FURNITURE INSIGHTS®

Smith Leonard PLLC's Industry Newsletter

August 2026

HIGHLIGHTS – EXECUTIVE SUMMARY

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June 2026 new orders were down 5% compared to the prior month of May 2026 (which had been up 13% over April), but up 11% compared to June 2025. Year to date, new orders are up 4% over 2025.

June 2026 shipments were up 2% compared to May 2026 and up 3% from June 2025. However, year to date, shipments remain even with 2025.

June 2026 backlogs are up 2% compared to May 2026 and up 11% from June 2025.

Receivable levels were up 2% from May 2026, but down 1% compared to June 2025.

Inventories were down 2% from May 2026, but up 2% from June 2025.

Payrolls were flat compared to May 2026, but up 4% compared to June 2025 and up 1% year to date.

Employee levels are again materially in line with recent months and the downward trend from prior year.

EXECUTIVE SUMMARY, CONT.

National

Consumer Confidence

The Conference Board Consumer Confidence Index® decreased by 0.8 points to 89.4 (1985=100) in August, down from 90.2 in July.

The Present Situation Index—based on consumers' assessment of current business and labor market conditions—rose by 6.8 points to 121.2, following three months of consecutive decline.

The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—fell by 5.8 points to 68.2.

"Consumer confidence moderated slightly in August for a second consecutive month," said Dana M Peterson, Chief Economist, The Conference Board. "The Expectations Index slipped further into negative territory, which was offset by a moderate rise in the Present Situation Index after declining in the past three months. Consumer appraisals of current business conditions were mildly positive. Perceptions of the current labor market improved, reversing three months of moderate decline. Looking ahead, consumers were more pessimistic about business conditions and the labor market over the next six months. Expectations for household incomes moderated but remained optimistic overall."

On a six-month moving average basis, auto purchasing expectations remained strong. Homebuying expectations declined slightly for the month but maintained an upward trend after slumping to decade-lows in early 2024. Among consumers' planned purchases of durable goods within six months, furniture and smartphones remained the most desired items, but expectations for smartphones continued to moderate in August.

Housing

Existing-home sales decreased by 1.7% month-over-month and increased 0.7% year-over-year, according to the National Association of REALTORS® Existing-Home Sales report.

Month-over-month sales increased in the Northeast, held steady in the West, and declined in the Midwest and South. Year-over-year sales rose in the Midwest and West and were flat in the Northeast and South.

"Home sales have been remarkably stable, even amid the rising mortgage rate environment of the past few months," said NAR Chief Economist Lawrence Yun. "Year-to-date sales are up 2.4% and there's no doubt that the housing market would be thriving if average mortgage rates were to return near 6%."

Total Existing-Home Sales for July

- 1.7% decrease in existing-home sales month-over-month.
- 0.7% increase in existing-home sales year-over-year to a seasonally adjusted annual rate of 4.09 million.

Single-Family Homes in July

- 1.9% decrease in sales month-over-month to a seasonally adjusted annual rate of 3.69 million, up 0.8% from July 2025.
- $440,300: Median home price, up 1.9% from last year.

Condominiums and Co-ops in July

- No change in sales month-over-month, with a seasonally adjusted annual rate of 370,000.
- Unchanged from last year.
- $371,800: Median price, up 2.2% from July 2025.

Mortgage Rates

- 6.54%: Average 30-year fixed-rate mortgage in July, according to Freddie Mac, up from 6.49% in June and down from 6.72% one year ago.

Sales of new single-family houses in July 2026 were at a seasonally-adjusted annual rate of 607,000, according to estimates released jointly by the U.S. Census Bureau and the Department of Housing and Urban Development. This is 10.5 percent below the June 2026 rate of 678,000, and is 6.3 percent below the July 2025 rate of 648,000.

Compared to July 2025 on a seasonally-adjusted basis, sales were down 6.3% overall with sales also down 5.2% in the South and down 50.6% (not a typo) in the Midwest, but up 2.2% in the West and up 95.5% (not a typo) in the Northeast.

EXECUTIVE SUMMARY

Thoughts

This month, the participants in our stats program saw monthly new orders increase year over year for the third straight month. In addition, year-to-date new orders through June 2026 are now up 4% compared to last year.

Despite the challenging headwinds provided by mixed consumer confidence, housing, and other economic indicators, furniture has remained surprisingly resilient. Hopefully the recent new order trends will continue, which along with the corresponding increase in backlogs, will provide good momentum going into the second half of our reporting year.

NAR's Chief Economist stated the housing market would be thriving with mortgage rates closer to 6% (currently averaging 6.5%), so it will be interesting to see what the Fed does at its upcoming September meeting. Regardless, housing affordability has continued to trend positively which will potentially spur additional activity, ultimately driving consumer furniture purchases.

Energy and transportation costs continue to be a challenge though nothing the industry hasn't managed through before and there was a new wrinkle to the ever-developing tariff story this month, this time with our neighbors to the North. On the flip-side, the recent jobs report provides reason for optimism for the remainder of the year.

Good luck for a productive and successful market for those who will be in High Point in the coming weeks.

EXECUTIVE SUMMARY, CONT.

Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 1.5 percent in the second quarter of 2026 (April, May, and June), according to the second estimate released by the U.S. Bureau of Economic Analysis (BEA). In the first quarter, real GDP increased 2.1 percent.

Compared to the first quarter, the deceleration in real GDP in the second quarter reflected a downturn in government spending and decelerations in investment and exports that were partly offset by an acceleration in consumer spending. Imports increased more in the second quarter than in the first quarter.

The price index for gross domestic purchases increased 5.8 percent in the second quarter, revised up 0.1 percentage point from the previous estimate. The personal consumption expenditures (PCE) price index increased 5.3 percent, revised up 0.2 percentage point, and the PCE price index excluding food and energy increased 3.6 percent, also revised up 0.2 percentage point.

HIGHLIGHTS – MONTHLY RESULTS

New Orders

According to our latest survey of residential furniture manufacturers and distributors, new orders were up 11% in June 2026 compared to June 2025. Approximately two-thirds of participants reported increases versus decreases in June compared to a year ago.

New orders were down 5% compared to the prior month of May 2026.

Year to date, new orders are up 4% compared to 2025 (up 2% last month).

Shipments and Backlogs

June 2026 shipments were up 3% compared to June 2025. Shipments in June were up for approximately 60% of the participants compared to the prior year.

Shipments were up 2% from May 2026.

Year to date, shipments remain flat compared to the same period last year (same as last month).

June 2026 backlogs are up 11% compared to June 2025 and up 2% from May 2026.

ESTIMATED BUSINESS ACTIVITY (MILLIONS)

	2026		
	JUNE	MAY	6 MO
New Orders	2,266	2,358	12,935
Shipments	2,196	2,199	13,113
Backlog	2,643	2,518	
	2025		
	JUNE	MAY	6 MO
New Orders	2,051	2,204	12,551
Shipments	2,122	2,172	13,036
Backlog	2,403	2,421	

Receivables and Inventories

Receivable levels were up 2% from May 2026, but down 1% from June 2025.

Inventories were down 2% from May 2026, but up 2% from June 2025 continuing the trends from recent months.

Factory and Warehouse Employees and Payroll

The number of factory and warehouse employees were again down 4% from June a year ago, and flat with the prior month.

Payroll expense was flat in June 2026 compared to May 2026, but up 4% compared to June 2025. Year to date, payroll expense remains up 1% compared to the same period last year.

MONTHLY RESULTS – AUGUST 2026

KEY MONTHLY INDICATORS (PERCENT CHANGE)	June 2026 from May 2026	June 2026 from June 2025	6 Mos 2026 vs 6 Mos 2025
New Orders	-5	+11	+4
Shipments	+2	+3	-
Backlog	+2	+11	
Payrolls	-	+4	
Employees	-	-4	
Receivables	+2	-1	
Inventories	-2	+2	

PERCENT INCREASE/DECREASE COMPARED TO PRIOR YEAR

	New Orders	Shipments	Backlog	Employment
2025				
June	+3	-4	-8	-4
July	+13	+3	-4	-3
August	-3	-6	-	-3
September	+7	+6	+2	-2
October	-1	+4	-2	-2
November	-2	-6	-1	-3
December	+1	-	-2	-3
2026				
January	-	-7	-	-4
February	+1	+2	-	-5
March	-2	+2	+1	-5
April	+3	-	-	-5
May	+8	+1	+5	-5
June	+11	+3	+11	-4

A DEEPER DIVE – NATIONAL

Consumer Confidence

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The Present Situation Index—based on consumers' assessment of current business and labor market conditions—rose by 6.8 points to 121.2, following three months of consecutive decline.

The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—fell by 5.8 points to 68.2.

"Consumer confidence moderated slightly in August for a second consecutive month," said Dana M Peterson, Chief Economist, The Conference Board. "The Expectations Index slipped further into negative territory, which was offset by a moderate rise in the Present Situation Index after declining in the past three months. Consumer appraisals of current business conditions were mildly positive. Perceptions of the current labor market improved, reversing three months of moderate decline. Looking ahead, consumers were more pessimistic about business conditions and the labor market over the next six months. Expectations for household incomes moderated but remained optimistic overall."

Consumers' write-in responses on factors affecting the economy were slightly more pessimistic in August. References to prices in general—and oil and gas specifically—remain elevated. Comments about war/conflict, food/groceries, trade, and jobs rose in August.

The Present Situation Index improved in August. Net views of current business conditions—the share saying conditions are "good" versus "bad"—rose slightly by 0.1 ppt to +1.3%. Perceptions of current employment conditions improved significantly, with the labor market differential—the share of consumers saying jobs are "plentiful" minus the share saying jobs are "hard to get"—rising by 4.8 ppts to +7.5%. This increase was largely driven by more consumers reporting that jobs are "plentiful" in August, while those saying jobs are "hard to get" declined.

The Expectations Index declined in August. All three of its components deteriorated—with net expectations for business conditions dipping by 2.5 ppts to –6.3%. Net expectations for labor market also softened, by 2.6 ppts, to –11.5%. Net expectations for household income fell by 3.1 ppts but remained in positive territory at +3.8%.

On a six-month moving average basis, confidence across all age groups trended down slightly, remaining highest among consumers under 35. By income, confidence was mixed, but generally higher-income groups were more optimistic. By generation, confidence for Gen Z remained the highest, followed closely by Millennials on a six-month moving average basis. The three oldest generations—Generation X, Baby Boomer, and Silent Generation—trailed in confidence by a wider margin. By political affiliation, confidence among Independents and Republicans softened while Democrats were somewhat more positive in August.

Consumers' average and median 12-month inflation expectations were slightly more elevated in August. Most consumers—61.3%—still anticipated higher interest rates over the next 12 months, down moderately from 62% in July. Meanwhile, consumers still expected higher stock prices a year from now.

NATIONAL UPDATE

Leading Economic Indicators

The Conference Board Leading Economic Index® (LEI) for the US increased by 0.2% in July 2026 to 99.5 (2016=100), after an upwardly revised decline of 0.1% in June. As a result, the LEI's six-month growth rate turned positive, to an increase of 0.2% between January and July 2026, a sharp reversal from its 1.3% contraction over the previous six months.

"The Leading Index for the US ticked up in July, marking the fourth increase over the past six months," said Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board. "Most components were positive in July except consumer expectations, which continued to be a notable drag on the overall index. With the most recent gains, the LEI's six-month growth rate turned positive for the first time in more than four years, suggesting moderate growth ahead. The economy should keep expanding, but growth is expected to be driven by business investments in AI, while the higher cost of living may reduce consumer spending, especially by lower- and middle-income households. Consequently, The Conference Board continues to forecast real GDP growth of 1.9% in 2026 and 1.9% in 2027."

The Conference Board Coincident Economic Index® (CEI) for the US increased by 0.2% in July 2026 to 114.8 (2016=100), following a 0.2% increase in June. Overall, the CEI expanded by 0.5% over the six months between January and July 2026, after remaining flat over the previous six months. The CEI's four component indicators—payroll employment, personal income less transfer payments, manufacturing and trade sales, and industrial production—are included among the data used to determine recessions in the US. All components of the CEI, except for payroll employment, made positive contributions last month.

The Conference Board Lagging Economic Index® (LAG) for the US increased by 0.2% in July 2026 to 120.4 (2016=100). Despite the month-over-month increase, the level of the index was still below the preliminary June level of 120.5 (2016=100), due to downward revisions from April to June 2026. The LAG was up 0.8% between January and July 2026, doubling its 0.4% growth over the prior six months (July 2025 to January 2026).

CONSUMER CONFIDENCE CON'T

Consumers' net views of their Family's Current Financial Situation softened a bit in August after improving last month, as the share of consumers who said their finances were "bad" rose in August. Views of their Family's Future Financial Situation remained healthy but slightly less optimistic in August compared to June and July. While the share of consumers who said a US recession over the next 12 months is "very likely" ticked up, consumers still perceived a low likelihood of a recession in 12 months.

On a six-month moving average basis, auto purchasing expectations remained strong. Homebuying expectations declined slightly for the month but maintained an upward trend after slumping to decade-lows in early 2024. Among consumers' planned purchases of durable goods within six months, furniture and smartphones remained the most desired items, but expectations for smartphones continued to moderate in August. Spending plans for televisions fell the most on a six-month moving average basis, while plans for most other durable goods moderated slightly.

Anticipated spending on services pared back in August after a pop in most discretionary activities last month, as lower gas prices and the summer's World Cup likely boosted consumer's desire to spend in July. Despite this, consumers still planned to spend more overall on services over the next six months.

Among all service categories, restaurants/bars/take-out, utilities, and streaming/internet/mobile services, ranked among the top three spending targets, while planned spending on beauty and personal care fell. Beyond the top three, consumers anticipated spending less on many activities within the next six months, such as movies, hotels for personal travel, airfare, amusement parks, and museums and historical sites, although spending plans for pet care remained strong.

Present Situation

Consumers' views of current business conditions improved slightly in August:

- 18.9% of consumers said business conditions were "good," down from 19.1% in July.
- 17.6% said business conditions were "bad," down from 17.9%.

Consumers' views of the labor market improved in August, recovering to April levels:

- 27.0% of consumers said jobs were "plentiful," up from 24.4% in July.
- Conversely, 19.5% of consumers said jobs were "hard to get," down from 21.7%.

Expectations Six Months Hence

Consumers were less optimistic about future business conditions in August:

- 16.8% of consumers expected business conditions to improve, down from 17.8% in July.
- 23.1% expected business conditions to worsen, up from 21.6%.

Consumers were more negative about the labor market outlook in August:

- 14.6% of consumers expected more jobs to be available, down from 16.4% in July.
- Additionally, 26.1% anticipated fewer jobs, up slightly from 25.3%.

Consumers' outlook for their income prospects was less optimistic in August:

- 17.6% of consumers expected their income to increase, down from 19.5% in July.
- 13.8% expected their income to decline, up from 12.6%.

Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 1.5 percent in the second quarter of 2026 (April, May, and June), according to the second estimate released by the U.S. Bureau of Economic Analysis (BEA). In the first quarter, real GDP increased 2.1 percent.

The contributors to the increase in real GDP in the second quarter were increases in consumer spending, exports, and investment that were partly offset by a decrease in government spending. Imports, which are a subtraction in the calculation of GDP, increased. Real GDP increased at the same rate as in the advance estimate. An upward revision to consumer spending was partly offset by an upward revision to imports.

Compared to the first quarter, the deceleration in real GDP in the second quarter reflected a downturn in government spending and decelerations in investment and exports that were partly offset by an acceleration in consumer spending. Imports increased more in the second quarter than in the first quarter.

Real final sales to private domestic purchasers, the sum of consumer spending and gross private fixed investment, increased 4.2 percent in the second quarter, revised up 0.3 percentage point from the previous estimate.

The price index for gross domestic purchases increased 5.8 percent in the second quarter, revised up 0.1 percentage point from the previous estimate. The personal consumption expenditures (PCE) price index increased 5.3 percent, revised up 0.2 percentage point, and the PCE price index excluding food and energy increased 3.6 percent, also revised up 0.2 percentage point.

Real gross domestic income (GDI) increased 2.2 percent in the second quarter, compared with an increase of 1.2 percent in the first quarter. The average of real GDP and real GDI increased 1.8 percent, compared with an increase of 1.7 percent.

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased $400.9 billion in the second quarter, compared with an increase of $74.4 billion in the first quarter.

A DEEPER DIVE – HOUSING

Existing-Home Sales

Existing-home sales decreased by 1.7% month-over-month and increased 0.7% year-over-year, according to the National Association of REALTORS® Existing-Home Sales report.

Month-over-month sales increased in the Northeast, held steady in the West, and declined in the Midwest and South. Year-over-year sales rose in the Midwest and West and were flat in the Northeast and South.

"Home sales have been remarkably stable, even amid the rising mortgage rate environment of the past few months," said NAR Chief Economist Lawrence Yun. "Year-to-date sales are up 2.4% and there's no doubt that the housing market would be thriving if average mortgage rates were to return near 6%."

"Though the national data shows stabilization, there are notable local market variations," Yun said. "In smaller cities, and particularly in the Midwest, an annual household income of $60,000 would be sufficient to buy a median-priced home. Working with an agent who is a REALTOR® will help you better pinpoint what's happening in your area."

National Snapshot

Total Existing-Home Sales for July

- 1.7% decrease in existing-home sales month-over-month.
- 0.7% increase year-over-year to a seasonally adjusted annual rate of 4.06 million.

Inventory in July

- 1.54 million units: Total housing inventory, down 1.9% from June and down 0.6% from July 2025.
- 4.6-month supply of unsold inventory, unchanged from last month and one year ago.

Median Sales Price in July

- $434,100: Median existing-home price for all housing types.
- 2.0% increase from one year ago ($425,700), marking the 37th consecutive month of year-over-year price increases.

Housing Affordability in July

The Housing Affordability Index registered at 103.3, up from 98.3 a year ago
Year-over-year, affordability improved across all regions.

- Northeast +1.5%
- Midwest +4.0%
- South +6.1%
- West +7.3 %

Single-Family Homes in July

- 1.9% decrease in sales month-over-month to a seasonally adjusted annual rate of 3.69 million, up 0.8% from July 2025.
- $440,300 median home price, up 1.9% from last year.

Condominiums and Co-ops in July

- No change in sales month-over-month, with a seasonally adjusted annual rate of 370,000.
- Unchanged from last year.
- $371,800 median price, up 2.2% from July 2025.

Regional Snapshot for Existing-Home Sales in July

Northeast

- 2.0% increase in sales month-over-month to an annual rate of 500,000.
- Unchanged from July 2025.
- $563,800 median price, up 5.2% from July 2025.

Midwest

- 2.0% decrease in sales month-over-month to an annual rate of 970,000.
- Up 2.1% year-over-year.

- $342,900 median price, up 2.8% from July 2025.

South

- 3.1% decrease in sales month-over-month to an annual rate of 1.86 million.
- Unchanged from July 2025.
- $371,700 median price, up 0.9% from July 2025.

West

- Sales were unchanged month-over-month at an annual rate of 730,000.
- Up 1.4% year-over-year.
- $622,200 median price, up 0.2% from July 2025.

REALTORS® Confidence Index for July

- Median time on market: 29 days, up from 28 days last month and one year ago.
- First-time homebuyers accounted for 29% of sales, down from 33% in June and up from 28% one year ago.
- Cash sales represented 26% of transactions, up from 25% last month and down from 31% one year ago.
- Individual investors or second-home buyers accounted for 14% of transactions, up from 13% last month and down from 20% one year ago.
- Distressed sales (foreclosures and short sales) represented 2% of transactions, unchanged from last month and one year ago.

Mortgage Rates

- 6.54%: Average 30-year fixed-rate mortgage in July, according to Freddie Mac, up from 6.49% in June and down from 6.72% one year ago.

New Residential Sales

Sales of new single-family houses in July 2026 were at a seasonally-adjusted annual rate of 607,000, according to estimates released jointly by the U.S. Census Bureau and the Department of Housing and Urban Development. This is 10.5 percent below the June 2026 rate of 678,000, and is 6.3 percent below the July 2025 rate of 648,000.

The median sales price of new houses sold in July 2026 was $393,800. This is 2.3 percent below the June 2026 price of $403,100, and is 0.9 percent below the July 2025 price of $397,300. The average sales price of new houses sold in July 2026 was $508,800. This is 4.1 percent above the June 2026 price of $488,900, and is 5.4 percent above the July 2025 price of $482,800.

The seasonally-adjusted estimate of new houses for sale at the end of July 2026 was 488,000. This is 1.9 percent above the June 2026 estimate of 479,000, and is 1.6 percent below the July 2025 estimate of 496,000. This represents a supply of 9.6 months at the current sales rate. The months' supply is 12.9 percent above the June 2026 estimate of 8.5 months and is 4.3 percent above the July 2025 estimate of 9.2 months.

Compared to July 2025 on a seasonally-adjusted basis, sales were down 6.3% overall with sales also down 5.2% in the South and down 50.6% (not a typo) in the Midwest, but up 2.2% in the West and up 95.5% (not a typo) in the Northeast.

Housing Starts

Privately-owned housing starts in July were at a seasonally adjusted annual rate of 1,239,000. This is 12.4 percent below the revised June estimate of 1,415,000 and is 13.5 percent below the July 2025 rate of 1,432,000.

Single-family housing starts in July were at a rate of 808,000; this is 9.9 percent below the revised June figure of 897,000.
The July rate for units in buildings with five units or more was 421,000 (513,000 last month).

Single-family starts compared to July 2025, on a seasonally-adjusted basis, were down 15.7% in total, as well as down 18.9% in the Northeast, down 4.2% in the Midwest, down 16.2% in the South, and down 20.7% in the West.

Housing Completions

Privately-owned housing completions in July were at a seasonally adjusted annual rate of 1,212,000. This is 9.1 percent below the revised June estimate of 1,333,000 and is 16.8 percent below the July 2025 rate of 1,456,000.

Single-family housing completions in July were at a rate of 878,000; this is 5.8 percent below the revised June rate of 932,000.

The July rate for units in buildings with five units or more was 329,000 (413,000 last month).

Single-family completions compared to July 2025, on a seasonally-adjusted basis, were down 12.8% in total, as well as down 10.5% in the South, down 8.4% in the West, down 35.0% in the Northeast, and down 20.3% in the Midwest.

A DEEPER DIVE – OTHER NATIONAL

Retail Sales

Advance estimates of U.S. retail and food services sales for July 2026, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were $763.6 billion, down 0.6 percent from the previous month, but up 5.0 percent from July 2025. Total sales for the May 2026 through July 2026 period were up 6.3 percent from the same period a year ago. The May 2026 to June 2026 percent change was unrevised from up 0.2 percent.

Sales at furniture and home furnishings stores in July 2026 were up 1.7% compared to June 2026 and up 1.9% compared to July 2025 on a seasonally-adjusted basis,. Year to date on a non-adjusted basis, sales were down 1.7% (down 2.0% last month).

Consumer Prices

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1 percent on a seasonally adjusted basis in July after falling 0.4 percent in June, the U.S. Bureau of Labor Statistics reported. Over the last 12 months, the all-items index increased 3.4 percent before seasonal adjustment.

The index for shelter rose 0.1 percent in July, accounting for roughly two-thirds of the monthly all-items increase. The index for food also increased 0.1 percent over the month, as the index for food away from home increased 0.3 percent. In contrast, the energy index declined 1.5 percent in July.

The index for all-items less food and energy rose 0.2 percent after being unchanged in June. Indexes that increased over the month include medical care, airline fares, communication, education, and recreation. Conversely, the index for motor vehicle insurance was among the major indexes that decreased in July.

The all-items index rose 3.4 percent for the 12 months ending July after rising 3.5 percent for the 12 months ending June. The all-items less food and energy index rose 2.5 percent over the year, following a 2.6-percent increase over the 12 months ending June. The energy index increased 14.7 percent for the 12 months ending July. The food index increased 3.0 percent over the last year.

Employment

Both nonfarm payroll employment (-23,000) and the unemployment rate (4.1 percent) changed little in July, the U.S. Bureau of Labor Statistics reported. Employment declined in local government education and retail trade. Employment continued to trend up in health care.

The average workweek for all employees on private nonfarm payrolls was unchanged at 34.3 hours in July. In manufacturing, the average workweek was also unchanged at 40.4 hours, and overtime edged down by 0.1 hour to 3.1 hours. The average workweek for production and nonsupervisory employees on private nonfarm payrolls remained at 33.8 hours.

Durable Goods Orders and Factory Shipments

New orders for manufactured durable goods in July, up four of the last five months, increased $3.6 billion or 1.1 percent to $339.3 billion, the U.S. Census Bureau announced. This followed a 0.5 percent June increase. Excluding transportation, new orders increased 0.4 percent. Excluding defense, new orders increased 1.3 percent. Transportation equipment, up following two consecutive monthly decreases, led the increase, $2.6 billion or 2.3 percent to $116.2 billion.

On a seasonally-adjusted basis, July shipments for furniture and related products were up 0.7% compared to the prior month, while new orders were also up 0.7%. On a non-adjusted basis, July 2026 year to date shipments for furniture and related products were up 1.9% compared to the prior year, while year to date new orders were up 0.8%.