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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders October 2010

New Orders

New orders for manufactured durable goods in October decreased \$6.8 billion or 3.3 percent to \$196.0 billion, the U.S. Census Bureau announced today. This decrease, down two of the last three months, followed a 5.0 percent September increase. Excluding transportation, new orders decreased 2.7 percent. Excluding defense, new orders decreased 2.1 percent.

Transportation equipment, also down two of the last three months, had the largest decrease, \$2.9 billion or 5.2 percent to \$52.3 billion. This was led by defense aircraft and parts, which decreased \$1.6 billion.

Shipments

Shipments of manufactured durable goods in October, also down two of the last three months, decreased \$1.8 billion or 0.9 percent to \$196.8 billion. This followed a 0.1 percent September increase.

Machinery, down following two consecutive monthly increases, had the largest decrease, \$0.9 billion or 3.6 percent to \$24.6 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in October, up nine of the last ten months, increased \$5.4 billion or 0.7 percent to \$821.9 billion. This followed a 1.4 percent September increase.

Transportation equipment, up two consecutive months, had the largest increase, \$3.7 billion or 0.8 percent to \$484.2 billion.

Inventories

Inventories of manufactured durable goods in October, up ten consecutive months, increased \$1.3 billion or 0.4 percent to \$316.7 billion. This followed a 0.7 percent September increase.

Machinery, up eight consecutive months, had the largest increase, \$0.4 billion or 0.7 percent to \$52.4 billion.

Capital Goods

Nondefense new orders for capital goods in October decreased \$3.3 billion or 4.5 percent to \$70.8 billion. Shipments decreased \$0.4 billion or 0.6 percent to \$64.7 billion. Unfilled orders increased \$6.1 billion or 1.2 percent to \$503.9 billion. Inventories increased \$0.8 billion or 0.6 percent to \$134.5 billion.

Defense new orders for capital goods in October decreased \$2.2 billion or 21.3 percent to \$8.3 billion. Shipments decreased \$0.7 billion or 7.4 percent to \$9.0 billion. Unfilled orders decreased \$0.8 billion or 0.5 percent to \$139.9 billion. Inventories increased 0.1 percent to \$17.4 billion.

Revised September Data

Revised seasonally adjusted September figures for all manufacturing industries were: new orders, \$423.0 billion (revised from \$420.0 billion); shipments, \$418.7 billion (revised from \$418.2 billion); unfilled orders, \$816.5 billion (revised from \$813.5 billion); and total inventories, \$531.8 billion (revised from \$531.2 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 December 3, 2010, at 10:00 a.m. EST. The advance report on durable goods for November is scheduled for release on December 23, 2010, at 8:30 a.m. EST. See back page for survey description and 2011 release schedule.

Table 1. Durable Goods Manufacturers' Shipments and New Orders¹

[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		
	Oct 2010 ²	Sep 2010 ¹	Aug 2010	Sep - Oct ²	Aug - Sep ¹	Jul - Aug	Oct 2010 ²	Sep 2010 ¹	Oct 2009	2010	2009	Change 10/09
DURABLE GOODS												
Total:												
Shipments.....	196,802	198,556	198,420	-0.9	0.1	-1.3	203,194	211,486	194,066	1,964,089	1,822,738	7.8
New Orders ⁴	196,045	202,837	193,199	-3.3	5.0	-0.8	197,699	215,805	180,484	1,925,963	1,679,301	14.7
Excluding transportation:												
Shipments.....	148,276	149,671	149,274	-0.9	0.3	0.5	152,950	157,658	142,270	1,477,298	1,348,555	9.5
New Orders ⁴	143,781	147,704	145,867	-2.7	1.3	2.1	145,305	157,341	133,514	1,444,736	1,268,083	13.9
Excluding defense:												
Shipments.....	185,272	186,338	186,627	-0.6	-0.2	-1.2	191,920	198,046	180,194	1,838,873	1,690,946	8.7
New Orders ⁴	185,404	189,405	181,210	-2.1	4.5	-0.7	188,054	201,585	169,387	1,803,546	1,560,751	15.6
Manufacturing with unfilled orders:												
Shipments.....	142,791	144,086	143,694	-0.9	0.3	-1.2	145,228	155,048	138,197	1,428,307	1,323,831	7.9
New Orders.....	148,175	155,059	145,045	-4.4	6.9	-0.4	147,949	164,396	132,032	1,449,601	1,229,276	17.9
Primary metals:												
Shipments.....	19,931	20,013	19,912	-0.4	0.5	0.6	20,476	21,155	17,050	200,904	150,369	33.6
New Orders.....	20,129	20,289	19,927	-0.8	1.8	-1.6	19,991	20,784	16,682	203,071	146,744	38.4
Fabricated metal products:												
Shipments.....	27,394	27,347	27,308	0.2	0.1	1.0	28,505	29,071	27,529	275,131	262,314	4.9
New Orders.....	27,166	27,414	27,529	-0.9	-0.4	1.6	27,775	28,708	26,833	276,134	252,369	9.4
Machinery:												
Shipments.....	24,627	25,552	25,169	-3.6	1.5	3.4	24,606	26,610	22,116	245,883	230,410	6.7
New Orders.....	26,809	27,884	26,948	-3.9	3.5	5.4	27,368	29,348	22,293	263,590	217,970	20.9
Computers and electronic products⁵:												
Shipments.....	33,752	34,408	34,268	-1.9	0.4	-0.3	35,714	36,290	32,977	326,938	292,046	11.9
New Orders.....	26,795	29,038	28,468	-7.7	2.0	3.9	26,221	33,590	24,746	268,202	239,720	11.9
Computers and related products:												
Shipments.....	6,492	6,673	6,556	-2.7	1.8	3.2	6,840	7,268	5,396	60,004	51,434	16.7
New Orders.....	6,349	6,813	6,610	-6.8	3.1	11.2	6,697	7,408	5,444	59,962	50,741	18.2
Communications equipment:												
Shipments.....	3,301	3,400	3,469	-2.9	-2.0	-2.6	2,970	4,039	3,527	34,644	36,065	-3.9
New Orders.....	3,175	3,621	3,972	-12.3	-8.8	10.0	2,814	4,645	3,445	34,385	36,831	-6.6
Electrical equipment, appliances, and components:												
Shipments.....	9,573	9,551	9,642	0.2	-0.9	0.5	9,678	10,238	9,210	95,178	89,908	5.9
New Orders.....	9,764	10,112	10,037	-3.4	0.7	4.3	9,812	10,403	9,402	99,440	88,364	12.5
Transportation equipment:												
Shipments.....	48,526	48,885	49,146	-0.7	-0.5	-6.6	50,244	53,828	51,796	486,791	474,183	2.7
New Orders.....	52,264	55,133	47,332	-5.2	16.5	-8.8	52,394	58,464	46,970	481,227	411,218	17.0
Motor vehicles and parts:												
Shipments.....	30,340	30,411	30,637	-0.2	-0.7	-6.1	33,147	33,311	32,520	302,618	272,828	10.9
New Orders.....	30,395	30,594	30,680	-0.7	-0.3	-5.1	33,314	33,394	32,709	301,494	271,071	11.2
Nondefense aircraft and parts:												
Shipments.....	7,248	7,001	7,454	3.5	-6.1	-13.5	6,385	7,549	6,736	68,043	77,330	-12.0
New Orders.....	12,737	13,327	6,268	-4.4	112.6	-30.0	10,565	13,195	4,257	74,220	36,177	105.2
Defense aircraft and parts:												
Shipments.....	4,800	5,072	4,978	-5.4	1.9	-0.6	4,662	5,872	5,353	51,921	53,224	-2.4
New Orders.....	4,695	6,266	4,831	-25.1	29.7	0.8	4,362	6,634	4,888	51,643	49,965	3.4
All other durable goods:												
Shipments.....	32,999	32,800	32,975	0.6	-0.5	-1.1	33,971	34,294	33,388	333,264	323,508	3.0
New Orders.....	33,118	32,967	32,958	0.5	0.0	0.3	34,138	34,508	33,558	334,299	322,916	3.5
Capital goods³:												
Shipments.....	73,792	74,910	74,349	-1.5	0.8	-1.2	72,962	80,530	69,773	728,722	696,902	4.6
New Orders.....	79,078	84,627	75,737	-6.6	11.7	0.9	76,667	89,354	64,162	745,164	616,356	20.9
Nondefense capital goods:												
Shipments.....	64,748	65,143	65,225	-0.6	-0.1	-0.6	64,083	70,046	58,575	628,466	590,166	6.5
New Orders.....	70,799	74,104	66,371	-4.5	11.7	1.3	69,237	78,576	55,625	648,160	521,676	24.2
Excluding aircraft:												
Shipments.....	60,399	61,330	60,710	-1.5	1.0	1.4	60,421	65,958	54,422	588,901	541,407	8.8
New Orders.....	61,316	64,187	63,011	-4.5	1.9	5.1	61,689	69,004	54,050	602,690	516,041	16.8
Defense capital goods:												
Shipments.....	9,044	9,767	9,124	-7.4	7.0	-4.8	8,879	10,484	11,198	100,256	106,736	-6.1
New Orders.....	8,279	10,523	9,366	-21.3	12.4	-1.9	7,430	10,778	8,537	97,004	94,680	2.5

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; 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 Inventories¹

[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
	Oct 2010 ²	Sep 2010 ^r	Aug 2010	Sep - Oct ²	Aug - Sep ^r	Jul - Aug	Oct 2010 ²	Sep 2010 ^r	Oct 2009	2010/2009
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	821,881	816,497	805,524	0.7	1.4	0.2	813,980	811,259	798,095	2.0
Total Inventories.....	316,666	315,354	313,187	0.4	0.7	0.7	318,046	314,079	297,135	7.0
Excluding transportation:										
Unfilled Orders ⁴	337,683	336,037	331,312	0.5	1.4	1.0	336,587	336,016	311,101	8.2
Total Inventories.....	233,574	232,511	231,664	0.5	0.4	0.4	234,324	231,528	220,392	6.3
Excluding defense:										
Unfilled Orders ⁴	667,887	661,614	651,855	0.9	1.5	0.2	663,227	658,877	643,023	3.1
Total Inventories.....	293,965	292,669	290,255	0.4	0.8	0.8	295,263	291,455	273,793	7.8
Manufacturing with unfilled orders:										
Unfilled Orders.....	821,881	816,497	805,524	0.7	1.4	0.2	813,980	811,259	798,095	2.0
Total Inventories.....	257,862	256,535	254,514	0.5	0.8	0.7	259,230	255,596	239,965	8.0
Primary metals:										
Unfilled Orders.....	18,989	18,791	18,515	1.1	1.5	0.1	18,538	19,023	16,311	13.7
Total Inventories.....	30,766	30,561	30,580	0.7	-0.1	-0.8	31,151	30,829	26,996	15.4
Fabricated metal products:										
Unfilled Orders.....	53,939	54,167	54,100	-0.4	0.1	0.4	53,077	53,807	52,168	1.7
Total Inventories.....	41,953	41,831	42,049	0.3	-0.5	0.2	41,847	41,724	39,515	5.9
Machinery:										
Unfilled Orders.....	104,182	102,000	99,668	2.1	2.3	1.8	104,873	102,111	88,018	19.1
Total Inventories.....	52,350	51,961	51,738	0.7	0.4	0.9	52,316	51,458	50,301	4.0
Computers and electronic products⁴:										
Unfilled Orders.....	122,588	123,404	122,082	-0.7	1.1	0.6	122,193	123,470	121,401	0.7
Total Inventories.....	46,054	45,811	45,462	0.5	0.8	0.5	46,452	45,341	43,721	6.2
Computers and related products:										
Unfilled Orders.....	5,329	5,472	5,332	-2.6	2.6	1.0	5,329	5,472	4,825	10.4
Total Inventories.....	4,751	4,595	4,740	3.4	-3.1	-2.5	4,774	4,592	4,386	8.8
Communications equipment:										
Unfilled Orders.....	28,310	28,436	28,215	-0.4	0.8	1.8	28,515	28,671	29,278	-2.6
Total Inventories.....	8,281	8,213	8,094	0.8	1.5	0.5	8,288	8,035	7,586	9.3
Electrical equipment, appliances, and components:										
Unfilled Orders.....	25,522	25,331	24,770	0.8	2.3	1.6	25,363	25,229	21,745	16.6
Total Inventories.....	14,956	14,848	14,640	0.7	1.4	1.4	14,942	14,686	13,432	11.2
Transportation equipment:										
Unfilled Orders.....	484,198	480,460	474,212	0.8	1.3	-0.4	477,393	475,243	486,994	-2.0
Total Inventories.....	83,092	82,843	81,523	0.3	1.6	1.4	83,722	82,551	76,743	9.1
Motor vehicles and parts:										
Unfilled Orders.....	13,758	13,703	13,520	0.4	1.4	0.3	13,524	13,357	14,471	-6.5
Total Inventories.....	21,296	21,202	21,169	0.4	0.2	1.1	21,297	21,107	17,796	19.7
Nondefense Aircraft and parts:										
Unfilled Orders.....	333,810	328,321	321,995	1.7	2.0	-0.4	329,742	325,562	324,865	1.5
Total Inventories.....	39,496	39,219	37,768	0.7	3.8	3.0	39,967	39,070	34,482	15.9
Defense Aircraft and parts:										
Unfilled Orders.....	48,655	48,760	47,566	-0.2	2.5	-0.3	47,470	47,770	47,774	-0.6
Total Inventories.....	11,854	11,905	12,030	-0.4	-1.0	-0.6	11,966	11,964	12,445	-3.8
All other durable goods:										
Unfilled Orders.....	12,463	12,344	12,177	1.0	1.4	-0.1	12,543	12,376	11,458	9.5
Total Inventories.....	47,495	47,499	47,195	0.0	0.6	0.6	47,616	47,490	46,427	2.6
Capital goods³:										
Unfilled Orders.....	643,831	638,545	628,828	0.8	1.5	0.2	636,894	633,189	624,919	1.9
Total Inventories.....	151,815	150,956	149,001	0.6	1.3	0.9	152,495	149,816	142,676	6.9
Nondefense capital goods:										
Unfilled Orders.....	503,910	497,859	488,898	1.2	1.8	0.2	499,863	494,709	483,305	3.4
Total Inventories.....	134,450	133,605	131,377	0.6	1.7	1.3	135,160	132,585	124,833	8.3
Excluding aircraft:										
Unfilled Orders.....	200,876	199,959	197,102	0.5	1.4	1.2	200,651	199,383	188,500	6.4
Total Inventories.....	103,168	102,614	101,934	0.5	0.7	0.6	103,546	101,686	98,710	4.9
Defense capital goods:										
Unfilled Orders.....	139,921	140,686	139,930	-0.5	0.5	0.2	137,031	138,480	141,614	-3.2
Total Inventories.....	17,365	17,351	17,624	0.1	-1.5	-1.7	17,335	17,231	17,843	-2.8

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 64 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>.

2011 Release Dates for M3 Survey

Survey Month	Advance Report 8:30 A.M.	Full Report 10:00 A.M.
November 2010	Dec. 23, 2010	Jan. 4, 2011
December 2010	Jan. 27, 2011	Feb. 3, 2011
January 2011	Feb. 24, 2011	Mar. 4, 2011
February 2011	Mar. 24, 2011	Mar. 31, 2011
March 2011	Apr. 27, 2011	May 3, 2011
April 2011	May 25, 2011	Jun. 2, 2011
May 2011	Jun. 24, 2011	Jul. 5, 2011
June 2011	Jul. 27, 2011	Aug. 3, 2011
July 2011	Aug. 24, 2011	Aug. 31, 2011
August 2011	Sep. 28, 2011	Oct. 4, 2011
September 2011	Oct. 26, 2011	Nov. 3, 2011
October 2011	Nov. 23, 2011	Dec. 5, 2011
November 2011	Dec. 23, 2011	