

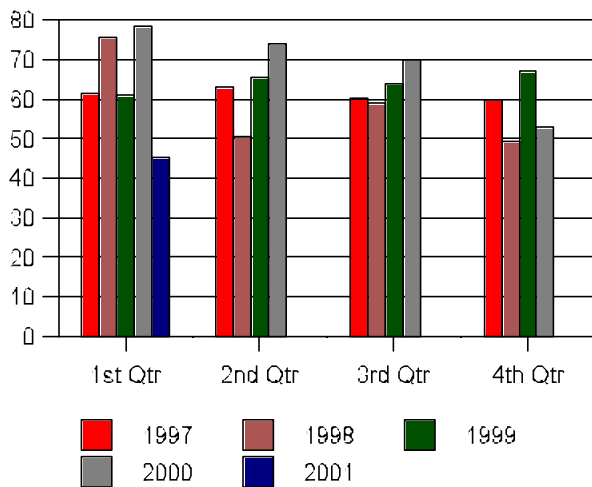
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ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT FOR MANUFACTURING, MINING, AND WHOLESALE TRADE CORPORATIONS—FIRST QUARTER 2001

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 Profit
 Seasonally Adjusted
 (Billions of Dollars)**



Widespread declines by durable goods manufacturers were partially offset by scattered increases by nondurable manufacturers. Durables' after-tax profits in the first quarter of 2001 were \$13.6 billion, a decrease of \$9.0 (± 1.4) billion or 39.9 percent ($\pm 6.0\%$) from the fourth quarter of 2000. Sales were \$605.0 billion with profits averaging 2.2 cents per dollar of sales, down 1.5 (± 0.2) cents from the prior quarter. Nondurable goods manufacturers after-tax profits of \$31.7 billion, were up \$1.3 (± 0.9) billion or 4.4 percent ($\pm 3.4\%$) from the previous quarter. Sales were \$538.2 billion, with profits averaging 5.9 cents per dollar of sales, up 0.2 (± 0.2) cents from the fourth quarter.

After-Tax Profits and Sales - Not Seasonally Adjusted

Unadjusted manufacturers' after-tax profits in the first quarter of 2001 were \$43.8 billion, down \$33.4 (± 1.5) billion or 43.3 percent ($\pm 1.6\%$) from the first quarter of 2000. Sales at \$1,107.5 billion were up \$20.8 (± 9.0) billion, or 1.9 percent ($\pm 0.8\%$), from the same quarter a year ago. Profits averaged 4.0 cents per dollar of sales for the first quarter, down 3.1 (± 0.1) cents from the same quarter a year ago. After-tax profits for durable goods manufacturers were \$12.2 billion, down \$27.7 (± 1.3) billion from the first quarter of 2000. Sales at \$585.2 billion were down \$11.7 (± 6.8) billion, or 2.0 percent ($\pm 1.1\%$), from the same quarter a year ago. Profits averaged 2.1 cents per dollar of sales, down 4.6 (± 0.2) cents from the first quarter of 2000. Nondurable goods manufacturers reported after-tax profits of \$31.6 billion, down \$5.7 (± 0.7) billion from the first quarter 2000, and sales of \$522.3 billion, up \$32.5 (± 5.8) billion or 6.6 percent ($\pm 1.2\%$) from that quarter. Their profits averaged 6.1 cents per dollar of sales compared with 7.6 (± 0.1) cents, from the same quarter a year ago.

After-Tax Profits and Sales - Seasonally Adjusted

Manufacturing corporations' seasonally adjusted after-tax profits for the first quarter of 2001 were \$45.3 billion, down \$7.7 (± 1.6) billion from the fourth quarter of 2000, and down 42 percent from the peak in the first quarter 2000 of \$78.6 billion, the Commerce Department's Census Bureau reported. Manufacturers' sales at \$1,143.2 billion showed no statistically significant change from the fourth quarter. First quarter profits averaged 4.0 cents per dollar of sales, a decline of 0.6 (± 0.1) cents from the previous quarter and the lowest rate since the 3.6 cents registered in the fourth quarter 1993.

Industry Detail - Not Seasonally Adjusted

Unadjusted durable manufacturers' after-tax profits for the first quarter of 2001 fell \$27.7 (± 1.3) billion from the first quarter of 2000. Most industries reported declines. Electrical machinery posted the largest decrease of \$13.4 (± 0.2) billion which resulted from operating losses, nonrecurring charges, and lower equity income. Motor vehicles' \$8.1 (± 0.1) billion decline resulted from decreases in operating profits and nonrecurring charges. Aircraft was the only industry in the durables group to post increased profits over the same quarter last year. Machinery and stone, clay and glass showed no statistically significant change.

When compared to the fourth quarter of 2000, unadjusted durable manufacturers' after-tax profits for the first quarter of 2001 were down \$8.0 (± 1.4) billion with the underlying industries showing mixed results. The largest change was a decrease of \$9.0 (± 0.1) billion in electrical machinery which reported declining operating profits and equity income, as well as nonrecurring charges which were partially offset by nonoperating income. Motor vehicles reported back to back losses for the two quarters. Fabricated metals and aircraft reported small gains, while stone, clay and glass, machinery, instruments, and furniture and fixtures all showed no statistically significant change.

Unadjusted nondurable manufacturers' after-tax profits for the first quarter of 2001 were down \$5.7 (± 0.7) billion from the first quarter a year ago. The increases in petroleum and drugs, \$2.3 (± 0.1) billion and \$2.1 (± 0.2) billion respectively, were not able to offset declines in other nondurable goods manufacturing industries. Industrial chemicals' decline of \$3.1 (± 0.1) billion came mainly from operations. The declines in printing and publishing, \$2.7 (± 0.4) billion, resulted from operations as well as an absence of nonrecurring income seen in the same quarter last year. Paper, food and tobacco, and rubber reported lower operating results. Apparel and textiles showed no statistically significant change.

When compared to the fourth quarter of 2000, unadjusted nondurable manufacturers' after-tax profits were up \$4.3 (± 0.9) billion with mixed results in the underlying industries. The largest increase was in drugs, up \$5.2 (± 0.2) billion, which mainly came from fewer nonrecurring charges and increased equity income. Rubber also reported increased profits, up \$1.0 (± 0.1) billion, as a result of fewer nonrecurring charges taken this quarter. Food and tobacco showed the greatest decline, the change of \$1.3 (± 0.5) billion mainly resulting from operations. Industrial chemicals, printing and publishing, and residual of chemicals also reported declining operating profits.

Beginning in May 2001, the economic indicator programs published by the U.S. Census Bureau began the process of converting to the North American Industry Classification System (NAICS). The Quarterly Financial Report Program will begin publishing on the NAICS basis with the fourth quarter 2001 report scheduled for release in April 2002. Data for the prior four quarters (4Q 2000-3Q 2001) will be restated on the NAICS basis comparable with the fourth quarter 2001 data.

Also included in this release are first quarter 2001 data for large mining and wholesale trade corporations.

These advance data, based on quarterly financial reports from about 8,300 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations--First quarter 2001 (QFR-01-1). 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 \$39 domestic and \$48.75 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 \$80; \$50 for the programs and documentation. Second quarter 2001 advance data are scheduled for release on September 14, 2001.

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.

This press release is available on the day of issue on the Department of Commerce's Internet site at <http://www.census.gov/csd/qfr>

TABLE 1. QUARTERLY FINANCIAL REPORT FOR MANUFACTURING CORPORATIONS

Item	Seasonally Adjusted			Unadjusted		
	1Q 2001	4Q 2000 ¹	1Q 2000 ¹	1Q 2001	4Q 2000 ¹	1Q 2000 ¹
Rate of return (after taxes):						
Cents per dollar of sales	4.0	4.6	7.0	4.0	4.1	7.1
Percent on equity (annual rate)	NA	NA	NA	9.0	10.1	18.0
	(million dollars)					
Sales	1,143,241	1,143,709	1,122,387	1,107,518	1,159,754	1,086,679
Income after income taxes	45,286	52,969	78,546	43,843	47,460	77,292
Dividends paid (cash)	NA	NA	NA	24,532	32,687	29,983

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 2001	4Q 2000 ¹	1Q 2000 ¹	1Q 2001	4Q 2000 ¹	1Q 2000 ¹	1Q 2001	4Q 2000 ¹	1Q 2000 ¹
	(million dollars)								
All manufacturing corporations	1,107,518	1,159,754	1,086,679	53,730	67,299	87,195	43,843	47,460	77,292
Nondurable goods	522,292	541,312	489,796	37,586	42,004	44,661	31,629	27,281	37,363
Food and tobacco	122,525	127,919	116,556	9,719	11,961	10,963	6,262	7,554	7,407
Textiles	14,333	14,181	14,027	697	544	688	102	(62)	161
Apparel ²	18,068	18,414	18,005	1,306	688	1,280	690	55	772
Paper	43,954	45,334	45,622	2,869	3,028	4,400	956	760	2,541
Printing	47,598	53,151	47,531	2,952	5,873	4,814	956	1,534	3,659
Chemicals	129,288	127,704	119,810	9,614	10,123	12,764	10,746	6,687	12,308
Industrial chemicals and synthetics ³	43,299	42,077	41,637	(242)	655	3,299	(133)	577	2,943
Drugs ³	53,113	53,303	46,569	7,287	6,775	6,611	9,436	4,233	7,345
Residual of chemicals ³	32,877	32,324	31,604	2,570	2,693	2,854	1,443	1,877	2,020
Petroleum	116,230	123,248	97,167	9,096	9,111	7,664	11,415	11,275	9,097
Rubber	30,296	31,360	31,078	1,332	677	2,089	501	(523)	1,418
Durable goods	585,225	618,442	596,883	16,144	25,294	42,533	12,214	20,178	39,928
Stone, clay, and glass	21,035	24,203	19,870	970	1,639	1,636	546	335	742
Primary metals	38,621	40,277	41,418	612	1,012	2,385	(118)	(693)	1,519
Iron and steel ³	18,371	18,768	21,030	(269)	(9)	920	(917)	(1,309)	391
Nonferrous metals ³	20,250	21,509	20,388	881	1,021	1,464	799	617	1,128
Fabricated metals	45,818	47,066	46,564	3,007	2,206	4,634	1,768	353	3,114
Machinery	113,777	118,016	111,411	5,358	6,018	6,172	6,200	6,201	6,659
Electrical machinery	130,364	140,947	129,138	(7)	7,853	10,369	(701)	8,279	12,711
Transportation equipment	162,857	171,484	174,219	3,012	3,051	10,890	1,813	3,264	10,104
Motor vehicles and equipment ³	113,617	117,445	126,773	(1,151)	(982)	6,650	(919)	1,273	7,230
Aircraft, guided missiles, and parts ³	38,265	42,968	35,219	3,357	3,108	3,052	2,356	1,540	2,129
Instruments	30,983	33,555	30,093	1,736	2,151	3,342	2,369	2,350	3,254
Other durable goods	41,769	42,894	44,170	1,458	1,363	3,106	337	90	1,825
Lumber and wood products ³	15,036	15,671	17,528	(173)	268	1,003	(392)	(135)	643
Furniture and fixtures ³	18,136	18,442	17,921	1,023	956	1,242	407	324	569
Miscellaneous manufacturing ³	8,597	8,780	8,721	608	139	862	322	(100)	612
Mining ⁴	33,199	31,109	22,100	7,866	5,640	2,318	5,291	4,229	1,447
Wholesale trade ⁴	326,280	337,184	310,636	6,459	8,152	8,142	2,353	4,297	4,946
Retail trade ⁴	NA	373,610	314,105	NA	19,359	12,991	NA	9,143	5,845

*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:								
1994	784,646	803,004	825,320	841,522	36,525	41,263	45,259	51,832
1995	871,506	872,816	883,546	899,447	53,071	52,286	48,941	43,800
1996	914,471	932,857	948,254	960,673	51,701	54,528	60,486	58,196
1997	966,307	972,752	986,604	993,859	61,379	62,884	60,427	59,844
1998	991,063	982,127	986,315	990,851	75,567	50,643	58,874	49,332
1999	1,004,838	1,027,459	1,049,477	1,066,441	60,918	65,672	63,843	67,305
2000	1,122,387	1,128,117	1,145,372	1,143,709	78,546	73,973	69,791	52,969
2001	1,143,241				45,286			
All nondurable manufacturing:								
1994	387,398	394,750	405,715	409,787	18,971	19,830	22,455	26,567
1995	425,805	427,720	430,834	435,714	25,853	28,180	27,615	22,289
1996	442,281	452,581	457,715	462,743	27,966	28,308	32,116	30,552
1997	463,153	456,903	461,422	462,990	33,294	30,737	30,382	28,899
1998	452,122	446,786	444,013	438,759	29,596	28,803	30,419	17,902
1999	444,953	454,507	462,091	473,067	26,265	29,433	30,723	31,068
2000	505,477	516,304	527,416	535,519	37,259	39,423	36,262	30,348
2001	538,196				31,681			
All durable manufacturing:								
1994	397,248	408,254	419,605	431,735	17,554	21,433	22,804	25,265
1995	445,701	445,096	452,712	463,733	27,218	24,106	21,326	21,511
1996	472,190	480,276	490,539	497,930	23,735	26,220	28,370	27,644
1997	503,154	515,849	525,182	530,869	28,085	32,147	30,045	30,945
1998	538,941	535,341	542,302	552,092	45,971	21,840	28,455	31,430
1999	559,885	572,952	587,386	593,374	34,653	36,239	33,120	36,237
2000	616,910	611,813	617,956	608,190	41,287	34,550	33,529	22,621
2001	605,045				13,605			

¹Revised.