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

New Orders. New orders for manufactured durable goods in January decreased \$8.6 billion or 4.0 percent to \$206.1 billion, the U.S. Census Bureau announced today. This decrease, down following three consecutive monthly increases, followed a 3.2 percent December increase. Excluding transportation, new orders decreased 3.2 percent. Excluding defense, new orders decreased 4.5 percent. Transportation equipment, down following two consecutive monthly increases, had the largest decrease, \$3.6 billion or 6.1 percent to \$55.2 billion. This was due to nondefense aircraft and parts, which decreased \$3.8 billion.

Shipments. Shipments of manufactured durable goods in January, up two consecutive months, increased \$0.8 billion or 0.4 percent to \$207.8 billion. This followed a 1.9 percent December increase. Transportation equipment, also up two consecutive months, had the largest increase, \$2.6 billion or 5.4 percent to \$50.3 billion. This followed a 1.0 percent December increase.

Unfilled Orders. Unfilled orders for manufactured durable goods in January, up twenty-one of the last twenty-two months, increased \$4.8 billion or 0.5 percent to \$917.1 billion. This followed a 1.5 percent December increase. Transportation equipment, up twelve of the last thirteen months, had the largest increase, \$4.9 billion or 0.9 percent to

Inventories. Inventories of manufactured durable goods in January, up twenty-five consecutive months, increased \$2.6 billion or 0.7 percent to \$372.5 billion. This was at the highest level since the series was first published on a NAICS basis in 1992 and followed a 0.3 percent December increase. Machinery, up twenty-two consecutive months, had the largest increase, \$0.9 billion or 1.4 percent to \$61.4 billion.

Capital Goods. Nondefense new orders for capital goods in January decreased \$5.4 billion or 6.3 percent to \$79.5 billion. Shipments decreased \$0.6 billion or 0.9 percent to \$70.9 billion. Unfilled orders increased \$8.6 billion or 1.6 percent to \$554.4 billion. Inventories increased \$1.7 billion or 1.0 percent to \$172.0 billion. Defense new orders for capital goods in January increased \$0.9 billion or 17.7 percent to \$5.9 billion. Shipments decreased \$0.3 billion or 3.5 percent to \$7.4 billion. Unfilled orders decreased \$1.4 billion or 1.0 percent to \$147.2 billion. Inventories increased \$0.1 billion or 0.6 percent to \$20.2 billion.

Revised December Data. Revised seasonally adjusted December figures for all manufacturing industries were: new orders, \$466.5 billion (revised from \$466.2 billion); shipments, \$458.9 billion (revised from \$459.4 billion); unfilled orders, \$912.4 billion (revised from \$911.5 billion); and total inventories, \$610.6 billion (revised from \$610.1 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 5, 2012, at 10:00 a.m. EST. The advance report on durable goods for February is scheduled for release on March 28, 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		
	Jan 2012 ²	Dec 2011 ^f	Nov 2011	Dec - Jan ²	Nov - Dec ^f	Oct - Nov	Jan 2012 ²	Dec 2011 ^f	Jan 2011	2012	2011	Percent Change 12/11
DURABLE GOODS												
Total:												
Shipments.....	207,820	207,036	203,104	0.4	1.9	-0.2	187,881	203,645	170,886	187,881	170,886	9.9
New Orders ⁴	206,090	214,670	208,012	-4.0	3.2	4.2	190,821	225,554	175,397	190,821	175,397	8.8
Excluding transportation:												
Shipments.....	157,518	159,305	155,861	-1.1	2.2	0.5	144,577	154,536	132,441	144,577	132,441	9.2
New Orders ⁴	150,852	155,813	152,671	-3.2	2.1	0.3	141,150	152,950	132,431	141,150	132,431	6.6
Excluding defense:												
Shipments.....	197,678	197,078	193,732	0.3	1.7	-0.4	179,732	192,445	162,588	179,732	162,588	10.5
New Orders ⁴	197,717	207,032	199,538	-4.5	3.8	4.5	182,443	212,948	161,938	182,443	161,938	12.7
Manufacturing with unfilled orders:												
Shipments.....	150,351	151,125	146,553	-0.5	3.1	0.3	134,228	150,924	121,560	134,228	121,560	10.4
New Orders.....	155,110	164,639	158,164	-5.8	4.1	6.0	145,276	176,886	134,537	145,276	134,537	8.0
Primary metals:												
Shipments.....	27,517	28,293	26,906	-2.7	5.2	5.2	26,232	24,091	20,017	26,232	20,017	31.0
New Orders.....	27,019	28,949	27,892	-6.7	3.8	5.8	26,940	25,515	22,560	26,940	22,560	19.4
Fabricated metal products:												
Shipments.....	26,317	26,149	25,550	0.6	2.3	1.3	24,112	23,932	21,917	24,112	21,917	10.0
New Orders.....	26,217	26,028	25,943	0.7	0.3	0.3	24,515	23,519	22,805	24,515	22,805	7.5
Machinery:												
Shipments.....	29,907	31,713	30,493	-5.7	4.0	0.7	26,848	32,704	24,247	26,848	24,247	10.7
New Orders.....	30,548	34,093	32,020	-10.4	6.5	1.2	29,303	34,317	28,088	29,303	28,088	4.3
Computers and electronic products⁴:												
Shipments.....	30,109	30,024	30,317	0.3	-1.0	-3.0	28,276	32,520	29,502	28,276	29,502	-4.2
New Orders.....	23,359	23,183	23,336	0.8	-0.7	-6.4	20,280	28,937	21,348	20,280	21,348	-5.0
Computers and related products:												
Shipments.....	5,264	5,658	5,811	-7.0	-2.6	-9.7	4,229	7,202	4,734	4,229	4,734	-10.7
New Orders.....	5,024	5,587	5,938	-10.1	-5.9	-7.3	3,989	7,131	4,586	3,989	4,586	-13.0
Communications equipment:												
Shipments.....	3,166	3,195	2,855	-0.9	11.9	-1.9	2,624	4,002	2,806	2,624	2,806	-6.5
New Orders.....	2,883	2,844	2,842	1.4	0.1	-9.6	2,314	4,138	2,654	2,314	2,654	-12.8
Electrical equipment, appliances, and components:												
Shipments.....	10,334	10,198	10,079	1.3	1.2	-1.0	9,178	9,969	8,704	9,178	8,704	5.4
New Orders.....	10,463	10,664	10,682	-1.9	-0.2	0.2	10,236	9,986	9,595	10,236	9,595	6.7
Transportation equipment:												
Shipments.....	50,302	47,731	47,243	5.4	1.0	-2.5	43,304	49,109	38,445	43,304	38,445	12.6
New Orders.....	55,238	58,857	55,341	-6.1	6.4	16.6	49,671	72,604	42,966	49,671	42,966	15.6
Motor vehicles and parts:												
Shipments.....	30,791	30,220	29,930	1.9	1.0	-1.0	28,533	28,072	25,284	28,533	25,284	12.9
New Orders.....	30,658	30,394	30,066	0.9	1.1	0.0	28,520	28,778	25,429	28,520	25,429	12.2
Nondefense aircraft and parts:												
Shipments.....	9,138	7,786	7,708	17.4	1.0	-11.6	6,673	10,087	4,880	6,673	4,880	36.7
New Orders.....	16,072	19,846	16,400	-19.0	21.0	88.1	12,983	31,359	4,810	12,983	4,810	169.9
Defense aircraft and parts:												
Shipments.....	4,246	3,987	3,791	6.5	5.2	2.3	3,166	4,856	3,284	3,166	3,284	-3.6
New Orders.....	3,702	3,922	4,147	-5.6	-5.4	8.5	3,851	6,118	5,315	3,851	5,315	-27.5
All other durable goods:												
Shipments.....	33,334	32,928	32,516	1.2	1.3	-0.4	29,931	31,320	28,054	29,931	28,054	6.7
New Orders.....	33,246	32,896	32,798	1.1	0.3	0.2	29,876	30,676	28,035	29,876	28,035	6.6
Capital goods³:												
Shipments.....	78,307	79,215	76,710	-1.1	3.3	-2.0	67,939	86,448	63,158	67,939	63,158	7.6
New Orders.....	85,484	89,956	85,583	-5.0	5.1	8.0	78,079	107,839	70,778	78,079	70,778	10.3
Nondefense capital goods:												
Shipments.....	70,943	71,582	69,745	-0.9	2.6	-2.2	61,849	78,237	56,592	61,849	56,592	9.3
New Orders.....	79,545	84,909	79,514	-6.3	6.8	9.3	72,019	98,893	59,267	72,019	59,267	21.5
Excluding aircraft:												
Shipments.....	64,936	66,986	65,156	-3.1	2.8	-0.9	57,949	71,778	54,403	57,949	54,403	6.5
New Orders.....	65,986	69,083	66,793	-4.5	3.4	-1.5	61,554	72,768	57,774	61,554	57,774	6.5
Defense capital goods:												
Shipments.....	7,364	7,633	6,965	-3.5	9.6	0.0	6,090	8,211	6,566	6,090	6,566	-7.2
New Orders.....	5,939	5,047	6,069	17.7	-16.8	-6.7	6,060	8,946	11,511	6,060	11,511	-47.4

^f Revised data due to late receipts and concurrent seasonal adjustment.¹ 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.² 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>.³ 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.

⁴ 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
	Jan 2012 ²	Dec 2011 ^r	Nov 2011	Dec - Jan ²	Nov - Dec ^r	Oct - Nov	Jan 2012 ²	Dec 2011 ^r	Jan 2011	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	917,117	912,358	898,844	0.5	1.5	1.3	921,422	910,374	842,435	9.4
Total Inventories.....	372,535	369,978	368,843	0.7	0.3	0.5	370,594	359,368	336,950	10.0
Excluding transportation:										
Unfilled Orders ⁴	382,012	382,189	379,801	0.0	0.6	0.9	380,576	375,895	348,654	9.2
Total Inventories.....	255,492	253,635	254,163	0.7	-0.2	0.2	254,497	247,148	236,116	7.8
Excluding defense:										
Unfilled Orders ⁴	750,669	744,141	728,307	0.9	2.2	1.7	754,070	743,251	673,870	11.9
Total Inventories.....	347,048	344,618	342,821	0.7	0.5	0.5	345,118	334,290	312,042	10.6
Manufacturing with unfilled orders:										
Unfilled Orders.....	917,117	912,358	898,844	0.5	1.5	1.3	921,422	910,374	842,435	9.4
Total Inventories.....	305,440	303,178	302,239	0.7	0.3	0.6	303,534	294,473	274,750	10.5
Primary metals:										
Unfilled Orders.....	34,059	34,557	33,901	-1.4	1.9	3.0	34,325	33,617	34,204	0.4
Total Inventories.....	34,590	34,472	34,373	0.3	0.3	0.1	33,867	33,540	30,994	9.3
Fabricated metal products:										
Unfilled Orders.....	66,126	66,226	66,347	-0.2	-0.2	0.6	65,013	64,610	60,176	8.0
Total Inventories.....	46,094	46,070	46,365	0.1	-0.6	0.2	46,068	45,284	42,583	8.2
Machinery:										
Unfilled Orders.....	121,669	121,028	118,648	0.5	2.0	1.3	121,357	118,902	98,119	23.7
Total Inventories.....	61,433	60,580	60,341	1.4	0.4	0.9	61,421	58,648	54,143	13.4
Computers and electronic products⁴:										
Unfilled Orders.....	123,319	123,580	124,541	-0.2	-0.8	-0.2	123,562	123,450	124,183	-0.5
Total Inventories.....	47,658	47,340	47,908	0.7	-1.2	-0.4	47,538	46,118	45,861	3.7
Computers and related products:										
Unfilled Orders.....	3,204	3,444	3,515	-7.0	-2.0	3.7	3,204	3,444	3,506	-8.6
Total Inventories.....	6,055	5,993	6,094	1.0	-1.7	-0.8	5,807	5,632	5,243	10.8
Communications equipment:										
Unfilled Orders.....	27,752	28,035	28,386	-1.0	-1.2	0.0	27,836	28,146	29,439	-5.4
Total Inventories.....	9,091	8,979	9,484	1.2	-5.3	-2.2	9,213	8,898	9,125	1.0
Electrical equipment, appliances, and components:										
Unfilled Orders.....	28,385	28,256	27,790	0.5	1.7	2.2	28,423	27,365	24,143	17.7
Total Inventories.....	15,846	15,412	15,430	2.8	-0.1	-0.2	15,688	14,749	14,889	5.4
Transportation equipment:										
Unfilled Orders.....	535,105	530,169	519,043	0.9	2.1	1.6	540,846	534,479	493,781	9.5
Total Inventories.....	117,043	116,343	114,680	0.6	1.5	1.2	116,097	112,220	100,834	15.1
Motor vehicles and parts:										
Unfilled Orders.....	13,917	14,050	13,876	-0.9	1.3	1.0	14,410	14,423	13,941	3.4
Total Inventories.....	26,873	26,673	26,427	0.7	0.9	-0.3	26,896	25,495	24,002	12.1
Nondefense Aircraft and parts:										
Unfilled Orders.....	383,420	376,486	364,426	1.8	3.3	2.4	387,701	381,391	337,346	14.9
Total Inventories.....	64,480	64,191	62,924	0.5	2.0	1.8	63,526	61,747	52,341	21.4
Defense Aircraft and parts:										
Unfilled Orders.....	55,065	55,609	55,674	-1.0	-0.1	0.6	55,909	55,224	54,136	3.3
Total Inventories.....	14,836	14,673	14,823	1.1	-1.0	3.6	14,736	14,418	13,783	6.9
All other durable goods:										
Unfilled Orders.....	8,454	8,542	8,574	-1.0	-0.4	3.4	7,896	7,951	7,829	0.9
Total Inventories.....	49,871	49,761	49,746	0.2	0.0	0.4	49,915	48,809	47,646	4.8
Capital goods³:										
Unfilled Orders.....	701,591	694,414	683,673	1.0	1.6	1.3	705,820	695,680	635,832	11.0
Total Inventories.....	192,176	190,397	190,118	0.9	0.1	0.9	190,701	184,604	169,262	12.7
Nondefense capital goods:										
Unfilled Orders.....	554,372	545,770	532,443	1.6	2.5	1.9	558,069	547,899	486,215	14.8
Total Inventories.....	172,004	170,352	169,518	1.0	0.5	0.8	170,440	164,586	149,471	14.0
Excluding aircraft:										
Unfilled Orders.....	214,447	213,397	211,300	0.5	1.0	0.8	214,137	210,532	189,465	13.0
Total Inventories.....	116,760	115,314	115,451	1.3	-0.1	0.4	116,141	111,758	105,194	10.4
Defense capital goods:										
Unfilled Orders.....	147,219	148,644	151,230	-1.0	-1.7	-0.6	147,751	147,781	149,617	-1.2
Total Inventories.....	20,172	20,045	20,600	0.6	-2.7	1.8	20,261	20,018	19,791	2.4

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. 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) 763-4813 with any questions.