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Adriana Stoica
Economic Indicators Division
(301) 763-4832

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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders September 2016

New Orders

New orders for manufactured durable goods in September decreased \$0.3 billion or 0.1 percent to \$227.3 billion, the U.S. Census Bureau announced today. This decrease, down following two consecutive monthly increases, followed a 0.3 percent August increase. Excluding transportation, new orders increased 0.2 percent. Excluding defense, new orders increased 0.7 percent.

Transportation equipment, also down following two consecutive monthly increases, drove the decrease, \$0.6 billion or 0.8 percent to \$77.5 billion.

Shipments

Shipments of manufactured durable goods in September, up three of the last four months, increased \$2.0 billion or 0.8 percent to \$234.5 billion. This followed a virtually unchanged August decrease.

Transportation equipment, up following two consecutive monthly decreases, led the increase, \$1.8 billion or 2.3 percent to \$82.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in September, down four consecutive months, decreased \$3.9 billion or 0.4 percent to \$1,119.3 billion. This followed a 0.1 percent August decrease.

Transportation equipment, also down four consecutive months, drove the decrease, \$4.6 billion or 0.6 percent to \$764.2 billion.

Inventories

Inventories of manufactured durable goods in September, up three consecutive months, increased \$0.5 billion or 0.1 percent to \$384.0 billion. This followed a 0.1 percent August increase.

Machinery, up three of the last four months, led the increase, \$0.3 billion or 0.5 percent to \$66.0 billion.

Capital Goods

Nondefense new orders for capital goods in September increased \$1.0 billion or 1.5 percent to \$68.2 billion. Shipments increased \$1.5 billion or 2.2 percent to \$71.8 billion. Unfilled orders decreased \$3.6 billion or 0.5 percent to \$692.8 billion. Inventories increased \$0.5 billion or 0.3 percent to \$170.4 billion.

Defense new orders for capital goods in September decreased \$0.9 billion or 7.7 percent to \$11.3 billion. Shipments increased \$0.1 billion or 0.8 percent to \$10.4 billion. Unfilled orders increased \$0.9 billion or 0.6 percent to \$138.5 billion. Inventories decreased less than \$0.1 billion or 0.2 percent to \$20.8 billion.

Revised August Data

Revised seasonally adjusted August figures for all manufacturing industries were: new orders, \$453.4 billion (revised from \$453.1 billion); shipments, \$458.4 billion (revised from \$458.1 billion); unfilled orders, \$1,123.2 billion (virtually unchanged); and total inventories, \$621.6 billion (revised from \$622.0 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 November 3, 2016, at 10:00 a.m. EDT. The Advance Report on durable goods for October is scheduled for release on November 23, 2016 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. "Virtually unchanged" indicates that the change is less than 0.05 percent for a percent increase or decrease.

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		
	Sep 2016 ²	Aug 2016 ¹	Jul 2016	Aug - Sep ²	Jul - Aug ¹	Jun - Jul	Sep 2016 ²	Aug 2016 ¹	Sep 2015	2016	2015	Percent Change 2016/2015
DURABLE GOODS												
Total:												
Shipments.....	234,468	232,501	232,559	0.8	0.0	0.0	250,760	243,893	252,078	2,107,492	2,124,080	-0.8
New Orders ⁴	227,278	227,557	226,948	-0.1	0.3	3.6	242,446	230,453	240,053	2,050,283	2,057,646	-0.4
Excluding transportation:												
Shipments.....	152,382	152,262	151,780	0.1	0.3	0.3	161,799	159,580	162,580	1,376,492	1,398,282	-1.6
New Orders ⁴	149,784	149,465	149,315	0.2	0.1	1.1	157,837	153,149	157,446	1,356,150	1,368,825	-0.9
Excluding defense:												
Shipments.....	221,909	219,808	219,948	1.0	-0.1	0.0	236,588	231,506	237,785	1,997,653	2,016,662	-0.9
New Orders ⁴	214,669	213,173	214,721	0.7	-0.7	2.9	227,785	218,746	228,081	1,940,210	1,963,283	-1.2
Manufacturing with unfilled orders:												
Shipments.....	167,324	165,291	165,699	1.2	-0.2	0.1	179,147	172,366	178,454	1,493,269	1,505,029	-0.8
New Orders.....	163,392	163,650	163,299	-0.2	0.2	5.2	173,973	162,634	169,345	1,464,125	1,466,995	-0.2
Primary metals:												
Shipments.....	17,818	17,786	17,882	0.2	-0.5	0.1	18,330	18,998	19,015	162,657	178,814	-9.0
New Orders.....	17,906	17,957	17,818	-0.3	0.8	1.2	17,718	18,588	17,729	163,791	176,901	-7.4
Fabricated metal products:												
Shipments.....	30,095	30,168	30,086	-0.2	0.3	0.9	31,682	32,571	30,919	272,575	269,310	1.2
New Orders.....	30,147	30,273	30,296	-0.4	-0.1	1.4	31,040	32,040	30,339	275,287	268,840	2.4
Machinery:												
Shipments.....	29,846	29,865	29,713	-0.1	0.5	-0.9	30,909	30,275	33,328	274,447	293,385	-6.5
New Orders.....	30,020	29,663	29,671	1.2	0.0	1.0	30,530	29,807	32,379	271,363	287,703	-5.7
Computers and electronic products⁴:												
Shipments.....	27,280	27,418	27,279	-0.5	0.5	2.4	30,484	27,673	29,479	239,188	231,078	3.5
New Orders.....	24,153	24,404	24,464	-1.0	-0.2	2.5	28,072	23,118	27,365	215,858	209,316	3.1
Computers and related products:												
Shipments.....	1,669	1,848	1,948	-9.7	-5.1	11.3	2,153	1,625	2,582	16,095	19,166	-16.0
New Orders.....	1,692	1,851	1,940	-8.6	-4.6	11.4	2,176	1,628	2,571	16,069	19,256	-16.6
Communications equipment:												
Shipments.....	3,544	3,473	3,371	2.0	3.0	-5.3	4,329	3,373	4,060	30,538	30,475	0.2
New Orders.....	3,554	3,616	3,647	-1.7	-0.9	-2.4	4,584	3,123	4,477	32,685	33,664	-2.9
Electrical equipment, appliances, and components:												
Shipments.....	9,650	9,589	9,520	0.6	0.7	0.7	10,426	10,113	10,669	85,933	92,195	-6.8
New Orders.....	9,737	9,596	9,837	1.5	-2.4	3.6	10,397	10,013	10,511	87,181	92,089	-5.3
Transportation equipment:												
Shipments.....	82,086	80,239	80,779	2.3	-0.7	-0.3	88,961	84,313	89,498	731,000	725,798	0.7
New Orders.....	77,494	78,092	77,633	-0.8	0.6	8.9	84,609	77,304	82,607	694,133	688,821	0.8
Motor vehicles and parts:												
Shipments.....	55,820	55,148	54,757	1.2	0.7	-0.5	59,386	59,703	58,292	501,665	485,350	3.4
New Orders.....	55,766	55,092	54,582	1.2	0.9	-0.3	59,324	59,914	58,158	499,491	484,240	3.1
Nondefense aircraft and parts:												
Shipments.....	14,161	12,981	14,028	9.1	-7.5	1.2	15,820	12,737	16,385	121,266	126,046	-3.8
New Orders.....	9,710	8,632	11,394	12.5	-24.2	72.9	11,456	5,310	12,618	88,334	107,306	-17.7
Defense aircraft and parts:												
Shipments.....	4,107	4,474	4,052	-8.2	10.4	-2.5	4,795	4,247	6,136	37,492	43,008	-12.8
New Orders.....	2,898	5,251	4,444	-44.8	18.2	22.0	3,426	4,064	7,781	38,143	37,764	1.0
All other durable goods:												
Shipments.....	37,693	37,436	37,300	0.7	0.4	-0.8	39,968	39,950	39,170	341,692	333,500	2.5
New Orders.....	37,821	37,572	37,229	0.7	0.9	-0.7	40,080	39,583	39,123	342,670	333,976	2.6
Capital goods³:												
Shipments.....	82,238	80,632	82,021	2.0	-1.7	0.2	90,084	81,029	94,303	734,004	767,591	-4.4
New Orders.....	79,539	79,498	79,627	0.1	-0.2	10.7	86,521	74,089	82,946	709,192	734,902	-3.5
Nondefense capital goods:												
Shipments.....	71,813	70,294	71,442	2.2	-1.6	-0.4	78,351	70,808	82,785	643,737	681,769	-5.6
New Orders.....	68,246	67,257	70,020	1.5	-3.9	7.7	73,519	63,968	75,242	617,186	659,841	-6.5
Excluding aircraft:												
Shipments.....	62,419	62,217	62,204	0.3	0.0	-0.7	67,419	62,660	71,100	566,321	596,598	-5.1
New Orders.....	62,940	63,673	62,931	-1.2	1.2	0.8	67,488	62,462	70,011	570,242	593,580	-3.9
Defense capital goods:												
Shipments.....	10,425	10,338	10,579	0.8	-2.3	3.7	11,733	10,221	11,518	90,267	85,822	5.2
New Orders.....	11,293	12,241	9,607	-7.7	27.4	38.4	13,002	10,121	7,704	92,006	75,061	22.6

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 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 2016/ 2015
	Sep 2016 ²	Aug 2016 ¹	Jul 2016	Aug - Sep ²	Jul - Aug ¹	Jun - Jul	Sep 2016 ²	Aug 2016 ¹	Sep 2015	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	1,119,264	1,123,196	1,124,837	-0.4	-0.1	-0.2	1,110,556	1,115,730	1,129,535	-1.7
Total Inventories.....	384,003	383,496	383,221	0.1	0.1	0.4	382,271	386,745	388,997	-1.7
Excluding transportation:										
Unfilled Orders ⁴	355,072	354,412	353,906	0.2	0.1	0.2	352,565	353,387	350,419	0.6
Total Inventories.....	260,472	259,935	259,452	0.2	0.2	0.3	259,334	262,372	264,049	-1.8
Excluding defense:										
Unfilled Orders ⁴	944,836	948,818	952,150	-0.4	-0.3	-0.2	937,105	942,768	959,462	-2.3
Total Inventories.....	358,521	357,944	357,342	0.2	0.2	0.2	356,777	361,107	362,316	-1.5
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,119,264	1,123,196	1,124,837	-0.4	-0.1	-0.2	1,110,556	1,115,730	1,129,535	-1.7
Total Inventories.....	311,957	311,294	311,123	0.2	0.1	0.4	310,775	314,245	318,121	-2.3
Primary metals:										
Unfilled Orders.....	32,671	32,583	32,412	0.3	0.5	-0.2	31,747	32,359	31,202	1.7
Total Inventories.....	31,740	31,722	31,648	0.1	0.2	1.3	31,789	31,932	34,705	-8.4
Fabricated metal products:										
Unfilled Orders.....	74,229	74,177	74,072	0.1	0.1	0.3	74,159	74,801	73,644	0.7
Total Inventories.....	48,995	48,900	49,107	0.2	-0.4	0.7	48,658	48,901	49,170	-1.0
Machinery:										
Unfilled Orders.....	92,755	92,581	92,783	0.2	-0.2	0.0	91,872	92,251	98,035	-6.3
Total Inventories.....	66,009	65,670	65,350	0.5	0.5	-0.5	65,874	66,469	67,878	-3.0
Computers and electronic products⁴:										
Unfilled Orders.....	129,239	129,108	128,819	0.1	0.2	0.3	128,926	128,198	123,007	4.8
Total Inventories.....	42,573	42,650	42,568	-0.2	0.2	-0.3	42,241	43,524	42,311	-0.2
Computers and related products:										
Unfilled Orders.....	2,421	2,398	2,395	1.0	0.1	-0.3	2,421	2,398	2,370	2.2
Total Inventories.....	3,674	3,698	3,607	-0.6	2.5	0.6	3,693	3,876	3,533	4.5
Communications equipment:										
Unfilled Orders.....	35,048	35,038	34,895	0.0	0.4	0.8	34,909	34,654	32,192	8.4
Total Inventories.....	4,472	4,552	4,574	-1.8	-0.5	-0.6	4,408	4,643	4,912	-10.3
Electrical equipment, appliances, and components:										
Unfilled Orders.....	17,735	17,648	17,641	0.5	0.0	1.8	17,551	17,580	16,646	5.4
Total Inventories.....	16,307	16,210	16,350	0.6	-0.9	1.1	16,085	16,477	16,408	-2.0
Transportation equipment:										
Unfilled Orders.....	764,192	768,784	770,931	-0.6	-0.3	-0.4	757,991	762,343	779,116	-2.7
Total Inventories.....	123,531	123,561	123,769	0.0	-0.2	0.5	122,937	124,373	124,948	-1.6
Motor vehicles and parts:										
Unfilled Orders.....	21,884	21,938	21,994	-0.2	-0.3	-0.8	21,385	21,447	22,885	-6.6
Total Inventories.....	34,582	34,684	34,913	-0.3	-0.7	-0.1	34,317	34,923	34,138	0.5
Nondefense Aircraft and parts:										
Unfilled Orders.....	582,262	586,713	591,062	-0.8	-0.7	-0.4	577,704	582,068	597,159	-3.3
Total Inventories.....	62,686	62,430	62,128	0.4	0.5	-0.4	62,174	62,707	63,154	-1.6
Defense Aircraft and parts:										
Unfilled Orders.....	70,317	71,526	70,749	-1.7	1.1	0.6	69,269	70,638	64,762	7.0
Total Inventories.....	11,088	11,285	11,547	-1.7	-2.3	7.5	11,065	11,300	11,413	-3.0
All other durable goods:										
Unfilled Orders.....	8,443	8,315	8,179	1.5	1.7	-0.9	8,310	8,198	7,885	5.4
Total Inventories.....	54,848	54,783	54,429	0.1	0.7	0.8	54,687	55,069	53,577	2.1
Capital goods³:										
Unfilled Orders.....	831,287	833,986	835,120	-0.3	-0.1	-0.3	826,064	829,627	849,921	-2.8
Total Inventories.....	191,176	190,723	190,460	0.2	0.1	0.4	190,522	193,011	194,689	-2.1
Nondefense capital goods:										
Unfilled Orders.....	692,814	696,381	699,418	-0.5	-0.4	-0.2	687,921	692,753	714,721	-3.7
Total Inventories.....	170,398	169,905	169,334	0.3	0.3	-0.1	169,709	172,122	172,918	-1.9
Excluding aircraft:										
Unfilled Orders.....	222,942	222,421	220,965	0.2	0.7	0.3	221,607	221,538	222,761	-0.5
Total Inventories.....	118,802	118,621	118,394	0.2	0.2	0.2	118,534	120,680	120,828	-1.9
Defense capital goods:										
Unfilled Orders.....	138,473	137,605	135,702	0.6	1.4	-0.7	138,143	136,874	135,200	2.2
Total Inventories.....	20,778	20,818	21,126	-0.2	-1.5	4.0	20,813	20,889	21,771	-4.4

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>.

2017 Release Dates for the M3 Survey

Survey month	Advance Report (8:30 a.m. release time)	Full Report (10:00 a.m. release time)
Nov-16	Thu 12/22/2016	Fri 1/6/2017
Dec-16	Fri 1/27/2017	Fri 2/3/2017
Jan-17	Mon 2/27/2017	Mon 3/6/2017
Feb-17	Fri 3/24/2017	Tue 4/4/2017
Mar-17	Thu 4/27/2017	Thu 5/4/2017
Apr-17	Fri 5/26/2017	Mon 6/5/2017
May-17	Mon 6/26/2017	Wed 7/5/2017
Jun-17	Thu 7/27/2017	Thu 8/3/2017
Jul-17	Fri 8/25/2017	Tue 9/5/2017
Aug-17	Wed 9/27/2017	Thu 10/5/2017
Sep-17	Wed 10/25/2017	Fri 11/3/2017
Oct-17	Wed 11/22/2017	Mon 12/4/2017
Nov-17	Fri 12/22/2017	Not available at this time