

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

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For Release 8:30 A.M. EDT  
November 23, 1999  
CB99-223

ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS  
October 1999

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

● **NEW ORDERS** New orders for manufactured durable goods in October decreased \$2.5 billion or 1.3 percent to \$200.9 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 1.9 percent September decrease. Excluding transportation, new orders decreased 2.6 percent. Year-to-date, new orders are 6.9 percent above the same period a year ago.

Electronic and other electrical equipment had the largest decrease, \$5.9 billion or 15.3 percent to \$32.3 billion. This is the largest decrease since July 1997. Primary metals, down three consecutive months, decreased \$0.1 billion or 0.7 percent to \$15.3 billion. Transportation equipment, up five of the last six months, increased \$1.6 billion or 3.4 percent to \$48.3 billion, due to aircraft and parts. Industrial machinery and equipment increased \$1.1 billion or 2.8 percent to \$40.0 billion.

● **SHIPMENTS** Shipments of durable goods in October increased \$1.5 billion or 0.7 percent to \$203.3 billion, following a 1.9 percent September decrease. This is the fifth increase in the last six months. Year-to-date, shipments are 6.2 percent above the same period a year ago.

Industrial machinery and equipment had the largest increase, \$2.2 billion or 5.8 percent to \$39.9 billion. This is the largest increase since July 1987. Transportation equipment decreased \$0.5 billion or 1.1 percent to \$48.1 billion. Electronic and other electrical equipment, down three consecutive months, decreased \$0.4 billion or 1.1 percent to \$34.9 billion. Primary metals, down for the first time since April, decreased \$0.1 billion or 0.7 percent to \$15.2 billion.

● **UNFILLED ORDERS** Unfilled orders for durable goods in October decreased \$2.4 billion or 0.5 percent to \$497.2 billion, following a 0.3 percent September increase. This is the first decrease since June. Electronic and other electrical equipment, down for the first time since November 1998, had the largest decrease, \$2.6 billion or 3.5 percent to \$72.3 billion. This is the largest decrease since July 1997. Transportation equipment, up for the first time since January, increased \$0.2 billion or 0.1 percent to \$226.5 billion. Industrial machinery and equipment, up four consecutive months, increased \$0.1 billion or 0.2 percent to \$80.9 billion. Primary metals, up nine consecutive months, increased \$0.1 billion or 0.3 percent to \$32.2 billion.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in October increased \$2.7 billion or 54.1 percent to \$7.7 billion. This is the largest increase since November 1996. Shipments increased \$0.2 billion or 3.6 percent to \$6.7 billion. Unfilled orders increased \$1.0 billion or 1.1 percent to \$92.0 billion. This is the first increase since March.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in October decreased \$0.5 billion or 0.9 percent to \$55.8 billion. Shipments increased \$2.0 billion or 3.7 percent to \$56.9 billion. This is the largest increase since September 1998. Unfilled orders, down seven of the last eight months, decreased \$1.1 billion or 0.5 percent to \$250.9 billion. Excluding aircraft and parts, new orders decreased \$0.3 billion or 0.6 percent to \$48.9 billion; shipments increased \$1.4 billion or 3.0 percent to \$48.8 billion; and unfilled orders increased \$0.1 billion or 0.1 percent to \$111.7 billion.

● **REVISED SEPTEMBER DATA** Revised seasonally adjusted September figures for all manufacturing industries are: shipments, \$358.6 billion (revised from \$358.9 billion); new orders, \$359.9 billion (revised from \$361.1 billion); unfilled orders, \$524.5 billion (revised from \$525.5 billion); and total inventories, \$465.5 billion (revised from \$465.3 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<br>Oct.99/98 |
|  | Oct.<br>1999 <sup>2</sup> | Sept.<br>1999 <sup>2</sup> | Aug.<br>1999 | Sept.-<br>Oct. <sup>2</sup> | Aug.-<br>Sept. <sup>2</sup> | July-<br>Aug. | Oct.<br>1999 <sup>2</sup>            | Sept.<br>1999 <sup>2</sup> | Oct.<br>1998 |                             |
| <b>DURABLE GOODS</b>                               |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| <b>Total :</b>                                     |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 203,316                   | 201,814                    | 205,709      | +0.7                        | -1.9                        | +1.2          | 208,050                              | 219,068                    | 199,125      | +4.5                        |
| New orders   | 200,931                   | 203,478                    | 207,446      | -1.3                        | -1.9                        | +0.9          | 209,515                              | 216,111                    | 197,533      | +6.1                        |
| Unfilled orders                                    | 497,168                   | 499,553                    | 497,889      | -0.5                        | +0.3                        | +0.4          | 497,043                              | 495,578                    | 499,520      | -0.5                        |
| <b>Excluding defense :</b>                         |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 196,618                   | 195,346                    | 199,241      | +0.7                        | -2.0                        | +1.3          | 201,287                              | 212,226                    | 192,122      | +4.8                        |
| New orders   | 193,193                   | 198,458                    | 202,398      | -2.7                        | -1.9                        | +1.7          | 202,101                              | 211,148                    | 191,798      | +5.4                        |
| Unfilled orders                                    | 405,198                   | 408,623                    | 405,511      | -0.8                        | +0.8                        | +0.8          | 407,113                              | 406,299                    | 405,346      | +0.4                        |
| <b>With unfilled orders :</b>                      |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 168,031                   | 165,679                    | 168,889      | +1.4                        | -1.9                        | +1.4          | 169,936                              | 180,934                    | 162,408      | +4.6                        |
| New orders   | 165,646                   | 167,343                    | 170,626      | -1.0                        | -1.9                        | +1.1          | 171,401                              | 177,977                    | 160,816      | +6.6                        |
| <b>Primary metals :</b>                            |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 15,199                    | 15,310                     | 15,204       | -0.7                        | +0.7                        | +2.0          | 15,582                               | 15,861                     | 14,935       | +4.3                        |
| New orders   | 15,307                    | 15,418                     | 15,659       | -0.7                        | -1.5                        | -0.5          | 14,944                               | 15,206                     | 13,123       | +13.9                       |
| Unfilled orders                                    | 32,167                    | 32,059                     | 31,951       | +0.3                        | +0.3                        | +1.4          | 30,511                               | 31,149                     | 27,850       | +9.6                        |
| <b>Industrial machinery and equipment:</b>         |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 39,892                    | 37,710                     | 38,691       | +5.8                        | -2.5                        | -1.9          | 38,764                               | 41,593                     | 35,476       | +9.3                        |
| New orders   | 40,035                    | 38,942                     | 39,110       | +2.8                        | -0.4                        | -2.8          | 39,591                               | 42,757                     | 34,785       | +13.8                       |
| Unfilled orders                                    | 80,853                    | 80,710                     | 79,478       | +0.2                        | +1.6                        | +0.5          | 80,880                               | 80,053                     | 74,156       | +9.1                        |
| <b>Electronic and other electrical equipment :</b> |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 34,929                    | 35,313                     | 35,339       | -1.1                        | -0.1                        | -0.1          | 34,923                               | 40,428                     | 32,427       | +7.7                        |
| New orders   | 32,340                    | 38,204                     | 38,616       | -15.3                       | -1.1                        | +1.7          | 36,684                               | 40,903                     | 37,676       | -2.6                        |
| Unfilled orders                                    | 72,327                    | 74,916                     | 72,025       | -3.5                        | +4.0                        | +4.8          | 75,964                               | 74,203                     | 62,795       | +21.0                       |
| <b>Transportation equipment :</b>                  |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 48,054                    | 48,591                     | 50,980       | -1.1                        | -4.7                        | +4.4          | 51,373                               | 51,594                     | 51,680       | -0.6                        |
| New orders   | 48,291                    | 46,719                     | 49,000       | +3.4                        | -4.7                        | +3.7          | 51,293                               | 49,103                     | 48,013       | +6.8                        |
| Unfilled orders                                    | 226,549                   | 226,312                    | 228,184      | +0.1                        | -0.8                        | -0.9          | 224,833                              | 224,913                    | 246,459      | -8.8                        |
| <b>CAPITAL GOODS INDUSTRIES<sup>3</sup></b>        |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| <b>Total :</b>                                     |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 63,585                    | 61,336                     | 63,755       | +3.7                        | -3.8                        | +1.7          | 61,191                               | 68,584                     | 58,415       | +4.8                        |
| New orders   | 63,490                    | 61,289                     | 61,471       | +3.6                        | -0.3                        | -0.1          | 61,273                               | 67,966                     | 54,188       | +13.1                       |
| Unfilled orders                                    | 342,907                   | 343,002                    | 343,049      | 0.0                         | 0.0                         | -0.7          | 340,787                              | 340,705                    | 357,115      | -4.6                        |
| <b>Nondefense :</b>                                |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 56,887                    | 54,868                     | 57,287       | +3.7                        | -4.2                        | +2.1          | 54,428                               | 61,742                     | 51,412       | +5.9                        |
| New orders   | 55,752                    | 56,269                     | 56,423       | -0.9                        | -0.3                        | +2.5          | 53,859                               | 63,003                     | 48,453       | +11.2                       |
| Unfilled orders                                    | 250,937                   | 252,072                    | 250,671      | -0.5                        | +0.6                        | -0.3          | 250,857                              | 251,426                    | 262,941      | -4.6                        |
| <b>Excluding aircraft and parts :</b>              |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 48,804                    | 47,368                     | 47,915       | +3.0                        | -1.1                        | -1.8          | 46,867                               | 53,808                     | 43,008       | +9.0                        |
| New orders   | 48,910                    | 49,208                     | 47,770       | -0.6                        | +3.0                        | -2.0          | 47,539                               | 55,508                     | 41,826       | +13.7                       |
| Unfilled orders                                    | 111,697                   | 111,591                    | 109,751      | +0.1                        | +1.7                        | -0.1          | 111,617                              | 110,945                    | 106,035      | +5.3                        |
| <b>Defense :</b>                                   |                           |                            |              |                             |                             |               |                                      |                            |              |                             |
| Shipments  | 6,698                     | 6,468                      | 6,468        | +3.6                        | 0.0                         | -1.8          | 6,763                                | 6,842                      | 7,003        | -3.4                        |
| New orders   | 7,738                     | 5,020                      | 5,048        | +54.1                       | -0.6                        | -22.1         | 7,414                                | 4,963                      | 5,735        | +29.3                       |
| Unfilled orders                                    | 91,970                    | 90,930                     | 92,378       | +1.1                        | -1.6                        | -1.5          | 89,930                               | 89,279                     | 94,174       | -4.5                        |

(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)

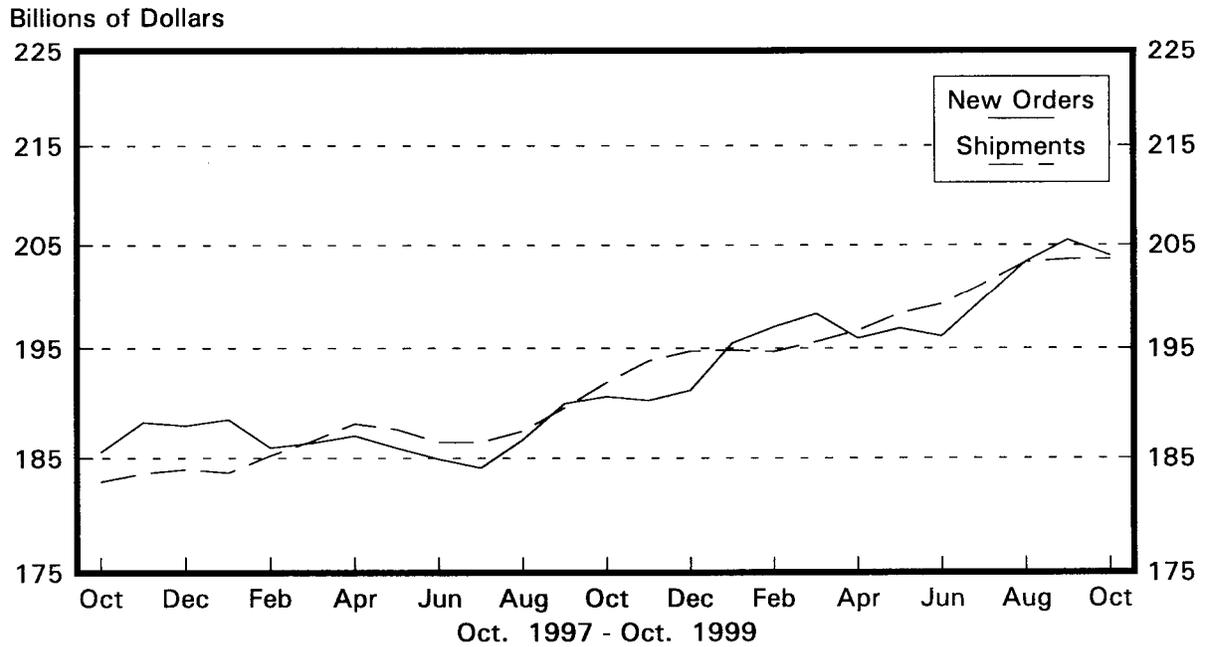
| Industry                                  | Shipments |           |            | New Orders |           |            | Unfilled Orders |           |            |
|---|-----------|-----------|------------|------------|-----------|------------|-----------------|-----------|------------|
|   | Year ago  | Oct.      | Oct. 1998- | Year ago   | Oct.      | Oct. 1998- | Year ago        | Oct.      | Oct. 1998- |
|   | Oct. 1998 | 1994-1998 | Sept. 1999 | Oct. 1998  | 1994-1998 | Sept. 1999 | Oct. 1998       | 1994-1998 | Sept. 1999 |
| Durable goods                             | 0.1       | 0.2       | 1.0        | 0.4        | 0.4       | 0.8        | 0.1             | 0.2       | 0.5        |
| Primary metals                            | 0.4       | 0.4       | 1.1        | 0.3        | 0.9       | 0.7        | 0.1             | 0.4       | 1.0        |
| Industrial machinery and equipment        | 0.2       | 0.3       | 1.6        | 0.3        | 0.6       | 0.9        | 0.2             | 0.4       | 0.9        |
| Electronic and other electrical equipment | 0.3       | 0.3       | 1.3        | 0.5        | 1.0       | 1.6        | 0.5             | 0.5       | 0.9        |
| Transportation equipment                  | 0.4       | 0.3       | 3.6        | 1.1        | 0.9       | 1.8        | 0.1             | 0.1       | 0.6        |
| Nondefense capital goods                  | 0.6       | 0.2       | 2.4        | 1.0        | 0.8       | 1.2        | 0.1             | 0.2       | 0.6        |
| Defense capital goods                     | 0.7       | 0.7       | 2.7        | 0.3        | 3.8       | 7.3        | 0.1             | 0.2       | 1.1        |

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 sign, for the months specified.

# Total Durable Goods

## New Orders and Shipments

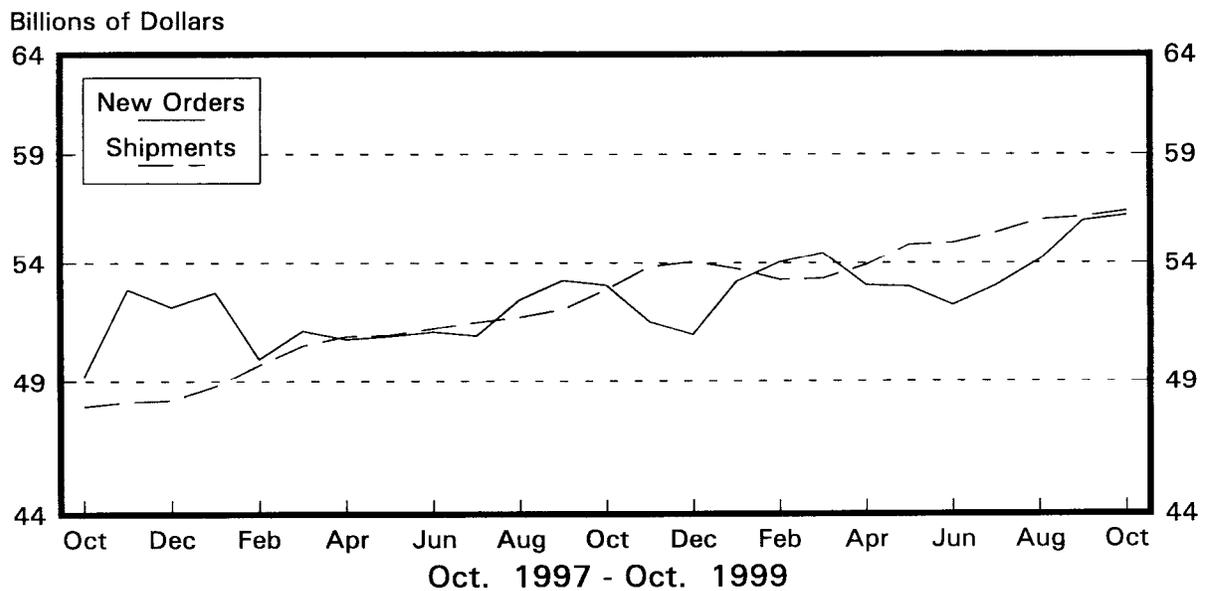
### Three Month Moving Averages



# Nondefense Capital Goods

## New Orders and Shipments

### Three Month Moving Averages



Note: All Charts based on seasonally adjusted current dollars.