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

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

New Orders

New orders for manufactured durable goods in October decreased \$2.4 billion or 1.5 percent to \$152.8 billion, following a 0.3 percent increase in September, the Department of Commerce, Bureau of the Census reported today. This is the first decline since July and the third this year. Year to date, new orders are 13.9 percent above the same period a year ago.

Transportation equipment had the largest decrease, \$3.6 billion or 9.4 percent to \$35.2 billion, with declines in nearly all industries. This follows increases in September of 0.1 percent and August of 20.1 percent, and is the fifth decrease this year. Furniture and fixtures also declined. Industrial machinery and equipment increased \$0.2 billion or 0.8 percent to \$30.0 billion, following a 0.5 percent decrease in September. Electronic and other electrical equipment increased \$0.1 billion or 0.5 percent to \$23.5 billion, the third consecutive increase and the seventh this year; a large decline in communication equipment was more than offset by increases in the other industries. Instruments and related products also increased.

Shipments

Shipments of durable goods in October decreased \$1.8 billion or 1.2 percent to \$152.5 billion, following a 0.8 percent decline in September. This is the fifth decline this year. Transportation equipment had the largest decline, \$2.2 billion or 5.7 percent to \$37.2 billion. This follows a 2.9 percent decrease in September and is the sixth decline this year. The largest increase was in industrial machinery and equipment, \$0.3 billion or 1.0 percent to \$28.7 billion. This is the sixth consecutive increase. Electronic and other electrical equipment increased \$0.2 billion or 0.7 percent to \$23.5 billion, the twelfth consecutive increase. Year to date, durable goods shipments are 11.4 percent above the same period a year ago.

Unfilled Orders

Unfilled orders for durable goods in October increased \$0.3 billion or 0.1 percent to \$424.8 billion. This follows an increase in September of 0.2 percent and is the sixth increase this year. Industrial machinery and equipment, up for the sixteenth consecutive month, increased \$1.3 billion or 2.0 percent to \$65.7 billion; increases were widespread. Primary metals increased \$0.9 billion or 3.4 percent to \$27.8 billion, the eleventh consecutive monthly increase. Instruments and related products also increased. Transportation equipment, down twenty-nine of the last thirty months, had the largest decrease, \$2.0 billion or 1.0 percent to \$201.8 billion, due to aircraft and parts.

Capital Goods Industries

Defense - New orders were down \$1.2 billion or 16.9 percent to \$5.7 billion, primarily due to shipbuilding and tanks. This follows an increase of 11.6 percent in September. Shipments increased \$0.1 billion or 1.4 percent to \$6.8 billion, following a decrease of 6.2 percent in September. Unfilled orders decreased \$1.1 billion or 1.0 percent to \$110.6 billion, following an increase of 0.2 percent in September.

Nondefense - New orders decreased \$1.1 billion or 2.9 percent to \$37.8 billion, with the largest decrease in communication equipment. This follows a 3.6 percent increase in September and is the sixth decline this year. Shipments decreased \$0.3 billion or 0.9 percent to \$38.1 billion, following an increase of 1.5 percent in September. This is the fourth decline this year. Unfilled orders decreased \$0.3 billion or 0.2 percent to \$199.1 billion. Excluding aircraft and parts, new orders decreased \$0.2 billion or 0.4 percent, following a 3.2 percent increase in September; shipments increased \$0.1 billion or 0.2 percent, following a 1.3 percent increase; unfilled orders increased \$1.5 billion or 1.7 percent, the seventeenth 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 December 2, 1994. The advance report on durable goods for November is scheduled for December 23, 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 Oct.94/93
	Oct. 1994 ²	Sept. 1994 ^r	Aug. 1994	Sept.- Oct. ²	Aug.- Sept. ^r	July- Aug.	Oct. 1994 ²	Sept. 1994 ^r	Oct. 1993	
DURABLE GOODS										
Total :										
Shipments	152,498	154,326	155,619	-1.2	-0.8	+6.2	157,845	164,272	144,241	+9.4
New orders	152,816	155,195	154,675	-1.5	+0.3	+6.5	157,809	162,556	142,295	+10.9
Unfilled orders	424,806	424,488	423,619	+0.1	+0.2	-0.2	421,251	421,287	423,752	-0.6
Excluding defense :										
Shipments	145,729	147,653	148,506	-1.3	-0.6	+6.4	151,213	157,133	136,774	+10.6
New orders	147,117	148,334	148,528	-0.8	-0.1	+6.3	151,681	155,364	136,204	+11.4
Unfilled orders	314,164	312,776	312,095	+0.4	+0.2	0.0	311,712	311,244	305,101	+2.2
With unfilled orders :										
Shipments	121,306	121,914	122,161	-0.5	-0.2	+3.6	124,369	131,619	113,064	+10.0
New orders	121,624	122,783	121,217	-0.9	+1.3	+3.8	124,333	129,903	111,118	+11.9
Primary metals :										
Shipments	13,493	13,396	13,358	+0.7	+0.3	+4.3	14,028	13,935	11,861	+18.3
New orders	14,414	14,375	13,696	+0.3	+5.0	+5.2	14,227	14,028	11,589	+22.8
Unfilled orders	27,843	26,922	25,943	+3.4	+3.8	+1.3	26,109	25,910	21,116	+23.6
Industrial machinery and equipment:										
Shipments	28,705	28,419	28,407	+1.0	0.0	+4.2	28,125	30,703	23,723	+18.6
New orders	29,963	29,739	29,883	+0.8	-0.5	+4.9	29,988	31,656	24,428	+22.8
Unfilled orders	65,651	64,393	63,073	+2.0	+2.1	+2.4	65,716	63,853	51,323	+28.0
Electronic and other electrical equipment :										
Shipments	23,505	23,347	23,133	+0.7	+0.9	+1.5	23,923	25,691	20,346	+17.6
New orders	23,499	23,392	22,437	+0.5	+4.3	+1.1	24,145	25,176	22,101	+9.2
Unfilled orders	45,448	45,454	45,409	0.0	+0.1	-1.5	45,172	44,950	45,772	-1.3
Transportation equipment :										
Shipments	37,202	39,433	40,612	-5.7	-2.9	+17.1	39,607	40,339	39,473	+0.3
New orders	35,189	38,828	38,798	-9.4	+0.1	+20.1	37,905	39,210	36,568	+3.7
Unfilled orders	201,761	203,774	204,379	-1.0	-0.3	-0.9	200,515	202,217	217,609	-7.9
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	44,908	45,156	45,013	-0.5	+0.3	+3.4	43,545	49,609	39,994	+8.9
New orders	43,509	45,817	43,742	-5.0	+4.7	+4.5	43,297	49,597	37,744	+14.7
Unfilled orders	309,775	311,174	310,513	-0.4	+0.2	-0.4	308,617	308,865	318,252	-3.0
Nondefense :										
Shipments	38,139	38,483	37,900	-0.9	+1.5	+3.3	36,913	42,470	32,527	+13.5
New orders	37,810	38,956	37,595	-2.9	+3.6	+3.5	37,169	42,405	31,653	+17.4
Unfilled orders	199,133	199,462	198,989	-0.2	+0.2	-0.2	199,078	198,822	199,601	-0.3
Excluding aircraft and parts :										
Shipments	33,652	33,588	33,141	+0.2	+1.3	+3.3	32,738	37,179	27,839	+17.6
New orders	35,103	35,259	34,158	-0.4	+3.2	+2.1	34,774	38,312	29,147	+19.3
Unfilled orders	89,104	87,653	85,982	+1.7	+1.9	+1.2	89,049	87,013	73,474	+21.2
Defense :										
Shipments	6,769	6,673	7,113	+1.4	-6.2	+4.0	6,632	7,139	7,467	-11.2
New orders	5,699	6,861	6,147	-16.9	+11.6	+10.8	6,128	7,192	6,091	+0.6
Unfilled orders	110,642	111,712	111,524	-1.0	+0.2	-0.9	109,539	110,043	118,651	-7.7

(NA) Not available. ^r 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)

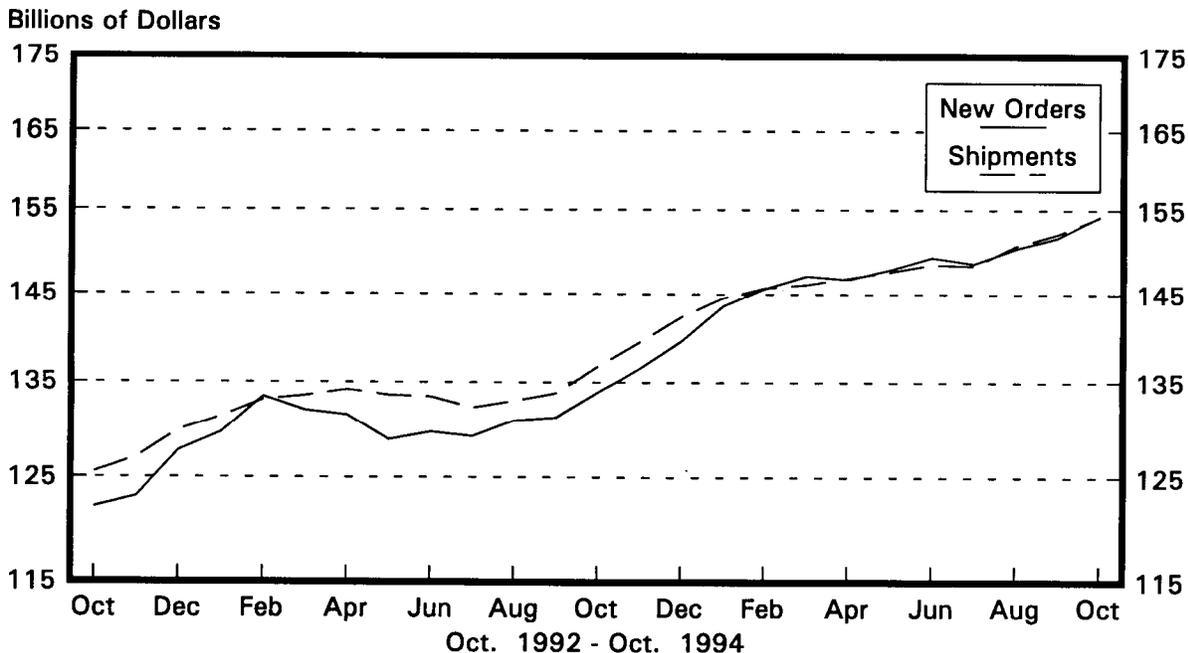
Industry	Shipments			New Orders			Unfilled Orders		
	Year ago	Oct.	Oct. 1993-	Year ago	Oct.	Oct. 1993-	Year ago	Oct.	Oct. 1993-
	Oct. 1993	1989-1993	Sept. 1994	Oct. 1993	1989-1993	Sept. 1994	Oct. 1993	1989-1993	Sept. 1994
Durable goods	0.5	0.3	0.3	0.6	0.4	0.3	0.0	0.1	0.1
Primary metals	0.3	0.4	0.6	1.3	0.6	1.1	0.5	0.4	0.6
Industrial machinery and equipment	0.6	0.8	0.7	0.7	1.1	0.8	0.3	0.1	0.2
Electronic and other electrical equipment	2.6	0.8	0.6	3.5	1.3	1.1	0.4	0.2	0.3
Transportation equipment	0.3	0.5	0.6	0.2	0.6	1.0	0.1	0.1	0.1
Nondefense capital goods	0.5	0.5	0.7	1.5	1.1	0.9	0.2	0.1	0.1
Defense capital goods	3.6	0.8	0.9	5.7	2.4	6.5	0.1	0.1	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 to s for the months specified.

Total Durable Goods

New Orders and Shipments

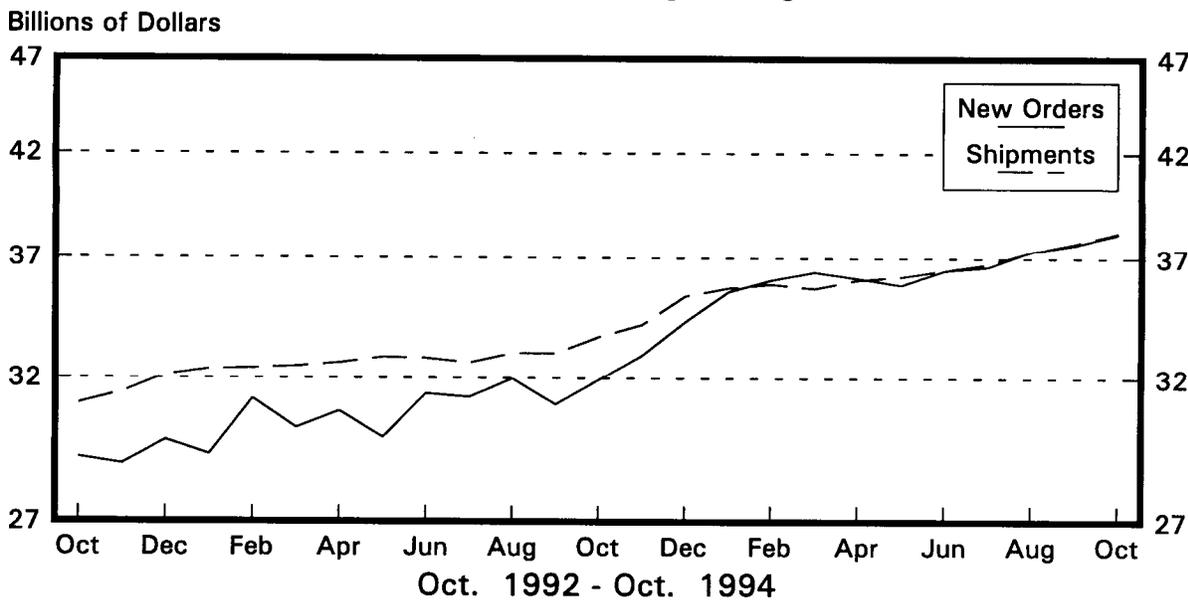
Three Month Moving Averages



Nondefense Capital Goods

New Orders and Shipments

Three Month Moving Averages



Note: All Charts based on seasonally adjusted current dollars.