

# The US just got its latest sign that the manufacturing sector is slowing down

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- **New orders for goods made in the US slid in February after barely rising the two previous months.**
- **The data was the latest pointing to slowing activity in the manufacturing sector, which economists say could enter a mild recession this year.**
- **Economists say the slowdown is in part due to the fading effects of stimulus measures, but trade tensions haven't helped.**

New orders for US-made goods slid in February, the latest sign that the manufacturing sector is losing steam amid global trade tensions and as the broader economy slows.

Factory orders fell by \$2.6 billion, or 0.5%, the Commerce Department **said** Monday, in line with economist expectations. They have fallen in four of the five past months.

The decrease was largely led by slowing activity in transportation manufacturing. After three months of increases, orders for transportation equipment dropped 4.5% in February to \$86.2 billion.

Shipments of US-made products rose in February after falling for four straight months. In January, they slid 0.4% in what had been the longest string of declines since 2015.

Economists think the manufacturing sector, which accounts for about a tenth of economic activity, could enter a mild recession this year. In March, the US **shed 6,000 manufacturing jobs** after nearly two years of steady gains.

The American economy is expected to grow at a much slower pace in coming months, with first-quarter GDP estimates of between 1% and 2%.

The slowdown is in part thanks to the fading effects of stimulus measures, including a \$1.5 trillion tax-cut package passed in the US in 2017, but trade tensions between the US and its major trading partners haven't helped.

Tariffs levied last year as part of the Trump administration's crackdown on trade practices seen as unfair have raised company costs, **lowered access to foreign markets, and disrupted supply chains.**