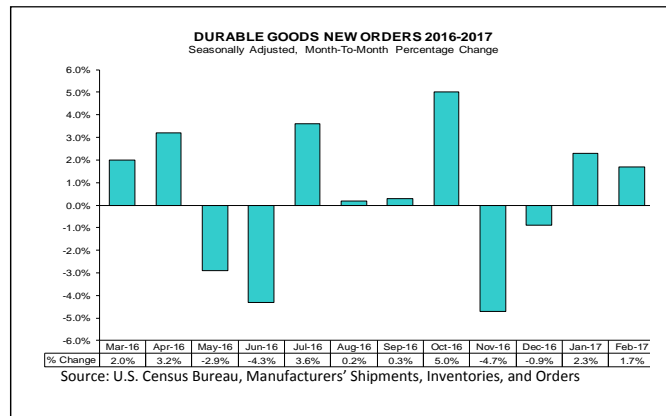


FOR RELEASE AT 8:30 AM EDT, FRIDAY, MARCH 24, 2017

MONTHLY ADVANCE REPORT ON MANUFACTURERS' SHIPMENTS, INVENTORIES AND ORDERS FEBRUARY 2017

Release Number: CB 17-41 M3-1 (17)-02

March 24, 2017 — The U.S. Census Bureau announces the February advance report on manufacturers' shipments, inventories and orders:



New Orders

New orders for manufactured durable goods in February increased \$3.9 billion or 1.7 percent to \$235.4 billion, the U.S. Census Bureau announced today. This increase, up two consecutive months, followed a 2.3 percent January increase. Excluding transportation, new orders increased 0.4 percent. Excluding defense, new orders increased 2.1 percent. Transportation equipment, also up two consecutive months, led the increase, \$3.3 billion or 4.3 percent to \$80.4 billion.

Shipments

Shipments of manufactured durable goods in February, up three of the last four months, increased \$0.6 billion or 0.3 percent to \$239.2 billion. This followed a 0.1 percent January decrease. Machinery, also up three of the last four months, led the increase, \$0.3 billion or 0.9 percent to \$31.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in February, down eight of the last nine months, decreased \$0.2 billion or virtually unchanged to \$1,114.7 billion. This followed a 0.3 percent January decrease. Transportation equipment, also down eight of the last nine months, drove the decrease, \$1.1 billion or 0.1 percent to \$752.7 billion.

Data Inquiries

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Media Inquiries

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Inventories

Inventories of manufactured durable goods in February, up three of the last four months, increased \$0.8 billion or 0.2 percent to \$385.1 billion. This followed a 0.1 percent January increase. Transportation equipment, up following two consecutive monthly decreases, led the increase, \$0.2 billion or 0.1 percent to \$122.9 billion.

Capital Goods

Nondefense new orders for capital goods in February increased \$2.9 billion or 4.1 percent to \$72.9 billion. Shipments decreased less than \$0.1 billion or 0.1 percent to \$72.1 billion. Unfilled orders increased \$0.8 billion or 0.1 percent to \$690.1 billion. Inventories increased \$0.4 billion or 0.2 percent to \$171.0 billion. Defense new orders for capital goods in February decreased \$0.8 billion or 8.3 percent to \$9.2 billion. Shipments increased \$0.5 billion or 5.1 percent to \$11.4 billion. Unfilled orders decreased \$2.2 billion or 1.6 percent to \$137.8 billion. Inventories increased \$0.3 billion or 1.2 percent to \$21.5 billion.

Revised January Data

Revised seasonally adjusted January figures for all manufacturing industries were: new orders, \$471.1 billion (revised from \$470.2 billion); shipments, \$478.2 billion (revised from \$478.3 billion); unfilled orders, \$1,114.9 billion (revised from \$1,114.1 billion) and total inventories, \$628.3 billion (revised from \$627.9 billion).

Revised and more detailed estimates, plus nondurable goods data, will be published on April 4, 2017, at 10:00 a.m. EDT. The Advance Report on durable goods for March is scheduled for release on April 27, 2017 at 8:30 a.m. EDT. View the full schedule in the Economic Briefing Room: <www.census.gov/economic-indicators/>. The full text and tables of this release can be found at <www.census.gov/m3>.

EXPLANATORY NOTES

Figures in text are adjusted for seasonality, but not for inflation. Figures on new and unfilled orders exclude data for semiconductor manufacturing.

“Virtually unchanged” indicates that the change is less than 0.05 percent for a percent increase or decrease.

Description of the survey

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

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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:

www.census.gov/manufacturing/m3/how_the_data_are_collected/index.html.

Benchmark notice

Revised historical data from the Manufacturers' Shipments, Inventories, and Orders (M3) Survey will be issued on May 18, 2017. These revisions result from:

- benchmarking the M3 shipments and inventories data to the 2015 Annual Survey of Manufactures (ASM) and revised 2014 ASM data on a 2012 NAICS basis;
- incorporating the unfilled orders to shipments ratios obtained from the 2015/2014 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 ASM 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;

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- 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 February 2002 through March 2017 and the data not seasonally adjusted for February 2007 through March 2017. An updated Press Release will contain revised monthly tables for February 2017 through March 2017. Please call M3 staff on (301) 763-4832 with any questions.

America's Economy Mobile App

The America's Economy app provides real-time updates for 19 key economic indicators released from the Census Bureau, Bureau of Labor Statistics, and Bureau of Economic Analysis.

www.census.gov/mobile/economy/

API

The Census Bureau's application programming interface (API) lets developers create custom apps to reach new users and makes key demographic, socio-economic and housing statistics more accessible than ever before. www.census.gov/developers/

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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		
	Feb 2017 ²	Jan 2017 ¹	Dec 2016	Jan - Feb ²	Dec - Jan ¹	Nov - Dec	Feb 2017 ²	Jan 2017 ¹	Feb 2016	2017	2016	Percent Change 2017/2016
DURABLE GOODS												
Total:												
Shipments.....	239,214	238,581	238,722	0.3	-0.1	1.7	222,575	212,196	225,222	434,771	429,746	1.2
New Orders ⁴	235,386	231,525	226,239	1.7	2.3	-0.9	221,977	208,541	218,655	430,518	423,920	1.6
Excluding transportation:												
Shipments.....	157,723	156,823	156,628	0.6	0.1	1.3	144,802	142,218	144,399	287,020	279,845	2.6
New Orders ⁴	154,993	154,413	154,159	0.4	0.2	0.9	147,775	143,398	146,282	291,173	283,611	2.7
Excluding defense:												
Shipments.....	225,722	225,685	225,622	0.0	0.0	1.8	209,915	201,969	213,281	411,884	408,251	0.9
New Orders ⁴	223,622	218,968	214,486	2.1	2.1	1.2	211,648	197,736	209,472	409,384	404,730	1.1
Manufacturing with unfilled orders:												
Shipments.....	170,931	169,689	169,540	0.7	0.1	1.6	159,013	150,056	157,534	309,069	301,079	2.7
New Orders.....	170,705	166,513	161,011	2.5	3.4	-1.9	161,219	151,356	153,625	312,575	301,684	3.6
Primary metals:												
Shipments.....	18,804	18,647	18,518	0.8	0.7	1.6	18,056	18,198	17,621	36,254	34,623	4.7
New Orders.....	18,890	18,461	18,635	2.3	-0.9	-0.6	18,653	18,976	18,226	37,629	36,503	3.1
Fabricated metal products:												
Shipments.....	31,595	31,360	30,975	0.7	1.2	0.4	29,450	29,034	28,664	58,484	55,824	4.8
New Orders.....	31,298	31,416	30,977	-0.4	1.4	-0.7	30,609	30,122	30,094	60,731	58,260	4.2
Machinery:												
Shipments.....	31,106	30,833	31,166	0.9	-1.1	2.8	29,353	27,197	30,043	56,550	56,743	-0.3
New Orders.....	31,476	31,431	31,120	0.1	1.0	1.3	31,018	29,618	30,542	60,636	59,088	2.6
Computers and electronic products⁴:												
Shipments.....	28,072	28,077	28,027	0.0	0.2	0.9	24,232	25,148	23,734	49,380	46,831	5.4
New Orders.....	24,883	24,924	25,099	-0.2	-0.7	3.0	22,868	21,198	22,234	44,066	42,366	4.0
Computers and related products:												
Shipments.....	1,820	1,816	1,700	0.2	6.8	-3.8	1,315	1,348	1,418	2,663	2,863	-7.0
New Orders.....	1,852	1,822	1,711	1.6	6.5	-3.9	1,347	1,354	1,418	2,701	2,831	-4.6
Communications equipment:												
Shipments.....	3,436	3,467	3,565	-0.9	-2.7	2.1	2,843	2,727	2,941	5,570	5,496	1.3
New Orders.....	3,765	3,913	3,955	-3.8	-1.1	5.0	4,004	3,154	3,643	7,158	6,600	8.5
Electrical equipment, appliances, and components:												
Shipments.....	9,725	9,582	9,641	1.5	-0.6	1.4	8,896	8,509	8,933	17,405	17,406	0.0
New Orders.....	9,820	9,612	9,951	2.2	-3.4	0.4	9,288	9,074	9,381	18,362	18,506	-0.8
Transportation equipment:												
Shipments.....	81,491	81,758	82,094	-0.3	-0.4	2.3	77,773	69,978	80,823	147,751	149,901	-1.4
New Orders.....	80,393	77,112	72,080	4.3	7.0	-4.3	74,202	65,143	72,373	139,345	140,309	-0.7
Motor vehicles and parts:												
Shipments.....	56,266	56,586	56,684	-0.6	-0.2	2.1	55,415	50,730	57,756	106,145	106,694	-0.5
New Orders.....	56,341	56,769	56,679	-0.8	0.2	1.9	55,838	51,090	57,833	106,928	106,404	0.5
Nondefense aircraft and parts:												
Shipments.....	12,461	13,049	12,999	-4.5	0.4	5.9	10,483	9,840	11,323	20,323	21,925	-7.3
New Orders.....	12,681	8,589	4,686	47.6	83.3	9.1	8,509	4,149	6,064	12,658	16,223	-22.0
Defense aircraft and parts:												
Shipments.....	4,360	3,967	4,178	9.9	-5.1	0.1	3,767	2,867	3,789	6,634	7,162	-7.4
New Orders.....	3,839	4,401	2,653	-12.8	65.9	-65.1	3,019	4,002	2,959	7,021	7,169	-2.1
All other durable goods:												
Shipments.....	38,421	38,324	38,301	0.3	0.1	1.0	34,815	34,132	35,404	68,947	68,418	0.8
New Orders.....	38,626	38,569	38,377	0.1	0.5	1.3	35,339	34,410	35,805	69,749	68,888	1.2
Capital goods³:												
Shipments.....	83,456	82,952	83,127	0.6	-0.2	2.0	76,145	70,250	76,672	146,395	145,887	0.3
New Orders.....	82,062	80,012	76,091	2.6	5.2	-3.2	75,482	68,980	71,540	144,462	143,160	0.9
Nondefense capital goods:												
Shipments.....	72,050	72,095	72,210	-0.1	-0.2	2.4	65,265	61,572	66,823	126,837	128,338	-1.2
New Orders.....	72,890	70,012	66,512	4.1	5.3	3.5	67,241	60,126	64,159	127,367	127,256	0.1
Excluding aircraft:												
Shipments.....	64,288	63,652	63,868	1.0	-0.3	1.7	59,132	56,152	60,112	115,284	115,689	-0.4
New Orders.....	64,641	64,734	64,676	-0.1	0.1	0.8	62,712	59,706	62,578	122,418	120,825	1.3
Defense capital goods:												
Shipments.....	11,406	10,857	10,917	5.1	-0.5	-0.9	10,880	8,678	9,849	19,558	17,549	11.4
New Orders.....	9,172	10,000	9,579	-8.3	4.4	-33.0	8,241	8,854	7,381	17,095	15,904	7.5

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; and defense : 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			Percent Change 2017/2016
	Monthly			Percent Change			Monthly			
	Feb 2017 ²	Jan 2017 ¹	Dec 2016	Jan - Feb ²	Dec - Jan ¹	Nov - Dec	Feb 2017 ²	Jan 2017 ¹	Feb 2016	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	1,114,713	1,114,939	1,118,115	0.0	-0.3	-0.8	1,123,572	1,121,366	1,140,305	-1.5
Total Inventories.....	385,149	384,303	383,830	0.2	0.1	-0.1	388,205	383,784	388,447	-0.1
Excluding transportation:										
Unfilled Orders ⁴	361,982	361,110	359,640	0.2	0.4	0.4	364,015	358,238	355,039	2.5
Total Inventories.....	262,297	261,614	260,543	0.3	0.4	0.1	264,390	261,422	262,100	0.9
Excluding defense:										
Unfilled Orders ⁴	940,729	939,227	942,064	0.2	-0.3	-0.8	948,980	944,443	969,393	-2.1
Total Inventories.....	359,331	358,774	358,522	0.2	0.1	0.0	362,491	358,501	362,719	-0.1
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,114,713	1,114,939	1,118,115	0.0	-0.3	-0.8	1,123,572	1,121,366	1,140,305	-1.5
Total Inventories.....	312,573	311,710	311,320	0.3	0.1	-0.2	314,219	310,533	314,892	-0.2
Primary metals:										
Unfilled Orders.....	33,681	33,595	33,781	0.3	-0.6	0.3	34,590	33,993	32,493	6.5
Total Inventories.....	31,936	31,783	31,660	0.5	0.4	0.0	32,268	32,177	32,330	-0.2
Fabricated metal products:										
Unfilled Orders.....	74,807	75,104	75,048	-0.4	0.1	0.0	74,613	73,454	73,883	1.0
Total Inventories.....	48,934	48,795	48,685	0.3	0.2	0.0	49,196	48,791	48,979	0.4
Machinery:										
Unfilled Orders.....	93,707	93,337	92,739	0.4	0.6	0.0	94,923	93,258	97,301	-2.4
Total Inventories.....	66,336	66,206	66,299	0.2	-0.1	0.5	66,913	65,889	67,121	-0.3
Computers and electronic products⁴:										
Unfilled Orders.....	132,103	131,690	130,963	0.3	0.6	0.8	132,290	130,850	126,157	4.9
Total Inventories.....	43,059	42,915	42,510	0.3	1.0	-0.1	43,324	42,497	42,819	1.2
Computers and related products:										
Unfilled Orders.....	2,485	2,453	2,447	1.3	0.2	0.5	2,485	2,453	2,415	2.9
Total Inventories.....	3,918	3,895	3,945	0.6	-1.3	8.1	3,976	3,829	3,666	8.5
Communications equipment:										
Unfilled Orders.....	36,634	36,305	35,859	0.9	1.2	1.1	36,969	35,808	33,866	9.2
Total Inventories.....	4,506	4,399	4,287	2.4	2.6	-3.9	4,571	4,381	4,738	-3.5
Electrical equipment, appliances, and components:										
Unfilled Orders.....	18,709	18,614	18,584	0.5	0.2	1.7	19,052	18,660	17,403	9.5
Total Inventories.....	16,485	16,406	16,258	0.5	0.9	0.3	16,573	16,306	16,316	1.6
Transportation equipment:										
Unfilled Orders.....	752,731	753,829	758,475	-0.1	-0.6	-1.3	759,557	763,128	785,266	-3.3
Total Inventories.....	122,852	122,689	123,287	0.1	-0.5	-0.6	123,815	122,362	126,347	-2.0
Motor vehicles and parts:										
Unfilled Orders.....	21,839	21,764	21,581	0.3	0.8	0.0	22,714	22,291	23,269	-2.4
Total Inventories.....	33,634	33,906	34,561	-0.8	-1.9	-0.8	34,113	34,311	35,276	-3.3
Nondefense Aircraft and parts:										
Unfilled Orders.....	571,761	571,541	576,001	0.0	-0.8	-1.4	576,820	578,794	604,934	-4.6
Total Inventories.....	62,192	62,149	62,430	0.1	-0.5	-0.6	62,819	61,721	64,519	-2.6
Defense Aircraft and parts:										
Unfilled Orders.....	71,886	72,407	71,973	-0.7	0.6	-2.1	72,912	73,660	68,625	6.2
Total Inventories.....	11,402	11,313	11,007	0.8	2.8	-1.2	11,440	11,265	11,838	-3.4
All other durable goods:										
Unfilled Orders.....	8,975	8,770	8,525	2.3	2.9	0.9	8,547	8,023	7,802	9.5
Total Inventories.....	55,547	55,509	55,131	0.1	0.7	0.1	56,116	55,762	54,535	2.9
Capital goods³:										
Unfilled Orders.....	827,906	829,300	832,240	-0.2	-0.4	-0.8	833,240	833,903	848,149	-1.8
Total Inventories.....	192,443	191,765	191,477	0.4	0.2	0.1	193,231	190,040	193,554	-0.2
Nondefense capital goods:										
Unfilled Orders.....	690,140	689,300	691,383	0.1	-0.3	-0.8	695,286	693,310	713,390	-2.5
Total Inventories.....	170,965	170,550	170,728	0.2	-0.1	0.2	171,895	169,023	172,794	-0.5
Excluding aircraft:										
Unfilled Orders.....	226,726	226,373	225,291	0.2	0.5	0.4	227,999	224,419	222,822	2.3
Total Inventories.....	120,036	119,674	119,358	0.3	0.3	0.5	120,495	118,590	119,502	0.8
Defense capital goods:										
Unfilled Orders.....	137,766	140,000	140,857	-1.6	-0.6	-0.9	137,954	140,593	134,759	2.4
Total Inventories.....	21,478	21,215	20,749	1.2	2.2	-0.6	21,336	21,017	20,760	2.8

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.