

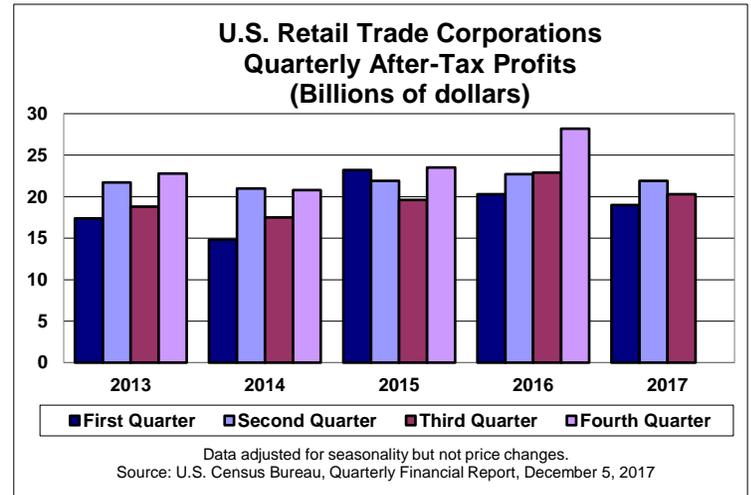
FOR RELEASE AT 10:00 AM EST, TUESDAY, DECEMBER 5, 2017

QUARTERLY FINANCIAL REPORT: LARGE U.S. RETAIL TRADE CORPORATIONS, THIRD QUARTER 2017

Release Number: CB17-200

December 5, 2017 — The U.S. Census Bureau announced the following seasonally adjusted quarterly after-tax profits for retail trade industries statistics for Third Quarter 2017:

U.S. RETAIL TRADE CORPORATIONS QUARTERLY AFTER-TAX PROFITS	
Third Quarter 2017	\$20.3 billion
Second Quarter 2017 (Revised)	\$21.9 billion
Third Quarter 2016 (Revised)	\$22.9 billion
Next release: March 19, 2018	
Data adjusted for seasonality but not price changes. Source: U.S. Census Bureau, Quarterly Financial Report, December 5, 2017	



After-Tax Profits and Sales, Third Quarter 2017 – Seasonally Adjusted

Seasonally adjusted after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$20.3 billion, down \$1.7 (± 0.0) billion from the \$21.9 billion recorded in the second quarter of 2017, and down \$2.7 (± 0.2) billion from the \$22.9 billion recorded in the third quarter of 2016.

Seasonally adjusted sales for the quarter totaled \$734.4 billion, up \$8.2 (± 1.8) billion from the \$726.2 billion recorded in the second quarter of 2017, and up \$30.2 (± 9.0) billion from the \$704.1 billion recorded in the third quarter of 2016.

After-Tax Profits and Sales, Third Quarter 2017 – Not Seasonally Adjusted

Third quarter 2017 after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$19.0 billion, down \$2.7 (± 0.2) billion from the after-tax profits of \$21.7 billion recorded in the third quarter of 2016, and down \$2.5 (± 0.0) billion from the after-tax profits of \$21.5 billion recorded in the second quarter of 2017.

Sales in the third quarter of 2017, were \$724.5 billion, up \$30.2 (± 9.0) billion from the \$694.3 billion recorded in the third quarter of 2016, but not statistically different from the \$723.8 billion recorded in the second quarter of 2017.

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The Fourth Quarter 2017 Quarterly Financial Report for Retail Trade Industries is scheduled for release on March 19, 2018. View the full schedule in the Economic Briefing Room:

<www.census.gov/economic-indicators/>. The full text and tables of this release can be found at <www.census.gov/econ/qfr/>.

EXPLANATORY NOTES

Access to QFR Data

This press release can be viewed today in portable document format (.pdf) at the QFR internet website <www.census.gov/econ/qfr/>. Summary statements of income and retained earnings, balance sheets, and related financial and operating ratios for retail trade corporations, as well as information on adjustments for seasonal variation, are available at the QFR internet website. Time series/trend chart data are available at <www.census.gov/econ/qfr/>, select the Time Series/Trend Charts link under Latest QFR Press Releases.

Reliability of the Estimates

Estimates of change presented in this press release are calculated using unrounded data. The calculated difference is then rounded to the nearest unit of measure. Due to this rounding, differences may not add to the totals. The same applies to the calculated confidence intervals. Thus, a difference of \$0.0 billion indicates the difference is less than \$0.05 billion. A confidence interval of ± 0.0 billion indicates a confidence interval with width of less than ± 0.05 billion on each side of the estimated value.

Data in this press release are based on quarterly financial reports from approximately 600 U.S. corporations. The data are estimated from a sample survey and are subject to sampling and nonsampling errors.

Sampling error occurs because only a subset of the entire population is measured. Estimates of sampling error can be computed based on the sample and used to construct confidence intervals around the estimates. Statements of change appearing in this report include 90 percent confidence intervals. Thus, a statement in the report such as “up \$2.5 (± 0.2) billion” estimates the interval (+\$2.3 billion to +\$2.7 billion) within which the actual value is likely to fall in 90 percent of samples of the same size and design, drawn from the same population. If the range of estimated change contains zero (0), then it is uncertain whether there is an increase or decrease; that is, the change is not statistically different from zero (0).

Nonsampling error encompasses all other factors that contribute to the total error of a survey, including response errors, nonresponse, and coverage errors. Although no direct measures of nonsampling error are available, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data in an effort to minimize their influence. The quarterly publication, Quarterly Financial Report for Manufacturing, Mining, Trade and Selected Service Industries – Third Quarter 2017 (QFR/17-Q3), includes more detailed explanations of nonsampling and sampling error, and additional measures of sampling variability.

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Explanations of confidence intervals and sampling variability can be found on our website at www.census.gov/econ/qfr/documents/QFR_Methodology.pdf.

Data Quality Indicators

The QFR produces two indicators of data quality: the Unit Response Rate and the Total Quantity Response Rate. The URR is defined as the percentage of sampled units (unweighted) that responded to the current quarter’s survey. In determining the URR, a unit is classified as a respondent if it provided adequate information for key QFR data items. The TQRR is defined as the proportion of the weighted estimated total of a key QFR data item that is either reported by a survey unit or acquired from some other information source (such as a publicly available quarterly or annual report) that is determined to be equivalent in quality to reported data. The absolute value is applied to the real-valued data item Income before Income taxes, (|NIBT|), prior to calculating the weighted estimated total. The TQRR is calculated for the QFR data items Net sales, Depreciation, |NIBT|, and Total assets.

Total Quantity Response Rates and Unit Response Rates ^{1,2}					
Industry	Total Quantity Response Rate				Unit Response Rate
	Net Sales	Depreciation	NIBT	Total assets	
	(percent)				(percent)
All retail trade.....	79.6	77.6	82.3	81.9	51.8

Footnotes:

¹For more information, see the Introduction, Survey Methodology section, in the Quarterly Financial Report for Manufacturing, Mining, Trade, and Selected Service Industries, or at the QFR internet website www.census.gov/econ/qfr/collection.html.

²Imputation Rate = 100% - TQRR.

Source: U.S. Census Bureau, Quarterly Financial Report, December 5, 2017. Explanations of confidence intervals and sampling variability can be found on our website at www.census.gov/econ/qfr/documents/QFR_Methodology.pdf.

U.S. Retail Trade Corporations Schedule of Release Dates for Calendar Year 2017	
Fourth Quarter 2016	March 20, 2017
First Quarter 2017	June 6, 2017
Second Quarter 2017	September 6, 2017
Third Quarter 2017	December 5, 2017

API

The Census Bureau’s application programming interface lets developers create custom apps to reach new users and makes key demographic, socio-economic and housing statistics more accessible than ever before.

www.census.gov/developers/

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**Table 1. U.S. Retail Trade Corporations, Assets \$50 Million and Over –
Not Seasonally Adjusted Income Statement^{1, 2}**

Item	3Q	2Q	3Q
	2017	2017 (r)	2016 (r)
	(million dollars)		
Net sales, receipts, and operating revenues	724,498	723,796	694,279
Less: Depreciation, depletion, and amortization	15,197	15,007	14,378
Less: All other operating costs and expenses	678,810	673,877	648,882
Income (or loss) from operations	30,491	34,912	31,019
Interest expense	5,724	5,405	5,379
Net nonoperating income (expense)	2,465	2,367	5,203
Income (or loss) before income taxes	27,231	31,874	30,843
Less: Provision for current and deferred domestic income taxes	8,235	10,341	9,161
Income (or loss) after income taxes	18,996	21,533	21,681
Cash dividends charged to retained earnings in current quarter	7,479	11,315	6,991
Net income retained in business	11,518	10,218	14,691
Retained earnings at beginning of quarter	440,324	439,416	416,848
Other direct credits (or charges) to retained earnings (net)	(7,205)	(8,566)	(5,147)
Retained earnings at end of quarter	444,636	441,068	426,391

Footnotes:

(r) Revised.

¹This table only includes estimates for corporations with assets of \$50 million and over at the time of sample selection.

²Complete Income Statement and Balance Sheet Financial Tables are available at the QFR website <www.census.gov/econ/qfr>.

Data are not adjusted for seasonality or price changes.

Explanations of confidence intervals and sampling variability can be found on our website at <www.census.gov/econ/qfr/documents/QFR_Methodology.pdf>.

Source: U.S. Census Bureau, Quarterly Financial Report, December 5, 2017.

**Table 2. U.S. Retail Trade Corporations, Assets \$50 Million and Over –
Not Seasonally Adjusted Income Statement Ratios^{1, 2}**

Item	3Q	2Q	3Q
	2017	2017 (r)	2016 (r)
	(cents per dollar of sales)		
Net sales, receipts, and operating revenues	100.00	100.00	100.00
Less: Depreciation, depletion, and amortization	2.10	2.07	2.07
Less: All other operating costs and expenses	93.69	93.10	93.46
Income (or loss) from operations	4.21	4.82	4.47
Interest expense	0.79	0.75	0.77
Net nonoperating income (expense)	0.34	0.33	0.75
Income (or loss) before income taxes	3.76	4.40	4.44
Less: Provision for current and deferred domestic income taxes	1.14	1.43	1.32
Income (or loss) after income taxes	2.62	2.97	3.12

Footnotes:

(r) Revised.

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Source: U.S. Census Bureau, Quarterly Financial Report, December 5, 2017.

**Table 3. U.S. Retail Trade Corporations, Assets \$50 Million and Over –
Not Seasonally Adjusted Operating Ratios^{1,2}**

Item	3Q	2Q	3Q
	2017	2017 (r)	2016 (r)
(percent)			
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	22.08	25.73	25.23
After income taxes	15.41	17.38	17.73
Annual rate of profit on total assets:			
Before income taxes	7.18	8.66	8.48
After income taxes	5.01	5.85	5.96

Footnotes:

(r) Revised.

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Source: U.S. Census Bureau, Quarterly Financial Report, December 5, 2017.

**Table 4. U.S. Retail Trade Corporations, Assets \$50 Million and Over –
Seasonally Adjusted Sales and Net Income After Tax^{1,2}**

Industry group and year	Sales (r)				Net Income After Tax (r)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All retail								
2006	480,115	493,156	498,036	501,477	16,514	14,944	15,234	16,123
2007	509,676	514,957	516,548	520,443	15,310	18,446	14,487	13,919
2008	523,268	536,537	531,964	500,350	12,217	13,427	9,989	(7,045)
2009	495,877	495,302	509,138	519,084	8,481	13,930	13,260	20,503
2010	532,407	534,802	540,072	549,916	16,668	17,267	14,968	18,999
2011	568,004	585,104	586,075	585,288	17,071	18,375	17,187	16,462
2012	605,295	597,683	602,324	609,880	16,711	19,755	16,563	20,559
2013	622,399	626,155	634,642	640,092	17,414	21,739	18,769	22,775
2014	646,443	657,905	662,863	667,016	14,753	20,997	17,501	20,846
2015	659,168	672,260	681,076	680,343	23,195	21,861	19,565	23,468
2016	689,177	696,560	704,132	715,907	20,316	22,699	22,934	28,204
2017	718,815	726,151	734,355		18,998	21,946	20,257	

Footnotes:

(r) Revised.

¹This table only includes estimates for corporations with assets of \$50 million and over at the time of sample selection.

²For information on adjustment for seasonal variation, see the Introduction, Survey Methodology section, in the Quarterly Financial Report for Manufacturing, Mining, Trade, and Selected Service Industries, or at the QFR internet website <www.census.gov/econ/qfr/collection.html>.

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Source: U.S. Census Bureau, Quarterly Financial Report, December 5, 2017.