

UNITED STATES DEPARTMENT OF  
**COMMERCE**  
**NEWS**  
WASHINGTON, DC 20230

**ECONOMICS  
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M3-1(98)-08

For Release 10:00 A.M. EDT  
September 24, 1998  
CB98-182

ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS  
August 1998

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

• **NEW ORDERS** New orders for manufactured durable goods in August increased \$3.0 billion or 1.6 percent to \$189.4 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 1.9 percent July increase and is the fourth increase in the last five months. Excluding transportation, new orders decreased 2.1 percent, the first decrease since May. Year-to-date, new orders are 4.1 percent above the same period a year ago.

Transportation equipment, up for the second consecutive month, had the largest increase, \$6.0 billion or 15.1 percent to \$45.8 billion; led by aircraft and parts and motor vehicles and parts, all industries increased. This follows a 1.1 percent July increase. Primary metals, up for the first month since April, increased \$0.3 billion or 2.0 percent to \$14.5 billion, following a 1.3 percent July decrease. Industrial machinery and equipment, up for the third consecutive month, increased slightly to \$37.5 billion. This follows a 1.7 percent July increase. Electronic and other electrical equipment, down for the first month since May, decreased \$2.6 billion or 7.9 percent to \$30.2 billion, mostly due to a decrease in electronic components. This follows a 9.0 percent July increase. Instruments and related products, down three of the last four months, also declined.

• **SHIPMENTS** Shipments of durable goods in August increased \$2.1 billion or 1.1 percent to \$188.9 billion. This follows a 0.2 percent July increase and is the third consecutive monthly increase. Year-to-date, shipments are 5.2 percent above the same period a year ago.

Transportation equipment, up for the first month since March, had the largest increase, \$3.4 billion or 8.4 percent to \$43.9 billion. This follows a 0.7 percent July decrease. Primary metals, up for the first month since February, increased \$0.2 billion or 1.1 percent to \$15.1 billion, following a 0.5 percent July decrease. Industrial machinery and equipment, down three of the last four months, decreased \$1.0 billion or 2.5 percent to \$36.8 billion. This follows a 0.4 percent July decrease. Electronic and other electrical equipment, down for the first month since May, decreased \$0.2 billion or 0.7 percent to \$31.0 billion, following a 1.1 percent July increase.

• **UNFILLED ORDERS** Unfilled orders for durable goods in August increased \$0.5 billion or 0.1 percent to \$505.0 billion. This follows a 0.1 percent July decrease and is the first increase since April. Transportation equipment, up for the first month since April, had the largest increase, \$1.8 billion or 0.7 percent to \$252.4 billion. This follows a 0.3 percent July decrease. Industrial machinery and equipment, up for the first month since March, increased \$0.7 billion or 1.0 percent to \$73.4 billion, following a 0.3 percent July decrease. Electronic and other electrical equipment decreased \$0.8 billion or 1.4 percent to \$58.0 billion. This follows a 2.7 percent July increase and is the third decline in the last four months. Primary metals decreased \$0.6 billion or 1.9 percent to \$31.7 billion. This follows a 2.1 percent July decrease and is the sixth consecutive monthly decline. Instruments and related products, down for the seventh consecutive month, also declined.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in August, down three of the last four months, decreased \$0.6 billion or 10.7 percent to \$4.9 billion, following a 2.2 percent July decrease. Shipments increased \$0.2 billion or 3.0 percent to \$6.7 billion, following a 3.0 percent July increase. Unfilled orders, down six of the last seven months, decreased \$1.8 billion or 1.8 percent to \$96.6 billion, following a 1.0 percent July decrease.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in August, up two of the last three months, increased \$3.9 billion or 7.7 percent to \$54.6 billion, following a 0.8 percent July decrease. Shipments, down for the second consecutive month, decreased \$0.3 billion or 0.5 percent to \$51.0 billion. This follows a 2.2 percent July decrease. Unfilled orders, up for the first month since May, increased \$3.6 billion or 1.4 percent to \$266.0 billion, following a 0.2 percent July decrease. Excluding aircraft and parts, new orders increased \$0.5 billion or 1.2 percent to \$44.1 billion, the third increase in the last four months; shipments decreased \$0.5 billion or 1.1 percent to \$43.6 billion, the fourth decline in the last five months; and unfilled orders increased \$0.5 billion or 0.5 percent to \$104.8 billion, the first increase since May.

• **REVISED JULY DATA** Revised seasonally adjusted July figures for all manufacturing industries are: shipments, \$335.8 billion (revised from \$334.9 billion); new orders, \$335.2 billion (unrevised from \$335.2 billion); unfilled orders, \$528.9 billion (revised from \$529.8 billion); and total inventories, \$468.0 billion (revised from \$468.1 billion).

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

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

Item	Seasonally adjusted						Not seasonally adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent change Aug. 98/97
	Aug. 1998 <sup>2</sup>	July 1998 <sup>2</sup>	June 1998	July-Aug. <sup>2</sup>	June-July <sup>2</sup>	May-June	Aug. 1998 <sup>2</sup>	July 1998 <sup>2</sup>	Aug. 1997	
<b>DURABLE GOODS</b>										
<b>Total :</b>										
Shipments . . . . .	188,894	186,828	186,536	+1.1	+0.2	+0.4	186,545	158,946	178,322	+4.6
New orders . . . . .	189,391	186,428	182,986	+1.6	+1.9	+0.1	184,805	162,482	182,130	+1.5
Unfilled orders . . . . .	504,985	504,488	504,888	+0.1	-0.1	-0.7	503,719	505,459	496,768	+1.4
<b>Excluding defense :</b>										
Shipments . . . . .	182,204	180,335	180,232	+1.0	+0.1	+0.6	180,100	153,255	172,493	+4.4
New orders . . . . .	184,456	180,900	177,331	+2.0	+2.0	0.0	181,244	158,563	178,088	+1.8
Unfilled orders . . . . .	408,361	406,109	405,544	+0.6	+0.1	-0.7	408,709	407,565	393,461	+3.9
<b>With unfilled orders :</b>										
Shipments . . . . .	156,179	156,092	155,680	+0.1	+0.3	+1.4	153,025	135,854	145,700	+5.0
New orders . . . . .	156,676	155,692	152,130	+0.6	+2.3	+1.0	151,285	139,390	149,508	+1.2
<b>Primary metals :</b>										
Shipments . . . . .	15,140	14,969	15,049	+1.1	-0.5	-0.8	15,057	13,582	15,695	-4.1
New orders . . . . .	14,542	14,263	14,453	+2.0	-1.3	-3.3	14,159	12,755	15,859	-10.7
Unfilled orders . . . . .	31,703	32,301	33,007	-1.9	-2.1	-1.8	31,190	32,088	32,864	-5.1
<b>Industrial machinery and equipment:</b>										
Shipments . . . . .	36,806	37,759	37,915	-2.5	-0.4	+3.7	33,959	32,204	31,849	+6.6
New orders . . . . .	37,545	37,534	36,922	0.0	+1.7	+1.9	34,612	32,070	32,038	+8.0
Unfilled orders . . . . .	73,371	72,632	72,857	+1.0	-0.3	-1.3	72,486	71,833	73,289	-1.1
<b>Electronic and other electrical equipment :</b>										
Shipments . . . . .	31,005	31,223	30,882	-0.7	+1.1	+3.7	30,208	27,049	29,146	+3.6
New orders . . . . .	30,196	32,780	30,072	-7.9	+9.0	+3.2	28,789	32,181	33,634	-14.4
Unfilled orders . . . . .	58,037	58,846	57,289	-1.4	+2.7	-1.4	59,004	60,423	56,693	+4.1
<b>Transportation equipment :</b>										
Shipments . . . . .	43,945	40,552	40,857	+8.4	-0.7	-6.2	44,171	28,518	41,490	+6.5
New orders . . . . .	45,774	39,782	39,349	+15.1	+1.1	-7.2	45,161	27,428	41,026	+10.1
Unfilled orders . . . . .	252,386	250,557	251,327	+0.7	-0.3	-0.6	251,220	250,230	242,826	+3.5
<b>CAPITAL GOODS INDUSTRIES<sup>3</sup></b>										
<b>Total :</b>										
Shipments . . . . .	57,669	57,741	58,709	-0.1	-1.6	+2.7	53,997	49,945	50,196	+7.6
New orders . . . . .	59,486	56,175	56,708	+5.9	-0.9	+0.8	54,551	47,642	48,898	+11.6
Unfilled orders . . . . .	362,582	360,765	362,331	+0.5	-0.4	-0.5	360,227	359,673	352,530	+2.2
<b>Nondefense :</b>										
Shipments . . . . .	50,979	51,248	52,405	-0.5	-2.2	+3.6	47,552	44,254	44,367	+7.2
New orders . . . . .	54,551	50,647	51,053	+7.7	-0.8	+0.4	50,990	43,723	44,856	+13.7
Unfilled orders . . . . .	265,958	262,386	262,987	+1.4	-0.2	-0.5	265,217	261,779	249,223	+6.4
<b>Excluding aircraft and parts :</b>										
Shipments . . . . .	43,586	44,062	45,014	-1.1	-2.1	+4.7	40,620	37,777	38,077	+6.7
New orders . . . . .	44,135	43,598	44,412	+1.2	-1.8	+3.2	41,035	37,383	37,620	+9.1
Unfilled orders . . . . .	104,810	104,261	104,725	+0.5	-0.4	-0.6	104,069	103,654	100,109	+4.0
<b>Defense :</b>										
Shipments . . . . .	6,690	6,493	6,304	+3.0	+3.0	-3.9	6,445	5,691	5,829	+10.6
New orders . . . . .	4,935	5,528	5,655	-10.7	-2.2	+4.8	3,561	3,919	4,042	-11.9
Unfilled orders . . . . .	96,624	98,379	99,344	-1.8	-1.0	-0.6	95,010	97,894	103,307	-8.0

(NA) Not available. <sup>1</sup> Revised.

<sup>1</sup> 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 variation.

<sup>2</sup> 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."

<sup>3</sup> 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 industrial 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.

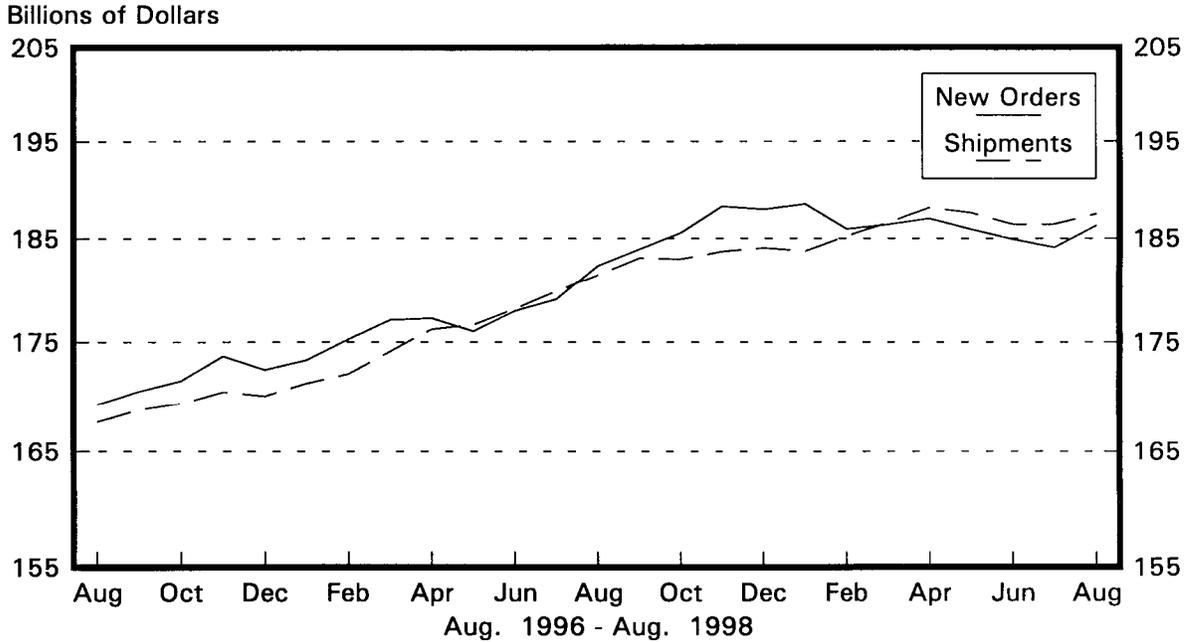
**Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES**  
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Aug. 1997	Aug. 1993-1997	Aug. 1997- July 1998	Year ago Aug. 1997	Aug. 1993-1997	Aug. 1997- July 1998	Year ago Aug. 1997	Aug. 1993-1997	Aug. 1997- July 1998
Durable goods . . . . .	0.1	0.3	0.3	0.1	0.3	0.7	0.0	0.1	0.2
Primary metals . . . . .	0.3	0.3	0.4	1.6	0.7	0.8	1.0	0.4	0.4
Industrial machinery and equipment . . . . .	0.3	0.4	0.7	0.0	0.5	0.6	0.2	0.3	0.2
Electronic and other electrical equipment . . . . .	0.7	0.3	0.8	1.0	0.6	2.1	0.2	0.2	0.6
Transportation equipment . . . . .	0.4	0.7	1.4	1.2	1.0	1.6	0.1	0.1	0.2
Nondefense capital goods . . . . .	0.0	0.3	0.7	0.1	0.4	0.9	0.0	0.1	0.2
Defense capital goods . . . . .	1.0	0.7	0.9	6.0	3.6	7.6	0.3	0.2	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 for the months specified.

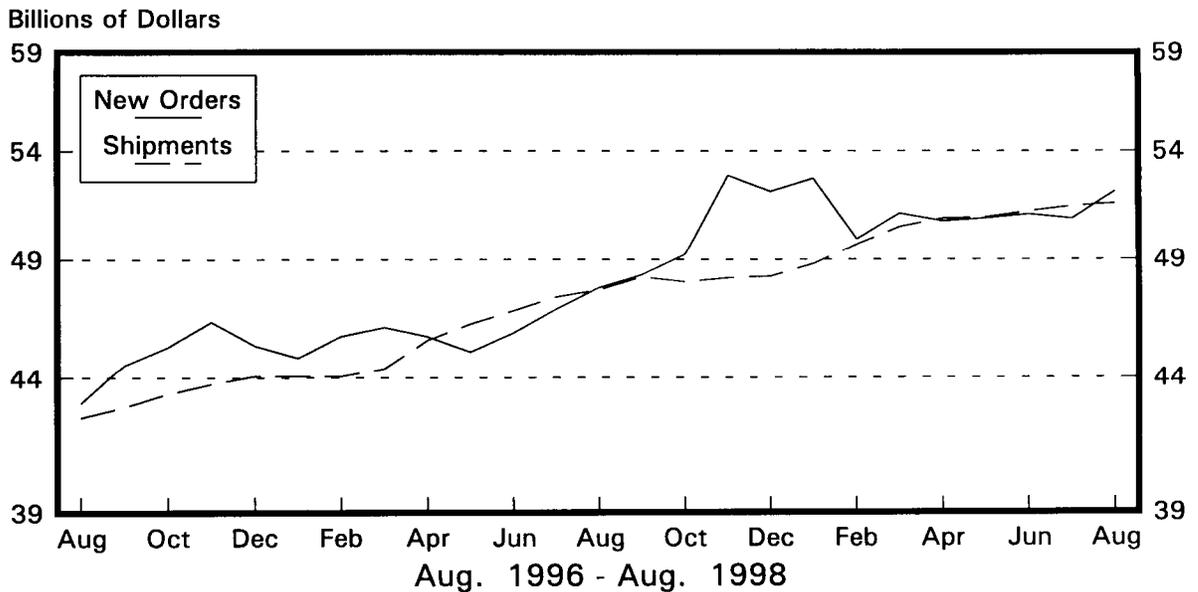
# Total Durable Goods

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.