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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
July 1994

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

New Orders

New orders for manufactured durable goods in July decreased \$6.4 billion or 4.2 percent to \$144.9 billion, the largest decline since December 1991, the Department of Commerce, Bureau of the Census reported today. Over half of the decrease was due to the motor vehicle and parts industry which was heavily affected by the growing practice of shutting down for two weeks in July. The July decline follows a 1.2 percent increase in June and is the first decrease since February and the second since July of last year. Year to date, new orders are 13.3 percent above the same period a year ago.

Transportation equipment had the largest decline, down \$6.0 billion or 15.8 percent to \$31.9 billion, primarily due to motor vehicles and parts, and aircraft and parts. Industrial machinery and equipment was down \$0.4 billion or 1.5 percent to \$28.4 billion, following a 3.2 percent increase in June. Primary metals declined \$0.1 billion or 0.8 percent to \$13.0 billion, following a 2.1 percent decrease in June. Instruments and related products and furniture and fixtures also declined. Electronic and other electrical equipment increased \$0.2 billion or 0.8 percent to \$22.4 billion. Fabricated metal products, stone, clay, and glass products, lumber and wood products, and other durable goods also increased.

Shipments

Shipments of durable goods in July decreased \$4.2 billion or 2.8 percent to \$145.8 billion. This follows two consecutive increases and is the third decrease this year. Transportation equipment had the largest decrease, down \$4.5 billion or 11.7 percent to \$34.1 billion, primarily due to motor vehicles and parts. The largest increase was in electronic and other electrical equipment, up \$0.3 billion or 1.1 percent to \$22.9 billion. This is the ninth consecutive monthly increase. Year to date, durable goods shipments are 10.7 percent above the same period a year ago.

Unfilled Orders

Unfilled orders for durable goods in July decreased \$0.9 billion or 0.2 percent to \$424.9 billion. This follows three consecutive monthly increases. Transportation equipment had the largest decrease, down \$2.2 billion or 1.1 percent to \$206.3 billion, primarily due to aircraft and parts. This is the twenty-sixth decrease in the last twenty-seven months. Industrial machinery and equipment, up for the thirteenth consecutive month, had the largest increase, up \$1.3 billion or 2.2 percent to \$61.8 billion, with increases in nearly all categories. Primary metals increased \$0.1 billion or 0.5 percent to \$25.5 billion, the eighth consecutive monthly increase.

Capital Goods Industries

Defense - New orders were down \$1.2 billion or 16.4 percent to \$5.9 billion, primarily caused by aircraft and parts. This follows a decrease of 2.2 percent in June. Shipments decreased 1.1 percent to \$6.8 billion, following an increase of 0.7 percent in June. Unfilled orders decreased \$0.9 billion or 0.8 percent to \$112.8 billion, following an increase of 0.1 percent.

Nondefense - New orders decreased \$2.0 billion or 5.3 percent to \$36.1 billion, with the largest decline in aircraft and parts. This follows a 7.4 percent increase in June and is the fifth decline this year. Shipments decreased \$0.9 billion or 2.3 percent to \$36.5 billion, following an increase of 3.0 percent in June. Unfilled orders decreased \$0.4 billion or 0.2 percent to \$199.4 billion. Excluding aircraft and parts, new orders decreased \$1.3 billion or 3.8 percent, following a 7.7 percent increase. Shipments decreased \$0.8 billion or 2.4 percent, the first decrease since March, and unfilled orders increased \$1.4 billion or 1.7 percent, the fourteenth consecutive monthly increase.

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 August 31, 1994. The advance report on durable goods for August is scheduled for September 28, 1994. 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 (1-800-848-8199). The CENDATA staff at the Bureau of the Census (301-763-2074) can provide content information and general guidance.

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

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change July94/93
	July 1994 ²	June 1994 ²	May 1994	June- July ²	May- June ²	Apr.- May	July 1994 ²	June 1994 ²	July 1993	
DURABLE GOODS										
Total :										
Shipments	145,800	150,040	148,510	-2.8	+1.0	+1.1	126,442	165,108	112,784	+12.1
New orders	144,868	151,246	149,412	-4.2	+1.2	+1.4	126,281	163,624	112,603	+12.1
Unfilled orders	424,856	425,788	424,583	-0.2	+0.3	+0.2	425,826	425,987	435,940	-2.3
Excluding defense :										
Shipments	139,014	143,178	141,694	-2.9	+1.0	+1.2	120,318	157,718	106,056	+13.4
New orders	138,995	144,222	142,232	-3.6	+1.4	+0.8	121,505	156,347	106,629	+14.0
Unfilled orders	312,016	312,035	310,991	0.0	+0.3	+0.2	313,548	312,361	313,510	0.0
With unfilled orders :										
Shipments	117,594	119,128	117,785	-1.3	+1.1	+1.2	103,762	131,273	92,819	+11.8
New orders	116,662	120,334	118,687	-3.1	+1.4	+1.6	103,601	129,789	92,638	+11.8
Primary metals :										
Shipments	12,848	12,735	12,671	+0.9	+0.5	+3.1	11,815	13,505	10,261	+15.1
New orders	12,969	13,070	13,350	-0.8	-2.1	+6.1	11,910	13,541	10,214	+16.6
Unfilled orders	25,482	25,361	25,026	+0.5	+1.3	+2.8	26,139	26,044	22,905	+14.1
Industrial machinery and equipment:										
Shipments	27,106	27,130	26,947	-0.1	+0.7	+2.1	23,457	31,400	20,412	+14.9
New orders	28,448	28,895	27,993	-1.5	+3.2	-0.1	24,829	32,565	20,545	+20.9
Unfilled orders	61,777	60,435	58,670	+2.2	+3.0	+1.8	61,479	60,107	50,231	+22.4
Electronic and other electrical equipment :										
Shipments	22,936	22,677	22,355	+1.1	+1.4	+1.0	20,534	24,422	17,219	+19.3
New orders	22,396	22,209	22,175	+0.8	+0.2	-5.1	20,314	23,186	18,617	+9.1
Unfilled orders	46,168	46,708	47,176	-1.2	-1.0	-0.4	46,193	46,413	43,850	+5.3
Transportation equipment :										
Shipments	34,114	38,616	37,666	-11.7	+2.5	-0.5	25,705	42,850	23,603	+8.9
New orders	31,914	37,901	37,080	-15.8	+2.2	+3.2	22,972	41,925	21,460	+7.0
Unfilled orders	206,340	208,540	209,255	-1.1	-0.3	-0.3	206,076	208,809	228,046	-9.6
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	43,239	44,183	43,041	-2.1	+2.7	+0.5	37,985	50,733	34,551	+9.9
New orders	41,976	45,146	42,678	-7.0	+5.8	+1.4	36,330	50,764	32,061	+13.3
Unfilled orders	312,221	313,484	312,522	-0.4	+0.3	-0.1	311,341	312,996	327,019	-4.8
Nondefense :										
Shipments	36,453	37,321	36,225	-2.3	+3.0	+1.0	31,861	43,343	27,823	+14.5
New orders	36,103	38,122	35,498	-5.3	+7.4	-0.9	31,554	43,487	26,087	+21.0
Unfilled orders	199,381	199,731	198,930	-0.2	+0.4	-0.4	199,063	199,370	204,589	-2.7
Excluding aircraft and parts :										
Shipments	31,826	32,607	31,883	-2.4	+2.3	+1.9	27,869	37,644	24,162	+15.3
New orders	33,238	34,567	32,103	-3.8	+7.7	-2.5	29,324	38,947	24,210	+21.1
Unfilled orders	85,052	83,640	81,680	+1.7	+2.4	+0.3	84,734	83,279	71,378	+18.7
Defense :										
Shipments	6,786	6,862	6,816	-1.1	+0.7	-2.0	6,124	7,390	6,728	-9.0
New orders	5,873	7,024	7,180	-16.4	-2.2	+14.3	4,776	7,277	5,974	-20.1
Unfilled orders	112,840	113,753	113,592	-0.8	+0.1	+0.3	112,278	113,626	122,430	-8.3

(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 and orders are subject to survey variability and revision. Since the survey panel is not a probability sample, estimates of sampling variability cannot be calculated. Further details on survey design, methodology, and data limitation are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-1(92), "Manufacturers' Shipments, Inventories, and Orders: 1982-1992."

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.

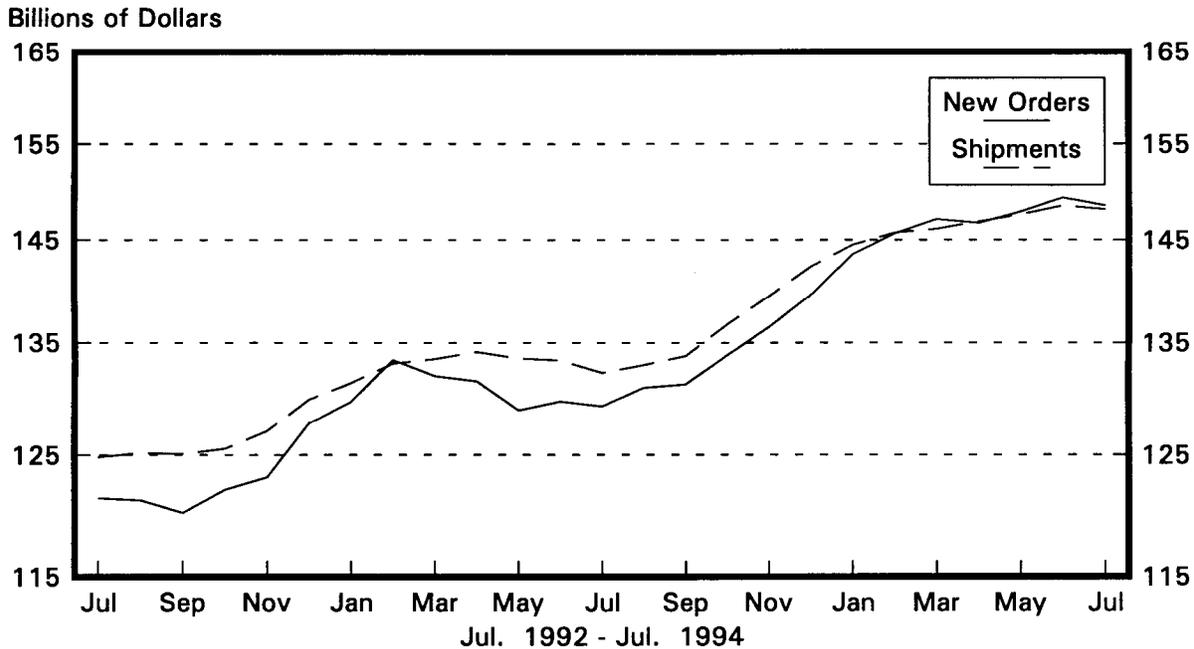
Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago July 1993	July 1989-1993	July 1993- June 1994	Year ago July 1993	July 1989-1993	July 1993- June 1994	Year ago July 1993	July 1989-1993	July 1993- June 1994
Durable goods	0.1	0.3	0.3	1.0	0.7	0.4	0.2	0.2	0.1
Primary metals	0.1	0.8	0.6	1.4	1.2	1.2	0.6	0.5	0.6
Industrial machinery and equipment	1.2	0.9	0.7	0.9	0.6	0.7	0.0	0.1	0.3
Electronic and other electrical equipment	0.6	0.9	0.6	4.1	1.5	1.4	1.0	0.4	0.4
Transportation equipment	0.1	0.7	0.4	1.8	1.6	1.0	0.3	0.3	0.1
Nondefense capital goods	0.4	0.9	0.6	0.2	1.4	0.7	0.0	0.2	0.1
Defense capital goods	0.4	0.9	0.8	11.7	4.3	6.1	0.7	0.3	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.

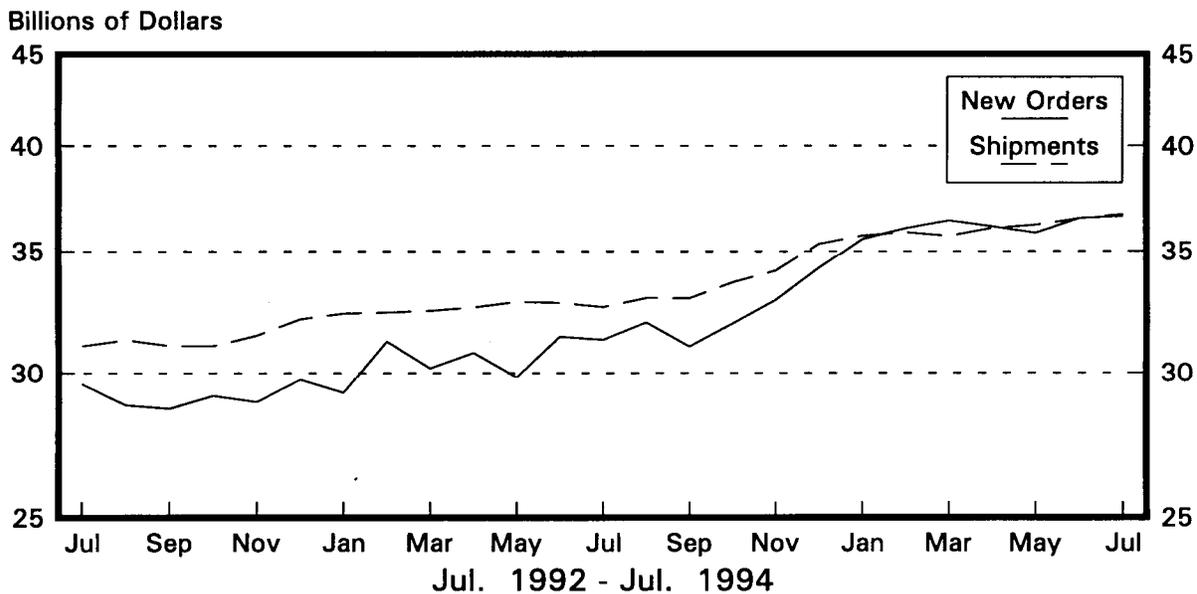
Total Durable Goods

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.