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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES JULY 2008

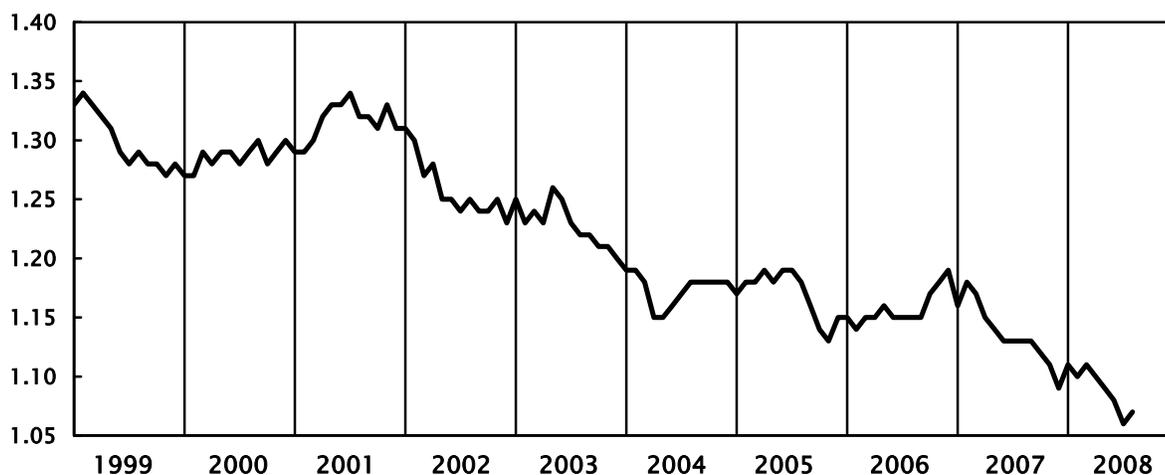
Sales. The U.S. Census Bureau announced today that July 2008 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$410.6 billion, down 0.3 percent (+/-0.5%)* from the revised June level, but up 16.5 percent (+/-1.0%) from the July 2007 level. The June preliminary estimate was revised upward \$0.7 billion or 0.2 percent. July sales of durable goods were up 0.2 percent (+/-0.8%)* from last month and were up 9.4 percent (+/-1.7%) from a year ago. Sales of nondurable goods were down 0.7 percent (+/-0.8%)* from last month, but were up 23.0 percent (+/-1.7%) from last year. Sales of petroleum and petroleum products were down 5.9 percent from last month.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$441.3 billion at the end of July, up 1.4 percent (+/-0.3%) from the revised June level and were up 10.6 percent (+/-1.2%) from a year ago. The June preliminary estimate was revised downward \$0.7 billion or 0.2 percent. End-of-month inventories of durable goods were up 1.6 percent (+/-0.5%) from last month and were up 8.7 percent (+/-1.3%) from last July. Inventories of machinery, equipment, and supplies were up 2.7 percent and inventories of metals and minerals, except petroleum, were up 2.6 percent. End-of-month inventories of nondurable goods increased 1.1 percent (+/-0.7%) from June and were up 13.9 percent (+/-2.5%) compared to last July. Inventories of chemicals and allied products were up 6.3 percent from last month and inventories of drugs and druggists sundries were up 6.1 percent.

Inventories/Sales Ratio. The July inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.07. The July 2007 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/wholesale/www/methodology/011340.html>.

Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers'
Sales Branches and Offices: 1999 to 2008
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for August is scheduled to be released October 9, 2008 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <http://www.census.gov/wholesale>. 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 inventories 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			Percent change			Monthly			Percent change			Ratios		
		Jul. 2008 (p)	Jun. 2008 (r)	Jul. 2007 (r)	Jul./ Jun.	Jun./ May	Jul. 08/ Jul. 07	Jul. 2008 (p)	Jun. 2008 (r)	Jul. 2007 (r)	Jul./ Jun.	Jun./ May	Jul. 08/ Jul. 07	Jul. 2008 (p)	Jun. 2008 (r)	Jul. 2007 (r)
Adjusted²																
42	U.S. Total	410,564	411,960	352,422	-0.3	3.0	16.5	441,255	435,147	398,870	1.4	0.9	10.6	1.07	1.06	1.13
423	..Durable	183,749	183,468	168,002	0.2	1.6	9.4	270,836	266,504	249,232	1.6	0.7	8.7	1.47	1.45	1.48
4231	..Automotive	24,960	25,307	26,594	-1.4	-4.2	-6.1	42,053	41,120	37,062	2.3	0.8	13.5	1.68	1.62	1.39
4232	..Furniture	5,557	5,465	5,805	1.7	-0.5	-4.3	8,192	8,083	8,067	1.3	0.2	1.5	1.47	1.48	1.39
4233	..Lumber	10,110	10,088	10,566	0.2	1.5	-4.3	14,894	14,617	14,380	1.9	1.7	3.6	1.47	1.45	1.36
4234	..Prof. equip.	30,879	30,808	29,255	0.2	1.9	5.6	32,421	32,488	30,626	-0.2	-0.2	5.9	1.05	1.05	1.05
42343	...Comp. equip.	15,428	15,702	15,168	-1.7	3.1	1.7	11,752	11,582	10,745	1.5	-1.7	9.4	0.76	0.74	0.71
4235	..Metals	15,758	15,355	13,581	2.6	1.7	16.0	27,598	26,899	23,846	2.6	4.0	15.7	1.75	1.75	1.76
4236	..Electrical	30,450	30,098	26,508	1.2	1.6	14.9	34,806	34,642	32,220	0.5	1.0	8.0	1.14	1.15	1.22
4237	..Hardware	8,083	7,934	7,918	1.9	0.3	2.1	15,314	15,098	15,390	1.4	0.2	-0.5	1.89	1.90	1.94
4238	..Machinery	31,134	32,321	28,192	-3.7	3.6	10.4	70,068	68,234	64,312	2.7	-0.5	9.0	2.25	2.11	2.28
4239	..Misc. Durable	26,818	26,092	19,583	2.8	6.2	36.9	25,490	25,323	23,329	0.7	0.7	9.3	0.95	0.97	1.19
424	..Nondurable	226,815	228,492	184,420	-0.7	4.2	23.0	170,419	168,643	149,638	1.1	1.3	13.9	0.75	0.74	0.81
4241	..Paper ³	8,391	8,056	7,723	4.2	-1.3	8.6	7,233	7,058	7,014	2.5	3.2	3.1	0.86	0.88	0.91
4242	..Drugs	31,999	31,445	30,311	1.8	0.4	5.6	32,119	30,278	29,618	6.1	-2.8	8.4	1.00	0.96	0.98
4243	..Apparel	11,528	10,747	10,658	7.3	-8.4	8.2	16,570	16,651	16,752	-0.5	0.6	-1.1	1.44	1.55	1.57
4244	..Groceries	44,850	44,664	42,365	0.4	-1.1	5.9	26,911	26,745	26,085	0.6	0.8	3.2	0.60	0.60	0.62
4245	..Farm products	23,648	23,195	15,083	2.0	4.1	56.8	26,642	27,955	18,601	-4.7	4.0	43.2	1.13	1.21	1.23
4246	..Chemicals ³	9,900	9,604	8,155	3.1	4.7	21.4	10,190	9,589	9,201	6.3	-1.0	10.7	1.03	1.00	1.13
4247	..Petroleum	66,457	70,649	42,842	-5.9	13.9	55.1	16,883	16,429	12,746	2.8	8.9	32.5	0.25	0.23	0.30
4248	..Alcohol	9,158	9,159	8,722	0.0	0.3	5.0	10,719	10,631	10,341	0.8	0.5	3.7	1.17	1.16	1.19
4249	..Misc. Nondur.	20,884	20,973	18,561	-0.4	3.2	12.5	23,152	23,307	19,280	-0.7	0.2	20.1	1.11	1.11	1.04
Not Adjusted													Sales to date			
													2008	2007		
42	U.S. Total	418,579	420,037	348,932	-0.3	2.9	20.0	438,738	431,847	397,479	1.6	1.5	10.4	2,763,254	2,402,669	
423	..Durable	186,460	190,073	165,324	-1.9	4.2	12.8	273,660	267,434	251,794	2.3	0.7	8.7	1,247,137	1,161,242	
4231	..Automotive	24,835	25,358	25,796	-2.1	-4.7	-3.7	41,927	40,791	37,025	2.8	0.9	13.2	183,222	187,198	
4232	..Furniture	5,696	5,470	5,776	4.1	-0.4	-1.4	8,413	8,091	8,277	4.0	1.2	1.6	38,595	40,053	
4233	..Lumber	11,242	11,067	11,232	1.6	3.7	0.1	15,117	14,953	14,581	1.1	1.7	3.7	69,423	76,972	
4234	..Prof. equip.	30,694	32,749	27,968	-6.3	13.8	9.7	32,778	32,261	30,963	1.6	-0.1	5.9	206,521	194,876	
42343	...Comp. equip.	15,073	17,413	14,334	-13.4	23.6	5.2	11,881	11,374	10,820	4.5	-1.8	9.8	102,975	99,132	
4235	..Metals	16,767	16,031	13,880	4.6	-0.1	20.8	28,067	27,276	24,156	2.9	5.1	16.2	106,762	99,418	
4236	..Electrical	30,755	30,248	26,031	1.7	4.2	18.1	35,502	34,711	32,864	2.3	1.0	8.0	200,227	180,593	
4237	..Hardware	8,520	8,521	8,124	0.0	5.8	4.9	15,482	15,143	15,544	2.2	-0.7	-0.4	55,191	54,789	
4238	..Machinery	31,321	33,937	27,854	-7.7	6.3	12.4	70,909	69,189	65,148	2.5	-0.2	8.8	217,270	192,427	
4239	..Misc. Durable	26,630	26,692	18,663	-0.2	3.7	42.7	25,465	25,019	23,236	1.8	-0.4	9.6	169,926	134,916	
424	..Nondurable	232,119	229,964	183,608	0.9	1.8	26.4	165,078	164,413	145,685	0.4	2.8	13.3	1,516,117	1,241,427	
4241	..Paper	8,441	8,096	7,514	4.3	-0.6	12.3	7,233	7,058	7,014	2.5	3.2	3.1	56,214	53,321	
4242	..Drugs	32,191	30,785	29,432	4.6	-0.8	9.4	31,798	30,369	29,233	4.7	-1.0	8.8	219,376	206,900	
4243	..Apparel	12,554	10,489	10,946	19.7	-3.2	14.7	17,316	16,784	17,506	3.2	6.5	-1.1	76,528	72,307	
4244	..Groceries	45,209	44,753	41,941	1.0	-5.0	7.8	26,561	26,531	25,694	0.1	0.9	3.4	314,677	293,227	
4245	..Farm products	21,874	20,852	13,469	4.9	-4.7	62.4	21,287	23,594	14,918	-9.8	4.5	42.7	154,568	94,574	
4246	..Chemicals	10,326	9,786	8,147	5.5	4.9	26.7	10,190	9,589	9,201	6.3	-1.0	10.7	64,584	57,312	
4247	..Petroleum	70,378	72,839	44,984	-3.4	13.1	56.5	17,761	17,037	13,307	4.2	19.2	33.5	425,613	276,449	
4248	..Alcohol	9,552	9,965	8,670	-4.1	2.0	10.2	10,891	10,727	10,496	1.5	1.2	3.8	60,884	57,028	
4249	..Misc. Nondur.	21,594	22,399	18,505	-3.6	-3.9	16.7	22,041	22,724	18,316	-3.0	-2.4	20.3	143,673	130,309	

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 Except where indicated, sales and inventories estimates are adjusted for seasonal variation. Estimates of sales are also adjusted for trading-day differences and moving holidays. See Table 3 for the combined adjustment factors. Adjusted sales-to-date estimates are not tabulated.

³ No discernible seasonal pattern for this NAICS code was detected in the latest annual review of the seasonal adjustment for inventories. Consequently, the "Adjusted" inventories estimates are equal to the "Not Adjusted" estimates.

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/wholesale/www/how_surveys_are_collected/011340.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	0.8	1.3	0.8	1.3	0.3	0.2	0.6	0.7	0.9	0.8	0.7
423	..Durable	1.4	1.6	1.5	1.6	0.5	0.3	1.0	0.8	1.6	1.3	1.2
4231	..Automotive	2.6	3.9	2.5	4.0	0.7	0.6	1.3	1.8	2.7	2.9	0.7
4232	..Furniture	3.9	5.0	3.8	5.0	1.8	0.9	2.8	2.5	3.7	3.3	2.0
4233	..Lumber	4.7	8.8	4.7	8.7	1.1	0.7	2.2	2.7	4.9	4.4	2.0
4234	..Prof. equip.	4.4	4.5	4.4	4.6	1.0	0.5	1.8	1.5	4.3	4.1	1.4
42343	...Comp. equip.	6.8	6.6	6.6	6.6	2.0	1.0	2.3	2.8	6.7	6.5	1.1
4235	..Metals	5.2	6.6	5.1	6.4	1.7	0.7	2.3	2.2	5.1	4.7	2.0
4236	..Electrical	5.2	3.9	5.3	3.9	0.8	0.3	3.4	2.3	8.4	3.3	6.2
4237	..Hardware	5.5	4.9	5.5	5.0	1.5	0.5	2.8	2.4	5.0	4.9	2.3
4238	..Machinery	3.5	3.1	3.6	3.1	2.0	0.6	3.1	1.3	3.6	2.9	1.6
4239	..Misc. Durable	6.0	4.2	5.9	4.2	1.7	1.2	3.7	2.5	5.9	6.7	2.7
424	..Nondurable	1.2	1.8	1.2	1.8	0.5	0.4	1.0	1.5	1.3	1.1	0.9
4241	..Paper	7.6	7.2	7.6	7.2	1.0	0.8	3.4	4.2	6.8	8.0	3.8
4242	..Drugs	3.9	5.6	3.9	5.6	0.6	0.4	1.9	2.7	3.8	4.2	2.1
4243	..Apparel	4.0	7.0	4.1	6.9	2.6	1.0	3.0	3.6	3.4	4.0	2.3
4244	..Groceries	4.0	7.4	4.0	7.4	0.9	0.9	1.6	3.6	4.1	3.8	1.3
4245	..Farm products	3.8	6.7	4.0	6.4	2.2	1.3	5.1	6.3	3.4	3.7	5.0
4246	..Chemicals	7.5	7.1	7.4	7.2	1.5	0.8	2.7	2.1	7.6	6.9	1.9
4247	..Petroleum	3.5	3.7	3.6	3.6	1.2	0.7	3.6	3.0	3.8	3.6	3.4
4248	..Alcohol	7.2	4.3	7.2	4.3	1.1	1.0	1.6	1.7	7.3	7.4	1.3
4249	..Misc. Nondur.	4.9	6.6	4.8	6.5	1.7	0.9	1.9	2.9	4.5	4.3	1.1

Note:

Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation, trading-day differences, or moving holidays. 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/wholesale/www/how_surveys_are_collected/011340.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. Combined¹ Adjustment Factors for Monthly Wholesale Sales and Inventory Estimates

[Combined 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					
		2008					2007	2008					2007
		Aug.	Jul.r	Jun.r	May	Apr.	Jul.r	Aug.	Jul.r	Jun.r	May	Apr.	Jul.r
42	U.S. Total²	0.998	1.021	1.023	1.019	1.024	0.991	0.989	0.997	0.993	0.989	1.002	0.997
423	..Durable	0.997	1.013	1.035	1.007	1.022	0.983	1.000	1.011	1.002	1.003	1.006	1.011
4231	..Automotive	0.990	0.995	1.002	1.007	1.039	0.970	0.948	0.997	0.992	0.991	1.010	0.999
4232	..Furniture	1.005	1.025	1.001	0.999	0.995	0.995	1.033	1.027	1.001	0.992	0.983	1.026
4233	..Lumber	1.078	1.112	1.097	1.073	1.064	1.063	1.009	1.015	1.023	1.023	1.024	1.014
4234	..Prof. equip.	0.959	0.994	1.063	0.952	0.948	0.956	1.012	1.011	0.993	0.992	0.992	1.011
42343	...Comp. equip.	0.939	0.977	1.109	0.925	0.914	0.945	1.000	1.011	0.982	0.983	0.991	1.007
4235	..Metals	1.013	1.064	1.044	1.063	1.066	1.022	1.015	1.017	1.014	1.004	0.998	1.013
4236	..Electrical	1.013	1.010	1.005	0.980	0.985	0.982	1.019	1.020	1.002	1.002	0.994	1.020
4237	..Hardware	1.051	1.054	1.074	1.019	1.034	1.026	1.009	1.011	1.003	1.012	1.005	1.010
4238	..Machinery	0.995	1.006	1.050	1.024	1.052	0.988	1.003	1.012	1.014	1.011	1.013	1.013
4239	..Misc. Durable	0.980	0.993	1.023	1.047	1.073	0.953	1.006	0.999	0.988	0.999	1.000	0.996
424	..Nondurable	0.991	1.024	1.006	1.027	1.024	0.994	0.969	0.976	0.980	0.965	0.995	0.976
4241	..Paper ³	1.012	1.006	1.005	0.997	0.991	0.973	1.000	1.000	1.000	1.000	1.000	1.000
4242	..Drugs	0.956	1.006	0.979	0.991	1.007	0.971	0.995	0.990	1.003	0.985	0.990	0.987
4243	..Apparel	1.075	1.089	0.976	0.923	0.940	1.027	1.063	1.045	1.008	0.952	0.947	1.045
4244	..Groceries	0.991	1.008	1.002	1.043	1.011	0.990	0.996	0.987	0.992	0.991	0.986	0.985
4245	..Farm products	0.865	0.925	0.899	0.982	1.029	0.893	0.761	0.799	0.844	0.840	1.002	0.802
4246	..Chemicals ³	1.008	1.043	1.019	1.017	1.016	0.999	1.000	1.000	1.000	1.000	1.000	1.000
4247	..Petroleum	1.052	1.059	1.031	1.038	1.048	1.050	0.994	1.052	1.037	0.948	0.969	1.044
4248	..Alcohol	1.040	1.043	1.088	1.070	0.978	0.994	0.988	1.016	1.009	1.002	1.022	1.015
4249	..Misc. Nondur.	0.984	1.034	1.068	1.147	1.114	0.997	0.952	0.952	0.975	1.001	1.032	0.950

Footnotes:

¹ Revised factors.

¹ Combined factors for sales include the effects of seasonal variation, trading day differences, and moving holidays. Combined factors for inventories include only the effects of seasonal variation.

² Adjusted sales and inventories estimates for detailed kind-of-business levels in Table 1 are computed by dividing each "Not Adjusted" estimate by the combined 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. Combined 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.

³ No discernible seasonal pattern for this NAICS code was detected in the latest annual review of the seasonal adjustment for inventories. Therefore, the combined adjustment factors for inventories are set to one for this NAICS code.

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 inventories-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. Approximately 78% of those mailed provided data for this reporting period. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 25% of the total sales estimate and 26% of the total end-of-month inventories estimate is based on imputed data.

Monthly sales and inventories 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/wholesale>.