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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
August 2000

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

● **NEW ORDERS** New orders for manufactured durable goods in August increased \$6.1 billion or 2.9 percent to \$216.1 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 13.1 percent July decrease and is the third increase in the last four months. Excluding transportation, new orders increased 1.9 percent. Year-to-date, new orders are 9.0 percent above the same period a year ago.

Transportation equipment had the largest increase, \$3.0 billion or 6.5 percent to \$49.3 billion, due to aircraft and parts. This is the third increase in the last four months. Electronic and other electrical equipment increased \$1.1 billion or 2.8 percent to \$39.2 billion, due to electronic components. Industrial machinery and equipment, up five of the last six months, increased \$0.7 billion or 1.5 percent to \$46.5 billion. Primary metals decreased slightly, 0.2 percent to \$15.6 billion.

● **SHIPMENTS** Shipments of durable goods in August increased \$2.3 billion or 1.1 percent to \$214.7 billion, following a 2.4 percent July decrease. Year-to-date, shipments are 6.5 percent above the same period a year ago.

Transportation equipment had the largest increase, \$0.8 billion or 1.7 percent to \$47.5 billion, due to aircraft and parts. This is the third increase in the last four months. Electronic and other electrical equipment, up five of the last six months, increased \$0.4 billion or 1.0 percent to \$41.2 billion, mostly due to communication equipment. Industrial machinery and equipment increased \$0.3 billion or 0.6 percent to \$44.6 billion. Primary metals decreased \$0.1 billion or 0.5 percent to \$15.8 billion.

● **UNFILLED ORDERS** Unfilled orders for durable goods in August increased \$1.4 billion or 0.3 percent to \$555.3 billion, following a 0.4 percent July decrease. Industrial machinery and equipment, up fourteen consecutive months, had the largest increase, \$1.9 billion or 2.1 percent to \$91.9 billion. Transportation equipment increased \$1.7 billion or 0.7 percent to \$244.2 billion. Electronic and other electrical equipment decreased \$2.0 billion or 1.9 percent to \$99.7 billion. Primary metals decreased \$0.3 billion or 0.8 percent to \$30.7 billion. This is the tenth consecutive decrease.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in August increased \$1.1 billion or 18.2 percent to \$7.2 billion. This is the third increase in the last four months. Shipments decreased \$0.3 billion or 3.9 percent to \$6.3 billion. This is the fourth decrease in the last five months. Unfilled orders increased \$0.9 billion or 0.8 percent to \$108.9 billion.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in August increased \$3.5 billion or 5.6 percent to \$65.8 billion. Shipments increased \$2.9 billion or 4.8 percent to \$63.8 billion. This is the largest increase since February 1996. Unfilled orders increased \$2.0 billion or 0.7 percent to \$275.5 billion. This is the eighth increase in the last nine months. Excluding aircraft and parts, new orders increased \$0.1 billion or 0.1 percent to \$55.6 billion; shipments, up six consecutive months, increased \$0.9 billion or 1.6 percent to \$55.0 billion; and unfilled orders, up twelve consecutive months, increased \$0.6 billion or 0.5 percent to \$129.0 billion.

● **REVISED JULY DATA** Revised seasonally adjusted July figures for all manufacturing industries are: shipments, \$377.9 billion (revised from \$379.5 billion); new orders, \$375.4 billion (revised from \$377.6 billion); unfilled orders, \$579.6 billion (revised from \$580.2 billion); and total inventories, \$486.3 billion (revised from \$485.2 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 ¹ | | | |
|--|---------------------------|---------------------------|--------------|----------------------------|----------------------------|--------------|--------------------------------------|---------------------------|--------------|-------------------------|
| | Monthly | | | Percent Change | | | Monthly | | | Percent change 00/99 |
| | Aug. 2000 ² | July 2000 ² | June 2000 | July- Aug. ² | June- July ² | May- June | Aug. 2000 ² | July 2000 ² | Aug. 1999 | |
| DURABLE GOODS | | | | | | | | | | |
| Total : | | | | | | | | | | |
| Shipments | 214,705 | 212,369 | 217,645 | +1.1 | -2.4 | +1.3 | 211,441 | 180,273 | 203,223 | +4.0 |
| New orders | 216,115 | 209,978 | 241,748 | +2.9 | -13.1 | +9.2 | 210,735 | 185,617 | 204,162 | +3.2 |
| Unfilled orders | 555,331 | 553,921 | 556,312 | +0.3 | -0.4 | +4.5 | 556,350 | 557,056 | 498,535 | +11.6 |
| Excluding defense : | | | | | | | | | | |
| Shipments | 208,404 | 205,812 | 210,595 | +1.3 | -2.3 | +0.9 | 205,445 | 174,516 | 197,010 | +4.3 |
| New orders | 208,906 | 203,880 | 221,070 | +2.5 | -7.8 | +3.2 | 205,137 | 181,235 | 200,495 | +2.3 |
| Unfilled orders | 446,459 | 445,957 | 447,889 | +0.1 | -0.4 | +2.4 | 448,257 | 448,565 | 407,377 | +10.0 |
| With unfilled orders : | | | | | | | | | | |
| Shipments | 180,952 | 177,687 | 180,709 | +1.8 | -1.7 | +1.2 | 177,532 | 155,283 | 165,533 | +7.2 |
| New orders | 182,362 | 175,296 | 204,812 | +4.0 | -14.4 | +10.6 | 176,826 | 160,627 | 166,472 | +6.2 |
| Primary metals : | | | | | | | | | | |
| Shipments | 15,848 | 15,933 | 16,092 | -0.5 | -1.0 | +0.7 | 15,888 | 14,491 | 15,298 | +3.9 |
| New orders | 15,595 | 15,622 | 15,991 | -0.2 | -2.3 | +0.8 | 15,367 | 14,240 | 15,558 | -1.2 |
| Unfilled orders | 30,726 | 30,979 | 31,290 | -0.8 | -1.0 | -0.3 | 30,529 | 31,050 | 31,804 | -4.0 |
| Industrial machinery and equipment: | | | | | | | | | | |
| Shipments | 44,565 | 44,285 | 42,086 | +0.6 | +5.2 | -0.9 | 41,946 | 39,096 | 36,108 | +16.2 |
| New orders | 46,480 | 45,809 | 43,612 | +1.5 | +5.0 | +0.1 | 43,930 | 40,864 | 36,479 | +20.4 |
| Unfilled orders | 91,899 | 89,984 | 88,460 | +2.1 | +1.7 | +1.8 | 91,265 | 89,281 | 78,889 | +15.7 |
| Electronic and other electrical equipment : | | | | | | | | | | |
| Shipments | 41,199 | 40,785 | 41,316 | +1.0 | -1.3 | +2.1 | 39,724 | 35,996 | 34,123 | +16.4 |
| New orders | 39,231 | 38,161 | 47,067 | +2.8 | -18.9 | -0.5 | 36,907 | 40,340 | 37,824 | -2.4 |
| Unfilled orders | 99,704 | 101,672 | 104,296 | -1.9 | -2.5 | +5.8 | 100,564 | 103,381 | 73,728 | +36.4 |
| Transportation equipment : | | | | | | | | | | |
| Shipments | 47,508 | 46,725 | 52,256 | +1.7 | -10.6 | +4.7 | 47,355 | 31,521 | 51,079 | -7.3 |
| New orders | 49,253 | 46,253 | 68,467 | +6.5 | -32.4 | +41.6 | 48,494 | 31,075 | 48,278 | +0.4 |
| Unfilled orders | 244,170 | 242,425 | 242,897 | +0.7 | -0.2 | +7.2 | 244,748 | 243,609 | 227,404 | +7.6 |
| CAPITAL GOODS INDUSTRIES³ | | | | | | | | | | |
| Total : | | | | | | | | | | |
| Shipments | 70,087 | 67,434 | 68,988 | +3.9 | -2.3 | +0.3 | 66,172 | 59,157 | 59,634 | +11.0 |
| New orders | 72,984 | 68,393 | 91,621 | +6.7 | -25.4 | +34.8 | 67,719 | 59,453 | 56,122 | +20.7 |
| Unfilled orders | 384,336 | 381,439 | 380,480 | +0.8 | +0.3 | +6.3 | 383,048 | 381,501 | 341,323 | +12.2 |
| Nondefense : | | | | | | | | | | |
| Shipments | 63,786 | 60,877 | 61,938 | +4.8 | -1.7 | -1.0 | 60,176 | 53,400 | 53,421 | +12.6 |
| New orders | 65,775 | 62,295 | 70,943 | +5.6 | -12.2 | +16.6 | 62,121 | 55,071 | 52,455 | +18.4 |
| Unfilled orders | 275,464 | 273,475 | 272,057 | +0.7 | +0.5 | +3.4 | 274,955 | 273,010 | 250,165 | +9.9 |
| Excluding aircraft and parts : | | | | | | | | | | |
| Shipments | 54,955 | 54,083 | 53,548 | +1.6 | +1.0 | +0.8 | 51,656 | 47,685 | 44,621 | +15.8 |
| New orders | 55,575 | 55,499 | 57,636 | +0.1 | -3.7 | +7.5 | 52,232 | 49,354 | 44,374 | +17.7 |
| Unfilled orders | 129,047 | 128,427 | 127,011 | +0.5 | +1.1 | +3.3 | 128,538 | 127,962 | 109,245 | +17.7 |
| Defense : | | | | | | | | | | |
| Shipments | 6,301 | 6,557 | 7,050 | -3.9 | -7.0 | +13.2 | 5,996 | 5,757 | 6,213 | -3.5 |
| New orders | 7,209 | 6,098 | 20,678 | +18.2 | -70.5 | 189.2 | 5,598 | 4,382 | 3,667 | +52.7 |
| Unfilled orders | 108,872 | 107,964 | 108,423 | +0.8 | -0.4 | +14.4 | 108,093 | 108,491 | 91,158 | +18.6 |

(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.

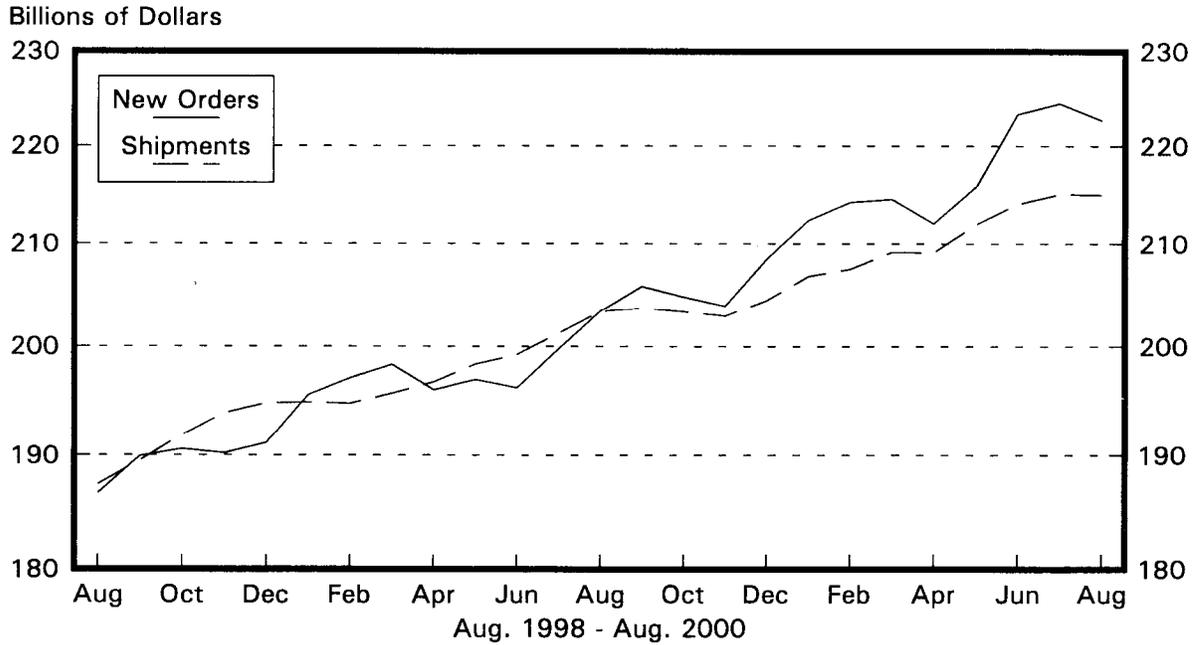
Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

| Industry | Shipments | | | New Orders | | | Unfilled Orders | | |
|---|-----------------------|-------------------|-------------------------|-----------------------|-------------------|-------------------------|-----------------------|-------------------|-------------------------|
| | Year ago Aug. 1999 | Aug. 1995-1999 | Aug. 1999- July 2000 | Year ago Aug. 1999 | Aug. 1995-1999 | Aug. 1999- July 2000 | Year ago Aug. 1999 | Aug. 1995-1999 | Aug. 1999- July 2000 |
| Durable goods | 3.3 | 0.8 | 1.7 | 0.1 | 0.2 | 4.6 | 0.3 | 0.2 | 1.0 |
| Primary metals | 1.3 | 0.5 | 1.3 | 1.2 | 1.0 | 1.8 | 0.8 | 0.6 | 1.2 |
| Industrial machinery and equipment | 0.9 | 0.5 | 2.9 | 0.1 | 0.3 | 3.3 | 1.2 | 0.4 | 0.8 |
| Electronic and other electrical equipment | 0.4 | 0.5 | 1.8 | 1.6 | 1.2 | 9.6 | 0.2 | 0.4 | 2.7 |
| Transportation equipment | 9.4 | 2.6 | 6.5 | 1.0 | 1.4 | 2.7 | 0.2 | 0.2 | 1.4 |
| Nondefense capital goods | 7.4 | 1.7 | 3.0 | 0.4 | 0.6 | 6.3 | 1.0 | 0.3 | 1.1 |
| Defense capital goods | 0.2 | 0.7 | 5.3 | 3.6 | 3.8 | 4.3 | 0.2 | 0.2 | 2.8 |

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.

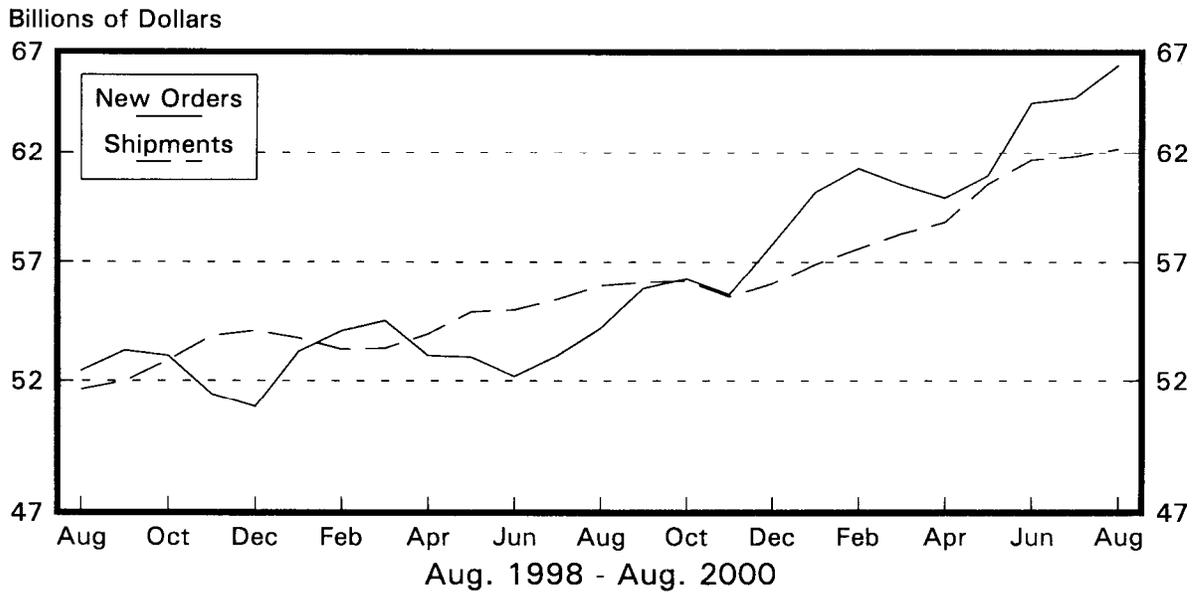
Total Durable Goods

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.