

For Wire Transmission 10:00 a.m. ET January 10, 2005

CB05-05

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

Intention to Revise Wholesale Data: Monthly wholesale sales, inventories, and inventories/sales ratios will be revised based on the results of the 2003 Annual Trade Survey and the preliminary results of the 2002 Census of Wholesale Trade. Revised unadjusted and corresponding adjusted data are scheduled for release on March 31, 2005.

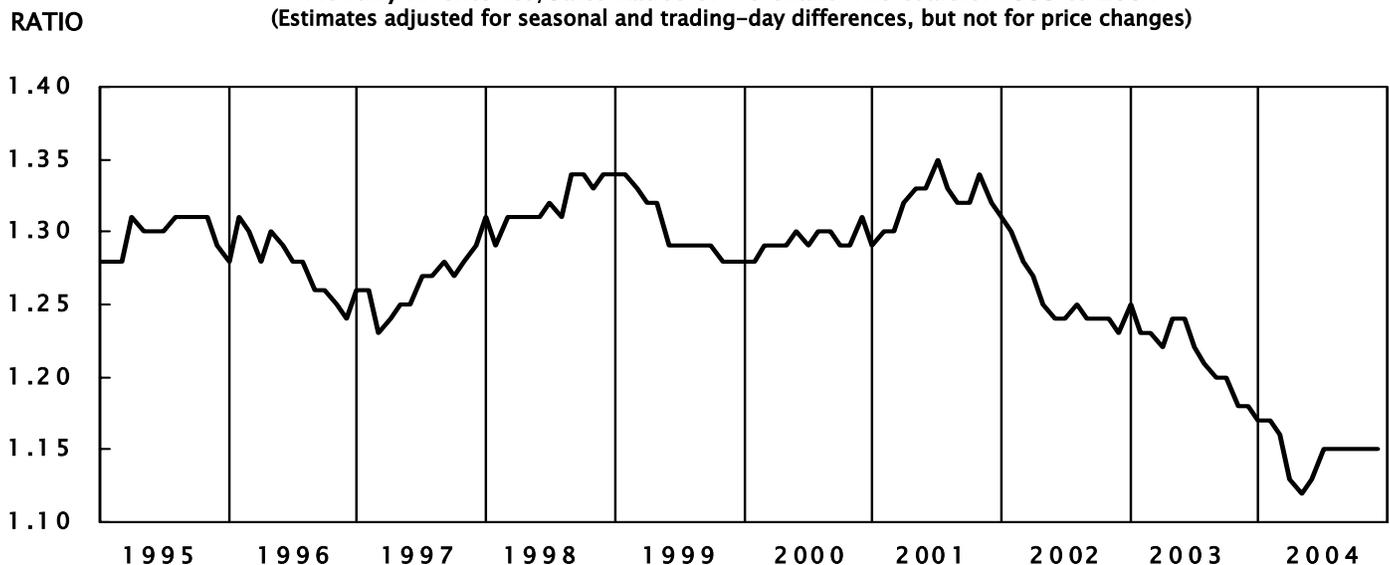
Sales. November 2004 sales of merchant wholesalers, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$283.7 billion, up 0.7 percent (+/-0.7%) from the revised October level and were up 14.0 percent (+/-1.3%) from the November 2003 level. The October preliminary estimate was revised downward \$0.1 billion or -0.1 percent. November sales of durable goods increased 0.9 percent (+/-1.0%) from last month and were up 16.9 percent (+/-2.0%) from a year ago. Compared to last month, sales of computer and computer peripheral equipment and software increased 4.7 percent, while motor vehicle and motor vehicle parts and supplies decreased 2.3 percent. November sales of nondurable goods were up 0.4 percent (+/-0.8%) from last month and were up 11.4 percent (+/-1.7%) from last year. Compared to last month, sales of chemicals and allied products were up 3.5 percent.

Inventories. Total inventories of merchant wholesalers, after adjustment for seasonal variations but not for price changes, were \$326.8 billion at the end of November, up 1.1 percent (+/-0.5%) from last month and were up 11.5 percent (+/-1.3%) from a year ago. The October preliminary estimate was virtually unchanged. End-of-month inventories of durable goods increased 1.3 percent (+/-0.5%) from October and were up 16.7 percent (+/-1.5%) from last November. Inventories of computer and computer peripheral equipment and software increased 4.0 percent from last month and inventories of metals and minerals, except petroleum increased 3.9 percent. End-of-month inventories of nondurable goods increased 0.9 percent (+/-0.7%) from October and were up 4.0 percent (+/-1.7%) compared to last November. Inventories of apparel, piece goods, and notions increased 2.7 percent from last month and inventories of beer, wine, and distilled alcoholic beverages increased 1.7 percent.

Inventories/Sales Ratio. The November inventories/sales ratio for merchant wholesalers, based on seasonally adjusted data, was 1.15. The November 2003 ratio was 1.18.

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)



Monthly Wholesale Trade for December is scheduled to be released February 9, 2005 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. Estimates of 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.]

NAICS ¹ code	Kind of Business	Sales						Inventories						Inventories/Sales Ratios		
		Monthly total			Percent change			Monthly total			Percent change			Ratios		
		Nov. 2004 (p)	Oct. 2004 (r)	Nov. 2003 (r)	Nov./ Oct.	Oct./ Sep.	Nov. 04/ Nov. 03	Nov. 2004 (p)	Oct. 2004 (r)	Nov. 2003 (r)	Nov./ Oct.	Oct./ Sep.	Nov. 04/ Nov. 03	Nov. 2004 (p)	Oct. 2004 (r)	Nov. 2003 (r)
Adjusted²																
42	U.S. Total	283,672	281,832	248,767	0.7	1.6	14.0	326,756	323,091	292,968	1.1	1.1	11.5	1.15	1.15	1.18
421	Durable	139,140	137,898	119,075	0.9	1.8	16.9	203,290	200,772	174,231	1.3	1.6	16.7	1.46	1.46	1.46
4211	Automotive	19,844	20,307	19,246	-2.3	0.8	3.1	27,811	27,679	25,373	0.5	-1.6	9.6	1.40	1.36	1.32
4212	Furniture	4,166	4,191	3,850	-0.6	-3.0	8.2	6,091	6,065	5,745	0.4	0.2	6.0	1.46	1.45	1.49
4213	Lumber	9,751	9,768	8,354	-0.2	-3.0	16.7	10,631	10,761	8,071	-1.2	0.5	31.7	1.09	1.10	0.97
4214	Prof. equip.	23,306	22,917	21,491	1.7	1.7	8.4	26,755	26,368	24,298	1.5	2.4	10.1	1.15	1.15	1.13
42143	Comp. equip.	11,048	10,551	9,481	4.7	3.0	16.5	8,595	8,265	7,179	4.0	3.7	19.7	0.78	0.78	0.76
4215	Metals	12,187	11,963	7,907	1.9	2.2	54.1	22,255	21,429	13,591	3.9	7.0	63.7	1.83	1.79	1.72
4216	Electrical	20,657	20,496	18,452	0.8	0.2	11.9	24,279	24,003	21,461	1.1	0.4	13.1	1.18	1.17	1.16
4217	Hardware	6,152	6,142	5,694	0.2	0.0	8.0	11,603	11,501	10,259	0.9	2.0	13.1	1.89	1.87	1.80
4218	Machinery	24,301	24,336	19,533	-0.1	4.1	24.4	49,191	48,522	44,588	1.4	2.0	10.3	2.02	1.99	2.28
4219	Misc. Durable	18,776	17,778	14,548	5.6	6.2	29.1	24,674	24,444	20,845	0.9	1.3	18.4	1.31	1.37	1.43
422	Nondurable	144,532	143,934	129,692	0.4	1.4	11.4	123,466	122,319	118,737	0.9	0.3	4.0	0.85	0.85	0.92
4221	Paper	7,145	7,064	6,343	1.1	0.8	12.6	7,417	7,450	6,392	-0.4	0.4	16.0	1.04	1.05	1.01
4222	Drugs	25,289	25,071	22,559	0.9	0.7	12.1	30,577	30,458	31,297	0.4	-1.1	-2.3	1.21	1.21	1.39
4223	Apparel	7,330	7,408	7,248	-1.1	-0.3	1.1	13,193	12,841	11,976	2.7	2.4	10.2	1.80	1.73	1.65
4224	Groceries	36,455	36,442	34,860	0.0	1.4	4.6	23,600	23,300	21,779	1.3	2.4	8.4	0.65	0.64	0.62
4225	Farm products	10,683	11,037	12,179	-3.2	1.6	-12.3	8,650	8,993	12,347	-3.8	-10.0	-29.9	0.81	0.81	1.01
4226	Chemicals	6,160	5,954	5,291	3.5	0.7	16.4	6,374	6,311	5,808	1.0	2.7	9.7	1.03	1.06	1.10
4227	Petroleum	27,550	27,171	19,343	1.4	3.9	42.4	6,356	6,323	4,843	0.5	4.3	31.2	0.23	0.23	0.25
4228	Alcohol	7,575	7,509	7,111	0.9	-0.2	6.5	7,936	7,803	7,711	1.7	0.5	2.9	1.05	1.04	1.08
4229	Misc. Nondur.	16,345	16,278	14,758	0.4	0.1	10.8	19,363	18,840	16,584	2.8	2.0	16.8	1.18	1.16	1.12
Not Adjusted																
Sales to date																
2004																
2003																
42	U.S. Total	283,443	283,549	234,591	0.0	0.6	20.8	329,610	325,409	296,364	1.3	2.7	11.2	2,991,409	2,627,938	
421	Durable	138,900	139,325	111,670	-0.3	-0.5	24.4	202,113	200,379	173,114	0.9	1.7	16.8	1,466,093	1,247,884	
4211	Automotive	20,003	20,551	18,515	-2.7	5.7	8.0	27,978	27,762	25,551	0.8	1.0	9.5	218,083	201,403	
4212	Furniture	4,374	4,334	3,765	0.9	-4.5	16.2	6,012	6,114	5,670	-1.7	-1.4	6.0	45,661	41,280	
4213	Lumber	8,990	9,993	7,226	-10.0	-7.5	24.4	10,216	10,384	7,764	-1.6	-1.3	31.6	108,253	80,751	
4214	Prof. equip.	22,723	22,275	19,815	2.0	-10.0	14.7	27,103	26,790	24,565	1.2	3.8	10.3	247,824	228,885	
42143	Comp. equip.	10,286	10,182	8,419	1.0	-12.7	22.2	8,758	8,356	7,315	4.8	5.7	19.7	114,055	99,103	
4215	Metals	11,444	11,951	7,006	-4.2	-0.3	63.3	21,988	21,150	13,428	4.0	5.9	63.7	121,923	82,355	
4216	Electrical	21,297	21,316	17,935	-0.1	-0.8	18.7	24,109	24,003	21,354	0.4	-1.0	12.9	222,951	191,563	
4217	Hardware	6,090	6,314	5,216	-3.5	0.9	16.8	11,383	11,351	10,044	0.3	0.7	13.3	66,951	61,264	
4218	Machinery	23,232	23,995	17,091	-3.2	1.3	35.9	48,502	47,697	43,830	1.7	1.3	10.7	251,032	209,316	
4219	Misc. Durable	20,747	18,596	15,101	11.6	8.8	37.4	24,822	25,128	20,908	-1.2	2.9	18.7	183,415	151,067	
422	Nondurable	144,543	144,224	122,921	0.2	1.6	17.6	127,497	125,030	123,250	2.0	4.5	3.4	1,525,316	1,380,054	
4221	Paper	7,145	7,191	5,924	-0.6	-1.7	20.6	7,484	7,525	6,462	-0.5	1.9	15.8	75,185	70,429	
4222	Drugs	25,744	24,996	21,183	3.0	-1.8	21.5	30,760	30,824	31,485	-0.2	0.4	-2.3	263,794	236,216	
4223	Apparel	7,359	7,934	6,907	-7.2	-3.2	6.5	12,771	12,828	11,557	-0.4	-1.4	10.5	82,508	79,557	
4224	Groceries	36,965	36,296	33,849	1.8	0.9	9.2	24,379	23,999	22,454	1.6	6.0	8.6	392,671	382,760	
4225	Farm products	12,179	11,876	12,617	2.6	17.4	-3.5	10,484	9,883	15,076	6.1	26.8	-30.5	124,800	111,420	
4226	Chemicals	5,938	5,865	4,735	1.2	-2.0	25.4	6,380	6,279	5,802	1.6	2.8	10.0	63,542	57,848	
4227	Petroleum	25,897	27,416	17,389	-5.5	8.9	48.9	6,578	6,298	5,013	4.4	2.8	31.2	266,721	206,811	
4228	Alcohol	7,984	7,479	6,976	6.8	0.6	14.4	8,388	8,271	8,120	1.4	4.1	3.3	79,438	75,786	
4229	Misc. Nondur.	15,332	15,171	13,341	1.1	-7.0	14.9	20,273	19,123	17,281	6.0	6.5	17.3	176,657	159,227	

^p Preliminary estimate. ^r Revised estimate.

¹ For a full description of the NAICS codes used in this table, see the 1997 NAICS manual or <http://www.census.gov/epcd/www/naics.html>.

² Estimates are adjusted for seasonal variation 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. Estimated Measures of Sampling Variability of Monthly Wholesale Sales and Inventory Estimates

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

NAICS code	Kind of Business	Median coefficient of variation for monthly total				Median standard error for percent change				Coefficient of variation for total		Standard error for percent change
		Preliminary estimates		Final estimates		Ratio of two consecutive months		Current month to current month last year		Sales to date		Current year sales to date
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	to previous year sales to date
42	U.S. Total	1.3	1.6	1.3	1.6	0.4	0.3	0.8	0.8	1.1	1.0	0.6
421	Durable	1.2	1.6	1.2	1.6	0.6	0.3	1.2	0.9	1.1	1.1	1.0
4211	Automotive	3.3	4.0	3.3	4.0	1.1	0.7	1.2	1.6	3.3	3.2	0.8
4212	Furniture	7.5	9.7	7.5	9.6	1.9	1.0	2.6	3.3	7.4	6.3	2.0
4213	Lumber	6.8	8.0	6.4	7.4	1.4	1.1	5.0	6.5	7.2	4.2	4.6
4214	Prof. equip.	4.8	6.3	4.8	6.3	1.4	0.9	3.8	2.3	4.3	5.0	3.4
42143	Comp. equip.	8.5	10.8	8.5	10.5	2.5	1.7	5.1	3.0	8.8	8.2	4.9
4215	Metals	6.8	10.4	6.9	10.4	1.9	0.9	5.4	3.0	6.9	6.6	4.1
4216	Electrical	3.6	5.2	3.6	5.0	1.1	0.8	2.2	1.8	3.6	3.3	1.4
4217	Hardware	7.7	9.4	7.7	9.5	1.2	0.6	1.3	1.9	7.5	7.9	0.8
4218	Machinery	4.3	3.7	4.2	3.6	1.6	0.5	2.3	1.0	4.0	3.8	1.3
4219	Misc. Durable	4.0	7.8	4.0	7.8	1.4	1.0	2.8	2.4	3.8	3.9	2.2
422	Nondurable	2.1	2.5	2.0	2.4	0.5	0.4	1.0	1.0	1.9	1.7	0.7
4221	Paper	5.0	4.4	4.9	4.2	1.2	0.6	1.5	1.9	5.0	4.5	1.1
4222	Drugs	5.0	5.4	5.0	5.4	0.9	0.4	1.3	1.4	5.0	5.1	0.8
4223	Apparel	5.4	5.0	5.3	4.9	1.9	0.9	2.4	3.5	5.1	4.7	1.6
4224	Groceries	3.4	8.2	3.4	8.2	0.9	0.9	1.3	1.3	3.3	3.4	0.9
4225	Farm products	7.6	9.9	7.7	9.1	2.2	2.1	3.2	3.5	7.6	7.3	1.8
4226	Chemicals	4.8	6.9	4.8	6.9	1.2	1.0	1.8	2.2	4.8	4.3	1.2
4227	Petroleum	8.2	9.5	7.8	9.7	1.1	1.5	2.5	2.6	8.4	7.2	2.2
4228	Alcohol	4.5	5.3	4.5	5.3	1.0	0.7	1.0	1.2	4.4	4.2	0.6
4229	Misc. Nondur.	8.6	8.8	8.6	9.0	1.9	0.8	4.5	3.6	8.3	6.5	3.7

Note: Estimated measures of sampling variability are based on estimates unadjusted for seasonal variation or trading-day differences. Medians are based on estimates for the most recent 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 the Estimates

Because the estimates presented in this report are based on a sample survey, they may contain sampling error and nonsampling error.

Sampling error is the difference between the estimate and the result that would be obtained from a complete enumeration of the population conducted under the same survey conditions. This error occurs because only a subset of the entire population is measured in a sample survey. Standard errors and coefficients of variation, as given in Table 2 of this report, are estimated measures of sampling variation.

The margin of sampling error, as used on page 1, gives a range about the estimate which is a 90-percent confidence interval. If, for example, the percent change estimate is +1.2 percent and its estimated standard error is 0.9 percent, then the margin of sampling error is $\pm 1.645 \times 0.9$ percent or ± 1.5 percent, and the 90 percent confidence interval is -0.3 percent to +2.7 percent. If the interval contains 0, then one does not have sufficient evidence to conclude at the 90 percent confidence level that the estimated change was different from zero. For monthly totals, the median estimated coefficient of variation (CV) is given. The resulting confidence interval is the estimated value $\pm 1.645 \times CV \times$ (the estimated value). The Census Bureau recommends that individuals using estimates in this report incorporate this information into their analyses, as sampling error could affect the conclusions drawn from the estimates.

Nonsampling error encompasses all other factors that contribute to the total error of a sample survey estimate. This type of error can occur because of nonresponse, insufficient coverage of the universe of wholesale businesses, mistakes in the recording and coding of data, model error, and other errors of collection, response, coverage, or processing. Although not directly measured, precautionary steps are taken to minimize the effects of nonsampling error.

Table 3. Seasonal Adjustment Factors for Monthly Wholesale Sales and Inventory Estimates

[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.]

NAICS code	Kind of Business	Sales						Inventories					
		2004					2003	2004					2003
		Dec.	Nov.r	Oct.r	Sep.	Aug.	Nov.r	Dec.	Nov.r	Oct.r	Sep.	Aug.	Nov.r
42	U.S. Total ¹	1.016	1.002	1.010	1.017	1.022	0.943	1.008	1.009	1.009	0.991	0.987	1.009
421	Durable	1.004	1.000	1.012	1.040	1.031	0.938	0.987	0.994	0.998	0.996	1.003	0.993
4211	Automotive	1.042	1.008	1.012	0.965	1.008	0.962	0.993	1.006	1.003	0.978	0.952	1.007
4212	Furniture	0.971	1.050	1.034	1.051	1.073	0.978	0.981	0.987	1.008	1.025	1.032	0.987
4213	Lumber	0.824	0.922	1.023	1.073	1.111	0.865	0.952	0.961	0.965	0.983	1.000	0.962
4214	Prof. equip.	1.095	0.975	0.972	1.098	0.983	0.922	0.989	1.013	1.016	1.002	1.016	1.011
42143	Comp. equip.	1.131	0.931	0.965	1.139	0.977	0.888	0.991	1.019	1.011	0.992	1.028	1.019
4215	Metals	0.894	0.939	0.999	1.024	1.069	0.886	1.015	0.988	0.987	0.997	1.012	0.988
4216	Electrical	0.976	1.031	1.040	1.051	1.024	0.972	0.982	0.993	1.000	1.014	1.018	0.995
4217	Hardware	0.898	0.990	1.028	1.019	1.059	0.916	0.987	0.981	0.987	1.000	1.009	0.979
4218	Machinery	1.024	0.956	0.986	1.013	1.041	0.875	0.979	0.986	0.983	0.990	1.014	0.983
4219	Misc. Durable	0.999	1.105	1.046	1.021	1.016	1.038	0.987	1.006	1.028	1.012	1.012	1.003
422	Nondurable	1.028	1.004	1.008	1.003	1.013	0.950	1.045	1.037	1.025	0.983	0.964	1.037
4221	Paper	1.010	1.000	1.018	1.044	1.041	0.934	1.019	1.009	1.010	0.995	1.000	1.011
4222	Drugs	1.076	1.018	0.997	1.022	0.986	0.939	1.038	1.006	1.012	0.997	0.959	1.006
4223	Apparel	0.844	1.004	1.071	1.103	1.089	0.953	0.997	0.968	0.999	1.037	1.053	0.965
4224	Groceries	1.012	1.014	0.996	1.000	1.029	0.971	1.021	1.033	1.030	0.995	0.999	1.031
4225	Farm products	1.151	1.140	1.076	0.931	0.913	1.036	1.195	1.212	1.099	0.780	0.718	1.221
4226	Chemicals	0.946	0.964	0.985	1.012	1.031	0.895	1.014	1.001	0.995	0.994	0.997	0.999
4227	Petroleum	1.009	0.940	1.009	0.962	1.023	0.899	1.124	1.035	0.996	1.011	0.999	1.035
4228	Alcohol	1.219	1.054	0.996	0.988	1.047	0.981	0.929	1.057	1.060	1.023	0.990	1.053
4229	Misc. Nondur.	0.987	0.938	0.932	1.003	1.034	0.904	1.063	1.047	1.015	0.972	0.962	1.042

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 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/>.

Description of the Survey

The U.S. Census Bureau conducts the Monthly Wholesale Trade Survey (MWTS) to provide national estimates of monthly sales, end-of-month inventories, and inventory-to-sales ratios by kind of business for wholesale firms located in the United States. Specifically, the MWTS covers wholesale merchants (those that take title to the goods they sell) such as distributors, jobbers, and import/export merchants as defined by the 1997 North American Industry Classification System (NAICS).

The MWTS sample was selected using a stratified, one-stage design with strata defined by kind of business (e.g., Automotive, Furniture, Lumber, etc.) and annual sales size. The sample includes firms of all sizes and is updated on a quarterly basis to account for new wholesale firms, deaths, and other changes to the wholesale universe. Each month, questionnaires are mailed to a probability sample of approximately 4,000 employer firms. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 28% of the total sales estimate and 31% of the total end-of-month inventory estimate is based on imputed data. Monthly sales and inventory estimates are obtained by summing weighted data (either reported or imputed). The monthly estimates are benchmarked to annual survey estimates and are adjusted for seasonal variation and trading-day differences. Individuals who use estimates in this report to create new estimates should cite the Census Bureau as the source of only the original estimates.

Additional information on the MWTS can be found on the Census Bureau website at:

<http://www.census.gov/econ/www/retmenu.html#WHOL>.