

Economics Group

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August Durable Goods Orders Better Than Expected

Durable goods orders were flat in August, compared to an expectation of a 1.5 percent decline, after the strong print in July was revised down. The result still reflects stabilization in manufacturing production.

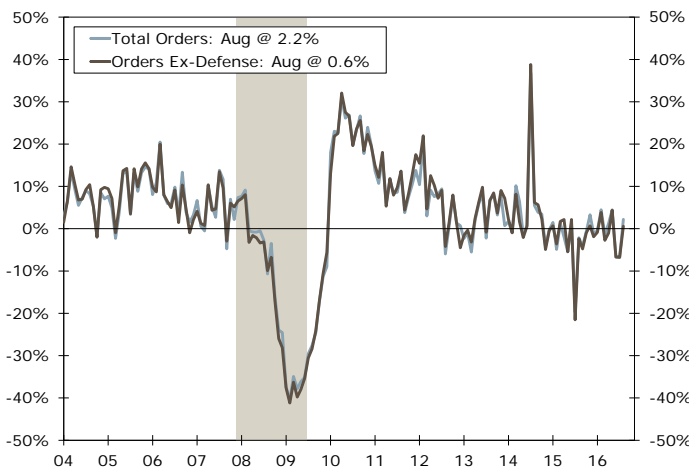
New Orders Were Flat in August

- After a downwardly revised print of 3.6 percent in July, new orders of durable goods remained flat in August. Excluding transportation, orders declined by 0.4 percent and were down 1.0 percent if we exclude defense goods orders.
- As was the case in July, defense capital goods orders helped the headline number. Overall capital goods orders were down 1.0 percent, while nondefense capital goods orders fell 4.4 percent.

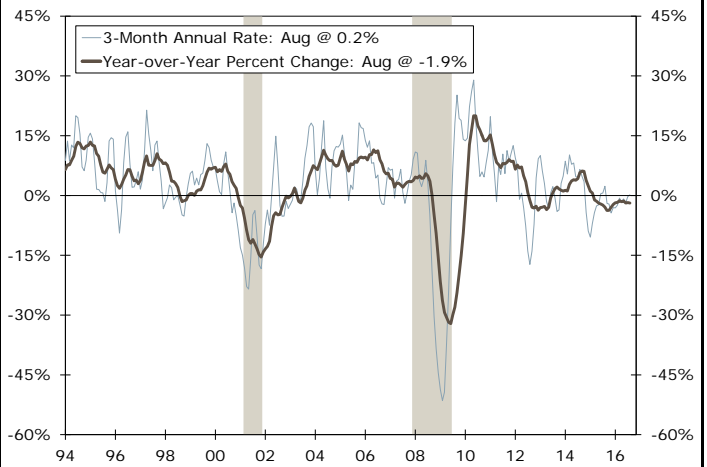
Transportation Orders Up, Shipments Down

- After increasing 8.9 percent in July, transportation orders increased 0.6 percent with a 0.7 percent increase in vehicle and parts orders.
- Meanwhile, transportation shipments were down 1.1 percent with most of the decline due to a 7.8 percent drop in non-defense aircrafts after an increase of 1.1 percent in July.

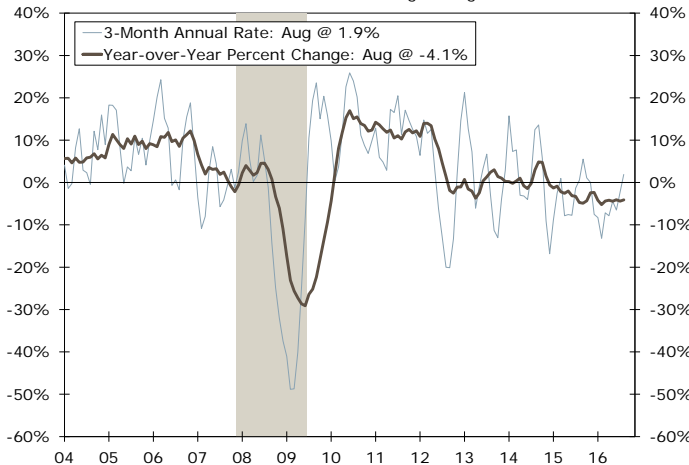
Durable Goods New Orders
Year-over-Year Percent Change



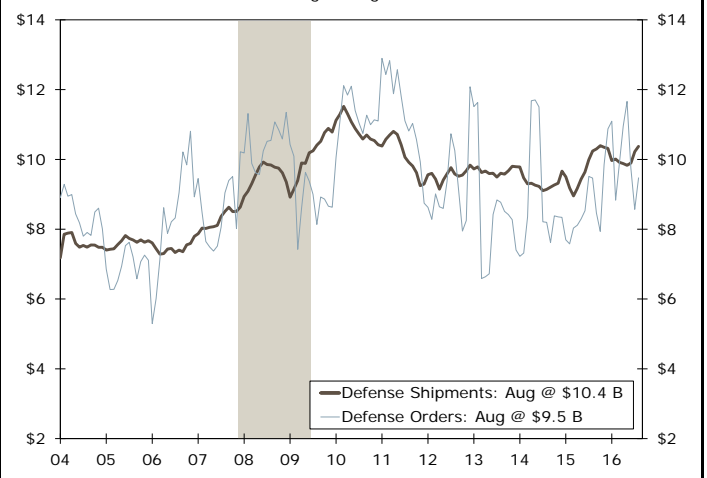
Durable Goods New Orders
Ex. Transportation Equipment, 3-MMA



Nondefense Capital Goods Orders, Ex-Aircraft
Series Are 3-Month Moving Averages



Defense Sector Orders and Shipments
Three-Month Moving Averages, Billions of Dollars



Source: U.S. Department of Commerce and Wells Fargo Securities

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