shipments of manufactured durable goods in June, up two of the last three months, increased \$1.1 billion or 0.5 percent to \$212.2 billion. This followed a 1.2 percent May decrease.

Transportation equipment, up two of the last three months, had the largest increase, \$0.7 billion or 1.4 percent to \$52.6 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in June, up twenty-eight of the last twenty-nine months, increased \$7.2 billion or 0.9 percent to \$817.6 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.9 percent May increase.

Transportation equipment, up twenty-four of the last twenty-five months, had the largest increase, \$2.9 billion or 0.6 percent to \$461.2 billion.

Inventories

Inventories of manufactured durable goods in June, up eleven of the last twelve months, increased \$1.8 billion or 0.5 percent to \$332.2 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.5 percent May increase.

Transportation equipment, up twenty-one of the last twenty-two months, had the largest increase, \$0.7 billion or 0.8 percent to \$87.1 billion.

Capital Goods

Nondefense new orders for capital goods in June decreased \$2.3 billion or 3.2 percent to \$71.4 billion. Shipments increased \$0.3 billion or 0.5 percent to \$68.0 billion. Unfilled orders increased \$3.4 billion or 0.7 percent to \$474.0 billion. Inventories increased \$0.7 billion or 0.5 percent to \$136.2 billion.

Defense new orders for capital goods in June increased \$1.5 billion or 15.8 percent to \$11.3 billion. Shipments increased 0.3 percent to \$9.1 billion. Unfilled orders increased \$2.3 billion or 1.7 percent to \$139.3 billion. Inventories decreased \$0.1 billion or 0.6 percent to \$19.2 billion.

Revised May Data

Revised seasonally adjusted May figures for all manufacturing industries were: new orders, \$449.5 billion (revised from \$448.7 billion); shipments, \$446.9 billion (revised from \$446.4 billion); unfilled orders, \$810.3 billion (revised from \$810.1 billion); and total inventories, \$548.6 billion (revised from \$548.4 billion).

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 August 4, 2008, at 10:00 a.m. EDT. The advance report on durable goods for July is scheduled for release on August 27, 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		
	Jun 2008 ²	May 2008 ¹	Apr 2008	May - Jun ²	Apr - May ¹	Mar - Apr	Jun 2008 ²	May 2008 ¹	Jun 2007	2008	2007	Percent Change 08/07
DURABLE GOODS												
Total:												
Shipments.....	212,162	211,111	213,591	0.5	-1.2	1.8	230,247	215,349	232,417	1,283,461	1,286,290	-0.2
New Orders ⁴	215,429	213,791	213,475	0.8	0.1	-1.0	228,444	213,321	231,358	1,300,627	1,304,922	-0.3
Excluding transportation:												
Shipments.....	159,586	159,273	159,705	0.2	-0.3	2.1	172,526	161,504	168,755	954,645	933,443	2.3
New Orders ⁴	159,990	156,864	157,618	2.0	-0.5	1.9	169,240	157,968	159,747	947,553	915,603	3.5
Excluding defense:												
Shipments.....	200,431	199,212	201,630	0.6	-1.2	1.6	217,652	203,373	222,666	1,215,586	1,231,132	-1.3
New Orders ⁴	201,198	201,081	202,314	0.1	-0.6	-0.8	213,943	203,182	223,276	1,228,379	1,252,378	-1.9
Manufacturing with unfilled orders:												
Shipments.....	153,574	152,045	152,422	1.0	-0.2	1.3	167,334	154,616	162,468	916,846	893,183	2.6
New Orders ⁴	160,795	159,410	158,280	0.9	0.7	-1.5	169,211	157,165	166,233	964,490	945,254	2.0
Primary metals:												
Shipments.....	22,916	22,294	21,978	2.8	1.4	3.0	24,346	23,492	21,283	135,027	123,331	9.5
New Orders.....	23,121	22,001	22,408	5.1	-1.8	2.5	23,866	22,791	19,417	137,260	123,618	11.0
Fabricated metal products:												
Shipments.....	27,865	27,698	27,803	0.6	-0.4	2.0	29,506	28,858	28,855	165,640	163,601	1.2
New Orders.....	28,082	27,612	27,694	1.7	-0.3	-2.4	28,883	29,490	28,472	169,979	167,788	1.3
Machinery:												
Shipments.....	29,553	28,854	28,816	2.4	0.1	-0.8	31,926	29,663	30,112	177,966	165,884	7.3
New Orders.....	31,528	30,831	32,006	2.3	-3.7	4.8	32,281	30,867	29,099	189,303	170,489	11.0
Computers and electronic products:												
Shipments.....	31,127	32,389	33,333	-3.9	-2.8	5.9	35,311	30,414	36,258	191,450	190,500	0.5
New Orders ⁴	27,928	28,060	27,330	-0.5	2.7	-2.0	31,755	25,139	30,448	163,220	159,080	2.6
Computers and related products:												
Shipments.....	5,257	5,316	5,170	-1.1	2.8	-4.5	6,451	4,637	6,735	31,100	31,485	-1.2
New Orders.....	5,459	5,521	5,052	-1.1	9.3	-10.5	6,653	4,842	6,839	31,196	31,474	-0.9
Communications equipment:												
Shipments.....	6,015	5,792	5,539	3.9	4.6	-4.5	7,166	5,423	6,677	33,772	33,104	2.0
New Orders.....	5,799	6,065	5,789	-4.4	4.8	-0.4	6,656	5,445	6,173	34,680	33,897	2.3
Semiconductors:												
Shipments.....	3,954	4,685	5,974	-15.6	-21.6	35.3	3,680	4,577	4,824	30,478	33,439	-8.9
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,657	10,700	10,657	-0.4	0.4	1.1	11,422	10,929	11,343	63,628	63,111	0.8
New Orders.....	11,734	11,175	10,956	5.0	2.0	18.1	12,218	11,462	11,244	66,447	65,931	0.8
Transportation equipment:												
Shipments.....	52,576	51,838	53,886	1.4	-3.8	0.9	57,721	53,845	63,662	328,816	352,847	-6.8
New Orders.....	55,439	56,927	55,857	-2.6	1.9	-8.3	59,204	55,353	71,611	353,074	389,319	-9.3
Motor vehicles and parts:												
Shipments.....	32,765	32,256	33,497	1.6	-3.7	-3.1	35,125	34,011	43,680	212,711	250,128	-15.0
New Orders.....	32,818	32,249	33,448	1.8	-3.6	-3.4	34,926	33,711	43,135	211,581	249,390	-15.2
Nondefense aircraft and parts:												
Shipments.....	8,233	8,208	8,647	0.3	-5.1	9.3	9,926	8,197	10,103	50,323	48,541	3.7
New Orders.....	9,579	12,783	12,058	-25.1	6.0	-24.6	10,779	11,182	19,064	73,365	83,978	-12.6
Defense aircraft and parts:												
Shipments.....	4,602	4,504	4,628	2.2	-2.7	2.8	5,182	4,444	3,523	25,862	18,970	36.3
New Orders.....	4,729	5,172	4,510	-8.6	14.7	2.8	5,048	4,626	3,220	27,509	15,423	78.4
All other durable goods:												
Shipments.....	37,468	37,338	37,118	0.3	0.6	1.1	40,015	38,148	40,904	220,934	227,016	-2.7
New Orders.....	37,597	37,185	37,224	1.1	-0.1	1.2	40,237	38,219	41,067	221,344	228,697	-3.2
Capital goods: ³												
Shipments.....	77,091	76,744	77,135	0.5	-0.5	2.4	85,332	76,353	82,230	459,151	438,465	4.7
New Orders.....	82,774	83,560	82,188	-0.9	1.7	-1.9	88,100	78,725	88,137	497,890	482,987	3.1
Nondefense capital goods:												
Shipments.....	68,023	67,703	67,879	0.5	-0.3	1.8	75,858	67,194	74,395	406,488	393,174	3.4
New Orders.....	71,439	73,771	73,609	-3.2	0.2	-2.4	76,868	71,163	81,963	442,223	439,507	0.6
Excluding aircraft:												
Shipments.....	63,704	63,251	63,121	0.7	0.2	1.0	70,540	62,470	68,536	379,330	366,117	3.6
New Orders.....	66,020	65,133	65,174	1.4	-0.1	3.1	70,698	63,684	67,576	393,785	379,360	3.8
Defense capital goods:												
Shipments.....	9,068	9,041	9,256	0.3	-2.3	6.9	9,474	9,159	7,835	52,663	45,291	16.3
New Orders.....	11,335	9,789	8,579	15.8	14.1	3.3	11,232	7,562	6,174	55,667	43,480	28.0

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(07), "Manufacturers' Shipments, Inventories, and Orders: 2004-2007."

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
	Jun 2008 ²	May 2008 ^r	Apr 2008	May - Jun ²	Apr - May ^r	Mar - Apr	Jun 2008 ²	May 2008 ^r	Jun 2007	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	817,558	810,337	802,972	0.9	0.9	0.7	819,460	817,583	709,949	15.4
Total Inventories.....	332,247	330,467	328,911	0.5	0.5	0.6	330,035	333,479	311,505	5.9
Excluding transportation:										
Unfilled Orders ⁴	356,330	351,972	349,696	1.2	0.7	1.1	358,407	358,013	325,038	10.3
Total Inventories.....	245,165	244,105	243,315	0.4	0.3	0.4	243,603	246,193	235,174	3.6
Excluding defense:										
Unfilled Orders ⁴	662,392	657,671	651,117	0.7	1.0	1.0	663,778	663,807	565,914	17.3
Total Inventories.....	307,746	305,945	304,407	0.6	0.5	0.5	305,480	308,824	289,720	5.4
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	817,558	810,337	802,972	0.9	0.9	0.7	819,460	817,583	709,949	15.4
Total Inventories.....	265,935	264,545	262,913	0.5	0.6	0.8	264,471	267,129	246,443	7.3
Primary metals:										
Unfilled Orders.....	29,206	29,001	29,294	0.7	-1.0	1.5	29,496	29,976	27,232	8.3
Total Inventories.....	33,401	32,959	32,282	1.3	2.1	1.9	33,405	33,108	31,237	6.9
Fabricated metal products:										
Unfilled Orders.....	62,518	62,301	62,387	0.3	-0.1	-0.2	63,758	64,381	59,436	7.3
Total Inventories.....	43,267	42,991	42,860	0.6	0.3	1.0	43,280	43,359	41,793	3.6
Machinery:										
Unfilled Orders.....	101,524	99,549	97,572	2.0	2.0	3.4	101,724	101,369	82,989	22.6
Total Inventories.....	53,827	53,581	53,407	0.5	0.3	-0.3	53,277	54,070	50,383	5.7
Computers and electronic products:										
Unfilled Orders ⁴	124,036	123,281	122,925	0.6	0.3	0.0	124,015	123,891	116,772	6.2
Total Inventories.....	46,223	46,390	46,363	-0.4	0.1	0.7	45,338	46,882	43,906	3.3
Computers and related products:										
Unfilled Orders.....	3,813	3,611	3,406	5.6	6.0	-3.3	3,813	3,611	3,474	9.8
Total Inventories.....	5,069	5,149	5,178	-1.6	-0.6	-1.5	4,871	5,339	4,496	8.3
Communications equipment:										
Unfilled Orders.....	37,136	37,352	37,079	-0.6	0.7	0.7	37,325	37,835	35,843	4.1
Total Inventories.....	9,707	9,898	9,933	-1.9	-0.4	1.7	9,276	9,950	8,276	12.1
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.....	25,837	24,760	24,285	4.3	2.0	1.2	25,883	25,087	24,670	4.9
Total Inventories.....	15,261	15,118	15,285	0.9	-1.1	1.1	15,183	15,373	14,184	7.0
Transportation equipment:										
Unfilled Orders.....	461,228	458,365	453,276	0.6	1.1	0.4	461,053	459,570	384,911	19.8
Total Inventories.....	87,082	86,362	85,596	0.8	0.9	0.9	86,432	87,286	76,331	13.2
Motor vehicles and parts:										
Unfilled Orders.....	17,678	17,625	17,632	0.3	0.0	-0.3	17,435	17,634	19,695	-11.5
Total Inventories.....	23,794	23,647	23,720	0.6	-0.3	-1.3	23,440	23,848	24,768	-5.4
Nondefense Aircraft and parts:										
Unfilled Orders.....	304,044	302,698	298,123	0.4	1.5	1.2	303,657	302,804	232,695	30.5
Total Inventories.....	37,481	37,082	36,356	1.1	2.0	1.6	37,282	37,647	29,152	27.9
Defense Aircraft and parts:										
Unfilled Orders.....	44,572	44,445	43,777	0.3	1.5	-0.3	44,949	45,083	38,600	16.4
Total Inventories.....	14,511	14,251	13,976	1.8	2.0	1.5	14,602	14,316	12,513	16.7
All other durable goods:										
Unfilled Orders.....	13,209	13,080	13,233	1.0	-1.2	0.8	13,531	13,309	13,939	-2.9
Total Inventories.....	53,186	53,066	53,118	0.2	-0.1	-0.5	53,120	53,401	53,671	-1.0
Capital goods:³										
Unfilled Orders.....	613,312	607,629	600,813	0.9	1.1	0.8	614,196	611,428	520,894	17.9
Total Inventories.....	155,396	154,823	153,972	0.4	0.6	0.9	153,921	156,349	139,384	10.4
Nondefense capital goods:										
Unfilled Orders.....	474,008	470,592	464,524	0.7	1.3	1.2	474,550	473,540	390,128	21.6
Total Inventories.....	136,208	135,510	134,612	0.5	0.7	0.8	134,770	136,968	122,149	10.3
Excluding aircraft:										
Unfilled Orders.....	202,227	199,911	198,029	1.2	1.0	1.0	203,239	203,081	186,265	9.1
Total Inventories.....	107,078	106,688	106,620	0.4	0.1	0.4	105,805	107,779	100,310	5.5
Defense capital goods:										
Unfilled Orders.....	139,304	137,037	136,289	1.7	0.5	-0.5	139,646	137,888	130,766	6.8
Total Inventories.....	19,188	19,313	19,360	-0.6	-0.2	1.8	19,151	19,381	17,235	11.1

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>.