

# U.S. Data Review

- Durable goods orders: modest gain in April; little net change in 2022 thus far

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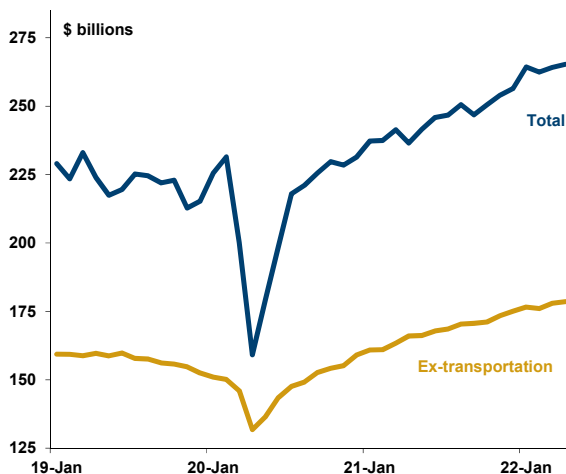
## Durable Goods Orders

New orders for durable goods rose 0.4 percent in April, a touch softer than the consensus estimate of 0.6 percent; results excluding transportation rose modestly (0.3 percent versus an expected advance of 0.6 percent; chart, below left). Slight downward revisions in March to both total bookings and orders ex-transportation added to the lackluster tone of the report (0.6 percent and 1.1 percent, respectively, versus 0.8 percent and 1.2 percent in the prior estimates). The results, in total, left total durable orders little changed in the past four months.

Aircraft bookings (up 3.5 percent; defense and nondefense, combined) boosted total transportation orders in April, but the gain offset only a portion of the drag from aircraft orders in March. Orders for motor vehicles slipped 0.2 percent, but the dip followed a jump of 4.8 percent in March and orders remained near the top of the range of the current expansion. While orders excluding transportation rose for the 23rd time in the past 24 months, the pace of advance has slowed in recent months. Machinery orders stood out on the firm side, increasing 1.0 percent, but this area has been volatile in recent months and bookings remained below the recent high in January. Orders for electrical equipment and fabricated metals slipped, but held near the top of the recent ranges.

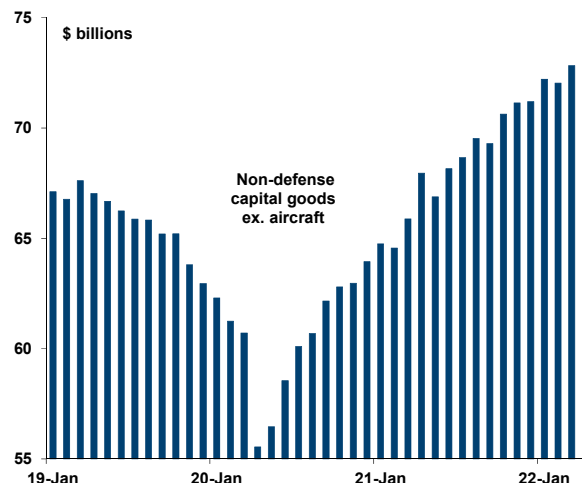
Orders for nondefense capital goods excluding aircraft, which provide insight into capital spending plans by businesses, increased for the 20th time in the past 24 months (chart, below right). However, the change was modest at 0.3 percent, which most likely represents a drop in real terms (the capital goods index in the PPI rose 1.2 percent in April). Shipments for nondefense capital goods excluding aircraft rose 0.8 percent, an apparently respectable advance, but again the change probably represents a drop in real terms.

### New Orders for Durable Goods



Source: U.S. Census Bureau via Haver Analytics

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