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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders November 2008

New Orders

New orders for manufactured durable goods in November decreased \$1.8 billion or 1.0 percent to \$186.9 billion, the U.S. Census Bureau announced today. This was the fourth consecutive monthly decrease and followed an 8.4 percent October decrease. Excluding transportation, new orders increased 1.2 percent. Excluding defense, new orders decreased 0.9 percent.

Transportation equipment, down three of the last four months, had the largest decrease, \$3.5 billion or 7.4 percent to \$44.3 billion. This was led by nondefense aircraft and parts, which decreased \$3.4 billion.

Shipments

Shipments of manufactured durable goods in November, down four consecutive months, decreased \$5.3 billion or 2.6 percent to \$195.9 billion. This followed a 3.4 percent October decrease.

Transportation equipment, down three of the last four months, had the largest decrease, \$1.7 billion or 3.5 percent to \$46.4 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in November, down two consecutive months, decreased \$5.1 billion or 0.6 percent to \$815.6 billion. This followed a 0.9 percent October decrease.

Transportation equipment, down two consecutive months, had the largest decrease, \$2.1 billion or 0.5 percent to \$468.0 billion.

Inventories

Inventories of manufactured durable goods in November, up sixteen of the last seventeen months, increased \$1.6 billion or 0.5 percent to \$342.9 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 0.4 percent October increase.

Transportation equipment, up twenty-two of the last twenty-three months, had the largest increase, \$2.4 billion or 2.7 percent to \$92.6 billion.

Capital Goods

Nondefense new orders for capital goods in November decreased \$0.5 billion or 0.8 percent to \$63.0 billion. Shipments decreased \$0.4 billion or 0.6 percent to \$64.0 billion. Unfilled orders decreased \$1.0 billion or 0.2 percent to \$480.0 billion. Inventories increased \$1.3 billion or 0.9 percent to \$143.1 billion.

Defense new orders for capital goods in November increased \$0.6 billion or 7.8 percent to \$8.4 billion. Shipments decreased \$0.3 billion or 3.6 percent to \$8.9 billion. Unfilled orders decreased \$0.5 billion or 0.4 percent to \$141.0 billion. Inventories increased \$0.3 billion or 1.4 percent to \$19.5 billion.

Revised October Data

Revised seasonally adjusted October figures for all manufacturing industries were: new orders, \$404.0 billion (revised from \$407.4 billion); shipments, \$416.5 billion (revised from \$417.7 billion); unfilled orders, \$820.8 billion (revised from \$823.1 billion); and total inventories, \$555.5 billion (revised from \$555.1 billion).

Figures in text are in seasonally adjusted current dollars. 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 January 6, 2009, at 10:00 a.m. EST. The advance report on durable goods for December is scheduled for release on January 29, 2009, at 8:30 a.m. EST. See back page for survey description and 2009 release dates.

Table 1. Durable Goods Manufacturers' Shipments and New Orders
[Millions of Dollars]

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹					
	Monthly			Percent Change			Monthly			Year to Date		
	Nov 2008 ²	Oct 2008 [†]	Sep 2008	Oct - Nov ²	Sep - Oct [†]	Aug - Sep	Nov 2008 ²	Oct 2008 [†]	Nov 2007	2008	2007	Percent Change 08/07
DURABLE GOODS												
Total:												
Shipments.....	195,903	201,228	208,240	-2.6	-3.4	0.0	183,926	208,636	208,074	2,306,512	2,354,816	-2.1
New Orders ⁴	186,883	188,720	206,034	-1.0	-8.4	0.0	172,317	192,534	209,130	2,279,325	2,379,052	-4.2
Excluding transportation:												
Shipments.....	149,485	153,146	157,413	-2.4	-2.7	-0.7	139,382	157,515	150,836	1,734,632	1,715,820	1.1
New Orders ⁴	142,593	140,898	151,225	1.2	-6.8	-1.9	130,503	143,662	145,400	1,686,051	1,677,352	0.5
Excluding defense:												
Shipments.....	184,202	189,149	196,044	-2.6	-3.5	-0.3	171,889	196,734	198,073	2,179,280	2,251,685	-3.2
New Orders ⁴	175,908	177,541	190,343	-0.9	-6.7	-1.7	161,745	181,215	201,455	2,150,093	2,279,379	-5.7
Manufacturing with unfilled orders:												
Shipments.....	140,852	144,327	150,543	-2.4	-4.1	0.1	132,207	147,043	144,624	1,653,591	1,639,220	0.9
New Orders ⁴	135,742	136,855	152,239	-0.8	-10.1	-0.3	124,206	137,271	151,262	1,680,477	1,722,745	-2.5
Primary metals:												
Shipments.....	18,366	19,869	22,260	-7.6	-10.7	-3.7	16,153	20,626	19,060	241,903	223,971	8.0
New Orders.....	16,376	16,861	20,113	-2.9	-16.2	-5.9	14,296	16,942	19,784	234,496	223,236	5.0
Fabricated metal products:												
Shipments.....	27,519	27,568	27,848	-0.2	-1.0	-0.3	25,464	28,891	25,900	307,213	302,570	1.5
New Orders.....	26,726	26,634	27,470	0.3	-3.0	-0.9	23,632	27,371	25,538	305,630	305,625	0.0
Machinery:												
Shipments.....	29,075	28,492	30,105	2.0	-5.4	4.0	26,010	28,735	25,941	319,405	302,948	5.4
New Orders.....	28,539	27,404	30,643	4.1	-10.6	0.2	25,233	28,161	26,647	332,944	312,811	6.4
Computers and electronic products:												
Shipments.....	29,936	31,257	30,574	-4.2	2.2	-2.3	28,953	31,260	32,427	345,290	348,767	-1.0
New Orders ⁴	27,140	25,624	26,949	5.9	-4.9	-2.5	25,616	24,657	25,989	293,426	294,840	-0.5
Computers and related products:												
Shipments.....	4,255	4,623	4,703	-8.0	-1.7	-1.3	3,856	4,648	5,227	53,572	58,175	-7.9
New Orders.....	4,805	4,289	4,723	12.0	-9.2	-2.5	4,406	4,314	5,295	53,995	58,253	-7.3
Communications equipment:												
Shipments.....	5,728	5,459	5,649	4.9	-3.4	2.5	5,877	4,719	5,641	61,599	61,005	1.0
New Orders.....	5,691	5,692	5,270	0.0	8.0	-15.1	5,335	5,203	4,842	62,206	62,013	0.3
Semiconductors:												
Shipments.....	3,910	5,036	3,902	-22.4	29.1	-14.3	3,608	6,330	5,582	54,073	59,289	-8.8
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	9,667	10,341	10,527	-6.5	-1.8	-0.3	9,187	10,601	10,340	116,144	116,876	-0.6
New Orders.....	9,094	9,069	10,190	0.3	-11.0	-1.1	8,427	9,331	10,225	115,417	118,498	-2.6
Transportation equipment:												
Shipments.....	46,418	48,082	50,827	-3.5	-5.4	2.1	44,544	51,121	57,238	571,880	638,996	-10.5
New Orders.....	44,290	47,822	54,809	-7.4	-12.7	5.5	41,814	48,872	63,730	593,274	701,700	-15.5
Motor vehicles and parts:												
Shipments.....	29,556	29,525	31,131	0.1	-5.2	3.2	27,492	33,257	38,391	362,178	446,501	-18.9
New Orders.....	29,189	29,262	30,828	-0.2	-5.1	2.4	27,272	32,821	38,801	359,594	444,346	-19.1
Nondefense aircraft and parts:												
Shipments.....	6,178	6,862	7,695	-10.0	-10.8	-5.4	6,172	6,284	9,114	86,575	90,946	-4.8
New Orders.....	5,610	9,003	9,866	-37.7	-8.7	28.8	5,344	6,118	17,709	110,517	156,026	-29.2
Defense aircraft and parts:												
Shipments.....	4,423	4,757	5,201	-7.0	-8.5	10.5	4,617	4,683	3,479	49,913	35,762	39.6
New Orders.....	4,772	5,356	5,839	-10.9	-8.3	12.5	5,010	5,166	2,831	52,672	32,776	60.7
All other durable goods:												
Shipments.....	34,922	35,619	36,099	-2.0	-1.3	-1.7	33,615	37,402	37,168	404,677	420,688	-3.8
New Orders.....	34,718	35,306	35,860	-1.7	-1.5	-1.9	33,299	37,200	37,217	404,138	422,342	-4.3
Capital goods:³												
Shipments.....	72,981	73,699	76,747	-1.0	-4.0	1.2	68,742	72,746	72,842	828,096	807,299	2.6
New Orders.....	71,464	71,341	80,062	0.2	-10.9	1.9	65,845	69,583	79,247	861,557	880,620	-2.2
Nondefense capital goods:												
Shipments.....	64,039	64,422	67,540	-0.6	-4.6	1.1	59,520	63,573	64,548	730,014	722,684	1.0
New Orders.....	63,034	63,521	67,923	-0.8	-6.5	-1.1	57,978	61,463	73,233	763,031	799,880	-4.6
Excluding aircraft:												
Shipments.....	61,282	61,171	63,567	0.2	-3.8	1.7	56,763	60,686	59,316	684,673	671,838	1.9
New Orders.....	61,158	58,407	62,547	4.7	-6.6	-3.4	55,861	58,879	58,942	696,037	686,525	1.4
Defense capital goods:												
Shipments.....	8,942	9,277	9,207	-3.6	0.8	1.6	9,222	9,173	8,294	98,082	84,615	15.9
New Orders.....	8,430	7,820	12,139	7.8	-35.6	23.3	7,867	8,120	6,014	98,526	80,740	22.0

NA Not Available [†] Revised

¹ Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders and total inventories are as of the end of the period and are not adjusted for trading-day or calendar-month variations.

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. Further details on survey design, methodology, and data limitations are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-3(07), "Manufacturers' Shipments, Inventories, and Orders: 2004-2007."

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 Data on new and unfilled orders are not available for the semiconductor industry. Estimates and percent changes for new orders and unfilled orders exclude semiconductor industry data. Inventories for semiconductor industry data are included in computers and electronic products and total durable goods industries, but are not shown separately.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories
 [Millions of Dollars]

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹			
	Monthly			Percent Change			Monthly			Percent Change 2008/ 2007
	Nov 2008 ²	Oct 2008 ¹	Sep 2008	Oct - Nov ²	Sep - Oct ¹	Aug - Sep	Nov 2008 ²	Oct 2008 ¹	Nov 2007	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	815,643	820,753	828,225	-0.6	-0.9	0.2	798,702	806,703	741,403	7.7
Total Inventories.....	342,896	341,255	339,728	0.5	0.4	0.2	343,714	342,447	318,076	8.1
Excluding transportation:										
Unfilled Orders ⁴	347,623	350,605	357,817	-0.9	-2.0	-0.6	340,513	345,784	330,260	3.1
Total Inventories.....	250,318	251,113	251,152	-0.3	0.0	0.4	250,282	251,249	238,020	5.2
Excluding defense:										
Unfilled Orders ⁴	657,953	662,337	668,909	-0.7	-1.0	-0.3	645,393	651,929	598,212	7.9
Total Inventories.....	317,707	316,483	315,409	0.4	0.3	0.3	318,480	317,575	295,390	7.8
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	815,643	820,753	828,225	-0.6	-0.9	0.2	798,702	806,703	741,403	7.7
Total Inventories.....	274,960	273,494	272,691	0.5	0.3	0.0	275,618	274,786	251,977	9.4
Primary metals:										
Unfilled Orders.....	21,214	23,204	26,212	-8.6	-11.5	-7.6	19,856	21,713	26,210	-24.2
Total Inventories.....	34,217	34,829	35,168	-1.8	-1.0	0.3	33,935	34,682	30,413	11.6
Fabricated metal products:										
Unfilled Orders.....	59,829	60,622	61,556	-1.3	-1.5	-0.6	57,836	59,668	58,304	-0.8
Total Inventories.....	44,745	44,762	44,942	0.0	-0.4	0.3	44,104	44,565	41,221	7.0
Machinery:										
Unfilled Orders.....	105,701	106,237	107,325	-0.5	-1.0	0.5	103,926	104,703	88,247	17.8
Total Inventories.....	54,835	54,789	54,629	0.1	0.3	0.4	55,125	54,698	52,315	5.4
Computers and electronic products:										
Unfilled Orders ⁴	125,678	124,564	125,161	0.9	-0.5	0.2	123,976	123,705	120,115	3.2
Total Inventories.....	47,383	47,431	47,022	-0.1	0.9	0.0	48,259	48,084	45,702	5.6
Computers and related products:										
Unfilled Orders.....	4,140	3,590	3,924	15.3	-8.5	0.5	4,140	3,590	3,563	16.2
Total Inventories.....	4,925	4,861	5,039	1.3	-3.5	0.2	5,189	4,935	5,220	-0.6
Communications equipment:										
Unfilled Orders.....	37,585	37,622	37,389	-0.1	0.6	-1.0	37,024	37,566	36,058	2.7
Total Inventories.....	9,803	9,807	9,649	0.0	1.6	-3.0	10,234	9,962	9,639	6.2
Semiconductors:										
Unfilled Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:										
Unfilled Orders.....	22,761	23,334	24,606	-2.5	-5.2	-1.4	22,337	23,097	23,472	-4.8
Total Inventories.....	15,021	15,168	15,366	-1.0	-1.3	0.7	14,864	15,015	14,608	1.8
Transportation equipment:										
Unfilled Orders.....	468,020	470,148	470,408	-0.5	-0.1	0.9	458,189	460,919	411,143	11.4
Total Inventories.....	92,578	90,142	88,576	2.7	1.8	-0.2	93,432	91,198	80,056	16.7
Motor vehicles and parts:										
Unfilled Orders.....	16,412	16,779	17,042	-2.2	-1.5	-1.7	15,981	16,201	18,278	-12.6
Total Inventories.....	22,520	22,842	22,904	-1.4	-0.3	-1.6	22,417	22,881	24,416	-8.2
Nondefense Aircraft and parts:										
Unfilled Orders.....	310,680	311,248	309,107	-0.2	0.7	0.7	304,557	305,385	262,338	16.1
Total Inventories.....	44,022	41,947	40,571	4.9	3.4	1.3	44,873	42,721	32,216	39.3
Defense Aircraft and parts:										
Unfilled Orders.....	47,418	47,069	46,470	0.7	1.3	1.4	46,061	45,668	39,161	17.6
Total Inventories.....	14,717	14,292	13,962	3.0	2.4	-1.7	14,726	14,397	12,802	15.0
All other durable goods:										
Unfilled Orders.....	12,440	12,644	12,957	-1.6	-2.4	-1.8	12,582	12,898	13,912	-9.6
Total Inventories.....	54,117	54,134	54,025	0.0	0.2	0.6	53,995	54,205	53,761	0.4
Capital goods:³										
Unfilled Orders.....	621,030	622,547	624,905	-0.2	-0.4	0.5	608,918	611,815	549,693	10.8
Total Inventories.....	162,654	161,037	159,247	1.0	1.1	0.2	164,616	162,196	146,643	12.3
Nondefense capital goods:										
Unfilled Orders.....	480,044	481,049	481,950	-0.2	-0.2	0.1	471,832	473,374	420,991	12.1
Total Inventories.....	143,131	141,789	140,368	0.9	1.0	0.3	145,057	142,953	128,617	12.8
Excluding aircraft:										
Unfilled Orders.....	202,989	203,113	205,877	-0.1	-1.3	-0.5	200,148	201,050	187,709	6.6
Total Inventories.....	108,570	108,897	108,679	-0.3	0.2	0.1	109,785	109,446	104,535	5.0
Defense capital goods:										
Unfilled Orders.....	140,986	141,498	142,955	-0.4	-1.0	2.1	137,086	138,441	128,702	6.5
Total Inventories.....	19,523	19,248	18,879	1.4	2.0	-1.0	19,559	19,243	18,026	8.5

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 59 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 61 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>.

2009 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
November 2008	Dec. 24, 2008	Jan. 6, 2009
December 2008	Jan. 29, 2009	Feb. 5, 2009
January 2009	Feb. 26, 2009	Mar. 5, 2009
February 2009	Mar. 25, 2009	Apr. 2, 2009
March 2009	Apr. 24, 2009	May 1, 2009
April 2009	May 28, 2009	Jun. 3, 2009
May 2009	Jun. 24, 2009	Jul. 2, 2009
June 2009	Jul. 29, 2009	Aug. 5, 2009
July 2009	Aug. 26, 2009	Sep. 2, 2009
August 2009	Sep. 25, 2009	Oct. 2, 2009
September 2009	Oct. 28, 2009	Nov. 3, 2009
October 2009	Nov. 25, 2009	Dec. 4, 2009
November 2009	Dec. 24, 2009	