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

New Orders

New orders for manufactured durable goods in September increased \$1.6 billion or 0.8 percent to \$207.8 billion, the U.S. Census Bureau announced today. This was the fourth increase in the last five months and followed a 5.5 percent August decrease. Excluding transportation, new orders decreased 1.1 percent. Excluding defense, new orders decreased 0.6 percent.

Transportation equipment, up two of the last three months, had the largest increase, \$3.3 billion or 6.3 percent to \$55.2 billion. This was led by nondefense aircraft and parts, which increased \$2.3 billion.

Shipments

Shipments of manufactured durable goods in September, up three of the last four months, increased \$0.4 billion or 0.2 percent to \$208.8 billion. This followed a 4.2 percent August decrease.

Machinery, up following two consecutive monthly decreases, had the largest increase, \$1.2 billion or 4.3 percent to \$30.2 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in September, up thirty-one of the last thirty-two months, increased \$3.0 billion or 0.4 percent to \$829.6 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.3 percent August increase.

Transportation equipment, up twenty-seven of the last twenty-eight months, had the largest increase, \$4.5 billion or 1.0 percent to \$470.9 billion.

Inventories

Inventories of manufactured durable goods in September, up fourteen of the last fifteen months, increased \$1.2 billion or 0.4 percent to \$340.2 billion. This was also at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.8 percent August increase.

Machinery, up seventeen of the last eighteen months, had the largest increase, \$0.3 billion or 0.6 percent to \$54.7 billion.

Capital Goods

Nondefense new orders for capital goods in September increased \$0.6 billion or 0.8 percent to \$69.3 billion. Shipments increased \$1.0 billion or 1.5 percent to \$67.8 billion. Unfilled orders increased \$1.5 billion or 0.3 percent to \$483.2 billion. Inventories increased \$0.6 billion or 0.4 percent to \$140.5 billion.

Defense new orders for capital goods in September increased \$1.9 billion or 19.6 percent to \$11.8 billion. Shipments decreased 0.2 percent to \$9.0 billion. Unfilled orders increased \$2.7 billion or 2.0 percent to \$142.8 billion. Inventories decreased \$0.2 billion or 1.3 percent to \$18.8 billion.

Revised August Data

Revised seasonally adjusted August figures for all manufacturing industries were: new orders, \$442.8 billion (revised from \$444.4 billion); shipments, \$445.0 billion (revised from \$446.0 billion); unfilled orders, \$826.6 billion (revised from \$827.2 billion); and total inventories, \$562.7 billion (revised from \$562.5 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 November 4, 2008, at 10:00 a.m. EST. The advance report on durable goods for October is scheduled for release on November 26, 2008, at 8:30 a.m. EST. See back page for survey description and 2009 release dates.

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		
	Sep 2008 ²	Aug 2008 ^r	Jul 2008	Aug - Sep ²	Jul - Aug ^r	Jun - Jul	Sep 2008 ²	Aug 2008 ^r	Sep 2007	2008	2007	Percent Change 08/07
DURABLE GOODS												
Total:												
Shipments.....	208,769	208,390	217,549	0.2	-4.2	2.2	219,940	210,932	220,448	1,913,295	1,925,782	-0.6
New Orders ⁴	207,812	206,211	218,163	0.8	-5.5	0.7	213,675	205,140	219,016	1,914,611	1,948,944	-1.8
Excluding transportation:												
Shipments.....	158,006	158,603	163,365	-0.4	-2.9	2.1	166,679	159,763	161,971	1,437,532	1,404,629	2.3
New Orders ⁴	152,594	154,256	160,850	-1.1	-4.1	0.0	158,754	152,525	157,993	1,411,894	1,374,503	2.7
Excluding defense:												
Shipments.....	196,727	196,699	205,451	0.0	-4.3	2.1	207,245	199,441	210,366	1,810,178	1,841,910	-1.7
New Orders ⁴	192,545	193,781	206,100	-0.6	-6.0	1.8	198,683	194,368	210,072	1,807,672	1,867,241	-3.2
Manufacturing with unfilled orders:												
Shipments.....	150,619	150,384	156,983	0.2	-4.2	1.7	159,240	152,416	156,110	1,373,443	1,342,221	2.3
New Orders ⁴	153,595	152,757	163,192	0.5	-6.4	0.7	156,469	150,883	159,086	1,418,927	1,413,580	0.4
Primary metals:												
Shipments.....	22,377	23,120	23,933	-3.2	-3.4	3.5	22,841	23,845	19,902	205,115	183,654	11.7
New Orders.....	20,409	21,376	24,418	-4.5	-12.5	2.9	19,897	22,223	19,246	203,305	182,570	11.4
Fabricated metal products:												
Shipments.....	27,885	27,936	28,578	-0.2	-2.2	2.0	29,150	29,599	27,704	252,716	248,081	1.9
New Orders.....	27,480	27,736	28,241	-0.9	-1.8	0.7	27,939	28,623	27,093	254,309	251,375	1.2
Machinery:												
Shipments.....	30,178	28,947	29,143	4.3	-0.7	-1.1	30,735	27,980	28,461	264,568	248,857	6.3
New Orders.....	30,787	30,637	32,740	0.5	-6.4	3.8	30,211	28,836	29,040	279,342	255,948	9.1
Computers and electronic products:												
Shipments.....	30,648	31,298	33,147	-2.1	-5.6	6.0	34,595	29,516	35,920	285,004	284,811	0.1
New Orders ⁴	27,244	27,640	27,099	-1.4	2.0	-4.5	31,989	25,042	33,257	243,331	242,214	0.5
Computers and related products:												
Shipments.....	4,801	4,764	4,945	0.8	-3.7	-4.8	5,713	4,323	6,651	45,239	47,396	-4.6
New Orders.....	4,707	4,845	4,811	-2.8	0.7	-13.1	5,619	4,404	6,749	45,332	47,997	-5.6
Communications equipment:												
Shipments.....	5,649	5,507	6,011	2.6	-8.4	-1.5	7,014	5,211	7,175	50,916	50,370	1.1
New Orders.....	5,298	6,205	5,892	-14.6	5.3	-0.8	6,994	5,309	8,058	51,678	52,204	-1.0
Semiconductors:												
Shipments.....	3,933	4,552	5,595	-13.6	-18.6	38.9	3,494	4,259	4,408	44,168	48,197	-8.4
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,521	10,546	11,063	-0.2	-4.7	3.4	11,275	10,817	11,331	96,251	95,583	0.7
New Orders.....	10,443	10,290	10,658	1.5	-3.5	-8.3	10,758	10,277	10,639	97,743	97,399	0.4
Transportation equipment:												
Shipments.....	50,763	49,787	54,184	2.0	-8.1	2.3	53,261	51,169	58,477	475,763	521,153	-8.7
New Orders.....	55,218	51,955	57,313	6.3	-9.3	2.7	54,921	52,615	61,023	502,717	574,441	-12.5
Motor vehicles and parts:												
Shipments.....	31,145	30,165	33,167	3.2	-9.1	0.8	32,423	31,852	39,221	301,243	364,989	-17.5
New Orders.....	31,030	30,134	33,042	3.0	-8.8	0.6	32,005	31,453	38,710	299,452	362,899	-17.5
Nondefense aircraft and parts:												
Shipments.....	7,832	8,129	9,183	-3.7	-11.5	8.6	7,976	7,946	8,815	74,116	73,772	0.5
New Orders.....	9,934	7,657	12,294	29.7	-37.7	22.3	8,771	7,868	14,373	99,062	127,182	-22.1
Defense aircraft and parts:												
Shipments.....	5,150	4,717	5,053	9.2	-6.6	8.7	5,546	4,678	3,612	40,545	29,008	39.8
New Orders.....	5,719	5,193	5,881	10.1	-11.7	24.5	5,550	4,560	3,609	42,432	26,699	58.9
All other durable goods:												
Shipments.....	36,397	36,756	37,501	-1.0	-2.0	0.2	38,083	38,006	38,653	333,878	343,643	-2.8
New Orders.....	36,231	36,577	37,694	-0.9	-3.0	0.5	37,960	37,524	38,718	333,864	344,997	-3.2
Capital goods:³												
Shipments.....	76,847	75,849	78,153	1.3	-2.9	1.1	82,331	73,647	80,318	686,203	660,340	3.9
New Orders.....	81,105	78,595	83,583	3.2	-6.0	0.4	83,153	73,528	83,659	726,511	721,792	0.7
Nondefense capital goods:												
Shipments.....	67,805	66,790	69,045	1.5	-3.3	1.2	72,970	64,610	72,205	606,710	591,516	2.6
New Orders.....	69,332	68,750	74,498	0.8	-7.7	3.5	71,884	64,826	77,066	644,387	655,660	-1.7
Excluding aircraft:												
Shipments.....	63,733	62,499	63,850	2.0	-2.1	0.3	68,865	60,456	67,285	567,013	550,375	3.0
New Orders.....	63,911	64,830	66,300	-1.4	-2.2	0.3	67,752	60,533	66,918	582,086	564,089	3.2
Defense capital goods:												
Shipments.....	9,042	9,059	9,108	-0.2	-0.5	0.4	9,361	9,037	8,113	79,493	68,824	15.5
New Orders.....	11,773	9,845	9,085	19.6	8.4	-19.6	11,269	8,702	6,593	82,124	66,132	24.2

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: M3-3(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
	Sep 2008 ²	Aug 2008 ^r	Jul 2008	Aug - Sep ²	Jul - Aug ^r	Jun - Jul	Sep 2008 ²	Aug 2008 ^r	Sep 2007	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	829,581	826,605	824,232	0.4	0.3	0.8	817,300	820,071	729,237	12.1
Total Inventories.....	340,196	339,008	336,185	0.4	0.8	0.9	338,901	341,854	313,357	8.2
Excluding transportation:										
Unfilled Orders ⁴	358,701	360,180	359,975	-0.4	0.1	0.9	353,551	357,982	327,510	8.0
Total Inventories.....	251,402	250,204	247,867	0.5	0.9	0.8	249,939	251,970	235,247	6.2
Excluding defense:										
Unfilled Orders ⁴	670,540	670,789	669,155	0.0	0.2	0.9	662,169	667,237	584,757	13.2
Total Inventories.....	315,938	314,459	311,559	0.5	0.9	1.0	314,568	317,188	291,183	8.0
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	829,581	826,605	824,232	0.4	0.3	0.8	817,300	820,071	729,237	12.1
Total Inventories.....	273,224	272,571	269,939	0.2	1.0	1.2	272,214	274,856	247,720	9.9
Primary metals:										
Unfilled Orders.....	26,394	28,362	30,106	-6.9	-5.8	1.6	25,453	28,397	25,861	-1.6
Total Inventories.....	35,257	35,071	34,040	0.5	3.0	1.6	35,226	35,367	31,045	13.5
Fabricated metal products:										
Unfilled Orders.....	61,541	61,946	62,146	-0.7	-0.3	-0.5	61,012	62,223	58,543	4.2
Total Inventories.....	45,020	44,771	44,332	0.6	1.0	1.8	44,790	44,896	41,315	8.4
Machinery:										
Unfilled Orders.....	107,463	106,854	105,164	0.6	1.6	3.5	105,161	105,685	85,475	23.0
Total Inventories.....	54,740	54,440	54,246	0.6	0.4	0.7	54,306	54,582	51,252	6.0
Computers and electronic products:										
Unfilled Orders ⁴	125,412	124,883	123,989	0.4	0.7	-0.4	124,262	123,374	120,353	3.2
Total Inventories.....	47,063	46,988	46,523	0.2	1.0	0.4	46,814	47,927	44,069	6.2
Computers and related products:										
Unfilled Orders.....	3,810	3,904	3,823	-2.4	2.1	-3.4	3,810	3,904	4,086	-6.8
Total Inventories.....	5,042	5,031	5,006	0.2	0.5	-1.5	4,989	5,311	4,888	2.1
Communications equipment:										
Unfilled Orders.....	37,419	37,770	37,072	-0.9	1.9	-0.3	37,179	37,199	36,884	0.8
Total Inventories.....	9,751	9,951	9,621	-2.0	3.4	-0.9	9,650	10,050	9,147	5.5
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.....	24,861	24,939	25,195	-0.3	-1.0	-1.6	24,556	25,073	23,666	3.8
Total Inventories.....	15,372	15,256	15,145	0.8	0.7	-0.6	14,907	15,193	13,869	7.5
Transportation equipment:										
Unfilled Orders.....	470,880	466,425	464,257	1.0	0.5	0.7	463,749	462,089	401,727	15.4
Total Inventories.....	88,794	88,804	88,318	0.0	0.6	1.2	88,962	89,884	78,110	13.9
Motor vehicles and parts:										
Unfilled Orders.....	17,235	17,350	17,381	-0.7	-0.2	-0.7	16,774	17,192	18,343	-8.6
Total Inventories.....	23,177	23,290	23,470	-0.5	-0.8	-0.9	23,169	23,411	24,847	-6.8
Nondefense Aircraft and parts:										
Unfilled Orders.....	309,038	306,936	307,408	0.7	-0.2	1.0	305,561	304,766	250,668	21.9
Total Inventories.....	40,503	40,037	39,178	1.2	2.2	3.7	40,657	40,720	30,604	32.8
Defense Aircraft and parts:										
Unfilled Orders.....	46,395	45,826	45,350	1.2	1.0	1.9	45,189	45,185	39,838	13.4
Total Inventories.....	13,926	14,198	14,306	-1.9	-0.8	-1.4	14,015	14,311	12,715	10.2
All other durable goods:										
Unfilled Orders.....	13,030	13,196	13,375	-1.3	-1.3	1.5	13,107	13,230	13,612	-3.7
Total Inventories.....	53,950	53,678	53,581	0.5	0.2	0.5	53,896	54,005	53,697	0.4
Capital goods:³										
Unfilled Orders.....	625,910	621,652	618,906	0.7	0.4	0.9	615,765	614,943	537,824	14.5
Total Inventories.....	159,299	158,985	157,838	0.2	0.7	1.3	158,620	160,626	141,649	12.0
Nondefense capital goods:										
Unfilled Orders.....	483,155	481,628	479,668	0.3	0.4	1.1	476,492	477,578	407,939	16.8
Total Inventories.....	140,468	139,912	138,532	0.4	1.0	1.4	139,803	141,549	124,049	12.7
Excluding aircraft:										
Unfilled Orders.....	207,136	206,958	204,627	0.1	1.1	1.2	203,857	204,970	186,736	9.2
Total Inventories.....	108,838	108,509	107,802	0.3	0.7	0.6	107,943	109,601	101,237	6.6
Defense capital goods:										
Unfilled Orders.....	142,755	140,024	139,238	2.0	0.6	0.0	139,273	137,365	129,885	7.2
Total Inventories.....	18,831	19,073	19,306	-1.3	-1.2	0.4	18,817	19,077	17,600	6.9

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>.

2009 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
November 2008	Dec. 24, 2008	Jan. 6, 2009
December 2008	Jan. 29, 2009	Feb. 5, 2009
January 2009	Feb. 26, 2009	Mar. 5, 2009
February 2009	Mar. 25, 2009	Apr. 2, 2009
March 2009	Apr. 24, 2009	May 1, 2009
April 2009	May 28, 2009	Jun. 3, 2009
May 2009	Jun. 24, 2009	Jul. 2, 2009
June 2009	Jul. 29, 2009	Aug. 5, 2009
July 2009	Aug. 26, 2009	Sep. 2, 2009
August 2009	Sep. 25, 2009	Oct. 2, 2009
September 2009	Oct. 28, 2009	Nov. 3, 2009
October 2009	Nov. 25, 2009	Dec. 4, 2009
November 2009	Dec. 24, 2009	