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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders December 2015

New Orders

New orders for manufactured durable goods in December decreased \$12.0 billion or 5.1 percent to \$225.4 billion, the U.S. Census Bureau announced today. This decrease, down four of the last five months, followed a 0.5 percent November decrease. Excluding transportation, new orders decreased 1.2 percent. Excluding defense, new orders decreased 2.9 percent.

Transportation equipment, also down four of the last five months, led the decrease, \$10.1 billion or 12.4 percent to \$71.3 billion.

Shipments

Shipments of manufactured durable goods in December, down two of the last three months, decreased \$5.4 billion, or 2.2 percent, to \$235.8 billion. This followed a 0.6 percent November increase.

Transportation equipment, also down two of the last three months, led the decrease, \$5.4 billion or 6.7 percent to \$75.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in December, down following two consecutive monthly increases, decreased \$5.6 billion or 0.5 percent to \$1,187.6 billion. This followed a 0.1 percent November increase.

Transportation equipment, also down following two consecutive monthly increases, led the decrease, \$3.8 billion or 0.5 percent to \$795.2 billion.

Inventories

Inventories of manufactured durable goods in December, up following five consecutive monthly decreases, increased \$2.1 billion, or 0.5 percent, to \$397.9 billion. This followed a 0.2 percent November decrease.

Transportation, up following three consecutive monthly decreases, led the increase, \$1.8 billion or 1.4 percent to \$131.8 billion.

Capital Goods

Nondefense new orders for capital goods in December decreased \$11.3 billion or 15.0 percent to \$64.4 billion. Shipments decreased \$5.3 billion or 6.6 percent to \$74.7 billion. Unfilled orders decreased \$10.3 billion or 1.4 percent to \$742.8 billion. Inventories increased \$1.2 billion or 0.7 percent to \$175.9 billion.

Defense new orders for capital goods in December decreased \$4.9 billion or 34.4 percent to \$9.3 billion. Shipments increased \$0.4 billion or 3.6 percent to \$10.2 billion. Unfilled orders decreased \$0.9 billion or 0.6 percent to \$150.5 billion. Inventories decreased less than \$0.1 billion or 0.1 percent to \$21.3 billion.

Revised November Data

Revised seasonally adjusted November figures for all manufacturing industries were: new orders, \$471.0 billion (revised from \$472.2 billion); shipments, \$474.7 billion (revised from \$475.3 billion); unfilled orders, \$1,193.2 billion (revised from \$1,193.9 billion); and total inventories, \$641.9 billion (revised from \$641.3 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 February 4, 2016, at 10:00 a.m. EST. The Advance Report on durable goods for January is scheduled for release on February 25, 2016 at 8:30 a.m. EST. 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		
	Dec 2015 ²	Nov 2015 ¹	Oct 2015	Nov - Dec ²	Oct - Nov ¹	Sep - Oct	Dec 2015 ²	Nov 2015 ¹	Dec 2014	2015	2014	Percent Change 2015/2014
DURABLE GOODS												
Total:												
Shipments.....	235,782	241,198	239,719	-2.2	0.6	-1.2	235,175	230,842	243,139	2,877,310	2,838,388	1.4
New Orders ⁴	225,422	237,446	238,619	-5.1	-0.5	2.8	240,853	227,343	244,995	2,795,732	2,897,059	-3.5
Excluding transportation:												
Shipments.....	160,673	160,712	161,139	0.0	-0.3	-0.4	159,510	153,154	164,228	1,942,233	1,964,011	-1.1
New Orders ⁴	154,121	156,035	156,831	-1.2	-0.5	0.5	152,924	145,970	157,792	1,875,666	1,926,354	-2.6
Excluding defense:												
Shipments.....	223,289	228,963	226,573	-2.5	1.1	-1.3	221,040	218,202	228,833	2,729,455	2,694,125	1.3
New Orders ⁴	214,566	221,054	225,509	-2.9	-2.0	3.0	224,713	212,325	229,981	2,653,634	2,752,186	-3.6
Manufacturing with unfilled orders:												
Shipments.....	166,850	172,038	171,341	-3.0	0.4	-1.1	169,331	164,433	178,474	2,058,713	2,030,443	1.4
New Orders.....	161,266	173,237	174,911	-6.9	-1.0	4.4	179,190	166,286	185,008	2,035,159	2,155,534	-5.6
Primary metals:												
Shipments.....	19,324	19,608	20,016	-1.4	-2.0	-1.0	17,735	18,364	21,794	250,837	279,468	-10.2
New Orders.....	19,265	19,216	20,096	0.3	-4.4	2.0	18,237	18,309	21,902	248,741	281,064	-11.5
Fabricated metal products:												
Shipments.....	29,386	29,514	29,496	-0.4	0.1	0.0	27,609	27,997	28,979	357,665	361,018	-0.9
New Orders.....	29,459	29,613	29,313	-0.5	1.0	-1.1	27,197	26,972	28,635	355,260	365,195	-2.7
Machinery:												
Shipments.....	32,702	32,436	32,807	0.8	-1.1	-2.1	33,703	30,139	35,111	398,066	408,268	-2.5
New Orders.....	30,443	32,265	33,122	-5.6	-2.6	0.8	30,451	30,074	32,944	387,568	417,377	-7.1
Computers and electronic products⁴:												
Shipments.....	29,666	29,964	29,809	-1.0	0.5	0.1	32,621	29,369	31,395	350,974	339,358	3.4
New Orders.....	25,176	25,702	25,725	-2.0	-0.1	2.2	29,502	23,541	27,563	300,270	283,370	6.0
Computers and related products:												
Shipments.....	1,868	1,929	2,028	-3.2	-4.9	3.2	2,719	1,670	3,075	24,503	26,545	-7.7
New Orders.....	1,839	2,015	2,056	-8.7	-2.0	5.3	2,690	1,756	3,055	24,684	27,028	-8.7
Communications equipment:												
Shipments.....	3,867	3,770	3,612	2.6	4.4	-2.5	4,513	3,493	4,278	44,436	43,225	2.8
New Orders.....	3,331	4,188	4,051	-20.5	3.4	3.5	4,244	3,421	4,864	47,502	48,410	-1.9
Electrical equipment, appliances, and components:												
Shipments.....	9,957	9,923	10,082	0.3	-1.6	-0.9	9,840	9,693	10,606	122,930	126,128	-2.5
New Orders.....	10,190	9,978	9,630	2.1	3.6	-3.6	10,120	9,449	10,804	122,076	128,831	-5.2
Transportation equipment:												
Shipments.....	75,109	80,486	78,580	-6.7	2.4	-2.7	75,665	77,688	78,911	935,077	874,377	6.9
New Orders.....	71,301	81,411	81,788	-12.4	-0.5	7.6	87,929	81,373	87,203	920,066	970,705	-5.2
Motor vehicles and parts:												
Shipments.....	51,990	52,179	51,596	-0.4	1.1	-2.9	47,977	50,067	45,630	616,032	563,471	9.3
New Orders.....	51,900	52,103	51,603	-0.4	1.0	-3.0	48,487	50,733	46,450	615,857	566,581	8.7
Nondefense aircraft and parts:												
Shipments.....	10,844	16,032	13,770	-32.4	16.4	-4.2	14,310	15,415	17,813	168,783	153,037	10.3
New Orders.....	9,360	13,251	17,273	-29.4	-23.3	78.8	25,270	15,850	24,108	162,466	241,528	-32.7
Defense aircraft and parts:												
Shipments.....	4,685	4,656	5,443	0.6	-14.5	1.0	5,548	4,747	5,709	58,414	56,991	2.5
New Orders.....	2,500	8,088	5,607	-69.1	44.2	-13.7	5,285	7,857	6,963	57,025	55,795	2.2
All other durable goods:												
Shipments.....	39,638	39,267	38,929	0.9	0.9	0.6	38,002	37,592	36,343	461,761	449,771	2.7
New Orders.....	39,588	39,261	38,945	0.8	0.8	0.8	37,417	37,625	35,944	461,751	450,517	2.5
Capital goods³:												
Shipments.....	84,828	89,742	89,085	-5.5	0.7	-1.5	93,708	85,963	100,545	1,063,373	1,049,800	1.3
New Orders.....	73,687	89,898	92,070	-18.0	-2.4	10.9	95,468	87,439	106,453	1,037,024	1,150,776	-9.9
Nondefense capital goods:												
Shipments.....	74,651	79,921	78,454	-6.6	1.9	-1.9	82,449	75,767	89,188	944,363	934,952	1.0
New Orders.....	64,376	75,702	82,332	-15.0	-8.1	12.0	82,112	74,799	95,248	923,433	1,037,179	-11.0
Excluding aircraft:												
Shipments.....	68,296	68,411	69,162	-0.2	-1.1	-1.0	73,109	64,818	75,999	829,097	831,544	-0.3
New Orders.....	65,866	68,814	69,584	-4.3	-1.1	0.6	69,570	64,072	75,368	822,562	856,385	-3.9
Defense capital goods:												
Shipments.....	10,177	9,821	10,631	3.6	-7.6	0.9	11,259	10,196	11,357	119,010	114,848	3.6
New Orders.....	9,311	14,196	9,738	-34.4	45.8	2.1	13,356	12,640	11,205	113,591	113,597	0.0

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 2015/ 2014
	Dec 2015 ²	Nov 2015 ¹	Oct 2015	Nov - Dec ²	Oct - Nov ¹	Sep - Oct	Dec 2015 ²	Nov 2015 ¹	Dec 2014	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	1,187,624	1,193,208	1,192,009	-0.5	0.1	0.3	1,191,348	1,181,489	1,214,902	-1.9
Total Inventories.....	397,894	395,832	396,660	0.5	-0.2	-0.3	386,940	395,711	387,505	-0.1
Excluding transportation:										
Unfilled Orders ⁴	392,453	394,229	393,955	-0.5	0.1	0.1	385,606	388,011	394,149	-2.2
Total Inventories.....	266,091	265,821	266,138	0.1	-0.1	-0.3	259,261	265,430	263,258	-1.5
Excluding defense:										
Unfilled Orders ⁴	1,002,729	1,006,676	1,009,634	-0.4	-0.3	0.4	1,006,071	998,217	1,023,868	-1.7
Total Inventories.....	371,444	369,387	369,762	0.6	-0.1	-0.2	360,759	369,248	361,966	-0.3
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,187,624	1,193,208	1,192,009	-0.5	0.1	0.3	1,191,348	1,181,489	1,214,902	-1.9
Total Inventories.....	323,675	322,200	323,409	0.5	-0.4	-0.5	314,710	322,084	317,133	-0.8
Primary metals:										
Unfilled Orders.....	34,591	34,650	35,042	-0.2	-1.1	0.2	34,086	33,584	36,182	-5.8
Total Inventories.....	34,800	35,008	35,658	-0.6	-1.8	-1.0	34,630	34,837	39,302	-11.9
Fabricated metal products:										
Unfilled Orders.....	81,909	81,836	81,737	0.1	0.1	-0.2	79,421	79,833	81,826	-2.9
Total Inventories.....	49,109	49,125	49,071	0.0	0.1	0.1	48,230	48,529	48,080	0.3
Machinery:										
Unfilled Orders.....	108,670	110,929	111,100	-2.0	-0.2	0.3	106,681	109,933	117,179	-9.0
Total Inventories.....	66,445	65,997	65,926	0.7	0.1	-0.3	63,814	66,434	64,319	-0.8
Computers and electronic products⁴:										
Unfilled Orders.....	136,647	136,361	135,672	0.2	0.5	0.4	135,835	134,773	128,515	5.7
Total Inventories.....	44,890	44,811	44,801	0.2	0.0	-0.3	43,528	45,097	43,381	0.3
Computers and related products:										
Unfilled Orders.....	2,653	2,682	2,596	-1.1	3.3	1.1	2,653	2,682	2,472	7.3
Total Inventories.....	3,449	3,441	3,407	0.2	1.0	-0.6	3,182	3,579	3,697	-13.9
Communications equipment:										
Unfilled Orders.....	40,100	40,636	40,218	-1.3	1.0	1.1	39,711	39,980	36,645	8.4
Total Inventories.....	5,203	5,381	5,423	-3.3	-0.8	-0.4	5,053	5,517	5,619	-10.1
Electrical equipment, appliances, and components:										
Unfilled Orders.....	22,171	21,938	21,883	1.1	0.3	-2.0	21,705	21,425	22,559	-3.8
Total Inventories.....	16,253	16,309	16,352	-0.3	-0.3	-0.7	15,581	16,174	15,857	-1.7
Transportation equipment:										
Unfilled Orders.....	795,171	798,979	798,054	-0.5	0.1	0.4	805,742	793,478	820,753	-1.8
Total Inventories.....	131,803	130,011	130,522	1.4	-0.4	-0.5	127,679	130,281	124,247	2.8
Motor vehicles and parts:										
Unfilled Orders.....	21,534	21,624	21,700	-0.4	-0.4	0.0	21,855	21,345	22,030	-0.8
Total Inventories.....	36,504	35,713	35,559	2.2	0.4	0.4	34,962	35,714	32,990	6.0
Nondefense Aircraft and parts:										
Unfilled Orders.....	607,807	609,291	612,072	-0.2	-0.5	0.6	617,459	606,499	623,776	-1.0
Total Inventories.....	67,760	66,975	67,195	1.2	-0.3	-0.2	65,592	67,055	64,458	1.8
Defense Aircraft and parts:										
Unfilled Orders.....	66,736	68,921	65,489	-3.2	5.2	0.3	68,000	68,263	69,389	-2.0
Total Inventories.....	11,836	11,932	11,873	-0.8	0.5	-0.7	11,669	11,928	12,386	-5.8
All other durable goods:										
Unfilled Orders.....	8,465	8,515	8,521	-0.6	-0.1	0.2	7,878	8,463	7,888	-0.1
Total Inventories.....	54,594	54,571	54,330	0.0	0.4	-0.1	53,478	54,359	52,319	2.2
Capital goods³:										
Unfilled Orders.....	893,276	904,417	904,261	-1.2	0.0	0.3	897,885	896,125	924,234	-2.9
Total Inventories.....	197,276	196,058	196,815	0.6	-0.4	-0.6	190,622	197,451	191,342	-0.4
Nondefense capital goods:										
Unfilled Orders.....	742,793	753,068	757,287	-1.4	-0.6	0.5	748,064	748,401	768,994	-2.7
Total Inventories.....	175,929	174,686	174,980	0.7	-0.2	-0.3	169,377	176,057	170,548	-0.7
Excluding aircraft:										
Unfilled Orders.....	243,878	246,308	245,905	-1.0	0.2	0.2	239,831	243,370	246,366	-2.7
Total Inventories.....	119,778	119,183	119,039	0.5	0.1	-0.5	115,447	120,499	117,025	-1.3
Defense capital goods:										
Unfilled Orders.....	150,483	151,349	146,974	-0.6	3.0	-0.6	149,821	147,724	155,240	-3.5
Total Inventories.....	21,347	21,372	21,835	-0.1	-2.1	-3.0	21,245	21,394	20,794	2.2

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.