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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders March 2011

New Orders. New orders for manufactured durable goods in March increased \$5.0 billion or 2.5 percent to \$208.4 billion, the U.S. Census Bureau announced today. This increase, up three consecutive months, followed a 0.7 percent February increase. Excluding transportation, new orders increased 1.3 percent. Excluding defense, new orders increased 2.3 percent. Transportation equipment, also up three consecutive months, had the largest increase, \$3.1 billion or 5.9 percent to \$54.7 billion.

Shipments. Shipments of manufactured durable goods in March, up five consecutive months, increased \$3.7 billion or 1.8 percent to \$207.3 billion. This followed a 0.5 percent February increase. Transportation equipment, up four consecutive months, had the largest increase, \$1.6 billion or 3.3 percent to \$51.1 billion.

Unfilled Orders. Unfilled orders for manufactured durable goods in March, up eleven of the last twelve months, increased \$6.6 billion or 0.8 percent to \$843.4 billion. This followed a 0.7 percent February increase. Transportation equipment, up three consecutive months, had the largest increase, \$3.6 billion or 0.8 percent to \$482.0 billion.

Inventories. Inventories of manufactured durable goods in March, up fifteen consecutive months, increased \$4.2 billion or 1.3 percent to \$333.9 billion. This followed a 1.3 percent February increase. Transportation equipment, also up fifteen consecutive months, had the largest increase, \$1.7 billion or 1.9 percent to \$89.8 billion.

Capital Goods. Nondefense new orders for capital goods in March increased \$2.3 billion or 3.2 percent to \$73.3 billion. Shipments increased \$1.4 billion or 2.1 percent to \$67.2 billion. Unfilled orders increased \$6.1 billion or 1.2 percent to \$513.6 billion. Inventories increased \$2.4 billion or 1.7 percent to \$142.8 billion. Defense new orders for capital goods in March increased \$0.6 billion or 7.6 percent to \$9.0 billion. Shipments increased \$0.4 billion or 4.8 percent to \$8.9 billion. Unfilled orders increased \$0.1 billion or 0.1 percent to \$141.6 billion. Inventories increased \$0.7 billion or 3.7 percent to \$18.3 billion.

Revised February Data. Revised seasonally adjusted February figures for all manufacturing industries were: new orders, \$447.4 billion (revised from \$446.0 billion); shipments, \$447.7 billion (revised from \$448.3 billion); unfilled orders, \$836.8 billion (revised from \$834.8 billion); and total inventories, \$566.1 billion (revised from \$565.0 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 3, 2011, at 10:00 a.m. EDT. The advance report on durable goods for April is scheduled for release on May 25, 2011, at 8:30 a.m. EDT. See back page for survey description and benchmark notice.

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 2011 ²	Feb 2011 ^r	Jan 2011	Feb - Mar ²	Jan - Feb ^r	Dec - Jan	Mar 2011 ²	Feb 2011 ^r	Mar 2010	2011	2010	Change 11/10
DURABLE GOODS												
Total:												
Shipments.....	207,274	203,556	202,461	1.8	0.5	0.2	224,970	188,202	207,098	595,275	555,035	7.2
New Orders ⁴	208,372	203,342	202,018	2.5	0.7	3.7	232,028	188,656	206,719	606,504	553,370	9.6
Excluding transportation:												
Shipments.....	156,172	154,075	154,021	1.4	0.0	0.1	166,624	141,163	153,664	448,048	412,365	8.7
New Orders ⁴	153,680	151,700	150,826	1.3	0.6	-2.9	168,179	141,390	157,108	449,733	410,311	9.6
Excluding defense:												
Shipments.....	196,078	192,678	191,800	1.8	0.5	0.5	212,430	177,742	192,265	563,614	514,908	9.5
New Orders ⁴	197,093	192,624	188,823	2.3	2.0	2.9	216,958	178,095	189,739	567,659	509,017	11.5
Manufacturing with unfilled orders:												
Shipments.....	151,545	148,441	147,561	2.1	0.6	-0.7	165,634	137,418	154,163	434,550	405,789	7.1
New Orders.....	158,174	154,279	153,776	2.5	0.3	4.7	176,871	143,294	156,869	463,559	419,560	10.5
Primary metals:												
Shipments.....	24,201	23,596	23,025	2.6	2.5	4.1	26,206	22,432	21,113	70,299	55,904	25.7
New Orders.....	24,504	23,577	23,375	3.9	0.9	2.9	26,710	22,241	21,324	72,237	58,338	23.8
Fabricated metal products:												
Shipments.....	28,212	27,973	27,994	0.9	-0.1	-0.1	29,613	25,615	28,200	80,540	76,440	5.4
New Orders.....	28,444	29,121	28,387	-2.3	2.6	1.3	30,917	27,511	29,778	84,534	79,339	6.5
Machinery:												
Shipments.....	27,115	25,996	25,288	4.3	2.8	-7.3	30,586	24,254	27,032	77,734	69,138	12.4
New Orders.....	28,920	27,755	27,772	4.2	-0.1	-12.8	32,969	26,107	29,470	86,487	73,080	18.3
Computers and electronic products⁴:												
Shipments.....	32,417	32,795	33,808	-1.2	-3.0	1.9	33,755	28,980	33,168	94,428	91,971	2.7
New Orders.....	26,878	27,174	27,154	-1.1	0.1	-5.2	30,107	24,651	31,151	78,423	77,149	1.7
Computers and related products:												
Shipments.....	6,276	6,070	6,059	3.4	0.2	-2.0	6,787	4,783	6,519	16,934	15,899	6.5
New Orders.....	6,405	5,802	5,834	10.4	-0.5	-4.6	6,916	4,515	6,892	16,570	15,678	5.7
Communications equipment:												
Shipments.....	3,054	3,241	3,415	-5.8	-5.1	-1.1	3,400	2,724	4,399	8,807	10,284	-14.4
New Orders.....	2,922	3,026	3,200	-3.4	-5.4	-19.1	3,147	2,825	4,068	8,507	10,410	-18.3
Electrical equipment, appliances, and components:												
Shipments.....	10,078	9,987	9,939	0.9	0.5	-0.9	10,920	9,138	10,006	28,766	26,407	8.9
New Orders.....	10,713	10,392	10,190	3.1	2.0	-5.1	11,437	10,070	10,858	31,251	28,703	8.9
Transportation equipment:												
Shipments.....	51,102	49,481	48,440	3.3	2.1	0.4	58,346	47,039	53,434	147,227	142,670	3.2
New Orders.....	54,692	51,642	51,192	5.9	0.9	29.7	63,849	47,266	49,611	156,771	143,059	9.6
Motor vehicles and parts:												
Shipments.....	33,165	31,918	30,984	3.9	3.0	2.3	37,433	30,764	31,298	96,566	86,703	11.4
New Orders.....	33,182	32,013	30,933	3.7	3.5	1.9	37,165	30,943	30,930	96,621	86,401	11.8
Nondefense aircraft and parts:												
Shipments.....	7,362	7,154	7,059	2.9	1.3	-5.9	9,132	6,383	8,442	20,689	19,401	6.6
New Orders.....	10,876	10,780	7,978	0.9	35.1	5,558.2	13,325	8,080	4,609	26,384	18,271	44.4
Defense aircraft and parts:												
Shipments.....	4,670	4,537	4,507	2.9	0.7	-3.8	5,278	4,205	6,225	12,965	16,362	-20.8
New Orders.....	4,758	4,476	5,334	6.3	-16.1	18.9	6,005	4,170	6,444	15,646	18,178	-13.9
All other durable goods:												
Shipments.....	34,149	33,728	33,967	1.2	-0.7	2.0	35,544	30,744	34,145	96,281	92,505	4.1
New Orders.....	34,221	33,681	33,948	1.6	-0.8	1.7	36,039	30,810	34,527	96,801	93,702	3.3
Capital goods³:												
Shipments.....	76,083	74,300	73,573	2.4	1.0	-3.8	84,852	68,328	81,476	217,494	210,305	3.4
New Orders.....	82,310	79,374	78,563	3.7	1.0	9.9	94,240	72,810	81,849	238,584	216,450	10.2
Nondefense capital goods:												
Shipments.....	67,192	65,817	65,331	2.1	0.7	-3.3	74,984	59,976	69,534	192,475	177,454	8.5
New Orders.....	73,281	70,979	67,454	3.2	5.2	6.7	82,093	64,314	68,022	206,762	180,659	14.4
Excluding aircraft:												
Shipments.....	63,103	61,753	61,486	2.2	0.4	-2.5	69,748	56,421	64,403	181,402	166,386	9.0
New Orders.....	65,523	63,177	62,850	3.7	0.5	-5.9	72,588	59,287	66,600	190,644	170,560	11.8
Defense capital goods:												
Shipments.....	8,891	8,483	8,242	4.8	2.9	-7.9	9,868	8,352	11,942	25,019	32,851	-23.8
New Orders.....	9,029	8,395	11,109	7.6	-24.4	33.9	12,147	8,496	13,827	31,822	35,791	-11.1

^r 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
	Mar 2011 ²	Feb 2011 ^r	Jan 2011	Feb - Mar ²	Jan - Feb ^r	Dec - Jan	Mar 2011 ²	Feb 2011 ^r	Mar 2010	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	843,440	836,811	830,973	0.8	0.7	0.8	853,494	842,257	806,457	5.8
Total Inventories.....	333,856	329,700	325,599	1.3	1.3	0.9	333,591	332,581	299,195	11.5
Excluding transportation:										
Unfilled Orders ⁴	361,481	358,442	354,765	0.8	1.0	1.0	365,552	359,818	323,111	13.1
Total Inventories.....	244,052	241,558	238,597	1.0	1.2	1.0	243,699	244,005	221,264	10.1
Excluding defense:										
Unfilled Orders ⁴	687,109	680,563	674,565	1.0	0.9	0.5	692,663	683,956	648,679	6.8
Total Inventories.....	309,993	306,567	302,673	1.1	1.3	1.0	309,578	309,359	275,556	12.3
Manufacturing with unfilled orders:										
Unfilled Orders.....	843,440	836,811	830,973	0.8	0.7	0.8	853,494	842,257	806,457	5.8
Total Inventories.....	272,379	268,632	265,374	1.4	1.2	0.9	271,789	270,374	242,092	12.3
Primary metals:										
Unfilled Orders.....	22,432	22,129	22,148	1.4	-0.1	1.6	22,904	22,400	18,805	21.8
Total Inventories.....	33,874	33,404	32,721	1.4	2.1	2.4	33,423	33,139	28,192	18.6
Fabricated metal products:										
Unfilled Orders.....	55,757	55,525	54,377	0.4	2.1	0.7	56,627	55,323	54,973	3.0
Total Inventories.....	43,709	43,358	42,999	0.8	0.8	1.1	44,013	43,746	40,825	7.8
Machinery:										
Unfilled Orders.....	116,915	115,110	113,351	1.6	1.6	2.2	117,890	115,507	91,108	29.4
Total Inventories.....	54,987	54,321	53,636	1.2	1.3	1.3	55,498	55,403	49,869	11.3
Computers and electronic products⁴:										
Unfilled Orders.....	124,916	124,924	124,493	0.0	0.3	0.0	126,486	125,955	122,123	3.6
Total Inventories.....	47,568	46,786	46,126	1.7	1.4	0.2	46,741	47,349	42,445	10.1
Computers and related products:										
Unfilled Orders.....	5,215	5,086	5,354	2.5	-5.0	-4.0	5,215	5,086	5,150	1.3
Total Inventories.....	4,460	4,542	4,544	-1.8	0.0	1.9	4,287	4,622	4,369	-1.9
Communications equipment:										
Unfilled Orders.....	28,244	28,376	28,591	-0.5	-0.8	-0.7	28,479	28,732	28,900	-1.5
Total Inventories.....	8,428	8,133	7,921	3.6	2.7	-3.7	8,300	8,309	7,311	13.5
Electrical equipment, appliances, and components:										
Unfilled Orders.....	28,443	27,808	27,403	2.3	1.5	0.9	28,638	28,121	23,397	22.4
Total Inventories.....	14,997	14,989	14,819	0.1	1.1	0.3	15,001	15,168	13,737	9.2
Transportation equipment:										
Unfilled Orders.....	481,959	478,369	476,208	0.8	0.5	0.6	487,942	482,439	483,346	1.0
Total Inventories.....	89,804	88,142	87,002	1.9	1.3	0.8	89,892	88,576	77,931	15.3
Motor vehicles and parts:										
Unfilled Orders.....	14,283	14,266	14,171	0.1	0.7	-0.4	14,507	14,775	14,346	1.1
Total Inventories.....	22,194	22,232	21,904	-0.2	1.5	0.9	22,345	22,693	20,018	11.6
Nondefense Aircraft and parts:										
Unfilled Orders.....	332,625	329,111	325,485	1.1	1.1	0.3	335,177	330,984	322,435	4.0
Total Inventories.....	44,406	43,181	42,571	2.8	1.4	1.4	44,351	43,021	34,691	27.8
Defense Aircraft and parts:										
Unfilled Orders.....	49,527	49,439	49,500	0.2	-0.1	1.7	51,036	50,309	49,564	3.0
Total Inventories.....	12,435	12,021	12,006	3.4	0.1	0.0	12,393	11,975	12,204	1.5
All other durable goods:										
Unfilled Orders.....	13,018	12,946	12,993	0.6	-0.4	-0.1	13,007	12,512	12,705	2.4
Total Inventories.....	48,917	48,700	48,296	0.4	0.8	0.7	49,023	49,200	46,196	6.1
Capital goods³:										
Unfilled Orders.....	655,249	649,022	643,948	1.0	0.8	0.8	662,940	653,552	626,597	5.8
Total Inventories.....	161,142	158,105	156,126	1.9	1.3	1.0	161,215	159,553	142,175	13.4
Nondefense capital goods:										
Unfilled Orders.....	513,637	507,548	502,386	1.2	1.0	0.4	517,461	510,352	483,374	7.1
Total Inventories.....	142,823	140,437	138,621	1.7	1.3	1.1	142,704	141,750	123,832	15.2
Excluding aircraft:										
Unfilled Orders.....	213,024	210,604	209,180	1.1	0.7	0.7	214,880	212,040	191,036	12.5
Total Inventories.....	106,924	105,797	104,519	1.1	1.2	0.8	106,740	107,305	97,285	9.7
Defense capital goods:										
Unfilled Orders.....	141,612	141,474	141,562	0.1	-0.1	2.1	145,479	143,200	143,223	1.6
Total Inventories.....	18,319	17,668	17,505	3.7	0.9	0.2	18,511	17,803	18,343	0.9

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 60 percent of the shipments estimates at the total manufacturing level. Data published represent

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

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 13, 2011. These revisions reflect:

- **benchmarking the shipments and inventory data to the 2009 Annual Survey of Manufactures (ASM) data;**
- **incorporating the unfilled orders to shipments ratios obtained from the 2008/2009 Manufacturers' Unfilled Orders Survey by applying these ratios to the respective ASM shipments data;**
- **adjusting new orders 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; and**
- **updating the seasonal adjustment factors for all series.**