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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
March 1997

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

• **NEW ORDERS** New orders for manufactured durable goods in March decreased \$5.3 billion or 3.0 percent to \$171.5 billion, the Department of Commerce, Bureau of the Census reported today. This follows increases of 0.8 percent in February and 3.8 percent in January. Excluding transportation, new orders decreased 2.6 percent, also following two consecutive monthly increases. Year to date, new orders are 5.6 percent above the same period a year ago.

Electronic and other electrical equipment, down for the first month since December, had the largest decrease, \$1.8 billion or 5.9 percent to \$28.8 billion, mostly due to electronic components and communication equipment. This follows a 7.7 percent February increase. Transportation equipment, down three of the last four months, decreased \$1.7 billion or 4.3 percent to \$37.5 billion, due to declines in aircraft and parts and motor vehicles and parts. This follows a 7.3 percent February decrease. Industrial machinery and equipment, down for the first month since November, decreased \$0.4 billion or 1.2 percent to \$32.8 billion. This follows a 2.1 percent February increase. Primary metals, down for the second consecutive month, decreased \$0.1 billion or 0.6 percent to \$15.7 billion, following a 0.7 percent February decrease. Instruments and related products, down for the first month since September, also decreased.

• **SHIPMENTS** of durable goods in March, up for the third consecutive month, increased \$1.3 billion or 0.7 percent to \$174.9 billion, following a 1.9 percent February increase. Year to date, shipments are 7.8 percent above the same period a year ago.

Electronic and other electrical equipment had the largest increase, \$0.9 billion or 3.2 percent to \$29.5 billion. This follows a 6.1 percent February increase and is the sixth increase in the last eight months. Industrial machinery and equipment, up three of the last four months, increased \$0.7 billion or 2.1 percent to \$33.0 billion, following a 0.5 percent February increase. Transportation equipment, up for the third consecutive month, increased \$0.3 billion or 0.7 percent to \$40.1 billion, as an increase in aircraft and parts more than offset decreases in motor vehicles and parts and railroad equipment. Primary metals, down for the first month since September, decreased \$0.1 billion or 0.9 percent to \$15.5 billion, following a 0.7 percent February increase.

• **UNFILLED ORDERS** Unfilled orders for durable goods in March decreased \$3.4 billion or 0.7 percent to \$493.8 billion. This follows a 0.6 percent February increase and is the first decline since August 1996.

Transportation equipment, decreased \$2.6 billion or 1.0 percent to \$251.8 billion, due to aircraft and parts. This follows a 0.3 percent February decrease and five consecutive increases. Electronic and other electrical equipment, down for the first month since December, decreased \$0.7 billion or 1.4 percent to \$51.6 billion, following a 4.0 percent February increase. Industrial machinery and equipment, down for the first month since December, decreased \$0.2 billion or 0.3 percent to \$73.1 billion, following a 1.2 percent February increase. Primary metals, up for the third consecutive month, increased \$0.2 billion or 0.6 percent to \$30.9 billion, following a 0.4 percent February increase.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in March decreased \$0.9 billion or 16.8 percent to \$4.5 billion, the fourth consecutive monthly decline. Shipments, down three of the last four months, decreased \$0.2 billion or 3.4 percent to \$6.2 billion, following a 6.3 percent February increase. Unfilled orders, down for the second consecutive month, decreased \$1.7 billion or 1.6 percent to \$107.7 billion, following a 0.9 percent February decrease.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in March, down four of the last six months, decreased \$2.1 billion or 4.4 percent to \$44.8 billion, following a 2.3 percent February increase. Shipments increased \$1.9 billion or 4.3 percent to \$46.0 billion. This follows a 2.3 percent February increase and is the fourth increase in the last five months. Unfilled orders, down for the first month since December, decreased \$1.2 billion or 0.5 percent to \$254.9 billion, following a 1.1 percent February increase. Excluding aircraft and parts, new orders decreased \$1.1 billion or 2.6 percent to \$39.5 billion, the first decline since December; shipments increased \$1.0 billion or 2.6 percent to \$39.5 billion, the fourth increase in the last five months; and unfilled orders increased \$0.2 billion or 0.2 percent to \$99.0 billion, the third consecutive monthly increase.

• **REVISED FEBRUARY DATA** Revised seasonally adjusted February figures for all manufacturing industries are: shipments, \$322.3 billion (revised from \$321.5 billion); new orders, \$325.0 billion (revised from \$325.9 billion); unfilled orders, \$521.8 billion (revised from \$523.6 billion); and total inventories, \$441.7 billion (revised from \$441.8 billion).

SEE BACK PAGE FOR UPCOMING REVISIONS

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

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

	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change
	Mar. 1997 ²	Feb. 1997 ²	Jan. 1997	Feb.-Mar. ²	Jan.-Feb. ²	Dec.-Jan.	Mar. 1997 ²	Feb. 1997 ²	Mar. 1996	
DURABLE GOODS										
Total :										
Shipments	174,896	173,629	170,313	+0.7	+1.9	+0.9	188,491	174,391	172,628	+9.2
New orders	171,493	176,812	175,370	-3.0	+0.8	+3.8	184,896	180,158	179,521	+3.0
Unfilled orders	493,751	497,154	493,971	-0.7	+0.6	+1.0	497,727	501,322	475,368	+4.7
Excluding defense :										
Shipments	168,671	167,184	164,252	+0.9	+1.8	+1.0	181,879	167,932	166,092	+9.5
New orders	166,976	171,380	169,169	-2.6	+1.3	+5.2	177,632	174,523	167,850	+5.8
Unfilled orders	386,034	387,729	383,533	-0.4	+1.1	+1.3	387,212	391,459	366,129	+5.8
With unfilled orders :										
Shipments	143,746	142,176	138,239	+1.1	+2.8	0.0	155,267	140,774	142,215	+9.2
New orders	140,343	145,359	143,296	-3.5	+1.4	+3.6	151,672	146,541	149,108	+1.7
Primary metals :										
Shipments	15,511	15,659	15,557	-0.9	+0.7	+2.6	16,116	16,131	15,389	+4.7
New orders	15,683	15,782	15,892	-0.6	-0.7	+5.1	16,866	17,009	15,654	+7.7
Unfilled orders	30,895	30,723	30,600	+0.6	+0.4	+1.1	32,606	31,856	30,887	+5.6
Industrial machinery and equipment:										
Shipments	32,961	32,274	32,116	+2.1	+0.5	-1.4	38,828	31,868	36,880	+5.3
New orders	32,775	33,167	32,500	-1.2	+2.1	+0.9	37,384	33,056	35,347	+5.8
Unfilled orders	73,128	73,314	72,421	-0.3	+1.2	+0.5	73,101	74,545	71,956	+1.6
Electronic and other electrical equipment :										
Shipments	29,517	28,599	26,947	+3.2	+6.1	-2.9	31,651	27,548	28,235	+12.1
New orders	28,809	30,605	28,419	-5.9	+7.7	+17.8	29,138	30,104	27,062	+7.7
Unfilled orders	51,581	52,289	50,283	-1.4	+4.0	+3.0	50,824	53,337	49,440	+2.8
Transportation equipment :										
Shipments	40,148	39,888	39,853	+0.7	+0.1	+3.9	43,184	42,808	37,843	+14.1
New orders	37,535	39,212	42,278	-4.3	-7.3	+1.5	42,921	42,263	47,302	-9.3
Unfilled orders	251,795	254,408	255,084	-1.0	-0.3	+1.0	254,422	254,685	238,299	+6.8
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	52,219	50,545	49,182	+3.3	+2.8	-3.1	59,440	48,893	54,744	+8.6
New orders	49,327	52,302	52,020	-5.7	+0.5	+0.2	57,796	51,228	63,544	-9.0
Unfilled orders	362,612	365,504	363,747	-0.8	+0.5	+0.8	365,470	367,114	350,707	+4.2
Nondefense :										
Shipments	45,994	44,100	43,121	+4.3	+2.3	-3.3	52,828	42,434	48,208	+9.6
New orders	44,810	46,870	45,819	-4.4	+2.3	+4.4	50,532	45,593	51,873	-2.6
Unfilled orders	254,895	256,079	253,309	-0.5	+1.1	+1.1	254,955	257,251	241,468	+5.6
Excluding aircraft and parts :										
Shipments	39,297	38,318	37,262	+2.6	+2.8	-3.4	45,340	36,839	42,767	+6.0
New orders	39,524	40,590	37,870	-2.6	+7.2	+3.1	44,455	39,500	41,905	+6.1
Unfilled orders	98,964	98,737	96,465	+0.2	+2.4	+0.6	99,024	99,909	98,624	+0.4
Defense :										
Shipments	6,225	6,445	6,061	-3.4	+6.3	-1.2	6,612	6,459	6,536	+1.2
New orders	4,517	5,432	6,201	-16.8	-12.4	-23.0	7,264	5,635	11,671	-37.8
Unfilled orders	107,717	109,425	110,438	-1.6	-0.9	+0.1	110,515	109,863	109,239	+1.2

(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 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.

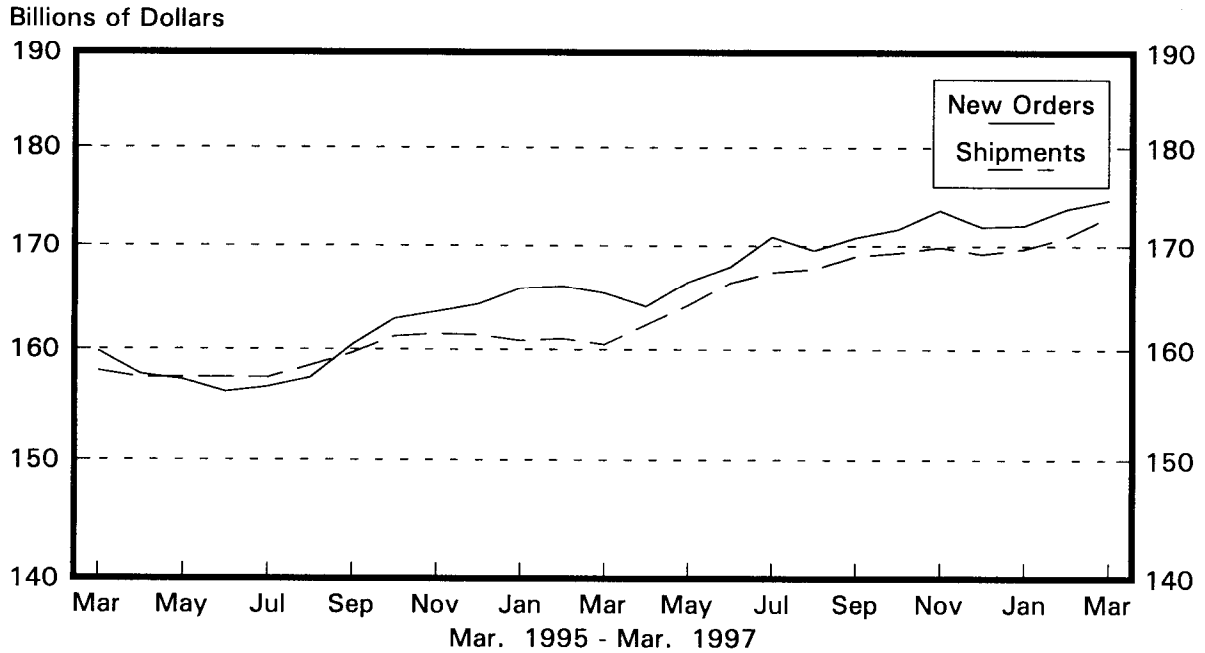
Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Mar. 1996	Mar. 1992-1996	Mar. 1996- Feb. 1997	Year ago Mar. 1996	Mar. 1992-1996	Mar. 1996- Feb. 1997	Year ago Mar. 1996	Mar. 1992-1996	Mar. 1996- Feb. 1997
Durable goods	0.4	0.4	0.2	1.2	0.5	0.4	0.2	0.1	0.1
Primary metals	0.9	0.6	0.4	0.2	0.7	0.8	0.4	0.4	0.5
Industrial machinery and equipment	0.3	1.0	0.5	0.4	1.2	0.7	0.3	0.2	0.3
Electronic and other electrical equipment	0.3	0.3	0.6	0.0	0.7	1.1	0.0	0.3	0.6
Transportation equipment	0.9	0.6	0.5	5.2	2.1	1.6	0.7	0.2	0.3
Nondefense capital goods	0.2	0.9	0.5	4.8	2.0	1.0	1.0	0.3	0.2
Defense capital goods	0.6	0.4	1.1	10.1	3.6	5.7	0.9	0.3	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 the months specified.

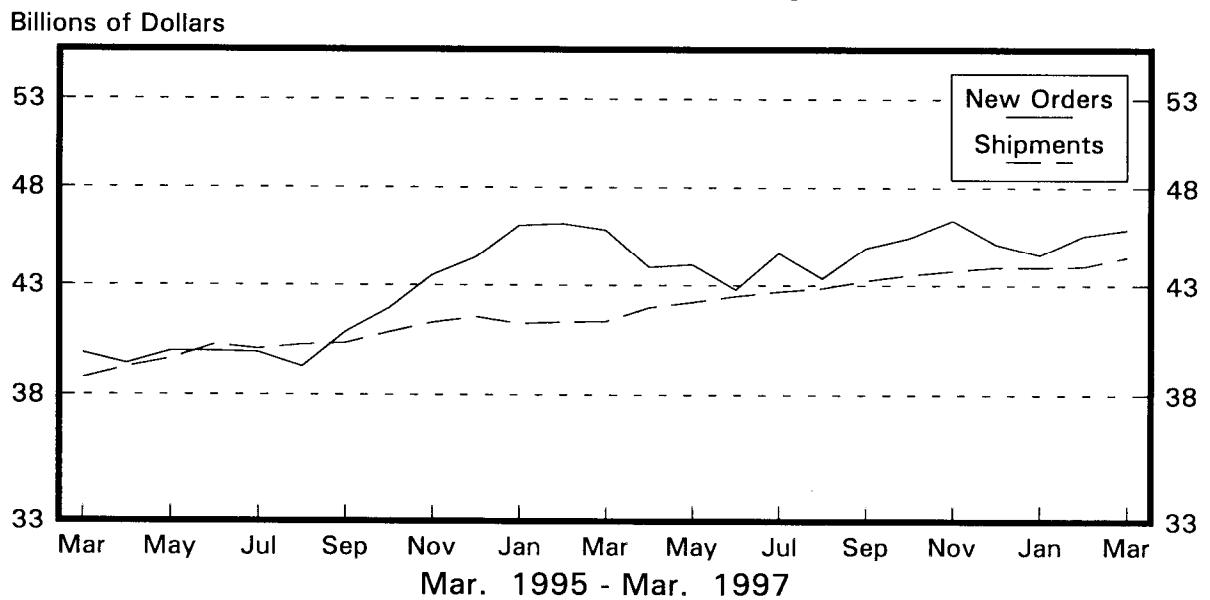
Total Durable Goods

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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NOTICE

Revised historical data for Manufacturers' Shipments, Inventories, and Orders will be issued in mid-June. The revisions to the historical data are the result of:

- **benchmarking the shipments and inventory data to the 1994-1995 Annual Survey of Manufactures (ASM).**
- **adjusting new and unfilled orders to be consistent with the benchmarked shipments and inventory data.**
- **correcting monthly data for late receipts, reclassification of reported data, and revisions to previously reported data.**
- **updating the seasonal adjustment factors for all series.**

The publication will include data from 1987-December 1996. An accompanying press release will include the revised 1997 February - April data. Please call Kathy Menth on (301) 457-4832 with questions.

