
UNITED STATES DEPARTMENT OF
COMMERCE
NEWS WASHINGTON, D.C. 20230

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M3-1(96)-8

For Release 8:30 A.M. EDT
September 26, 1996
CB96-160

ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
August 1996

(All figures in text below are in seasonally adjusted current dollars)

• **NEW ORDERS** New orders for manufactured durable goods in August decreased \$5.4 billion or 3.1 percent to \$167.0 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 1.4 percent July increase and is the largest decline since April 1995. Excluding transportation, new orders decreased \$2.2 billion or 1.6 percent to \$129.1 billion, the first decline since March. Year-to-date new orders are 6.0 percent above the same period in 1995.

Transportation equipment, led by declines in aircraft and parts, and motor vehicles and parts, had the largest decline, \$3.2 billion or 7.9 percent to \$37.9 billion. This follows a 1.6 percent July decline and is the third consecutive monthly drop. Electronic and other electrical equipment, down for the first month since May, decreased \$1.6 billion or 5.6 percent to \$26.5 billion; communication equipment had the largest decline. Primary metals, down two of the last three months, decreased \$0.4 billion or 2.7 percent to \$15.4 billion, following a 1.6 percent July increase. Industrial machinery and equipment, down for the first month since March, decreased \$0.2 billion or 0.7 percent to \$32.4 billion. This follows a 3.0 percent July increase.

• **SHIPMENTS** Shipments of durable goods in August increased \$0.5 billion or 0.3 percent to \$168.2 billion, following a 0.5 percent July increase. This is the fourth increase in the last five months. Year-to-date shipments are 4.2 percent above the same period in 1995.

Transportation equipment, up four of the last five months, had the largest increase, \$0.4 billion or 1.0 percent to \$39.7 billion; a large increase in aircraft and parts more than offset a decline in motor vehicles and parts. This follows a 1.7 percent July increase. Industrial machinery and equipment, up three of the last four months, increased \$0.3 billion or 0.9 percent to \$31.9 billion, following a 1.0 percent July decrease. Primary metals decreased \$0.3 billion or 2.0 percent to \$14.8 billion. This follows a 3.0 percent July increase and is the third decrease in the last four months. Electronic and other electrical equipment, down for the second consecutive month, decreased \$0.1 billion or 0.3 percent to \$26.5 billion, following a 1.4 percent July decrease.

• **UNFILLED ORDERS** Unfilled orders for durable goods in August decreased \$1.2 billion or 0.3 percent to \$478.9 billion. This follows a 1.0 percent July increase and is the first decline since April.

Transportation equipment, down for the first month since April, had the largest decrease, \$1.8 billion or 0.7 percent to \$240.3 billion, mostly due to aircraft and parts. This follows a 0.8 percent July increase. Primary metals, up ten of the last eleven months, increased \$0.6 billion or 1.9 percent to \$32.0 billion. This follows a 2.4 percent July increase. Industrial machinery and equipment, up four of the last five months, increased \$0.5 billion or 0.7 percent to \$73.3 billion, following a 1.4 percent July increase. Electronic and other electrical equipment increased slightly to \$49.8 billion, following a 3.1 percent July increase and five consecutive monthly declines.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in August, up three of the last four months, increased \$0.4 billion or 9.0 percent to \$5.2 billion. This follows a 40.9 percent July decrease. Shipments, also up three of the last four months, increased \$0.1 billion or 2.5 percent to \$5.9 billion, following a 7.8 percent July decrease. Unfilled orders, down for the second consecutive month, decreased \$0.6 billion or 0.6 percent to \$107.3 billion, following a 0.9 percent July decrease.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in August decreased \$4.6 billion or 10.1 percent to \$41.4 billion. This follows a 7.2 percent July increase and is the second decrease in the last three months. Shipments, up three of the last four months, increased \$1.0 billion or 2.5 percent to \$43.3 billion. This follows a 1.6 percent July decrease. Unfilled orders, down two of the last three months, decreased \$2.0 billion or 0.8 percent to \$243.9 billion. This follows a 1.5 percent July increase. Excluding aircraft and parts, new orders decreased \$1.9 billion or 5.0 percent to \$36.9 billion, the first decline since May; shipments, up three of the last four months, increased \$0.3 billion or 0.9 percent to \$37.5 billion, following a 2.4 percent July decrease; and unfilled orders, down five of the last six months, decreased \$0.6 billion or 0.6 percent to \$98.3 billion.

• **REVISED JULY DATA** Revised seasonally adjusted July figures for all manufacturing industries are: shipments, \$312.1 billion (revised from \$312.7 billion); new orders, \$317.0 billion (revised from \$317.6 billion); unfilled orders, \$504.1 billion (revised from \$504.2 billion); and total inventories, \$434.5 billion (unrevised).

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This report presents advance information on two key business indicators: durable goods manufacturers' shipments and orders. Revised and more detailed estimates plus nondurable goods and inventory data will be published October 3, 1996. The advance report on durable goods for September is scheduled for October 25, 1996. This report is available on the day of issue through the Department of Commerce's online Economic Bulletin Board (N-8-1) (202-482-3870) and through the Census Bureau's online information service-CENDATA. Further information about accessing CENDATA can be obtained from Dialog Information Services, Inc. (1-800-334-2564) and CompuServe (1-800-848-8199). The CENDATA staff at the Bureau of the Census (301-457-1214) can provide content information and general guidance.

Table 1. DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
(Millions of dollars)

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change Aug.96/95
	Aug. 1996 ²	July 1996 ²	June 1996	July- Aug. ²	June- July ²	May- June	Aug. 1996 ²	July 1996 ²	Aug. 1995	
DURABLE GOODS										
Total :										
Shipments	168,239	167,703	166,902	+0.3	+0.5	-0.3	166,426	140,530	158,797	+4.8
New orders	167,012	172,401	169,994	-3.1	+1.4	-0.2	163,383	146,320	157,144	+4.0
Unfilled orders	478,868	480,095	475,397	-0.3	+1.0	+0.7	477,748	480,791	443,287	+7.8
Excluding defense :										
Shipments	162,375	161,983	160,697	+0.2	+0.8	-0.5	160,720	135,461	152,878	+5.1
New orders	161,792	167,610	161,885	-3.5	+3.5	-1.2	159,509	143,118	151,698	+5.1
Unfilled orders	371,538	372,121	366,494	-0.2	+1.5	+0.3	372,028	373,239	341,489	+8.9
With unfilled orders :										
Shipments	136,309	135,418	135,586	+0.7	-0.1	-0.3	134,491	116,757	128,655	+4.5
New orders	135,082	140,116	138,678	-3.6	+1.0	0.0	131,448	122,547	127,002	+3.5
Primary metals :										
Shipments	14,785	15,082	14,643	-2.0	+3.0	-2.8	14,788	13,553	15,407	-4.0
New orders	15,377	15,805	15,552	-2.7	+1.6	-0.2	14,803	13,881	15,131	-2.2
Unfilled orders	31,990	31,398	30,675	+1.9	+2.4	+3.1	31,313	31,298	28,050	+11.6
Industrial machinery and equipment:										
Shipments	31,923	31,637	31,952	+0.9	-1.0	+2.0	29,878	26,427	27,862	+7.2
New orders	32,412	32,630	31,688	-0.7	+3.0	+0.3	30,400	27,326	27,910	+8.9
Unfilled orders	73,263	72,774	71,781	+0.7	+1.4	-0.4	72,659	72,137	70,195	+3.5
Electronic and other electrical equipment :										
Shipments	26,492	26,578	26,966	-0.3	-1.4	+1.0	26,057	23,247	25,520	+2.1
New orders	26,513	28,076	26,770	-5.6	+4.9	+3.8	25,756	26,181	24,878	+3.5
Unfilled orders	49,831	49,810	48,312	0.0	+3.1	-0.4	50,307	50,608	50,752	-0.9
Transportation equipment :										
Shipments	39,673	39,275	38,637	+1.0	+1.7	-2.6	38,749	27,132	36,204	+7.0
New orders	37,868	41,100	41,758	-7.9	-1.6	-1.3	35,981	28,363	35,606	+1.1
Unfilled orders	240,273	242,078	240,253	-0.7	+0.8	+1.3	239,143	241,911	209,097	+14.4
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	49,208	48,027	49,190	+2.5	-2.4	+0.8	46,360	40,854	43,732	+6.0
New orders	46,593	50,800	51,030	-8.3	-0.5	-0.7	42,587	42,666	42,475	+0.3
Unfilled orders	351,186	353,801	351,028	-0.7	+0.8	+0.5	349,210	352,983	316,882	+10.2
Nondefense :										
Shipments	43,344	42,307	42,985	+2.5	-1.6	+0.4	40,654	35,785	37,813	+7.5
New orders	41,373	46,009	42,921	-10.1	+7.2	-4.6	38,713	39,464	37,029	+4.5
Unfilled orders	243,856	245,827	242,125	-0.8	+1.5	0.0	243,490	245,431	215,084	+13.2
Excluding aircraft and parts :										
Shipments	37,471	37,138	38,047	+0.9	-2.4	+3.4	35,201	31,392	33,219	+6.0
New orders	36,903	38,842	37,385	-5.0	+3.9	+2.6	34,663	33,073	32,650	+6.2
Unfilled orders	98,348	98,916	97,212	-0.6	+1.8	-0.7	97,982	98,520	94,692	+3.5
Defense :										
Shipments	5,864	5,720	6,205	+2.5	-7.8	+3.4	5,706	5,069	5,919	-3.6
New orders	5,220	4,791	8,109	+9.0	-40.9	+26.4	3,874	3,202	5,446	-28.9
Unfilled orders	107,330	107,974	108,903	-0.6	-0.9	+1.8	105,720	107,552	101,798	+3.9

(NA) Not available. ¹ Revised.

¹ Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders 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: M3-1(95), "Manufacturers' Shipments, Inventories, and Orders: 1982-1995."

³ The Capital Goods Industries include Nondefense : ordnance and accessories, steam engines and turbines, internal combustion engines, construction mining and material handling equipment, metalworking machinery, special industry machinery, general industrial machinery, computer and office equipment, refrigeration, heating and service industry machinery, electrical transmission and distribution equipment, electrical industrial apparatus, communication equipment, complete aircraft, missiles, and space vehicles, aircraft missiles, and space vehicle engines and parts, ships and tank components, railroad equipment, and search and navigation equipment.
 Defense capital goods include : ordnance, communication equipment, aircraft, missiles, space vehicles, and parts, ships, tanks and tank components, search and navigation equipment.

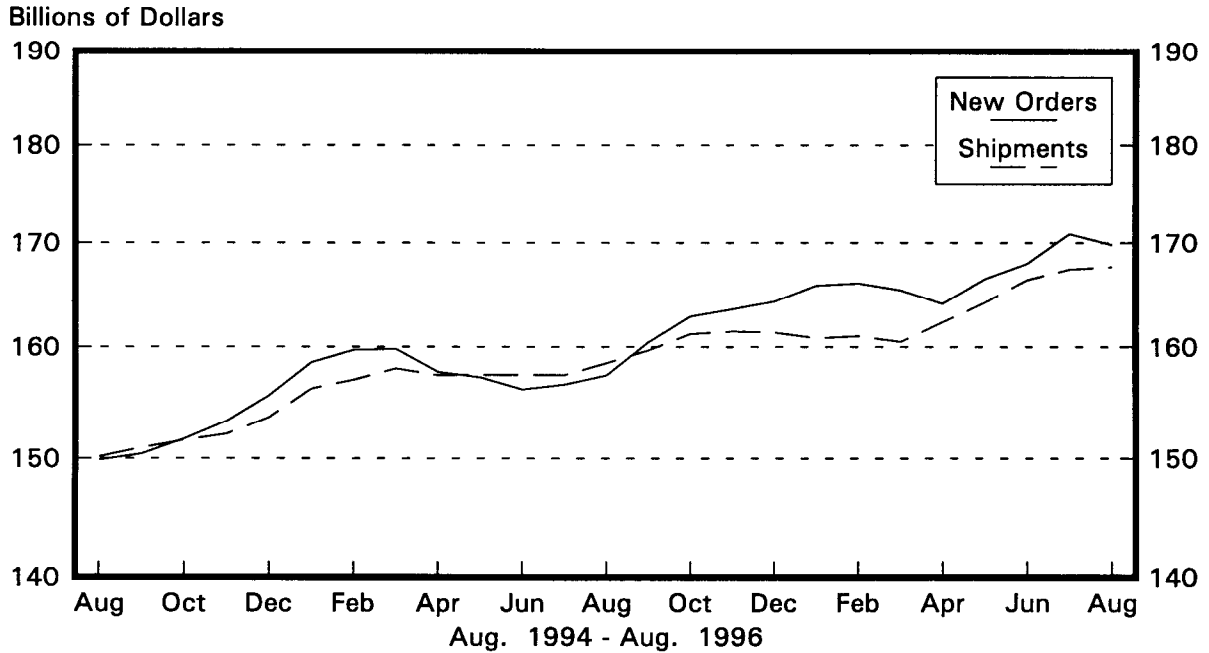
Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Aug. 1995	Aug. 1991-1995	Aug. 1995- July 1996	Year ago Aug. 1995	Aug. 1991-1995	Aug. 1995- July 1996	Year ago Aug. 1995	Aug. 1991-1995	Aug. 1995- July 1996
Durable goods	0.6	0.3	0.3	0.2	0.4	0.6	0.2	0.1	0.1
Primary metals	0.1	0.2	0.4	0.1	0.4	0.6	0.0	0.2	0.3
Industrial machinery and equipment	0.7	0.4	0.7	0.8	0.6	1.0	0.0	0.3	0.3
Electronic and other electrical equipment	0.2	0.2	0.5	0.6	0.5	0.8	0.4	0.2	0.4
Transportation equipment	1.8	0.6	0.7	1.5	0.9	1.9	0.1	0.1	0.3
Nondefense capital goods	0.7	0.3	0.6	1.0	0.4	1.4	0.1	0.0	0.3
Defense capital goods	1.2	0.6	1.1	2.1	1.6	6.5	0.0	0.1	0.4

Note : The revisions are the differences between the month-to-month percent changes of the advance and final estimates. The monthly averages are the simple averages of the differences, without regard to

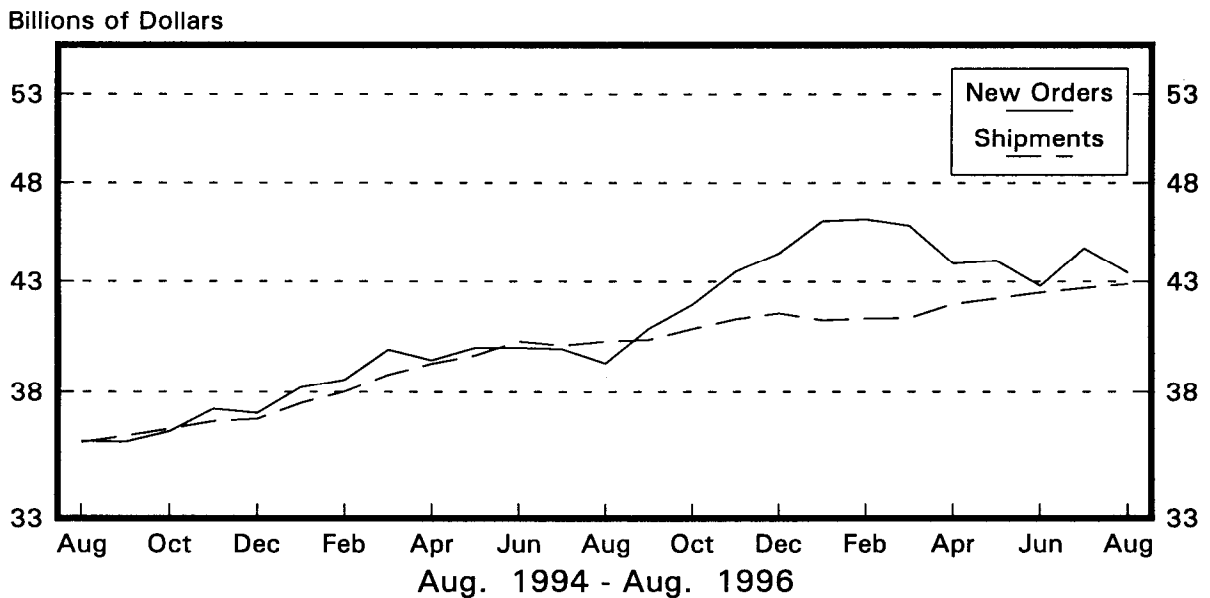
Total Durable Goods

New Orders and Shipments
Three Month Moving Averages



Nondefense Capital Goods

New Orders and Shipments
Three Month Moving Averages



Note: All Charts based on seasonally adjusted current dollars.