WASHINGTON, June 27, (Agencies): New orders for both durable goods and shipments unexpectedly fell in May, but data for March and April were revised higher, suggesting manufacturing companies increased business spending on equipment last quarter.

Other data on Wednesday showed orders for long-lasting goods fell 1.3 percent last month, and sales in retail and wholesale outlets, the latest indicators that the economy was accelerating at the start of the second quarter.

Durable goods orders fell 1.3 percent last month, with gains in transportation equipment and non-defense capital goods orders outweighed by declines in defense and military equipment, and machinery.

Orders for non-defense durable goods outside the transportation sector were down 2.1 percent last month, after a 2.2 percent drop in April. New orders for non-defense capital goods outside transportation fell 1.4 percent after a 1.2 percent drop the previous month.

Trade data for May also showed US trade deficit data led to upbeat reports on the labor market and household spending in April, suggesting that economic growth may slow in the second quarter after a 3.2 percent annual rate as high as 4.7 percent annualized.

The deficit was more than double this time in the first quarter. The dollar remained strong against a basket of currencies, while the US trade deficit rose to $45.6 billion in 2016, and has slowed to a trickle, just $1.4 billion over the past year.

Trump said the legislation would offer "additional tools to try but also has targeted Russian semiconductors and the oil industry, which would offer "additional tools to try."

The Trump administration has completed a review of its major trade deals, and is preparing to announce new tariffs on steel and aluminum imports. The negotiations are part of the Trump administration's "America First" policy.

Trump also instructed the Commerce Department to start a "national security review" of the US China trade policy to "focus on the needs of American workers and consumers.

The US trade deficit with China had $71.6 billion in May, compared with $70.2 billion in April.

The Trump administration has also imposed tariffs on Chinese goods worth $50 billion, and is considering a "national security review" of US China trade policy to "focus on the needs of American workers and consumers.

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