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

### New Orders

New orders for manufactured durable goods in June decreased \$2.0 billion or 1.0 percent to \$190.5 billion, the U.S. Census Bureau announced today. This was the second consecutive monthly decrease and followed a 0.8 percent May decrease. Excluding transportation, new orders decreased 0.6 percent. Excluding defense, new orders decreased 0.7 percent.

Transportation equipment, down four of the last five months, had the largest decrease, \$1.1 billion or 2.4 percent to \$45.9 billion. This was due to nondefense aircraft and parts, which decreased \$1.8 billion.

### Shipments

Shipments of manufactured durable goods in June, down two consecutive months, decreased \$0.7 billion or 0.3 percent to \$195.0 billion. This followed a 0.7 percent May decrease.

Computers and electronic products, down four of the last five months, had the largest decrease, \$1.3 billion or 4.1 percent to \$31.3 billion.

### Unfilled Orders

Unfilled orders for manufactured durable goods in June, down following two consecutive monthly increases, decreased \$0.1 billion to \$802.9 billion. This followed a 0.3 percent May increase.

Transportation equipment, down three of the last four months, had the largest decrease, \$2.7 billion or 0.6 percent to \$476.8 billion.

### Inventories

Inventories of manufactured durable goods in June, up six consecutive months, increased \$2.8 billion or 0.9 percent to \$308.2 billion. This followed a 1.1 percent May increase.

Transportation equipment, up six consecutive months, had the largest increase, \$0.8 billion or 1.1 percent to \$80.0 billion.

### Capital Goods

Nondefense new orders for capital goods in June decreased \$1.1 billion or 1.6 percent to \$64.1 billion. Shipments increased \$0.6 billion or 1.0 percent to \$63.2 billion. Unfilled orders increased \$0.9 billion or 0.2 percent to \$486.6 billion. Inventories increased \$1.3 billion or 1.0 percent to \$128.1 billion.

Defense new orders for capital goods in June decreased \$0.7 billion or 6.8 percent to \$9.6 billion. Shipments decreased \$0.1 billion or 1.5 percent to \$9.8 billion. Unfilled orders decreased \$0.2 billion or 0.1 percent to \$139.6 billion. Inventories increased slightly or 0.1 percent to \$17.9 billion.

### Revised May Data

Revised seasonally adjusted May figures for all manufacturing industries were: new orders, \$412.7 billion (revised from \$413.2 billion); shipments, \$416.0 billion (revised from \$416.8 billion); unfilled orders, \$803.0 billion (revised from \$802.8 billion); and total inventories, \$520.8 billion (revised from \$520.4 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 August 3, 2010, at 10:00 a.m. EDT. The advance report on durable goods for July is scheduled for release on August 25, 2010, at 8:30 a.m. EDT. See back page for survey description.

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		
	Jun 2010 <sup>2</sup>	May 2010 <sup>r</sup>	Apr 2010	May - Jun <sup>2</sup>	Apr - May <sup>r</sup>	Mar - Apr	Jun 2010 <sup>2</sup>	May 2010 <sup>r</sup>	Jun 2009	2010	2009	Change 10/09
<b>DURABLE GOODS</b>												
<b>Total:</b>												
Shipments.....	195,032	195,690	197,099	-0.3	-0.7	2.0	209,955	194,824	190,408	1,156,383	1,072,084	7.9
New Orders <sup>4</sup> .....	190,490	192,455	194,021	-1.0	-0.8	2.9	203,890	188,429	175,957	1,136,050	975,096	16.5
<b>Excluding transportation:</b>												
Shipments.....	146,416	148,388	148,691	-1.3	-0.2	2.5	156,922	148,384	140,788	867,164	793,119	9.3
New Orders <sup>4</sup> .....	144,571	145,420	143,652	-0.6	1.2	-0.9	154,825	144,877	134,676	853,393	740,367	15.3
<b>Excluding defense:</b>												
Shipments.....	182,765	183,363	183,851	-0.3	-0.3	2.4	196,889	182,627	175,519	1,078,442	995,320	8.4
New Orders <sup>4</sup> .....	178,455	179,713	181,002	-0.7	-0.7	3.4	191,464	177,425	163,616	1,057,247	902,120	17.2
<b>Manufacturing with unfilled orders:</b>												
Shipments.....	143,168	142,969	143,344	0.1	-0.3	0.5	155,255	142,273	141,117	843,903	781,193	8.0
New Orders.....	143,085	145,027	146,423	-1.3	-1.0	3.2	152,429	140,993	129,396	855,441	710,063	20.5
<b>Primary metals:</b>												
Shipments.....	19,828	20,129	20,043	-1.5	0.4	0.2	21,390	20,691	14,379	118,661	86,252	37.6
New Orders.....	19,624	20,025	20,155	-2.0	-0.6	0.0	21,189	20,809	15,074	120,844	82,126	47.1
<b>Fabricated metal products:</b>												
Shipments.....	27,419	27,623	27,556	-0.7	0.2	1.7	29,128	28,058	26,855	161,087	153,882	4.7
New Orders.....	27,352	27,026	27,701	1.2	-2.4	0.5	28,284	27,917	24,848	163,550	147,059	11.2
<b>Machinery:</b>												
Shipments.....	24,957	24,782	24,034	0.7	3.1	-1.4	26,951	25,400	24,769	146,504	142,460	2.8
New Orders.....	27,016	27,206	24,484	-0.7	11.1	-6.9	28,430	27,100	23,485	154,667	129,986	19.0
<b>Computers and electronic products<sup>4</sup>:</b>												
Shipments.....	31,278	32,618	33,653	-4.1	-3.1	9.1	32,764	30,539	30,554	188,133	167,529	12.3
New Orders.....	27,184	27,701	27,661	-1.9	0.1	2.1	29,704	24,837	27,609	156,451	140,083	11.7
<b>Computers and related products:</b>												
Shipments.....	6,122	5,956	6,056	2.8	-1.7	0.9	6,975	5,227	6,087	33,635	30,256	11.2
New Orders.....	6,406	6,251	6,005	2.5	4.1	-5.8	7,259	5,522	6,425	33,942	29,301	15.8
<b>Communications equipment:</b>												
Shipments.....	3,464	3,693	3,885	-6.2	-4.9	3.2	4,069	3,486	4,723	21,042	20,882	0.8
New Orders.....	3,228	3,180	3,612	1.5	-12.0	6.0	3,581	2,673	4,364	19,932	21,556	-7.5
<b>Electrical equipment, appliances, and components:</b>												
Shipments.....	9,490	9,433	9,529	0.6	-1.0	1.4	10,334	9,464	9,567	55,859	53,566	4.3
New Orders.....	10,059	9,697	9,758	3.7	-0.6	-6.1	10,944	9,795	9,082	59,422	52,067	14.1
<b>Transportation equipment:</b>												
Shipments.....	48,616	47,302	48,408	2.8	-2.3	0.3	53,033	46,440	49,620	289,219	278,965	3.7
New Orders.....	45,919	47,035	50,369	-2.4	-6.6	15.4	49,065	43,552	41,281	282,657	234,729	20.4
<b>Motor vehicles and parts:</b>												
Shipments.....	30,641	29,779	29,324	2.9	1.6	1.9	32,565	29,185	26,457	177,796	158,226	12.4
New Orders.....	30,453	29,721	29,234	2.5	1.7	2.0	32,156	29,022	26,119	176,886	157,041	12.6
<b>Nondefense aircraft and parts:</b>												
Shipments.....	6,561	6,193	6,925	5.9	-10.6	-0.7	8,130	5,960	8,988	39,715	47,613	-16.6
New Orders.....	5,273	7,084	10,144	-25.6	-30.2	215.7	6,155	5,503	4,327	38,203	16,341	133.8
<b>Defense aircraft and parts:</b>												
Shipments.....	5,245	5,037	5,594	4.1	-10.0	-2.8	5,807	4,855	6,523	32,173	30,646	5.0
New Orders.....	5,335	5,011	5,283	6.5	-5.1	-4.0	5,941	4,272	7,345	32,794	31,021	5.7
<b>All other durable goods:</b>												
Shipments.....	33,444	33,803	33,876	-1.1	-0.2	1.7	36,355	34,232	34,664	196,920	189,430	4.0
New Orders.....	33,336	33,765	33,893	-1.3	-0.4	1.5	36,274	34,419	34,578	198,459	189,046	5.0
<b>Capital goods:<sup>3</sup></b>												
Shipments.....	72,930	72,473	73,009	0.6	-0.7	-0.4	79,564	70,792	76,704	431,566	417,272	3.4
New Orders.....	73,647	75,393	76,108	-2.3	-0.9	6.3	78,484	70,352	67,093	437,889	359,877	21.7
<b>Nondefense capital goods:</b>												
Shipments.....	63,160	62,555	62,423	1.0	0.2	0.3	69,371	60,952	64,914	368,507	355,209	3.7
New Orders.....	64,061	65,111	65,483	-1.6	-0.6	8.1	68,851	61,440	57,952	374,446	301,030	24.4
<b>Excluding aircraft:</b>												
Shipments.....	59,318	59,210	58,354	0.2	1.5	0.4	64,497	57,639	59,310	345,617	325,145	6.3
New Orders.....	61,338	60,987	58,327	0.6	4.6	-2.8	65,585	58,619	56,910	352,508	304,199	15.9
<b>Defense capital goods:</b>												
Shipments.....	9,770	9,918	10,586	-1.5	-6.3	-4.4	10,193	9,840	11,790	63,059	62,063	1.6
New Orders.....	9,586	10,282	10,625	-6.8	-3.2	-3.1	9,633	8,912	9,141	63,443	58,847	7.8

<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, 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
	Jun 2010 <sup>2</sup>	May 2010 <sup>r</sup>	Apr 2010	May - Jun <sup>2</sup>	Apr - May <sup>r</sup>	Mar - Apr	Jun 2010 <sup>2</sup>	May 2010 <sup>r</sup>	Jun 2009	
<b>DURABLE GOODS</b>										
<b>Total:</b>										
Unfilled Orders <sup>4</sup> .....	802,923	803,006	800,948	0.0	0.3	0.4	804,224	807,050	821,520	-2.1
Total Inventories.....	308,230	305,453	301,985	0.9	1.1	0.8	306,561	307,865	305,432	0.4
<b>Excluding transportation:</b>										
Unfilled Orders <sup>4</sup> .....	326,079	323,465	321,140	0.8	0.7	0.3	327,829	326,687	315,797	3.8
Total Inventories.....	228,185	226,245	223,493	0.9	1.2	0.9	226,773	227,479	227,582	-0.4
<b>Excluding defense:</b>										
Unfilled Orders <sup>4</sup> .....	649,608	649,459	647,816	0.0	0.3	0.5	649,810	651,996	656,994	-1.1
Total Inventories.....	285,098	282,328	278,725	1.0	1.3	1.0	283,506	284,690	282,552	0.3
<b>Manufacturing with unfilled orders:</b>										
Unfilled Orders.....	802,923	803,006	800,948	0.0	0.3	0.4	804,224	807,050	821,520	-2.1
Total Inventories.....	250,218	247,890	245,221	0.9	1.1	1.0	248,860	249,873	245,675	1.3
<b>Primary metals:</b>										
Unfilled Orders.....	18,313	18,517	18,621	-1.1	-0.6	0.6	18,554	18,755	15,810	17.4
Total Inventories.....	30,851	30,634	29,786	0.7	2.8	3.9	30,581	30,592	27,389	11.7
<b>Fabricated metal products:</b>										
Unfilled Orders.....	53,651	53,718	54,315	-0.1	-1.1	0.3	54,537	55,381	55,290	-1.4
Total Inventories.....	41,558	41,148	40,858	1.0	0.7	0.6	41,416	41,226	41,169	0.6
<b>Machinery:</b>										
Unfilled Orders.....	95,581	93,522	91,098	2.2	2.7	0.5	95,329	93,850	87,984	8.3
Total Inventories.....	50,079	49,994	49,583	0.2	0.8	0.5	49,762	50,378	52,804	-5.8
<b>Computers and electronic products<sup>4</sup>:</b>										
Unfilled Orders.....	121,553	121,188	120,812	0.3	0.3	0.1	121,698	121,519	123,257	-1.3
Total Inventories.....	44,831	44,016	43,457	1.9	1.3	0.7	44,185	44,370	43,588	1.4
<b>Computers and related products:</b>										
Unfilled Orders.....	5,678	5,394	5,099	5.3	5.8	-1.0	5,678	5,394	4,563	24.4
Total Inventories.....	4,640	4,624	4,490	0.3	3.0	0.1	4,555	4,862	4,298	6.0
<b>Communications equipment:</b>										
Unfilled Orders.....	27,661	27,897	28,410	-0.8	-1.8	-1.0	27,664	28,152	29,186	-5.2
Total Inventories.....	7,910	7,626	7,523	3.7	1.4	1.6	7,670	7,681	7,557	1.5
<b>Electrical equipment, appliances, and components:</b>										
Unfilled Orders.....	24,345	23,776	23,512	2.4	1.1	1.0	24,664	24,054	21,790	13.2
Total Inventories.....	14,114	13,900	13,663	1.5	1.7	0.6	14,127	14,106	14,240	-0.8
<b>Transportation equipment:</b>										
Unfilled Orders.....	476,844	479,541	479,808	-0.6	-0.1	0.4	476,395	480,363	505,723	-5.8
Total Inventories.....	80,045	79,208	78,492	1.1	0.9	0.6	79,788	80,386	77,850	2.5
<b>Motor vehicles and parts:</b>										
Unfilled Orders.....	13,901	14,089	14,147	-1.3	-0.4	-0.6	13,738	14,147	15,043	-8.7
Total Inventories.....	20,668	20,477	20,080	0.9	2.0	1.1	20,304	20,810	18,140	11.9
<b>Nondefense Aircraft and parts:</b>										
Unfilled Orders.....	322,912	324,200	323,309	-0.4	0.3	1.0	322,053	324,028	334,746	-3.8
Total Inventories.....	36,573	36,039	35,561	1.5	1.3	1.9	36,803	36,777	35,351	4.1
<b>Defense Aircraft and parts:</b>										
Unfilled Orders.....	47,940	47,850	47,876	0.2	-0.1	-0.6	48,369	48,235	51,408	-5.9
Total Inventories.....	12,022	12,142	12,191	-1.0	-0.4	-0.7	12,059	12,208	12,123	-0.5
<b>All other durable goods:</b>										
Unfilled Orders.....	12,636	12,744	12,782	-0.8	-0.3	0.1	13,047	13,128	11,666	11.8
Total Inventories.....	46,752	46,553	46,146	0.4	0.9	0.2	46,702	46,807	48,392	-3.5
<b>Capital goods:<sup>3</sup></b>										
Unfilled Orders.....	626,205	625,488	622,568	0.1	0.5	0.5	626,775	627,855	648,070	-3.3
Total Inventories.....	146,001	144,671	143,395	0.9	0.9	0.8	145,478	146,247	146,739	-0.9
<b>Nondefense capital goods:</b>										
Unfilled Orders.....	486,561	485,660	483,104	0.2	0.5	0.6	486,108	486,628	497,616	-2.3
Total Inventories.....	128,106	126,789	125,403	1.0	1.1	1.1	127,697	128,381	129,174	-1.1
<b>Excluding aircraft:</b>										
Unfilled Orders.....	193,290	191,270	189,493	1.1	0.9	0.0	193,753	192,665	192,920	0.4
Total Inventories.....	99,754	98,983	98,014	0.8	1.0	0.6	99,015	99,967	101,990	-2.9
<b>Defense capital goods:</b>										
Unfilled Orders.....	139,644	139,828	139,464	-0.1	0.3	0.0	140,667	141,227	150,454	-6.5
Total Inventories.....	17,895	17,882	17,992	0.1	-0.6	-1.2	17,781	17,866	17,565	1.2

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. 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>.