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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
July 2000

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

• **NEW ORDERS** New orders for manufactured durable goods in July decreased \$30.0 billion or 12.4 percent to \$212.4 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 9.5 percent June increase and is the largest decrease on record. Excluding transportation, new orders decreased 4.8 percent. Year-to-date, new orders are 9.9 percent above the same period a year ago.

Transportation equipment had the largest decrease, \$21.7 billion or 31.7 percent to \$46.8 billion, mostly due to aircraft and parts. This is the largest decrease on record. Electronic and other electrical equipment decreased \$7.9 billion or 16.8 percent to \$39.1 billion, due to electronic components and communication equipment. Primary metals decreased \$0.2 billion or 1.4 percent to \$15.8 billion. Industrial machinery and equipment, up four of the last five months, increased \$1.9 billion or 4.3 percent to \$46.0 billion.

• **SHIPMENTS** Shipments of durable goods in July decreased \$4.1 billion or 1.9 percent to \$214.1 billion, following a 1.6 percent June increase. Year-to-date, shipments are 6.9 percent above the same period a year ago.

Transportation equipment had the largest decrease, \$4.9 billion or 9.3 percent to \$47.4 billion; all component industries decreased. This is the largest decrease since the 9.9 percent decline in July 1993. Electronic and other electrical equipment, down following four consecutive increases, decreased \$0.2 billion or 0.5 percent to \$41.1 billion. Primary metals decreased \$0.1 billion or 0.4 percent to \$16.0 billion. Industrial machinery and equipment increased \$1.7 billion or 4.1 percent to \$44.2 billion. This is the fourth increase in the last five months.

• **UNFILLED ORDERS** Unfilled orders for durable goods in July decreased \$1.7 billion or 0.3 percent to \$554.7 billion, following a 4.6 percent June increase. Electronic and other electrical equipment had the largest decrease, \$2.0 billion or 1.9 percent to \$102.3 billion, due to electronic components. Transportation equipment, down five of the last six months, decreased \$0.6 billion or 0.3 percent to \$242.3 billion. Primary metals, down nine consecutive months, decreased \$0.3 billion or 0.8 percent to \$31.1 billion. Industrial machinery and equipment increased \$1.7 billion or 1.9 percent to \$90.2 billion. This is the thirteenth consecutive increase.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in July decreased \$14.9 billion or 72.0 percent to \$5.8 billion. This is the largest decrease on record. Shipments decreased \$0.5 billion or 7.2 percent to \$6.5 billion. This is the sixth decrease in the last eight months. Unfilled orders decreased \$0.7 billion or 0.7 percent to \$107.7 billion.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in July decreased \$8.8 billion or 12.3 percent to \$62.6 billion. This is the largest decrease since December 1997. Shipments decreased \$1.5 billion or 2.4 percent to \$60.9 billion. Unfilled orders increased \$1.7 billion or 0.6 percent to \$273.8 billion. This is the seventh increase in the last eight months. Excluding aircraft and parts, new orders decreased \$2.2 billion or 3.8 percent to \$55.8 billion; shipments, up five consecutive months, increased \$0.1 billion or 0.2 percent to \$54.1 billion; and unfilled orders, up eleven consecutive months, increased \$1.8 billion or 1.4 percent to \$128.8 billion.

• **REVISED JUNE DATA** Revised seasonally adjusted June figures for all manufacturing industries are: shipments, \$385.4 billion (revised from \$384.9 billion); new orders, \$409.3 billion (revised from \$409.2 billion); unfilled orders, \$582.2 billion (revised from \$582.5 billion); and total inventories, \$481.8 billion (unrevised).

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						Annually			
	Monthly			Percent Change			Monthly			Percent Change 00-99
	July 2000 ²	June 2000 ²	May 2000	June July ²	May June ²	Apr.- May	2000	2000	1999	
DURABLE GOODS										
Total :										
Shipments	214,147	218,236	214,890	-1.9	+1.6	+2.7	181,765	239,757	171,249	-6.1
New orders	212,430	242,462	221,388	-12.4	+9.5	+7.2	187,263	258,305	178,540	+4.9
Unfilled orders	554,718	556,435	532,209	-0.3	+4.6	+1.2	557,322	551,824	497,545	-12.0
Excluding defense :										
Shipments	207,608	211,187	208,660	-1.7	+1.2	+2.8	176,039	232,048	165,499	+6.4
New orders	206,629	221,775	214,237	-6.8	+3.5	+6.6	182,991	235,489	173,474	+5.5
Unfilled orders	447,023	448,002	437,414	-0.2	+2.4	+1.3	448,916	441,964	403,841	+11.2
With unfilled orders :										
Shipments	178,680	181,254	178,644	-1.4	+1.5	+2.4	156,280	200,275	144,441	+8.2
New orders	176,963	205,480	185,142	-13.9	+11.0	+7.9	161,778	218,823	151,732	+6.6
Primary metals :										
Shipments	16,048	16,106	15,978	-0.4	+0.8	+0.9	14,602	16,957	13,574	+7.6
New orders	15,794	16,020	15,864	-1.4	+1.0	+0.8	14,415	16,238	14,435	-0.1
Unfilled orders	31,051	31,305	31,391	-0.8	-0.3	-0.4	31,120	31,307	31,544	-1.3
Industrial machinery and equipment:										
Shipments	44,238	42,514	42,478	+4.1	+0.1	-0.7	39,098	50,165	34,097	+14.7
New orders	45,952	44,044	43,560	+4.3	+1.1	-0.2	41,153	50,511	35,206	+16.9
Unfilled orders	90,178	88,464	86,934	+1.9	+1.8	+1.3	89,566	87,511	78,518	+14.1
Electronic and other electrical equipment :										
Shipments	41,103	41,329	40,455	-0.5	+2.2	+3.8	36,199	45,455	30,909	+17.1
New orders	39,135	47,056	47,323	-16.8	-0.6	+28.4	40,461	46,452	37,743	+7.2
Unfilled orders	102,304	104,272	98,545	-1.9	+5.8	+7.5	103,268	99,006	70,027	+47.5
Transportation equipment :										
Shipments	47,439	52,294	49,912	-9.3	+4.8	+7.1	31,806	56,149	32,697	-2.7
New orders	46,810	68,497	48,354	-31.7	+41.7	+6.8	31,340	73,676	31,128	+0.7
Unfilled orders	242,260	242,889	226,686	-0.3	+7.1	-0.7	243,583	244,049	230,205	+5.8
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	67,433	69,424	68,787	-2.9	+0.9	+3.1	59,198	80,702	54,396	+8.8
New orders	68,413	92,063	67,969	-25.7	+35.4	+1.4	59,758	103,660	52,870	+13.0
Unfilled orders	381,466	380,486	357,847	+0.3	+6.3	-0.2	381,754	381,194	344,827	+10.7
Nondefense :										
Shipments	60,894	62,375	62,557	-2.4	-0.3	+3.5	53,472	72,993	48,646	+9.9
New orders	62,612	71,376	60,818	-12.3	+17.4	-1.1	55,486	80,844	47,804	+16.1
Unfilled orders	273,771	272,053	263,052	+0.6	+3.4	-0.7	273,348	271,334	251,123	+8.9
Excluding aircraft and parts :										
Shipments	54,078	53,985	53,144	+0.2	+1.6	+0.9	47,681	63,732	42,377	+12.5
New orders	55,846	58,069	53,635	-3.8	+8.3	-1.5	49,745	66,666	42,589	+16.8
Unfilled orders	128,775	127,007	122,923	+1.4	+3.3	+0.4	128,352	126,288	109,484	+17.2
Defense :										
Shipments	6,539	7,049	6,230	-7.2	+13.1	-0.9	5,726	7,709	5,750	-0.4
New orders	5,801	20,687	7,151	-72.0	189.3	+29.9	4,272	22,816	5,066	-15.7
Unfilled orders	107,695	108,433	94,795	-0.7	+14.4	+1.0	108,406	109,860	93,704	+15.7

¹NA: Not available. ²Revised.

³Shipments 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.

⁴Based 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, M3-1096, "Manufacturers' Shipments, Inventories, and Orders, 1987-1996."

⁵The 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 July 1999	July 1995-1999	July 1999- June 2000	Year ago July 1999	July 1995-1999	July 1999- June 2000	Year ago July 1999	July 1995-1999	July 1999- June 2000
Durable goods	0.4	0.3	1.4	0.7	0.4	3.5	0.1	0.1	0.9
Primary metals	0.2	0.3	1.1	0.5	0.5	1.8	1.6	0.5	1.2
Industrial machinery and equipment	6.6	1.9	2.9	2.1	1.0	2.8	0.6	0.2	0.8
Electronic and other electrical equipment	3.0	1.0	2.0	1.2	1.4	8.1	0.1	0.5	2.2
Transportation equipment	7.2	2.1	5.8	0.0	0.7	9.6	0.1	0.1	1.3
Nondefense capital goods	0.4	0.6	2.6	0.7	0.6	5.1	0.2	0.1	1.0
Defense capital goods	6.2	1.9	5.4	3.6	3.2	3.4	1.3	0.5	2.8

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.