

# U.S. Data Review

- Factory orders: continued upward trend

**Michael Moran**

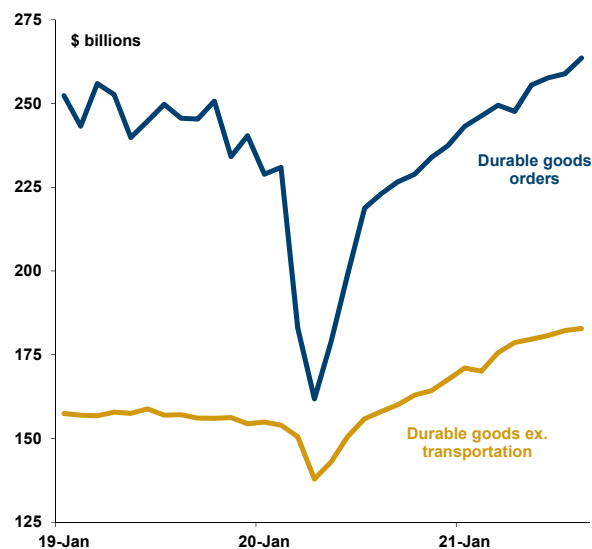
Daiwa Capital Markets America  
 212-612-6392  
[michael.moran@us.daiwacm.com](mailto:michael.moran@us.daiwacm.com)

## Factory Orders

Total factory orders rose 1.2 percent in August, a touch stronger than the expected increase of 1.0 percent. Much of the advance was the result of a jump of 1.8 percent in the durable component (unrevised from the preliminary estimate published on September 27), and this increase, in turn, was fueled by a surge of 77.9 percent in bookings for commercial aircraft. Excluding commercial aircraft, durable orders fell 1.0 percent, with other transportation items (motor vehicles and defense aircraft) showing notable softening. Durable orders excluding all the noise associated with the transportation category rose 0.3 percent (revised from the preliminary tally of 0.2 percent; chart, left).

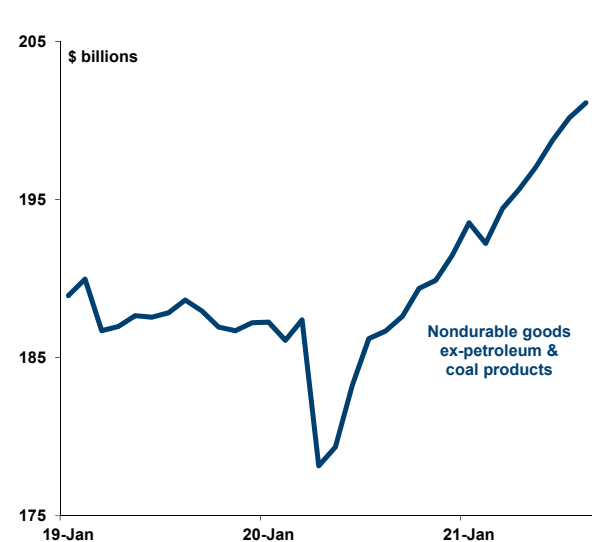
Orders for nondurable goods rose 0.6 percent, firmer than the implied estimate of 0.2 percent. The petroleum category provided an upside surprise with an increase of 1.1 percent, a contrast to our expectation of a price-led dip. The advance implies solid bookings for petroleum products in real terms. Excluding petroleum and coal products, nondurable orders rose 0.5 percent, close to the average advance of 0.6 percent in the prior 12 months. The increase was broadly based, with seven of the 10 non-petroleum industries published with the report posting gains. Nondurable orders ex-petroleum have now increased in 15 of the past 16 months (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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