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Chris Savage or Adriana Stoica
Manufacturing and Construction Division
(301) 763-4832

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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders March 2012

New Orders. New orders for manufactured durable goods in March decreased \$8.8 billion or 4.2 percent to \$202.6 billion, the U.S. Census Bureau announced today. This decrease, down two of the last three months, followed a 1.9 percent February increase. Excluding transportation, new orders decreased 1.1 percent. Excluding defense, new orders decreased 4.6 percent. Transportation equipment, also down two of the last three months, had the largest decrease, \$7.1 billion or 12.5 percent to \$49.7 billion. This was due to nondefense aircraft and parts, which decreased \$7.7 billion.

Shipments. Shipments of manufactured durable goods in March, up three of the last four months, increased \$2.0 billion or 1.0 percent to \$208.8 billion. This followed a 0.3 percent February decrease. Machinery, up four of the last five months, had the largest increase, \$2.0 billion or 6.5 percent to \$32.9 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 3.1 percent February increase.

Unfilled Orders. Unfilled orders for manufactured durable goods in March, up twenty-three of the last twenty-four months, increased slightly to \$930.1 billion. This followed a 1.2 percent February increase. Computers and electronic equipment, up three consecutive months, had the largest increase, \$0.7 billion or 0.6 percent to \$125.6 billion.

Inventories. Inventories of manufactured durable goods in March, up twenty-seven consecutive months, increased \$1.7 billion or 0.4 percent to \$375.1 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 0.3 percent February increase. Transportation equipment, also up twenty-seven consecutive months, had the largest increase, \$0.8 billion or 0.7 percent to \$118.0 billion. This was also at the highest level since the series was first published on a NAICS basis.

Capital Goods. Nondefense new orders for capital goods in March decreased \$8.6 billion or 10.5 percent to \$73.0 billion. Shipments increased \$1.4 billion or 2.0 percent to \$72.8 billion. Unfilled orders increased \$0.2 billion or slightly to \$566.1 billion. Inventories increased \$1.7 billion or 1.0 percent to \$174.7 billion. Defense new orders for capital goods in March increased \$0.7 billion or 10.3 percent to \$7.7 billion. Shipments increased \$0.6 billion or 8.5 percent to \$7.4 billion. Unfilled orders increased \$0.2 billion or 0.2 percent to \$147.8 billion. Inventories decreased \$0.4 billion or 2.2 percent to \$19.7 billion.

Revised February Data. Revised seasonally adjusted February figures for all manufacturing industries were: new orders, \$467.5 billion (revised from \$468.4 billion); shipments, \$462.9 billion (revised from \$462.6 billion); unfilled orders, \$930.1 billion (revised from \$931.1 billion); and total inventories, \$616.7 billion (revised from \$616.8 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 2, 2012, at 10:00 a.m. EDT. The advance report on durable goods for April is scheduled for release on May 24, 2012, at 8:30 a.m. EDT. See back page for survey description.

Table 1. Durable Goods Manufacturers' Shipments and New Orders ¹

[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 2012 ²	Feb 2012 ^f	Jan 2012	Feb - Mar ²	Jan - Feb ^f	Dec - Jan	Mar 2012 ²	Feb 2012 ^f	Mar 2011	2012	2011	Percent Change 12/11
DURABLE GOODS												
Total:												
Shipments.....	208,759	206,774	207,421	1.0	-0.3	0.1	225,074	199,477	213,963	612,277	561,348	9.1
New Orders ⁴	202,568	211,373	207,463	-4.2	1.9	-3.5	223,457	210,381	221,162	625,589	573,526	9.1
Excluding transportation:												
Shipments.....	158,759	157,436	156,959	0.8	0.3	-1.6	168,580	150,477	159,464	463,326	424,898	9.0
New Orders ⁴	152,918	154,629	151,734	-1.1	1.9	-2.8	166,593	153,098	160,819	461,702	426,668	8.2
Excluding defense:												
Shipments.....	198,881	197,623	197,367	0.6	0.1	0.1	213,890	190,428	202,045	584,038	531,115	10.0
New Orders ⁴	192,631	201,897	199,007	-4.6	1.5	-4.0	209,563	200,315	206,486	593,276	535,465	10.8
Manufacturing with unfilled orders:												
Shipments.....	150,948	149,115	150,201	1.2	-0.7	-0.7	164,404	143,827	156,045	442,659	404,616	9.4
New Orders.....	150,967	160,220	156,705	-5.8	2.2	-4.9	167,451	160,819	167,636	474,905	435,263	9.1
Primary metals:												
Shipments.....	26,708	27,191	27,252	-1.8	-0.2	-3.9	28,899	27,302	24,661	82,390	65,329	26.1
New Orders.....	26,231	26,703	26,671	-1.8	0.1	-8.0	28,450	27,613	25,148	83,093	68,033	22.1
Fabricated metal products:												
Shipments.....	26,115	26,112	26,397	0.0	-1.1	0.8	27,038	24,854	26,250	76,196	70,346	8.3
New Orders.....	26,328	26,721	26,626	-1.5	0.4	1.6	28,442	26,550	27,758	80,020	74,802	7.0
Machinery:												
Shipments.....	32,885	30,887	29,950	6.5	3.1	-5.4	36,741	29,978	32,847	93,578	82,752	13.1
New Orders.....	32,691	33,549	31,091	-2.6	7.9	-8.8	36,708	33,723	35,377	100,009	90,860	10.1
Computers and electronic products⁴:												
Shipments.....	29,442	30,165	29,916	-2.4	0.8	-0.5	30,328	27,596	31,248	85,999	87,426	-1.6
New Orders.....	23,980	24,413	23,864	-1.8	2.3	2.4	27,153	23,485	27,230	71,217	71,013	0.3
Computers and related products:												
Shipments.....	5,078	5,322	5,410	-4.6	-1.6	-4.6	5,550	4,158	6,112	14,018	15,028	-6.7
New Orders.....	5,203	5,237	5,170	-0.6	1.3	-7.7	5,675	4,073	6,196	13,818	14,789	-6.6
Communications equipment:												
Shipments.....	2,916	3,060	2,878	-4.7	6.3	-9.5	3,300	2,723	3,560	8,297	9,213	-9.9
New Orders.....	3,511	3,465	2,936	1.3	18.0	1.0	3,993	3,425	3,299	9,773	8,902	9.8
Electrical equipment, appliances, and components:												
Shipments.....	10,529	10,316	10,424	2.1	-1.0	2.1	11,374	9,809	11,040	30,480	28,871	5.6
New Orders.....	10,606	10,282	10,554	3.2	-2.6	-0.6	11,228	10,367	11,330	31,943	31,085	2.8
Transportation equipment:												
Shipments.....	50,000	49,338	50,462	1.3	-2.2	5.7	56,494	49,000	54,499	148,951	136,450	9.2
New Orders.....	49,650	56,744	55,729	-12.5	1.8	-5.2	56,864	57,283	60,343	163,887	146,858	11.6
Motor vehicles and parts:												
Shipments.....	31,400	31,299	30,883	0.3	1.3	2.2	34,730	31,928	33,975	95,184	86,883	9.6
New Orders.....	31,414	31,396	30,783	0.1	2.0	1.3	34,415	32,160	33,708	95,130	86,933	9.4
Nondefense aircraft and parts:												
Shipments.....	8,291	8,492	9,051	-2.4	-6.2	16.2	9,999	7,870	8,652	24,506	19,574	25.2
New Orders.....	8,426	16,089	16,427	-47.6	-2.1	-17.2	9,494	15,973	12,823	38,472	25,428	51.3
Defense aircraft and parts:												
Shipments.....	4,532	3,811	4,608	18.9	-17.3	15.1	5,309	3,581	4,984	12,365	12,239	1.0
New Orders.....	5,214	4,515	3,938	15.5	14.7	1.4	7,000	4,200	5,774	15,100	15,014	0.6
All other durable goods:												
Shipments.....	33,080	32,765	33,020	1.0	-0.8	0.1	34,200	30,938	33,418	94,683	90,174	5.0
New Orders.....	33,082	32,961	32,928	0.4	0.1	-0.1	34,612	31,360	33,976	95,420	90,875	5.0
Capital goods³:												
Shipments.....	80,198	78,220	78,452	2.5	-0.3	-0.9	88,986	74,470	84,291	231,455	214,577	7.9
New Orders.....	80,660	88,537	86,995	-8.9	1.8	-3.4	91,341	87,980	93,906	258,421	236,324	9.4
Nondefense capital goods:												
Shipments.....	72,758	71,362	70,984	2.0	0.5	-0.8	80,638	67,489	74,860	210,037	190,525	10.2
New Orders.....	72,993	81,588	80,744	-10.5	1.0	-5.0	80,448	80,337	82,031	233,575	204,920	14.0
Excluding aircraft:												
Shipments.....	67,673	65,984	65,061	2.6	1.4	-2.8	74,389	62,531	69,836	194,977	179,901	8.4
New Orders.....	68,103	68,620	66,781	-0.8	2.8	-3.4	75,110	67,560	72,739	204,971	189,253	8.3
Defense capital goods:												
Shipments.....	7,440	6,858	7,468	8.5	-8.2	-2.2	8,348	6,981	9,431	21,418	24,052	-11.0
New Orders.....	7,667	6,949	6,251	10.3	11.2	23.1	10,893	7,643	11,875	24,846	31,404	-20.9

^f 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. For further details on survey design, methodology, and data limitations, see <http://www.census.gov/manufacturing/m3>.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 Estimates of shipments for the semiconductor industry are no longer shown separately. Estimates and percent changes of shipments and inventories for the semiconductor industry are included in computers and electronic products, and all other applicable aggregate totals. Estimates and percent changes for new orders and unfilled orders exclude semiconductor industry data.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories ¹

[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 Change 2012/ 2011
	Mar 2012 ²	Feb 2012 ^r	Jan 2012	Feb - Mar ²	Jan - Feb ^r	Dec - Jan	Mar 2012 ²	Feb 2012 ^r	Mar 2011	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	930,135	930,116	919,011	0.0	1.2	0.7	942,609	939,562	860,105	9.6
Total Inventories.....	375,127	373,451	372,165	0.4	0.3	0.6	373,186	374,563	346,474	7.7
Excluding transportation:										
Unfilled Orders ⁴	387,710	387,341	383,642	0.1	1.0	0.3	393,212	390,535	360,437	9.1
Total Inventories.....	257,108	256,221	255,434	0.3	0.3	0.7	255,871	257,540	241,553	5.9
Excluding defense:										
Unfilled Orders ⁴	763,133	763,173	752,393	0.0	1.4	1.1	771,412	771,075	688,873	12.0
Total Inventories.....	350,316	348,068	346,841	0.6	0.4	0.6	348,297	349,118	320,440	8.7
Manufacturing with unfilled orders:										
Unfilled Orders.....	930,135	930,116	919,011	0.0	1.2	0.7	942,609	939,562	860,105	9.6
Total Inventories.....	308,745	307,566	305,683	0.4	0.6	0.8	306,785	307,712	282,882	8.4
Primary metals:										
Unfilled Orders.....	32,973	33,450	33,938	-1.4	-1.4	-1.7	34,280	34,729	34,365	-0.2
Total Inventories.....	34,891	34,984	34,642	-0.3	1.0	0.4	34,321	34,484	32,096	6.9
Fabricated metal products:										
Unfilled Orders.....	67,419	67,206	66,597	0.3	0.9	0.3	68,535	67,131	63,744	7.5
Total Inventories.....	46,379	46,396	46,153	0.0	0.5	0.2	46,405	46,519	43,644	6.3
Machinery:										
Unfilled Orders.....	124,694	124,888	122,226	-0.2	2.2	0.9	125,365	125,398	102,386	22.4
Total Inventories.....	62,614	62,313	61,636	0.5	1.1	1.7	62,897	63,291	56,013	12.3
Computers and electronic products⁴:										
Unfilled Orders.....	125,601	124,853	124,099	0.6	0.6	0.3	127,601	126,112	125,927	1.3
Total Inventories.....	48,108	47,582	47,635	1.1	-0.1	0.7	47,277	47,795	46,484	1.7
Computers and related products:										
Unfilled Orders.....	3,244	3,119	3,204	4.0	-2.7	-7.0	3,244	3,119	3,415	-5.0
Total Inventories.....	6,100	5,908	6,006	3.2	-1.6	0.2	5,839	5,892	5,201	12.3
Communications equipment:										
Unfilled Orders.....	29,170	28,575	28,170	2.1	1.4	0.2	29,622	28,929	29,280	1.2
Total Inventories.....	9,314	9,259	9,179	0.6	0.9	2.3	9,139	9,391	9,431	-3.1
Electrical equipment, appliances, and components:										
Unfilled Orders.....	28,369	28,292	28,326	0.3	-0.1	0.5	28,743	28,889	25,466	12.9
Total Inventories.....	15,826	15,843	15,965	-0.1	-0.8	3.5	15,772	15,961	15,246	3.5
Transportation equipment:										
Unfilled Orders.....	542,425	542,775	535,369	-0.1	1.4	1.0	549,397	549,027	499,668	10.0
Total Inventories.....	118,019	117,230	116,731	0.7	0.4	0.3	117,315	117,023	104,921	11.8
Motor vehicles and parts:										
Unfilled Orders.....	14,047	14,033	13,936	0.1	0.7	-0.7	14,351	14,666	13,846	3.6
Total Inventories.....	26,733	26,494	26,799	0.9	-1.1	0.5	26,432	26,621	24,340	8.6
Nondefense Aircraft and parts:										
Unfilled Orders.....	391,594	391,459	383,862	0.0	2.0	2.0	395,357	395,862	343,270	15.2
Total Inventories.....	66,131	65,184	64,467	1.5	1.1	0.4	65,824	64,742	55,360	18.9
Defense Aircraft and parts:										
Unfilled Orders.....	56,268	55,586	54,882	1.2	1.3	-1.2	57,959	56,268	54,880	5.6
Total Inventories.....	14,288	14,835	14,616	-3.7	1.5	-0.2	14,183	14,782	14,329	-1.0
All other durable goods:										
Unfilled Orders.....	8,654	8,652	8,456	0.0	2.3	-1.1	8,688	8,276	8,549	1.6
Total Inventories.....	49,290	49,103	49,403	0.4	-0.6	-0.9	49,199	49,490	48,070	2.3
Capital goods³:										
Unfilled Orders.....	713,858	713,396	703,079	0.1	1.5	1.2	722,621	720,266	649,959	11.2
Total Inventories.....	194,357	193,095	191,863	0.7	0.6	0.8	193,494	193,662	175,920	10.0
Nondefense capital goods:										
Unfilled Orders.....	566,086	565,851	555,625	0.0	1.8	1.8	571,412	571,602	497,935	14.8
Total Inventories.....	174,662	172,958	171,790	1.0	0.7	0.8	173,616	173,410	155,147	11.9
Excluding aircraft:										
Unfilled Orders.....	218,278	217,848	215,212	0.2	1.2	0.8	220,501	219,780	195,446	12.8
Total Inventories.....	117,882	117,084	116,560	0.7	0.4	1.1	117,023	118,029	107,810	8.5
Defense capital goods:										
Unfilled Orders.....	147,772	147,545	147,454	0.2	0.1	-0.8	151,209	148,664	152,024	-0.5
Total Inventories.....	19,695	20,137	20,073	-2.2	0.3	0.1	19,878	20,252	20,773	-4.3

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 65 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 18, 2012. These revisions reflect:

- benchmarking the shipments and inventories data to the 2010 Annual Survey of Manufactures (ASM) data, as well as revised ASM benchmarks for prior years;
- incorporating the unfilled orders to shipments ratios obtained from the 2009/2010 Manufacturers' Unfilled Orders Survey by applying these ratios to the respective ASM shipments data, as well as incorporating revised unfilled orders to shipments ratios for prior years;
- adjusting the new orders data to be consistent with the benchmarked shipments and unfilled orders data;
- correcting monthly data for late receipts, reclassifications of reported data, and revisions to previously reported data;
- incorporating the monthly data corrections when producing estimates for industry groups for which we identified companies to be tabbed separately from the link-relative estimation procedure;
- implementing a new SAS® benchmarking program, which is based on the same benchmarking methodology as the previous ASCII Fortran program; and
- updating the seasonally adjusted data, based on the results of benchmarking and the recent annual review of the seasonal adjustment models.

An accompanying press release will include the revised 2012 January through March data. Please call Jessica Young on (301) 763-4832 with any questions.