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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders February 2015

New Orders

New orders for manufactured durable goods in February decreased \$3.2 billion or 1.4 percent to \$231.3 billion, the U.S. Census Bureau announced today. This decrease, down three of the last four months, followed a 2.0 percent January increase. Excluding transportation, new orders decreased 0.4 percent. Excluding defense, new orders decreased 1.0 percent.

Transportation equipment, also down three of the last four months, led the decrease, \$2.5 billion or 3.5 percent to \$69.5 billion.

Shipments

Shipments of manufactured durable goods in February, down four of the last five months, decreased \$0.5 billion or 0.2 percent to \$244.0 billion. This followed a 1.4 percent January decrease.

Primary metals, down five consecutive months, led the decrease, \$0.3 billion or 1.1 percent to \$26.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in February, down three consecutive months, decreased \$5.6 billion or 0.5 percent to \$1,156.9 billion. This followed a 0.3 percent January decrease.

Transportation equipment, also down three consecutive months, led the decrease, \$4.6 billion or 0.6 percent to \$731.6 billion.

Inventories

Inventories of manufactured durable goods in February, up twenty-two of the last twenty-three months, increased \$1.1 billion or 0.3 percent to \$413.0 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 0.3 percent January increase.

Transportation equipment, also up twenty-two of the last twenty-three months, drove the increase, \$1.2 billion or 0.9 percent to \$135.4 billion.

Capital Goods

Nondefense new orders for capital goods in February decreased \$2.1 billion or 2.6 percent to \$77.3 billion. Shipments decreased slightly to \$80.2 billion. Unfilled orders decreased \$2.9 billion or 0.4 percent to \$727.8 billion. Inventories increased \$0.3 billion or 0.1 percent to \$186.8 billion.

Defense new orders for capital goods in February increased \$0.8 billion or 10.2 percent to \$8.3 billion. Shipments decreased \$0.1 billion or 0.8 percent to \$9.0 billion. Unfilled orders decreased \$0.7 billion or 0.4 percent to \$152.9 billion. Inventories increased \$0.7 billion or 3.0 percent to \$24.9 billion.

Revised January Data

Revised seasonally adjusted January figures for all manufacturing industries were: new orders, \$467.7 billion (revised from \$470.0 billion); shipments, \$477.8 billion (revised from \$479.1 billion); unfilled orders, \$1,162.5 billion (revised from \$1,163.4 billion); and total inventories, \$650.1 billion (revised from \$650.5 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 April 2, 2015, at 10:00 a.m. EDT. The Advance Report on durable goods for March is scheduled for release on April 24, 2015 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		
	Feb 2015 ²	Jan 2015 ¹	Dec 2014	Jan - Feb ²	Dec - Jan ¹	Nov - Dec	Feb 2015 ²	Jan 2015 ¹	Feb 2014	2015	2014	Percent Change 2015/2014
DURABLE GOODS												
Total:												
Shipments.....	243,970	244,504	247,910	-0.2	-1.4	1.5	225,410	217,015	218,690	442,425	429,556	3.0
New Orders ⁴	231,291	234,462	229,827	-1.4	2.0	-3.7	218,536	209,364	223,736	427,900	430,177	-0.5
Excluding transportation:												
Shipments.....	169,843	170,097	172,620	-0.1	-1.5	0.4	155,260	154,175	152,303	309,435	304,257	1.7
New Orders ⁴	161,807	162,453	163,651	-0.4	-0.7	-0.8	153,631	150,132	152,994	303,763	302,152	0.5
Excluding defense:												
Shipments.....	232,791	233,288	235,266	-0.2	-0.8	1.3	214,937	207,979	207,627	422,916	408,862	3.4
New Orders ⁴	222,596	224,795	219,755	-1.0	2.3	-3.2	210,162	201,628	213,425	411,790	412,808	-0.2
Manufacturing with unfilled orders:												
Shipments.....	172,495	173,236	175,193	-0.4	-1.1	1.4	159,672	152,652	153,317	312,324	299,818	4.2
New Orders.....	166,929	170,143	164,363	-1.9	3.5	-5.8	158,475	152,899	164,420	311,374	315,710	-1.4
Primary metals:												
Shipments.....	26,102	26,399	27,308	-1.1	-3.3	-0.2	24,936	25,760	25,069	50,696	50,968	-0.5
New Orders.....	26,083	25,822	26,288	1.0	-1.8	-3.0	25,553	26,152	25,932	51,705	52,910	-2.3
Fabricated metal products:												
Shipments.....	30,310	30,563	31,005	-0.8	-1.4	2.1	27,968	28,142	27,291	56,110	54,378	3.2
New Orders.....	29,649	30,263	30,876	-2.0	-2.0	1.0	29,089	28,714	29,104	57,803	56,093	3.0
Machinery:												
Shipments.....	35,652	35,428	36,174	0.6	-2.1	-0.9	32,960	30,627	32,892	63,587	63,474	0.2
New Orders.....	34,316	34,959	34,843	-1.8	0.3	-3.3	32,633	32,294	35,121	64,927	69,999	-7.2
Computers and electronic products⁴:												
Shipments.....	28,470	28,323	28,681	0.5	-1.2	-0.2	24,619	25,617	24,665	50,236	51,421	-2.3
New Orders.....	22,228	22,242	21,962	-0.1	1.3	-1.5	20,763	18,713	19,878	39,476	37,796	4.4
Computers and related products:												
Shipments.....	1,951	1,968	1,901	-0.9	3.5	-1.7	1,353	1,372	1,506	2,725	3,208	-15.1
New Orders.....	1,992	2,011	1,867	-0.9	7.7	-7.8	1,394	1,415	1,501	2,809	3,017	-6.9
Communications equipment:												
Shipments.....	3,715	3,686	3,715	0.8	-0.8	8.2	3,217	3,024	3,237	6,241	6,497	-3.9
New Orders.....	4,232	4,108	4,112	3.0	-0.1	-1.4	4,222	3,443	4,213	7,665	7,825	-2.0
Electrical equipment, appliances, and components:												
Shipments.....	10,536	10,522	10,705	0.1	-1.7	0.5	9,619	9,350	9,341	18,969	18,503	2.5
New Orders.....	10,700	10,282	10,830	4.1	-5.1	1.0	10,108	9,650	9,768	19,758	19,722	0.2
Transportation equipment:												
Shipments.....	74,127	74,407	75,290	-0.4	-1.2	4.0	70,150	62,840	66,387	132,990	125,299	6.1
New Orders.....	69,484	72,009	66,176	-3.5	8.8	-10.0	64,905	59,232	70,742	124,137	128,025	-3.0
Motor vehicles and parts:												
Shipments.....	47,906	47,996	49,390	-0.2	-2.8	3.4	46,902	43,062	45,643	89,964	86,337	4.2
New Orders.....	47,992	48,221	49,424	-0.5	-2.4	2.7	47,258	43,510	45,943	90,768	86,862	4.5
Nondefense aircraft and parts:												
Shipments.....	14,110	14,300	12,953	-1.3	10.4	3.4	12,109	10,315	9,973	22,424	18,902	18.6
New Orders.....	11,628	12,761	5,742	-8.9	122.2	-58.1	8,725	7,038	14,616	15,763	23,304	-32.4
Defense aircraft and parts:												
Shipments.....	4,219	3,994	4,669	5.6	-14.5	3.7	3,709	3,077	3,911	6,786	7,520	-9.8
New Orders.....	2,308	3,448	3,899	-33.1	-11.6	-18.0	1,552	3,087	4,303	4,639	7,414	-37.4
All other durable goods:												
Shipments.....	38,773	38,862	38,747	-0.2	0.3	1.4	35,158	34,679	33,045	69,837	65,513	6.6
New Orders.....	38,831	38,885	38,852	-0.1	0.1	1.3	35,485	34,609	33,191	70,094	65,632	6.8
Capital goods³:												
Shipments.....	89,170	89,272	89,930	-0.1	-0.7	1.2	81,200	74,849	77,801	156,049	149,884	4.1
New Orders.....	85,650	86,933	81,003	-1.5	7.3	-10.3	80,324	72,331	81,717	152,655	155,696	-2.0
Nondefense capital goods:												
Shipments.....	80,189	80,218	79,463	0.0	1.0	0.8	72,597	67,534	68,565	140,131	132,796	5.5
New Orders.....	77,324	79,377	72,990	-2.6	8.8	-10.1	71,516	66,795	73,192	138,311	141,614	-2.3
Excluding aircraft:												
Shipments.....	70,044	69,909	70,219	0.2	-0.4	0.4	64,134	60,949	61,769	125,083	120,679	3.6
New Orders.....	69,250	70,225	70,308	-1.4	-0.1	-0.5	66,013	63,914	66,044	129,927	129,934	0.0
Defense capital goods:												
Shipments.....	8,981	9,054	10,467	-0.8	-13.5	5.0	8,603	7,315	9,236	15,918	17,088	-6.8
New Orders.....	8,326	7,556	8,013	10.2	-5.7	-11.8	8,808	5,536	8,525	14,344	14,082	1.9

¹ 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 2015/ 2014
	Feb 2015 ²	Jan 2015 ¹	Dec 2014	Jan - Feb ²	Dec - Jan ¹	Nov - Dec	Feb 2015 ²	Jan 2015 ¹	Feb 2014	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	1,156,892	1,162,458	1,165,551	-0.5	-0.3	-0.9	1,166,893	1,168,090	1,076,170	8.4
Total Inventories.....	412,976	411,908	410,641	0.3	0.3	0.5	415,886	411,046	394,697	5.4
Excluding transportation:										
Unfilled Orders ⁴	425,272	426,195	426,890	-0.2	-0.2	-0.4	427,379	423,331	407,003	5.0
Total Inventories.....	277,569	277,704	276,955	0.0	0.3	0.6	279,841	277,453	268,976	4.0
Excluding defense:										
Unfilled Orders ⁴	974,290	977,372	978,916	-0.3	-0.2	-0.8	984,018	983,116	888,591	10.7
Total Inventories.....	382,705	382,303	381,181	0.1	0.3	0.5	385,506	381,526	365,629	5.4
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,156,892	1,162,458	1,165,551	-0.5	-0.3	-0.9	1,166,893	1,168,090	1,076,170	8.4
Total Inventories.....	339,549	338,297	337,377	0.4	0.3	0.3	341,178	337,048	322,840	5.7
Primary metals:										
Unfilled Orders.....	38,722	38,741	39,318	0.0	-1.5	-2.5	39,883	39,266	37,995	5.0
Total Inventories.....	38,766	39,042	38,643	-0.7	1.0	1.5	39,124	39,251	35,857	9.1
Fabricated metal products:										
Unfilled Orders.....	86,839	87,500	87,800	-0.8	-0.3	-0.1	86,544	85,423	85,512	1.2
Total Inventories.....	51,275	51,175	50,775	0.2	0.8	0.6	51,444	51,051	48,824	5.4
Machinery:										
Unfilled Orders.....	116,331	117,667	118,136	-1.1	-0.4	-1.1	117,184	117,511	114,272	2.5
Total Inventories.....	67,328	67,343	67,580	0.0	-0.4	0.0	67,953	66,906	66,938	1.5
Computers and electronic products⁴:										
Unfilled Orders.....	149,224	148,353	147,485	0.6	0.6	0.4	149,558	147,737	138,617	7.9
Total Inventories.....	49,516	49,363	49,226	0.3	0.3	0.8	49,876	49,291	47,942	4.0
Computers and related products:										
Unfilled Orders.....	4,278	4,237	4,194	1.0	1.0	-0.8	4,278	4,237	3,198	33.8
Total Inventories.....	4,717	4,767	4,740	-1.0	0.6	2.4	4,794	4,701	4,686	2.3
Communications equipment:										
Unfilled Orders.....	40,486	39,969	39,547	1.3	1.1	1.0	40,693	39,688	36,855	10.4
Total Inventories.....	7,274	7,268	7,239	0.1	0.4	-1.4	7,433	7,306	7,890	-5.8
Electrical equipment, appliances, and components:										
Unfilled Orders.....	25,848	25,684	25,924	0.6	-0.9	0.5	26,191	25,702	23,509	11.4
Total Inventories.....	16,711	16,681	16,640	0.2	0.2	0.2	16,883	16,679	16,841	0.2
Transportation equipment:										
Unfilled Orders.....	731,620	736,263	738,661	-0.6	-0.3	-1.2	739,514	744,759	669,167	10.5
Total Inventories.....	135,407	134,204	133,686	0.9	0.4	0.2	136,045	133,593	125,721	8.2
Motor vehicles and parts:										
Unfilled Orders.....	18,119	18,033	17,808	0.5	1.3	0.2	18,840	18,484	17,041	10.6
Total Inventories.....	28,506	28,057	27,656	1.6	1.4	0.9	29,109	28,446	26,529	9.7
Nondefense Aircraft and parts:										
Unfilled Orders.....	564,401	566,883	568,422	-0.4	-0.3	-1.3	571,157	574,541	500,110	14.2
Total Inventories.....	75,952	75,991	75,957	-0.1	0.0	0.5	75,897	75,079	69,853	8.7
Defense Aircraft and parts:										
Unfilled Orders.....	60,257	62,168	62,714	-3.1	-0.9	-1.2	61,173	63,330	64,405	-5.0
Total Inventories.....	14,637	14,528	14,146	0.8	2.7	-1.8	14,667	14,442	14,193	3.3
All other durable goods:										
Unfilled Orders.....	8,308	8,250	8,227	0.7	0.3	1.3	8,019	7,692	7,098	13.0
Total Inventories.....	53,973	54,100	54,091	-0.2	0.0	0.7	54,561	54,275	52,574	3.8
Capital goods³:										
Unfilled Orders.....	880,777	884,297	886,636	-0.4	-0.3	-1.0	887,528	888,404	810,257	9.5
Total Inventories.....	211,647	210,661	210,778	0.5	-0.1	0.1	212,433	208,801	202,725	4.8
Nondefense capital goods:										
Unfilled Orders.....	727,839	730,704	731,545	-0.4	-0.1	-0.9	734,820	735,901	652,689	12.6
Total Inventories.....	186,785	186,519	186,739	0.1	-0.1	0.1	187,492	184,658	178,948	4.8
Excluding aircraft:										
Unfilled Orders.....	253,298	254,092	253,776	-0.3	0.1	0.0	254,087	252,208	237,900	6.8
Total Inventories.....	122,688	122,419	122,736	0.2	-0.3	0.0	123,594	121,519	121,403	1.8
Defense capital goods:										
Unfilled Orders.....	152,938	153,593	155,091	-0.4	-1.0	-1.6	152,708	152,503	157,568	-3.1
Total Inventories.....	24,862	24,142	24,039	3.0	0.4	-0.4	24,941	24,143	23,777	4.9

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, which is a voluntary survey authorized by Title 13 of the United States Code. This survey provides statistics on a calendar-month basis for 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). Data published from the M3 survey are based on a panel of approximately 4,800 reporting units that represent approximately 3,000 companies and provide an indication of month-to-month change for the Manufacturing Sector. These reporting units may be divisions of diversified large companies, large homogenous companies, or single-unit manufacturers in 92 industry categories, which are combined into 65 publication levels due to the small monthly panel size. The survey methodology assumes that the month-to-month changes of the total operations of the reporting units in the M3 panel effectively represent the month-to-month movements of all establishments that make up the category.

The companies for which shipments data are currently reported or imputed in the M3 survey represent approximately 61 percent of the total value of shipments for manufacturing establishments in the 2012 Economic Census, and these companies include almost two-thirds of the manufacturing companies with \$500 million or more in shipments in the 2012 Economic Census. The companies for which shipments data are currently reported in the M3 survey represent approximately 54 percent of the total value of shipments for manufacturing establishments in the 2012 Economic Census. Statistics based on the M3 panel differ from the results that would be obtained from a complete enumeration of all manufacturing companies. The M3 panel is not based on 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 from the Manufacturers' Shipments, Inventories, and Orders (M3) Survey will be issued on May 14, 2015. These revisions result from benchmarking the shipments and inventories data to the 2012 Economic Census and the 2013 Annual Survey of Manufactures (ASM) data on a 2012 North American Industry Classification System (NAICS) basis, as well as revised ASM benchmarks for prior years on a 2007 NAICS basis; incorporating the unfilled orders to shipments ratios obtained from the 2013/2012 and 2012/2011 Manufacturers' Unfilled Orders Surveys by applying these ratios to the respective Census or 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; and updating the seasonally adjusted data based on the results of benchmarking and the recent annual review of the seasonal adjustment models. These revisions will span the seasonally adjusted data for January 1997 through March 2015 and the data not seasonally adjusted for January 2001 through March 2015. An updated Press Release will contain revised monthly tables for January 2015 through March 2015 on a 2012 NAICS basis, which will be the new basis for publishing data from the M3 Survey starting with the April 2015 Advance Report on Durable Goods. Please call M3 staff on (301) 763-4832 with any questions.