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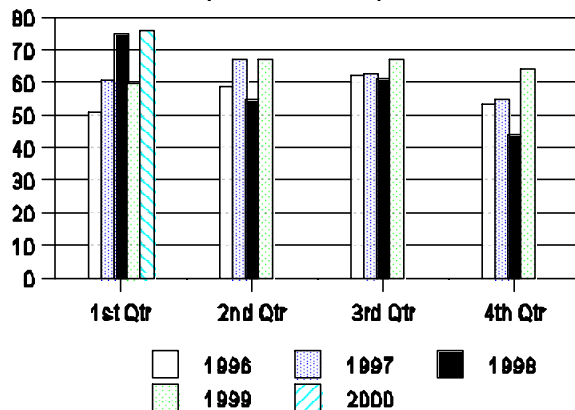
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**ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT FOR MANUFACTURING,
MINING, AND TRADE CORPORATIONS--FIRST QUARTER 2000**

(Except where noted, all figures in text and tables are not seasonally adjusted.)

Sales and after-tax profits data for all manufacturing are presented in Table 1 on both a seasonally adjusted and an unadjusted basis. Seasonally adjusted historical data for this series, as well as for total durable and total nondurable manufacturing, are presented in Table 3. Data for individual manufacturing industries are not seasonally adjusted.

Manufacturers' After-Tax Profits
(Billions of Dollars)



Unadjusted durable manufacturers' after-tax profits for the first quarter of 2000 were \$38.4 billion, up \$2.7 billion or 7.6 percent ($\pm 2.9\%$) from the fourth quarter of 1999. Most underlying industry categories were up. Motor vehicles' \$1.3 (± 0.1) billion and fabricated metals' \$1.3 (± 0.3) billion increases were primarily due to higher operating profits during the quarter. Aircraft's \$0.4 (± 0.1) billion increase followed major restructuring charges in the fourth quarter; this more than offset a slight decline in operating profits this quarter. Miscellaneous manufacturing, nonferrous metals, and iron and steel also showed statistically significant increases. Electrical machinery's \$1.3 (± 0.5) billion decrease was due to a decline in dividend income more than offsetting increases in nonrecurring gains and improved equity earnings. Instruments' \$0.7 (± 0.3) billion decrease was mainly due to increased nonoperating expenses. Stone, clay and glass' \$0.4 (± 0.2) billion decrease was primarily due to lower operating profits.

Manufacturing corporations' seasonally adjusted after-tax profits averaged 6.8 cents per dollar of sales for the first quarter of 2000, up 0.4 (± 0.1) cents from the fourth quarter of 1999. The Commerce Department's Census Bureau also reported that on an unadjusted basis, after-tax profits for the first quarter averaged 6.9 cents per dollar of sales, up 1.0 (± 0.1) cents from the preceding quarter, and up 0.7 (± 0.1) cents from the same quarter in 1999.

For the first quarter of 2000, manufacturers' seasonally adjusted after-tax profits were \$76.3 billion, up \$7.7 billion or 11.3 percent ($\pm 2.2\%$) from last quarter. On an unadjusted basis, first quarter after-tax profits were \$75.6 billion, up \$11.4 billion or 17.7 percent ($\pm 2.2\%$) from last quarter, and up \$15.7 billion or 26.2 percent ($\pm 2.2\%$) from the same quarter a year ago.

When compared to the first quarter of 1999, unadjusted durable manufacturers' after-tax profits were up \$5.0 billion or 15.0 percent ($\pm 2.9\%$). Most underlying industry categories were up. Electrical machinery's \$3.0 (± 0.5) billion improvement was due to higher operating profits, equity earnings, and gains on asset sales. Instruments' \$1.1 (± 0.3) billion increase was due to higher operating profits and equity earnings. Machinery's \$0.8 (± 0.4) billion, fabricated metals' \$0.8 (± 0.4) billion, and iron and steel's \$0.5 (± 0.1) billion increases were due to higher operating profits during the quarter. Nonferrous metals' \$0.4 (± 0.1) billion increase was due to improved equity earnings more than offsetting a decline in nonrecurring gains. Miscellaneous manufacturing and motor vehicles also showed statistically significant increases. Aircraft's \$1.6 (± 0.1) billion decrease was due to lower nonrecurring gains, or 30.4 percent ($\pm 3.3\%$) when compared to the fourth quarter of 1999. Petroleum's \$4.0 (± 0.1) billion increase

Unadjusted nondurable manufacturers' after-tax profits for the first quarter of 2000 were \$37.2 billion, up \$8.7 billion accounted for nearly one-half of the increase in the industry; this was due to higher operating profits and equity income more than offsetting significant restructuring and asset impairment charges taken in the fourth quarter. Residual of chemicals' \$2.7 (± 0.2) billion increase was due to an increase in operating profits as well as an absence of restructuring charges. Industrial chemicals' \$1.5 (± 0.1) billion increase was mainly due to higher operating profits. Apparel, rubber, and paper also showed statistically significant increases. Drugs' \$0.9 (± 0.3) billion decrease was due to a decrease in nonoperating income more than offsetting an increase in operating profits.

When compared to the same quarter in 1999, unadjusted nondurable manufacturers' after-tax profits were up \$10.7 billion or 40.3 percent ($\pm 3.1\%$). Petroleum's \$6.1 (± 0.1) billion increase, the largest of the group, was due to improvements in operating profits and equity earnings. Paper's \$1.5 (± 0.1) billion, and food's \$1.5 (± 0.3) billion increases were mainly due to higher operating profits. Printing's \$1.2 (± 0.3) billion increase was due to significant gains on asset sales in this quarter. Industrial chemicals and apparel showed increases due to nonoperating income. Residual of chemicals' and drugs' decreases were due to decreased nonoperating income.

Manufacturers' seasonally adjusted sales for the first quarter of 2000 were \$1,124.4 billion, up \$47.9 billion or 4.4 percent ($\pm 1.0\%$) from last quarter. On an unadjusted basis, sales were \$1,089.6 billion showing no statistically significant change from last quarter, and up \$116.9 billion or 12.0 percent ($\pm 1.1\%$) from the first quarter of 1999.

Seasonally adjusted durable sales were \$611.6 billion, up \$22.1 billion or 3.7 percent ($\pm 1.3\%$) from last quarter. Seasonally adjusted nondurable sales were \$512.9 billion, up \$25.8 billion or 5.3 percent ($\pm 1.3\%$) from last quarter. Unadjusted durable sales were \$592.4 billion showing no statistically significant change when compared to the fourth quarter of 1999. On a same quarter a year ago basis, unadjusted durable sales were up \$50.2 billion or 9.3 percent ($\pm 1.4\%$). Unadjusted nondurable sales were \$497.2 billion showing no statistically significant change from last quarter, and up \$66.7 billion or 15.5 percent ($\pm 1.5\%$) from a year ago.

Also included in this release are first quarter 2000 data for large mining and wholesale trade corporations.

These advance data, based on quarterly financial reports from about 8,200 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations—First quarter 2000 (QFR-00-1). The publication includes statements of income and retained earnings, balance sheets, and related financial and operating ratios. The aggregated data are classified by industry and asset size.

The publication becomes available for sale approximately two weeks from the date of this release from the Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954 (202-512-1800). The cost for an annual subscription is \$34 domestic and \$42.50 foreign. Remittances from foreign countries must be by international money order or by draft on a U.S. bank.

Files are also available on 3.5 inch flexible diskettes from U.S. Department of Commerce, Census Bureau (MS1921), P.O. Box 277943, Atlanta, GA 30384-7943 (301-457-4100). The annual subscription cost is \$84; \$66 for the first diskette and \$6 for each additional diskette. Second quarter 2000 advance data are scheduled for release on September 11, 2000.

EXPLANATORY NOTES:

This quarter's publication contains data revised due to the reclassification of corporations by industry, and revisions that reflect respondents' corrections of submitted data subsequent to original publication.

The data presented in this report are estimated from a sample survey and therefore are subject to sampling variability as well as nonsampling variability such as response error, nonreporting, and coverage errors. Estimates of sampling variability are presented in the publication. A statement such as "up 2.5 (± 0.15) cents," appearing in the text, indicates the range (+2.35 to +2.65 cents) in which the actual change is likely to have occurred. The range given for the change is a 90 percent confidence interval that accounts only for sampling variability. If the range had contained zero (0), it would have been uncertain whether there was an increase or decrease; that is, the change would not have been statistically significant. For any comparison cited without a confidence interval, the change is statistically significant. The quarterly publication includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

TABLE 1. QUARTERLY FINANCIAL REPORT FOR MANUFACTURING CORPORATIONS

Item	Seasonally Adjusted			Unadjusted		
	1Q 2000	4Q 1999 ¹	1Q 1999 ¹	1Q 2000	4Q 1999 ¹	1Q 1999 ¹
Rate of return (after taxes):						
Cents per dollar of sales	6.8	6.4	6.0	6.9	5.9	6.2
Percent on equity (annual rate)	NA	NA	NA	17.9	15.7	15.9
	(million dollars)					
Sales	1,124,444	1,076,588	1,004,214	1,089,588	1,090,457	972,672
Income after income taxes	76,287	68,543	60,488	75,629	64,258	59,938
Dividends paid (cash)	NA	NA	NA	28,799	27,389	25,151

TABLE 2. SALES AND PROFITS OF CORPORATIONS ENGAGED IN MANUFACTURING, MINING, AND TRADE--NOT SEASONALLY ADJUSTED

Industry Group	Sales			Operating Profits*			After-Tax Profits		
	1Q 2000	4Q 1999 ¹	1Q 1999 ¹	1Q 2000	4Q 1999 ¹	1Q 1999 ¹	1Q 2000	4Q 1999 ¹	1Q 1999 ¹
	(million dollars)								
All manufacturing corporations	1,089,588	1,090,457	972,672	88,856	75,603	71,776	75,629	64,258	59,938
Nondurable goods	497,212	491,322	430,534	44,985	36,217	35,778	37,225	28,557	26,531
Food and tobacco	124,065	129,182	119,520	12,034	11,619	10,432	8,229	8,040	6,725
Textiles	14,237	14,523	14,987	782	851	690	294	135	205
Apparel ²	17,797	18,480	17,369	1,198	631	1,015	743	354	256
Paper	45,863	44,917	39,563	4,383	4,257	3,008	2,564	2,372	1,058
Printing	48,172	51,096	45,746	5,060	6,008	4,861	4,133	3,987	2,983
Chemicals	119,320	116,548	112,356	12,476	6,771	12,525	12,017	8,714	12,100
Industrial chemicals and synthetics ³ ..	40,562	38,796	36,653	3,093	762	3,253	2,875	1,361	1,895
Drugs ³	42,360	41,625	37,496	5,664	3,424	5,210	5,913	6,859	6,294
Residual of chemicals ³	36,398	36,127	38,207	3,719	2,585	4,062	3,230	494	3,912
Petroleum	97,124	87,622	52,607	7,008	4,614	1,298	8,021	4,065	1,953
Rubber	30,635	28,955	28,386	2,042	1,466	1,949	1,224	891	1,251
Durable goods	592,376	599,134	542,137	43,871	39,386	35,998	38,404	35,701	33,407
Stone, clay, and glass	19,661	21,304	17,667	1,725	2,161	1,459	854	1,254	824
Primary metals	39,916	38,508	35,321	2,311	1,527	1,516	1,544	646	663
Iron and steel ³	20,537	19,577	17,105	927	571	415	462	31	(36)
Nonferrous metals ³	19,380	18,931	18,215	1,384	956	1,102	1,082	615	699
Fabricated metals	47,323	45,378	44,857	4,726	3,487	3,928	3,171	1,888	2,400
Machinery	114,404	115,888	104,465	6,787	5,556	4,571	7,155	6,787	6,311
Electrical machinery	125,050	124,954	113,152	11,246	11,640	8,214	10,847	12,128	7,894
Transportation equipment	174,145	177,518	156,140	10,850	9,522	10,495	10,037	7,931	11,408
Motor vehicles and equipment ³	126,698	123,688	108,365	6,636	5,102	6,569	7,162	5,826	6,910
Aircraft, guided missiles, and parts ³ ..	35,263	41,857	38,396	3,039	3,393	3,036	2,141	1,696	3,772
Instruments	28,786	30,970	27,884	3,207	3,003	2,655	2,990	3,728	1,808
Other durable goods	43,090	44,613	42,652	3,019	2,490	3,161	1,806	1,339	2,099
Lumber and wood products ³	16,892	17,750	17,138	933	1,036	1,301	610	576	944
Furniture and fixtures ³	17,098	16,923	16,465	1,145	1,029	1,250	535	624	748
Miscellaneous manufacturing ³	9,100	9,940	9,048	940	426	610	661	139	407
Mining ⁴	18,535	18,725	15,450	2,082	1,735	394	1,213	185	(591)
Wholesale trade ⁴	305,271	310,402	264,856	8,610	8,216	6,693	5,170	3,713	3,293
Retail trade ⁴	NA	343,893	284,112	NA	21,333	12,755	NA	12,382	6,315

*Operating profits are profits before nonoperating income and expense items and income taxes.

¹Revised.

²Includes leather industry (previously titled "Other Nondurables").

³Included in major industry above.

⁴Mining and trade data are the quarterly results of companies in those divisions with assets over \$50 million; whereas, data for manufacturing corporations represent the quarterly results of companies with assets over \$250,000.

TABLE 3. QUARTERLY FINANCIAL REPORT FOR MANUFACTURING CORPORATIONS--SEASONALLY ADJUSTED

Industry Group and Year	Sales ¹				After-Tax Profits ¹			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All manufacturing:								
1995	871,332	872,618	883,555	899,960	52,977	52,023	49,460	43,722
1996	914,289	932,303	948,325	961,548	51,480	54,194	61,261	57,975
1997	966,144	971,657	986,886	995,227	61,111	62,415	61,728	59,211
1998	990,636	980,533	987,102	992,400	75,200	50,252	60,585	48,318
1999	1,004,214	1,025,282	1,056,465	1,076,588	60,488	62,438	66,862	68,543
2000	1,124,444				76,287			
All nondurable manufacturing:								
1995	425,579	427,767	430,744	436,018	25,923	28,339	27,753	21,810
1996	442,073	452,582	457,470	463,198	28,076	28,656	32,255	29,799
1997	462,958	457,096	460,654	463,842	33,431	31,357	30,576	27,741
1998	451,850	447,085	442,986	439,762	29,797	29,713	30,631	16,436
1999	444,683	455,669	471,095	487,120	26,485	27,522	30,865	30,200
2000	512,891				37,313			
All durable manufacturing:								
1995	445,753	444,851	452,811	463,942	27,054	23,684	21,707	21,912
1996	472,216	479,721	490,855	498,350	23,404	25,538	29,006	28,176
1997	503,186	514,561	526,232	531,385	27,680	31,058	31,152	31,470
1998	538,786	533,448	544,116	552,638	45,403	20,539	29,954	31,882
1999	559,531	569,613	585,370	589,468	34,003	34,916	35,997	38,343
2000	611,553				38,974			

¹Revised.