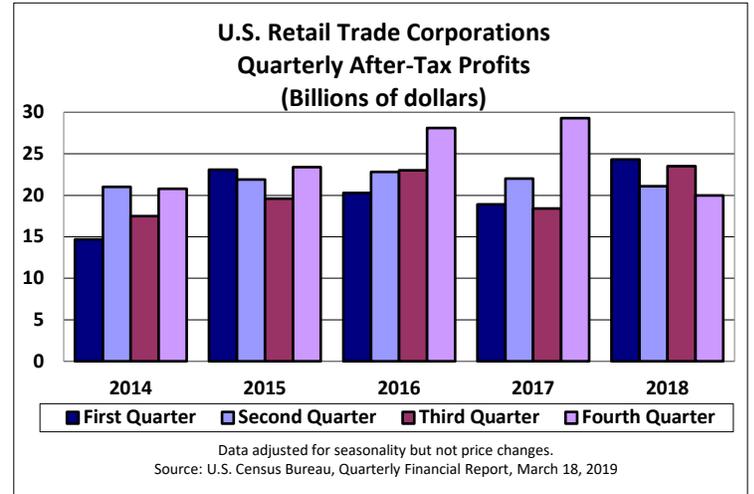


QUARTERLY FINANCIAL REPORT: LARGE U.S. RETAIL TRADE CORPORATIONS, FOURTH QUARTER 2018

Release Number: CB19-33

March 18, 2019 — The U.S. Census Bureau announced the following seasonally adjusted quarterly after-tax profits for retail trade industries statistics for Fourth Quarter 2018:

U.S. RETAIL TRADE CORPORATIONS QUARTERLY AFTER-TAX PROFITS	
Fourth Quarter 2018	\$20.0 billion
Third Quarter 2018 (Revised)	\$23.5 billion
Fourth Quarter 2017 (Revised)	\$29.3 billion
Next release: June 5, 2019	
Data adjusted for seasonality but not price changes. Source: U.S. Census Bureau, Quarterly Financial Report, March 18, 2019	



After-Tax Profits and Sales, Fourth Quarter 2018 – Seasonally Adjusted

Seasonally adjusted after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$20.0 billion, down \$3.4 (± 0.3) billion from the \$23.5 billion recorded in the third quarter of 2018, and down \$9.3 (± 0.1) billion from the \$29.3 billion recorded in the fourth quarter of 2017.

Seasonally adjusted sales for the quarter totaled \$774.5 billion, not statistically different from the \$770.8 billion recorded in the third quarter of 2018, but up \$27.5 (± 4.1) billion from the \$747.1 billion recorded in the fourth quarter of 2017.

After-Tax Profits and Sales, Fourth Quarter 2018 – Not Seasonally Adjusted

Fourth quarter 2018 after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$22.8 billion, down \$9.3 (± 0.1) billion from the after-tax profits of \$32.0 billion recorded in the fourth quarter of 2017, but up \$0.6 (± 0.3) billion from the after-tax profits of \$22.1 billion recorded in the third quarter of 2018.

Sales in the fourth quarter of 2018 were \$813.4 billion, up \$28.0 (± 4.1) billion from the \$785.4 billion recorded in the fourth quarter of 2017, and up \$53.1 (± 10.1) billion from the \$760.3 billion recorded in the third quarter of 2018.

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The First Quarter 2019 Quarterly Financial Report for Retail Trade Industries is scheduled for release on June 5, 2019. 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

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data in an effort to minimize their influence. The quarterly publication, Quarterly Financial Report for Manufacturing, Mining, Trade and Selected Service Industries – Fourth Quarter 2018 (QFR/18-Q4), includes more detailed explanations of nonsampling and sampling error, and additional measures of sampling variability.

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.....	83.1	80.4	84.7	83.3	54.9

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, March 18, 2019. Explanations of confidence intervals and sampling variability can be found on our website at www.census.gov/econ/qfr/documents/QFR_Methodology.pdf.

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U.S. Retail Trade Corporations Schedule of Release Dates for Calendar Year 2019	
Fourth Quarter 2018	March 18, 2019
First Quarter 2019	June 5, 2019
Second Quarter 2019	September 4, 2019
Third Quarter 2019	December 3, 2019

RESOURCES

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/>

FRED Mobile App



Receive the latest updates on the nation’s key economic indicators by downloading the FRED App <<https://fred.stlouisfed.org/fred-mobile/>> for both Apple and Android devices. FRED, the signature database of the Federal Reserve Bank of St. Louis, now incorporates the Census Bureau’s 13 economic indicators.

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

Item	4Q	3Q	4Q
	2018	2018 (r)	2017 (r)
	(million dollars)		
Net sales, receipts, and operating revenues	813,414	760,285	785,449
Less: Depreciation, depletion, and amortization	16,483	15,431	15,808
Less: All other operating costs and expenses	761,481	710,862	731,786
Income (or loss) from operations	35,450	33,993	37,855
Interest expense	6,873	6,324	5,791
Net nonoperating income (expense)	757	60	218
Income (or loss) before income taxes	29,334	27,729	32,282
Less: Provision for current and deferred domestic income taxes	6,573	5,586	241
Income (or loss) after income taxes	22,761	22,143	32,041
Cash dividends charged to retained earnings in current quarter	9,100	6,892	7,835
Net income retained in business	13,662	15,252	24,205
Retained earnings at beginning of quarter	457,902	471,253	442,836
Other direct credits (or charges) to retained earnings (net)	(11,049)	(6,199)	(9,132)
Retained earnings at end of quarter	460,515	480,306	457,910

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, March 18, 2019.

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

Item	4Q	3Q	4Q
	2018	2018 (r)	2017 (r)
	(cents per dollar of sales)		
Net sales, receipts, and operating revenues	100.00	100.00	100.00
Less: Depreciation, depletion, and amortization	2.03	2.03	2.01
Less: All other operating costs and expenses	93.62	93.50	93.17
Income (or loss) from operations	4.36	4.47	4.82
Interest expense	0.84	0.83	0.74
Net nonoperating income (expense)	0.09	0.01	0.03
Income (or loss) before income taxes	3.61	3.65	4.11
Less: Provision for current and deferred domestic income taxes	0.81	0.73	0.03
Income (or loss) after income taxes	2.80	2.91	4.08

Footnotes:

(r) Revised.

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Source: U.S. Census Bureau, Quarterly Financial Report, March 18, 2019.

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

Item	4Q	3Q	4Q
	2018	2018 (r)	2017 (r)
(percent)			
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	20.05	20.64	25.06
After income taxes	15.56	16.49	24.87
Annual rate of profit on total assets:			
Before income taxes	6.92	6.81	8.48
After income taxes	5.37	5.44	8.41

Footnotes:

(r) Revised.

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Source: U.S. Census Bureau, Quarterly Financial Report, March 18, 2019.

**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								
2007	509,759	514,818	516,370	520,745	15,310	18,442	14,486	13,924
2008	523,295	536,330	531,849	500,520	12,215	13,423	9,991	(7,039)
2009	496,072	495,067	509,011	519,063	8,477	13,926	13,265	20,510
2010	532,956	534,468	539,917	549,663	16,655	17,266	14,978	19,005
2011	568,830	584,777	585,906	584,992	17,051	18,377	17,201	16,469
2012	605,909	597,579	602,223	609,725	16,681	19,768	16,576	20,562
2013	622,437	626,357	634,620	640,230	17,378	21,766	18,777	22,773
2014	645,808	658,272	663,031	667,257	14,712	21,040	17,516	20,821
2015	658,300	672,570	681,347	680,581	23,149	21,930	19,589	23,408
2016	688,489	696,634	704,509	713,751	20,263	22,805	22,966	28,124
2017	715,641	721,132	732,707	747,069	18,906	22,001	18,365	29,342
2018	755,883	766,791	770,789	774,532	24,295	21,086	23,452	20,005

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, March 18, 2019.