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Nancy Piesto/ Howard Krakower
Service Sector Statistics Division
(301) 763-2747

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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES March 2005

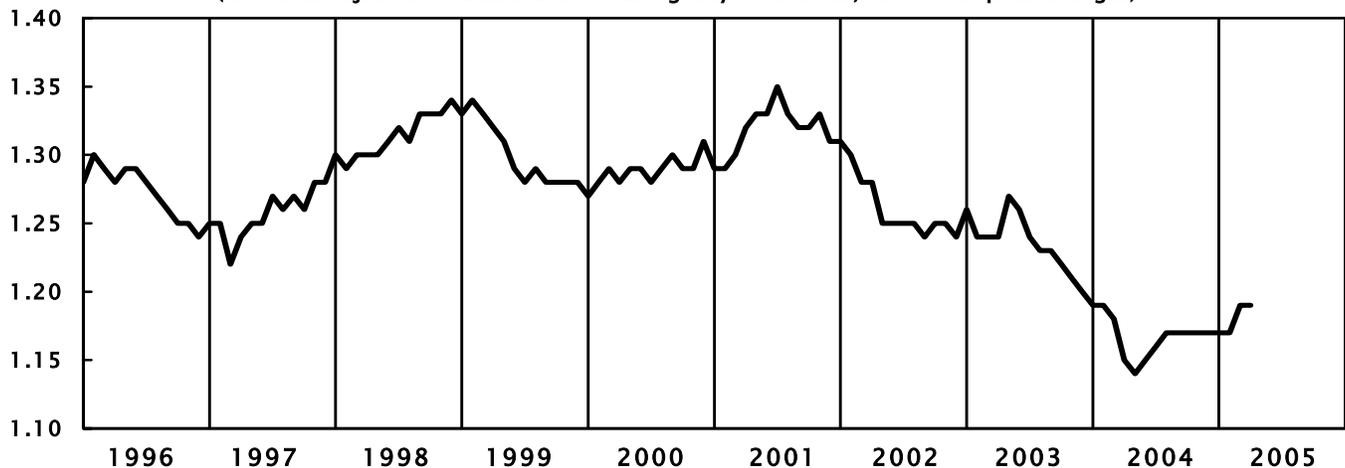
Sales. The U.S. Census Bureau announced today that March 2005 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$291.5 billion, up 0.2 percent (+/-0.7%)* from the revised February level and were up 7.2 percent (+/-1.3%) from the March 2004 level. The February preliminary estimate was revised downward \$0.4 billion or 0.1 percent. March sales of durable goods decreased 0.5 percent (+/-1.0%)* from last month, but were up 6.7 percent (+/-2.1%) from a year ago. Compared to last month, sales of lumber and other construction materials decreased 4.1 percent, while sales of electrical and electronic goods increased 2.2 percent. March sales of nondurable goods were up 0.9 percent (+/-0.8%) from last month and were up 7.7 percent (+/-1.7%) from last year. Sales of petroleum and petroleum products increased 9.2 percent from last month, while sales of paper and paper products decreased 2.9 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$346.7 billion at the end of March, up 0.4 percent (+/-0.3%) from last month and were up 10.8 percent (+/-5.1%) from a year ago. The February preliminary estimate was revised upward \$0.2 billion or 0.1 percent. End-of-month inventories of durable goods increased 0.1 percent (+/-0.5%)* from February and were up 13.3 percent (+/-7.1%) from last March. Inventories of metals and minerals, except petroleum increased 1.5 percent from last month, while inventories of motor vehicle and motor vehicle parts and supplies decreased 2.3 percent. End-of-month inventories of nondurable goods increased 1.0 percent (+/-0.5%) from February and were up 6.9 percent (+/-1.5%) compared to last March. Inventories of petroleum and petroleum products increased 9.3 percent from last month and inventories of farm product raw materials increased 6.1 percent.

Inventories/Sales Ratio. The March inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.19. The March 2004 ratio was 1.15.

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/04-A Current Business Reports.

Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices: 1996 to 2005
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for April is scheduled to be released June 8, 2005 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <<http://www.census.gov/whl>>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Estimates of Monthly Sales, Inventories, and Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices

[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		
		Mar. 2005 (p)	Feb. 2005 (r)	Mar. 2004 (r)	Mar./Feb.	Feb./Jan.	Mar. 05/Mar. 04	Mar. 2005 (p)	Feb. 2005 (r)	Mar. 2004 (r)	Mar./Feb.	Feb./Jan.	Mar. 05/Mar. 04	Mar. 2005 (p)	Feb. 2005 (r)	Mar. 2004 (r)
Adjusted²																
42	U.S. Total	291,485	290,976	271,880	0.2	-0.5	7.2	346,711	345,294	312,803	0.4	0.6	10.8	1.19	1.19	1.15
423	Durable	146,173	146,903	137,008	-0.5	-1.0	6.7	218,585	218,475	192,914	0.1	0.5	13.3	1.50	1.49	1.41
4231	Automotive	23,572	23,787	22,693	-0.9	2.1	3.9	31,873	32,616	31,769	-2.3	-0.7	0.3	1.35	1.37	1.40
4232	Furniture	5,200	5,226	4,935	-0.5	-0.6	5.4	7,559	7,558	7,256	0.0	0.2	4.2	1.45	1.45	1.47
4233	Lumber	12,057	12,568	11,350	-4.1	-1.8	6.2	14,618	14,477	11,166	1.0	3.1	30.9	1.21	1.15	0.98
4234	Prof. equip.	24,288	24,407	24,048	-0.5	0.1	1.0	28,207	28,472	26,505	-0.9	-1.1	6.4	1.16	1.17	1.10
42343	Comp. equip.	13,586	13,680	13,212	-0.7	-1.4	2.8	10,761	10,793	9,594	-0.3	-0.4	12.2	0.79	0.79	0.73
4235	Metals	10,891	11,018	9,711	-1.2	-1.9	12.2	20,861	20,558	14,388	1.5	0.6	45.0	1.92	1.87	1.48
4236	Electrical	22,007	21,530	20,398	2.2	-5.0	7.9	27,117	27,050	25,102	0.2	1.3	8.0	1.23	1.26	1.23
4237	Hardware	6,731	6,795	6,405	-0.9	-1.1	5.1	12,602	12,609	11,013	-0.1	0.3	14.4	1.87	1.86	1.72
4238	Machinery	24,988	25,048	22,838	-0.2	-0.4	9.4	53,131	52,460	46,057	1.3	1.3	15.4	2.13	2.09	2.02
4239	Misc. Durable	16,439	16,524	14,630	-0.5	-1.2	12.4	22,617	22,675	19,658	-0.3	0.2	15.1	1.38	1.37	1.34
424	Nondurable	145,312	144,073	134,872	0.9	0.0	7.7	128,126	126,819	119,889	1.0	0.8	6.9	0.88	0.88	0.89
4241	Paper	6,800	7,005	6,389	-2.9	0.5	6.4	6,861	6,917	5,965	-0.8	0.4	15.0	1.01	0.99	0.93
4242	Drugs	26,139	26,902	24,283	-2.8	-1.3	7.6	28,580	28,589	30,755	0.0	-1.8	-7.1	1.09	1.06	1.27
4243	Apparel	9,201	9,177	9,002	0.3	-1.0	2.2	15,670	15,465	14,188	1.3	0.7	10.4	1.70	1.69	1.58
4244	Groceries	35,554	35,560	34,510	0.0	0.9	3.0	23,011	23,071	21,890	-0.3	0.3	5.1	0.65	0.65	0.63
4245	Farm products	9,396	9,496	11,469	-1.1	-1.7	-18.1	11,254	10,602	12,776	6.1	7.7	-11.9	1.20	1.12	1.11
4246	Chemicals	6,643	6,747	5,927	-1.5	-0.3	12.1	7,424	7,349	6,375	1.0	2.0	16.5	1.12	1.09	1.08
4247	Petroleum	27,779	25,439	21,810	9.2	0.4	27.4	7,796	7,135	4,560	9.3	4.6	71.0	0.28	0.28	0.21
4248	Alcohol	7,571	7,552	6,687	0.3	0.9	13.2	8,498	8,523	7,547	-0.3	1.3	12.6	1.12	1.13	1.13
4249	Misc. Nondur.	16,229	16,195	14,795	0.2	1.0	9.7	19,032	19,168	15,833	-0.7	0.3	20.2	1.17	1.18	1.07
													Sales to date			
													2005		2004	
42	U.S. Total	314,925	266,662	293,994	18.1	-0.1	7.1	348,826	347,920	314,796	0.3	0.3	10.8	848,472	780,870	
423	Durable	159,356	132,781	148,998	20.0	1.4	7.0	218,921	219,430	193,146	-0.2	1.5	13.3	423,128	384,141	
4231	Automotive	26,165	21,480	25,167	21.8	6.3	4.0	32,542	33,823	32,436	-3.8	2.2	0.3	67,845	64,571	
4232	Furniture	5,496	4,662	5,216	17.9	1.0	5.4	7,393	7,460	7,096	-0.9	0.5	4.2	14,775	13,993	
4233	Lumber	12,793	10,859	12,031	17.8	1.8	6.3	15,013	14,665	11,479	2.4	6.2	30.8	34,318	29,882	
4234	Prof. equip.	27,008	21,771	26,501	24.1	0.6	1.9	27,615	28,387	25,948	-2.7	-1.8	6.4	70,413	69,736	
42343	Comp. equip.	14,972	12,025	14,520	24.5	-3.7	3.1	10,492	10,556	9,345	-0.6	-2.2	12.3	39,483	37,756	
4235	Metals	11,817	10,423	10,381	13.4	-0.2	13.8	20,903	20,537	14,402	1.8	-0.2	45.1	32,689	25,963	
4236	Electrical	23,613	19,506	21,887	21.1	-3.6	7.9	26,629	26,752	24,625	-0.5	1.3	8.1	63,351	58,371	
4237	Hardware	7,169	6,136	6,802	16.8	0.9	5.4	12,741	12,685	11,134	0.4	2.4	14.4	19,387	17,851	
4238	Machinery	27,212	22,593	25,008	20.4	2.1	8.8	53,875	52,355	46,702	2.9	3.1	15.4	71,935	62,501	
4239	Misc. Durable	18,083	15,351	16,005	17.8	2.5	13.0	22,210	22,766	19,324	-2.4	-0.5	14.9	48,415	41,273	
424	Nondurable	155,569	133,881	144,996	16.2	-1.5	7.3	129,905	128,490	121,650	1.1	-1.8	6.8	425,344	396,729	
4241	Paper	7,256	6,452	6,887	12.5	-1.6	5.4	6,765	6,903	5,887	-2.0	0.3	14.9	20,263	18,610	
4242	Drugs	28,230	24,831	26,323	13.7	-5.7	7.2	28,837	27,989	31,032	3.0	-7.6	-7.1	79,403	71,131	
4243	Apparel	10,793	9,296	10,550	16.1	14.2	2.3	15,059	15,295	13,606	-1.5	-3.1	10.7	28,231	27,777	
4244	Groceries	37,296	32,146	36,339	16.0	-2.0	2.6	22,919	22,771	21,802	0.6	-1.4	5.1	102,260	98,896	
4245	Farm products	9,997	9,259	12,329	8.0	-9.6	-18.9	13,235	12,627	14,692	4.8	7.0	-9.9	29,503	35,436	
4246	Chemicals	7,214	6,362	6,455	13.4	-2.0	11.8	7,461	7,400	6,401	0.8	2.8	16.6	20,067	17,756	
4247	Petroleum	29,168	23,811	23,140	22.5	-4.0	26.1	7,921	7,271	4,615	8.9	-0.9	71.6	77,781	65,707	
4248	Alcohol	7,844	6,306	6,861	24.4	12.7	14.3	8,371	8,242	7,434	1.6	1.3	12.6	19,746	18,093	
4249	Misc. Nondur.	17,771	15,418	16,112	15.3	3.5	10.3	19,337	19,992	16,181	-3.3	-1.3	19.5	48,090	43,323	

^p Preliminary estimate. ^r Revised estimate.

¹ For a full description of the NAICS codes used in this table, see the 2002 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	1.5	1.3	1.5	0.4	0.2	0.8	3.1	1.2	1.0	0.8
423	Durable	1.3	1.7	1.2	1.7	0.6	0.3	1.3	4.3	1.3	1.3	1.1
4231	Automotive	3.3	4.0	3.3	4.0	1.1	0.8	1.4	1.7	3.3	3.6	1.6
4232	Furniture	7.4	9.8	7.5	9.8	1.7	0.9	3.1	3.7	7.2	8.4	2.4
4233	Lumber	6.9	8.0	6.5	7.4	1.6	1.1	4.9	21.1	5.6	5.2	2.2
4234	Prof. equip.	4.8	6.3	4.8	6.3	1.4	0.9	3.8	2.5	4.4	5.4	3.2
42343	Comp. equip.	9.8	13.2	9.6	12.7	2.5	1.9	4.9	3.1	9.8	8.1	3.1
4235	Metals	6.4	10.6	6.8	10.6	1.7	0.8	5.3	3.6	5.7	6.6	3.1
4236	Electrical	4.1	5.7	4.0	5.4	1.2	0.7	2.0	1.7	4.2	4.0	1.4
4237	Hardware	7.4	9.3	7.4	9.2	1.3	0.6	1.3	1.9	7.0	7.5	1.3
4238	Machinery	4.4	4.1	4.4	4.0	1.6	0.5	2.3	1.0	4.3	3.8	1.8
4239	Misc. Durable	4.1	7.9	4.1	7.9	1.4	0.9	2.7	2.6	4.2	4.0	2.3
424	Nondurable	2.2	2.3	2.2	2.4	0.5	0.3	1.0	0.9	2.1	1.7	1.0
4241	Paper	5.8	5.1	5.5	5.0	1.2	0.7	1.8	2.7	6.2	4.9	1.6
4242	Drugs	5.0	5.4	5.0	5.4	0.9	0.4	1.3	1.4	5.1	5.0	1.0
4243	Apparel	5.6	5.0	5.6	5.1	2.1	0.9	2.2	3.5	5.6	4.9	2.1
4244	Groceries	3.5	7.3	3.5	7.7	0.9	0.8	1.2	1.3	3.8	3.3	1.2
4245	Farm products	7.7	10.0	7.8	9.6	2.1	2.2	3.2	3.2	7.2	7.5	1.7
4246	Chemicals	5.0	6.8	4.9	6.9	1.1	0.9	1.7	2.2	5.2	5.0	1.4
4247	Petroleum	9.4	9.6	9.2	9.6	1.1	1.6	3.1	3.0	9.6	8.1	2.6
4248	Alcohol	4.6	5.3	4.6	5.3	1.1	0.6	1.3	1.5	4.7	4.4	1.4
4249	Misc. Nondur.	8.3	9.0	8.2	9.1	1.9	0.9	3.8	3.6	8.1	7.6	3.0

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 <http://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 sampling frame conducted under the same survey conditions. This error occurs because only a subset of the entire sampling frame is measured in a sample survey. Standard errors and coefficients of variation (CV), 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 statistical evidence to conclude at the 90 percent confidence level that the change is different from zero and therefore the change is not statistically significant. Estimated changes shown in the text are statistically significant unless otherwise noted. For a monthly total, 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 nonsampling error is not measured directly, the Census Bureau employs quality control procedures throughout the process to minimize this type of 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					
		2005				2004	2004	2005				2004	2004
		Apr.	Mar.r	Feb.r	Jan.	Dec.	Mar.r	Apr.	Mar.r	Feb.r	Jan.	Dec.	Mar.r
42	U.S. Total ¹	0.986	1.079	0.916	0.914	1.017	1.076	1.002	1.006	1.007	1.012	1.005	1.006
423	Durable	0.984	1.089	0.908	0.885	1.006	1.084	1.009	1.001	1.004	0.994	0.984	1.001
4231	Automotive	1.036	1.110	0.903	0.867	1.043	1.109	1.013	1.021	1.037	1.007	0.988	1.021
4232	Furniture	0.966	1.057	0.892	0.878	0.968	1.057	0.977	0.978	0.987	0.984	0.982	0.978
4233	Lumber	1.021	1.061	0.864	0.833	0.830	1.060	1.036	1.027	1.013	0.983	0.951	1.028
4234	Prof. equip.	0.929	1.112	0.892	0.887	1.114	1.102	0.992	0.979	0.997	1.004	0.986	0.979
42343	Comp. equip.	0.919	1.102	0.879	0.900	1.154	1.099	1.007	0.975	0.978	0.996	0.994	0.974
4235	Metals	1.011	1.085	0.946	0.930	0.895	1.069	0.999	1.002	0.999	1.007	1.016	1.001
4236	Electrical	0.967	1.073	0.906	0.893	0.979	1.073	1.000	0.982	0.989	0.989	0.980	0.981
4237	Hardware	1.008	1.065	0.903	0.885	0.903	1.062	1.011	1.011	1.006	0.986	0.985	1.011
4238	Machinery	1.006	1.089	0.902	0.880	1.045	1.095	1.018	1.014	0.998	0.980	0.982	1.014
4239	Misc. Durable	0.977	1.100	0.929	0.896	1.005	1.094	0.999	0.982	1.004	1.011	0.980	0.983
424	Nondurable	0.991	1.076	0.929	0.945	1.027	1.078	0.987	1.014	1.013	1.042	1.042	1.012
4241	Paper	0.965	1.067	0.921	0.940	1.002	1.078	0.993	0.986	0.998	0.999	1.018	0.987
4242	Drugs	0.972	1.080	0.923	0.966	1.070	1.084	0.986	1.009	0.979	1.041	1.038	1.009
4243	Apparel	0.916	1.173	1.013	0.878	0.869	1.172	0.952	0.961	0.989	1.028	0.992	0.959
4244	Groceries	0.986	1.049	0.904	0.931	1.020	1.053	0.985	0.996	0.987	1.004	1.017	0.996
4245	Farm products	0.949	1.064	0.975	1.061	1.164	1.075	1.063	1.176	1.191	1.198	1.184	1.150
4246	Chemicals	0.998	1.086	0.943	0.959	0.951	1.089	1.000	1.005	1.007	0.999	1.007	1.004
4247	Petroleum	1.037	1.050	0.936	0.979	0.990	1.061	0.951	1.016	1.019	1.076	1.149	1.012
4248	Alcohol	0.957	1.036	0.835	0.748	1.229	1.026	1.011	0.985	0.967	0.967	0.936	0.985
4249	Misc. Nondur.	1.083	1.095	0.952	0.929	0.997	1.089	0.983	1.016	1.043	1.059	1.066	1.022

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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 who sell goods on their own account and include such businesses as wholesale merchants or jobbers, industrial distributors, exporters, and importers. Sales offices and branches maintained by manufacturing, refining, or mining firms for the purpose of marketing their products are not covered in this report. Also excluded is NAICS Industry Group 4251: Wholesale Electronic Markets and Agents and Brokers.

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 31% of the total sales estimate and 33% 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>.