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

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

● **NEW ORDERS** New orders for manufactured durable goods in September increased \$7.7 billion or 4.6 percent to \$174.1 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 3.5 percent August decrease and is the largest increase since December 1992. Excluding transportation, new orders increased 0.9 percent, the fifth increase in the last six months. Year to date, new orders are 5.9 percent above the same period a year ago.

Transportation equipment had the largest increase, \$6.6 billion or 17.5 percent to \$44.1 billion, with over half the increase due to aircraft and parts. This is the first increase since May and the third this year. Electronic and other electrical equipment, up three of the last four months, increased \$0.5 billion or 1.9 percent to \$27.1 billion, due to communication equipment. This follows a 5.2 percent August decrease. Industrial machinery and equipment decreased \$0.3 billion or 0.9 percent to \$32.1 billion. This follows a 0.8 percent August decrease and four consecutive monthly increases. Primary metals, down three of the last four months, decreased \$0.3 billion or 1.7 percent to \$14.9 billion, following a 4.0 percent August decline.

● **SHIPMENTS** Shipments of durable goods in September, up for the third consecutive month, increased \$2.3 billion or 1.4 percent to \$170.8 billion, following a 0.4 percent August increase. Year to date, shipments are 4.4 percent above the same period last year.

Transportation equipment, up for the third consecutive month, had the largest increase, \$1.2 billion or 3.0 percent to \$41.0 billion; led by motor vehicles and parts, all component industries except aircraft and parts increased. This follows a 1.3 percent August increase. Electronic and other electrical equipment increased \$0.5 billion or 1.7 percent to \$27.1 billion, the fourth increase in the last five months. Industrial machinery and equipment, up four of the last five months, increased \$0.4 billion or 1.2 percent to \$32.4 billion, following a 1.2 percent August increase. Primary metals, down four of the last five months, decreased 0.2 percent to \$14.8 billion, following a 1.6 percent August decrease.

● **UNFILLED ORDERS** Unfilled orders for durable goods in September increased \$3.3 billion or 0.7 percent to \$481.2 billion. This follows a 0.4 percent August decrease and is the fourth increase in the last five months.

Transportation equipment, up four of the last five months, had the largest increase, \$3.1 billion or 1.3 percent to \$242.9 billion, due to aircraft and parts. This follows a 0.9 percent August decline. Primary metals, up for the sixth consecutive month, increased \$0.1 billion or 0.3 percent to \$31.8 billion, following a 1.0 percent August increase. Electronic and other electrical equipment increased \$0.1 billion or 0.1 percent to \$49.9 billion, the third consecutive monthly increase. Industrial machinery and equipment, down for the first month since June, decreased \$0.3 billion or 0.5 percent to \$72.7 billion, following a 0.4 percent August increase.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in September increased \$0.4 billion or 7.9 percent to \$5.3 billion, the fourth increase in the last five months. This follows a 2.0 percent August increase. Shipments, also up four of the last five months, increased \$0.1 billion or 1.6 percent to \$6.0 billion, following a 3.6 percent August increase. Unfilled orders, down for the third consecutive month, decreased \$0.7 billion or 0.7 percent to \$106.2 billion, following a 1.0 percent August decline.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in September increased \$5.8 billion or 14.1 percent to \$47.0 billion, following a 10.4 percent August decline. This is the second increase in the last three months and the largest since the 14.4 percent February 1993 increase. Shipments increased \$0.7 billion or 1.6 percent to \$44.0 billion. This follows a 2.3 percent August increase and is the fourth increase in the last five months. Unfilled orders, up two of the last three months, increased \$3.0 billion or 1.2 percent to \$246.6 billion. Excluding aircraft and parts, new orders increased \$1.1 billion or 3.1 percent to \$38.0 billion, the third increase in the last four months; shipments increased \$0.8 billion or 2.2 percent to \$38.3 billion, the fourth increase in the last five months; unfilled orders decreased \$0.4 billion or 0.4 percent to \$97.7 billion, the second consecutive monthly decline and the sixth in the last seven months.

● **REVISED AUGUST DATA** Revised seasonally adjusted August figures for all manufacturing industries are: shipments, \$312.9 billion (revised from \$312.6 billion); new orders, \$310.7 billion (revised from \$311.1 billion); unfilled orders, \$501.9 billion (revised from \$502.6 billion); and total inventories, \$435.6 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 November 1, 1996. The advance report on durable goods for October is scheduled for November 27, 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

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

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change
	Sept. 1996 ²	Aug. 1996 ¹	July 1996	Aug.-Sept. ²	July-Aug. ¹	June-July	Sept. 1996 ²	Aug. 1996 ¹	Sept. 1995	
DURABLE GOODS										
Total :										
Shipments	170,800	168,495	167,774	+1.4	+0.4	+0.5	183,261	166,547	173,496	+5.6
New orders	174,064	166,356	172,402	+4.6	-3.5	+1.4	182,450	162,757	172,768	+5.6
Unfilled orders	481,150	477,886	480,025	+0.7	-0.4	+1.0	476,174	476,985	442,559	+7.6
Excluding defense :										
Shipments	164,777	162,564	162,047	+1.4	+0.3	+0.8	176,693	160,752	166,947	+5.8
New orders	168,773	161,454	167,597	+4.5	-3.7	+3.5	176,931	158,928	165,691	+6.8
Unfilled orders	374,930	370,934	372,044	+1.1	-0.3	+1.5	371,637	371,399	340,233	+9.2
With unfilled orders :										
Shipments	137,461	136,328	135,486	+0.8	+0.6	-0.1	149,108	134,543	142,051	+5.0
New orders	140,725	134,189	140,114	+4.9	-4.2	+1.0	148,297	130,753	141,323	+4.9
Primary metals :										
Shipments	14,813	14,842	15,083	-0.2	-1.6	+3.0	15,265	14,886	15,753	-3.1
New orders	14,907	15,161	15,799	-1.7	-4.0	+1.6	14,325	14,774	14,863	-3.6
Unfilled orders	31,804	31,710	31,391	+0.3	+1.0	+2.3	30,246	31,186	27,160	+11.4
Industrial machinery and equipment:										
Shipments	32,403	32,023	31,657	+1.2	+1.2	-0.9	35,521	29,969	33,062	+7.4
New orders	32,054	32,343	32,591	-0.9	-0.8	+2.8	34,707	30,251	32,621	+6.4
Unfilled orders	72,686	73,035	72,715	-0.5	+0.4	+1.3	71,586	72,400	69,754	+2.6
Electronic and other electrical equipment :										
Shipments	27,073	26,614	26,582	+1.7	+0.1	-1.4	30,234	26,074	28,989	+4.3
New orders	27,135	26,620	28,074	+1.9	-5.2	+4.9	28,777	25,809	27,674	+4.0
Unfilled orders	49,872	49,810	49,804	+0.1	0.0	+3.1	48,886	50,343	49,437	-1.1
Transportation equipment :										
Shipments	40,983	39,778	39,268	+3.0	+1.3	+1.6	42,636	38,837	39,789	+7.2
New orders	44,073	37,507	41,125	+17.5	-8.8	-1.5	45,152	35,843	43,121	+4.7
Unfilled orders	242,929	239,839	242,110	+1.3	-0.9	+0.8	241,460	238,944	212,429	+13.7
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	50,001	49,209	48,036	+1.6	+2.4	-2.3	55,606	46,397	52,335	+6.3
New orders	52,270	46,069	50,740	+13.5	-9.2	-0.6	56,830	42,269	55,743	+2.0
Unfilled orders	352,861	350,592	353,732	+0.6	-0.9	+0.8	350,024	348,800	320,290	+9.3
Nondefense :										
Shipments	43,978	43,278	42,309	+1.6	+2.3	-1.6	49,038	40,602	45,786	+7.1
New orders	46,979	41,167	45,935	+14.1	-10.4	+7.0	51,311	38,440	48,666	+5.4
Unfilled orders	246,641	243,640	245,751	+1.2	-0.9	+1.5	245,487	243,214	217,964	+12.6
Excluding aircraft and parts :										
Shipments	38,347	37,537	37,158	+2.2	+1.0	-2.3	42,981	35,233	40,186	+7.0
New orders	37,978	36,841	38,759	+3.1	-4.9	+3.7	41,884	34,486	40,371	+3.7
Unfilled orders	97,748	98,117	98,813	-0.4	-0.7	+1.6	96,594	97,691	94,877	+1.8
Defense :										
Shipments	6,023	5,931	5,727	+1.6	+3.6	-7.7	6,568	5,795	6,549	+0.3
New orders	5,291	4,902	4,805	+7.9	+2.0	-40.7	5,519	3,829	7,077	-22.0
Unfilled orders	106,220	106,952	107,981	-0.7	-1.0	-0.8	104,537	105,586	102,326	+2.2

(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 variation.

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 industrial machinery, general industrial machinery, computer and office equipment, refrigeration, heating and service industry machinery, electrical transmission and distribution equipment, electrical industrial machinery, 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.

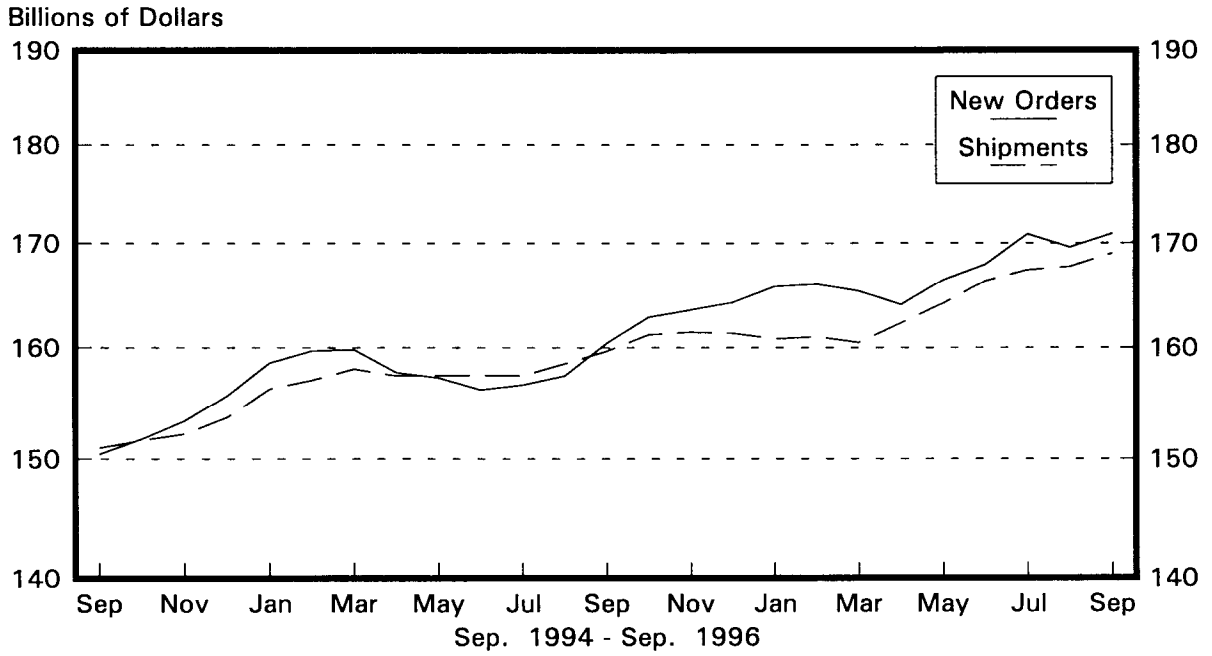
Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Sept. 1995	Sept. 1991-1995	Sept. 1995- Aug. 1996	Year ago Sept. 1995	Sept. 1991-1995	Sept. 1995- Aug. 1996	Year ago Sept. 1995	Sept. 1991-1995	Sept. 1995- Aug. 1996
Durable goods	0.1	0.2	0.3	0.1	0.5	0.6	0.0	0.1	0.1
Primary metals	0.3	0.4	0.5	0.3	1.3	0.7	0.3	0.5	0.4
Industrial machinery and equipment	0.7	0.7	0.7	0.7	1.2	1.0	0.0	0.2	0.3
Electronic and other electrical equipment	0.2	0.5	0.5	0.2	1.7	0.8	0.2	0.4	0.3
Transportation equipment	0.3	0.7	0.6	0.2	1.3	1.8	0.0	0.1	0.3
Nondefense capital goods	0.3	0.7	0.6	0.1	2.3	1.3	0.0	0.3	0.3
Defense capital goods	0.5	1.6	1.1	3.5	3.7	6.9	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 for the months specified.

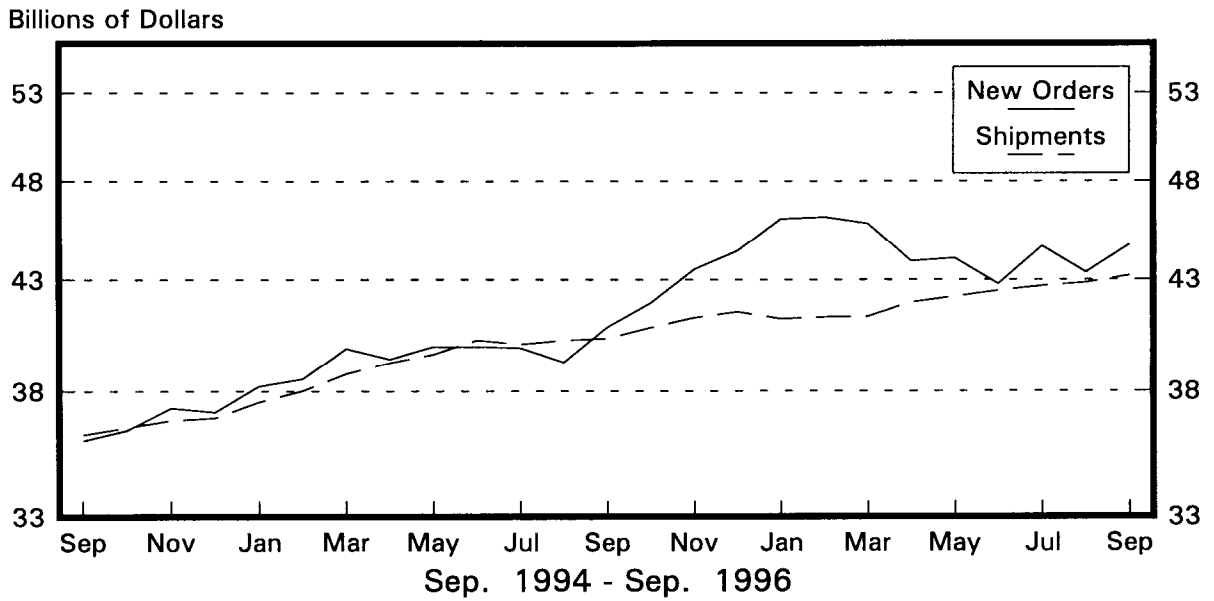
Total Durable Goods

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.