

FOR RELEASE AT 10:00 AM EDT, MONDAY, MARCH 23, 2020

## QUARTERLY FINANCIAL REPORT: LARGE U.S. RETAIL TRADE CORPORATIONS, FOURTH QUARTER 2019

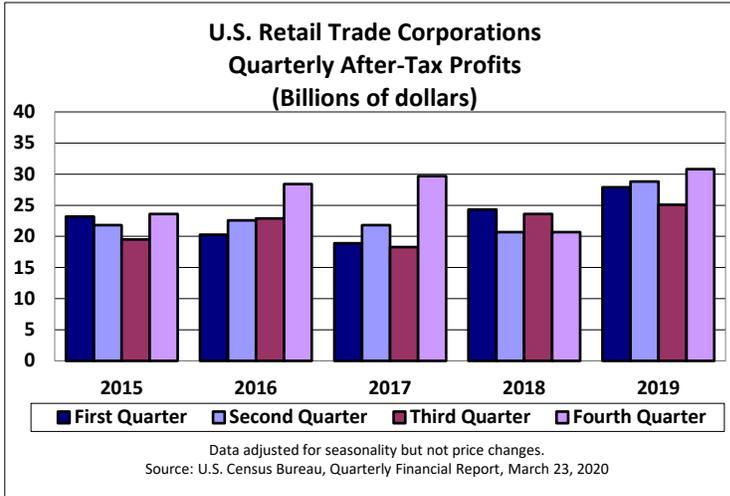
Release Number: CB20-43

### Announcement

With this release, the Quarterly Financial Report (QFR) implements a new sampling methodology that reduces overall respondent burden for the smallest companies and increases the certainty boundary by industry. Estimates for the prior four quarters (fourth quarter 2018 through third quarter 2019) will be restated using the new sampling methodology to provide comparability of the estimates across these quarters. For more information, see the Survey Methodology section of the Introduction in the Quarterly Financial Report for Manufacturing, Mining, Trade, and Selected Service Industries - Fourth quarter 2019 (QFR/19-Q4) publication.

**March 23, 2020** — The U.S. Census Bureau announced the following seasonally adjusted quarterly after-tax profits for retail trade industries statistics for Fourth Quarter 2019:

U.S. RETAIL TRADE CORPORATIONS QUARTERLY AFTER-TAX PROFITS	
Fourth Quarter 2019	\$30.8 billion
Third Quarter 2019 (Revised)	\$25.1 billion
Fourth Quarter 2018 (Revised)	\$20.7 billion
Next release: June 8, 2020	
Data adjusted for seasonality but not price changes. Source: U.S. Census Bureau, Quarterly Financial Report, March 23, 2020	



### After-Tax Profits and Sales, Fourth Quarter 2019 – Seasonally Adjusted

Seasonally adjusted after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$30.8 billion, up \$5.7 ( $\pm 0.6$ ) billion from the \$25.1 billion recorded in the third quarter of 2019, and up \$10.1 ( $\pm 0.1$ ) billion from the \$20.7 billion recorded in the fourth quarter of 2018.

#### Data Inquiries

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Seasonally adjusted sales for the quarter totaled \$813.6 billion, up \$13.2 ( $\pm 10.2$ ) billion from the \$800.5 billion recorded in the third quarter of 2019, and up \$31.1 ( $\pm 5.9$ ) billion from the \$782.5 billion recorded in the fourth quarter of 2018.

### **After-Tax Profits and Sales, Fourth Quarter 2019 – Not Seasonally Adjusted**

Fourth quarter 2019 after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$33.0 billion, up \$10.1 ( $\pm 0.1$ ) billion from the after-tax profits of \$22.9 billion recorded in the fourth quarter of 2018, and up \$9.1 ( $\pm 0.6$ ) billion from the after-tax profits of \$23.9 billion recorded in the third quarter of 2019.

Sales in the fourth quarter of 2019, were \$857.7 billion, up \$32.6 ( $\pm 5.9$ ) billion from the \$825.1 billion recorded in the fourth quarter of 2018, and up \$68.5 ( $\pm 10.2$ ) billion from the \$789.2 billion recorded in the third quarter of 2019.

The First Quarter 2020 Quarterly Financial Report for Retail Trade Industries is scheduled for release on June 8, 2020. View the full schedule in the Economic Briefing Room:

<[www.census.gov/economic-indicators/](http://www.census.gov/economic-indicators/)>. The full text and tables of this release can be found at <[www.census.gov/econ/qfr/](http://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/](http://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/](http://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  $\pm 0.0$  billion indicates a confidence interval with width of less than  $\pm 0.05$  billion on each side of the estimated value.

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Data in this press release are based on quarterly financial reports from approximately 550 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 ( $\pm 0.2$ ) 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 – Fourth Quarter 2019 (QFR/19-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](http://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.

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Total Quantity Response Rates and Unit Response Rates <sup>1,2</sup>					
Industry	Total Quantity Response Rate				Unit Response Rate
	Net Sales	Depreciation	NIBT	Total assets	
	(percent)				(percent)
All retail trade.....	85.2	84.6	81.8	84.3	59.8

**Footnotes:**

<sup>1</sup>For 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](http://www.census.gov/econ/qfr/collection.html)>.

<sup>2</sup>Imputation Rate = 100% - TQRR.

Source: U.S. Census Bureau, Quarterly Financial Report, March 23, 2020. Explanations of confidence intervals and sampling variability can be found on our website at <[www.census.gov/econ/qfr/documents/QFR\\_Methodology.pdf](http://www.census.gov/econ/qfr/documents/QFR_Methodology.pdf)>.

U.S. Retail Trade Corporations Schedule of Release Dates for Calendar Year 2020	
Fourth Quarter 2019	March 23, 2020
First Quarter 2020	June 8, 2020
Second Quarter 2020	September 8, 2020
Third Quarter 2020	December 8, 2020

**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/](http://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<sup>1, 2</sup>**

Item	4Q	3Q	4Q
	2019	2019 (r)	2018 (r)
	(million dollars)		
Net sales, receipts, and operating revenues .....	857,669	789,196	825,060
Less: Depreciation, depletion, and amortization .....	17,522	17,365	16,415
Less: All other operating costs and expenses .....	794,795	736,041	771,662
<b>Income (or loss) from operations .....</b>	<b>45,351</b>	<b>35,789</b>	<b>36,983</b>
Interest expense .....	6,514	6,649	6,757
Net nonoperating income (expense) .....	1,303	861	(169)
<b>Income (or loss) before income taxes .....</b>	<b>40,140</b>	<b>30,001</b>	<b>30,058</b>
Less: Provision for current and deferred domestic income taxes .....	7,141	6,078	7,129
<b>Income (or loss) after income taxes .....</b>	<b>32,999</b>	<b>23,923</b>	<b>22,929</b>
Cash dividends charged to retained earnings in current quarter .....	8,420	8,678	8,151
<b>Net income retained in business .....</b>	<b>24,579</b>	<b>15,245</b>	<b>14,779</b>
Retained earnings at beginning of quarter .....	482,004	467,683	447,022
Other direct credits (or charges) to retained earnings (net) .....	(5,532)	(6,894)	(12,555)
<b>Retained earnings at end of quarter .....</b>	<b>501,050</b>	<b>476,035</b>	<b>449,246</b>

Footnotes:

(r) Revised.

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

<sup>2</sup>Complete Income Statement and Balance Sheet Financial Tables are available at the QFR website <[www.census.gov/econ/qfr](http://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](http://www.census.gov/econ/qfr/documents/QFR_Methodology.pdf)>.

Source: U.S. Census Bureau, Quarterly Financial Report, March 23, 2020.

**Table 2. U.S. Retail Trade Corporations, Assets \$50 Million and Over – Not Seasonally Adjusted Income Statement Ratios<sup>1, 2</sup>**

Item	4Q	3Q	4Q
	2019	2019 (r)	2018 (r)
	(cents per dollar of sales)		
Net sales, receipts, and operating revenues .....	100.00	100.00	100.00
Less: Depreciation, depletion, and amortization .....	2.04	2.20	1.99
Less: All other operating costs and expenses .....	92.67	93.26	93.53
<b>Income (or loss) from operations .....</b>	<b>5.29</b>	<b>4.53</b>	<b>4.48</b>
Interest expense .....	0.76	0.84	0.82
Net nonoperating income (expense) .....	0.15	0.11	(0.02)
<b>Income (or loss) before income taxes .....</b>	<b>4.68</b>	<b>3.80</b>	<b>3.64</b>
Less: Provision for current and deferred domestic income taxes .....	0.83	0.77	0.86
<b>Income (or loss) after income taxes .....</b>	<b>3.85</b>	<b>3.03</b>	<b>2.78</b>

Footnotes:

(r) Revised.

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Source: U.S. Census Bureau, Quarterly Financial Report, March 23, 2020.

**Table 3. U.S. Retail Trade Corporations, Assets \$50 Million and Over –  
Not Seasonally Adjusted Operating Ratios<sup>1, 2</sup>**

Item	4Q	3Q	4Q
	2019	2019 (r)	2018 (r)
(percent)			
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes .....	25.69	19.96	20.69
After income taxes .....	21.12	15.92	15.78
Annual rate of profit on total assets:			
Before income taxes .....	8.20	6.28	7.16
After income taxes .....	6.74	5.01	5.46

Footnotes:

(r) Revised.

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

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Source: U.S. Census Bureau, Quarterly Financial Report, March 23, 2020.

**Table 4. U.S. Retail Trade Corporations, Assets \$50 Million and Over –  
Seasonally Adjusted Sales and Net Income After Tax<sup>1, 2</sup>**

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								
2008 .....	523,063	536,497	532,008	500,514	12,176	13,462	9,945	(6,981)
2009 .....	495,721	495,197	509,240	519,170	8,440	13,952	13,209	20,577
2010 .....	532,447	534,547	540,246	549,792	16,629	17,286	14,955	18,999
2011 .....	568,296	584,892	586,198	585,083	17,056	18,387	17,175	16,498
2012 .....	605,442	597,804	602,338	609,693	16,683	19,744	16,546	20,633
2013 .....	622,185	626,683	634,551	640,036	17,382	21,704	18,720	22,928
2014 .....	645,828	658,604	662,874	666,868	14,704	20,940	17,458	20,992
2015 .....	658,677	672,797	681,268	679,701	23,158	21,797	19,539	23,581
2016 .....	689,469	696,725	704,521	712,126	20,295	22,629	22,905	28,356
2017 .....	717,519	721,049	732,854	744,394	18,947	21,757	18,282	29,672
2018 .....	758,476	767,831	771,021	782,481	24,300	20,665	23,641	20,655
2019 .....	775,760	791,687	800,474	813,626	27,929	28,839	25,068	30,777

Footnotes:

(r) Revised.

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

<sup>2</sup>For 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](http://www.census.gov/econ/qfr/collection.html)>.

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