

For Wire Transmission 10:00 a.m. ET March 10, 2004

CB04-39

**MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES
JANUARY 2004**

Notice of Revised Data: Monthly wholesale sales, inventories, and inventories/sales ratios were revised based on the results of the 2002 Annual Trade Survey. The Annual Benchmark Report for Wholesale Trade showing revised data was released on March 3, 2004 and can be found on our website at <http://www.census.gov/whl>.

Sales. January 2004 sales of merchant wholesalers, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$253.1 billion, up 0.6 percent (+/-0.6%) from the revised December level and were up 7.6 percent (+/-1.0%) from the January 2003 level. The December preliminary estimate was revised upward \$1.3 billion or 0.5 percent. January sales of durable goods increased 0.2 percent (+/-0.8%) from last month and were up 8.8 percent (+/-1.2%) from a year ago. Compared to last month, sales of computer and computer peripheral equipment and software increased 4.9 percent, while motor vehicle and motor vehicle parts and supplies decreased 6.6 percent. January sales of nondurable goods were up 1.0 percent (+/-0.8%) from last month and were up 6.5 percent (+/-1.6%) from last year. Compared to last month, sales of petroleum and petroleum products were up 7.0 percent, and chemicals and allied products were up 2.4 percent.

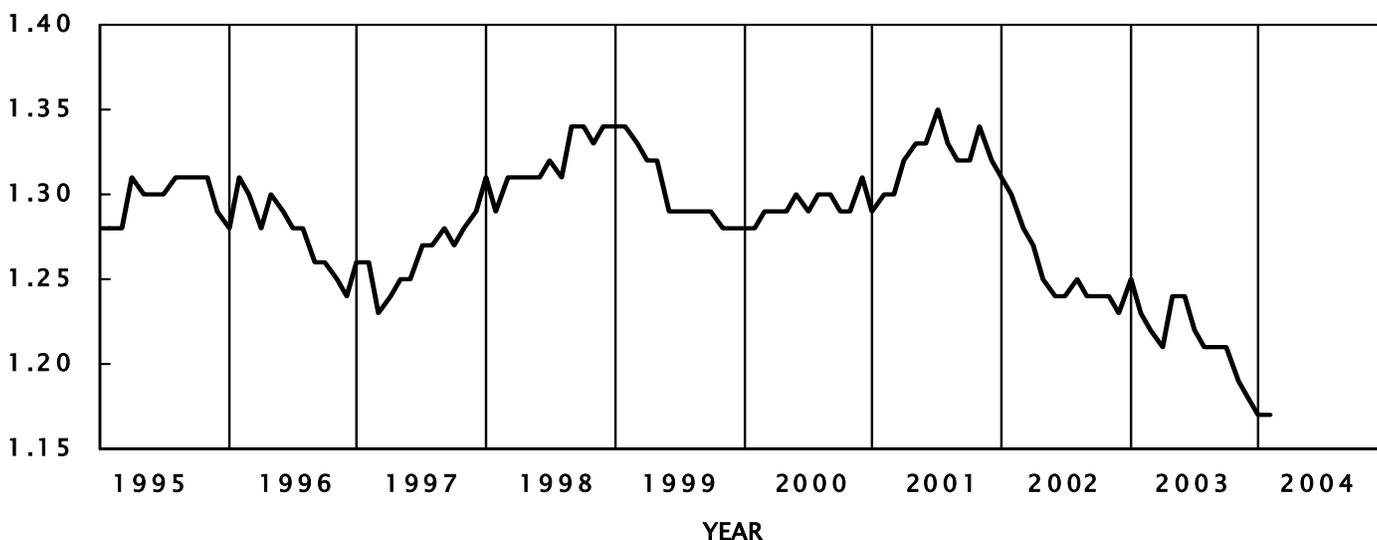
Inventories. Total inventories of merchant wholesalers, after adjustment for seasonal variations but not for price changes, were \$295.8 billion at the end of January, up 0.1 percent (+/-0.4%) from last month and were up 2.5 percent (+/-1.4%) from a year ago. The December preliminary estimate was revised upward \$0.5 billion or 0.2 percent. End-of-month inventories of durable goods increased 0.6 percent (+/-0.4%) from December and were up 2.6 percent (+/-0.8%) from last January. Inventories of lumber and other construction materials increased 4.0 percent, and inventories of metals and minerals, except petroleum increased 3.4 percent. End-of-month inventories of nondurable goods decreased 0.6 percent (+/-0.6%) from December, but were up 2.3 percent (+/-3.2%) compared to last January. Inventories of chemicals and allied products decreased 4.1 percent from last month, and inventories of groceries and related products decreased 2.9 percent.

Inventories/Sales Ratio. The January inventories/sales ratio for merchant wholesalers, based on seasonally adjusted data, was 1.17. The January 2003 ratio was 1.23.

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/03-A Current Business Reports.

Monthly Inventories/Sales Ratios of Merchant Wholesalers: 1995 to 2004
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)

RATIO



Monthly Wholesale Trade for February is scheduled to be released April 8, 2004 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		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		Jan. 2004 (p)	Dec. 2003 (r)	Jan. 2003 (r)	Jan./ Dec.	Dec./ Nov.	Jan. 04/ Jan. 03	Jan. 2004 (p)	Dec. 2003 (r)	Jan. 2003 (r)	Jan./ Dec.	Dec./ Nov.	Jan. 04/ Jan. 03	Jan. 2004 (p)	Dec. 2003 (r)	Jan. 2003 (r)
Adjusted²																
42	U.S. Total	253,116	251,526	235,248	0.6	1.5	7.6	295,787	295,435	288,572	0.1	0.6	2.5	1.17	1.17	1.23
421	Durable	120,771	120,546	110,996	0.2	2.0	8.8	177,729	176,674	173,171	0.6	1.1	2.6	1.47	1.47	1.56
4211	Automotive	18,415	19,714	18,393	-6.6	3.1	0.1	26,159	26,147	24,864	0.0	3.4	5.2	1.42	1.33	1.35
4212	Furniture	3,931	3,886	3,619	1.2	1.4	8.6	6,016	5,853	5,377	2.8	2.1	11.9	1.53	1.51	1.49
4213	Lumber	8,280	8,004	6,730	3.4	-1.5	23.0	8,546	8,219	7,454	4.0	2.3	14.6	1.03	1.03	1.11
4214	Prof. equip.	22,449	21,898	20,804	2.5	2.2	7.9	24,255	24,154	23,741	0.4	-1.0	2.2	1.08	1.10	1.14
42143	Comp. equip.	10,262	9,778	9,041	4.9	3.4	13.5	7,276	7,388	7,344	-1.5	1.3	-0.9	0.71	0.76	0.81
4215	Metals	8,518	8,149	7,139	4.5	4.6	19.3	14,492	14,019	13,360	3.4	3.0	8.5	1.70	1.72	1.87
4216	Electrical	18,413	18,162	16,685	1.4	-0.4	10.4	21,822	21,856	22,588	-0.2	2.3	-3.4	1.19	1.20	1.35
4217	Hardware	5,643	5,657	5,507	-0.2	-0.1	2.5	10,313	10,315	10,246	0.0	-0.1	0.7	1.83	1.82	1.86
4218	Machinery	20,101	20,235	18,565	-0.7	4.2	8.3	44,638	44,490	45,755	0.3	-0.8	-2.4	2.22	2.20	2.46
4219	Misc. Durable	15,021	14,841	13,554	1.2	1.5	10.8	21,488	21,621	19,786	-0.6	2.7	8.6	1.43	1.46	1.46
422	Nondurable	132,345	130,980	124,252	1.0	1.1	6.5	118,058	118,761	115,401	-0.6	-0.1	2.3	0.89	0.91	0.93
4221	Paper	6,334	6,470	6,494	-2.1	2.3	-2.5	6,554	6,605	6,234	-0.8	2.6	5.1	1.03	1.02	0.96
4222	Drugs	22,514	22,735	20,251	-1.0	0.6	11.2	29,623	30,222	29,833	-2.0	-3.5	-0.7	1.32	1.33	1.47
4223	Apparel	7,179	7,555	7,342	-5.0	3.3	-2.2	11,894	11,970	12,535	-0.6	-0.8	-5.1	1.66	1.58	1.71
4224	Groceries	34,855	34,397	34,204	1.3	-1.2	1.9	21,830	22,479	22,398	-2.9	2.6	-2.5	0.63	0.65	0.65
4225	Farm products	11,756	11,860	10,368	-0.9	-1.9	13.4	12,433	11,916	9,665	4.3	0.8	28.6	1.06	1.00	0.93
4226	Chemicals	5,512	5,384	5,184	2.4	1.8	6.3	5,825	6,071	6,132	-4.1	3.6	-5.0	1.06	1.13	1.18
4227	Petroleum	21,767	20,337	19,129	7.0	6.0	13.8	5,055	5,055	4,776	0.0	2.0	5.8	0.23	0.25	0.25
4228	Alcohol	7,366	7,258	6,728	1.5	1.2	9.5	7,653	7,672	7,508	-0.2	-1.4	1.9	1.04	1.06	1.12
4229	Misc. Nondur.	15,062	14,984	14,552	0.5	2.0	3.5	17,191	16,771	16,320	2.5	0.4	5.3	1.14	1.12	1.12
													Sales to date			
													2004	2003		
42	U.S. Total	238,973	257,367	227,770	-7.1	9.7	4.9	300,587	298,174	292,511	0.8	0.6	2.8	238,973	227,770	
421	Durable	110,567	121,466	104,147	-9.0	8.8	6.2	176,947	173,847	172,248	1.8	0.4	2.7	110,567	104,147	
4211	Automotive	16,445	20,581	16,885	-20.1	11.2	-2.6	26,473	26,069	25,138	1.5	2.0	5.3	16,445	16,885	
4212	Furniture	3,581	3,773	3,358	-5.1	0.2	6.6	5,908	5,718	5,275	3.3	0.8	12.0	3,581	3,358	
4213	Lumber	7,344	6,779	6,171	8.3	-6.2	19.0	8,512	7,874	7,402	8.1	1.4	15.0	7,344	6,171	
4214	Prof. equip.	20,541	23,935	19,556	-14.2	20.8	5.0	24,279	23,840	23,765	1.8	-3.0	2.2	20,541	19,556	
42143	Comp. equip.	9,462	11,069	8,544	-14.5	31.5	10.7	7,203	7,270	7,285	-0.9	-0.6	-1.1	9,462	8,544	
4215	Metals	8,271	7,334	7,139	12.8	4.7	15.9	14,564	14,201	13,400	2.6	5.8	8.7	8,271	7,139	
4216	Electrical	17,069	17,926	15,834	-4.8	-0.1	7.8	21,757	21,572	22,543	0.9	1.0	-3.5	17,069	15,834	
4217	Hardware	5,220	5,182	5,193	0.7	-0.7	0.5	10,138	10,140	10,072	0.0	1.0	0.7	5,220	5,193	
4218	Machinery	18,292	21,085	17,433	-13.2	23.4	4.9	43,656	43,244	44,748	1.0	-1.3	-2.4	18,292	17,433	
4219	Misc. Durable	13,804	14,871	12,578	-7.2	-1.5	9.7	21,660	21,189	19,905	2.2	1.3	8.8	13,804	12,578	
422	Nondurable	128,406	135,901	123,623	-5.5	10.6	3.9	123,640	124,327	120,263	-0.6	0.9	2.8	128,406	123,623	
4221	Paper	6,100	6,625	6,513	-7.9	11.8	-6.3	6,541	6,711	6,215	-2.5	3.9	5.2	6,100	6,513	
4222	Drugs	22,289	24,668	20,899	-9.6	16.5	6.7	30,778	31,612	31,146	-2.6	0.4	-1.2	22,289	20,899	
4223	Apparel	6,576	6,422	6,938	2.4	-7.0	-5.2	12,168	11,826	12,848	2.9	2.3	-5.3	6,576	6,938	
4224	Groceries	32,973	35,085	32,767	-6.0	3.7	0.6	21,983	22,951	22,532	-4.2	2.2	-2.4	32,973	32,767	
4225	Farm products	12,861	13,935	11,633	-7.7	10.4	10.6	15,604	14,823	12,091	5.3	-1.7	29.1	12,861	11,633	
4226	Chemicals	5,479	5,072	5,267	8.0	7.1	4.0	5,767	6,113	6,071	-5.7	5.4	-5.0	5,479	5,267	
4227	Petroleum	22,050	20,093	20,162	9.7	15.6	9.4	5,313	5,561	4,957	-4.5	10.9	7.2	22,050	20,162	
4228	Alcohol	5,694	8,702	5,416	-34.6	24.7	5.1	7,332	7,120	7,185	3.0	-12.3	2.0	5,694	5,416	
4229	Misc. Nondur.	14,384	15,299	14,028	-6.0	14.7	2.5	18,154	17,610	17,218	3.1	1.9	5.4	14,384	14,028	

^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/wnaicsdef.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	1.1	1.7	1.1	1.7	0.3	0.2	0.6	0.9	1.3	1.1	0.8
421	Durable	1.2	1.6	1.2	1.6	0.5	0.3	0.7	0.5	1.4	1.1	0.9
4211	Automotive	3.5	4.4	3.6	4.4	1.1	0.7	1.1	1.5	3.5	3.8	1.2
4212	Furniture	6.5	8.0	6.3	7.9	2.0	0.7	2.4	2.7	7.5	5.3	2.7
4213	Lumber	5.0	5.8	5.0	5.8	1.2	0.8	2.4	1.8	5.5	5.4	4.0
4214	Prof. equip.	5.1	6.8	5.0	6.8	1.2	0.6	1.9	1.9	5.1	4.8	2.0
42143	Comp. equip.	8.0	8.7	8.0	8.6	1.9	1.3	3.1	3.3	7.1	7.7	4.7
4215	Metals	7.2	10.3	7.1	10.2	1.5	0.6	2.7	2.2	6.7	5.8	3.8
4216	Electrical	3.5	4.8	3.4	4.9	1.2	0.5	1.6	1.4	3.6	3.6	2.3
4217	Hardware	8.0	10.5	7.9	10.6	1.2	0.6	2.0	1.5	8.0	8.2	1.5
4218	Machinery	3.9	3.3	3.9	3.2	1.7	0.5	2.0	1.2	3.8	3.2	2.0
4219	Misc. Durable	4.4	7.5	4.4	7.5	1.8	0.8	2.6	2.4	4.0	3.7	2.2
422	Nondurable	1.9	2.5	1.9	2.5	0.5	0.3	1.0	1.9	1.9	1.7	1.1
4221	Paper	4.6	3.7	4.5	3.7	1.0	0.5	1.2	1.5	4.6	4.1	1.3
4222	Drugs	5.8	5.5	5.8	5.5	0.9	0.4	1.6	1.7	5.7	5.8	0.9
4223	Apparel	5.1	4.9	5.2	5.0	2.4	0.9	2.6	1.8	4.7	5.1	3.1
4224	Groceries	3.8	8.2	3.9	8.2	0.8	0.8	1.7	2.5	3.5	4.1	1.2
4225	Farm products	7.5	8.4	7.6	8.3	2.0	2.0	2.6	3.8	6.6	6.7	2.5
4226	Chemicals	4.8	7.1	4.8	7.1	1.0	0.7	1.8	2.2	5.0	4.9	1.8
4227	Petroleum	7.0	8.5	6.9	8.5	0.8	1.2	2.0	2.2	7.2	6.7	1.7
4228	Alcohol	3.9	5.1	3.9	5.1	0.9	0.6	1.1	1.1	4.2	4.1	0.8
4229	Misc. Nondur.	7.9	8.6	7.7	8.6	2.1	0.8	4.1	4.7	9.0	8.1	5.0

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					
		2004		2003			2003	2004		2003			2003
		Feb.	Jan.r	Dec.r	Nov.	Oct.	Jan.r	Feb.	Jan.r	Dec.r	Nov.	Oct.	Jan.r
42	U.S. Total ¹	0.930	0.944	1.022	0.945	1.068	0.966	1.006	1.014	1.008	1.007	1.008	1.014
421	Durable	0.916	0.914	1.008	0.938	1.076	0.937	1.003	0.997	0.985	0.991	0.995	0.997
4211	Automotive	0.914	0.893	1.044	0.968	1.053	0.918	1.034	1.012	0.997	1.010	1.005	1.011
4212	Furniture	0.911	0.911	0.971	0.982	1.101	0.928	0.987	0.982	0.977	0.989	1.012	0.981
4213	Lumber	0.874	0.887	0.847	0.889	1.128	0.917	1.012	0.996	0.958	0.966	0.963	0.993
4214	Prof. equip.	0.903	0.915	1.093	0.925	1.052	0.940	0.993	1.001	0.987	1.007	1.013	1.001
42143	Comp. equip.	0.889	0.922	1.132	0.890	1.052	0.945	0.981	0.990	0.984	1.003	1.010	0.992
4215	Metals	0.948	0.971	0.900	0.899	1.070	1.000	1.007	1.005	1.013	0.987	0.984	1.003
4216	Electrical	0.928	0.927	0.987	0.984	1.106	0.949	0.989	0.997	0.987	0.999	1.006	0.998
4217	Hardware	0.912	0.925	0.916	0.921	1.087	0.943	1.005	0.983	0.983	0.973	0.978	0.983
4218	Machinery	0.893	0.910	1.042	0.880	1.051	0.939	0.998	0.978	0.972	0.977	0.978	0.978
4219	Misc. Durable	0.939	0.919	1.002	1.033	1.121	0.928	1.003	1.008	0.980	0.993	1.014	1.006
422	Nondurable	0.940	0.968	1.034	0.950	1.061	0.991	1.010	1.043	1.045	1.035	1.026	1.043
4221	Paper	0.927	0.963	1.024	0.937	1.078	1.003	1.001	0.998	1.016	1.004	0.993	0.997
4222	Drugs	0.932	0.990	1.085	0.937	1.068	1.032	0.980	1.039	1.046	1.005	1.015	1.044
4223	Apparel	1.011	0.916	0.850	0.944	1.133	0.945	0.991	1.023	0.988	0.958	1.000	1.025
4224	Groceries	0.916	0.946	1.020	0.972	1.041	0.958	0.984	1.007	1.021	1.025	1.026	1.006
4225	Farm products	0.976	1.094	1.175	1.044	1.132	1.122	1.167	1.255	1.244	1.275	1.162	1.251
4226	Chemicals	0.952	0.994	0.942	0.895	1.057	1.016	1.000	0.990	1.007	0.990	0.982	0.990
4227	Petroleum	0.989	1.013	0.988	0.906	1.055	1.054	1.017	1.051	1.100	1.011	0.979	1.038
4228	Alcohol	0.842	0.773	1.199	0.973	1.071	0.805	0.967	0.958	0.928	1.044	1.063	0.957
4229	Misc. Nondur.	0.978	0.955	1.021	0.908	0.991	0.964	1.054	1.056	1.050	1.035	1.013	1.055

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/>.