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Bureau of the Census
For Data - (301) 457-4673
For Questions - Kathy Menth or Gloria Cable
(301) 457-4832 or (301) 457-4814
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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
July 1996

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

● **NEW ORDERS** New orders for manufactured durable goods in July increased \$2.7 billion or 1.6 percent to \$172.6 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 0.2 percent June decrease and is the second increase in the last three months. Excluding transportation, new orders increased \$2.7 billion or 2.1 percent to \$130.9 billion, the fourth consecutive monthly increase. Year-to-date new orders are 6.3 percent above the same period in 1995.

Electronic and other electrical equipment, up for the second consecutive month, had the largest increase, \$1.3 billion or 4.7 percent to \$28.1 billion; widespread increases were led by communication equipment. Industrial machinery and equipment, up six of the last seven months, increased \$0.6 billion or 2.1 percent to \$32.3 billion. This follows a 0.2 percent June increase. Primary metals, up three of the last four months, increased \$0.3 billion or 2.1 percent to \$15.8 billion, following a 0.7 percent June decrease. Transportation equipment, down three of the last four months, decreased slightly to \$41.8 billion; a large decline in shipbuilding and tanks more than offset an increase in motor vehicles and parts. This follows a 1.2 percent June decrease.

● **SHIPMENTS** Shipments of durable goods in July increased \$1.1 billion or 0.7 percent to \$168.0 billion, following a 0.4 percent June decrease. This is the third increase in the last four months. Year-to-date shipments are 4.2 percent above the same period in 1995.

Transportation equipment, up three of the last four months, had the largest increase, \$0.9 billion or 2.3 percent to \$39.5 billion, due to motor vehicles and parts. This follows a 2.6 percent June decrease. Primary metals increased \$0.5 billion or 3.7 percent to \$15.2 billion. This follows a 2.7 percent June decline and is the first increase since April. Industrial machinery and equipment, down for the first month since April, decreased \$0.5 billion or 1.6 percent to \$31.4 billion, following a 1.8 percent June increase. Electronic and other electrical equipment, also down for the first month since April, decreased \$0.2 billion or 0.7 percent to \$26.8 billion. This follows a 1.1 percent June increase.

● **UNFILLED ORDERS** Unfilled orders for durable goods in July increased \$4.6 billion or 1.0 percent to \$480.0 billion. This follows a 0.7 percent June increase and is the tenth increase in the last eleven months.

Transportation equipment, up ten of the last eleven months, had the largest increase, \$2.3 billion or 0.9 percent to \$242.6 billion, due to aircraft and parts. This follows a 1.3 percent June increase. Electronic and other electrical equipment, up for the first month since January, increased \$1.3 billion or 2.6 percent to \$49.6 billion, following a 0.4 percent June decrease. Industrial machinery and equipment, up three of the last four months, increased \$0.9 billion or 1.3 percent to \$72.7 billion. This follows a 0.4 percent June decrease. Primary metals, up nine of the last ten months, increased \$0.6 billion or 1.9 percent to \$31.2 billion. This follows a 2.7 percent June increase.

● **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in July, down for the first month since April, decreased \$3.0 billion or 36.5 percent to \$5.1 billion; all categories except ordnance and accessories declined. This follows a 26.4 percent June increase. Shipments, also down for the first month since April, decreased \$0.4 billion or 5.9 percent to \$5.8 billion, following a 3.4 percent June increase. Unfilled orders, down for the first month since February, decreased \$0.7 billion or 0.6 percent to \$108.2 billion, following a 1.8 percent June increase.

● **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in July, increased \$3.1 billion or 7.2 percent to \$46.0 billion. This follows a 4.6 percent June decrease and is the second increase in the last three months. Shipments, down for the first month since April, decreased \$0.9 billion or 2.0 percent to \$42.1 billion. This follows a 0.3 percent June increase. Unfilled orders, up two of the last three months, increased \$3.9 billion or 1.6 percent to \$246.1 billion. This follows a slight June decline. Excluding aircraft and parts, new orders increased \$1.4 billion or 3.6 percent to \$38.7 billion, the second consecutive monthly increase; shipments, down for the first month since April, decreased \$1.0 billion or 2.7 percent to \$37.0 billion, following a 3.4 percent June increase; and unfilled orders, up for the first month since February, increased \$1.7 billion or 1.8 percent to \$98.9 billion.

● **REVISED JUNE DATA** Revised seasonally adjusted June figures for all manufacturing industries are: shipments, \$308.3 billion (revised from \$308.2); new orders, \$311.6 billion (revised from \$311.2); unfilled orders, \$499.2 billion (revised from \$499.0); and total inventories, \$434.2 billion (revised from \$434.1).

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This report presents advance information on two key business indicators: durable goods manufacturers' shipments and orders. Revised and more detailed estimates plus nondurable goods and inventory data will be published August 30, 1996. The advance report on durable goods for August is scheduled for September 26, 1996. This report is available on the day of issue through the Department of Commerce's online Economic Bulletin Board (N-8-1) (202-482-3870) and through the Census Bureau's online information service-CENDATA. Further information about accessing CENDATA can be obtained from Dialog Information Services, Inc. (1-800-334-2564) and CompuServe (1-800-848-8199). The CENDATA staff at the Bureau of the Census (301-457-1214) can provide content information and general guidance.

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

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change July96/95
	July 1996 ²	June 1996 ²	May 1996	June- July ²	May- June ²	Apr.- May	July 1996 ²	June 1996 ²	July 1995	
DURABLE GOODS										
Total :										
Shipments	168,011	166,887	167,487	+0.7	-0.4	+1.7	140,787	182,207	130,552	+7.8
New orders	172,650	169,989	170,287	+1.6	-0.2	+4.2	146,697	181,236	131,084	+11.9
Unfilled orders	480,046	475,407	472,305	+1.0	+0.7	+0.6	480,886	474,976	444,940	+8.1
Excluding defense :										
Shipments	162,174	160,682	161,488	+0.9	-0.5	+1.7	135,593	175,512	125,181	+8.3
New orders	167,502	161,879	163,873	+3.5	-1.2	+4.1	143,398	172,918	127,486	+12.5
Unfilled orders	371,831	366,503	365,306	+1.5	+0.3	+0.7	373,362	365,557	342,669	+9.0
With unfilled orders :										
Shipments	135,670	135,579	135,942	+0.1	-0.3	+1.8	117,105	149,047	109,384	+7.1
New orders	140,309	138,681	138,742	+1.2	0.0	+4.8	123,015	148,076	109,916	+11.9
Primary metals :										
Shipments	15,200	14,659	15,059	+3.7	-2.7	0.0	13,650	15,359	13,580	+0.5
New orders	15,789	15,466	15,580	+2.1	-0.7	+2.0	13,878	15,436	12,858	+7.9
Unfilled orders	31,162	30,573	29,766	+1.9	+2.7	+1.8	31,088	30,860	28,326	+9.8
Industrial machinery and equipment:										
Shipments	31,386	31,909	31,337	-1.6	+1.8	+0.5	26,310	36,798	24,372	+8.0
New orders	32,301	31,652	31,601	+2.1	+0.2	+1.2	27,234	35,812	23,799	+14.4
Unfilled orders	72,703	71,788	72,045	+1.3	-0.4	+0.4	72,171	71,247	70,147	+2.9
Electronic and other electrical equipment :										
Shipments	26,786	26,976	26,694	-0.7	+1.1	+0.4	23,464	29,417	21,721	+8.0
New orders	28,066	26,800	25,791	+4.7	+3.9	-1.3	26,365	27,810	24,888	+5.9
Unfilled orders	49,612	48,332	48,508	+2.6	-0.4	-1.8	50,587	47,686	51,394	-1.6
Transportation equipment :										
Shipments	39,535	38,633	39,671	+2.3	-2.6	+4.2	27,230	41,693	24,574	+10.8
New orders	41,786	41,801	42,299	0.0	-1.2	+14.6	28,683	44,388	22,541	+27.2
Unfilled orders	242,551	240,300	237,132	+0.9	+1.3	+1.1	242,173	240,720	209,695	+15.5
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	47,919	49,145	48,798	-2.5	+0.7	+2.6	40,827	56,745	38,820	+5.2
New orders	51,170	51,024	51,393	+0.3	-0.7	+10.5	42,911	57,647	35,690	+20.2
Unfilled orders	354,318	351,067	349,188	+0.9	+0.5	+0.7	353,297	351,213	318,139	+11.1
Nondefense :										
Shipments	42,082	42,940	42,799	-2.0	+0.3	+2.8	35,633	50,050	33,449	+6.5
New orders	46,022	42,914	44,979	+7.2	-4.6	+11.1	39,612	49,329	32,092	+23.4
Unfilled orders	246,103	242,163	242,189	+1.6	0.0	+0.9	245,773	241,794	215,868	+13.9
Excluding aircraft and parts :										
Shipments	36,996	38,017	36,784	-2.7	+3.4	+0.3	31,365	44,158	29,241	+7.3
New orders	38,709	37,353	36,454	+3.6	+2.5	-0.3	33,117	42,799	28,538	+16.0
Unfilled orders	98,923	97,210	97,874	+1.8	-0.7	-0.3	98,593	96,841	95,261	+3.5
Defense :										
Shipments	5,837	6,205	5,999	-5.9	+3.4	+1.7	5,194	6,695	5,371	-3.3
New orders	5,148	8,110	6,414	-36.5	+26.4	+6.2	3,299	8,318	3,598	-8.3
Unfilled orders	108,215	108,904	106,999	-0.6	+1.8	+0.4	107,524	109,419	102,271	+5.1

(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(92), "Manufacturers' Shipments, Inventories, and Orders: 1982-1992."

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)

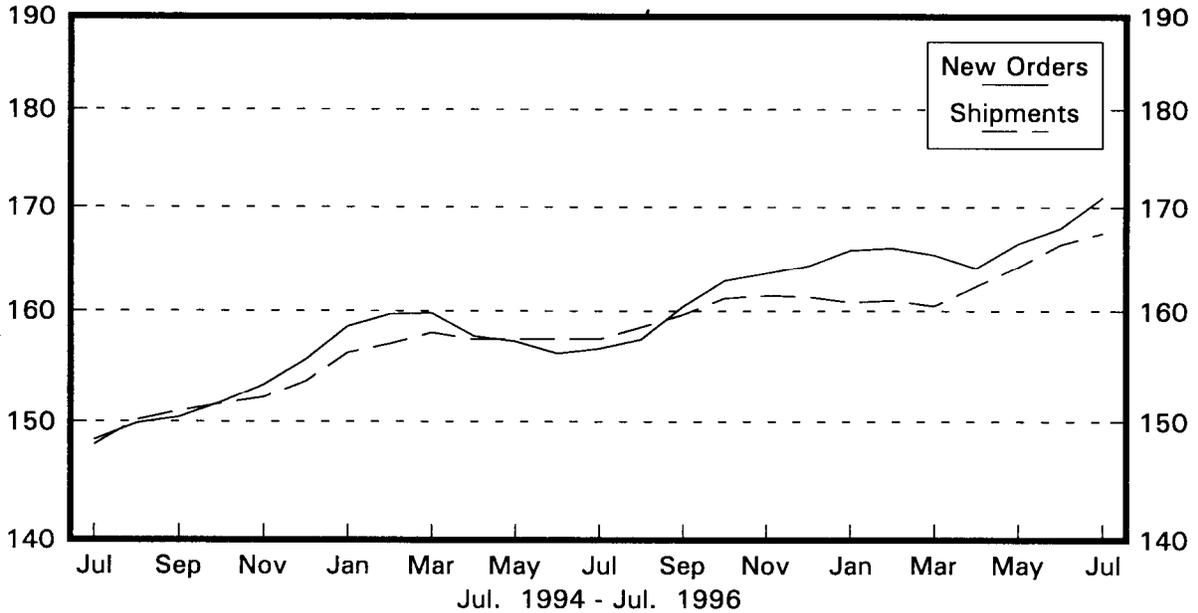
Industry	Shipments			New Orders			Unfilled Orders		
	Year ago July 1995	July 1991-1995	July 1995- June 1996	Year ago July 1995	July 1991-1995	July 1995- June 1996	Year ago July 1995	July 1991-1995	July 1995- June 1996
Durable goods	0.4	0.3	0.4	0.1	0.6	0.6	0.0	0.2	0.2
Primary metals	0.1	0.3	0.4	0.1	0.4	0.5	0.1	0.3	0.3
Industrial machinery and equipment	1.7	0.8	0.8	1.8	0.8	1.1	0.0	0.0	0.3
Electronic and other electrical equipment	0.8	0.7	0.5	1.1	1.7	1.0	0.1	0.4	0.3
Transportation equipment	0.3	1.0	0.7	0.1	1.7	1.7	0.0	0.2	0.3
Nondefense capital goods	1.4	1.2	0.7	0.8	1.4	1.4	0.1	0.2	0.3
Defense capital goods	0.1	0.7	0.9	4.2	5.9	6.5	0.3	0.4	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 the months specified.

Total Durable Goods

New Orders and Shipments
Three Month Moving Averages

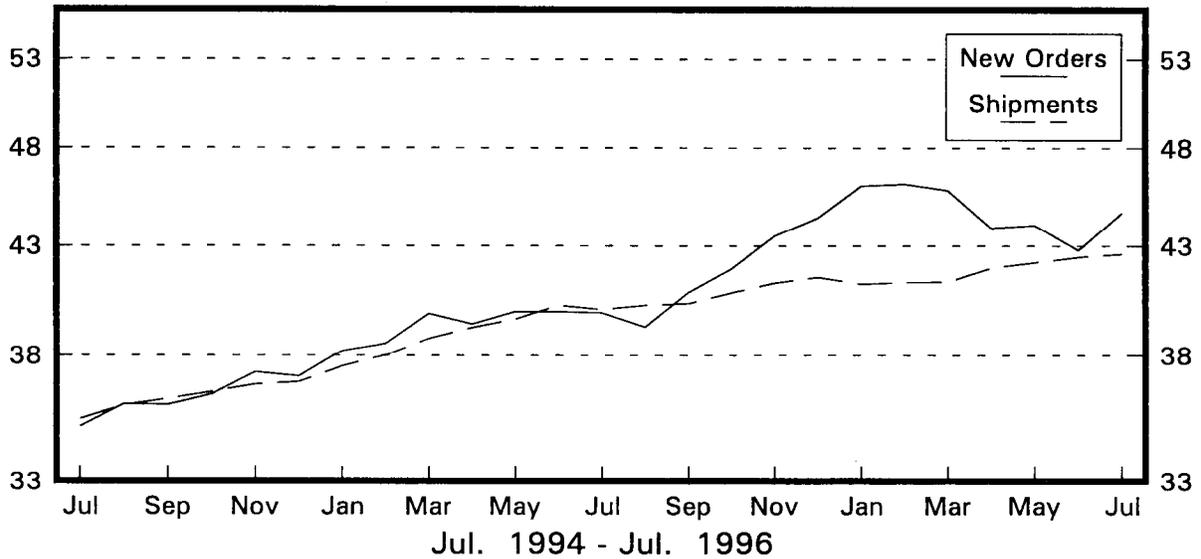
Billions of Dollars



Nondefense Capital Goods

New Orders and Shipments
Three Month Moving Averages

Billions of Dollars



Note: All Charts based on seasonally adjusted current dollars.