

# U.S. Data Review

- Factory orders: further improvement in June, but still shy of pre-virus levels

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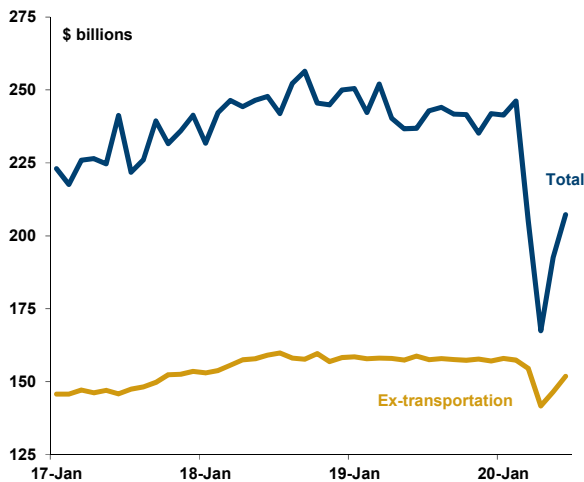
## Factory Orders

New orders for manufactured goods rose 6.2 percent in June, a bit stronger than the expected advance of 5.0 percent. The increase followed a gain of 7.7 percent in May, with the combined changes retracing 48 percent of declines in March and April.

The durable component rose 7.6 percent (revised from the 7.3 percent preliminary estimate published last week). The increase in June was broadly based, but orders for motor vehicles stood out (up 86.2% after a gain of 28.7% in May). The strength in the auto sector was partly offset by another poor showing in the commercial aircraft component, which registered net cancelations for the third time in the past four months. Excluding the noise in the transportation category, durable orders rose 3.6 percent in June and have retraced approximately 65 percent of the ground lost in March and April. Orders for nondurable capital goods other than aircraft, a series which provides insight into the outlook for capital spending by businesses, rose 3.4% after a gain of 1.5% in May. It has now retraced almost 60 percent of the drop in March and April.

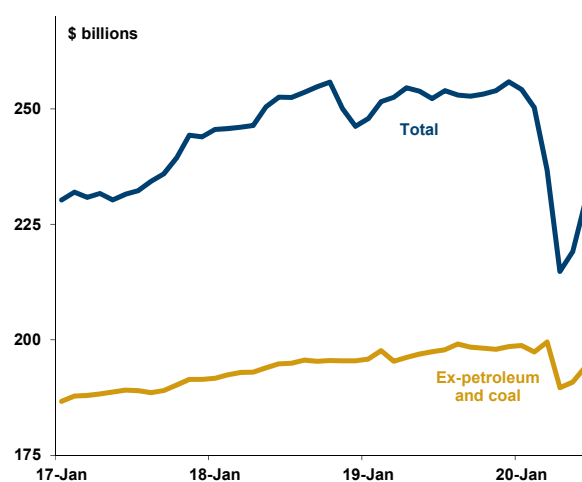
Orders for nondurable goods rose 5.0 percent. Bookings for petroleum products accounted for much of the gain with an increase of 27.0 percent, which was partly the result of higher prices. Orders for nondurable goods excluding petroleum rose 1.7 percent in June, with most components contributing positively. The increase excluding petroleum products followed a gain of 0.6 percent in May, with the combined increases offsetting 58 percent of the ground lost in March and April (chart, right).

### New Orders for Durable Goods



Source: U.S. Census Bureau via Haver Analytics

### New Orders for Nondurable Goods



Source: U.S. Census Bureau via Haver Analytics

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