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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS May 1999

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

• **NEW ORDERS** New orders for manufactured durable goods in May increased \$2.8 billion or 1.4 percent to \$197.6 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 2.3 percent April decrease and is the ninth increase in the last twelve months. Excluding transportation, new orders decreased 0.7 percent. Year-to-date, new orders are 6.1 percent above the same period a year ago.

Transportation equipment had the largest increase, \$3.9 billion or 9.5 percent to \$45.5 billion; led by aircraft and parts, all component industries increased. This follows a 12.6 percent April decrease and is the fifth increase in the last seven months. Primary metals increased \$0.1 billion or 0.7 percent to \$14.8 billion, following a 1.4 percent April increase. Industrial machinery and equipment decreased \$1.0 billion or 2.5 percent to \$38.7 billion, following a 3.6 percent April increase. Electronic and other electrical equipment decreased \$0.5 billion or 1.5 percent to \$33.9 billion, following a 0.6 percent April increase.

• **SHIPMENTS** Shipments of durable goods in May increased \$2.0 billion or 1.0 percent to \$199.4 billion, following a 0.4 percent April decrease. This is the tenth increase in the last twelve months. Year-to-date, shipments are 5.5 percent above the same period a year ago.

Transportation equipment had the largest increase, \$0.4 billion or 0.9 percent to \$48.2 billion; all component industries increased. This follows a 3.1 percent April decrease and is the third increase in the last four months. Industrial machinery and equipment, up for the fourth consecutive month, increased \$0.4 billion or 1.1 percent to \$38.0 billion, following a 1.7 percent April increase. Primary metals increased \$0.3 billion or 1.8 percent to \$14.5 billion, following a 2.1 percent April decrease. Electronic and other electrical equipment, up nine of the last twelve months, increased \$0.2 billion or 0.5 percent to \$33.8 billion. This follows a 2.0 percent April increase.

• **UNFILLED ORDERS** Unfilled orders for durable goods in May decreased \$1.8 billion or 0.4 percent to \$498.7 billion, following a 0.5 percent April decrease. Transportation equipment, down eleven of the last thirteen months, had the largest decrease, \$2.7 billion or 1.1 percent to \$235.7 billion. This follows a 2.5 percent April decrease. Industrial machinery and equipment, up six consecutive months, increased \$0.7 billion or 0.9 percent to \$79.6 billion. This follows a 2.8 percent April increase. Primary metals, up four consecutive months, increased \$0.4 billion or 1.2 percent to \$30.2 billion. This follows a 1.8 percent April increase. Electronic and other electrical equipment, up six consecutive months, increased \$0.1 billion or 0.2 percent to \$65.1 billion. This follows a 1.2 percent April increase.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in May increased \$0.9 billion or 17.6 percent to \$5.9 billion, following a 35.5 percent April decrease. Shipments increased \$0.2 billion or 2.6 percent to \$6.7 billion, following a 2.1 percent April decrease. This is the first increase since January. Unfilled orders decreased \$0.8 billion or 0.8 percent to \$94.8 billion, following a 1.6 percent April decrease.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in May increased \$1.5 billion or 2.8 percent to \$54.1 billion, following a 1.3 percent April decrease. This is the fifth increase in the last seven months. Shipments, up for the third consecutive month, increased \$0.7 billion or 1.3 percent to \$55.6 billion. This follows a 1.2 percent April increase. Unfilled orders, down for the third consecutive month, decreased \$1.5 billion or 0.6 percent to \$257.1 billion. This follows a 0.9 percent April decrease. Excluding aircraft and parts, new orders decreased \$0.5 billion or 1.0 percent to \$47.1 billion, the first decrease since January; shipments, up for the third consecutive month, increased \$0.7 billion or 1.4 percent to \$46.8 billion; and unfilled orders increased \$0.3 billion or 0.2 percent to \$112.4 billion, the sixth consecutive monthly increase.

• **REVISED APRIL DATA** Revised seasonally adjusted April figures for all manufacturing industries are: shipments, \$348.0 billion (revised from \$347.6 billion); new orders, \$345.2 billion (revised from \$345.4 billion); unfilled orders, \$523.8 billion (revised from \$524.5 billion); and total inventories, \$462.9 billion (revised from \$463.0 billion).

Our internet site address is: <http://www.census.gov/indicator/www/m3>

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

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change May99/98
	May 1999 ²	Apr. 1999 ²	Mar. 1999	Apr.- May ²	Mar.- Apr. ²	Feb.- Mar.	May 1999 ²	Apr. 1999 ²	May 1998	
DURABLE GOODS										
Total :										
Shipments	199,413	197,441	198,292	+1.0	-0.4	+2.0	198,976	195,021	185,809	+7.1
New orders	197,599	194,800	199,366	+1.4	-2.3	+2.9	193,673	196,379	180,165	+7.5
Unfilled orders	498,727	500,541	503,182	-0.4	-0.5	+0.2	500,961	506,264	510,563	-1.9
Excluding defense :										
Shipments	192,716	190,911	191,619	+0.9	-0.4	+2.1	192,477	188,868	179,436	+7.3
New orders	191,706	189,788	191,597	+1.0	-0.9	+1.8	189,058	191,338	175,969	+7.4
Unfilled orders	403,958	404,968	406,091	-0.2	-0.3	0.0	405,107	408,526	409,605	-1.1
With unfilled orders :										
Shipments	164,309	162,661	162,478	+1.0	+0.1	+1.8	161,710	157,903	151,387	+6.8
New orders	162,495	160,020	163,552	+1.5	-2.2	+2.9	156,407	159,261	145,743	+7.3
Primary metals :										
Shipments	14,465	14,204	14,505	+1.8	-2.1	+2.0	14,845	14,712	15,551	-4.5
New orders	14,837	14,739	14,539	+0.7	+1.4	-0.4	14,738	15,053	14,642	+0.7
Unfilled orders	30,220	29,848	29,313	+1.2	+1.8	+0.1	30,989	31,096	34,243	-9.5
Industrial machinery and equipment:										
Shipments	37,997	37,596	36,972	+1.1	+1.7	+0.6	36,928	36,051	35,449	+4.2
New orders	38,727	39,737	38,338	-2.5	+3.6	+3.5	37,617	38,013	34,900	+7.8
Unfilled orders	79,627	78,897	76,756	+0.9	+2.8	+1.8	79,669	78,980	73,816	+7.9
Electronic and other electrical equipment :										
Shipments	33,848	33,689	33,032	+0.5	+2.0	+2.5	32,355	31,058	28,523	+13.4
New orders	33,948	34,465	34,264	-1.5	+0.6	+4.9	30,362	35,463	27,052	+12.2
Unfilled orders	65,119	65,019	64,243	+0.2	+1.2	+2.0	65,080	67,073	58,412	+11.4
Transportation equipment :										
Shipments	48,174	47,733	49,267	+0.9	-3.1	+3.7	49,884	49,667	45,533	+9.6
New orders	45,493	41,559	47,558	+9.5	-12.6	+4.7	45,983	43,577	43,299	+6.2
Unfilled orders	235,720	238,401	244,575	-1.1	-2.5	-0.7	236,344	240,245	253,445	-6.7
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	62,252	61,396	60,890	+1.4	+0.8	+2.3	59,254	57,132	54,216	+9.3
New orders	59,975	57,637	61,068	+4.1	-5.6	+4.0	55,824	53,700	52,087	+7.2
Unfilled orders	351,887	354,164	357,923	-0.6	-1.1	0.0	353,147	356,577	365,367	-3.3
Nondefense :										
Shipments	55,555	54,866	54,217	+1.3	+1.2	+2.7	52,755	50,979	47,843	+10.3
New orders	54,082	52,625	53,299	+2.8	-1.3	+0.1	51,209	48,659	47,891	+6.9
Unfilled orders	257,118	258,591	260,832	-0.6	-0.9	-0.4	257,293	258,839	264,409	-2.7
Excluding aircraft and parts :										
Shipments	46,824	46,172	45,653	+1.4	+1.1	+3.2	44,474	42,331	40,601	+9.5
New orders	47,103	47,560	47,301	-1.0	+0.5	+3.9	44,680	43,640	40,473	+10.4
Unfilled orders	112,391	112,112	110,724	+0.2	+1.3	+1.5	112,566	112,360	105,397	+6.8
Defense :										
Shipments	6,697	6,530	6,673	+2.6	-2.1	-0.8	6,499	6,153	6,373	+2.0
New orders	5,893	5,012	7,769	+17.6	-35.5	+41.3	4,615	5,041	4,196	+10.0
Unfilled orders	94,769	95,573	97,091	-0.8	-1.6	+1.1	95,854	97,738	100,958	-5.1

(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(96), "Manufacturers' Shipments, Inventories, and Orders: 1987-1996."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)

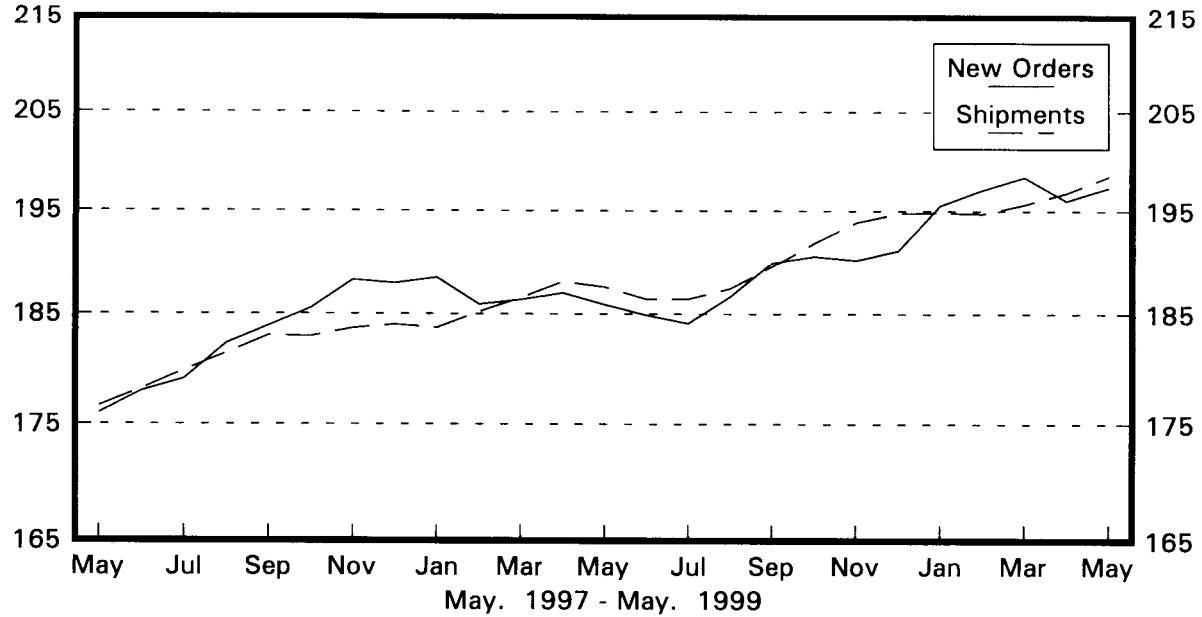
Industry	Shipments			New Orders			Unfilled Orders		
	Year ago May 1998	May 1994-1998	May 1998- Apr. 1999	Year ago May 1998	May 1994-1998	May 1998- Apr. 1999	Year ago May 1998	May 1994-1998	May 1998- Apr. 1999
Durable goods	0.4	0.2	0.6	0.7	0.4	2.2	0.1	0.1	0.4
Primary metals	0.5	0.3	1.0	0.6	0.7	2.3	0.1	0.3	0.8
Industrial machinery and equipment	0.3	0.7	0.9	0.6	0.9	1.0	0.0	0.2	0.5
Electronic and other electrical equipment	0.2	0.4	1.4	2.2	1.0	4.4	1.1	0.4	1.1
Transportation equipment	1.5	0.6	2.0	0.5	1.4	6.2	0.0	0.1	0.5
Nondefense capital goods	0.2	0.4	1.1	0.6	0.7	2.7	0.2	0.1	0.3
Defense capital goods	0.6	0.4	1.1	2.5	2.5	21.4	0.2	0.2	1.0

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 sign, for the months specified.

Total Durable Goods

New Orders and Shipments
Three Month Moving Averages

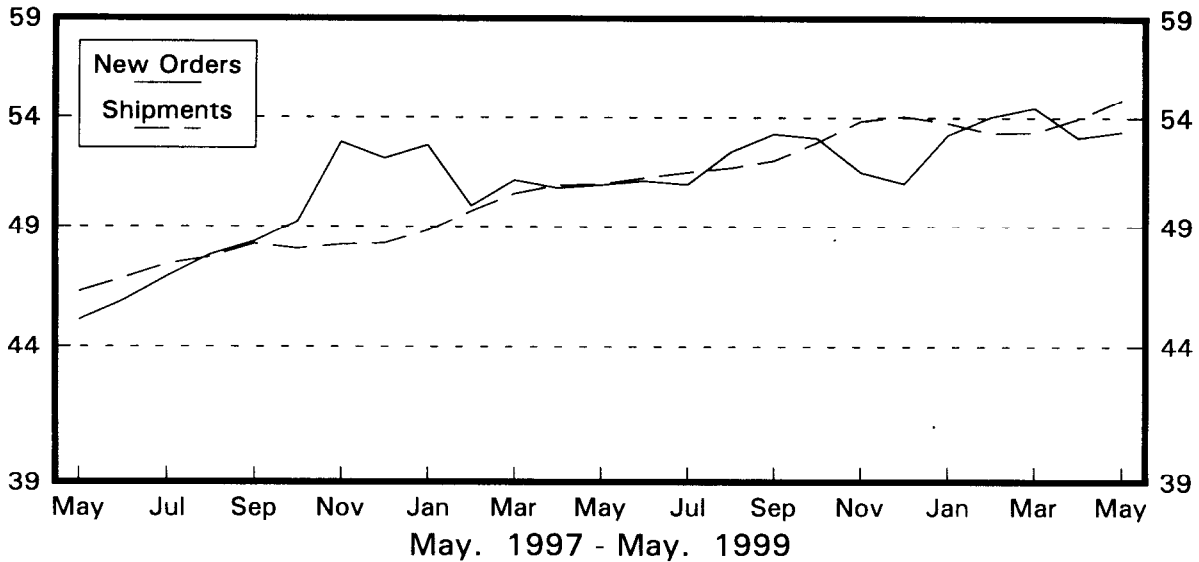
Billions of Dollars



Nondefense Capital Goods

New Orders and Shipments
Three Month Moving Averages

Billions of Dollars



Note: All Charts based on seasonally adjusted current dollars.