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**MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES
JULY 2002**

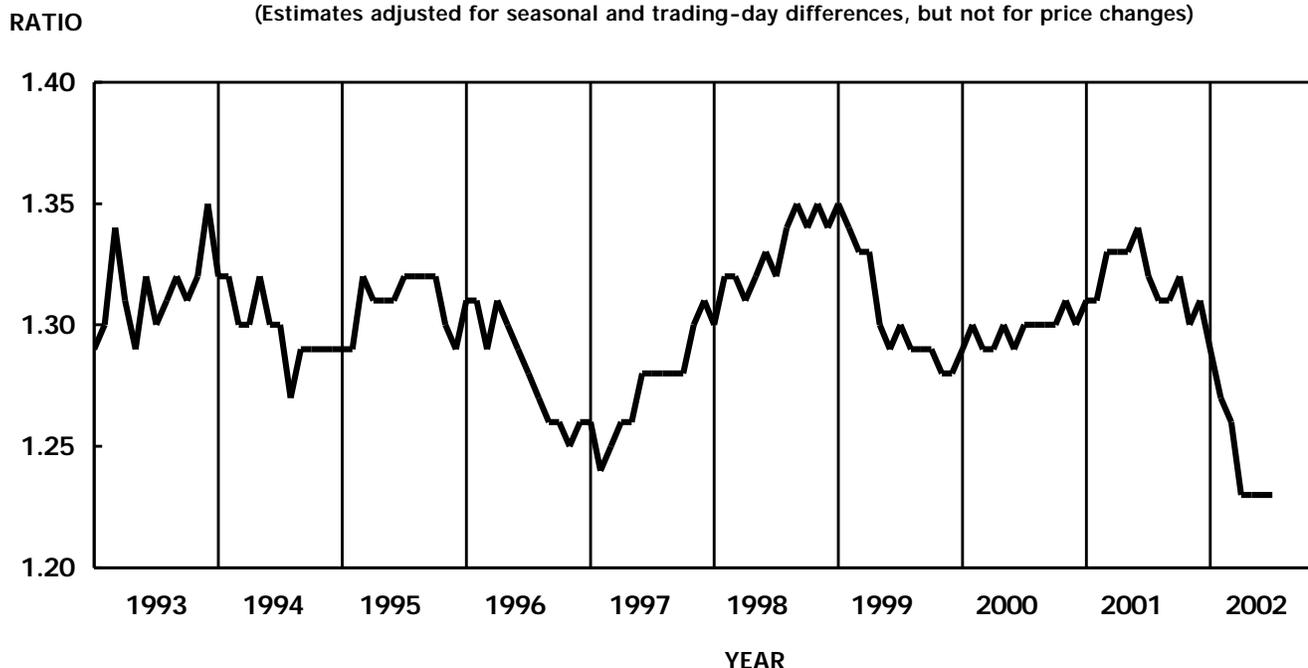
Sales. July 2002 sales of merchant wholesalers, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$231.0 billion, up 0.6 percent (+/-0.5%) from the revised June level, and were up 2.4 percent (+/-1.3%) from the July 2001 level. The June preliminary estimate was revised upward \$0.1 billion or 0.1 percent. Among durable goods, furniture and home furnishings were down 2.6 percent from last month and sales of professional and commercial equipment and supplies were down 2.0 percent. July sales of nondurable goods increased 1.2 percent (+/-0.8%) from last month and were up 4.5 percent (+/-1.7%) from last year. Compared to last month, sales of farm product raw materials were up 3.1 percent.

Inventories. Total inventories of merchant wholesalers, after adjustment for seasonal variations but not for price changes, were \$284.2 billion at the end of July, up 0.6 percent (+/-0.3%) from last month, but were down 4.7 percent (+/-1.2%) from a year ago. The June preliminary estimate was revised upward \$0.5 billion or 0.2 percent. End-of-month inventories of durable goods were up 0.5 percent (+/-0.4%) from June, but were down 8.0 percent (+/-1.6%) from last July. Compared to last month, inventories of metals and minerals, except petroleum, were up 1.8 percent and machinery, equipment, and supplies increased 0.9 percent. End-of-month inventories of nondurable goods increased 0.9 percent (+/-0.5%) from last month, and were up 0.6 percent (+/-2.0%) from a year ago. Inventories of farm product raw materials increased 4.0 percent from June, while chemicals and allied products decreased 1.6 percent.

Inventories/Sales Ratio. The July inventories/sales ratio for merchant wholesalers, based on seasonally adjusted data, was 1.23. The July 2001 ratio was 1.32.

Data in this report are based on a sample and, therefore, are subject to sampling and nonsampling error. A discussion of the reliability of the estimates and general survey methodology appears in BW/01-A Current Business Reports.

Monthly Inventories/Sales Ratios of Merchant Wholesalers: 1993 to 2002
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for August is scheduled to be released October 10, 2002 at 10:00 a.m.

Address inquiries concerning this report to Service Sector Statistics Division, U.S. Census Bureau, Washington, DC 20233, or call Nancy Piesto, (301) 763-2747.

This report is available on day of issue through the Department of Commerce's STAT-USA website; for information, call (202) 482-1986. The data are also available on the internet - <http://www.census.gov/whl>.

Table 1. Estimated Monthly Sales, Inventories, and Inventories/Sales Ratios of Merchant Wholesalers

[Total sales and inventory estimates are shown in millions of dollars. Estimates are based on data from the Monthly Wholesale Trade Survey, Annual Wholesale Trade Survey, and administrative records. Except for NAICS code 4225, estimates have been adjusted using results of the most recent economic census.]

NAICS ¹ code	Kind of Business	Sales						Inventories						Inventories/Sales Ratios		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		Jul. 2002 (p)	Jun. 2002 (r)	Jul. 2001 (r)	Jul./ Jun.	Jun./ May	Jul. 02 Jul. 01	Jul. 2002 (p)	Jun. 2002 (r)	Jul. 2001 (r)	Jul./ Jun.	Jun./ May	Jul. 02 Jul. 01	Jul. 2002 (p)	Jun. 2002 (r)	Jul. 2001 (r)
Adjusted²																
42	U.S. Total	230,991	229,638	225,620	0.6	0.7	2.4	284,152	282,340	298,162	0.6	0.4	-4.7	1.23	1.23	1.32
421	Durable	114,408	114,493	114,090	-0.1	0.5	0.3	169,269	168,459	183,983	0.5	0.2	-8.0	1.48	1.47	1.61
4211	Automotive	17,534	17,457	17,144	0.4	1.0	2.3	23,873	23,568	24,696	1.3	1.4	-3.3	1.36	1.35	1.44
4212	Furniture	3,576	3,671	3,594	-2.6	3.2	-0.5	5,209	5,171	5,538	0.7	0.0	-5.9	1.46	1.41	1.54
4213	Lumber	6,452	6,565	6,167	-1.7	-1.4	4.6	6,677	6,721	6,579	-0.7	-0.4	1.5	1.03	1.02	1.07
4214	Prof. equip.	21,580	22,010	22,380	-2.0	2.5	-3.6	23,257	23,274	25,259	-0.1	1.2	-7.9	1.08	1.06	1.13
42143	Comp. equip.	11,656	11,684	11,948	-0.2	3.3	-2.4	8,408	8,485	9,626	-0.9	0.7	-12.7	0.72	0.73	0.81
4215	Metals	7,918	7,843	7,828	1.0	4.0	1.1	12,358	12,144	13,103	1.8	0.9	-5.7	1.56	1.55	1.67
4216	Electrical	17,876	17,783	17,255	0.5	-1.6	3.6	22,990	22,873	27,022	0.5	-1.2	-14.9	1.29	1.29	1.57
4217	Hardware	5,373	5,358	5,116	0.3	-0.2	5.0	10,098	10,072	10,436	0.3	-0.4	-3.2	1.88	1.88	2.04
4218	Machinery	20,386	20,341	21,511	0.2	-1.3	-5.2	45,586	45,187	50,001	0.9	-0.2	-8.8	2.24	2.22	2.32
4219	Misc. Durable	13,713	13,465	13,095	1.8	1.1	4.7	19,221	19,449	21,349	-1.2	0.6	-10.0	1.40	1.44	1.63
422	Nondurable	116,583	115,145	111,530	1.2	0.8	4.5	114,883	113,881	114,179	0.9	0.8	0.6	0.99	0.99	1.02
4221	Paper	6,314	6,235	6,350	1.3	0.6	-0.6	6,062	6,157	6,652	-1.5	0.5	-8.9	0.96	0.99	1.05
4222	Drugs	18,623	18,779	16,094	-0.8	1.3	15.7	27,459	27,562	25,197	-0.4	0.0	9.0	1.47	1.47	1.57
4223	Apparel	7,088	6,939	6,558	2.1	-0.9	8.1	12,321	12,192	13,546	1.1	2.2	-9.0	1.74	1.76	2.07
4224	Groceries	35,260	35,056	33,744	0.6	1.2	4.5	22,271	22,121	21,276	0.7	2.4	4.7	0.63	0.63	0.63
4225	Farm products	8,983	8,715	8,708	3.1	3.2	3.2	10,413	10,008	10,815	4.0	1.1	-3.7	1.16	1.15	1.24
4226	Chemicals	5,044	4,991	4,946	1.1	-1.8	2.0	5,920	6,014	6,175	-1.6	-1.0	-4.1	1.17	1.20	1.25
4227	Petroleum	14,694	14,545	14,099	1.0	1.1	4.2	4,613	4,552	4,273	1.3	-1.7	8.0	0.31	0.31	0.30
4228	Alcohol	6,565	6,494	6,202	1.1	0.6	5.9	6,646	6,665	6,408	-0.3	-1.2	3.7	1.01	1.03	1.03
4229	Misc. Nondur.	14,012	13,391	14,829	4.6	-0.3	-5.5	19,178	18,610	19,837	3.1	1.0	-3.3	1.37	1.39	1.34
Not Adjusted																
Sales to date																
2002																
2001																
42	U.S. Total	234,971	226,807	222,883	3.6	-4.4	5.4	282,557	279,200	296,576	1.2	0.3	-4.7	1,578,663	1,589,342	
421	Durable	116,617	114,600	112,944	1.8	-2.5	3.3	171,678	168,943	186,534	1.6	0.0	-8.0	784,625	804,669	
4211	Automotive	17,972	17,474	17,161	2.8	-3.2	4.7	23,634	23,144	24,400	2.1	-0.7	-3.1	121,678	119,113	
4212	Furniture	3,558	3,576	3,515	-0.5	0.2	1.2	5,397	5,202	5,743	3.7	1.4	-6.0	24,247	25,298	
4213	Lumber	7,046	6,887	6,518	2.3	-6.9	8.1	6,797	6,876	6,717	-1.1	-0.5	1.2	47,099	42,403	
4214	Prof. equip.	21,947	22,384	21,865	-2.0	3.6	0.4	23,629	23,065	25,587	2.4	1.5	-7.7	147,645	155,734	
42143	Comp. equip.	11,714	12,093	11,554	-3.1	9.5	1.4	8,576	8,383	9,770	2.3	0.6	-12.2	77,540	85,541	
4215	Metals	8,076	7,819	7,781	3.3	-1.3	3.8	12,593	12,156	13,339	3.6	0.9	-5.6	52,620	55,849	
4216	Electrical	18,073	17,392	17,048	3.9	-3.3	6.0	23,519	22,964	27,644	2.4	-1.0	-14.9	120,983	125,016	
4217	Hardware	5,636	5,471	5,290	3.0	-4.6	6.5	10,179	10,183	10,519	0.0	-0.3	-3.2	38,086	36,729	
4218	Machinery	20,569	20,321	21,038	1.2	-7.8	-2.2	46,498	45,865	51,001	1.4	-0.5	-8.8	141,112	152,718	
4219	Misc. Durable	13,740	13,276	12,728	3.5	0.0	8.0	19,432	19,488	21,584	-0.3	0.6	-10.0	91,155	91,809	
422	Nondurable	118,354	112,207	109,939	5.5	-6.2	7.7	110,879	110,257	110,042	0.6	0.9	0.8	794,038	784,673	
4221	Paper	6,440	6,048	6,261	6.5	-4.0	2.9	6,020	6,157	6,612	-2.2	-0.5	-9.0	42,895	45,262	
4222	Drugs	18,288	17,784	15,386	2.8	-4.7	18.9	26,773	27,149	24,693	-1.4	4.2	8.4	127,020	107,154	
4223	Apparel	7,442	6,620	6,617	12.4	-0.1	12.5	12,802	12,424	14,047	3.0	5.5	-8.9	48,487	47,122	
4224	Groceries	36,706	34,565	34,284	6.2	-5.6	7.1	22,026	22,055	21,021	-0.1	3.1	4.8	242,255	232,455	
4225	Farm products	8,489	7,800	7,907	8.8	-6.0	7.4	7,810	7,676	8,025	1.7	-9.0	-2.7	59,482	62,505	
4226	Chemicals	5,231	5,011	4,961	4.4	-8.5	5.4	5,973	6,062	6,243	-1.5	-1.5	-4.3	35,355	35,311	
4227	Petroleum	14,988	14,138	14,057	6.0	-9.3	6.6	4,581	4,438	4,243	3.2	-1.8	8.0	97,711	109,692	
4228	Alcohol	6,828	6,663	6,171	2.5	-6.1	10.6	6,732	6,765	6,491	-0.5	-0.1	3.7	43,574	40,778	
4229	Misc. Nondur.	13,942	13,578	14,295	2.7	-8.9	-2.5	18,162	17,531	18,667	3.6	-2.8	-2.7	97,259	104,394	

^p Preliminary estimate. ^r Revised.

¹ For a full description of the NAICS codes used in this table, see <http://www.census.gov/svsd/www/naicsdef.html>.

² Estimates are adjusted for seasonal variations and, in the case of sales, also for trading-day differences. See Table 3 for the seasonal adjustment factors used. Cumulative seasonally adjusted sales estimates are not tabulated.

Note: Estimates have not been adjusted for price changes. Table 2 provides estimated measures of sampling variability. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at <http://www.census.gov/svsd/www/mwtsreliability.html>.

Table 2. Coefficients of Variation and Standard Errors for Sales and Inventories Estimates

[Estimates are shown as percents. Estimates are based on data from the Monthly Wholesale Trade Survey and administrative records.]

NAICS code	Kind of Business	Median coefficients of variation for level (%)				Median standard errors for trend				Coefficients of variation for level (%)		Standard errors for trend
		Preliminary estimates		Final estimates		Ratio of two consecutive months		Year-to-year estimates		Cumulative sales estimates		Current year cumulative
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	to previous year cumulative
42	U.S. Total	1.2	1.6	1.2	1.7	0.3	0.2	0.8	0.8	1.2	1.2	0.3
421	Durable	1.8	1.8	1.8	1.8	0.5	0.3	1.2	1.0	1.4	1.7	0.6
4211	Automotive	3.3	4.6	3.4	4.5	0.9	0.8	2.2	2.6	3.0	3.8	1.0
4212	Furniture	4.6	7.3	4.5	7.3	1.5	0.6	3.1	2.4	4.6	4.0	2.4
4213	Lumber	4.4	6.2	4.4	6.3	1.0	0.7	2.5	3.1	4.6	3.8	1.9
4214	Prof. equip.	5.1	5.7	5.1	5.6	1.1	0.6	3.4	1.9	4.8	3.9	1.8
42143	Comp. equip.	8.0	6.7	7.9	6.7	2.0	1.2	3.5	3.2	8.5	7.1	2.7
4215	Metals	7.6	8.8	7.6	8.7	1.2	0.7	3.7	3.7	6.9	6.9	2.4
4216	Electrical	4.0	4.8	4.1	4.7	1.3	0.6	2.0	1.7	3.4	3.8	0.8
4217	Hardware	8.1	10.8	8.2	10.8	1.1	0.5	3.0	2.7	8.1	7.6	1.6
4218	Machinery	4.1	3.2	4.2	3.2	1.6	0.5	2.5	2.3	3.7	3.4	1.1
4219	Misc. Durable	5.1	7.7	5.3	7.7	1.7	0.8	2.9	2.3	4.7	5.2	2.1
422	Nondurable	1.7	2.6	1.6	2.6	0.5	0.3	1.0	1.2	1.7	1.5	0.5
4221	Paper	4.5	3.7	4.6	3.7	1.0	0.6	1.4	1.5	4.2	4.8	0.6
4222	Drugs	5.3	5.5	5.2	5.5	0.8	0.4	2.4	3.1	5.3	5.9	1.5
4223	Apparel	5.0	4.8	5.0	4.8	1.9	0.9	3.4	2.8	4.5	4.2	2.2
4224	Groceries	3.0	5.7	3.0	5.6	0.8	0.6	2.1	3.0	3.1	2.8	1.0
4225	Farm products	5.6	11.1	5.6	11.3	1.8	1.7	3.6	3.2	5.4	5.5	1.4
4226	Chemicals	5.2	7.1	5.3	7.1	1.0	0.7	2.2	2.4	5.2	5.0	1.3
4227	Petroleum	5.7	7.4	5.7	7.3	0.8	0.8	1.5	2.5	5.7	5.5	0.8
4228	Alcohol	3.8	4.7	3.8	4.6	0.9	0.8	2.0	1.9	3.9	4.1	0.8
4229	Misc. Nondur.	7.7	7.8	7.8	7.8	1.9	1.2	4.1	2.0	7.6	7.1	3.1

Note: Estimated measures of sampling variability are based on estimates unadjusted for seasonal variation or trading-day differences. Medians are computed using final monthly estimates for the latest 12 months. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at www.census.gov/svsd/www/mwtsreliability.html.

Reliability of Estimates

There are two types of errors possible in an estimate based on a sample survey: sampling and nonsampling.

Sampling errors occur because observations are made on a sample, not on the entire population, and different samples could have led to different estimates. Standard errors and coefficients of variation, as calculated for this report, are measures of sampling variation. The margin of sampling error, as used on page 1, gives a range about the estimate which is a 90% confidence interval. If, for example, the percent change estimate is up 1.2% and the standard error is 0.9%, then the margin of sampling error is $\pm 1.65 \times 0.9\%$ or $\pm 1.5\%$, and the 90% confidence interval is -0.3% to $+2.7\%$. If the interval contains zero, then we do not have sufficient evidence to conclude the estimated change was statistically different from zero. For monthly totals, the coefficient of variation (CV) is given. The resulting confidence interval is the estimated value $\pm 1.65 \times CV \times$ (the estimated value).

Nonsampling errors can occur because of nonresponse, insufficient coverage of the universe of wholesale businesses, mistakes in the recording and coding of data, and response errors. Imputed data accounts for approximately 28% of the sales estimates and 31% of the inventories estimates. Additionally, estimates of sales and inventories prior to March 2001 have been restated from SIC-based estimates. The restatement methodology may have introduced additional nonsampling error. The calculated median standard errors of year-to-year change estimates may also be influenced by the methodology used to impute historical data for units in the NAICS sample. The effect of this historic imputation methodology on published estimates will decrease as more data from the NAICS sample is accumulated. Precautionary steps are taken to minimize nonsampling errors, but their magnitude is not directly measured.

Further information regarding the reliability of estimates can be found on the Internet on our web page at <http://www.census.gov/svsd/www/mwtsreliability.html>.

Table 3. Seasonal Adjustment Factors for Sales and Inventories of Merchant Wholesalers

[Seasonal adjustment factors are computed using the Census Bureau's X-12 ARIMA program and are based on data from the Monthly Wholesale Trade Survey, Annual Wholesale Trade Survey, and administrative records.]

NAICS code	Kind of Business	Sales						Inventories					
		2002					2001	2002					2001
		Aug.	Jul.r	Jun.r	May	Apr.	Jul.r	Aug.	Jul.r	Jun.r	May	Apr.	Jul.r
42	U.S. Total ¹	1.019	1.018	0.988	1.041	1.015	0.989	0.986	0.994	0.989	0.992	1.002	0.994
421	Durable	1.031	1.020	1.003	1.034	1.015	0.992	1.003	1.012	1.002	1.005	1.008	1.012
4211	Automotive	1.011	1.025	1.001	1.045	1.056	1.001	0.968	0.990	0.982	1.002	1.018	0.988
4212	Furniture	1.064	0.995	0.974	1.004	1.014	0.978	1.033	1.036	1.006	0.992	0.971	1.037
4213	Lumber	1.098	1.092	1.049	1.111	1.050	1.057	1.003	1.018	1.023	1.024	1.025	1.021
4214	Prof. equip.	1.027	1.017	1.017	1.006	0.973	0.977	0.995	1.016	0.991	0.988	1.012	1.013
42143	Comp. equip.	1.031	1.005	1.035	0.977	0.935	0.967	0.991	1.020	0.988	0.989	1.015	1.015
4215	Metals	1.046	1.020	0.997	1.050	1.024	0.994	1.015	1.019	1.001	1.001	0.997	1.018
4216	Electrical	1.032	1.011	0.978	0.996	0.974	0.988	1.017	1.023	1.004	1.002	0.990	1.023
4217	Hardware	1.036	1.049	1.021	1.068	1.030	1.034	1.018	1.008	1.011	1.010	1.008	1.008
4218	Machinery	1.013	1.009	0.999	1.070	1.062	0.978	1.006	1.020	1.015	1.018	1.021	1.020
4219	Misc. Durable	1.023	1.002	0.986	0.996	0.980	0.972	1.012	1.011	1.002	1.002	1.000	1.011
422	Nondurable	1.012	1.014	0.974	1.047	1.016	0.984	0.961	0.965	0.967	0.969	0.989	0.964
4221	Paper	1.049	1.020	0.970	1.017	0.991	0.986	0.988	0.993	1.000	1.010	1.010	0.994
4222	Drugs	0.971	0.982	0.947	1.007	1.006	0.956	0.953	0.975	0.985	0.945	0.988	0.980
4223	Apparel	1.088	1.050	0.954	0.947	0.971	1.009	1.033	1.039	1.019	0.987	0.959	1.037
4224	Groceries	1.024	1.041	0.986	1.057	1.001	1.016	0.987	0.989	0.997	0.990	0.983	0.988
4225	Farm products	0.915	0.945	0.895	0.983	1.004	0.908	0.754	0.750	0.767	0.852	0.972	0.742
4226	Chemicals	1.036	1.037	1.004	1.077	1.022	1.003	1.000	1.009	1.008	1.013	1.005	1.011
4227	Petroleum	1.028	1.020	0.972	1.083	1.019	0.997	1.002	0.993	0.975	0.976	0.985	0.993
4228	Alcohol	1.055	1.040	1.026	1.099	0.991	0.995	0.998	1.013	1.015	1.004	1.013	1.013
4229	Misc. Nondur.	0.991	0.995	1.014	1.110	1.086	0.964	0.965	0.947	0.942	0.979	1.008	0.941

r Revised.

¹Adjusted sales and inventory estimates for detailed kind-of business levels in Table 1 are computed by dividing each unadjusted estimate by the seasonal adjustment factor for the corresponding kind of business and month. Adjusted estimates for broad kind-of-business levels are obtained by summing adjusted estimates at the appropriate detailed levels. Seasonal factors shown for broad kind-of-business levels may be used to approximate adjusted estimates at these levels, but the resulting estimates may differ slightly from the published estimates.

Note: The seasonal adjustment factors shown are estimates derived from a model that uses sample survey data as input. Therefore, these estimates may contain model error, sampling error, and nonsampling error. Additional information on the general form of the model and the X-12 ARIMA program may be found at <http://www.census.gov/srd/www/x12a/>.