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

New Orders. New orders for manufactured durable goods in May increased \$2.3 billion or 1.1 percent to \$217.2 billion, the U.S. Census Bureau announced today. This increase, up following two consecutive monthly decreases, followed a 0.2 percent April decrease. Excluding transportation, new orders increased 0.4 percent. Excluding defense, new orders increased 0.7 percent. Transportation equipment, up three of the last four months, had the largest increase, \$1.7 billion or 2.7 percent to \$63.1 billion. This was led by nondefense aircraft and parts, which increased \$0.4 billion.

Shipments. Shipments of manufactured durable goods in May, up five of the last six months, increased \$1.5 billion or 0.7 percent to \$224.1 billion. This followed a 0.7 percent April increase. Transportation equipment, also up five of the last six months, had the largest increase, \$1.0 billion or 1.6 percent to \$65.1 billion. This followed a 3.5 percent April

Unfilled Orders. Unfilled orders for manufactured durable goods in May, down two consecutive months, decreased \$0.4 billion to \$984.5 billion. This followed a 0.1 percent April decrease. Transportation equipment, down three consecutive months, had the largest decrease, \$2.0 billion or 0.4 percent to \$563.5 billion.

Inventories. Inventories of manufactured durable goods in May, up twenty-eight of the last twenty-nine months, increased \$1.8 billion or 0.5 percent to \$365.8 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 April increase. Transportation equipment, also up twenty-eight of the last twenty-nine months, had the largest increase, \$1.5 billion or 1.4 percent to \$108.2 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 May increased \$0.9 billion or 1.3 percent to \$70.4 billion. Shipments increased \$0.3 billion or 0.4 percent to \$69.8 billion. Unfilled orders increased \$0.5 billion or 0.1 percent to \$584.6 billion. Inventories increased \$1.4 billion or 0.8 percent to \$167.4 billion. Defense new orders for capital goods in May increased \$0.5 billion or 7.8 percent to \$6.9 billion. Shipments increased \$0.7 billion or 8.9 percent to \$8.4 billion. Unfilled orders decreased \$1.5 billion or 0.9 percent to \$162.3 billion. Inventories increased \$0.1 billion or 0.7 percent to \$20.9 billion.

Revised April Data. Revised and seasonally adjusted April figures for all manufacturing industries were: new orders, \$465.5 billion (revised from \$466.0 billion); shipments, \$473.2 billion (unchanged); unfilled orders, \$984.9 billion (revised from \$985.4 billion); and total inventories, \$606.9 billion (revised from \$607.2 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 July 3, 2012, at 10:00 a.m. EDT. The advance report on durable goods for June is scheduled for release on July 26, 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		
	May 2012 ²	Apr 2012 ^f	Mar 2012	Apr - May ²	Mar - Apr ^f	Feb - Mar	May 2012 ²	Apr 2012 ^f	May 2011	2012	2011	Percent Change 12/11
DURABLE GOODS												
Total:												
Shipments.....	224,071	222,590	221,050	0.7	0.7	0.9	230,042	221,006	207,619	1,101,447	1,005,957	9.5
New Orders ⁴	217,154	214,831	215,281	1.1	-0.2	-3.7	219,111	208,982	206,884	1,095,520	1,013,719	8.1
Excluding transportation:												
Shipments.....	159,009	158,528	159,152	0.3	-0.4	0.3	162,888	159,276	151,453	787,848	725,914	8.5
New Orders ⁴	154,075	153,411	154,372	0.4	-0.6	-0.8	156,937	152,880	149,415	777,597	722,219	7.7
Excluding defense:												
Shipments.....	213,194	212,487	210,043	0.3	1.2	0.5	219,062	211,500	196,456	1,049,445	949,289	10.6
New Orders ⁴	207,834	206,376	204,474	0.7	0.9	-3.9	211,909	201,981	196,335	1,045,348	948,819	10.2
Manufacturing with unfilled orders:												
Shipments.....	157,252	155,672	156,846	1.0	-0.7	1.2	162,149	152,767	148,120	777,280	710,734	9.4
New Orders.....	156,896	154,383	157,098	1.6	-1.7	-5.4	157,255	149,099	153,304	803,613	751,255	7.0
Primary metals:												
Shipments.....	28,487	28,484	28,387	0.0	0.3	-1.9	30,323	29,448	25,715	147,453	119,402	23.5
New Orders.....	28,161	28,596	28,352	-1.5	0.9	0.6	28,976	29,394	25,466	147,111	121,073	21.5
Fabricated metal products:												
Shipments.....	27,555	27,549	27,535	0.0	0.1	-0.2	28,687	27,352	26,970	136,496	127,028	7.5
New Orders.....	27,824	27,884	28,415	-0.2	-1.9	0.7	29,228	27,980	27,552	143,044	133,023	7.5
Machinery:												
Shipments.....	31,456	31,567	32,592	-0.4	-3.1	4.8	32,198	32,131	29,364	157,431	141,600	11.2
New Orders.....	32,091	30,828	31,876	4.1	-3.3	-5.1	32,894	32,143	33,883	164,874	160,485	2.7
Computers and electronic products⁴:												
Shipments.....	28,348	27,894	27,528	1.6	1.3	-2.5	27,002	27,746	26,886	135,217	136,158	-0.7
New Orders.....	22,747	22,963	22,597	-0.9	1.6	-0.8	20,880	20,683	19,554	109,126	102,972	6.0
Computers and related products:												
Shipments.....	2,890	2,853	2,877	1.3	-0.8	-6.3	2,386	2,217	2,524	12,781	12,902	-0.9
New Orders.....	2,944	2,850	2,921	3.3	-2.4	-3.9	2,440	2,214	2,533	12,805	12,825	-0.2
Communications equipment:												
Shipments.....	3,296	3,059	3,075	7.7	-0.5	-1.8	3,141	2,634	3,135	14,624	15,755	-7.2
New Orders.....	3,644	3,562	3,839	2.3	-7.2	5.7	3,131	3,097	2,426	16,927	14,057	20.4
Electrical equipment, appliances, and components:												
Shipments.....	10,005	9,947	10,016	0.6	-0.7	1.4	10,219	9,758	9,769	49,015	47,059	4.2
New Orders.....	10,177	10,071	10,065	1.1	0.1	2.6	10,386	9,593	10,043	50,123	48,763	2.8
Transportation equipment:												
Shipments.....	65,062	64,062	61,898	1.6	3.5	2.4	67,154	61,730	56,166	313,599	280,043	12.0
New Orders.....	63,079	61,420	60,909	2.7	0.8	-10.5	62,174	56,102	57,469	317,923	291,500	9.1
Motor vehicles and parts:												
Shipments.....	44,340	44,164	41,622	0.4	6.1	1.9	46,557	43,502	38,127	216,190	190,049	13.8
New Orders.....	44,295	44,072	41,677	0.5	5.7	1.8	46,186	43,351	37,955	215,689	189,935	13.6
Nondefense aircraft and parts:												
Shipments.....	9,663	9,447	8,929	2.3	5.8	-2.7	9,487	8,307	6,898	44,268	34,585	28.0
New Orders.....	9,355	8,918	8,908	4.9	0.1	-46.6	8,119	5,416	9,299	53,933	41,587	29.7
Defense aircraft and parts:												
Shipments.....	4,663	4,156	5,063	12.2	-17.9	20.3	4,547	3,757	4,422	22,028	22,413	-1.7
New Orders.....	3,999	3,740	5,855	6.9	-36.1	19.5	3,234	3,107	4,923	22,920	25,481	-10.1
All other durable goods:												
Shipments.....	33,158	33,087	33,094	0.2	0.0	0.7	34,459	32,841	32,749	162,236	154,667	4.9
New Orders.....	33,075	33,069	33,067	0.0	0.0	0.2	34,573	33,087	32,917	163,319	155,903	4.8
Capital goods³:												
Shipments.....	78,253	77,256	78,410	1.3	-1.5	2.0	78,361	74,387	72,549	380,356	353,334	7.6
New Orders.....	77,273	75,850	78,481	1.9	-3.4	-10.7	74,178	70,429	77,411	402,312	384,717	4.6
Nondefense capital goods:												
Shipments.....	69,819	69,510	69,901	0.4	-0.6	1.3	69,754	66,968	63,468	339,831	307,115	10.7
New Orders.....	70,359	69,438	70,030	1.3	-0.8	-12.2	68,990	65,137	69,158	363,688	330,960	9.9
Excluding aircraft:												
Shipments.....	63,590	63,315	64,293	0.4	-1.5	1.8	63,499	61,478	59,444	311,534	287,543	8.3
New Orders.....	65,056	64,032	64,967	1.6	-1.4	-2.3	64,625	62,548	62,973	326,774	306,081	6.8
Defense capital goods:												
Shipments.....	8,434	7,746	8,509	8.9	-9.0	8.8	8,607	7,419	9,081	40,525	46,219	-12.3
New Orders.....	6,914	6,412	8,451	7.8	-24.1	4.0	5,188	5,292	8,253	38,624	53,757	-28.2

^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
	May 2012 ²	Apr 2012 ^r	Mar 2012	Apr - May ²	Mar - Apr ^r	Feb - Mar	May 2012 ²	Apr 2012 ^r	May 2011	
DURABLE GOODS										
Total:										
Unfilled Orders ¹	984,541	984,897	986,186	0.0	-0.1	0.0	992,256	997,150	916,795	8.2
Total Inventories.....	365,817	363,994	362,921	0.5	0.3	0.4	370,011	366,255	349,320	5.9
Excluding transportation:										
Unfilled Orders ¹	421,088	419,461	418,108	0.4	0.3	0.3	427,266	427,180	391,069	9.3
Total Inventories.....	257,654	257,320	256,263	0.1	0.4	0.4	260,552	258,837	249,574	4.4
Excluding defense:										
Unfilled Orders ¹	798,394	797,193	796,834	0.2	0.0	0.1	804,571	805,687	723,610	11.2
Total Inventories.....	340,153	338,453	337,681	0.5	0.2	0.5	344,312	340,605	322,666	6.7
Manufacturing with unfilled orders:										
Unfilled Orders.....	984,541	984,897	986,186	0.0	-0.1	0.0	992,256	997,150	916,795	8.2
Total Inventories.....	296,736	295,019	294,235	0.6	0.3	0.2	300,428	297,166	282,201	6.5
Primary metals:										
Unfilled Orders.....	35,184	35,510	35,398	-0.9	0.3	-0.1	35,660	37,007	34,821	2.4
Total Inventories.....	34,546	34,689	35,060	-0.4	-1.1	-1.3	35,292	35,187	34,878	1.2
Fabricated metal products:										
Unfilled Orders.....	81,572	81,303	80,968	0.3	0.4	1.1	83,919	83,378	77,395	8.4
Total Inventories.....	45,987	45,843	45,717	0.3	0.3	0.3	46,299	46,054	44,807	3.3
Machinery:										
Unfilled Orders.....	139,855	139,220	139,959	0.5	-0.5	-0.5	141,905	141,209	121,811	16.5
Total Inventories.....	65,723	65,127	64,156	0.9	1.5	0.3	66,637	65,712	59,096	12.8
Computers and electronic products⁴:										
Unfilled Orders.....	135,694	134,734	133,195	0.7	1.2	0.8	136,281	136,366	130,485	4.4
Total Inventories.....	45,949	46,240	46,119	-0.6	0.3	1.6	46,392	46,205	46,371	0.0
Computers and related products:										
Unfilled Orders.....	1,180	1,126	1,129	4.8	-0.3	4.1	1,180	1,126	1,187	-0.6
Total Inventories.....	4,079	4,145	4,142	-1.6	0.1	3.1	4,201	4,104	4,021	4.5
Communications equipment:										
Unfilled Orders.....	33,292	32,944	32,441	1.1	1.6	2.4	33,264	33,274	30,704	8.3
Total Inventories.....	8,332	8,554	8,584	-2.6	-0.3	-0.1	8,352	8,476	9,006	-7.3
Electrical equipment, appliances, and components:										
Unfilled Orders.....	21,713	21,541	21,417	0.8	0.6	0.2	21,836	21,669	18,833	15.9
Total Inventories.....	15,485	15,437	15,365	0.3	0.5	-0.3	15,724	15,626	15,281	2.9
Transportation equipment:										
Unfilled Orders.....	563,453	565,436	568,078	-0.4	-0.5	-0.2	564,990	569,970	525,726	7.5
Total Inventories.....	108,163	106,674	106,658	1.4	0.0	0.4	109,459	107,418	99,746	9.7
Motor vehicles and parts:										
Unfilled Orders.....	16,617	16,662	16,754	-0.3	-0.5	0.3	16,617	16,988	16,429	1.1
Total Inventories.....	24,479	24,257	24,630	0.9	-1.5	0.4	24,748	24,407	23,656	4.6
Nondefense Aircraft and parts:										
Unfilled Orders.....	394,983	395,291	395,820	-0.1	-0.1	0.0	395,422	396,790	348,556	13.4
Total Inventories.....	57,727	56,747	56,540	1.7	0.4	1.1	58,715	57,267	50,531	16.2
Defense Aircraft and parts:										
Unfilled Orders.....	59,456	60,120	60,536	-1.1	-0.7	1.3	60,248	61,561	59,205	1.8
Total Inventories.....	13,228	13,023	12,838	1.6	1.4	-3.7	13,229	12,993	13,175	0.4
All other durable goods:										
Unfilled Orders.....	7,070	7,153	7,171	-1.2	-0.3	-0.4	7,665	7,551	7,724	-0.8
Total Inventories.....	49,964	49,984	49,846	0.0	0.3	0.7	50,208	50,053	49,141	2.2
Capital goods³:										
Unfilled Orders.....	746,814	747,794	749,200	-0.1	-0.2	0.0	751,402	755,585	685,598	9.6
Total Inventories.....	188,265	186,726	185,340	0.8	0.7	0.4	190,752	187,932	175,794	8.5
Nondefense capital goods:										
Unfilled Orders.....	584,553	584,013	584,085	0.1	0.0	0.0	587,972	588,736	516,530	13.8
Total Inventories.....	167,409	166,019	164,971	0.8	0.6	0.7	169,862	167,086	154,288	10.1
Excluding aircraft:										
Unfilled Orders.....	245,385	243,919	243,202	0.6	0.3	0.3	248,647	247,521	219,648	13.2
Total Inventories.....	119,180	118,579	117,774	0.5	0.7	0.5	120,737	119,108	112,090	7.7
Defense capital goods:										
Unfilled Orders.....	162,261	163,781	165,115	-0.9	-0.8	0.0	163,430	166,849	169,068	-3.3
Total Inventories.....	20,856	20,707	20,369	0.7	1.7	-1.7	20,890	20,846	21,506	-2.9

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>.

Source: U.S. Census Bureau, Manufacturers' Shipments, Inventories, and Orders Survey