

U.S. Census Bureau News

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

FOR IMMEDIATE RELEASE
THURSDAY, APRIL 24, 2008, AT 8:30 A.M. EDT

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M3-1 (08)-03
CB08-65

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

New Orders

New orders for manufactured durable goods in March decreased \$0.7 billion or 0.3 percent to \$212.2 billion, the U.S. Census Bureau announced today. This was the third consecutive monthly decrease and followed a 0.9 percent February decrease. Excluding transportation, new orders increased 1.5 percent. Excluding defense, new orders increased 0.3 percent.

Transportation equipment, down two of the last three months, had the largest decrease, \$2.9 billion or 4.6 percent to \$60.3 billion.

Shipments

Shipments of manufactured durable goods in March, down four of the last five months, decreased \$0.8 billion or 0.4 percent to \$210.1 billion. This followed a 2.6 percent February decrease.

Transportation equipment, down four of the last five months, had the largest decrease, \$1.0 billion or 1.9 percent to \$54.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in March, up thirty-four of the last thirty-five months, increased \$7.3 billion or 0.9 percent to \$830.1 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 1.0 percent February increase.

Transportation equipment, up twenty-nine of the last thirty months, had the largest increase, \$6.2 billion or 1.3 percent to \$492.9 billion.

Inventories

Inventories of manufactured durable goods in March, up eight of the last nine months, increased \$3.5 billion or 1.1 percent to \$327.1 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 February increase.

Transportation equipment, up fourteen of the last fifteen months, had the largest increase, \$1.9 billion or 2.3 percent to \$85.9 billion.

Capital Goods

Nondefense new orders for capital goods in March increased \$1.1 billion or 1.5 percent to \$75.8 billion. Shipments increased \$0.5 billion or 0.8 percent to \$67.2 billion. Unfilled orders increased \$8.6 billion or 1.8 percent to \$484.5 billion. Inventories increased \$2.4 billion or 1.9 percent to \$132.2 billion.

Defense new orders for capital goods in March decreased \$1.9 billion or 19.8 percent to \$7.8 billion. Shipments increased \$0.7 billion or 8.3 percent to \$9.5 billion. Unfilled orders decreased \$1.7 billion or 1.1 percent to \$148.4 billion. Inventories increased \$0.1 billion or 0.4 percent to \$18.7 billion.

Revised February Data

Revised seasonally adjusted February figures for all manufacturing industries were: new orders, \$425.0 billion (revised from \$424.4 billion); shipments, \$423.0 billion (unchanged); unfilled orders, \$822.8 billion (revised from \$822.4 billion); and total inventories, \$538.4 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 May 2, 2008, at 10:00 a.m. EDT. The advance report on durable goods for April is scheduled for release on May 28, 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		
	Mar 2008 ²	Feb 2008 ¹	Jan 2008	Feb - Mar ²	Jan - Feb ¹	Dec - Jan	Mar 2008 ²	Feb 2008 ¹	Mar 2007	2008	2007	Percent Change 08/07
DURABLE GOODS												
Total:												
Shipments.....	210,128	210,925	216,582	-0.4	-2.6	2.3	223,682	206,600	229,573	625,301	615,083	1.7
New Orders ⁴	212,197	212,850	214,724	-0.3	-0.9	-4.4	228,748	210,674	238,877	641,839	632,306	1.5
Excluding transportation:												
Shipments.....	156,000	155,749	158,966	0.2	-2.0	1.8	165,010	150,253	164,208	460,341	444,897	3.5
New Orders ⁴	151,864	149,593	152,771	1.5	-2.1	-0.8	162,367	147,691	161,677	455,038	441,631	3.0
Excluding defense:												
Shipments.....	197,842	199,575	205,827	-0.9	-3.0	1.9	209,764	195,547	218,991	591,372	587,034	0.7
New Orders ⁴	200,974	200,393	203,086	0.3	-1.3	-4.0	213,795	198,284	226,595	602,945	600,695	0.4
Manufacturing with unfilled orders:												
Shipments.....	151,456	149,904	151,440	1.0	-1.0	1.9	162,289	146,231	161,208	444,621	428,148	3.8
New Orders ⁴	158,784	157,764	158,301	0.6	-0.3	-5.8	172,651	156,446	176,188	480,998	464,660	3.5
Primary metals:												
Shipments.....	21,207	20,866	20,664	1.6	1.0	1.2	22,025	21,210	20,998	63,763	59,389	7.4
New Orders.....	21,271	21,223	20,970	0.2	1.2	0.8	22,235	22,049	21,335	65,965	60,842	8.4
Fabricated metal products:												
Shipments.....	25,887	25,678	25,959	0.8	-1.1	1.5	26,130	25,026	26,779	75,449	74,984	0.6
New Orders.....	26,336	25,905	25,866	1.7	0.2	-3.8	27,855	25,782	27,694	78,577	78,143	0.6
Machinery:												
Shipments.....	29,319	29,405	28,394	-0.3	3.6	-2.3	32,164	28,418	30,280	86,532	78,309	10.5
New Orders.....	28,934	27,244	31,183	6.2	-12.6	0.0	31,686	27,569	31,927	90,433	84,766	6.7
Computers and electronic products:												
Shipments.....	32,586	32,936	36,769	-1.1	-10.4	8.4	36,729	30,916	35,988	99,396	94,834	4.8
New Orders ⁴	28,318	27,785	27,284	1.9	1.8	-2.7	32,717	26,292	30,681	82,675	77,891	6.1
Computers and related products:												
Shipments.....	5,795	5,619	5,745	3.1	-2.2	-1.3	6,795	4,816	6,101	16,198	15,137	7.0
New Orders.....	5,859	5,769	5,185	1.6	11.3	-13.2	6,859	4,966	6,309	15,852	15,203	4.3
Communications equipment:												
Shipments.....	5,482	5,390	5,340	1.7	0.9	-4.1	6,478	4,874	6,304	15,545	15,286	1.7
New Orders.....	5,456	5,470	5,107	-0.3	7.1	-14.1	6,666	5,485	6,390	16,438	16,121	2.0
Semiconductors:												
Shipments.....	5,259	5,935	8,719	-11.4	-31.9	35.5	5,296	6,141	5,676	19,839	19,289	2.9
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	10,865	10,774	10,916	0.8	-1.3	1.4	11,399	10,258	11,584	31,353	30,880	1.5
New Orders.....	10,904	11,671	11,360	-6.6	2.7	4.5	11,159	11,820	11,543	33,785	33,056	2.2
Transportation equipment:												
Shipments.....	54,128	55,176	57,616	-1.9	-4.2	3.6	58,672	56,347	65,365	164,960	170,186	-3.1
New Orders.....	60,333	63,257	61,953	-4.6	2.1	-12.3	66,381	62,983	77,200	186,801	190,675	-2.0
Motor vehicles and parts:												
Shipments.....	33,804	35,601	36,938	-5.0	-3.6	0.0	35,006	37,593	44,719	106,758	119,366	-10.6
New Orders.....	33,716	35,333	36,519	-4.6	-3.2	0.1	34,705	37,342	44,347	106,187	119,595	-11.2
Nondefense aircraft and parts:												
Shipments.....	8,413	8,506	10,304	-1.1	-17.4	11.9	10,024	8,185	10,264	25,641	23,954	7.0
New Orders.....	16,431	15,576	14,750	5.5	5.6	-30.3	18,479	13,550	21,644	45,121	40,507	11.4
Defense aircraft and parts:												
Shipments.....	5,316	4,670	3,640	13.8	28.3	11.5	6,086	4,309	3,730	13,262	9,592	38.3
New Orders.....	5,616	4,340	4,124	29.4	5.2	-32.5	6,665	3,985	3,048	15,001	8,677	72.9
All other durable goods:												
Shipments.....	36,136	36,090	36,264	0.1	-0.5	-0.3	36,563	34,425	38,579	103,848	106,501	-2.5
New Orders.....	36,101	35,765	36,108	0.9	-0.9	-0.3	36,715	34,179	38,497	103,603	106,933	-3.1
Capital goods: ³												
Shipments.....	76,606	75,349	78,295	1.7	-3.8	2.5	85,414	72,333	82,391	225,436	211,919	6.4
New Orders.....	83,569	84,367	84,689	-0.9	-0.4	-8.6	94,350	81,775	96,883	255,551	239,285	6.8
Nondefense capital goods:												
Shipments.....	67,152	66,622	69,346	0.8	-3.9	1.6	74,827	63,505	73,604	198,456	188,317	5.4
New Orders.....	75,774	74,649	74,878	1.5	-0.3	-7.7	83,519	71,796	86,343	225,044	212,082	6.1
Excluding aircraft:												
Shipments.....	62,401	61,668	62,662	1.2	-1.6	-0.4	69,061	58,700	67,233	183,772	174,139	5.5
New Orders.....	62,895	62,865	64,145	0.0	-2.0	-1.0	69,449	62,414	69,380	192,429	183,470	4.9
Defense capital goods:												
Shipments.....	9,454	8,727	8,949	8.3	-2.5	10.6	10,587	8,828	8,787	26,980	23,602	14.3
New Orders.....	7,795	9,718	9,811	-19.8	-0.9	-15.2	10,831	9,979	10,540	30,507	27,203	12.1

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
	Mar 2008 ²	Feb 2008 ^r	Jan 2008	Feb - Mar ²	Jan - Feb ^r	Dec - Jan	Mar 2008 ²	Feb 2008 ^r	Mar 2007	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	830,083	822,755	814,895	0.9	1.0	0.8	844,130	833,768	718,354	17.5
Total Inventories.....	327,054	323,593	322,085	1.1	0.5	0.5	326,544	326,476	310,337	5.2
Excluding transportation:										
Unfilled Orders ⁴	337,202	336,079	336,300	0.3	-0.1	0.8	342,919	340,266	316,867	8.2
Total Inventories.....	241,203	239,673	239,130	0.6	0.2	0.3	240,953	242,286	235,084	2.5
Excluding defense:										
Unfilled Orders ⁴	667,087	658,696	651,943	1.3	1.0	0.9	675,683	666,356	556,429	21.4
Total Inventories.....	303,599	300,239	299,064	1.1	0.4	0.6	303,132	303,081	289,736	4.6
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	830,083	822,755	814,895	0.9	1.0	0.8	844,130	833,768	718,354	17.5
Total Inventories.....	260,239	256,842	255,094	1.3	0.7	0.7	259,762	258,748	243,294	6.8
Primary metals:										
Unfilled Orders.....	28,238	28,174	27,817	0.2	1.3	1.1	29,242	29,032	28,145	3.9
Total Inventories.....	31,686	31,056	30,807	2.0	0.8	0.3	31,622	31,080	31,304	1.0
Fabricated metal products:										
Unfilled Orders.....	60,290	59,841	59,614	0.8	0.4	-0.2	61,007	59,282	56,284	8.4
Total Inventories.....	42,315	42,292	42,315	0.1	-0.1	0.0	42,837	42,940	42,141	1.7
Machinery:										
Unfilled Orders.....	90,963	91,348	93,509	-0.4	-2.3	3.1	93,183	93,661	83,345	11.8
Total Inventories.....	53,595	52,948	52,610	1.2	0.6	0.8	53,956	53,845	50,440	7.0
Computers and electronic products:										
Unfilled Orders ⁴	119,146	118,155	117,371	0.8	0.7	-0.6	120,892	119,608	112,538	7.4
Total Inventories.....	44,656	44,532	44,217	0.3	0.7	0.1	43,493	44,832	42,895	1.4
Computers and related products:										
Unfilled Orders.....	3,265	3,201	3,051	2.0	4.9	-15.5	3,265	3,201	3,473	-6.0
Total Inventories.....	4,719	4,655	4,558	1.4	2.1	-1.4	4,457	4,711	4,265	4.5
Communications equipment:										
Unfilled Orders.....	35,289	35,315	35,235	-0.1	0.2	-0.7	35,846	35,658	33,725	6.3
Total Inventories.....	7,803	7,459	7,455	4.6	0.1	-0.1	7,563	7,575	6,958	8.7
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.....	25,252	25,213	24,316	0.2	3.7	1.9	25,456	25,696	23,912	6.5
Total Inventories.....	15,292	15,268	15,128	0.2	0.9	1.6	15,485	15,677	14,484	6.9
Transportation equipment:										
Unfilled Orders.....	492,881	486,676	478,595	1.3	1.7	0.9	501,211	493,502	401,487	24.8
Total Inventories.....	85,851	83,920	82,955	2.3	1.2	1.2	85,591	84,190	75,253	13.7
Motor vehicles and parts:										
Unfilled Orders.....	17,942	18,030	18,298	-0.5	-1.5	-2.2	18,341	18,642	21,196	-13.5
Total Inventories.....	23,716	23,501	23,750	0.9	-1.0	-0.8	23,745	23,652	25,211	-5.8
Nondefense Aircraft and parts:										
Unfilled Orders.....	328,071	320,053	312,983	2.5	2.3	1.4	331,801	323,346	235,103	41.1
Total Inventories.....	37,248	35,771	35,133	4.1	1.8	3.7	37,004	35,787	28,518	29.8
Defense Aircraft and parts:										
Unfilled Orders.....	46,148	45,848	46,178	0.7	-0.7	1.1	47,965	47,386	44,108	8.7
Total Inventories.....	14,081	13,973	13,907	0.8	0.5	1.2	14,037	13,954	12,484	12.4
All other durable goods:										
Unfilled Orders.....	13,313	13,348	13,673	-0.3	-2.4	-1.1	13,139	12,987	12,643	3.9
Total Inventories.....	53,659	53,577	54,053	0.2	-0.9	-0.1	53,560	53,912	53,820	-0.5
Capital goods:³										
Unfilled Orders.....	632,858	625,895	616,877	1.1	1.5	1.0	643,678	634,742	531,256	21.2
Total Inventories.....	150,906	148,409	146,938	1.7	1.0	1.2	150,329	149,726	135,662	10.8
Nondefense capital goods:										
Unfilled Orders.....	484,501	475,879	467,852	1.8	1.7	1.2	490,389	481,697	382,456	28.2
Total Inventories.....	132,222	129,807	128,715	1.9	0.8	1.5	131,644	131,064	119,179	10.5
Excluding aircraft:										
Unfilled Orders.....	185,985	185,491	184,294	0.3	0.6	0.8	188,754	188,366	174,251	8.3
Total Inventories.....	102,866	101,824	101,229	1.0	0.6	0.6	102,375	103,068	96,831	5.7
Defense capital goods:										
Unfilled Orders.....	148,357	150,016	149,025	-1.1	0.7	0.6	153,289	153,045	148,800	3.0
Total Inventories.....	18,684	18,602	18,223	0.4	2.1	-1.2	18,685	18,662	16,483	13.4

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>.

NOTICE

Revised historical data for Manufacturers' Shipments, Inventories, and Orders will be issued on May 16, 2008. These revisions reflect:

- benchmarking the shipments and inventory data to the 2006 Annual Survey of Manufactures (ASM) data;
- adjusting new orders and order backlog to be consistent with the benchmarked shipments and inventory data;
- correcting monthly data for late receipts, reclassifications of reported data, and revisions to previously reported data; and
- updating the seasonal adjustment factors for all series.

For revised historical data go to <http://www.census.gov/m3/hist/naicshist.htm>. An accompanying press release will include the revised 2008 January through March data. Please call Chris Savage on (301)763-4832 with questions.