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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders March 2010

New Orders

New orders for manufactured durable goods in March decreased \$2.2 billion or 1.3 percent to \$176.7 billion, the U.S. Census Bureau announced today. This decrease followed three consecutive monthly increases, including a 1.1 percent February increase. Excluding transportation, new orders increased 2.8 percent. Excluding defense, new orders decreased 1.2 percent.

Transportation equipment, down two consecutive months, had the largest decrease, \$5.9 billion or 12.9 percent to \$40.2 billion. This was due to nondefense aircraft and parts which decreased \$6.5 billion.

Shipments

Shipments of manufactured durable goods in March, up following two consecutive monthly decreases, increased \$2.2 billion or 1.2 percent to \$182.2 billion. This followed a 0.5 percent February decrease.

Machinery, up two consecutive months, had the largest increase, \$1.0 billion or 4.3 percent to \$24.0 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in March, down following two consecutive monthly increases, decreased \$2.3 billion or 0.3 percent to \$719.8 billion. This followed a 0.4 percent February increase.

Transportation equipment, also down following two consecutive monthly increases, had the largest decrease, \$4.6 billion or 1.1 percent to \$408.6 billion.

Inventories

Inventories of manufactured durable goods in March, up three consecutive months, increased \$0.5 billion or 0.2 percent to \$304.7 billion. This followed a 0.5 percent February increase.

Primary metals, up five consecutive months, had the largest increase, \$0.5 billion or 1.8 percent to \$27.1 billion.

Capital Goods

Nondefense new orders for capital goods in March decreased \$4.6 billion or 7.5 percent to \$56.1 billion. Shipments increased \$1.4 billion or 2.4 percent to \$59.0 billion. Unfilled orders decreased \$2.9 billion or 0.7 percent to \$409.1 billion. Inventories decreased \$0.5 billion or 0.4 percent to \$132.1 billion.

Defense new orders for capital goods in March decreased \$0.4 billion or 4.0 percent to \$10.0 billion. Shipments increased \$0.1 billion or 0.7 percent to \$10.9 billion. Unfilled orders decreased \$0.9 billion or 0.6 percent to \$131.3 billion. Inventories decreased \$0.1 billion or 0.6 percent to \$20.6 billion.

Revised February Data

Revised seasonally adjusted February figures for all manufacturing industries were: new orders, \$384.3 billion (revised from \$383.5 billion); shipments, \$385.4 billion (revised from \$384.9 billion); unfilled orders, \$722.0 billion (revised from \$722.2 billion); and total inventories, \$499.7 billion (revised from \$498.3 billion).

Figures in text are adjusted for seasonality but not for inflation. 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 4, 2010, at 10:00 a.m. EDT. The advance report on durable goods for April is scheduled for release on May 26, 2010, at 8:30 a.m. EDT. See back page for survey description and benchmark notice.

Table 1. Durable Goods Manufacturers' Shipments and New Orders¹**[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]**

Item	Seasonally Adjusted						Not Seasonally Adjusted					
	Monthly			Percent Change			Monthly			Year to Date		
	Mar 2010 ²	Feb 2010 ¹	Jan 2010	Feb - Mar ²	Jan - Feb ¹	Dec - Jan	Mar 2010 ²	Feb 2010 ¹	Mar 2009	2010	2009	Change 10/09
DURABLE GOODS												
Total:												
Shipments.....	182,214	179,978	180,817	1.2	-0.5	-0.1	196,707	167,427	186,624	524,856	509,269	3.1
New Orders ⁴	176,685	178,931	176,917	-1.3	1.1	3.8	194,784	168,139	174,132	523,491	469,076	11.6
Excluding transportation:												
Shipments.....	137,435	136,031	135,479	1.0	0.4	0.6	146,515	125,181	136,625	393,784	379,117	3.9
New Orders ⁴	136,517	132,827	130,615	2.8	1.7	-0.8	148,089	124,671	130,093	391,926	355,996	10.1
Excluding defense:												
Shipments.....	168,120	166,030	166,049	1.3	0.0	-1.0	181,513	154,117	172,227	484,237	472,736	2.4
New Orders ⁴	163,480	165,511	161,708	-1.2	2.4	1.6	178,482	155,299	158,473	479,567	431,979	11.0
Manufacturing with unfilled orders:												
Shipments.....	133,232	130,642	130,388	2.0	0.2	-1.2	144,944	121,782	136,574	381,558	368,954	3.4
New Orders ⁴	130,982	133,712	131,676	-2.0	1.5	4.9	145,508	125,992	126,482	392,685	338,518	16.0
Primary metals:												
Shipments.....	17,720	16,966	16,460	4.4	3.1	0.6	18,422	15,864	13,638	49,689	40,352	23.1
New Orders.....	17,973	17,357	17,136	3.5	1.3	2.5	18,546	16,703	12,368	51,808	37,156	39.4
Fabricated metal products:												
Shipments.....	24,412	24,480	23,996	-0.3	2.0	0.1	25,450	22,664	25,130	69,759	70,824	-1.5
New Orders.....	24,589	24,897	24,053	-1.2	3.5	0.5	26,660	23,639	24,167	72,264	67,183	7.6
Machinery:												
Shipments.....	23,963	22,980	22,486	4.3	2.2	-6.4	26,560	21,850	25,705	68,701	71,003	-3.2
New Orders.....	25,574	23,540	22,021	8.6	6.9	-9.9	28,390	22,055	23,118	71,850	64,319	11.7
Computers and electronic products:												
Shipments.....	29,922	30,637	31,819	-2.3	-3.7	7.2	33,137	27,140	30,697	89,359	80,716	10.7
New Orders ⁴	26,536	25,652	26,078	3.4	-1.6	0.9	31,020	23,699	29,178	77,033	71,700	7.4
Computers and related products:												
Shipments.....	4,829	4,655	4,879	3.7	-4.6	4.0	5,782	3,843	5,127	13,777	12,718	8.3
New Orders.....	5,162	4,571	4,370	12.9	4.6	-10.6	6,115	3,759	5,048	13,517	12,238	10.5
Communications equipment:												
Shipments.....	5,119	4,863	4,890	5.3	-0.6	1.1	6,042	4,059	5,574	13,934	13,450	3.6
New Orders.....	4,719	4,540	5,117	3.9	-11.3	3.0	5,596	4,428	5,781	14,067	14,223	-1.1
Semiconductors:												
Shipments.....	3,279	4,117	5,188	-20.4	-20.6	27.8	2,487	3,498	2,400	12,492	9,757	28.0
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	8,691	8,593	8,456	1.1	1.6	-1.9	9,239	7,920	8,878	24,596	24,653	-0.2
New Orders.....	9,058	8,637	8,718	4.9	-0.9	3.3	9,434	8,367	8,356	26,153	24,305	7.6
Transportation equipment:												
Shipments.....	44,779	43,947	45,338	1.9	-3.1	-1.9	50,192	42,246	49,999	131,072	130,152	0.7
New Orders.....	40,168	46,104	46,302	-12.9	-0.4	19.4	46,695	43,468	44,039	131,565	113,080	16.3
Motor vehicles and parts:												
Shipments.....	25,545	25,005	25,343	2.2	-1.3	-1.4	28,532	24,702	26,787	76,262	73,917	3.2
New Orders.....	25,500	24,890	25,145	2.5	-1.0	-2.3	28,216	24,607	26,323	76,001	73,429	3.5
Nondefense aircraft and parts:												
Shipments.....	6,819	6,575	6,812	3.7	-3.5	-22.1	8,197	5,954	9,530	19,176	23,276	-17.6
New Orders.....	3,214	9,763	7,357	-67.1	32.7	134.9	5,028	8,191	5,465	18,173	10,590	71.6
Defense aircraft and parts:												
Shipments.....	6,075	5,913	6,237	2.7	-5.2	7.9	6,571	5,448	6,051	16,916	14,434	17.2
New Orders.....	5,609	5,499	6,927	2.0	-20.6	17.3	6,473	5,233	6,566	18,499	15,239	21.4
All other durable goods:												
Shipments.....	32,727	32,375	32,262	1.1	0.4	0.8	33,707	29,743	32,577	91,680	91,569	0.1
New Orders.....	32,787	32,744	32,609	0.1	0.4	0.8	34,039	30,208	32,906	92,818	91,333	1.6
Capital goods:³												
Shipments.....	69,895	68,413	68,470	2.2	-0.1	-2.4	78,160	63,737	75,330	201,423	198,416	1.5
New Orders.....	66,108	71,090	68,264	-7.0	4.1	7.8	76,447	66,752	68,426	204,905	175,137	17.0
Nondefense capital goods:												
Shipments.....	59,010	57,607	57,127	2.4	0.8	-4.4	66,481	53,165	64,464	169,650	170,130	-0.3
New Orders.....	56,082	60,650	57,149	-7.5	6.1	3.9	63,962	56,566	56,899	171,316	146,220	17.2
Excluding aircraft:												
Shipments.....	55,703	54,502	53,722	2.2	1.5	-1.9	62,368	50,434	59,215	160,778	157,969	1.8
New Orders.....	56,047	53,895	52,798	4.0	2.1	-4.4	62,868	51,605	55,878	163,250	149,261	9.4
Defense capital goods:												
Shipments.....	10,885	10,806	11,343	0.7	-4.7	9.7	11,679	10,572	10,866	31,773	28,286	12.3
New Orders.....	10,026	10,440	11,115	-4.0	-6.1	33.4	12,485	10,186	11,527	33,589	28,917	16.2

NA Not Available ¹ Revised data due to late receipts and concurrent seasonal adjustment.¹ Estimates of shipments and new orders are for the duration of the period, while estimates of unfilled orders and total inventories are for the end of the period. Not seasonally adjusted estimates of shipments and new orders include adjusted data for non-calendar reporters. Seasonally adjusted estimates include concurrent adjustments for holiday and trading-day differences, where appropriate, as well as seasonal variation, based on the results of the latest annual review of the model parameters. Estimates are not adjusted for price changes.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 Inventories¹**[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]**

Item	Seasonally Adjusted						Not Seasonally Adjusted			
	Monthly			Percent Change			Monthly			Percent
	Mar 2010 ²	Feb 2010 ^r	Jan 2010	Feb - Mar ²	Jan - Feb ^r	Dec - Jan	Mar 2010 ²	Feb 2010 ^r	Mar 2009	2010/ 2009
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	719,780	722,030	718,960	-0.3	0.4	0.2	727,961	727,397	768,317	-5.3
Total Inventories.....	304,732	304,256	302,871	0.2	0.5	0.1	304,583	307,401	327,943	-7.1
Excluding transportation:										
Unfilled Orders ⁴	311,170	308,809	307,896	0.8	0.3	0.1	313,711	309,650	317,554	-1.2
Total Inventories.....	214,077	213,945	212,764	0.1	0.6	-0.2	214,292	216,764	235,254	-8.9
Excluding defense:										
Unfilled Orders ⁴	572,286	573,647	570,049	-0.2	0.6	0.1	576,314	576,858	605,197	-4.8
Total Inventories.....	277,977	277,330	276,238	0.2	0.4	-0.1	277,875	280,454	301,963	-8.0
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	719,780	722,030	718,960	-0.3	0.4	0.2	727,961	727,397	768,317	-5.3
Total Inventories.....	246,693	246,202	245,108	0.2	0.4	0.3	246,119	248,311	263,318	-6.5
Primary metals:										
Unfilled Orders.....	16,928	16,675	16,284	1.5	2.4	4.3	17,094	16,970	15,131	13.0
Total Inventories.....	27,054	26,579	26,098	1.8	1.8	1.1	26,782	26,547	28,561	-6.2
Fabricated metal products:										
Unfilled Orders.....	49,675	49,498	49,081	0.4	0.8	0.1	50,389	49,179	53,094	-5.1
Total Inventories.....	37,216	37,066	36,707	0.4	1.0	-0.1	37,538	37,607	41,566	-9.7
Machinery:										
Unfilled Orders.....	89,578	87,967	87,407	1.8	0.6	-0.5	89,940	88,110	91,227	-1.4
Total Inventories.....	46,937	46,972	47,147	-0.1	-0.4	-0.8	47,532	47,959	53,622	-11.4
Computers and electronic products:										
Unfilled Orders ⁴	121,470	121,577	122,445	-0.1	-0.7	-0.4	122,764	122,394	125,320	-2.0
Total Inventories.....	42,741	43,165	42,983	-1.0	0.4	-1.0	41,899	43,760	45,127	-7.2
Computers and related products:										
Unfilled Orders.....	4,447	4,114	4,198	8.1	-2.0	-10.8	4,447	4,114	3,610	23.2
Total Inventories.....	4,241	4,275	4,265	-0.8	0.2	1.6	4,085	4,336	4,474	-8.7
Communications equipment:										
Unfilled Orders.....	37,027	37,427	37,750	-1.1	-0.9	0.6	37,215	37,661	37,527	-0.8
Total Inventories.....	8,880	9,507	9,318	-6.6	2.0	-0.3	8,716	9,735	10,039	-13.2
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.....	20,880	20,513	20,469	1.8	0.2	1.3	20,983	20,788	21,251	-1.3
Total Inventories.....	12,254	12,175	12,106	0.6	0.6	0.7	12,404	12,391	13,725	-9.6
Transportation equipment:										
Unfilled Orders.....	408,610	413,221	411,064	-1.1	0.5	0.2	414,250	417,747	450,763	-8.1
Total Inventories.....	90,655	90,311	90,107	0.4	0.2	0.6	90,291	90,637	92,689	-2.6
Motor vehicles and parts:										
Unfilled Orders.....	13,702	13,747	13,862	-0.3	-0.8	-1.4	13,812	14,128	15,161	-8.9
Total Inventories.....	18,629	18,591	18,522	0.2	0.4	-0.1	18,688	18,893	19,670	-5.0
Nondefense Aircraft and parts:										
Unfilled Orders.....	270,696	274,301	271,113	-1.3	1.2	0.2	273,328	276,497	295,424	-7.5
Total Inventories.....	46,348	45,807	45,441	1.2	0.8	1.0	46,098	45,803	46,393	-0.6
Defense Aircraft and parts:										
Unfilled Orders.....	45,281	45,747	46,161	-1.0	-0.9	1.5	46,576	46,674	49,032	-5.0
Total Inventories.....	15,688	15,941	15,740	-1.6	1.3	2.7	15,574	15,853	15,126	3.0
All other durable goods:										
Unfilled Orders.....	12,639	12,579	12,210	0.5	3.0	2.9	12,541	12,209	11,531	8.8
Total Inventories.....	47,875	47,988	47,723	-0.2	0.6	0.1	48,137	48,500	52,653	-8.6
Capital goods:³										
Unfilled Orders.....	540,462	544,249	541,572	-0.7	0.5	0.0	547,363	549,076	590,656	-7.3
Total Inventories.....	152,708	153,313	152,521	-0.4	0.5	0.8	152,513	154,827	162,465	-6.1
Nondefense capital goods:										
Unfilled Orders.....	409,115	412,043	409,000	-0.7	0.7	0.0	412,507	415,026	444,360	-7.2
Total Inventories.....	132,096	132,585	132,070	-0.4	0.4	0.5	131,834	133,990	142,341	-7.4
Excluding aircraft:										
Unfilled Orders.....	173,141	172,797	173,404	0.2	-0.4	-0.5	174,547	174,047	184,474	-5.4
Total Inventories.....	95,313	96,155	96,050	-0.9	0.1	0.1	95,137	97,576	105,367	-9.7
Defense capital goods:										
Unfilled Orders.....	131,347	132,206	132,572	-0.6	-0.3	-0.2	134,856	134,050	146,296	-7.8
Total Inventories.....	20,612	20,728	20,451	-0.6	1.4	2.7	20,679	20,837	20,124	2.8

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 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 4,300 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>.

Benchmark Notice

Revised historical data for Manufacturers' Shipments, Inventories, and Orders will be issued on May 14, 2010. These revisions reflect:

- o benchmarking the shipments and inventory data to the 2007 Economic Census and the 2008 Annual Survey of Manufactures (ASM) data;
- o adjusting new orders and order backlog to be consistent with the benchmarked shipments and inventory data;
- o correcting monthly data for late receipts, reclassifications of reported data, and revisions to previously reported data; and
- o updating the seasonal adjustment factors for all series.

As of the Benchmark release, shipments for the semiconductor industry will no longer be shown separately, but will be included in the computers and electronic products, and all other applicable aggregate totals. An accompanying press release will include the revised 2010 January through March data. Please call Chris Savage on (301)763-4832 with any questions.