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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders February 2012

New Orders

New orders for manufactured durable goods in February increased \$4.5 billion or 2.2 percent to \$211.8 billion, the U.S. Census Bureau announced today. This increase, up four of the last five months, followed a 3.6 percent January decrease. Excluding transportation, new orders increased 1.6 percent. Excluding defense, new orders increased 1.7 percent.

Transportation equipment, up three of the last four months, had the largest increase, \$2.1 billion or 3.9 percent to \$57.9 billion. This was led by nondefense aircraft and parts, which increased \$1.0 billion.

Shipments

Shipments of manufactured durable goods in February, down following two consecutive monthly increases, decreased \$0.8 billion or 0.4 percent to \$206.6 billion. This followed a 0.1 percent January increase.

Transportation equipment, also down following two consecutive monthly increases, had the largest decrease, \$1.3 billion or 2.5 percent to \$49.2 billion. This followed a 5.7 percent January increase.

Unfilled Orders

Unfilled orders for manufactured durable goods in February, up twenty-two of the last twenty-three months, increased \$11.5 billion or 1.3 percent to \$930.3 billion. This followed a 0.7 percent January increase.

Transportation equipment, up thirteen of the last fourteen months, had the largest increase, \$8.6 billion or 1.6 percent to \$544.0 billion.

Inventories

Inventories of manufactured durable goods in February, up twenty-six consecutive months, increased \$1.6 billion or 0.4 percent to \$373.7 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 0.6 percent January increase.

Machinery, up twenty-three consecutive months, had the largest increase, \$0.6 billion or 0.9 percent to \$62.2 billion. This was also at the highest level since the series was first published on a NAICS basis.

Capital Goods

Nondefense new orders for capital goods in February increased \$1.2 billion or 1.5 percent to \$81.8 billion. Shipments increased \$0.3 billion or 0.5 percent to \$71.2 billion. Unfilled orders increased \$10.6 billion or 1.9 percent to \$566.1 billion. Inventories increased \$1.3 billion or 0.8 percent to \$173.1 billion.

Defense new orders for capital goods in February increased \$0.8 billion or 12.4 percent to \$7.0 billion. Shipments decreased \$0.6 billion or 7.8 percent to \$6.9 billion. Unfilled orders increased \$0.1 billion or 0.1 percent to \$147.6 billion. Inventories increased slightly or 0.2 percent to \$20.1 billion.

Revised January Data

Revised seasonally adjusted January figures for all manufacturing industries were: new orders, \$462.9 billion (revised from \$462.6 billion); shipments, \$463.1 billion (revised from \$463.6 billion); unfilled orders, \$918.8 billion (revised from \$917.9 billion); and total inventories, \$614.3 billion (revised from \$614.7 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 3, 2012, at 10:00 a.m. EDT. The advance report on durable goods for March is scheduled for release on April 25, 2012, at 8:30 a.m. EDT. See back page for survey description.

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 2012 ²	Jan 2012 ^f	Dec 2011	Jan - Feb ²	Dec - Jan ^f	Nov - Dec	Feb 2012 ²	Jan 2012 ^f	Feb 2011	2012	2011	Percent Change 12/11
DURABLE GOODS												
Total:												
Shipments.....	206,558	207,351	207,200	-0.4	0.1	2.0	199,002	187,762	176,499	386,764	347,385	11.3
New Orders ⁴	211,765	207,221	214,960	2.2	-3.6	3.3	208,333	191,712	176,967	400,045	352,364	13.5
Excluding transportation:												
Shipments.....	157,348	156,873	159,459	0.3	-1.6	2.3	150,084	144,285	132,993	294,369	265,434	10.9
New Orders ⁴	153,910	151,512	156,160	1.6	-3.0	2.3	151,319	141,989	133,418	293,308	265,849	10.3
Excluding defense:												
Shipments.....	197,381	197,297	197,244	0.0	0.0	1.8	189,946	179,756	166,482	369,702	329,070	12.3
New Orders ⁴	202,183	198,761	207,325	1.7	-4.1	3.9	198,215	183,359	167,041	381,574	328,979	16.0
Manufacturing with unfilled orders:												
Shipments.....	149,282	150,076	151,193	-0.5	-0.7	3.2	143,454	134,366	127,011	277,820	248,571	11.8
New Orders.....	160,785	156,392	164,856	2.8	-5.1	4.2	158,859	146,472	133,090	305,331	267,627	14.1
Primary metals:												
Shipments.....	27,362	27,228	28,360	0.5	-4.0	5.4	27,206	26,173	20,651	53,379	40,668	31.3
New Orders.....	26,948	26,607	28,978	1.3	-8.2	3.9	27,529	26,940	20,325	54,469	42,885	27.0
Fabricated metal products:												
Shipments.....	26,301	26,397	26,184	-0.4	0.8	2.5	24,905	24,303	22,179	49,208	44,096	11.6
New Orders.....	26,698	26,606	26,205	0.3	1.5	1.0	26,255	25,027	24,239	51,282	47,044	9.0
Machinery:												
Shipments.....	30,592	29,904	31,663	2.3	-5.6	3.8	29,692	26,811	25,658	56,503	49,905	13.2
New Orders.....	32,793	31,012	34,100	5.7	-9.1	6.5	32,640	29,546	27,395	62,186	55,483	12.1
Computers and electronic products ⁴:												
Shipments.....	30,151	29,845	30,054	1.0	-0.7	-0.9	27,605	28,049	26,676	55,654	56,178	-0.9
New Orders.....	24,425	23,789	23,299	2.7	2.1	-0.2	23,335	20,579	22,435	43,914	43,783	0.3
Computers and related products:												
Shipments.....	5,569	5,376	5,670	3.6	-5.2	-2.4	4,321	4,310	4,182	8,631	8,916	-3.2
New Orders.....	5,477	5,136	5,599	6.6	-8.3	-5.7	4,229	4,070	4,007	8,299	8,593	-3.4
Communications equipment:												
Shipments.....	3,079	2,878	3,181	7.0	-9.5	11.4	2,726	2,274	2,847	5,000	5,653	-11.6
New Orders.....	3,265	2,936	2,907	11.2	1.0	2.3	3,318	2,355	2,949	5,673	5,603	1.2
Electrical equipment, appliances, and components:												
Shipments.....	10,260	10,404	10,211	-1.4	1.9	1.3	9,778	9,279	9,127	19,057	17,831	6.9
New Orders.....	10,254	10,517	10,617	-2.5	-0.9	-0.6	10,332	10,329	10,160	20,661	19,755	4.6
Transportation equipment:												
Shipments.....	49,210	50,478	47,741	-2.5	5.7	1.1	48,918	43,477	43,506	92,395	81,951	12.7
New Orders.....	57,855	55,709	58,800	3.9	-5.3	6.3	57,014	49,723	43,549	106,737	86,515	23.4
Motor vehicles and parts:												
Shipments.....	31,269	30,883	30,221	1.2	2.2	1.0	31,929	28,526	27,624	60,455	52,908	14.3
New Orders.....	31,290	30,784	30,381	1.6	1.3	1.0	32,069	28,555	27,796	60,624	53,225	13.9
Nondefense aircraft and parts:												
Shipments.....	8,459	9,051	7,787	-6.5	16.2	1.0	7,850	6,637	6,042	14,487	10,922	32.6
New Orders.....	17,410	16,427	19,847	6.0	-17.2	21.0	15,971	13,005	7,795	28,976	12,605	129.9
Defense aircraft and parts:												
Shipments.....	3,807	4,608	4,004	-17.4	15.1	5.6	3,581	3,475	3,971	7,056	7,255	-2.7
New Orders.....	4,429	3,938	3,882	12.5	1.4	-6.4	4,200	3,900	3,925	8,100	9,240	-12.3
All other durable goods:												
Shipments.....	32,682	33,095	32,987	-1.2	0.3	1.4	30,898	29,670	28,702	60,568	56,756	6.7
New Orders.....	32,792	32,981	32,961	-0.6	0.1	0.5	31,228	29,568	28,864	60,796	56,899	6.8
Capital goods ³:												
Shipments.....	78,104	78,339	79,197	-0.3	-1.1	3.2	74,139	67,942	67,128	142,081	130,286	9.1
New Orders.....	88,822	86,816	90,060	2.3	-3.6	5.2	86,399	79,052	71,640	165,451	142,418	16.2
Nondefense capital goods:												
Shipments.....	71,218	70,871	71,561	0.5	-1.0	2.6	67,151	61,853	59,073	129,004	115,665	11.5
New Orders.....	81,793	80,561	84,983	1.5	-5.2	6.9	78,704	72,742	63,622	151,446	122,889	23.2
Excluding aircraft:												
Shipments.....	65,858	64,948	66,965	1.4	-3.0	2.8	62,213	58,000	55,662	120,213	110,065	9.2
New Orders.....	67,427	66,598	69,157	1.2	-3.7	3.5	65,930	62,253	58,740	128,183	116,514	10.0
Defense capital goods:												
Shipments.....	6,886	7,468	7,636	-7.8	-2.2	9.6	6,988	6,089	8,055	13,077	14,621	-10.6
New Orders.....	7,029	6,255	5,077	12.4	23.2	-16.3	7,695	6,310	8,018	14,005	19,529	-28.3

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 2012/ 2011
	Feb 2012 ²	Jan 2012 ^r	Dec 2011	Jan - Feb ²	Dec - Jan ^r	Nov - Dec	Feb 2012 ²	Jan 2012 ^r	Feb 2011	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	930,326	918,823	912,507	1.3	0.7	1.5	937,874	922,469	848,514	10.5
Total Inventories.....	373,718	372,153	370,100	0.4	0.6	0.3	374,503	370,269	344,068	8.8
Excluding transportation:										
Unfilled Orders ⁴	386,348	383,490	382,405	0.7	0.3	0.7	389,071	381,762	354,690	9.7
Total Inventories.....	256,588	255,434	253,766	0.5	0.7	-0.2	257,644	254,354	241,060	6.9
Excluding defense:										
Unfilled Orders ⁴	763,299	752,201	744,291	1.5	1.1	2.2	769,342	754,999	680,040	13.1
Total Inventories.....	348,340	346,830	344,766	0.4	0.6	0.6	349,076	344,979	318,983	9.4
Manufacturing with unfilled orders:										
Unfilled Orders.....	930,326	918,823	912,507	1.3	0.7	1.5	937,874	922,469	848,514	10.5
Total Inventories.....	307,450	305,655	303,235	0.6	0.8	0.3	307,317	303,706	279,895	9.8
Primary metals:										
Unfilled Orders.....	33,484	33,898	34,519	-1.2	-1.8	1.8	34,667	34,344	33,878	2.3
Total Inventories.....	35,156	34,690	34,511	1.3	0.5	0.4	34,435	33,903	31,623	8.9
Fabricated metal products:										
Unfilled Orders.....	66,974	66,577	66,368	0.6	0.3	0.0	66,785	65,435	62,236	7.3
Total Inventories.....	46,398	46,154	46,070	0.5	0.2	-0.6	46,525	46,114	43,185	7.7
Machinery:										
Unfilled Orders.....	124,394	122,193	121,085	1.8	0.9	2.1	124,617	121,669	99,856	24.8
Total Inventories.....	62,171	61,607	60,601	0.9	1.7	0.4	63,073	61,518	55,566	13.5
Computers and electronic products⁴:										
Unfilled Orders.....	124,649	124,079	123,689	0.5	0.3	-0.7	125,939	124,135	125,553	0.3
Total Inventories.....	47,521	47,626	47,324	-0.2	0.6	-1.2	47,840	47,578	47,044	1.7
Computers and related products:										
Unfilled Orders.....	3,112	3,204	3,444	-2.9	-7.0	-2.0	3,112	3,204	3,331	-6.6
Total Inventories.....	5,873	6,001	5,995	-2.1	0.1	-1.6	5,931	5,781	5,578	6.3
Communications equipment:										
Unfilled Orders.....	28,356	28,170	28,112	0.7	0.2	-1.0	28,819	28,227	29,541	-2.4
Total Inventories.....	9,250	9,181	8,977	0.8	2.3	-5.3	9,415	9,307	9,405	0.1
Electrical equipment, appliances, and components:										
Unfilled Orders.....	28,303	28,309	28,196	0.0	0.4	1.5	28,884	28,330	25,176	14.7
Total Inventories.....	15,876	15,931	15,419	-0.3	3.3	-0.1	15,927	15,800	15,265	4.3
Transportation equipment:										
Unfilled Orders.....	543,978	535,333	530,102	1.6	1.0	2.1	548,803	540,707	493,824	11.1
Total Inventories.....	117,130	116,719	116,334	0.4	0.3	1.4	116,859	115,915	103,008	13.4
Motor vehicles and parts:										
Unfilled Orders.....	13,958	13,937	14,036	0.2	-0.7	1.2	14,574	14,434	14,113	3.3
Total Inventories.....	26,489	26,799	26,678	-1.2	0.5	0.9	26,621	26,977	24,704	7.8
Nondefense Aircraft and parts:										
Unfilled Orders.....	392,813	383,862	376,486	2.3	2.0	3.3	395,880	387,759	339,099	16.7
Total Inventories.....	65,122	64,467	64,191	1.0	0.4	2.0	64,641	63,503	53,538	20.7
Defense Aircraft and parts:										
Unfilled Orders.....	55,504	54,882	55,552	1.1	-1.2	-0.2	56,268	55,649	54,090	4.0
Total Inventories.....	14,860	14,616	14,648	1.7	-0.2	-1.2	14,782	14,492	13,810	7.0
All other durable goods:										
Unfilled Orders.....	8,544	8,434	8,548	1.3	-1.3	-0.3	8,179	7,849	7,991	2.4
Total Inventories.....	49,466	49,426	49,841	0.1	-0.8	0.2	49,844	49,441	48,377	3.0
Capital goods³:										
Unfilled Orders.....	713,731	703,013	694,536	1.5	1.2	1.6	719,025	706,765	640,344	12.3
Total Inventories.....	193,170	191,809	190,422	0.7	0.7	0.2	193,704	190,286	173,265	11.8
Nondefense capital goods:										
Unfilled Orders.....	566,130	555,555	545,865	1.9	1.8	2.5	570,316	558,763	490,764	16.2
Total Inventories.....	173,063	171,737	170,378	0.8	0.8	0.5	173,470	170,123	153,362	13.1
Excluding aircraft:										
Unfilled Orders.....	216,711	215,142	213,492	0.7	0.8	1.0	218,477	214,760	192,543	13.5
Total Inventories.....	117,254	116,507	115,340	0.6	1.0	-0.1	118,187	115,846	108,025	9.4
Defense capital goods:										
Unfilled Orders.....	147,601	147,458	148,671	0.1	-0.8	-1.7	148,709	148,002	149,580	-0.6
Total Inventories.....	20,107	20,072	20,044	0.2	0.1	-2.7	20,234	20,163	19,903	1.7

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>.

Benchmark Notice

Revised historical data for Manufacturers' Shipments, Inventories, and Orders will be issued on May 18, 2012. These revisions reflect:

- benchmarking the shipments and inventories data to the 2010 Annual Survey of Manufactures (ASM) data, as well as revised ASM benchmarks for prior years;
- incorporating the unfilled orders to shipments ratios obtained from the 2009/2010 Manufacturers' Unfilled Orders Survey by applying these ratios to the respective 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;
- incorporating the monthly data corrections when producing estimates for industry groups for which we identified companies to be tabbed separately from the link-relative estimation procedure;
- implementing a new SAS[®] benchmarking program, which is based on the same benchmarking methodology as the previous ASCII Fortran program; and
- updating the seasonally adjusted data, based on the results of benchmarking and the recent annual review of the seasonal adjustment models.

An accompanying press release will include the revised 2012 January through March data. Please call Jessica Young on (301) 763-4832 with any questions.