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

New Orders. New orders for manufactured durable goods in August decreased \$30.1 billion or 13.2 percent to \$198.5 billion, the U.S. Census Bureau announced today. This decrease, down following three consecutive monthly increases, was the largest decrease since January 2009 and followed a 3.3 percent July increase. Excluding transportation, new orders decreased 1.6 percent. Excluding defense, new orders decreased 12.4 percent. Transportation equipment, down following four consecutive monthly increases, had the largest decrease, \$27.8 billion or 34.9 percent to \$51.9 billion.

Shipments. Shipments of manufactured durable goods in August, down two of the last three months, decreased \$6.8 billion or 3.0 percent to \$222.5 billion. This was also the largest decrease since January 2009 and followed a 1.9 percent July increase. Transportation equipment, down two of the last three months, had the largest decrease, \$5.5 billion or 7.9 percent to \$63.9 billion. This followed a 7.9 percent July increase.

Unfilled Orders. Unfilled orders for manufactured durable goods in August, down following two consecutive monthly increases, decreased \$16.9 billion or 1.7 percent to \$978.7 billion. This was the largest decrease since December 2009 and followed a 0.7 percent July increase. Transportation equipment, also down following two consecutive monthly increases, had the largest decrease, \$12.0 billion or 2.1 percent to \$568.6 billion.

Inventories. Inventories of manufactured durable goods in August, up thirty-one of the last thirty-two months, increased \$2.2 billion or 0.6 percent to \$371.6 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 0.8 percent July increase. Transportation equipment, also up thirty-one of the last thirty-two months, had the largest increase, \$1.6 billion or 1.4 percent to \$112.1 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 August decreased \$18.5 billion or 24.3 percent to \$57.7 billion. Shipments decreased \$1.2 billion or 1.7 percent to \$69.5 billion. Unfilled orders decreased \$11.9 billion or 2.0 percent to \$580.5 billion. Inventories increased \$1.5 billion or 0.9 percent to \$171.9 billion. Defense new orders for capital goods in August decreased \$4.1 billion or 40.1 percent to \$6.1 billion. Shipments decreased \$0.1 billion or 1.7 percent to \$8.1 billion. Unfilled orders decreased \$2.0 billion or 1.2 percent to \$165.6 billion. Inventories increased \$0.4 billion or 1.8 percent to \$21.4 billion.

Revised July Data. Revised seasonally adjusted July figures for all manufacturing industries were: new orders, \$476.5 billion (revised from \$478.6 billion); shipments, \$477.2 billion (revised from \$478.8 billion); unfilled orders, \$995.7 billion (revised from \$996.6 billion); and total inventories, \$607.5 billion (revised from \$607.3 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 October 4, 2012, at 10:00 a.m. EDT. The advance report on durable goods for September is scheduled for release on October 25, 2012, at 8:30 a.m. EDT. See back page for survey description. To receive the latest updates on the Nation's key economic indicators, download the America's Economy app for Apple and Android smartphones and tablets.

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		
	Aug 2012 ²	Jul 2012 ^f	Jun 2012	Jul - Aug ²	Jun - Jul ^f	May - Jun	Aug 2012 ²	Jul 2012 ^f	Aug 2011	2012	2011	Percent Change 12/11
DURABLE GOODS												
Total:												
Shipments.....	222,454	229,270	225,011	-3.0	1.9	0.0	232,255	209,274	222,584	1,784,776	1,649,174	8.2
New Orders ⁴	198,494	228,623	221,368	-13.2	3.3	1.6	203,184	204,917	219,009	1,733,559	1,642,884	5.5
Excluding transportation:												
Shipments.....	158,541	159,907	160,704	-0.9	-0.5	0.4	164,343	156,741	161,137	1,280,245	1,196,585	7.0
New Orders ⁴	146,608	148,929	150,895	-1.6	-1.3	-2.2	148,357	142,123	151,487	1,225,532	1,173,216	4.5
Excluding defense:												
Shipments.....	211,642	218,778	213,824	-3.3	2.3	-0.2	221,496	200,042	211,749	1,700,560	1,559,832	9.0
New Orders ⁴	189,726	216,480	206,693	-12.4	4.7	-0.7	196,129	195,691	209,064	1,651,256	1,547,013	6.7
Manufacturing with unfilled orders:												
Shipments.....	156,283	159,976	157,432	-2.3	1.6	-0.2	162,625	145,872	156,724	1,256,167	1,165,845	7.7
New Orders.....	139,363	166,979	161,449	-16.5	3.4	2.4	140,491	151,683	160,146	1,261,018	1,212,977	4.0
Primary metals:												
Shipments.....	28,014	28,169	27,961	-0.6	0.7	-1.5	29,581	27,564	27,698	233,846	199,149	17.4
New Orders.....	27,000	27,480	26,996	-1.7	1.8	-1.5	28,258	26,840	27,798	228,883	199,038	15.0
Fabricated metal products:												
Shipments.....	27,145	27,159	27,360	-0.1	-0.7	-0.6	29,415	26,560	28,866	221,204	209,608	5.5
New Orders.....	27,535	27,646	27,720	-0.4	-0.3	-1.6	28,914	26,613	28,307	226,862	215,088	5.5
Machinery:												
Shipments.....	32,679	32,810	33,278	-0.4	-1.4	4.2	33,072	31,575	31,662	257,969	233,551	10.5
New Orders.....	28,165	29,567	31,514	-4.7	-6.2	-2.5	27,120	28,235	30,805	252,487	257,648	-2.0
Computers and electronic products⁴:												
Shipments.....	27,628	28,772	29,023	-4.0	-0.9	0.2	26,833	28,715	28,461	221,583	222,108	-0.2
New Orders.....	20,846	21,570	21,744	-3.4	-0.8	-4.9	19,275	18,443	20,526	170,717	166,438	2.6
Computers and related products:												
Shipments.....	2,705	2,930	2,827	-7.7	3.6	-3.8	2,412	2,466	2,875	21,369	22,588	-5.4
New Orders.....	2,761	2,844	2,841	-2.9	0.1	-5.0	2,468	2,380	2,865	21,377	22,482	-4.9
Communications equipment:												
Shipments.....	3,096	2,996	3,080	3.3	-2.7	-6.6	2,959	2,640	3,100	23,809	25,384	-6.2
New Orders.....	3,030	3,263	3,378	-7.1	-3.4	-7.1	2,919	2,739	3,127	26,262	23,511	11.7
Electrical equipment, appliances, and components:												
Shipments.....	9,904	9,928	9,996	-0.2	-0.7	-0.4	10,322	9,399	10,346	79,484	76,885	3.4
New Orders.....	9,909	9,547	9,778	3.8	-2.4	-4.6	10,227	9,044	10,621	79,934	79,390	0.7
Transportation equipment:												
Shipments.....	63,913	69,363	64,307	-7.9	7.9	-1.0	67,912	52,533	61,447	504,531	452,589	11.5
New Orders.....	51,886	79,694	70,473	-34.9	13.1	10.8	54,827	62,794	67,522	508,027	469,668	8.2
Motor vehicles and parts:												
Shipments.....	43,663	49,186	43,956	-11.2	11.9	-0.6	47,771	35,628	42,195	346,674	305,441	13.5
New Orders.....	43,760	49,140	43,851	-10.9	12.1	-0.7	47,521	35,516	41,947	345,348	304,922	13.3
Nondefense aircraft and parts:												
Shipments.....	9,129	9,757	9,176	-6.4	6.3	-4.9	9,047	7,989	8,373	72,216	58,906	22.6
New Orders.....	-346	19,199	12,708	-101.8	51.1	32.5	33	18,564	15,061	82,919	74,107	11.9
Defense aircraft and parts:												
Shipments.....	4,550	4,331	4,646	5.1	-6.8	-0.4	4,532	3,661	4,296	35,624	35,905	-0.8
New Orders.....	4,190	4,557	5,143	-8.1	-11.4	23.7	3,238	3,560	4,745	35,497	38,700	-8.3
All other durable goods:												
Shipments.....	33,171	33,069	33,086	0.3	-0.1	-0.6	35,120	32,928	34,104	266,159	255,284	4.3
New Orders.....	33,153	33,119	33,143	0.1	-0.1	-0.3	34,563	32,948	33,430	266,649	255,614	4.3
Capital goods³:												
Shipments.....	77,659	79,022	79,374	-1.7	-0.4	0.9	77,709	73,053	77,154	617,668	580,193	6.5
New Orders.....	63,751	86,352	84,619	-26.2	2.0	8.1	60,829	78,949	81,709	627,975	621,620	1.0
Nondefense capital goods:												
Shipments.....	69,543	70,765	70,713	-1.7	0.1	0.8	69,623	65,675	68,582	552,429	508,329	8.7
New Orders.....	57,684	76,216	72,741	-24.3	4.8	2.4	55,981	70,999	73,675	563,987	543,007	3.9
Excluding aircraft:												
Shipments.....	63,487	64,076	64,815	-0.9	-1.1	1.4	63,443	60,215	63,260	505,551	474,004	6.7
New Orders.....	61,065	60,388	63,667	1.1	-5.2	-2.7	58,606	55,671	61,719	507,779	496,144	2.3
Defense capital goods:												
Shipments.....	8,116	8,257	8,661	-1.7	-4.7	1.9	8,086	7,378	8,572	65,239	71,864	-9.2
New Orders.....	6,067	10,136	11,878	-40.1	-14.7	64.3	4,848	7,950	8,034	63,988	78,613	-18.6

^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
	Aug 2012 ²	Jul 2012 ^r	Jun 2012	Jul - Aug ²	Jun - Jul ^r	May - Jun	Aug 2012 ²	Jul 2012 ^r	Aug 2011	
DURABLE GOODS										
Total:										
Unfilled Orders ¹	978,743	995,663	988,660	-1.7	0.7	0.4	970,774	992,908	923,406	5.1
Total Inventories.....	371,559	369,361	366,503	0.6	0.8	0.3	375,139	372,494	356,787	5.1
Excluding transportation:										
Unfilled Orders ¹	410,189	415,082	418,410	-1.2	-0.8	-0.5	406,612	415,661	392,058	3.7
Total Inventories.....	259,446	258,842	257,459	0.2	0.5	0.0	261,751	260,759	253,709	3.2
Excluding defense:										
Unfilled Orders ¹	789,163	804,039	798,687	-1.9	0.7	0.1	783,172	801,602	731,924	7.0
Total Inventories.....	345,425	343,600	340,879	0.5	0.8	0.3	349,091	346,677	330,452	5.6
Manufacturing with unfilled orders:										
Unfilled Orders.....	978,743	995,663	988,660	-1.7	0.7	0.4	970,774	992,908	923,406	5.1
Total Inventories.....	301,055	299,200	297,248	0.6	0.7	0.2	304,112	302,209	288,841	5.3
Primary metals:										
Unfilled Orders.....	31,665	32,679	33,368	-3.1	-2.1	-2.8	31,039	32,362	33,039	-6.1
Total Inventories.....	34,179	34,090	34,062	0.3	0.1	-1.0	34,409	34,512	35,536	-3.2
Fabricated metal products:										
Unfilled Orders.....	83,246	82,856	82,369	0.5	0.6	0.4	83,029	83,530	76,880	8.0
Total Inventories.....	45,944	45,884	45,839	0.1	0.1	-0.3	46,289	46,442	45,443	1.9
Machinery:										
Unfilled Orders.....	130,075	134,589	137,832	-3.4	-2.4	-1.3	128,980	134,932	127,023	1.5
Total Inventories.....	67,074	66,578	65,698	0.7	1.3	0.0	67,593	66,709	60,877	11.0
Computers and electronic products⁴:										
Unfilled Orders.....	136,803	136,545	136,097	0.2	0.3	0.3	135,314	135,935	128,664	5.2
Total Inventories.....	46,130	46,077	46,106	0.1	-0.1	0.6	46,976	46,609	46,979	0.0
Computers and related products:										
Unfilled Orders.....	1,164	1,108	1,194	5.1	-7.2	1.2	1,164	1,108	1,158	0.5
Total Inventories.....	3,959	4,000	3,919	-1.0	2.1	-2.8	4,174	4,073	4,241	-1.6
Communications equipment:										
Unfilled Orders.....	33,780	33,846	33,579	-0.2	0.8	0.9	33,414	33,454	30,529	9.5
Total Inventories.....	8,548	8,571	8,560	-0.3	0.1	1.9	8,649	8,597	9,326	-7.3
Electrical equipment, appliances, and components:										
Unfilled Orders.....	21,183	21,178	21,559	0.0	-1.8	-1.0	21,178	21,273	19,634	7.9
Total Inventories.....	15,404	15,442	15,414	-0.2	0.2	-0.3	15,564	15,656	15,309	1.7
Transportation equipment:										
Unfilled Orders.....	568,554	580,581	570,250	-2.1	1.8	1.1	564,162	577,247	531,348	6.2
Total Inventories.....	112,113	110,519	109,044	1.4	1.4	0.9	113,388	111,735	103,078	10.0
Motor vehicles and parts:										
Unfilled Orders.....	16,545	16,448	16,494	0.6	-0.3	-0.6	15,792	16,042	16,024	-1.4
Total Inventories.....	25,128	24,875	24,596	1.0	1.1	0.5	25,390	25,136	24,165	5.1
Nondefense Aircraft and parts:										
Unfilled Orders.....	398,731	408,206	398,764	-2.3	2.4	0.9	396,460	405,474	356,755	11.1
Total Inventories.....	60,273	59,086	58,431	2.0	1.1	1.3	61,155	59,887	53,301	14.7
Defense Aircraft and parts:										
Unfilled Orders.....	59,975	60,335	60,109	-0.6	0.4	0.8	59,229	60,523	58,932	0.5
Total Inventories.....	13,629	13,343	13,221	2.1	0.9	0.1	13,715	13,431	13,048	5.1
All other durable goods:										
Unfilled Orders.....	7,217	7,235	7,185	-0.2	0.7	0.8	7,072	7,629	6,818	3.7
Total Inventories.....	50,715	50,771	50,340	-0.1	0.9	0.4	50,920	50,831	49,565	2.7
Capital goods³:										
Unfilled Orders.....	746,023	759,931	752,601	-1.8	1.0	0.7	739,753	756,633	695,642	6.3
Total Inventories.....	193,287	191,448	189,402	1.0	1.1	0.6	195,454	192,790	180,580	8.2
Nondefense capital goods:										
Unfilled Orders.....	580,464	592,323	586,872	-2.0	0.9	0.3	575,673	589,315	527,363	9.2
Total Inventories.....	171,897	170,443	168,506	0.9	1.1	0.7	174,236	171,817	159,563	9.2
Excluding aircraft:										
Unfilled Orders.....	238,160	240,582	244,270	-1.0	-1.5	-0.5	235,635	240,472	223,250	5.5
Total Inventories.....	121,336	121,051	119,605	0.2	1.2	0.3	122,957	121,764	115,068	6.9
Defense capital goods:										
Unfilled Orders.....	165,559	167,608	165,729	-1.2	1.1	2.0	164,080	167,318	168,279	-2.5
Total Inventories.....	21,390	21,005	20,896	1.8	0.5	0.3	21,218	20,973	21,017	1.0

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>.

Source: U.S. Census Bureau, Manufacturers' Shipments, Inventories, and Orders Survey