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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES August 2007

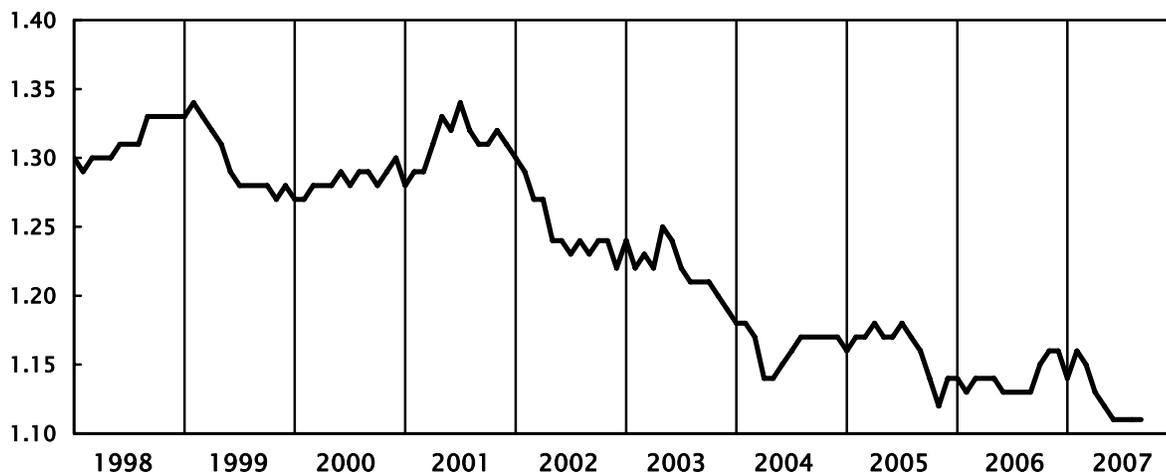
Sales. The U.S. Census Bureau announced today that August 2007 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$360.9 billion, up 0.4 percent (+/-0.5%)* from the revised July level and were up 6.8 percent (+/-1.3%) from the August 2006 level. The July preliminary estimate was revised upward \$0.5 billion or 0.1 percent. August sales of durable goods were up 0.9 percent (+/-0.8%) from last month and were up 4.4 percent (+/-2.0%) from a year ago. August sales of nondurable goods were down 0.1 percent (+/-0.7%)* from last month, but were up 9.1 percent (+/-2.0%) from last year. Sales of petroleum and petroleum products were down 6.1 percent from last month, while sales of farm product raw materials were up 9.5 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$399.0 billion at the end of August, up 0.1 percent (+/-0.3%)* from the revised July level and were up 4.4 percent (+/-1.8%) from a year ago. The July preliminary estimate was revised downward \$0.1 billion. End-of-month inventories of durable goods were up 0.4 percent (+/-0.5%)* from last month and were up 1.9 percent (+/-2.3%)* from last August. Inventories of motor vehicle and motor vehicle parts and supplies were up 2.4 percent from last month, while inventories of metals and minerals, except petroleum, were down 1.9 percent. End-of-month inventories of nondurable goods decreased 0.4 percent (+/-0.5%)* from July, but were up 8.9 percent (+/-3.6%) compared to last August. Inventories of petroleum and petroleum products were down 3.3 percent from last month, while inventories of farm product raw materials increased 5.3 percent.

Inventories/Sales Ratio. The August inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.11. The August 2006 ratio was 1.13.

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 can be found at: <<http://www.census.gov/mwts/www/mwtsreliability.html>>.

**Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers'
Sales Branches and Offices: 1998 to 2007**
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for September is scheduled to be released November 7, 2007 at 10:00 a.m. EST.

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		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		Aug. 2007 (p)	Jul. 2007 (r)	Aug. 2006 (r)	Aug./ Jul.	Jul./ Jun.	Aug. 07/ Aug. 06	Aug. 2007 (p)	Jul. 2007 (r)	Aug. 2006 (r)	Aug./ Jul.	Jul./ Jun.	Aug. 07/ Aug. 06	Aug. 2007 (p)	Jul. 2007 (r)	Aug. 2006 (r)
Adjusted²																
42	U.S. Total	360,919	359,529	337,920	0.4	0.2	6.8	399,016	398,721	382,098	0.1	0.2	4.4	1.11	1.11	1.13
423	..Durable	171,496	170,002	164,324	0.9	0.0	4.4	248,689	247,773	244,023	0.4	-0.4	1.9	1.45	1.46	1.49
4231	..Automotive	27,033	26,910	26,989	0.5	1.2	0.2	37,818	36,926	38,061	2.4	-0.7	-0.6	1.40	1.37	1.41
4232	..Furniture	6,010	6,179	5,688	-2.7	-0.2	5.7	8,062	8,040	7,426	0.3	0.9	8.6	1.34	1.30	1.31
4233	..Lumber	10,612	10,758	12,183	-1.4	-3.5	-12.9	14,350	14,204	15,425	1.0	-0.2	-7.0	1.35	1.32	1.27
4234	..Prof. equip.	30,749	30,412	27,755	1.1	-0.3	10.8	32,352	32,119	29,955	0.7	0.1	8.0	1.05	1.06	1.08
42343	...Comp. equip.	16,086	16,073	14,424	0.1	-2.5	11.5	12,220	11,977	10,965	2.0	1.2	11.4	0.76	0.75	0.76
4235	..Metals	13,791	13,790	13,336	0.0	0.3	3.4	23,394	23,850	23,453	-1.9	-2.3	-0.3	1.70	1.73	1.76
4236	..Electrical	25,442	25,352	25,301	0.4	0.4	0.6	32,090	32,046	31,410	0.1	-0.5	2.2	1.26	1.26	1.24
4237	..Hardware	7,960	7,833	7,777	1.6	0.3	2.4	15,245	15,256	14,830	-0.1	1.8	2.8	1.92	1.95	1.91
4238	..Machinery	29,445	29,030	27,285	1.4	1.2	7.9	63,107	63,109	60,973	0.0	0.1	3.5	2.14	2.17	2.23
4239	..Misc. Durable	20,454	19,738	18,010	3.6	-1.3	13.6	22,271	22,223	22,490	0.2	-1.9	-1.0	1.09	1.13	1.25
424	..Nondurable	189,423	189,527	173,596	-0.1	0.4	9.1	150,327	150,948	138,075	-0.4	1.3	8.9	0.79	0.80	0.80
4241	..Paper	8,210	8,149	7,858	0.7	1.5	4.5	6,818	6,926	6,290	-1.6	1.3	8.4	0.83	0.85	0.80
4242	..Drugs	34,139	33,410	31,965	2.2	2.1	6.8	30,709	31,180	32,778	-1.5	-0.9	-6.3	0.90	0.93	1.03
4243	..Apparel	11,173	10,917	10,405	2.3	0.3	7.4	15,852	15,734	14,717	0.7	1.5	7.7	1.42	1.44	1.41
4244	..Groceries	42,672	42,548	38,963	0.3	-0.7	9.5	27,407	27,608	24,280	-0.7	-0.3	12.9	0.64	0.65	0.62
4245	..Farm products	16,852	15,393	11,292	9.5	4.5	49.2	17,999	17,099	11,801	5.3	7.9	52.5	1.07	1.11	1.05
4246	..Chemicals	8,481	8,383	8,007	1.2	1.6	5.9	9,180	9,303	8,748	-1.3	3.1	4.9	1.08	1.11	1.09
4247	..Petroleum	39,984	42,563	39,131	-6.1	0.9	2.2	13,114	13,558	12,783	-3.3	-2.0	2.6	0.33	0.32	0.33
4248	..Alcohol	8,642	8,620	8,066	0.3	-0.2	7.1	10,359	10,657	9,295	-2.8	3.4	11.4	1.20	1.24	1.15
4249	..Misc. Nondur.	19,270	19,544	17,909	-1.4	-4.9	7.6	18,889	18,883	17,383	0.0	1.7	8.7	0.98	0.97	0.97
														Sales to date		
														2007		2006
42	U.S. Total	380,092	355,339	356,442	7.0	-3.1	6.6	394,377	397,390	378,576	-0.8	0.5	4.2	2,823,332	2,614,770	
423	..Durable	180,858	166,508	173,451	8.6	-5.5	4.3	248,778	249,989	244,028	-0.5	0.1	1.9	1,350,154	1,279,987	
4231	..Automotive	28,195	26,291	28,123	7.2	-2.9	0.3	35,927	36,815	36,158	-2.4	-0.9	-0.6	218,157	212,748	
4232	..Furniture	6,431	6,123	6,126	5.0	-1.1	5.0	8,328	8,233	7,671	1.2	2.9	8.6	48,761	43,935	
4233	..Lumber	12,077	11,285	13,815	7.0	-5.9	-12.6	14,379	14,389	15,440	-0.1	-1.8	-6.9	89,378	103,277	
4234	..Prof. equip.	31,210	28,831	28,255	8.3	-10.5	10.5	32,643	32,344	30,255	0.9	2.1	7.9	232,371	213,050	
42343	...Comp. equip.	15,973	15,157	14,352	5.4	-16.0	11.3	12,159	12,001	10,932	1.3	3.4	11.2	121,238	109,181	
4235	..Metals	14,715	13,859	14,296	6.2	-3.4	2.9	23,581	24,089	23,594	-2.1	-1.4	-0.1	113,511	104,715	
4236	..Electrical	27,121	24,820	26,895	9.3	-3.2	0.8	32,796	32,783	32,101	0.0	1.7	2.2	200,628	187,928	
4237	..Hardware	8,883	7,998	8,648	11.1	-5.5	2.7	15,367	15,409	14,919	-0.3	1.8	3.0	62,994	62,401	
4238	..Machinery	31,506	28,885	29,031	9.1	-3.4	8.5	63,486	63,993	61,400	-0.8	-0.4	3.4	230,080	213,923	
4239	..Misc. Durable	20,720	18,416	18,262	12.5	-9.6	13.5	22,271	21,934	22,490	1.5	-1.5	-1.0	154,274	138,010	
424	..Nondurable	199,234	188,831	182,991	5.5	-0.9	8.9	145,599	147,401	134,548	-1.2	1.1	8.2	1,473,178	1,334,783	
4241	..Paper	8,867	7,888	8,424	12.4	-2.0	5.3	6,838	6,961	6,321	-1.8	2.1	8.2	64,640	62,391	
4242	..Drugs	34,924	32,274	32,828	8.2	-0.1	6.4	29,972	30,806	31,893	-2.7	-3.0	-6.0	261,526	246,647	
4243	..Apparel	12,626	11,048	11,872	14.3	1.5	6.4	16,819	16,426	15,615	2.4	5.4	7.7	85,520	80,231	
4244	..Groceries	44,336	42,463	40,638	4.4	-1.8	9.1	27,160	27,028	24,061	0.5	-0.9	12.9	339,706	299,301	
4245	..Farm products	15,268	13,669	10,264	11.7	1.2	48.8	14,129	14,004	9,228	0.9	5.8	53.1	110,852	83,475	
4246	..Chemicals	9,160	8,316	8,632	10.1	-2.5	6.1	9,198	9,331	8,748	-1.4	2.7	5.1	67,703	62,538	
4247	..Petroleum	44,542	45,202	42,574	-1.5	4.2	4.6	13,140	14,127	12,834	-7.0	2.0	2.4	320,991	293,964	
4248	..Alcohol	9,567	8,603	8,937	11.2	-8.8	7.0	10,266	10,817	9,230	-5.1	4.1	11.2	66,156	61,593	
4249	..Misc. Nondur.	19,944	19,368	18,822	3.0	-8.7	6.0	18,077	17,901	16,618	1.0	0.7	8.8	156,084	144,643	

Footnotes:

^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/naics02/naicod02.htm#N42>.

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/mwts/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 to previous year sales to date
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	
42	U.S. Total	0.9	1.3	0.9	1.3	0.3	0.2	0.8	1.1	0.8	0.6	0.6
423	..Durable	1.4	1.5	1.5	1.5	0.5	0.3	1.2	1.4	1.3	1.2	1.0
4231	..Automotive	2.7	4.3	2.9	4.3	0.9	0.6	2.0	4.7	2.9	2.2	1.7
4232	..Furniture	3.2	4.4	3.2	4.3	1.7	0.9	3.2	6.1	3.2	3.1	2.6
4233	..Lumber	4.4	7.6	4.2	7.5	1.0	0.7	2.8	5.2	4.2	4.5	2.1
4234	..Prof. equip.	3.9	4.7	3.9	4.7	1.2	0.5	2.6	4.1	4.0	2.8	2.4
42343	...Comp. equip.	6.4	7.2	6.4	7.3	2.1	0.9	5.7	9.4	6.4	4.1	4.7
4235	..Metals	3.9	5.7	3.9	5.5	1.3	0.7	2.9	5.4	4.0	2.6	2.5
4236	..Electrical	3.4	3.3	3.4	3.4	0.8	0.4	3.1	2.3	3.4	2.9	2.2
4237	..Hardware	5.0	5.0	5.0	5.0	1.5	0.6	4.5	4.7	5.1	2.8	3.8
4238	..Machinery	3.4	2.5	3.4	2.5	2.2	0.6	3.3	3.2	2.8	3.0	3.0
4239	..Misc. Durable	5.9	5.3	5.8	5.4	1.7	1.1	6.1	3.5	6.2	2.9	5.8
424	..Nondurable	1.3	2.1	1.3	2.1	0.4	0.3	1.2	2.2	1.2	0.8	0.9
4241	..Paper	7.8	6.8	7.8	6.5	1.1	0.9	5.2	3.8	8.2	4.6	4.9
4242	..Drugs	3.8	5.6	3.7	5.5	0.6	0.5	2.8	6.2	3.9	2.1	2.5
4243	..Apparel	4.4	5.3	4.3	5.3	2.4	1.0	3.8	4.2	3.9	4.1	3.1
4244	..Groceries	3.3	8.1	3.3	8.0	0.9	0.7	2.0	7.6	3.4	3.5	1.4
4245	..Farm products	4.3	7.9	4.4	8.0	1.9	1.4	3.6	4.8	3.9	4.3	3.0
4246	..Chemicals	6.8	6.8	6.8	6.8	1.4	0.8	6.7	7.8	6.6	5.1	4.7
4247	..Petroleum	3.5	3.9	3.5	3.9	1.0	1.0	3.4	4.1	3.4	2.3	2.6
4248	..Alcohol	7.6	3.6	7.6	3.6	1.0	1.0	2.5	3.3	7.6	7.7	2.2
4249	..Misc. Nondur.	4.3	5.1	4.4	4.9	1.5	0.8	3.9	5.2	4.0	2.5	3.2

Note:

Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation or trading-day differences and are derived from estimates for the period July 2006 to present. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at <http://www.census.gov/mwts/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					
		2007					2006	2007					2006
		Sep.	Aug.r	Jul.r	Jun.	May	Aug.r	Sep.	Aug.r	Jul.r	Jun.	May	Aug.r
42	U.S. Total¹	0.968	1.053	0.990	1.023	1.045	1.055	0.995	0.991	0.999	0.994	0.989	0.991
423	..Durable	0.976	1.053	0.981	1.036	1.034	1.055	0.997	1.000	1.009	1.004	1.001	1.000
4231	..Automotive	0.911	1.043	0.977	1.018	1.026	1.042	0.975	0.950	0.997	0.998	0.990	0.950
4232	..Furniture	0.988	1.070	0.991	1.000	1.027	1.077	1.022	1.033	1.024	1.004	0.995	1.033
4233	..Lumber	0.979	1.138	1.049	1.076	1.096	1.134	0.994	1.002	1.013	1.030	1.033	1.001
4234	..Prof. equip.	1.062	1.015	0.948	1.056	0.978	1.018	1.004	1.009	1.007	0.987	0.983	1.010
42343	...Comp. equip.	1.100	0.993	0.943	1.095	0.951	0.995	1.007	0.995	1.002	0.981	0.974	0.997
4235	..Metals	0.947	1.067	1.005	1.043	1.076	1.072	1.001	1.008	1.010	1.001	0.998	1.006
4236	..Electrical	1.008	1.066	0.979	1.015	1.003	1.063	1.018	1.022	1.023	1.001	1.002	1.022
4237	..Hardware	0.982	1.116	1.021	1.084	1.057	1.112	0.998	1.008	1.010	1.010	1.018	1.006
4238	..Machinery	0.956	1.070	0.995	1.043	1.060	1.064	0.987	1.006	1.014	1.019	1.008	1.007
4239	..Misc. Durable	0.959	1.013	0.933	1.019	1.050	1.014	1.005	1.000	0.987	0.983	0.989	1.000
424	..Nondurable	0.958	1.048	0.996	1.009	1.052	1.051	0.987	0.977	0.984	0.981	0.968	0.976
4241	..Paper	0.977	1.080	0.968	1.003	1.030	1.072	1.004	1.003	1.005	0.997	0.997	1.005
4242	..Drugs	0.950	1.023	0.966	0.987	1.030	1.027	1.019	0.976	0.988	1.010	0.971	0.973
4243	..Apparel	1.026	1.130	1.012	1.000	0.942	1.141	1.053	1.061	1.044	1.006	0.960	1.061
4244	..Groceries	0.956	1.039	0.998	1.009	1.057	1.043	0.996	0.991	0.979	0.985	0.984	0.991
4245	..Farm products	0.888	0.906	0.888	0.917	1.016	0.909	0.792	0.785	0.819	0.835	0.886	0.782
4246	..Chemicals	0.951	1.080	0.992	1.034	1.045	1.078	0.992	1.002	1.003	1.007	1.006	1.000
4247	..Petroleum	0.967	1.114	1.062	1.028	1.068	1.088	1.029	1.002	1.042	1.002	0.952	1.004
4248	..Alcohol	0.920	1.107	0.998	1.093	1.119	1.108	1.020	0.991	1.015	1.008	1.001	0.993
4249	..Misc. Nondur.	0.951	1.035	0.991	1.032	1.149	1.051	0.982	0.957	0.948	0.957	0.984	0.956

Footnotes:

¹ Revised.

¹ Adjusted 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 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 employer firms selected in a probability sample of approximately 4,500. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 26% of the total sales estimate and 28% 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/whl>.