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**ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS
DECEMBER 2001**

(All figures in text below are in seasonally adjusted current dollars)

● **NEW ORDERS** for manufactured durable goods in December increased \$3.4 billion or 2.0 percent to \$176.4 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 6.0 percent November decrease. Excluding transportation, new orders increased 1.4 percent. New orders for 2001 were 12.8 percent below 2000; new orders for the fourth quarter were 1.4 percent above the third quarter.

Transportation equipment had the largest increase, \$1.7 billion or 3.5 percent to \$49.8 billion; nondefense aircraft and parts increased \$1.2 billion or 26.9 percent to \$5.7 billion. Computers and electronic products, led by semiconductors, increased \$1.1 billion or 3.5 percent to \$33.4 billion.

● **SHIPMENTS** of durable goods in December increased \$0.9 billion or 0.5 percent to \$180.5 billion. This follows a 0.4 percent November decrease. Shipments for 2001 were 8.1 percent below 2000; shipments for the fourth quarter were 1.3 percent below the third quarter.

Transportation equipment, up three consecutive months, had the largest increase, \$0.9 billion or 1.6 percent to \$53.9 billion; nondefense aircraft and parts decreased \$0.1 billion or 1.3 percent to \$8.4 billion. Computers and electronic products, up three consecutive months, increased \$0.5 billion or 1.6 percent to \$33.8 billion. Machinery decreased \$0.4 billion or 1.8 percent to \$22.4 billion. Primary metals, down four of the last five months, decreased \$0.3 billion or 3.1 percent to \$10.9 billion.

● **UNFILLED ORDERS** for durable goods in December, down eleven of the last twelve months, decreased \$4.0 billion or 0.7 percent to \$545.9 billion. This follows a 1.2 percent November decrease.

Transportation equipment had the largest decrease, \$4.1 billion or 1.5 percent to \$277.8 billion; nondefense aircraft and parts decreased \$2.7 billion or 2.0 percent to \$134.1 billion. Computers and electronic products, down thirteen consecutive months, decreased \$0.4 billion or 0.3 percent to \$125.5 billion. Machinery increased \$0.5 billion or 0.9 percent to \$58.2 billion.

● **INVENTORIES** for durable goods in December, down eleven consecutive months, decreased \$1.2 billion or 0.4 percent to \$284.7 billion. Computers and electronic products, down ten consecutive months, had the largest decrease, \$1.3 billion or 2.5 percent to \$49.8 billion. Transportation equipment increased \$1.1 billion or 1.5 percent to \$74.4 billion; nondefense aircraft and parts decreased \$0.2 billion or 0.7 percent to \$31.0 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in December increased \$0.6 billion or 10.8 percent to \$6.4 billion. Shipments increased \$1.0 billion or 16.0 percent to \$7.4 billion. Unfilled orders decreased \$1.0 billion or 0.7 percent to \$133.6 billion. Inventories increased \$0.2 billion or 1.2 percent to \$18.8 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in December increased \$0.7 billion or 1.3 percent to \$57.2 billion. Shipments increased \$0.4 billion or 0.6 percent to \$59.6 billion. Unfilled orders, down twelve consecutive months, decreased \$2.5 billion or 1.0 percent to \$246.8 billion. Inventories, down eleven consecutive months, decreased \$1.2 billion or 1.0 percent to \$121.0 billion.

● **REVISED NOVEMBER DATA** Revised seasonally adjusted November figures for all manufacturing industries are: shipments, \$325.5 billion (revised from \$327.0 billion); new orders, \$319.0 billion (revised from \$321.7 billion); unfilled orders, \$549.9 billion (revised from \$551.2 billion); and total inventories, \$452.0 billion (revised from \$453.1 billion).

Our internet site address is: <http://www.census.gov/indicator/www/m3>

Table 1. DURABLE GOODS MANUFACTURERS' SHIPMENTS AND NEW ORDERS
(Millions of Dollars)

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹			
	Monthly			Percent Change			Monthly			Percent Change Dec 01/00
	Dec 2001 ²	Nov 2001 ^r	Oct 2001	Nov - Dec ²	Oct - Nov ^r	Sep - Oct	Dec 2001 ²	Nov 2001 ^r	Dec 2000	
DURABLE GOODS										
Total:										
Shipments.....	180,470	179,612	180,243	+0.5	-0.4	+3.3	181,208	177,523	201,776	-10.2
New Orders.....	176,441	173,050	184,164	+2.0	-6.0	+12.4	182,000	168,984	209,067	-12.9
Excluding transportation:										
Shipments.....	126,539	126,553	128,377	0.0	-1.4	+2.1	129,359	123,754	152,369	-15.1
New Orders.....	126,635	124,921	124,026	+1.4	+0.7	+2.8	128,923	120,934	147,751	-12.7
Excluding defense:										
Shipments.....	172,188	172,206	172,994	0.0	-0.5	+3.7	171,501	169,872	193,711	-11.5
New Orders.....	169,249	166,488	164,056	+1.7	+1.5	+4.7	168,966	162,462	199,279	-15.2
Primary metals:										
Shipments.....	10,864	11,207	11,547	-3.1	-2.9	+2.1	9,540	10,917	11,087	-14.0
New Orders.....	10,764	10,817	10,863	-0.5	-0.4	-2.1	9,748	10,516	11,362	-14.2
Fabricated metal products:										
Shipments.....	20,164	20,131	20,293	+0.2	-0.8	+2.0	18,529	19,825	19,437	-4.7
New Orders.....	19,791	19,516	19,734	+1.4	-1.1	+2.2	18,201	19,037	19,484	-6.6
Machinery:										
Shipments.....	22,393	22,803	23,543	-1.8	-3.1	+4.5	22,622	21,406	25,694	-12.0
New Orders.....	22,934	22,558	22,163	+1.7	+1.8	-0.4	22,491	21,178	24,674	-8.8
Computers and electronic products:										
Shipments.....	33,806	33,271	33,168	+1.6	+0.3	+0.8	41,346	33,180	56,110	-26.3
New Orders.....	33,414	32,282	31,924	+3.5	+1.1	+8.9	41,484	31,433	53,019	-21.8
Computers and related products:										
Shipments.....	8,117	8,069	7,918	+0.6	+1.9	+1.2	10,966	7,427	14,888	-26.3
New Orders.....	7,999	8,214	8,217	-2.6	0.0	+18.7	10,358	7,952	14,403	-28.1
Communications equipment:										
Shipments.....	5,966	5,850	5,949	+2.0	-1.7	-2.8	8,301	5,666	13,028	-36.3
New Orders.....	5,524	5,575	5,414	-0.9	+3.0	+48.5	8,490	5,420	12,380	-31.4
Semiconductors:										
Shipments.....	5,843	5,896	6,196	-0.9	-4.8	-1.9	6,577	6,290	11,313	-41.9
New Orders.....	6,053	5,341	5,520	+13.3	-3.2	-16.7	6,232	4,890	9,235	-32.5
Electrical equipment, appliances, and components:										
Shipments.....	9,923	9,700	10,118	+2.3	-4.1	+3.3	10,051	9,337	11,700	-14.1
New Orders.....	9,922	9,944	9,753	-0.2	+2.0	+4.5	9,892	9,657	11,590	-14.7
Transportation equipment:										
Shipments.....	53,931	53,059	51,866	+1.6	+2.3	+6.4	51,849	53,769	49,407	+4.9
New Orders.....	49,806	48,129	60,138	+3.5	-20.0	+39.0	53,077	48,050	61,316	-13.4
Motor vehicles and parts:										
Shipments.....	36,897	36,778	36,122	+0.3	+1.8	+11.6	31,704	37,080	31,376	+1.0
New Orders.....	36,813	36,746	35,762	+0.2	+2.8	+11.3	32,047	37,150	31,450	+1.9
Aircraft and parts:										
Shipments.....	11,119	11,322	10,573	-1.8	+7.1	-5.5	13,867	11,725	12,636	+9.7
New Orders.....	7,573	7,090	19,860	+6.8	-64.3	220.1	12,930	6,482	24,450	-47.1
All other durable goods:										
Shipments.....	29,389	29,441	29,708	-0.2	-0.9	+1.4	27,271	29,089	28,341	-3.8
New Orders.....	29,810	29,804	29,589	0.0	+0.7	+0.9	27,107	29,113	27,622	-1.9
Capital goods:³										
Shipments.....	66,999	65,611	66,393	+2.1	-1.2	+1.4	76,331	63,495	87,845	-13.1
New Orders.....	63,525	62,175	73,402	+2.2	-15.3	+28.1	77,747	59,584	95,797	-18.8
Nondefense capital goods:										
Shipments.....	59,637	59,262	59,956	+0.6	-1.2	+1.7	67,926	56,908	80,855	-16.0
New Orders.....	57,165	56,437	54,251	+1.3	+4.0	+5.8	66,217	53,689	87,593	-24.4
Defense capital goods:										
Shipments.....	7,362	6,349	6,437	+16.0	-1.4	-0.9	8,405	6,587	6,990	+20.2
New Orders.....	6,360	5,738	19,151	+10.8	-70.0	218.4	11,530	5,895	8,204	+40.5

(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(00), "Manufacturers' Shipments, Inventories, and Orders: 1992-2000."

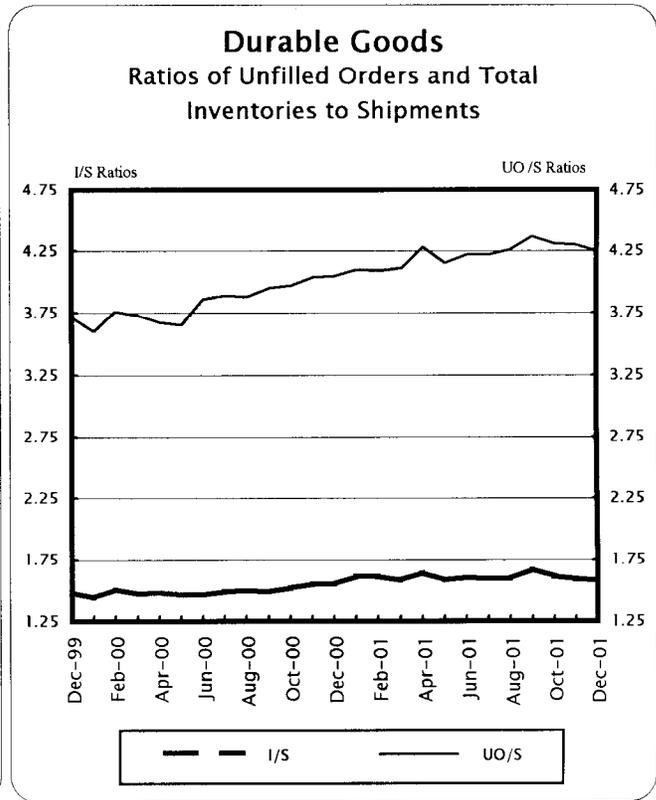
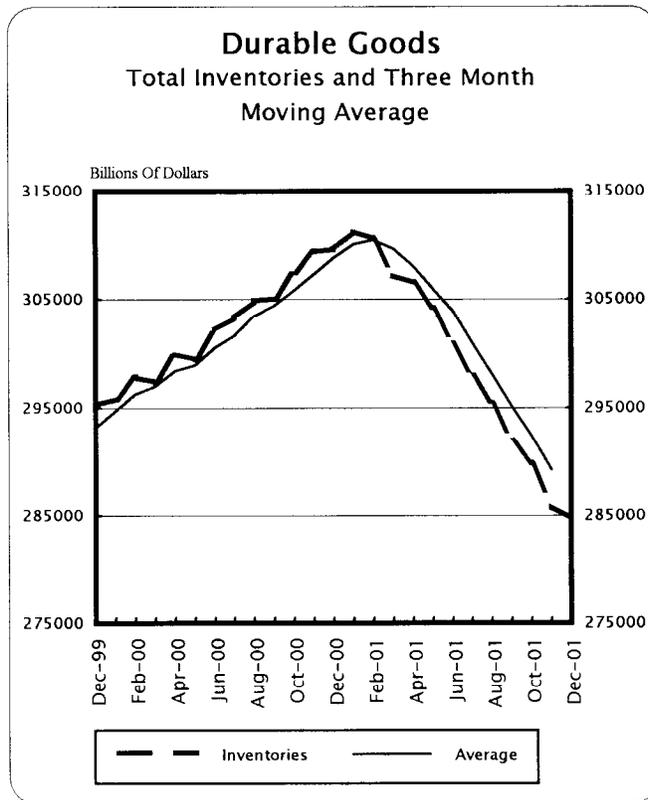
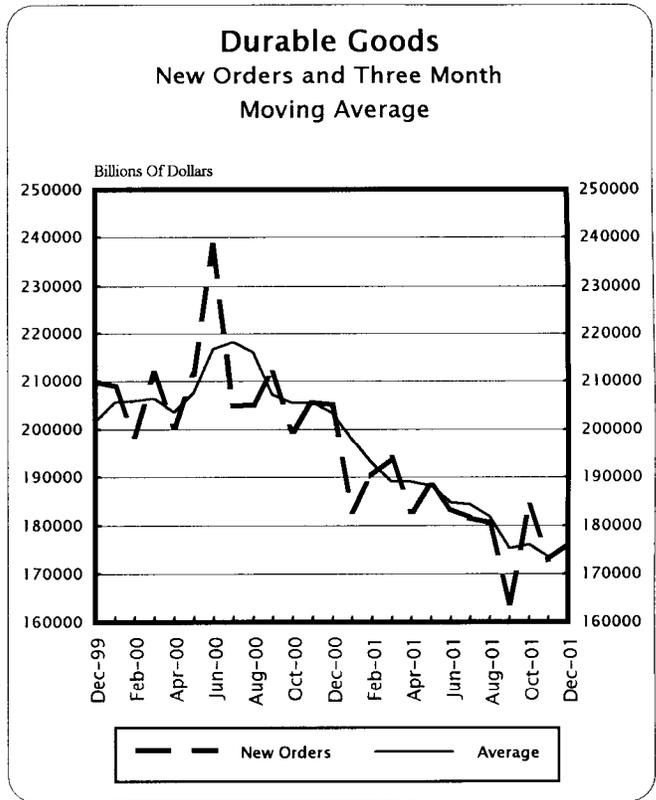
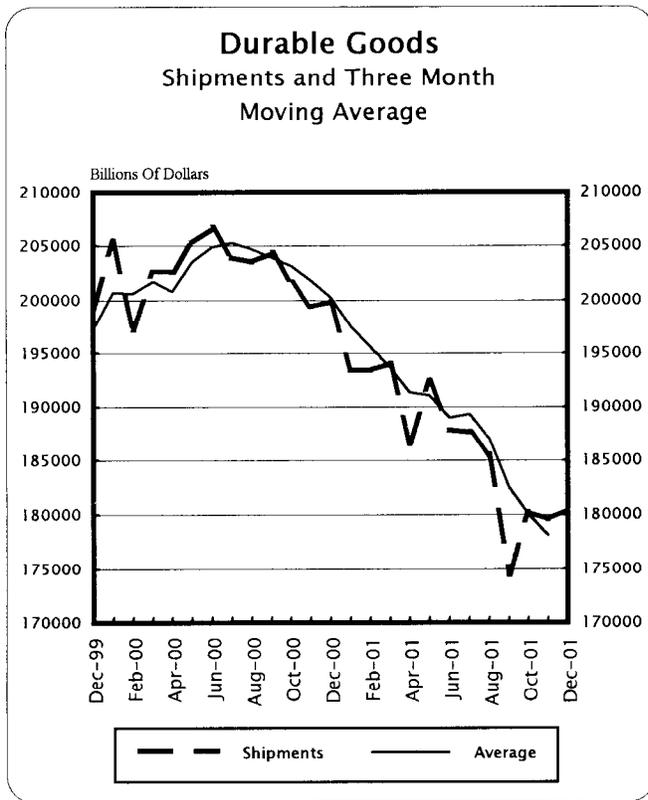
³ The Capital Goods Industries include Nondefense: small arms and ordnance; farm machinery and equipment; construction machinery; mining, oil, and gas field machinery; industrial machinery; vending, laundry, and other machinery; photographic equipment; metalworking machinery; turbines and generators; 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.

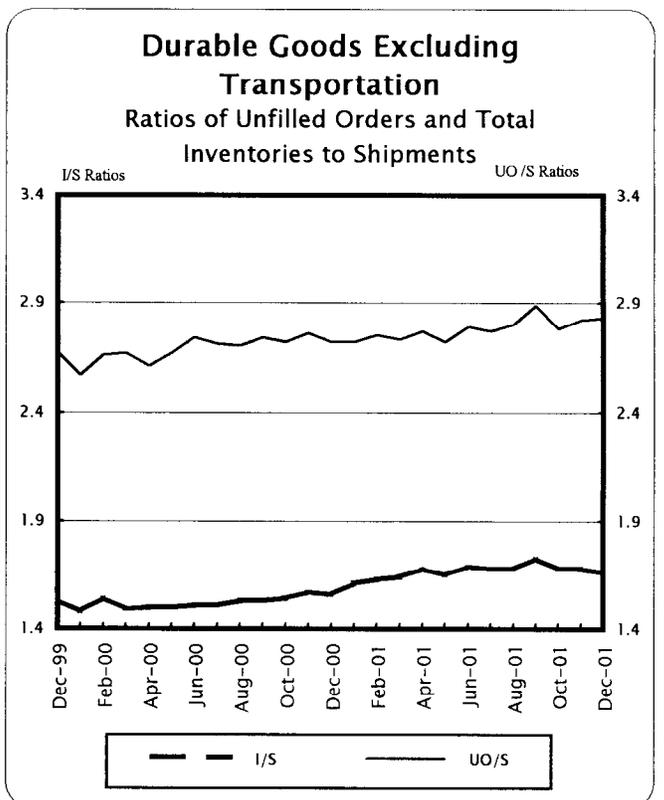
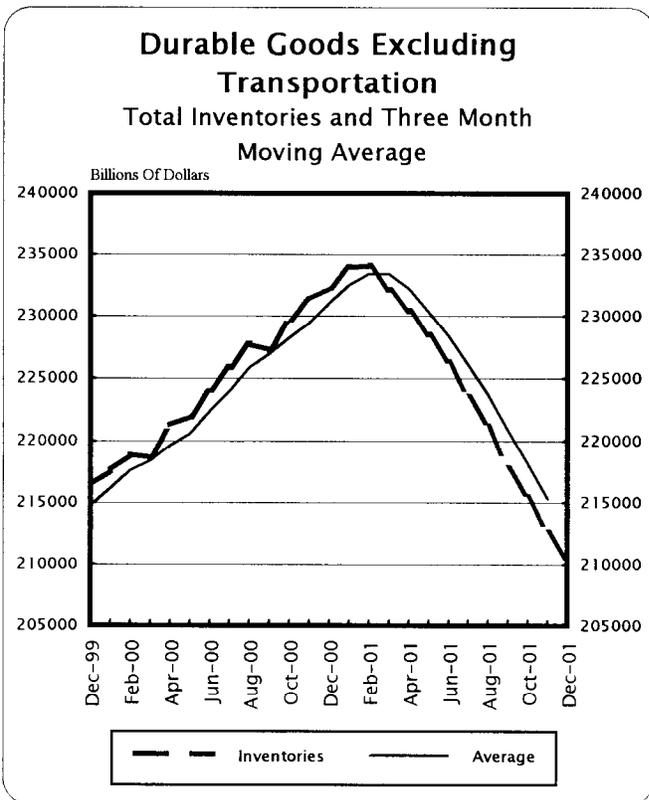
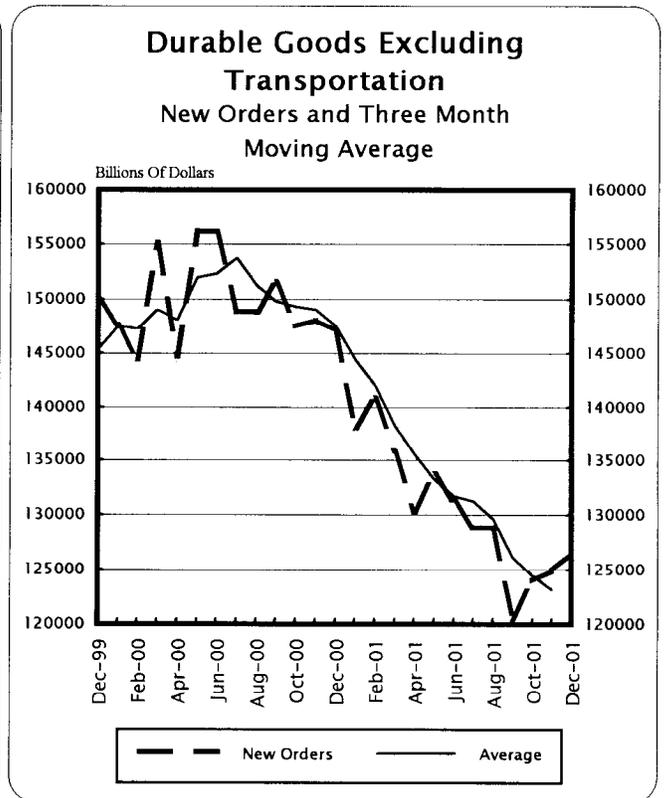
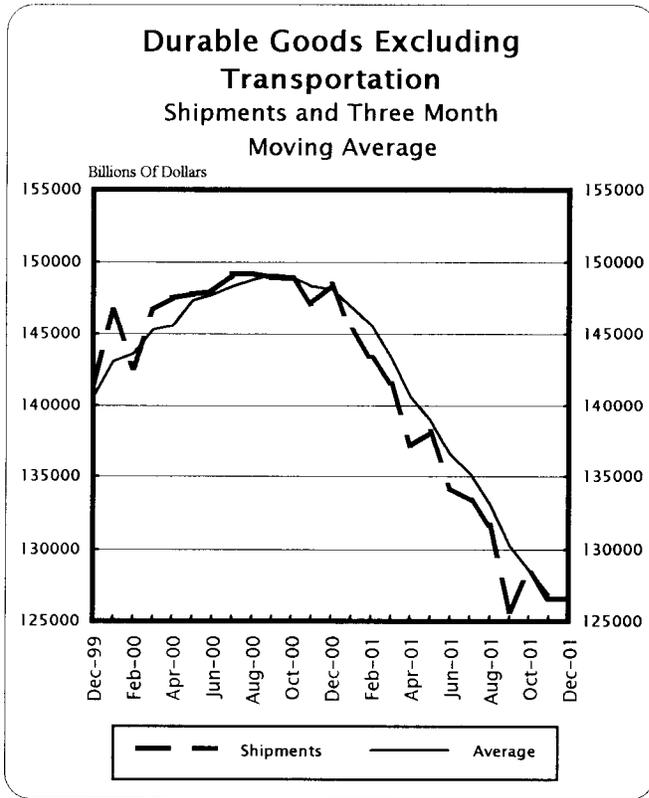
Table 2. DURABLE GOODS MANUFACTURERS' UNFILLED ORDERS AND TOTAL INVENTORIES
(Millions of Dollars)

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹			
	Monthly			Percent Change			Monthly			Percent Change Dec 01/00
	Dec 2001 ²	Nov 2001 ¹	Oct 2001	Nov - Dec ²	Oct - Nov ¹	Sep - Oct	Dec 2001 ²	Nov 2001 ¹	Dec 2000	
DURABLE GOODS										
Total:										
Unfilled Orders.....	545,911	549,940	556,502	-0.7	-1.2	+0.7	540,798	540,006	592,014	-8.7
Total Inventories.....	284,678	285,851	289,872	-0.4	-1.4	-0.7	276,199	287,307	301,247	-8.3
Excluding transportation:										
Unfilled Orders.....	268,141	268,045	269,677	0.0	-0.6	-1.6	263,926	264,362	308,482	-14.4
Total Inventories.....	210,320	212,615	215,452	-1.1	-1.3	-1.1	204,543	212,820	226,838	-9.8
Excluding defense:										
Unfilled Orders.....	394,217	397,156	402,874	-0.7	-1.4	-2.2	389,419	391,954	451,420	-13.7
Total Inventories.....	261,617	264,086	268,305	-0.9	-1.6	-0.9	254,020	265,403	279,074	-9.0
Primary metals:										
Unfilled Orders.....	17,245	17,345	17,735	-0.6	-2.2	-3.7	16,560	16,352	18,954	-12.6
Total Inventories.....	19,861	20,008	20,241	-0.7	-1.2	-0.8	19,951	19,972	22,795	-12.5
Fabricated metal products:										
Unfilled Orders.....	39,480	39,853	40,468	-0.9	-1.5	-1.4	38,765	39,093	42,641	-9.1
Total Inventories.....	32,868	33,117	33,579	-0.8	-1.4	-0.8	32,106	32,711	34,743	-7.6
Machinery:										
Unfilled Orders.....	58,236	57,695	57,940	+0.9	-0.4	-2.3	57,165	57,296	63,282	-9.7
Total Inventories.....	48,860	49,036	49,586	-0.4	-1.1	-1.0	47,267	49,374	49,931	-5.3
Computers and electronic products:										
Unfilled Orders.....	125,453	125,845	126,834	-0.3	-0.8	-1.0	124,621	124,483	151,052	-17.5
Total Inventories.....	49,808	51,087	51,955	-2.5	-1.7	-1.7	47,659	51,607	57,265	-16.8
Computers and related products:										
Unfilled Orders.....	9,531	9,649	9,504	-1.2	+1.5	+3.2	9,407	10,015	10,208	-7.8
Total Inventories.....	7,594	7,882	8,166	-3.7	-3.5	+0.2	6,889	8,209	8,517	-19.1
Communications equipment:										
Unfilled Orders.....	40,409	40,851	41,126	-1.1	-0.7	-1.3	40,586	40,397	48,818	-16.9
Total Inventories.....	8,800	9,394	9,346	-6.3	+0.5	-4.4	8,466	9,771	12,469	-32.1
Semiconductors:										
Unfilled Orders.....	14,448	14,238	14,793	+1.5	-3.8	-4.4	14,008	14,353	25,330	-44.7
Total Inventories.....	7,444	7,432	7,540	+0.2	-1.4	-3.0	7,198	7,328	7,807	-7.8
Electrical equipment, appliances, and components:										
Unfilled Orders.....	16,743	16,744	16,500	0.0	+1.5	-2.2	16,410	16,569	19,379	-15.3
Total Inventories.....	14,702	14,831	15,003	-0.9	-1.1	-0.1	14,199	14,753	15,491	-8.3
Transportation equipment:										
Unfilled Orders.....	277,770	281,895	286,825	-1.5	-1.7	+3.0	276,872	275,644	283,532	-2.3
Total Inventories.....	74,358	73,236	74,420	+1.5	-1.6	+0.4	71,656	74,487	74,409	-3.7
Motor vehicles and parts:										
Unfilled Orders.....	11,893	11,977	12,009	-0.7	-0.3	-2.9	11,883	11,540	13,394	-11.3
Total Inventories.....	20,147	20,235	20,821	-0.4	-2.8	-1.3	19,745	20,352	22,139	-10.8
Aircraft and parts:										
Unfilled Orders.....	190,721	194,267	198,499	-1.8	-2.1	+4.9	189,646	190,583	194,626	-2.6
Total Inventories.....	41,847	40,984	41,687	+2.1	-1.7	+1.0	39,899	42,079	40,855	-2.3
All other durable goods:										
Unfilled Orders.....	10,984	10,563	10,200	+4.0	+3.6	-1.2	10,405	10,569	13,174	-21.0
Total Inventories.....	44,221	44,536	45,088	-0.7	-1.2	-1.2	43,361	44,403	46,613	-7.0
Capital goods:³										
Unfilled Orders.....	380,322	383,796	387,232	-0.9	-0.9	+1.8	378,568	377,152	405,144	-6.6
Total Inventories.....	139,799	140,793	142,169	-0.7	-1.0	-0.6	134,496	142,796	145,308	-7.4
Nondefense capital goods:										
Unfilled Orders.....	246,764	249,236	252,061	-1.0	-1.1	-2.2	244,627	246,336	280,644	-12.8
Total Inventories.....	120,991	122,213	123,897	-1.0	-1.4	-0.8	116,236	124,220	127,006	-8.5
Defense capital goods:										
Unfilled Orders.....	133,558	134,560	135,171	-0.7	-0.5	+10.4	133,941	130,816	124,500	+7.6
Total Inventories.....	18,808	18,580	18,272	+1.2	+1.7	+0.6	18,260	18,576	18,302	-0.2

See footnotes at end of Table 1

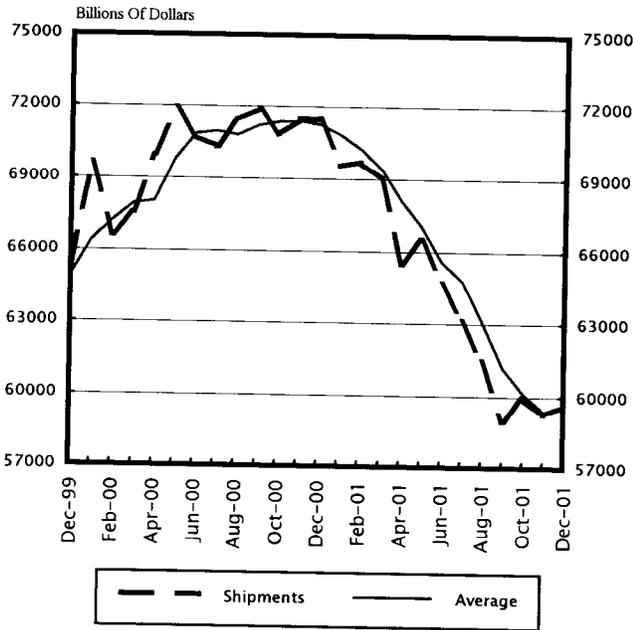


Note: All charts based on seasonally adjusted current dollars.

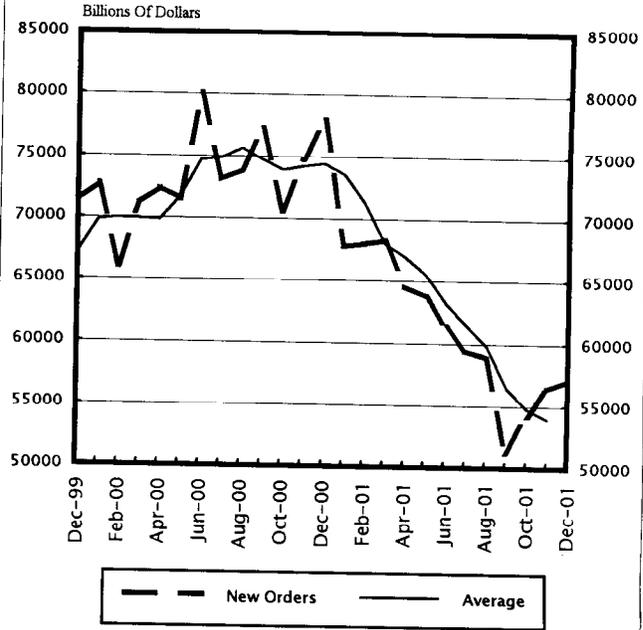


Note: All charts based on seasonally adjusted current dollars.

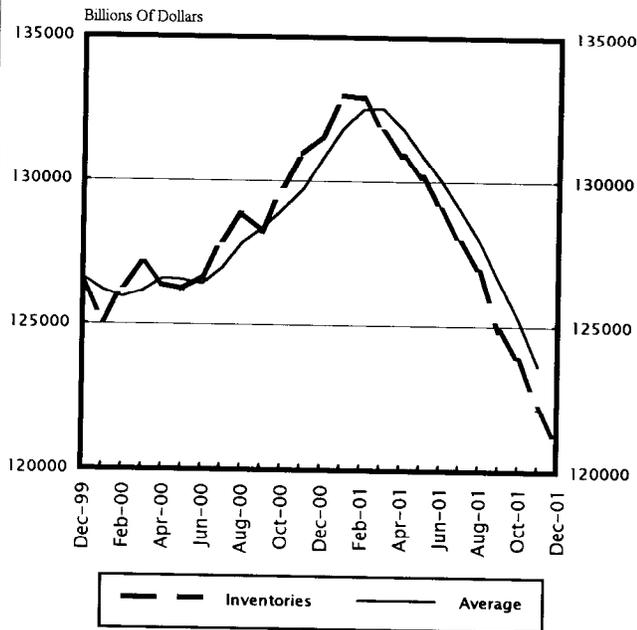
Nondefense Capital Goods Shipments and Three Month Moving Average



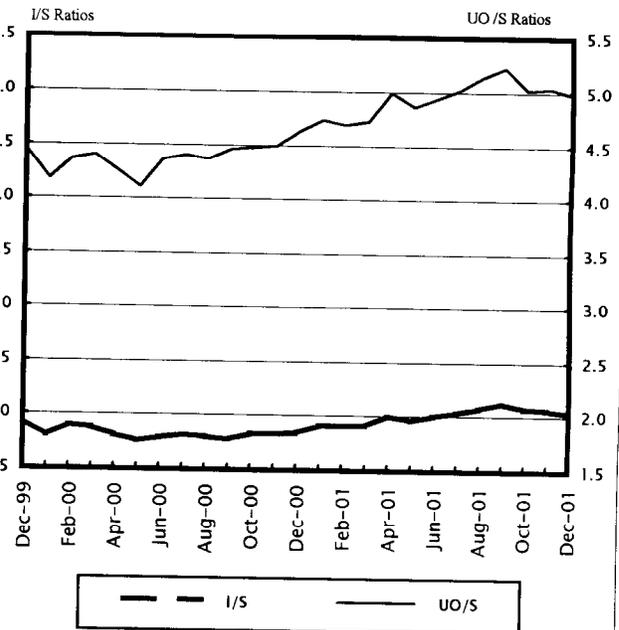
Nondefense Capital Goods New Orders and Three Month Moving Average



Nondefense Capital Goods Total Inventories and Three Month Moving Average

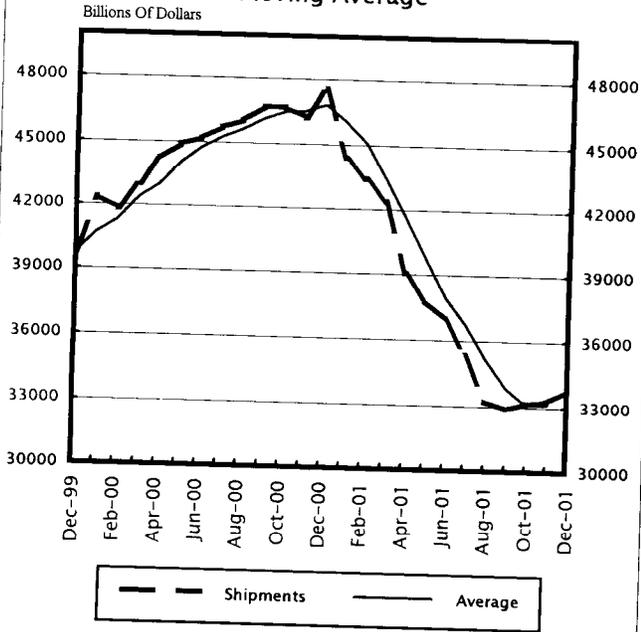


Nondefense Capital Goods Ratios of Unfilled Orders and Total Inventories to Shipments

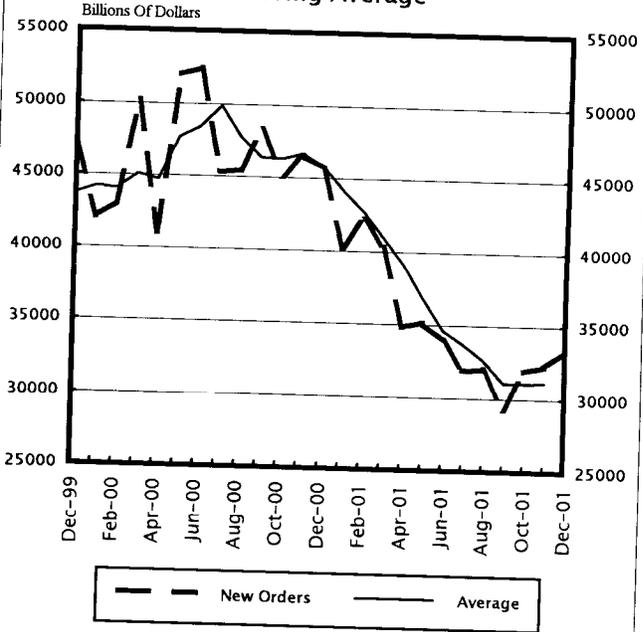


Note: All charts based on seasonally adjusted current dollars.

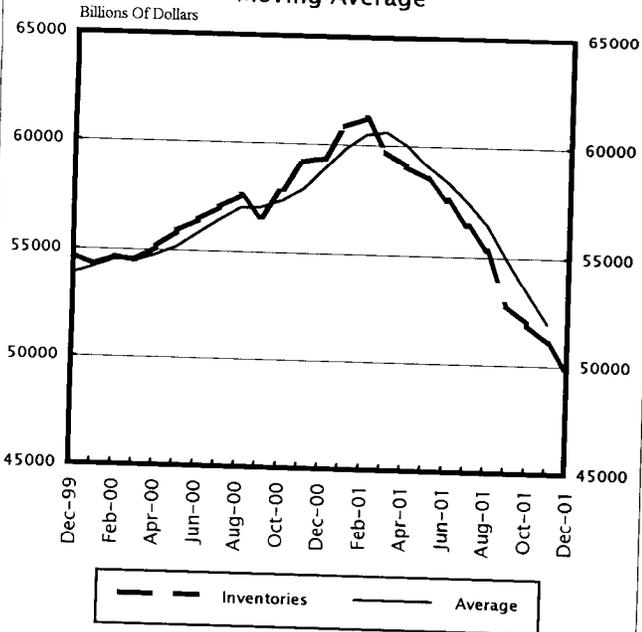
Computers and Electronic Products
Shipments and Three Month Moving Average



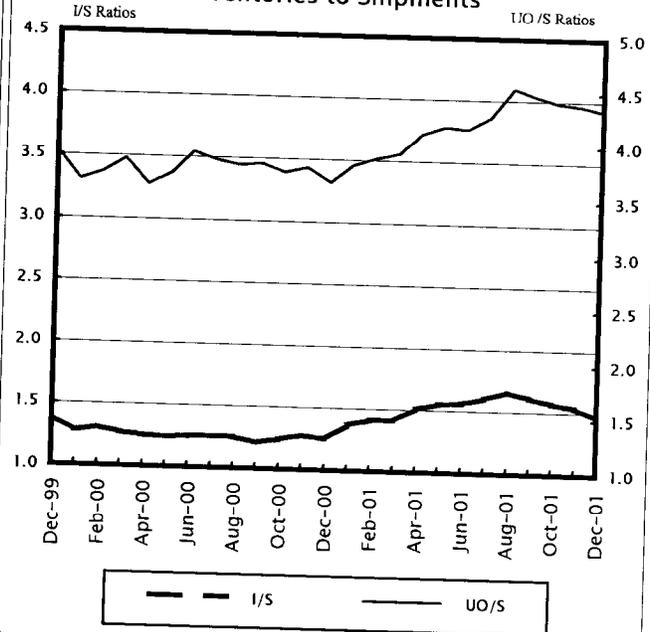
Computers and Electronic Products
New Orders and Three Month Moving Average



Computers and Electronic Products
Total Inventories and Three Month Moving Average



Computers and Electronic Products
Ratios of Unfilled Orders and Total Inventories to Shipments



Note: All charts based on seasonally adjusted current dollars.