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

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

• **NEW ORDERS** New orders for manufactured durable goods in December increased \$3.6 billion or 1.9 percent to \$192.7 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 0.3 percent November increase and is the sixth increase in the last seven months and the eighth this year. Excluding transportation, new orders increased 2.8 percent, the second consecutive increase. New orders for 1998 are 3.4 percent above 1997.

Industrial machinery and equipment, up three of the last four months, had the largest increase, \$2.5 billion or 6.9 percent to \$38.2 billion. This follows a 0.5 percent November increase. Electronic and other electrical equipment, up three of the last four months, increased \$1.0 billion or 3.3 percent to \$33.0 billion. This follows a 4.2 percent November decrease. Transportation equipment, down three of the last four months, decreased \$0.5 billion or 1.1 percent to \$44.4 billion; a decrease in aircraft and parts more than offset increases in the other categories. This follows a 0.2 percent November increase. Primary metals, down three of the last four months, decreased \$0.3 billion or 2.0 percent to \$14.3 billion, following a 9.1 percent November increase.

• **SHIPMENTS** Shipments of durable goods in December increased \$0.8 billion or 0.4 percent to \$195.6 billion. This follows a 0.5 percent November increase and is the seventh consecutive monthly increase and the ninth this year. Shipments for 1998 are 5.3 percent above 1997.

Industrial machinery and equipment, up three of the last four months, had the largest increase, \$0.5 billion or 1.4 percent to \$37.2 billion. This follows a 0.9 percent November decrease. Electronic and other electrical equipment, up six of the last seven months, increased \$0.2 billion or 0.7 percent to \$32.8 billion, following a 1.2 percent November increase. Primary metals, up for the first month since August, increased 0.1 percent to \$14.3 billion, following a 2.1 percent November decrease. Transportation equipment, down for the first month since July, decreased \$0.3 billion or 0.6 percent to \$48.1 billion. This follows a 0.6 percent November increase. Instruments and related products, down two of the last three months, also declined.

• **UNFILLED ORDERS** Unfilled orders for durable goods in December decreased \$2.9 billion or 0.6 percent to \$492.2 billion. This follows a 1.1 percent November decrease and is the seventh decline in the last eight months. Transportation equipment, down seven of the last eight months, had the largest decrease, \$3.6 billion or 1.5 percent to \$241.2 billion. This follows a 1.4 percent November decrease. Primary metals, down nine of the last ten months, decreased 0.1 percent to \$29.6 billion. This follows a 0.9 percent November increase. Instruments and related products, down ten of the last eleven months, also decreased. Industrial machinery and equipment, up for the first month since September, increased \$1.0 billion or 1.3 percent to \$74.1 billion, following a 1.4 percent November decrease. Electronic and other electrical equipment, up three of the last four months, increased \$0.2 billion or 0.3 percent to \$59.9 billion. This follows a 1.1 percent November decrease.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in December, up for the first month since September, increased \$0.5 billion or 8.7 percent to \$5.9 billion, following a 14.9 percent November decrease. Shipments, down three of the last four months, decreased \$0.2 billion or 3.2 percent to \$6.7 billion, following a 2.2 percent November decrease. Unfilled orders, down seven of the last eight months, decreased \$0.8 billion or 0.9 percent to \$94.0 billion, following a 1.6 percent November decrease.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in December, up for the second consecutive month, increased \$0.5 billion or 1.0 percent to \$51.2 billion, following a 1.2 percent November increase. Shipments, down for the first month since August, decreased \$0.2 billion or 0.4 percent to \$54.0 billion. This follows a 0.7 percent November increase. Unfilled orders, down for the third consecutive month, decreased \$2.8 billion or 1.1 percent to \$256.7 billion, following a 1.3 percent November decrease. Excluding aircraft and parts, new orders increased \$2.9 billion or 6.7 percent to \$46.8 billion, the fourth increase in the last five months; shipments increased \$0.7 billion or 1.6 percent to \$45.5 billion, the first increase since September; unfilled orders increased \$1.3 billion or 1.2 percent to \$106.5 billion, also the first increase since September.

• **REVISED NOVEMBER DATA** Revised seasonally adjusted November figures for all manufacturing industries are: shipments, \$341.1 billion (revised from \$341.4 billion); new orders, \$335.6 billion (revised from \$336.6 billion); unfilled orders, \$519.2 billion (revised from \$520.0 billion); and total inventories, \$471.6 billion (revised from \$471.7 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 <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent change Dec.98/97
	Dec. 1998 <sup>2</sup>	Nov. 1998 <sup>2</sup>	Oct. 1998	Nov.- Dec. <sup>2</sup>	Oct.- Nov. <sup>2</sup>	Sept.- Oct.	Dec. 1998 <sup>2</sup>	Nov. 1998 <sup>2</sup>	Dec. 1997	
<b>DURABLE GOODS</b>										
<b>Total :</b>										
Shipments . . . . .	195,553	194,752	193,818	+0.4	+0.5	+0.5	197,888	194,643	187,147	+5.7
New orders . . . . .	192,676	189,077	188,523	+1.9	+0.3	-2.2	193,943	186,744	185,604	+4.5
Unfilled orders . . . . .	492,207	495,084	500,759	-0.6	-1.1	-1.0	487,676	491,621	506,334	-3.7
<b>Excluding defense :</b>										
Shipments . . . . .	188,860	187,837	186,750	+0.5	+0.6	+0.3	190,234	187,500	180,047	+5.7
New orders . . . . .	186,796	183,670	182,170	+1.7	+0.8	-1.9	185,529	180,782	175,807	+5.5
Unfilled orders . . . . .	398,191	400,255	404,422	-0.5	-1.0	-1.1	393,923	398,628	404,118	-2.5
<b>With unfilled orders :</b>										
Shipments . . . . .	161,555	161,606	160,571	0.0	+0.6	+0.7	167,533	161,674	158,298	+5.8
New orders . . . . .	158,678	155,931	155,276	+1.8	+0.4	-2.6	163,588	153,775	156,755	+4.4
<b>Primary metals :</b>										
Shipments . . . . .	14,300	14,290	14,590	+0.1	-2.1	-2.4	13,057	13,912	14,414	-9.4
New orders . . . . .	14,266	14,553	13,343	-2.0	+9.1	-4.1	13,822	14,129	15,307	-9.7
Unfilled orders . . . . .	29,617	29,651	29,388	-0.1	+0.9	-4.1	28,832	28,067	34,338	-16.0
<b>Industrial machinery and equipment:</b>										
Shipments . . . . .	37,179	36,681	37,011	+1.4	-0.9	+0.6	40,449	34,507	38,637	+4.7
New orders . . . . .	38,156	35,677	35,503	+6.9	+0.5	-8.9	40,892	34,042	37,061	+10.3
Unfilled orders . . . . .	74,095	73,118	74,122	+1.3	-1.4	-2.0	74,134	73,691	73,425	+1.0
<b>Electronic and other electrical equipment :</b>										
Shipments . . . . .	32,815	32,596	32,219	+0.7	+1.2	-0.6	36,680	33,994	33,869	+8.3
New orders . . . . .	32,996	31,947	33,348	+3.3	-4.2	+1.5	34,508	31,030	31,579	+9.3
Unfilled orders . . . . .	59,910	59,729	60,378	+0.3	-1.1	+1.9	57,659	59,831	53,306	+8.2
<b>Transportation equipment :</b>										
Shipments . . . . .	48,054	48,322	48,017	-0.6	+0.6	+3.1	46,754	49,742	42,401	+10.3
New orders . . . . .	44,440	44,939	44,870	-1.1	+0.2	-0.5	44,202	46,506	43,301	+2.1
Unfilled orders . . . . .	241,250	244,864	248,247	-1.5	-1.4	-1.3	240,671	243,223	254,517	-5.4
<b>CAPITAL GOODS INDUSTRIES<sup>3</sup></b>										
<b>Total :</b>										
Shipments . . . . .	60,722	61,145	60,938	-0.7	+0.3	+1.5	70,876	60,067	65,216	+8.7
New orders . . . . .	57,123	56,141	56,491	+1.7	-0.6	-6.8	68,231	55,792	64,845	+5.2
Unfilled orders . . . . .	350,706	354,305	359,309	-1.0	-1.4	-1.2	350,195	352,840	363,432	-3.6
<b>Nondefense :</b>										
Shipments . . . . .	54,029	54,230	53,870	-0.4	+0.7	+0.8	63,222	52,924	58,116	+8.8
New orders . . . . .	51,243	50,734	50,138	+1.0	+1.2	-6.4	59,817	49,830	55,048	+8.7
Unfilled orders . . . . .	256,690	259,476	262,972	-1.1	-1.3	-1.4	256,442	259,847	261,216	-1.8
<b>Excluding aircraft and parts :</b>										
Shipments . . . . .	45,475	44,757	44,985	+1.6	-0.5	-0.1	52,843	43,184	48,786	+8.3
New orders . . . . .	46,786	43,845	43,030	+6.7	+1.9	-9.7	53,535	42,674	47,948	+11.7
Unfilled orders . . . . .	106,465	105,154	106,066	+1.2	-0.9	-1.8	106,217	105,525	103,172	+3.0
<b>Defense :</b>										
Shipments . . . . .	6,693	6,915	7,068	-3.2	-2.2	+7.0	7,654	7,143	7,100	+7.8
New orders . . . . .	5,880	5,407	6,353	+8.7	-14.9	-9.8	8,414	5,962	9,797	-14.1
Unfilled orders . . . . .	94,016	94,829	96,337	-0.9	-1.6	-0.7	93,753	92,993	102,216	-8.3

(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 variations.

<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 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)

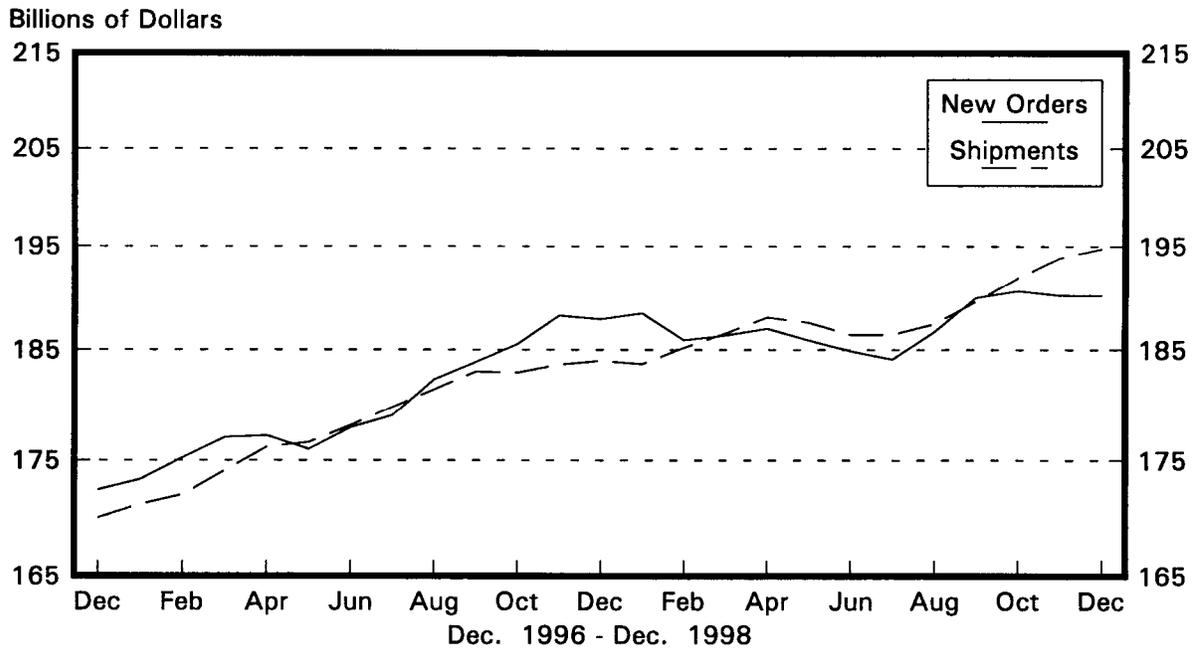
Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Dec. 1997	Dec. 1993-1997	Dec. 1997- Nov. 1998	Year ago Dec. 1997	Dec. 1993-1997	Dec. 1997- Nov. 1998	Year ago Dec. 1997	Dec. 1993-1997	Dec. 1997- Nov. 1998
Durable goods . . . . .	0.2	0.3	0.4	0.6	0.6	0.8	0.2	0.2	0.2
Primary metals . . . . .	0.1	0.9	0.5	0.1	1.2	0.7	0.0	0.5	0.3
Industrial machinery and equipment . . . . .	0.2	0.6	0.8	0.7	0.7	0.7	0.6	0.4	0.3
Electronic and other electrical equipment . . . . .	0.4	0.6	0.8	2.3	1.3	2.4	0.2	0.2	0.8
Transportation equipment . . . . .	1.2	0.7	1.5	0.4	2.4	1.6	0.2	0.4	0.2
Nondefense capital goods . . . . .	0.3	0.5	0.9	0.5	1.2	1.0	0.2	0.3	0.2
Defense capital goods . . . . .	0.2	1.7	0.8	0.5	9.5	6.6	0.1	0.5	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 to for the months specified.

# Total Durable Goods

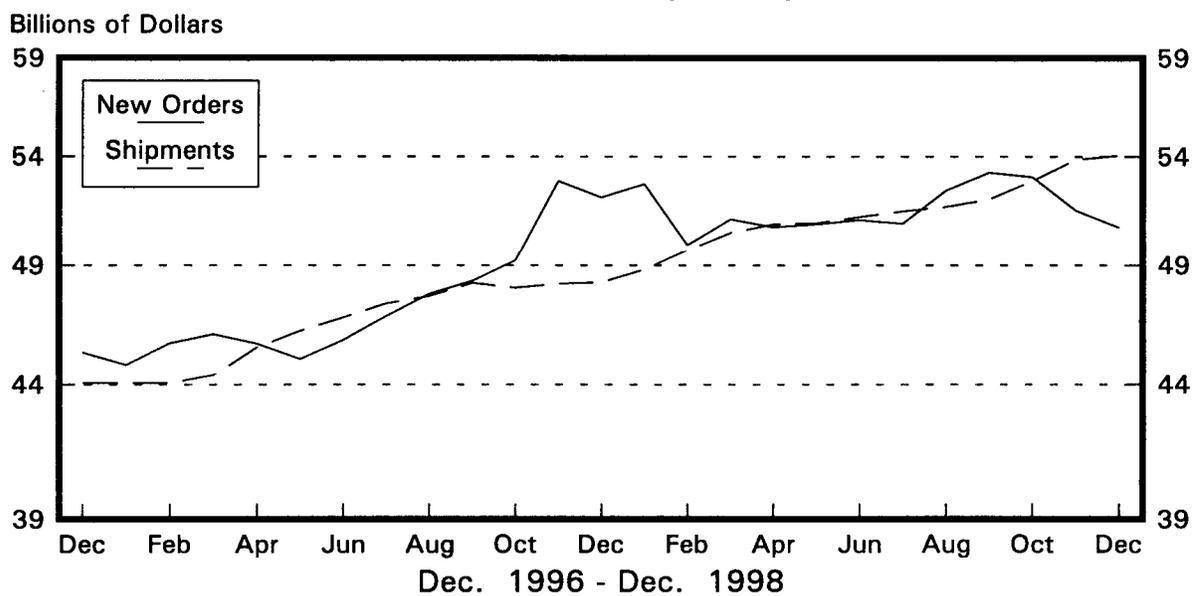
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New Orders and Shipments  
Three Month Moving Averages



# Nondefense Capital Goods

New Orders and Shipments  
Three Month Moving Averages



Note: All Charts based on seasonally adjusted current dollars.

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**PUBLICATION DATES FOR THE 1998/1999 MONTHLY "M3" SURVEY  
 MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS**

<b>RELEASE DATES</b>		
<b>REPORT COVERING</b>	<b>ADVANCE REPORT (8:30 a.m. release time)</b>	<b>REGULAR REPORT (10:00 a.m. release time)</b>
December 1998	Thur., Jan. 28	Thur., Feb 4
January 1999	Thur., Feb. 25	Thur., Mar. 4
February 1999	Wed., Mar. 24	Wed., Mar. 31
March 1999	Wed., Apr. 28	Wed., May 5
April 1999	Wed., May 26	Thur., June 3
May 1999	Thur, June 24	Fri, July 2
June 1999	Wed., July 28	Wed., Aug. 4
July 1999	Wed., Aug. 25	Thur., Sep. 2
August 1999	Wed., Sept. 29	Wed., Oct. 6
September 1999	Wed., Oct. 27	Wed., Nov. 3
October 1999	Tues., Nov. 23	Fri., Dec. 3
November 1999	Thur, Dec. 23	

