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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders August 2014

New Orders. New orders for manufactured durable goods in August decreased \$54.5 billion or 18.2 percent to \$245.4 billion, the U.S. Census Bureau announced today. This decrease, down following two consecutive monthly increases, followed a 22.5 percent July increase. Excluding transportation, new orders increased 0.7 percent. Excluding defense, new orders decreased 19.0 percent. Transportation equipment, also down following two consecutive monthly increases, drove the decrease, \$55.6 billion or 42.0 percent to \$76.8 billion.

Shipments. Shipments of manufactured durable goods in August, down following two consecutive monthly increases, decreased \$3.7 billion or 1.5 percent to \$246.1 billion. This followed a 3.7 percent July increase. Transportation equipment, also down following two consecutive monthly increases, drove the decrease, \$3.9 billion or 5.1 percent to \$72.5 billion.

Unfilled Orders. Unfilled orders for manufactured durable goods in August, up sixteen of the last seventeen months, increased \$7.4 billion or 0.6 percent to \$1,165.0 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 5.3 percent July increase. Transportation equipment, up eleven of the last twelve months, led the increase, \$4.3 billion or 0.6 percent to \$742.1 billion.

Inventories. Inventories of manufactured durable goods in August, up sixteen of the last seventeen months, increased \$1.7 billion or 0.4 percent to \$403.0 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 0.4 percent July increase. Transportation equipment, also up sixteen of the last seventeen months, led the increase, \$0.6 billion or 0.4 percent to \$129.9 billion.

Capital Goods. Nondefense new orders for capital goods in August decreased \$49.5 billion or 36.3 percent to \$86.8 billion. Shipments increased \$0.1 billion or 0.2 percent to \$79.7 billion. Unfilled orders increased \$7.1 billion or 1.0 percent to \$731.8 billion. Inventories increased \$0.6 billion or 0.3 percent to \$184.1 billion. Defense new orders for capital goods in August increased \$0.4 billion or 5.4 percent to \$8.8 billion. Shipments increased \$0.1 billion or 0.9 percent to \$9.7 billion. Unfilled orders decreased \$0.9 billion or 0.6 percent to \$158.3 billion. Inventories increased \$0.1 billion or 0.5 percent to \$23.9 billion.

Revised July Data. Revised seasonally adjusted July figures for all manufacturing industries were: new orders, \$558.5 billion (revised from \$558.3 billion); shipments, \$508.4 billion (revised from \$507.4 billion); unfilled orders, \$1,157.6 billion (revised from \$1,158.2 billion); and total inventories, \$653.5 billion (revised from \$653.8 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 October 2, 2014, at 10:00 a.m. EDT. The Advance Report on durable goods for September is scheduled for release on October 28, 2014 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. The U.S. Census Bureau updated its Application Programming Interface (API) with monthly and quarterly economic indicators. The API allows developers to combine Census Bureau statistics with other data sets to create tools for research on a variety of topics.

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		Percent Change 2014/2013
	Aug 2014 ²	Jul 2014 ¹	Jun 2014	Jul - Aug ²	Jun - Jul ¹	May - Jun	Aug 2014 ²	Jul 2014 ¹	Aug 2013	2014	2013	
DURABLE GOODS												
Total:												
Shipments.....	246,106	249,802	240,950	-1.5	3.7	1.2	249,353	236,943	238,133	1,909,420	1,820,862	4.9
New Orders ⁴	245,433	299,960	244,841	-18.2	22.5	2.7	239,321	282,879	222,754	1,944,137	1,797,919	8.1
Excluding transportation:												
Shipments.....	173,564	173,363	170,174	0.1	1.9	1.1	175,743	171,823	165,966	1,351,238	1,285,542	5.1
New Orders ⁴	168,629	167,535	168,440	0.7	-0.5	3.0	167,002	162,251	156,625	1,317,067	1,254,615	5.0
Excluding defense:												
Shipments.....	234,278	237,966	229,437	-1.5	3.7	1.3	237,729	226,539	225,672	1,818,002	1,726,551	5.3
New Orders ⁴	234,608	289,486	231,740	-19.0	24.9	2.7	231,179	275,122	214,051	1,855,283	1,718,102	8.0
Manufacturing with unfilled orders:												
Shipments.....	173,665	174,894	169,968	-0.7	2.9	1.9	175,846	165,502	166,304	1,340,338	1,276,888	5.0
New Orders.....	181,095	233,227	181,134	-22.4	28.8	4.0	173,690	221,779	157,869	1,436,471	1,308,821	9.8
Primary metals:												
Shipments.....	27,686	27,583	27,077	0.4	1.9	1.0	28,348	27,385	26,465	217,278	203,928	6.5
New Orders.....	27,762	27,959	27,996	-0.7	-0.1	2.0	27,706	27,638	25,721	220,010	206,602	6.5
Fabricated metal products:												
Shipments.....	30,437	30,285	30,167	0.5	0.4	1.8	31,925	30,137	30,732	238,927	232,165	2.9
New Orders.....	30,797	30,692	30,715	0.3	-0.1	2.5	31,501	30,359	30,798	242,227	242,841	-0.3
Machinery:												
Shipments.....	36,775	36,856	35,763	-0.2	3.1	-0.4	36,220	35,929	33,850	287,821	273,800	5.1
New Orders.....	37,947	37,693	38,323	0.7	-1.6	5.0	36,549	36,148	33,863	299,911	278,801	7.6
Computers and electronic products ⁴ :												
Shipments.....	29,717	29,966	29,052	-0.8	3.1	2.2	28,420	29,578	26,882	226,589	214,917	5.4
New Orders.....	22,892	22,515	22,688	1.7	-0.8	3.8	20,914	19,562	18,824	171,217	163,867	4.5
Computers and related products:												
Shipments.....	2,160	2,315	2,452	-6.7	-5.6	5.1	1,741	1,584	2,008	16,733	16,838	-0.6
New Orders.....	2,237	2,443	2,646	-8.4	-7.7	-1.2	1,818	1,712	1,929	17,256	16,956	1.8
Communications equipment:												
Shipments.....	3,734	3,850	3,836	-3.0	0.4	3.5	3,658	3,334	3,895	29,387	30,637	-4.1
New Orders.....	4,328	4,180	3,761	3.5	11.1	5.6	4,077	3,392	3,792	32,103	33,666	-4.6
Electrical equipment, appliances, and components:												
Shipments.....	10,714	10,617	10,405	0.9	2.0	2.0	10,956	10,221	10,518	82,502	82,023	0.6
New Orders.....	10,953	10,623	10,918	3.1	-2.7	5.8	10,945	10,000	10,364	85,022	83,367	2.0
Transportation equipment:												
Shipments.....	72,542	76,439	70,776	-5.1	8.0	1.5	73,610	65,120	72,167	558,182	535,320	4.3
New Orders.....	76,804	132,425	76,401	-42.0	73.3	2.2	72,319	120,628	66,129	627,070	543,304	15.4
Motor vehicles and parts:												
Shipments.....	47,422	50,817	46,167	-6.7	10.1	-1.2	48,945	42,893	48,604	371,749	356,044	4.4
New Orders.....	47,636	50,908	46,296	-6.4	10.0	-1.2	49,263	42,623	48,586	372,063	355,606	4.6
Nondefense aircraft and parts:												
Shipments.....	13,227	13,394	12,877	-1.2	4.0	14.2	12,822	11,722	11,035	93,898	85,204	10.2
New Orders.....	17,976	69,976	16,836	-74.3	315.6	11.2	14,020	69,225	8,449	162,628	108,326	50.1
Defense aircraft and parts:												
Shipments.....	4,369	4,557	4,415	-4.1	3.2	-4.3	4,313	3,819	4,899	35,050	36,223	-3.2
New Orders.....	4,024	4,048	5,931	-0.6	-31.7	9.5	2,738	3,282	3,268	33,123	28,730	15.3
All other durable goods:												
Shipments.....	38,235	38,056	37,710	0.5	0.9	0.9	39,874	38,573	37,519	298,121	278,709	7.0
New Orders.....	38,278	38,053	37,800	0.6	0.7	0.9	39,387	38,544	37,055	298,680	279,137	7.0
Capital goods ³ :												
Shipments.....	89,367	89,141	87,528	0.3	1.8	2.6	87,924	83,033	83,484	682,358	655,342	4.1
New Orders.....	95,542	144,576	94,856	-33.9	52.4	4.9	87,315	136,140	77,183	761,313	684,686	11.2
Nondefense capital goods:												
Shipments.....	79,687	79,548	78,117	0.2	1.8	3.1	78,356	74,578	73,265	607,795	578,761	5.0
New Orders.....	86,784	136,264	84,734	-36.3	60.8	5.1	80,480	129,999	70,106	689,338	619,896	11.2
Excluding aircraft:												
Shipments.....	70,350	70,253	68,937	0.1	1.9	1.0	69,122	66,466	65,374	543,103	520,057	4.4
New Orders.....	73,233	72,777	72,944	0.6	-0.2	5.4	69,753	67,710	64,697	564,293	539,653	4.6
Defense capital goods:												
Shipments.....	9,680	9,593	9,411	0.9	1.9	-0.9	9,568	8,455	10,219	74,563	76,581	-2.6
New Orders.....	8,758	8,312	10,122	5.4	-17.9	4.0	6,835	6,141	7,077	71,975	64,790	11.1

¹ Revised data due to late receipts and concurrent seasonal adjustment.² 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.³ 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>.⁴ 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.

⁵ 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 2014/ 2013	
	Aug 2014 ²	Jul 2014 ¹	Jun 2014	Jul - Aug ²	Jun - Jul ¹	May - Jun	Aug 2014 ²	Jul 2014 ¹	Aug 2013		
<u>DURABLE GOODS</u>											
Total:											
Unfilled Orders ⁴	1,165,001	1,157,571	1,099,238	0.6	5.3	1.0	1,156,411	1,158,567	1,022,797	13.1	
Total Inventories.....	403,015	401,347	399,598	0.4	0.4	0.4	406,872	404,464	382,723	6.3	
Excluding transportation:											
Unfilled Orders ⁴	422,930	419,762	417,415	0.8	0.6	1.3	421,082	421,947	395,284	6.5	
Total Inventories.....	273,091	271,994	270,669	0.4	0.5	0.2	275,825	273,822	264,167	4.4	
Excluding defense:											
Unfilled Orders ⁴	975,669	967,236	907,541	0.9	6.6	1.1	968,071	966,745	826,937	17.1	
Total Inventories.....	373,666	372,147	370,219	0.4	0.5	0.3	377,578	375,115	355,592	6.2	
Manufacturing with unfilled orders:											
Unfilled Orders.....	1,165,001	1,157,571	1,099,238	0.6	5.3	1.0	1,156,411	1,158,567	1,022,797	13.1	
Total Inventories.....	331,079	329,359	327,562	0.5	0.5	0.5	334,655	332,571	313,575	6.7	
Primary metals:											
Unfilled Orders.....	39,371	39,295	38,919	0.2	1.0	2.4	38,785	39,427	34,801	11.4	
Total Inventories.....	37,094	36,819	36,431	0.7	1.1	0.6	37,386	36,931	35,068	6.6	
Fabricated metal products:											
Unfilled Orders.....	86,754	86,394	85,987	0.4	0.5	0.6	87,097	87,521	89,628	-2.8	
Total Inventories.....	49,824	49,625	49,329	0.4	0.6	0.5	50,073	50,185	47,644	5.1	
Machinery:											
Unfilled Orders.....	120,511	119,339	118,502	1.0	0.7	2.2	119,837	119,508	106,791	12.2	
Total Inventories.....	67,583	67,363	67,149	0.3	0.3	0.6	68,427	67,665	66,507	2.9	
Computers and electronic products⁴:											
Unfilled Orders.....	143,823	142,545	141,821	0.9	0.5	0.6	143,015	142,645	134,488	6.3	
Total Inventories.....	48,563	48,413	48,459	0.3	-0.1	-0.5	49,478	48,968	47,289	4.6	
Computers and related products:											
Unfilled Orders.....	3,912	3,835	3,707	2.0	3.5	5.5	3,912	3,835	3,345	17.0	
Total Inventories.....	4,664	4,702	4,598	-0.8	2.3	0.3	4,881	4,803	4,748	2.8	
Communications equipment:											
Unfilled Orders.....	38,623	38,029	37,699	1.6	0.9	-0.2	38,243	37,824	33,459	14.3	
Total Inventories.....	7,621	7,662	7,798	-0.5	-1.7	0.0	7,709	7,632	7,513	2.6	
Electrical equipment, appliances, and components:											
Unfilled Orders.....	24,801	24,562	24,556	1.0	0.0	2.1	24,810	24,821	22,318	11.2	
Total Inventories.....	16,753	16,630	16,199	0.7	2.7	-2.4	16,912	16,839	16,932	-0.1	
Transportation equipment:											
Unfilled Orders.....	742,071	737,809	681,823	0.6	8.2	0.8	735,329	736,620	627,513	17.2	
Total Inventories.....	129,924	129,353	128,929	0.4	0.3	0.9	131,047	130,642	118,556	10.5	
Motor vehicles and parts:											
Unfilled Orders.....	17,084	16,870	16,779	1.3	0.5	0.8	16,830	16,512	16,347	3.0	
Total Inventories.....	26,877	26,684	26,590	0.7	0.4	1.1	27,028	26,870	25,450	6.2	
Nondefense Aircraft and parts:											
Unfilled Orders.....	570,069	565,320	508,738	0.8	11.1	0.8	564,438	563,240	454,478	24.2	
Total Inventories.....	73,116	73,024	72,478	0.1	0.8	0.4	73,907	73,865	65,204	13.3	
Defense Aircraft and parts:											
Unfilled Orders.....	63,623	63,968	64,477	-0.5	-0.8	2.4	62,584	64,159	64,866	-3.5	
Total Inventories.....	14,597	14,424	14,199	1.2	1.6	-0.2	14,647	14,549	13,498	8.5	
All other durable goods:											
Unfilled Orders.....	7,670	7,627	7,630	0.6	0.0	1.2	7,538	8,025	7,258	3.9	
Total Inventories.....	53,274	53,144	53,102	0.2	0.1	0.6	53,549	53,234	50,727	5.6	
Capital goods³:											
Unfilled Orders.....	890,046	883,871	828,436	0.7	6.7	0.9	883,400	884,009	770,558	14.6	
Total Inventories.....	208,024	207,269	205,732	0.4	0.7	0.3	210,645	208,935	196,628	7.1	
Nondefense capital goods:											
Unfilled Orders.....	731,756	724,659	667,943	1.0	8.5	1.0	725,414	723,290	604,406	20.0	
Total Inventories.....	184,092	183,466	181,719	0.3	1.0	0.1	186,818	185,108	174,666	7.0	
Excluding aircraft:											
Unfilled Orders.....	251,071	248,188	245,664	1.2	1.0	1.7	249,835	249,204	227,435	9.8	
Total Inventories.....	123,014	122,357	121,492	0.5	0.7	0.0	124,959	123,212	120,992	3.3	
Defense capital goods:											
Unfilled Orders.....	158,290	159,212	160,493	-0.6	-0.8	0.4	157,986	160,719	166,152	-4.9	
Total Inventories.....	23,932	23,803	24,013	0.5	-0.9	1.8	23,827	23,827	21,962	8.5	

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>.