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## Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders December 2010

### New Orders

New orders for manufactured durable goods in December decreased \$5.0 billion or 2.5 percent to \$191.0 billion, the U.S. Census Bureau announced today. This decrease, down four of the last five months, followed a 0.1 percent November decrease. Excluding transportation, new orders increased 0.5 percent. Excluding defense, new orders decreased 2.5 percent.

Transportation equipment, also down four of the last five months, had the largest decrease, \$5.8 billion or 12.8 percent to \$39.2 billion. This was due to nondefense aircraft and parts, which decreased \$5.0 billion.

### Shipments

Shipments of manufactured durable goods in December, up three of the last four months, increased \$2.8 billion or 1.4 percent to \$200.4 billion. This followed a 0.5 percent November increase.

Machinery, up four of the last five months, had the largest increase, \$1.7 billion or 6.7 percent to \$27.1 billion.

### Unfilled Orders

Unfilled orders for manufactured durable goods in December, down following eight consecutive monthly increases, decreased \$3.6 billion or 0.4 percent to \$822.8 billion. This followed a 0.5 percent November increase.

Transportation equipment, down two consecutive months, had the largest decrease, \$8.7 billion or 1.8 percent to \$473.6 billion.

### Inventories

Inventories of manufactured durable goods in December, up twelve consecutive months, increased \$2.1 billion or 0.7 percent to \$322.0 billion. This followed a 0.9 percent November increase.

Transportation equipment, also up twelve consecutive months, had the largest increase, \$1.6 billion or 1.9 percent to \$86.3 billion.

### Capital Goods

Nondefense new orders for capital goods in December decreased \$4.2 billion or 6.3 percent to \$61.4 billion. Shipments increased \$1.8 billion or 2.8 percent to \$67.1 billion. Unfilled orders decreased \$5.7 billion or 1.1 percent to \$498.8 billion. Inventories increased \$1.2 billion or 0.9 percent to \$136.9 billion.

Defense new orders for capital goods in December decreased \$0.3 billion or 3.6 percent to \$8.4 billion. Shipments increased \$0.1 billion or 1.5 percent to \$8.9 billion. Unfilled orders decreased \$0.4 billion or 0.3 percent to \$139.0 billion. Inventories decreased \$0.1 billion or 0.8 percent to \$17.6 billion.

### Revised November Data

Revised seasonally adjusted November figures for all manufacturing industries were: new orders, \$424.5 billion (revised from \$423.8 billion); shipments, \$426.0 billion (revised from \$424.5 billion); unfilled orders, \$826.4 billion (revised from \$826.9 billion); and total inventories, \$544.6 billion (revised from \$543.8 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 February 3, 2011, at 10:00 a.m. EST. The advance report on durable goods for January is scheduled for release on February 24, 2011, at 8:30 a.m. EST. See back page for survey description and 2011 release schedule.

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		
	Dec 2010 <sup>2</sup>	Nov 2010 <sup>f</sup>	Oct 2010	Nov - Dec <sup>2</sup>	Oct - Nov <sup>f</sup>	Sep - Oct	Dec 2010 <sup>2</sup>	Nov 2010 <sup>f</sup>	Dec 2009	2010	2009	Change 10/09
<b>DURABLE GOODS</b>												
<b>Total:</b>												
Shipments.....	200,388	197,566	196,626	1.4	0.5	-0.9	201,290	192,490	193,302	2,357,354	2,197,852	7.3
New Orders <sup>4</sup> .....	191,041	195,991	196,225	-2.5	-0.1	-3.1	204,978	187,547	192,940	2,318,004	2,040,285	13.6
<b>Excluding transportation:</b>												
Shipments.....	152,495	150,833	148,543	1.1	1.5	-0.7	150,390	146,034	138,284	1,773,407	1,618,840	9.5
New Orders <sup>4</sup> .....	151,869	151,057	144,510	0.5	4.5	-2.0	151,224	142,882	134,747	1,738,515	1,528,275	13.8
<b>Excluding defense:</b>												
Shipments.....	189,169	186,207	185,259	1.6	0.5	-0.5	189,006	181,119	178,865	2,208,667	2,037,529	8.4
New Orders <sup>4</sup> .....	179,600	184,247	186,177	-2.5	-1.0	-1.6	188,125	177,167	175,913	2,168,994	1,894,724	14.5
<b>Manufacturing with unfilled orders:</b>												
Shipments.....	146,934	144,471	142,941	1.7	1.1	-0.7	148,997	140,332	143,275	1,717,409	1,599,234	7.4
New Orders.....	143,299	148,795	148,634	-3.7	0.1	-4.0	157,070	141,166	146,815	1,747,631	1,499,270	16.6
<b>Primary metals:</b>												
Shipments.....	21,545	21,019	20,104	2.5	4.6	0.4	18,557	19,582	15,689	239,105	181,563	31.7
New Orders.....	22,067	23,158	20,342	-4.7	13.8	0.1	19,680	20,809	15,968	243,739	177,998	36.9
<b>Fabricated metal products:</b>												
Shipments.....	27,742	27,554	27,275	0.7	1.0	-0.1	25,595	26,491	24,186	326,961	311,454	5.0
New Orders.....	27,472	27,752	26,957	-1.0	2.9	-1.3	25,508	26,261	24,326	327,445	301,415	8.6
<b>Machinery:</b>												
Shipments.....	27,109	25,408	24,767	6.7	2.6	-2.9	28,223	23,625	24,072	297,765	275,300	8.2
New Orders.....	30,234	27,333	27,253	10.6	0.3	-1.8	30,149	24,763	23,657	318,503	262,008	21.6
<b>Computers and electronic products<sup>4</sup>:</b>												
Shipments.....	32,945	33,778	33,743	-2.5	0.1	-1.9	36,055	33,836	34,126	396,752	356,842	11.2
New Orders.....	28,214	28,547	26,815	-1.2	6.5	-7.7	34,416	27,541	31,532	330,098	295,903	11.6
<b>Computers and related products:</b>												
Shipments.....	6,090	6,461	6,470	-5.7	-0.1	-3.0	7,683	6,192	7,042	73,881	63,573	16.2
New Orders.....	6,024	6,783	6,321	-11.2	7.3	-7.2	7,617	6,514	7,269	74,089	63,426	16.8
<b>Communications equipment:</b>												
Shipments.....	3,192	3,442	3,335	-7.3	3.2	-2.0	3,676	3,782	4,426	42,107	44,434	-5.2
New Orders.....	3,614	3,487	3,139	3.6	11.1	-13.3	4,672	2,945	4,622	42,007	44,696	-6.0
<b>Electrical equipment, appliances, and components:</b>												
Shipments.....	10,037	9,861	9,690	1.8	1.8	1.4	9,919	9,670	8,941	114,851	107,688	6.7
New Orders.....	10,745	10,751	9,902	-0.1	8.6	-2.0	10,008	10,409	8,165	119,871	105,500	13.6
<b>Transportation equipment:</b>												
Shipments.....	47,893	46,733	48,083	2.5	-2.8	-1.7	50,900	46,456	55,018	583,947	579,012	0.9
New Orders.....	39,172	44,934	51,715	-12.8	-13.1	-6.2	53,754	44,665	58,193	579,489	512,010	13.2
<b>Motor vehicles and parts:</b>												
Shipments.....	29,976	29,455	30,067	1.8	-2.0	-1.2	29,024	29,373	28,947	360,887	331,272	8.9
New Orders.....	30,136	29,645	30,345	1.7	-2.3	-0.9	29,612	29,624	29,290	360,724	329,692	9.4
<b>Nondefense aircraft and parts:</b>												
Shipments.....	7,480	6,659	7,182	12.3	-7.3	2.6	9,936	6,641	12,026	84,602	97,024	-12.8
New Orders.....	24	5,019	12,427	-99.5	-59.6	-6.8	10,573	5,744	14,076	90,520	54,571	65.9
<b>Defense aircraft and parts:</b>												
Shipments.....	4,575	4,859	4,798	-5.8	1.3	-5.4	5,404	4,724	6,699	62,049	65,603	-5.4
New Orders.....	4,533	5,085	4,738	-10.9	7.3	-24.4	6,591	4,639	7,996	62,877	62,318	0.9
<b>All other durable goods:</b>												
Shipments.....	33,117	33,213	32,964	-0.3	0.8	0.6	32,041	32,830	31,270	397,973	385,993	3.1
New Orders.....	33,137	33,516	33,241	-1.1	0.8	1.0	31,463	33,099	31,099	398,859	385,451	3.5
<b>Capital goods<sup>3</sup>:</b>												
Shipments.....	75,935	73,957	73,841	2.7	0.2	-1.3	83,599	72,221	80,897	884,466	846,897	4.4
New Orders.....	69,827	74,291	78,938	-6.0	-5.9	-6.6	88,110	71,576	84,468	904,738	761,884	18.8
<b>Nondefense capital goods:</b>												
Shipments.....	67,070	65,225	64,966	2.8	0.4	-0.2	74,279	63,361	69,600	766,214	717,215	6.8
New Orders.....	61,383	65,535	71,307	-6.3	-8.1	-3.8	75,195	63,940	70,806	787,827	645,589	22.0
<b>Excluding aircraft:</b>												
Shipments.....	62,545	61,521	60,669	1.7	1.4	-1.0	67,755	59,592	61,069	716,356	655,050	9.4
New Orders.....	64,975	64,109	62,153	1.4	3.1	-3.2	69,258	61,260	60,309	733,740	628,046	16.8
<b>Defense capital goods:</b>												
Shipments.....	8,865	8,732	8,875	1.5	-1.6	-8.9	9,320	8,860	11,297	118,252	129,682	-8.8
New Orders.....	8,444	8,756	7,631	-3.6	14.7	-26.8	12,915	7,636	13,662	116,911	116,295	0.5

<sup>f</sup> Revised data due to late receipts and concurrent seasonal adjustment.<sup>1</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>2</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>3</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>4</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
	Dec 2010 <sup>2</sup>	Nov 2010 <sup>r</sup>	Oct 2010	Nov - Dec <sup>2</sup>	Oct - Nov <sup>r</sup>	Sep - Oct	Dec 2010 <sup>2</sup>	Nov 2010 <sup>r</sup>	Dec 2009	2010/2009
<b>DURABLE GOODS</b>										
<b>Total:</b>										
Unfilled Orders <sup>4</sup> .....	822,753	826,388	822,064	-0.4	0.5	0.7	822,908	814,835	792,686	3.8
Total Inventories.....	322,039	319,946	317,215	0.7	0.9	0.6	314,610	321,649	288,071	9.2
<b>Excluding transportation:</b>										
Unfilled Orders <sup>4</sup> .....	349,200	344,114	337,991	1.5	1.8	0.6	344,409	339,190	309,729	11.2
Total Inventories.....	235,759	235,241	234,028	0.2	0.5	0.6	231,132	236,312	215,217	7.4
<b>Excluding defense:</b>										
Unfilled Orders <sup>4</sup> .....	668,656	672,513	668,574	-0.6	0.6	1.1	669,033	665,529	639,134	4.7
Total Inventories.....	299,060	296,858	294,524	0.7	0.8	0.6	291,807	298,593	265,009	10.1
<b>Manufacturing with unfilled orders:</b>										
Unfilled Orders.....	822,753	826,388	822,064	-0.4	0.5	0.7	822,908	814,835	792,686	3.8
Total Inventories.....	262,502	260,665	258,311	0.7	0.9	0.7	256,346	262,145	232,705	10.2
<b>Primary metals:</b>										
Unfilled Orders.....	21,721	21,199	19,060	2.5	11.2	1.3	21,005	19,882	16,371	28.3
Total Inventories.....	31,700	31,505	31,002	0.6	1.6	1.3	31,401	31,499	27,094	15.9
<b>Fabricated metal products:</b>										
Unfilled Orders.....	53,722	53,992	53,794	-0.5	0.4	-0.6	52,558	52,645	52,074	0.9
Total Inventories.....	42,518	42,372	42,079	0.3	0.7	0.5	41,798	42,064	38,982	7.2
<b>Machinery:</b>										
Unfilled Orders.....	109,426	106,301	104,376	2.9	1.8	2.4	107,904	105,978	87,166	23.8
Total Inventories.....	52,944	52,959	52,497	0.0	0.9	1.0	51,641	53,654	48,578	6.3
<b>Computers and electronic products<sup>4</sup>:</b>										
Unfilled Orders.....	124,246	123,265	122,597	0.8	0.5	-0.7	124,427	121,681	121,509	2.4
Total Inventories.....	46,150	46,029	46,086	0.3	-0.1	0.6	45,217	46,810	42,765	5.7
<b>Computers and related products:</b>										
Unfilled Orders.....	5,579	5,645	5,323	-1.2	6.0	-2.7	5,579	5,645	5,371	3.9
Total Inventories.....	4,421	4,567	4,724	-3.2	-3.3	2.8	4,199	4,759	4,250	-1.2
<b>Communications equipment:</b>										
Unfilled Orders.....	28,706	28,284	28,239	1.5	0.2	-0.7	28,674	27,678	28,774	-0.3
Total Inventories.....	8,367	8,395	8,341	-0.3	0.6	1.4	8,353	8,592	7,671	8.9
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	27,135	26,427	25,537	2.7	3.5	0.8	26,121	26,032	21,101	23.8
Total Inventories.....	14,747	14,860	14,909	-0.8	-0.3	0.5	14,278	14,781	12,941	10.3
<b>Transportation equipment:</b>										
Unfilled Orders.....	473,553	482,274	484,073	-1.8	-0.4	0.8	478,499	475,645	482,957	-0.9
Total Inventories.....	86,280	84,705	83,187	1.9	1.8	0.4	83,478	85,337	72,854	14.6
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	14,340	14,180	13,990	1.1	1.4	2.0	14,485	13,897	14,648	-1.1
Total Inventories.....	21,840	21,776	21,390	0.3	1.8	0.9	21,228	21,940	17,628	20.4
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	324,470	331,926	333,566	-2.2	-0.5	1.6	329,483	328,846	323,565	1.8
Total Inventories.....	41,793	40,214	39,500	3.9	1.8	0.7	40,044	40,655	31,997	25.1
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	48,884	48,926	48,700	-0.1	0.5	-0.1	48,576	47,389	47,748	1.7
Total Inventories.....	12,029	12,157	11,865	-1.1	2.5	-0.3	11,880	12,117	11,766	1.0
<b>All other durable goods:</b>										
Unfilled Orders.....	12,950	12,930	12,627	0.2	2.4	2.2	12,394	12,972	11,508	7.7
Total Inventories.....	47,700	47,516	47,455	0.4	0.1	0.0	46,797	47,504	44,857	4.3
<b>Capital goods<sup>3</sup>:</b>										
Unfilled Orders.....	637,820	643,928	643,594	-0.9	0.1	0.8	640,724	636,213	620,452	3.3
Total Inventories.....	154,430	153,382	151,995	0.7	0.9	0.7	150,460	155,213	137,099	9.7
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	498,849	504,536	504,226	-1.1	0.1	1.3	501,782	500,866	480,169	4.5
Total Inventories.....	136,876	135,681	134,651	0.9	0.8	0.8	132,933	137,504	119,417	11.3
<b>Excluding aircraft:</b>										
Unfilled Orders.....	206,487	204,057	201,469	1.2	1.3	0.7	204,246	202,743	186,862	9.3
Total Inventories.....	103,690	103,768	103,373	-0.1	0.4	0.7	101,246	105,226	95,348	6.2
<b>Defense capital goods:</b>										
Unfilled Orders.....	138,971	139,392	139,368	-0.3	0.0	-0.9	138,942	135,347	140,283	-1.0
Total Inventories.....	17,554	17,701	17,344	-0.8	2.1	0.0	17,527	17,709	17,682	-0.9

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 64 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>.

### 2011 Release Dates for M3 Survey

Survey Month	Advance Report 8:30 A.M.	Full Report 10:00 A.M.
November 2010	Dec. 23, 2010	Jan. 4, 2011
December 2010	Jan. 27, 2011	Feb. 3, 2011
January 2011	Feb. 24, 2011	Mar. 4, 2011
February 2011	Mar. 24, 2011	Mar. 31, 2011
March 2011	Apr. 27, 2011	May 3, 2011
April 2011	May 25, 2011	Jun. 2, 2011
May 2011	Jun. 24, 2011	Jul. 5, 2011
June 2011	Jul. 27, 2011	Aug. 3, 2011
July 2011	Aug. 24, 2011	Aug. 31, 2011
August 2011	Sep. 28, 2011	Oct. 4, 2011
September 2011	Oct. 26, 2011	Nov. 3, 2011
October 2011	Nov. 23, 2011	Dec. 5, 2011
November 2011	Dec. 23, 2011	