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

New Orders

New orders for manufactured durable goods in January increased \$11.1 billion or 4.9 percent to \$237.5 billion, the U.S. Census Bureau announced today. This increase, up following two consecutive monthly decreases, followed a 4.6 percent December decrease. Excluding transportation, new orders increased 1.8 percent. Excluding defense, new orders increased 4.5 percent.

Transportation equipment, also up following two consecutive monthly decreases, led the increase, \$8.2 billion or 11.5 percent to \$79.7 billion.

Shipments

Shipments of manufactured durable goods in January, up two of the last three months, increased \$4.6 billion, or 1.9 percent, to \$241.9 billion. This followed a 1.6 percent December decrease.

Transportation equipment, also up two of the last three months, led the increase, \$4.3 billion or 5.7 percent to \$80.0 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in January, up three of the last four months, increased \$0.6 billion or 0.1 percent to \$1,187.7 billion. This followed a 0.5 percent December decrease.

Computers and electronic products, up twenty-five consecutive months, drove the increase, \$0.7 billion or 0.5 percent to \$137.2 billion.

Inventories

Inventories of manufactured durable goods in January, down six of the last seven months, decreased \$0.4 billion, or 0.1 percent, to \$396.3 billion. This followed a 0.2 percent December increase.

Primary metals, down twelve consecutive months drove the decrease, \$0.7 billion or 2.0 percent to \$33.8 billion.

Capital Goods

Nondefense new orders for capital goods in January increased \$14.0 billion or 21.6 percent to \$79.2 billion. Shipments increased \$2.9 billion or 3.9 percent to \$78.3 billion. Unfilled orders increased \$0.9 billion or 0.1 percent to \$743.9 billion. Inventories decreased \$0.1 billion or 0.1 percent to \$175.4 billion.

Defense new orders for capital goods in January increased \$1.1 billion or 11.9 percent to \$10.2 billion. Shipments decreased \$0.5 billion or 4.8 percent to \$9.6 billion. Unfilled orders increased \$0.7 billion or 0.4 percent to \$151.1 billion. Inventories increased \$1.0 billion or 4.6 percent to \$22.3 billion.

Revised December Data

Revised seasonally adjusted December figures for all manufacturing industries were: new orders, \$457.3 billion (revised from \$456.5 billion); shipments, \$468.3 billion (revised from \$467.0 billion); unfilled orders, \$1,187.1 billion (revised from \$1,187.4 billion); and total inventories, \$641.5 billion (revised from \$642.3 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 March 3, 2016, at 10:00 a.m. EST. The Advance Report on durable goods for February is scheduled for release on March 24, 2016 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. To learn more about this release and the other indicators the U.S. Census Bureau publishes, join us for the Investigating Economic Indicators Webinar Series. For more information, visit www.census.gov/econ/webinar. "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		
	Jan 2016 ²	Dec 2015 ¹	Nov 2015	Dec - Jan ²	Nov - Dec ¹	Oct - Nov	Jan 2016 ²	Dec 2015 ¹	Jan 2015	2016	2015	Percent Change 2016/2015
DURABLE GOODS												
Total:												
Shipments.....	241,912	237,309	241,186	1.9	-1.6	0.6	210,645	236,951	212,648	210,645	212,648	-0.9
New Orders ⁴	237,465	226,399	237,380	4.9	-4.6	-0.5	209,565	242,126	208,282	209,565	208,282	0.6
Excluding transportation:												
Shipments.....	161,928	161,634	160,704	0.2	0.6	-0.3	144,139	160,882	148,299	144,139	148,299	-2.8
New Orders ⁴	157,716	154,872	155,977	1.8	-0.7	-0.5	143,700	153,898	147,419	143,700	147,419	-2.5
Excluding defense:												
Shipments.....	230,066	224,797	228,963	2.3	-1.8	1.1	201,390	222,656	203,345	201,390	203,345	-1.0
New Orders ⁴	225,216	215,588	221,007	4.5	-2.5	-2.0	199,791	225,893	200,459	199,791	200,459	-0.3
Manufacturing with unfilled orders:												
Shipments.....	171,714	168,087	172,021	2.2	-2.3	0.4	149,044	171,122	152,723	149,044	152,723	-2.4
New Orders.....	172,318	162,043	173,166	6.3	-6.4	-1.0	153,760	180,474	154,107	153,760	154,107	-0.2
Primary metals:												
Shipments.....	19,347	19,317	19,594	0.2	-1.4	-2.1	18,531	17,765	22,300	18,531	22,300	-16.9
New Orders.....	19,394	19,265	19,184	0.7	0.4	-4.5	19,711	18,235	23,364	19,711	23,364	-15.6
Fabricated metal products:												
Shipments.....	30,157	29,718	29,570	1.5	0.5	0.3	27,480	27,853	28,230	27,480	28,230	-2.7
New Orders.....	30,123	29,639	29,551	1.6	0.3	0.8	28,162	27,330	28,723	28,162	28,723	-2.0
Machinery:												
Shipments.....	33,238	32,995	32,336	0.7	2.0	-1.4	28,514	34,069	28,851	28,514	28,851	-1.2
New Orders.....	33,032	30,901	32,229	6.9	-4.1	-2.7	30,205	30,952	30,910	30,205	30,910	-2.3
Computers and electronic products⁴:												
Shipments.....	29,879	30,043	30,024	-0.5	0.1	0.7	26,137	33,285	24,987	26,137	24,987	4.6
New Orders.....	25,495	25,286	25,785	0.8	-1.9	0.2	21,300	29,847	20,132	21,300	20,132	5.8
Computers and related products:												
Shipments.....	1,960	1,836	1,930	6.8	-4.9	-4.8	1,379	2,632	1,450	1,379	1,450	-4.9
New Orders.....	1,923	1,807	2,016	6.4	-10.4	-1.9	1,342	2,603	1,476	1,342	1,476	-9.1
Communications equipment:												
Shipments.....	3,476	3,889	3,780	-10.6	2.9	4.7	2,751	4,683	2,959	2,751	2,959	-7.0
New Orders.....	3,811	3,477	4,208	9.6	-17.4	3.9	3,239	4,515	3,464	3,239	3,464	-6.5
Electrical equipment, appliances, and components:												
Shipments.....	10,032	9,990	9,917	0.4	0.7	-1.6	8,806	9,863	9,437	8,806	9,437	-6.7
New Orders.....	10,359	10,249	9,958	1.1	2.9	3.4	9,651	10,077	9,784	9,651	9,784	-1.4
Transportation equipment:												
Shipments.....	79,984	75,675	80,482	5.7	-6.0	2.4	66,506	76,069	64,349	66,506	64,349	3.4
New Orders.....	79,749	71,527	81,403	11.5	-12.1	-0.5	65,865	88,228	60,863	65,865	60,863	8.2
Motor vehicles and parts:												
Shipments.....	54,138	52,527	52,186	3.1	0.7	1.1	46,971	48,152	43,187	46,971	43,187	8.8
New Orders.....	53,764	52,204	52,107	3.0	0.2	1.0	46,868	48,579	43,743	46,868	43,743	7.1
Nondefense aircraft and parts:												
Shipments.....	14,173	10,846	16,032	30.7	-32.3	16.4	10,488	14,252	10,566	10,488	10,566	-0.7
New Orders.....	14,483	9,395	13,251	54.2	-29.1	-23.3	9,998	25,249	7,073	9,998	7,073	41.4
Defense aircraft and parts:												
Shipments.....	4,435	4,833	4,656	-8.2	3.8	-14.5	3,302	5,831	3,250	3,302	3,250	1.6
New Orders.....	4,959	2,684	8,087	84.8	-66.8	44.2	4,123	5,562	3,283	4,123	3,283	25.6
All other durable goods:												
Shipments.....	39,275	39,571	39,263	-0.7	0.8	0.9	34,671	38,047	34,494	34,671	34,494	0.5
New Orders.....	39,313	39,532	39,270	-0.6	0.7	0.8	34,671	37,457	34,506	34,671	34,506	0.5
Capital goods³:												
Shipments.....	87,828	85,392	89,680	2.9	-4.8	0.7	72,967	94,942	75,236	72,967	75,236	-3.0
New Orders.....	89,384	74,263	89,995	20.4	-17.5	-2.3	75,607	96,245	72,927	75,607	72,927	3.7
Nondefense capital goods:												
Shipments.....	78,263	75,344	79,871	3.9	-5.7	1.8	65,495	83,759	67,871	65,495	67,871	-3.5
New Orders.....	79,164	65,126	75,818	21.6	-14.1	-7.9	67,267	83,033	67,578	67,267	67,578	-0.5
Excluding aircraft:												
Shipments.....	68,728	68,976	68,361	-0.4	0.9	-1.2	59,455	74,419	61,505	59,455	61,505	-3.3
New Orders.....	69,016	66,407	68,930	3.9	-3.7	-0.9	62,340	70,506	65,184	62,340	65,184	-4.4
Defense capital goods:												
Shipments.....	9,565	10,048	9,809	-4.8	2.4	-7.7	7,472	11,183	7,365	7,472	7,365	1.5
New Orders.....	10,220	9,137	14,177	11.9	-35.6	45.6	8,340	13,212	5,349	8,340	5,349	55.9

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
	Jan 2016 ²	Dec 2015 ¹	Nov 2015	Dec - Jan ²	Nov - Dec ¹	Oct - Nov	Jan 2016 ²	Dec 2015 ¹	Jan 2015	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	1,187,714	1,187,110	1,193,154	0.1	-0.5	0.1	1,195,543	1,190,827	1,216,286	-1.7
Total Inventories.....	396,255	396,639	395,663	-0.1	0.2	-0.3	395,409	386,082	399,017	-0.9
Excluding transportation:										
Unfilled Orders ⁴	393,122	392,283	394,179	0.2	-0.5	0.1	390,547	385,190	399,019	-2.1
Total Inventories.....	264,241	265,254	265,660	-0.4	-0.2	-0.2	263,815	258,759	270,675	-2.5
Excluding defense:										
Unfilled Orders ⁴	1,002,487	1,002,286	1,006,629	0.0	-0.4	-0.3	1,009,814	1,005,617	1,026,732	-1.6
Total Inventories.....	368,771	370,191	369,214	-0.4	0.3	-0.1	368,144	359,974	373,321	-1.4
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,187,714	1,187,110	1,193,154	0.1	-0.5	0.1	1,195,543	1,190,827	1,216,286	-1.7
Total Inventories.....	321,625	322,297	322,027	-0.2	0.1	-0.4	320,453	313,775	326,110	-1.7
Primary metals:										
Unfilled Orders.....	34,627	34,580	34,632	0.1	-0.2	-1.2	35,211	34,031	37,246	-5.5
Total Inventories.....	33,823	34,500	34,971	-2.0	-1.3	-1.9	34,349	34,477	40,429	-15.0
Fabricated metal products:										
Unfilled Orders.....	81,605	81,639	81,718	0.0	-0.1	0.0	79,844	79,162	82,319	-3.0
Total Inventories.....	48,610	48,806	49,011	-0.4	-0.4	-0.1	48,663	48,009	49,213	-1.1
Machinery:										
Unfilled Orders.....	108,693	108,899	110,993	-0.2	-1.9	-0.1	108,573	106,882	119,238	-8.9
Total Inventories.....	65,997	66,205	65,944	-0.3	0.4	0.0	65,404	63,611	66,223	-1.2
Computers and electronic products⁴:										
Unfilled Orders.....	137,160	136,493	136,384	0.5	0.1	0.5	136,543	135,584	129,410	5.5
Total Inventories.....	44,698	44,824	44,823	-0.3	0.0	0.0	44,344	43,534	44,746	-0.9
Computers and related products:										
Unfilled Orders.....	2,616	2,653	2,682	-1.4	-1.1	3.3	2,616	2,653	2,498	4.7
Total Inventories.....	3,518	3,475	3,435	1.2	1.2	0.8	3,453	3,184	3,955	-12.7
Communications equipment:										
Unfilled Orders.....	40,569	40,234	40,646	0.8	-1.0	1.1	40,300	39,812	37,150	8.5
Total Inventories.....	5,138	5,147	5,373	-0.2	-4.2	-0.9	5,150	4,984	5,820	-11.5
Electrical equipment, appliances, and components:										
Unfilled Orders.....	22,510	22,183	21,924	1.5	1.2	0.2	22,484	21,639	22,906	-1.8
Total Inventories.....	16,235	16,265	16,315	-0.2	-0.3	-0.2	16,141	15,590	16,499	-2.2
Transportation equipment:										
Unfilled Orders.....	794,592	794,827	798,975	0.0	-0.5	0.1	804,996	805,637	817,267	-1.5
Total Inventories.....	132,014	131,385	130,003	0.5	1.1	-0.4	131,594	127,323	128,342	2.5
Motor vehicles and parts:										
Unfilled Orders.....	20,924	21,298	21,621	-1.8	-1.5	-0.4	21,669	21,772	22,586	-4.1
Total Inventories.....	36,082	36,338	35,709	-0.7	1.8	0.4	36,378	34,850	35,140	3.5
Nondefense Aircraft and parts:										
Unfilled Orders.....	608,150	607,840	609,291	0.1	-0.2	-0.5	617,006	617,496	620,283	-0.5
Total Inventories.....	67,628	67,589	66,975	0.1	0.9	-0.3	67,136	65,483	66,180	1.4
Defense Aircraft and parts:										
Unfilled Orders.....	67,295	66,771	68,920	0.8	-3.1	5.2	68,815	67,994	69,422	-0.9
Total Inventories.....	12,608	11,824	11,932	6.6	-0.9	0.5	12,563	11,647	12,846	-2.2
All other durable goods:										
Unfilled Orders.....	8,527	8,489	8,528	0.4	-0.5	0.1	7,892	7,892	7,900	-0.1
Total Inventories.....	54,878	54,654	54,596	0.4	0.1	0.5	54,914	53,538	53,565	2.5
Capital goods³:										
Unfilled Orders.....	895,003	893,447	904,576	0.2	-1.2	0.0	900,267	897,627	921,925	-2.3
Total Inventories.....	197,684	196,836	196,003	0.4	0.4	-0.4	195,686	190,261	196,159	-0.2
Nondefense capital goods:										
Unfilled Orders.....	743,917	743,016	753,234	0.1	-1.4	-0.5	749,646	747,874	768,701	-2.5
Total Inventories.....	175,358	175,482	174,627	-0.1	0.5	-0.2	173,534	169,070	175,370	-1.0
Excluding aircraft:										
Unfilled Orders.....	244,193	243,905	246,474	0.1	-1.0	0.2	242,541	239,656	250,045	-3.0
Total Inventories.....	119,065	119,368	119,124	-0.3	0.2	0.1	117,757	115,140	120,090	-1.9
Defense capital goods:										
Unfilled Orders.....	151,086	150,431	151,342	0.4	-0.6	3.0	150,621	149,753	153,224	-1.7
Total Inventories.....	22,326	21,354	21,376	4.6	-0.1	-2.1	22,152	21,191	20,789	6.6

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 18, 2016. These revisions result from:

- benchmarking the 2008-2011 Annual Survey of Manufactures (ASM) shipments and inventories data to the revised 2012 Economic Census data on a 2007 North American Industry Classification System (NAICS) basis;
- benchmarking the M3 shipments and inventories data to the 2014 ASM and revised 2013 ASM data, as well as the revised 2012 Economic Census data, on a 2012 NAICS basis, and ASM benchmarks for prior years on a 2007 NAICS basis;
- incorporating the unfilled orders to shipments ratios obtained from the 2014/2013 Manufacturers' Unfilled Orders (M3UFO) Survey by applying these ratios to the respective ASM shipments data, as well as incorporating revised unfilled orders to shipments ratios for prior years by applying them to the respective Census or ASM shipments data;
- 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;
- 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 2016 and the data not seasonally adjusted for January 2001 through March 2016. An updated Press Release will contain revised monthly tables for January 2016 through March 2016. Please call M3 staff on (301) 763-4832 with any questions.