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UNITED STATES DEPARTMENT OF  
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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS  
December 1996

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

• **NEW ORDERS** New orders for manufactured durable goods in December decreased \$2.9 billion or 1.7 percent to \$169.0 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 1.7 percent November decrease and is the seventh decrease this year. Excluding transportation, new orders decreased 2.2 percent, following a 2.6 percent November decrease. New orders for 1996 are 5.5 percent above 1995.

Electronic and other electrical equipment had the largest decrease, \$3.5 billion or 12.5 percent to \$24.5 billion, mostly due to communication equipment and electronic components. This follows a 10.2 percent November decrease. Industrial machinery and equipment, up for the first month since July, increased \$0.5 billion or 1.5 percent to \$32.0 billion. This follows a 0.9 percent November decrease. Primary metals, up for the second consecutive month, increased \$0.3 billion or 2.2 percent to \$14.7 billion, following a 0.6 percent November increase. Transportation equipment increased slightly to \$42.0 billion, as increases in shipbuilding and tanks and railroad equipment more than offset decreases in motor vehicles and parts and aircraft and parts.

• **SHIPMENTS** of durable goods in December, down two of the last three months, decreased \$1.4 billion or 0.8 percent to \$168.8 billion, following a 0.8 percent November increase. Shipments for 1996 are 4.5 percent above 1995.

Transportation equipment, down two of the last three months, had the largest decrease, \$0.7 billion or 1.9 percent to \$38.4 billion, as a large decrease in motor vehicles and parts more than offset an increase in aircraft and parts. This follows a 1.0 percent November increase. Electronic and other electrical equipment decreased \$0.3 billion or 0.9 percent to \$28.2 billion, the first decrease since July. Industrial machinery and equipment, up for the first month since September, increased \$0.4 billion or 1.2 percent to \$32.2 billion, following a 0.3 percent November decrease. Primary metals, up for the third consecutive month, increased 0.3 percent to \$15.2 billion, following a 0.9 percent November increase.

• **UNFILLED ORDERS** Unfilled orders for durable goods in December increased \$0.2 billion to \$488.9 billion. This follows a 0.3 percent November increase and is the seventh increase in the last eight months.

Transportation equipment, up seven of the last eight months, increased \$3.6 billion or 1.4 percent to \$253.0 billion; all component industries except motor vehicles and parts increased. Electronic and other electrical equipment, down for the second consecutive month, declined \$3.6 billion or 6.9 percent to \$48.9 billion, following a 0.7 percent November decrease. Primary metals, down for the fourth consecutive month, decreased \$0.4 billion or 1.4 percent to \$29.8 billion, following a 2.3 percent November decrease. Industrial machinery and equipment, down for the fourth consecutive month, decreased \$0.2 billion or 0.3 percent to \$72.2 billion, following a 0.4 percent November decrease.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in December decreased \$0.4 billion or 4.7 percent to \$8.3 billion, the first decline since July. This follows a 62.1 percent November increase. Shipments, up four of the last five months, increased 0.1 percent to \$6.2 billion, following a 9.2 percent November increase. Unfilled orders, up for the second consecutive month, increased \$2.1 billion or 1.9 percent to \$110.4 billion, following a 2.4 percent November increase.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in December decreased \$0.2 billion or 0.5 percent to \$43.7 billion, following a 7.5 percent November decrease. This is the third consecutive monthly decline. Shipments increased \$0.6 billion or 1.4 percent to \$44.6 billion. This follows a 1.9 percent November increase and is the fourth increase in the last five months. Unfilled orders, down for the second consecutive month, decreased \$0.9 billion or 0.3 percent to \$250.5 billion. Excluding aircraft and parts, new orders decreased \$1.0 billion or 2.8 percent to \$36.5 billion, the second consecutive monthly decrease; shipments increased \$0.2 billion or 0.6 percent to \$38.3 billion, the fourth increase in the last five months; unfilled orders decreased \$1.8 billion or 1.8 percent to \$95.9 billion, the fourth decline in the last five months.

• **REVISED NOVEMBER DATA** Revised seasonally adjusted November figures for all manufacturing industries are: shipments, \$317.5 billion (revised from \$318.3); new orders, \$319.9 billion (revised from \$320.5 billion); unfilled orders, \$514.0 billion (revised from \$513.8 billion); and total inventories, \$439.8 billion (revised from \$439.9 billion).

(SEE BACK PAGE FOR 1997 RELEASE DATES)

Our internet address is <http://www.census.gov/ftp/pub/indicator/www/m3adv.html>

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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 February 5, 1997. The advance report on durable goods for January is scheduled for February 27, 1997. 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).

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

Item	Seasonally adjusted						Not seasonally adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent change Dec.96/95
	Dec. 1996 <sup>2</sup>	Nov. 1996 <sup>2</sup>	Oct. 1996	Nov.- Dec. <sup>3</sup>	Oct.- Nov. <sup>3</sup>	Sept.- Oct.	Dec. 1996 <sup>2</sup>	Nov. 1996 <sup>2</sup>	Dec. 1995	
<b>DURABLE GOODS</b>										
<b>Total :</b>										
Shipments	168,769	170,151	168,824	-0.8	+0.8	-1.1	170,393	171,240	163,554	+4.2
New orders	168,987	171,841	174,900	-1.7	-1.7	+0.6	170,945	171,548	169,750	+0.7
Unfilled orders	488,911	488,693	487,003	0.0	+0.3	+1.3	484,699	484,147	451,715	+7.3
<b>Excluding defense :</b>										
Shipments	162,568	163,956	163,152	-0.8	+0.5	-0.9	163,093	164,818	156,504	+4.2
New orders	160,694	163,138	169,531	-1.5	-3.8	+0.6	159,500	162,860	160,344	-0.5
Unfilled orders	378,506	380,380	381,198	-0.5	-0.2	+1.7	374,443	378,036	348,604	+7.4
<b>With unfilled orders :</b>										
Shipments	138,524	138,738	136,833	-0.2	+1.4	-0.5	144,070	139,701	137,516	+4.8
New orders	138,742	140,428	142,909	-1.2	-1.7	+1.6	144,622	140,009	143,712	+0.6
<b>Primary metals :</b>										
Shipments	15,158	15,110	14,969	+0.3	+0.9	+1.3	14,122	14,925	13,909	+1.5
New orders	14,721	14,411	14,330	+2.2	+0.6	-2.0	14,476	14,129	14,856	-2.6
Unfilled orders	29,792	30,229	30,928	-1.4	-2.3	-2.0	28,844	28,490	28,275	+2.0
<b>Industrial machinery and equipment:</b>										
Shipments	32,218	31,845	31,933	+1.2	-0.3	-1.8	35,410	30,709	33,777	+4.8
New orders	32,028	31,544	31,839	+1.5	-0.9	-1.4	34,446	31,191	32,442	+6.2
Unfilled orders	72,222	72,412	72,713	-0.3	-0.4	-0.1	72,229	73,193	70,564	+2.4
<b>Electronic and other electrical equipment :</b>										
Shipments	28,151	28,406	27,600	-0.9	+2.9	+1.5	30,920	29,469	28,996	+6.6
New orders	24,548	28,039	31,216	-12.5	-10.2	+17.2	26,037	28,320	27,547	-5.5
Unfilled orders	48,859	52,462	52,829	-6.9	-0.7	+7.3	47,502	52,385	48,985	-3.0
<b>Transportation equipment :</b>										
Shipments	38,389	39,135	38,755	-1.9	+1.0	-5.1	37,726	40,044	36,882	+2.3
New orders	42,001	41,999	41,596	0.0	+1.0	-6.8	42,828	42,660	44,541	-3.8
Unfilled orders	252,977	249,365	246,501	+1.4	+1.2	+1.2	252,341	247,239	221,161	+14.1
<b>CAPITAL GOODS INDUSTRIES<sup>3</sup></b>										
<b>Total :</b>										
Shipments	50,761	50,123	48,798	+1.3	+2.7	-2.7	60,368	49,630	56,527	+6.8
New orders	51,983	52,604	52,851	-1.2	-0.5	+0.2	62,685	52,371	63,495	-1.3
Unfilled orders	360,922	359,700	357,219	+0.3	+0.7	+1.1	360,302	357,985	330,285	+9.1
<b>Nondefense :</b>										
Shipments	44,560	43,928	43,126	+1.4	+1.9	-2.2	53,068	43,208	49,477	+7.3
New orders	43,690	43,901	47,482	-0.5	-7.5	-0.1	51,240	43,683	54,089	-5.3
Unfilled orders	250,517	251,387	251,414	-0.3	0.0	+1.8	250,046	251,874	227,174	+10.1
<b>Excluding aircraft and parts :</b>										
Shipments	38,348	38,105	37,528	+0.6	+1.5	-2.3	44,818	37,452	42,832	+4.6
New orders	36,547	37,590	38,425	-2.8	-2.2	+2.0	42,059	37,439	41,337	+1.7
Unfilled orders	95,917	97,718	98,233	-1.8	-0.5	+0.9	95,446	98,205	95,324	+0.1
<b>Defense :</b>										
Shipments	6,201	6,195	5,672	+0.1	+9.2	-6.8	7,300	6,422	7,050	+3.5
New orders	8,293	8,703	5,369	-4.7	+62.1	+2.3	11,445	8,688	9,406	+21.7
Unfilled orders	110,405	108,313	105,805	+1.9	+2.4	-0.3	110,256	106,111	103,111	+6.9

(NA) Not available. <sup>1</sup> Revised.

<sup>1</sup> 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.

<sup>2</sup> 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 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."

<sup>3</sup> 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 industrial 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.

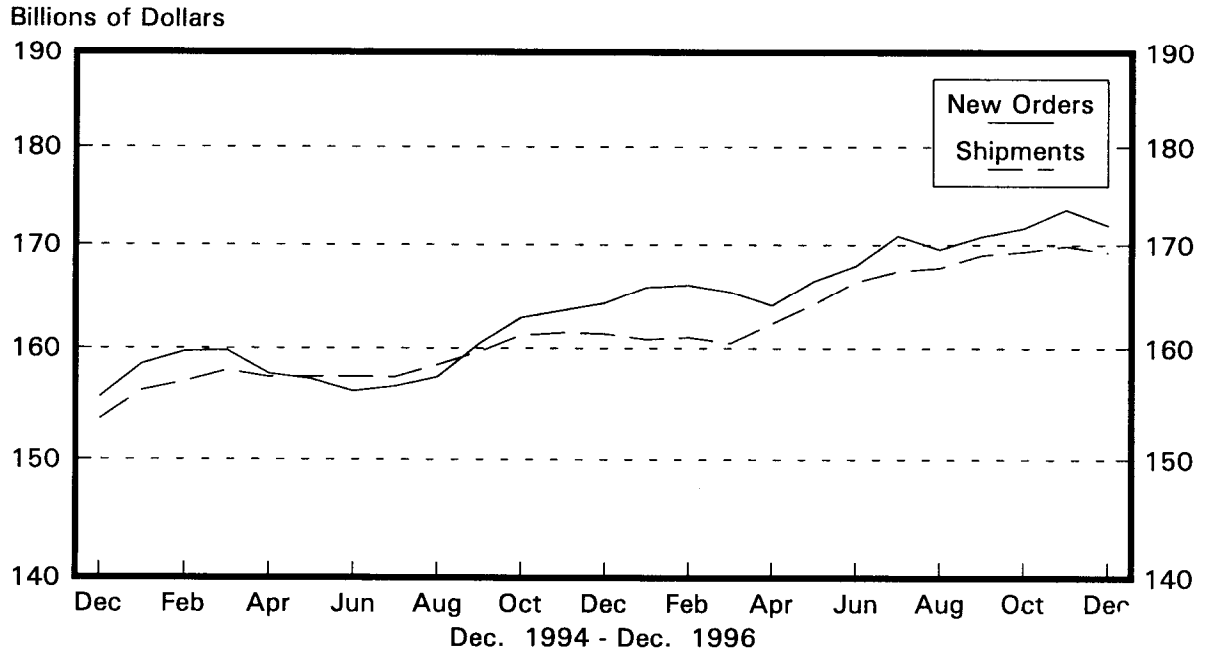
**Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES**  
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Dec. 1995	Dec. 1991-1995	Dec. 1995- Nov. 1996	Year ago Dec. 1995	Dec. 1991-1995	Dec. 1995- Nov. 1996	Year ago Dec. 1995	Dec. 1991-1995	Dec. 1995- Nov. 1996
Durable goods	0.2	0.5	0.3	1.8	0.6	0.6	0.7	0.2	0.1
Primary metals	0.3	0.9	0.4	0.1	0.9	0.8	0.2	0.4	0.4
Industrial machinery and equipment	0.6	0.6	0.7	0.2	0.8	1.0	0.1	0.3	0.3
Electronic and other electrical equipment	0.1	0.5	0.6	0.2	0.9	0.9	0.0	0.3	0.4
Transportation equipment	0.4	0.9	0.6	7.9	3.0	1.9	1.6	0.4	0.3
Nondefense capital goods	0.4	0.7	0.6	3.5	1.4	1.3	0.8	0.3	0.2
Defense capital goods	2.7	1.5	1.2	31.6	10.1	7.6	1.4	0.5	0.3

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 for the months specified.

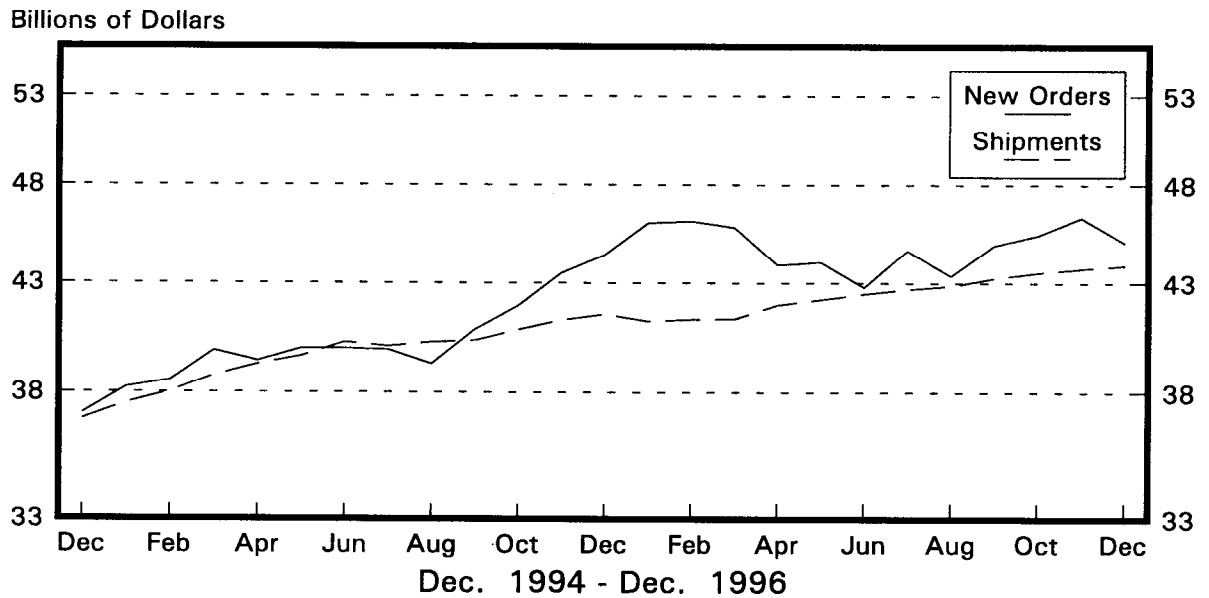
# Total Durable Goods

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.

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PUBLICATION DATES FOR THE 1997 MONTHLY M3 SURVEY  
MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS

Report Covering	Advance Report Release Dates (8:30 a.m. release time)	Regular Report Release Dates (10:00 a.m. release time)
December 1996	Wed., Jan. 29	Wed., Feb. 5
January 1997	Thurs., Feb. 27	Thurs., Mar 6
February 1997	Wed., March 26	Wed., Apr. 2
March 1997	Tue., Apr. 29	Tues., May 6
April 1997	Wed., May 28	Wed., June 4
May 1997	Wed., June 25	Wed., July 2
June 1997	Fri., July 25	Fri., Aug. 1
July 1997	Tue., Aug. 26	Thurs., Set. 4
August 1997	Thurs., Sept. 25	Thurs., Oct. 2
September 1997	Wed., Oct 29	Wed., Nov. 5
October 1997	Wed., Nov. 26 10:00 AM	Fri., Dec. 5
November 1997	Tue., Dec. 23 10:00 AM	Tues., Jan 6, 1998

