

U.S. Census Bureau News

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

FOR IMMEDIATE RELEASE
THURSDAY, FEBRUARY 27, 2014, AT 8:30 A.M. EST

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M3-1 (14)-01
CB14-32

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

New Orders

New orders for manufactured durable goods in January decreased \$2.2 billion or 1.0 percent to \$225.0 billion, the U.S. Census Bureau announced today. This decrease, down three of the last four months, followed a 5.3 percent December decrease. Excluding transportation, new orders increased 1.1 percent. Excluding defense, new orders decreased 1.8 percent.

Transportation equipment, also down three of the last four months, drove the decrease, \$4.0 billion or 5.6 percent to \$67.3 billion. This was led by nondefense aircraft and parts, which decreased \$3.4 billion.

Shipments

Shipments of manufactured durable goods in January, down two consecutive months, decreased \$0.9 billion or 0.4 percent to \$232.3 billion. This followed a 1.8 percent December decrease.

Machinery, down following five consecutive monthly increases, drove the decrease, \$0.9 billion or 2.6 percent to \$34.5 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in January, up eleven of the last twelve months, increased \$0.6 billion or 0.1 percent to \$1,060.1 billion. This was at the highest level since the series was first published on a NAICS basis in 1992, and followed a 0.2 percent December increase.

Machinery, up nine of the last ten months, drove the increase, \$2.0 billion or 1.8 percent to \$112.0 billion.

Inventories

Inventories of manufactured durable goods in January, up nine of the last ten months, increased \$1.0 billion or 0.3 percent to \$389.1 billion. This was at the highest level since the series was first published on a NAICS basis, and followed a 0.9 percent December increase.

Transportation equipment, up twenty of the last twenty-one months, drove the increase, \$1.1 billion or 0.9 percent to \$123.0 billion.

Capital Goods

Nondefense new orders for capital goods in January decreased \$3.2 billion or 3.9 percent to \$78.3 billion. Shipments decreased \$0.8 billion or 1.0 percent to \$75.1 billion. Unfilled orders increased \$3.2 billion or 0.5 percent to \$644.7 billion. Inventories increased \$0.5 billion or 0.3 percent to \$177.5 billion.

Defense new orders for capital goods in January increased \$1.6 billion or 26.3 percent to \$7.7 billion. Shipments decreased \$0.2 billion or 1.9 percent to \$9.7 billion. Unfilled orders decreased \$2.0 billion or 1.3 percent to \$158.8 billion. Inventories decreased \$0.4 billion or 1.7 percent to \$22.6 billion.

Revised December Data

Revised seasonally adjusted December figures for all manufacturing industries were: new orders, \$486.4 billion (revised from \$489.2 billion); shipments, \$492.4 billion (revised from \$492.7 billion); unfilled orders, \$1,059.5 billion (revised from \$1,061.7 billion); and total inventories \$637.0 billion (revised from \$636.6 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 March 6, 2014, at 10:00 a.m. EST. The Advance Report on durable goods for February is scheduled for release on March 26, 2014, at 8:30 a.m. EST. 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. Discover the U.S. Census Bureau's economic statistics through the Economic Indicator Webinar Series. Each of the 13 economic indicators in this webinar series will provide an in-depth description of how the critical economic indicator data are collected and how you can access and use these statistics. Sessions include construction, housing, international trade, retail trade and more. For more information, go to www.census.gov/econ/webinar.

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		
	Jan 2014 ²	Dec 2013 ¹	Nov 2013	Dec - Jan ²	Nov - Dec ¹	Oct - Nov	Jan 2014 ²	Dec 2013 ¹	Jan 2013	2014	2013	Percent Change 2014/2013
DURABLE GOODS												
Total:												
Shipments.....	232,323	233,177	237,475	-0.4	-1.8	1.4	211,515	229,216	204,561	211,515	204,561	3.4
New Orders ⁴	224,975	227,172	239,981	-1.0	-5.3	2.7	206,933	244,013	202,172	206,933	202,172	2.4
Excluding transportation:												
Shipments.....	164,411	165,195	165,023	-0.5	0.1	1.3	152,486	161,024	148,061	152,486	148,061	3.0
New Orders ⁴	157,685	155,917	158,990	1.1	-1.9	0.2	149,457	154,434	148,924	149,457	148,924	0.4
Excluding defense:												
Shipments.....	220,348	221,373	224,311	-0.5	-1.3	1.0	201,815	216,262	195,103	201,815	195,103	3.4
New Orders ⁴	215,530	219,497	229,565	-1.8	-4.4	2.9	199,335	229,730	193,286	199,335	193,286	3.1
Manufacturing with unfilled orders:												
Shipments.....	162,961	162,428	164,271	0.3	-1.1	0.2	147,244	163,189	142,839	147,244	142,839	3.1
New Orders.....	163,547	164,132	174,061	-0.4	-5.7	2.4	151,851	184,261	148,261	151,851	148,261	2.4
Primary metals:												
Shipments.....	25,680	26,110	26,231	-1.6	-0.5	0.0	25,744	23,456	25,153	25,744	25,153	2.3
New Orders.....	25,330	25,927	26,604	-2.3	-2.5	-0.7	26,748	23,941	25,332	26,748	25,332	5.6
Fabricated metal products:												
Shipments.....	28,742	28,765	29,109	-0.1	-1.2	0.1	26,988	26,347	27,210	26,988	27,210	-0.8
New Orders.....	28,208	26,277	28,102	7.3	-6.5	-3.0	26,639	24,982	30,420	26,639	30,420	-12.4
Machinery:												
Shipments.....	34,546	35,480	35,285	-2.6	0.6	3.6	30,818	35,961	30,181	30,818	30,181	2.1
New Orders.....	36,536	36,673	35,777	-0.4	2.5	3.2	35,154	36,236	34,191	35,154	34,191	2.8
Computers and electronic products ⁴:												
Shipments.....	29,245	28,796	28,088	1.6	2.5	2.4	27,102	31,433	25,211	27,102	25,211	7.5
New Orders.....	21,270	20,315	22,206	4.7	-8.5	0.8	18,285	25,390	18,149	18,285	18,149	0.7
Computers and related products:												
Shipments.....	2,477	2,442	2,353	1.4	3.8	6.2	1,715	3,887	1,581	1,715	1,581	8.5
New Orders.....	2,291	2,456	2,372	-6.7	3.5	5.9	1,529	3,901	1,570	1,529	1,570	-2.6
Communications equipment:												
Shipments.....	4,136	3,796	3,702	9.0	2.5	-6.5	3,378	4,555	3,169	3,378	3,169	6.6
New Orders.....	4,401	4,368	4,640	0.8	-5.9	9.7	3,701	5,340	3,872	3,701	3,872	-4.4
Electrical equipment, appliances, and components:												
Shipments.....	10,311	10,172	10,361	1.4	-1.8	-0.2	9,339	9,818	9,290	9,339	9,290	0.5
New Orders.....	10,536	10,760	10,171	-2.1	5.8	-3.9	10,250	10,217	9,854	10,250	9,854	4.0
Transportation equipment:												
Shipments.....	67,912	67,982	72,452	-0.1	-6.2	1.6	59,029	68,192	56,500	59,029	56,500	4.5
New Orders.....	67,290	71,255	80,991	-5.6	-12.0	8.1	57,476	89,579	53,248	57,476	53,248	7.9
Motor vehicles and parts:												
Shipments.....	43,829	44,784	48,167	-2.1	-7.0	2.0	40,539	39,908	39,528	40,539	39,528	2.6
New Orders.....	43,856	44,851	48,046	-2.2	-6.6	2.2	40,728	40,371	39,578	40,728	39,578	2.9
Nondefense aircraft and parts:												
Shipments.....	12,065	11,603	11,193	4.0	3.7	-8.3	8,974	15,789	7,756	8,974	7,756	15.7
New Orders.....	13,555	16,987	21,869	-20.2	-22.3	21.1	8,736	34,466	5,646	8,736	5,646	54.7
Defense aircraft and parts:												
Shipments.....	4,729	4,155	5,535	13.8	-24.9	16.1	3,686	4,794	3,373	3,686	3,373	9.3
New Orders.....	3,874	3,245	4,149	19.4	-21.8	14.0	3,338	6,388	3,714	3,338	3,714	-10.1
All other durable goods:												
Shipments.....	35,887	35,872	35,949	0.0	-0.2	0.6	32,495	34,009	31,016	32,495	31,016	4.8
New Orders.....	35,805	35,965	36,130	-0.4	-0.5	1.4	32,381	33,668	30,978	32,381	30,978	4.5
Capital goods ³:												
Shipments.....	84,797	85,745	85,719	-1.1	0.0	2.1	72,697	94,711	70,285	72,697	70,285	3.4
New Orders.....	85,978	87,548	95,765	-1.8	-8.6	7.4	74,909	113,001	73,417	74,909	73,417	2.0
Nondefense capital goods:												
Shipments.....	75,097	75,858	74,873	-1.0	1.3	1.0	64,776	84,065	62,642	64,776	62,642	3.4
New Orders.....	78,312	81,479	87,158	-3.9	-6.5	8.2	68,812	102,044	67,099	68,812	67,099	2.6
Excluding aircraft:												
Shipments.....	66,856	67,368	67,135	-0.8	0.3	2.4	59,407	71,762	57,937	59,407	57,937	2.5
New Orders.....	68,758	67,581	68,821	1.7	-1.8	3.0	64,236	72,047	65,355	64,236	65,355	-1.7
Defense capital goods:												
Shipments.....	9,700	9,887	10,846	-1.9	-8.8	10.5	7,921	10,646	7,643	7,921	7,643	3.6
New Orders.....	7,666	6,069	8,607	26.3	-29.5	-0.2	6,097	10,957	6,318	6,097	6,318	-3.5

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, 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
	Jan 2014 ²	Dec 2013 ¹	Nov 2013	Dec - Jan ²	Nov - Dec ¹	Oct - Nov	Jan 2014 ²	Dec 2013 ¹	Jan 2013	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	1,060,117	1,059,531	1,057,827	0.1	0.2	0.9	1,064,824	1,060,217	996,286	6.9
Total Inventories.....	389,122	388,090	384,656	0.3	0.9	0.3	388,061	377,694	374,128	3.7
Excluding transportation:										
Unfilled Orders ⁴	403,032	401,824	403,393	0.3	-0.4	0.3	399,978	393,818	380,009	5.3
Total Inventories.....	266,135	266,178	263,911	0.0	0.9	0.3	265,491	259,553	261,735	1.4
Excluding defense:										
Unfilled Orders ⁴	872,135	869,019	863,186	0.4	0.7	1.5	876,022	869,313	786,504	11.4
Total Inventories.....	361,235	359,853	357,063	0.4	0.8	0.5	360,111	349,631	347,128	3.7
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,060,117	1,059,531	1,057,827	0.1	0.2	0.9	1,064,824	1,060,217	996,286	6.9
Total Inventories.....	318,879	317,892	314,847	0.3	1.0	0.2	317,739	308,903	304,838	4.2
Primary metals:										
Unfilled Orders.....	36,365	36,715	36,898	-1.0	-0.5	1.0	37,036	36,032	32,306	14.6
Total Inventories.....	35,612	35,459	35,003	0.4	1.3	0.2	35,577	35,086	36,200	-1.7
Fabricated metal products:										
Unfilled Orders.....	86,553	87,087	89,575	-0.6	-2.8	-1.1	83,474	83,823	82,162	1.6
Total Inventories.....	48,284	48,234	47,943	0.1	0.6	0.4	48,137	47,390	46,904	2.6
Machinery:										
Unfilled Orders.....	112,015	110,025	108,832	1.8	1.1	0.5	112,039	107,703	105,800	5.9
Total Inventories.....	66,255	66,434	66,021	-0.3	0.6	-0.3	66,024	63,873	66,076	-0.1
Computers and electronic products⁴:										
Unfilled Orders.....	137,586	137,627	138,399	0.0	-0.6	1.0	137,357	136,985	131,411	4.5
Total Inventories.....	47,389	47,692	46,972	-0.6	1.5	0.7	47,148	46,459	46,009	2.5
Computers and related products:										
Unfilled Orders.....	3,203	3,389	3,375	-5.5	0.4	0.6	3,203	3,389	3,216	-0.4
Total Inventories.....	4,634	4,724	4,579	-1.9	3.2	2.5	4,515	4,369	4,258	6.0
Communications equipment:										
Unfilled Orders.....	36,007	35,742	35,170	0.7	1.6	2.7	35,850	35,527	31,133	15.2
Total Inventories.....	7,635	7,820	7,561	-2.4	3.4	1.6	7,718	7,681	7,643	1.0
Electrical equipment, appliances, and components:										
Unfilled Orders.....	23,130	22,905	22,317	1.0	2.6	-0.8	23,208	22,297	21,538	7.8
Total Inventories.....	16,825	16,783	16,960	0.3	-1.0	-0.6	16,820	16,075	16,830	-0.1
Transportation equipment:										
Unfilled Orders.....	657,085	657,707	654,434	-0.1	0.5	1.3	664,846	666,399	616,277	7.9
Total Inventories.....	122,987	121,912	120,745	0.9	1.0	0.4	122,570	118,141	112,393	9.1
Motor vehicles and parts:										
Unfilled Orders.....	16,383	16,356	16,289	0.2	0.4	-0.7	16,663	16,474	16,835	-1.0
Total Inventories.....	25,714	25,174	25,187	2.1	-0.1	-1.0	26,169	24,428	25,983	0.7
Nondefense Aircraft and parts:										
Unfilled Orders.....	489,361	487,871	482,487	0.3	1.1	2.3	495,470	495,708	429,246	15.4
Total Inventories.....	69,056	68,297	67,539	1.1	1.1	1.9	68,083	65,567	58,501	16.4
Defense Aircraft and parts:										
Unfilled Orders.....	62,844	63,699	64,609	-1.3	-1.4	-2.1	64,163	64,511	72,700	-11.7
Total Inventories.....	13,334	13,278	12,970	0.4	2.4	-3.1	13,231	13,117	13,236	0.0
All other durable goods:										
Unfilled Orders.....	7,383	7,465	7,372	-1.1	1.3	2.5	6,864	6,978	6,792	1.1
Total Inventories.....	51,770	51,576	51,012	0.4	1.1	0.8	51,785	50,670	49,716	4.2
Capital goods³:										
Unfilled Orders.....	803,485	802,304	800,501	0.1	0.2	1.3	806,632	804,420	744,346	8.4
Total Inventories.....	200,126	199,968	197,907	0.1	1.0	0.3	198,625	193,057	189,530	4.8
Nondefense capital goods:										
Unfilled Orders.....	644,692	641,477	635,856	0.5	0.9	2.0	647,882	643,846	567,728	14.1
Total Inventories.....	177,509	176,968	175,494	0.3	0.8	0.6	175,842	170,070	167,595	4.9
Excluding aircraft:										
Unfilled Orders.....	235,647	233,745	233,532	0.8	0.1	0.7	233,449	228,620	215,257	8.5
Total Inventories.....	120,338	120,625	119,968	-0.2	0.5	0.1	119,757	116,484	120,282	-0.4
Defense capital goods:										
Unfilled Orders.....	158,793	160,827	164,645	-1.3	-2.3	-1.3	158,750	160,574	176,618	-10.1
Total Inventories.....	22,617	23,000	22,413	-1.7	2.6	-2.5	22,783	22,987	21,935	3.9

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 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>.

Notice of Revisions Due to Updated Seasonal Adjustment Models

On May 15, 2014, monthly seasonally adjusted data for Manufacturers' Shipments, Inventories, and Orders, based on the North American Industry Classification System, will be revised for January 1992 through March 2014. There will be no accompanying press release containing revised seasonally adjusted data for January through March of 2014, and historical data not seasonally adjusted will be unchanged. These revisions to the historical seasonally adjusted data will be based on the results of the recent annual review of the seasonal adjustment models. These updated models will also be used to produce seasonally adjusted data from the Manufacturers' Shipments, Inventories, and Orders Survey, beginning with the April 2014 Advance Report on Durable Goods scheduled for release on May 27, 2014 and the full report scheduled for release on June 3, 2014.

Please call Chris Savage on (301) 763-4832 with any questions regarding this notice.