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

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

• **NEW ORDERS** New orders for manufactured durable goods in March increased \$0.7 billion or 0.4 percent to \$186.6 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 0.8 percent February decrease and is the second increase in the last three months. Excluding transportation, new orders increased 0.9 percent, the fourth consecutive monthly increase. Year-to-date, new orders are 5.9 percent above the same period a year ago.

Industrial machinery and equipment, up for the fourth consecutive month, had the largest increase, \$0.7 billion or 1.9 percent to \$37.3 billion. This follows a 3.3 percent February increase. Electronic and other electrical equipment, up three of the last four months, increased \$0.6 billion or 2.0 percent to \$31.5 billion, due to electronic components. This follows a 1.0 percent February decrease. Primary metals, down three of the last four months, decreased \$0.7 billion or 4.4 percent to \$14.8 billion, following a 2.8 percent February increase. Transportation equipment, down three of the last four months, decreased \$0.6 billion or 1.4 percent to \$42.1 billion; decreases, led by aircraft and parts, more than offset increases, led by motor vehicles and parts. This follows a 6.7 percent February decrease.

• **SHIPMENTS** Shipments of durable goods in March increased \$2.6 billion or 1.4 percent to \$190.9 billion. This follows a 2.9 percent February increase and is the third increase in the last four months. Year-to-date shipments are 7.6 percent above the same period a year ago.

Transportation equipment, up for the second consecutive month, had the largest increase, \$1.5 billion or 3.3 percent to \$46.0 billion; led by motor vehicles and parts, all component industries increased. This follows a 4.4 percent February increase. Industrial machinery and equipment, up for the fourth consecutive month, increased \$0.7 billion or 2.0 percent to \$36.8 billion. This follows a 1.2 percent February increase. Electronic and other electrical equipment, up three of the last four months, increased \$0.1 billion or 0.2 percent to \$31.1 billion, following a 4.7 percent February increase. Primary metals, down for the first month since December, decreased \$0.1 billion or 0.6 percent to \$15.4 billion, following a 0.8 percent February increase.

• **UNFILLED ORDERS** Unfilled orders for durable goods in March decreased \$4.3 billion or 0.8 percent to \$513.0 billion. This follows a 0.5 percent February decrease and is the third decrease in the last four months. Transportation equipment, down three of the last four months, had the largest decrease, \$3.9 billion or 1.5 percent to \$258.7 billion, mostly due to aircraft and parts. This follows a 0.7 percent February decrease. Primary metals decreased \$0.6 billion or 1.8 percent to \$33.3 billion. This follows two consecutive monthly declines and twelve consecutive monthly increases. Instruments and related products, down for the second consecutive month, also declined. Industrial machinery and equipment, up for the second consecutive month, increased \$0.5 billion or 0.7 percent to \$73.7 billion, following a 0.7 percent February increase. Electronic and other electrical equipment increased \$0.4 billion or 0.8 percent to \$57.0 billion. This follows a 0.2 percent February decrease and is the second increase in the last three months.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in March, down for the second consecutive month, decreased \$0.5 billion or 8.6 percent to \$4.9 billion, following a 29.4 percent February decrease. Shipments, up six of the last seven months, increased \$0.2 billion or 2.5 percent to \$6.7 billion, following a 0.9 percent February increase. Unfilled orders, down for the second consecutive month, decreased \$1.9 billion or 1.8 percent to \$102.1 billion, following a 1.2 percent February decrease.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in March, down three of the last four months, decreased \$0.4 billion or 0.8 percent to \$49.9 billion, following a 3.6 percent February decrease. Shipments, up for the fourth consecutive month, increased \$1.3 billion or 2.5 percent to \$51.3 billion. This follows a 1.8 percent February increase. Unfilled orders, down for the first month since December, decreased \$1.5 billion or 0.5 percent to \$266.5 billion, following a 0.1 percent February increase. Excluding aircraft and parts, new orders decreased \$0.1 billion or 0.1 percent to \$43.3 billion, the first decrease since November; shipments increased \$1.0 billion or 2.4 percent to \$43.3 billion, the third increase in the last four months; and unfilled orders increased slightly to \$103.8 billion, the eighth increase in the last nine months.

• **REVISED FEBRUARY DATA** Revised seasonally adjusted February figures for all manufacturing industries are: shipments, \$337.9 billion (revised from \$337.5 billion); new orders, \$335.4 billion (revised from \$334.8 billion); unfilled orders, \$543.1 billion (revised from \$542.9 billion); and total inventories, \$458.2 billion (revised from \$457.6 billion).

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

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

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change Mar. 98/97
	Mar. 1998 ²	Feb. 1998 ²	Jan. 1998	Feb.-Mar. ²	Jan.-Feb. ¹	Dec.-Jan.	Mar. 1998 ²	Feb. 1998 ²	Mar. 1997	
DURABLE GOODS										
Total :										
Shipments	190,878	188,277	183,053	+1.4	+2.9	-1.2	206,573	188,905	189,274	+9.1
New orders	186,626	185,932	187,481	+0.4	-0.8	+1.6	200,487	188,418	186,908	+7.3
Unfilled orders	513,011	517,263	519,608	-0.8	-0.5	+0.9	516,041	522,127	502,060	+2.8
Excluding defense :										
Shipments	184,142	181,708	176,542	+1.3	+2.9	-1.4	199,353	182,179	182,674	+9.1
New orders	181,760	180,611	179,943	+0.6	+0.4	+1.4	193,778	182,727	179,248	+8.1
Unfilled orders	410,925	413,307	414,404	-0.6	-0.3	+0.8	411,526	417,101	389,874	+5.6
With unfilled orders :										
Shipments	156,870	154,970	150,999	+1.2	+2.6	-0.6	170,217	153,831	155,695	+9.3
New orders	152,618	152,625	155,427	0.0	-1.8	+2.9	164,131	153,344	153,329	+7.0
Primary metals :										
Shipments	15,412	15,504	15,378	-0.6	+0.8	+0.8	16,018	15,965	15,781	+1.5
New orders	14,805	15,488	15,065	-4.4	+2.8	-1.9	15,330	16,975	16,279	-5.8
Unfilled orders	33,275	33,882	33,898	-1.8	0.0	-0.9	34,709	35,397	31,382	+10.6
Industrial machinery and equipment:										
Shipments	36,781	36,052	35,623	+2.0	+1.2	+0.3	43,390	35,426	38,390	+13.0
New orders	37,285	36,594	35,436	+1.9	+3.3	+2.3	43,002	36,088	37,436	+14.9
Unfilled orders	73,699	73,195	72,653	+0.7	+0.7	-0.3	74,022	74,410	73,707	+0.4
Electronic and other electrical equipment :										
Shipments	31,076	31,002	29,618	+0.2	+4.7	-3.2	33,366	30,237	31,505	+5.9
New orders	31,515	30,884	31,211	+2.0	-1.0	+2.1	31,932	29,913	29,379	+8.7
Unfilled orders	56,951	56,512	56,630	+0.8	-0.2	+2.9	55,963	57,397	52,046	+7.5
Transportation equipment :										
Shipments	46,009	44,518	42,641	+3.3	+4.4	-1.9	50,004	47,390	44,037	+13.5
New orders	42,081	42,676	45,752	-1.4	-6.7	+7.0	47,220	45,758	43,874	+7.6
Unfilled orders	258,711	262,639	264,481	-1.5	-0.7	+1.2	260,891	263,675	258,204	+1.0
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	58,067	56,644	55,680	+2.5	+1.7	+1.8	66,546	54,694	58,218	+14.3
New orders	54,731	55,565	59,648	-1.5	-6.8	+12.9	63,790	54,142	57,831	+10.3
Unfilled orders	368,544	371,880	372,959	-0.9	-0.3	+1.1	371,407	374,163	367,263	+1.1
Nondefense :										
Shipments	51,331	50,075	49,169	+2.5	+1.8	+1.6	59,326	47,968	51,618	+14.9
New orders	49,865	50,244	52,110	-0.8	-3.6	+13.5	57,081	48,451	50,171	+13.8
Unfilled orders	266,458	267,924	267,755	-0.5	+0.1	+1.1	266,892	269,137	255,077	+4.6
Excluding aircraft and parts :										
Shipments	43,306	42,280	41,274	+2.4	+2.4	0.0	50,156	40,533	44,117	+13.7
New orders	43,311	43,365	42,249	-0.1	+2.6	+2.7	49,382	41,932	43,978	+12.3
Unfilled orders	103,849	103,844	102,759	0.0	+1.1	+1.0	104,283	105,057	98,033	+6.4
Defense :										
Shipments	6,736	6,569	6,511	+2.5	+0.9	+3.7	7,220	6,726	6,600	+9.4
New orders	4,866	5,321	7,538	-8.6	-29.4	+8.8	6,709	5,691	7,660	-12.4
Unfilled orders	102,086	103,956	105,204	-1.8	-1.2	+1.0	104,515	105,026	112,186	-6.8

(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, 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."

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.

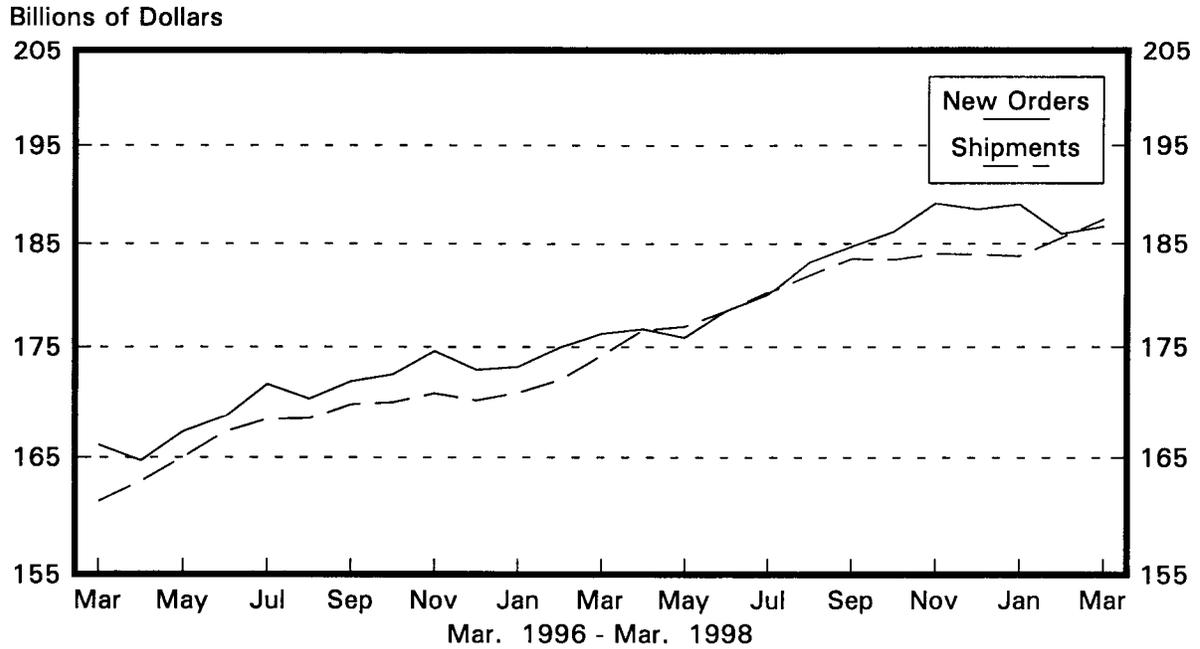
Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago Mar. 1997	Mar. 1993-1997	Mar. 1997- Feb. 1998	Year ago Mar. 1997	Mar. 1993-1997	Mar. 1997- Feb. 1998	Year ago Mar. 1997	Mar. 1993-1997	Mar. 1997- Feb. 1998
Durable goods	0.2	0.3	0.3	0.8	0.5	0.5	0.3	0.2	0.1
Primary metals	0.9	0.7	0.3	1.8	0.8	0.7	0.5	0.4	0.3
Industrial machinery and equipment	0.1	0.6	0.5	1.4	1.0	0.7	0.7	0.4	0.2
Electronic and other electrical equipment	0.1	0.3	0.4	0.1	0.6	1.1	0.1	0.2	0.5
Transportation equipment	0.3	0.6	0.7	0.4	2.1	1.5	0.1	0.3	0.2
Nondefense capital goods	0.7	0.6	0.6	1.5	2.1	0.9	0.4	0.4	0.2
Defense capital goods	0.2	0.5	0.8	4.6	4.3	4.6	0.3	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 to the months specified.

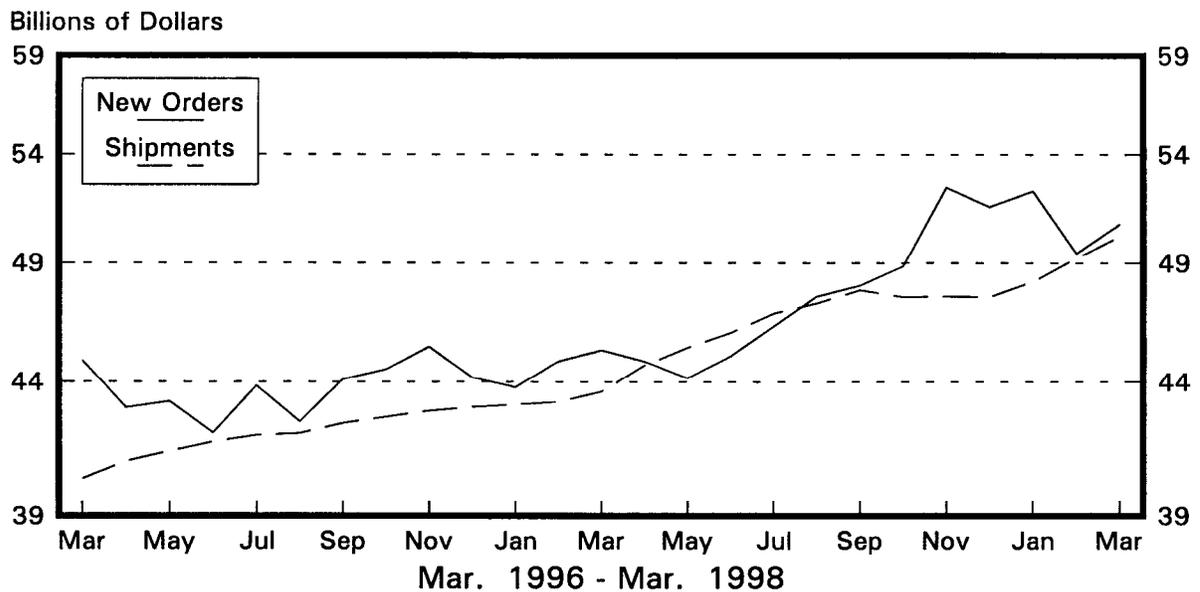
Total Durable Goods

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.