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## Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders May 2014

### New Orders

New orders for manufactured durable goods in May decreased \$2.4 billion or 1.0 percent to \$238.0 billion, the U.S. Census Bureau announced today. This decrease, down following three consecutive monthly increases, followed a 0.8 percent April increase. Excluding transportation, new orders decreased 0.1 percent. Excluding defense, new orders increased 0.6 percent.

Transportation equipment, also down following three consecutive monthly increases, led the decrease, \$2.3 billion or 3.0 percent to \$74.4 billion.

### Shipments

Shipments of manufactured durable goods in May, up four consecutive months, increased \$0.6 billion or 0.3 percent to \$238.6 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a slight April increase.

Primary metals, up three consecutive months, led the increase, \$0.4 billion or 1.6 percent to \$27.0 billion.

### Unfilled Orders

Unfilled orders for manufactured durable goods in May, up thirteen of the last fourteen months, increased \$6.6 billion or 0.6 percent to \$1,087.4 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 0.9 percent April increase.

Transportation equipment, up eight of the last nine months, led the increase, \$4.6 billion or 0.7 percent to \$675.8 billion.

### Inventories

Inventories of manufactured durable goods in May, up thirteen of the last fourteen months, increased \$3.8 billion or 1.0 percent to \$397.8 billion. This was at the highest level since the series was first published on a NAICS basis and followed a 0.3 percent April increase.

Transportation equipment, also up thirteen of the last fourteen months, led the increase, \$1.4 billion or 1.1 percent to \$127.8 billion.

### Capital Goods

Nondefense new orders for capital goods in May decreased \$0.4 billion or 0.5 percent to \$82.1 billion. Shipments decreased \$0.5 billion or 0.7 percent to \$75.9 billion. Unfilled orders increased \$6.2 billion or 0.9 percent to \$662.7 billion. Inventories increased \$2.5 billion or 1.4 percent to \$181.7 billion.

Defense new orders for capital goods in May decreased \$4.0 billion or 31.4 percent to \$8.8 billion. Shipments decreased \$0.2 billion or 2.3 percent to \$9.4 billion. Unfilled orders decreased \$0.6 billion or 0.4 percent to \$158.9 billion. Inventories increased slightly or 0.1 percent to \$23.6 billion.

### Revised April Data

Revised seasonally adjusted April figures for all manufacturing industries were: new orders, \$500.3 billion (revised from \$499.8 billion); shipments, \$497.9 billion (revised from \$497.6 billion); unfilled orders, \$1,080.8 billion (revised from \$1,080.6 billion); and total inventories \$646.1 billion (revised from \$645.8 billion).

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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 July 2, 2014, at 10:00 a.m. EDT. The Advance Report on durable goods for June is scheduled for release on July 25, 2014, 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 <sup>1</sup>

[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		
	May 2014 <sup>2</sup>	Apr 2014 <sup>1</sup>	Mar 2014	Apr - May <sup>2</sup>	Mar - Apr <sup>1</sup>	Feb - Mar	May 2014 <sup>2</sup>	Apr 2014 <sup>1</sup>	May 2013	2014	2013	Percent Change 2014/2013
<b>DURABLE GOODS</b>												
<b>Total:</b>												
Shipments.....	238,637	238,002	237,969	0.3	0.0	1.4	242,976	238,755	237,367	1,164,994	1,124,121	3.6
New Orders <sup>4</sup> .....	238,008	240,439	238,420	-1.0	0.8	3.7	239,246	234,564	235,905	1,159,732	1,112,932	4.2
<b>Excluding transportation:</b>												
Shipments.....	168,801	168,247	167,767	0.3	0.3	1.5	171,399	169,982	165,183	822,346	791,713	3.9
New Orders <sup>4</sup> .....	163,597	163,756	163,054	-0.1	0.4	3.0	166,932	165,612	161,749	810,060	783,083	3.4
<b>Excluding defense:</b>												
Shipments.....	227,092	226,163	226,097	0.4	0.0	1.3	231,472	227,844	225,369	1,108,339	1,066,152	4.0
New Orders <sup>4</sup> .....	226,502	225,074	226,857	0.6	-0.8	3.1	229,897	221,192	228,096	1,105,328	1,066,653	3.6
<b>Manufacturing with unfilled orders:</b>												
Shipments.....	166,871	166,970	166,823	-0.1	0.1	1.6	170,497	165,352	167,099	815,452	787,315	3.6
New Orders.....	173,520	177,007	175,006	-2.0	1.1	4.8	172,369	170,526	171,262	847,208	809,507	4.7
<b>Primary metals:</b>												
Shipments.....	26,998	26,566	26,156	1.6	1.6	1.4	27,964	27,625	25,826	133,869	127,167	5.3
New Orders.....	27,301	26,793	26,590	1.9	0.8	2.8	27,620	27,807	26,503	136,391	130,624	4.4
<b>Fabricated metal products:</b>												
Shipments.....	29,632	29,442	29,554	0.6	-0.4	0.4	30,660	30,041	30,386	145,233	142,924	1.6
New Orders.....	29,925	29,826	28,874	0.3	3.3	0.3	31,065	30,662	30,632	149,321	154,242	-3.2
<b>Machinery:</b>												
Shipments.....	36,096	35,871	36,274	0.6	-1.1	3.0	37,236	36,412	35,925	177,237	171,051	3.6
New Orders.....	36,762	36,876	37,773	-0.3	-2.4	4.3	37,756	38,445	35,687	187,317	175,159	6.9
<b>Computers and electronic products<sup>5</sup>:</b>												
Shipments.....	28,525	28,859	28,804	-1.2	0.2	1.2	26,197	28,251	25,663	136,843	131,334	4.2
New Orders.....	21,781	22,164	22,533	-1.7	-1.6	7.2	20,505	20,298	20,934	104,531	101,562	2.9
<b>Computers and related products:</b>												
Shipments.....	2,360	2,418	2,222	-2.4	8.8	3.3	2,016	1,749	1,920	9,950	10,021	-0.7
New Orders.....	2,590	2,365	2,246	9.5	5.3	4.7	2,246	1,696	1,926	9,960	10,258	-2.9
<b>Communications equipment:</b>												
Shipments.....	3,666	3,840	3,786	-4.5	1.4	1.4	3,564	3,376	3,957	17,810	18,637	-4.4
New Orders.....	3,842	4,297	4,642	-10.6	-7.4	9.6	3,591	4,036	4,950	20,734	21,304	-2.7
<b>Electrical equipment, appliances, and components:</b>												
Shipments.....	10,140	10,153	10,329	-0.1	-1.7	1.7	10,418	10,012	10,758	49,962	50,640	-1.3
New Orders.....	10,362	10,689	10,603	-3.1	0.8	3.5	10,864	10,443	11,219	52,297	51,999	0.6
<b>Transportation equipment:</b>												
Shipments.....	69,836	69,755	70,202	0.1	-0.6	1.0	71,577	68,773	72,184	342,648	332,408	3.1
New Orders.....	74,411	76,683	75,366	-3.0	1.7	5.2	72,314	68,952	74,156	349,672	329,849	6.0
<b>Motor vehicles and parts:</b>												
Shipments.....	46,948	45,968	46,276	2.1	-0.7	0.1	49,159	46,626	47,700	231,334	224,078	3.2
New Orders.....	46,975	46,015	46,332	2.1	-0.7	0.3	49,134	46,437	47,601	231,572	224,171	3.3
<b>Nondefense aircraft and parts:</b>												
Shipments.....	11,190	11,888	12,053	-5.9	-1.4	4.0	10,509	10,750	12,259	54,262	50,127	8.2
New Orders.....	14,974	15,594	16,840	-4.0	-7.4	12.3	12,185	8,968	17,145	61,337	60,129	2.0
<b>Defense aircraft and parts:</b>												
Shipments.....	4,630	4,677	4,704	-1.0	-0.6	7.3	4,610	4,151	4,550	21,931	22,255	-1.5
New Orders.....	4,892	4,620	4,017	5.9	15.0	-9.6	4,080	3,384	2,926	19,652	15,660	25.5
<b>All other durable goods:</b>												
Shipments.....	37,410	37,356	36,650	0.1	1.9	1.2	38,924	37,641	36,625	179,202	168,597	6.3
New Orders.....	37,466	37,408	36,681	0.2	2.0	1.6	39,122	37,957	36,774	180,203	169,497	6.3
<b>Capital goods<sup>3</sup>:</b>												
Shipments.....	85,334	86,090	86,527	-0.9	-0.5	2.3	85,366	82,674	86,189	414,511	403,006	2.9
New Orders.....	90,924	95,342	92,295	-4.6	3.3	10.5	87,375	87,623	89,787	433,353	420,282	3.1
<b>Nondefense capital goods:</b>												
Shipments.....	75,927	76,459	77,022	-0.7	-0.7	2.5	75,918	73,683	76,392	368,222	355,674	3.5
New Orders.....	82,139	82,544	83,037	-0.5	-0.6	9.7	80,404	76,156	83,244	389,013	383,023	1.6
<b>Excluding aircraft:</b>												
Shipments.....	68,454	68,164	68,440	0.4	-0.4	2.2	68,907	66,228	67,064	331,628	321,968	3.0
New Orders.....	70,684	70,196	70,995	0.7	-1.1	4.7	70,798	69,746	69,035	349,863	339,649	3.0
<b>Defense capital goods:</b>												
Shipments.....	9,407	9,631	9,505	-2.3	1.3	0.2	9,448	8,991	9,797	46,289	47,332	-2.2
New Orders.....	8,785	12,798	9,258	-31.4	38.2	18.8	6,971	11,467	6,543	44,340	37,259	19.0

<sup>1</sup> Revised data due to late receipts and concurrent seasonal adjustment.<sup>2</sup> 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.<sup>3</sup> 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>.<sup>4</sup> 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.

<sup>5</sup> 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 <sup>1</sup>

[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 2014/ 2013
	May 2014 <sup>2</sup>	Apr 2014 <sup>r</sup>	Mar 2014	Apr - May <sup>2</sup>	Mar - Apr <sup>r</sup>	Feb - Mar	May 2014 <sup>2</sup>	Apr 2014 <sup>r</sup>	May 2013	
<b>DURABLE GOODS</b>										
<b>Total:</b>										
Unfilled Orders <sup>1</sup> .....	1,087,413	1,080,764	1,070,727	0.6	0.9	0.8	1,092,034	1,090,162	1,013,056	7.8
Total Inventories.....	397,829	394,041	392,990	1.0	0.3	0.2	401,877	396,100	380,438	5.6
<b>Excluding transportation:</b>										
Unfilled Orders <sup>1</sup> .....	411,635	409,561	406,452	0.5	0.8	0.7	418,569	417,434	396,086	5.7
Total Inventories.....	270,058	267,688	267,205	0.9	0.2	0.1	272,701	268,805	263,623	3.4
<b>Excluding defense:</b>										
Unfilled Orders <sup>1</sup> .....	898,473	891,785	885,274	0.7	0.7	1.0	903,381	899,354	814,392	10.9
Total Inventories.....	368,884	365,147	363,820	1.0	0.4	0.2	372,812	367,019	352,500	5.8
<b>Manufacturing with unfilled orders:</b>										
Unfilled Orders.....	1,087,413	1,080,764	1,070,727	0.6	0.9	0.8	1,092,034	1,090,162	1,013,056	7.8
Total Inventories.....	326,036	322,982	321,877	0.9	0.3	0.2	329,621	324,882	311,123	5.9
<b>Primary metals:</b>										
Unfilled Orders.....	37,696	37,393	37,166	0.8	0.6	1.2	38,575	38,919	35,584	8.4
Total Inventories.....	36,176	35,868	35,620	0.9	0.7	-0.3	36,398	35,995	35,048	3.9
<b>Fabricated metal products:</b>										
Unfilled Orders.....	85,364	85,071	84,687	0.3	0.5	-0.8	87,885	87,480	90,270	-2.6
Total Inventories.....	49,089	48,886	48,857	0.4	0.1	0.3	49,606	49,263	47,633	4.1
<b>Machinery:</b>										
Unfilled Orders.....	116,004	115,338	114,333	0.6	0.9	1.3	117,827	117,307	105,898	11.3
Total Inventories.....	66,670	66,179	65,843	0.7	0.5	-0.4	67,527	66,648	67,019	0.8
<b>Computers and electronic products<sup>4</sup>:</b>										
Unfilled Orders.....	140,935	140,401	139,496	0.4	0.6	1.1	141,677	141,767	134,271	5.5
Total Inventories.....	48,754	47,605	47,922	2.4	-0.7	0.2	49,257	47,515	46,756	5.3
<b>Computers and related products:</b>										
Unfilled Orders.....	3,399	3,169	3,222	7.3	-1.6	0.8	3,399	3,169	3,464	-1.9
Total Inventories.....	4,663	4,707	4,695	-0.9	0.3	2.1	4,861	4,676	4,738	2.6
<b>Communications equipment:</b>										
Unfilled Orders.....	38,130	37,954	37,497	0.5	1.2	2.3	38,451	38,424	33,097	16.2
Total Inventories.....	7,787	7,744	7,787	0.6	-0.6	0.7	7,755	7,616	7,374	5.2
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	24,138	23,916	23,380	0.9	2.3	1.2	24,625	24,179	22,333	10.3
Total Inventories.....	16,626	16,581	16,575	0.3	0.0	-0.8	16,842	16,726	16,897	-0.3
<b>Transportation equipment:</b>										
Unfilled Orders.....	675,778	671,203	664,275	0.7	1.0	0.8	673,465	672,728	616,970	9.2
Total Inventories.....	127,771	126,353	125,785	1.1	0.5	0.5	129,176	127,295	116,815	10.6
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	16,545	16,518	16,471	0.2	0.3	0.3	16,754	16,779	16,878	-0.7
Total Inventories.....	26,243	26,454	26,362	-0.8	0.3	0.6	26,211	26,566	25,118	4.4
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	504,698	500,914	497,208	0.8	0.7	1.0	502,783	501,107	441,358	13.9
Total Inventories.....	72,207	70,603	69,927	2.3	1.0	0.5	73,679	71,337	63,427	16.2
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	62,418	62,156	62,213	0.4	-0.1	-1.1	62,232	62,762	65,764	-5.4
Total Inventories.....	14,215	14,170	14,174	0.3	0.0	-0.3	14,289	14,231	13,917	2.7
<b>All other durable goods:</b>										
Unfilled Orders.....	7,498	7,442	7,390	0.8	0.7	0.4	7,980	7,782	7,730	3.2
Total Inventories.....	52,743	52,569	52,388	0.3	0.3	0.8	53,071	52,658	50,270	5.6
<b>Capital goods<sup>3</sup>:</b>										
Unfilled Orders.....	821,630	816,040	806,788	0.7	1.1	0.7	823,287	821,278	758,490	8.5
Total Inventories.....	205,346	202,820	201,967	1.2	0.4	0.2	208,160	203,801	195,495	6.5
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	662,708	656,496	650,411	0.9	0.9	0.9	664,662	660,176	590,620	12.5
Total Inventories.....	181,740	179,229	178,068	1.4	0.7	0.1	184,508	180,084	172,993	6.7
<b>Excluding aircraft:</b>										
Unfilled Orders.....	242,966	240,736	238,704	0.9	0.9	1.1	246,880	244,989	225,520	9.5
Total Inventories.....	121,625	120,895	120,408	0.6	0.4	0.0	122,903	121,049	120,853	1.7
<b>Defense capital goods:</b>										
Unfilled Orders.....	158,922	159,544	156,377	-0.4	2.0	-0.2	158,625	161,102	167,870	-5.5
Total Inventories.....	23,606	23,591	23,899	0.1	-1.3	0.6	23,652	23,717	22,502	5.1

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>.