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CB02-117

MANUFACTURING AND TRADE INVENTORIES AND SALES **July 2002**

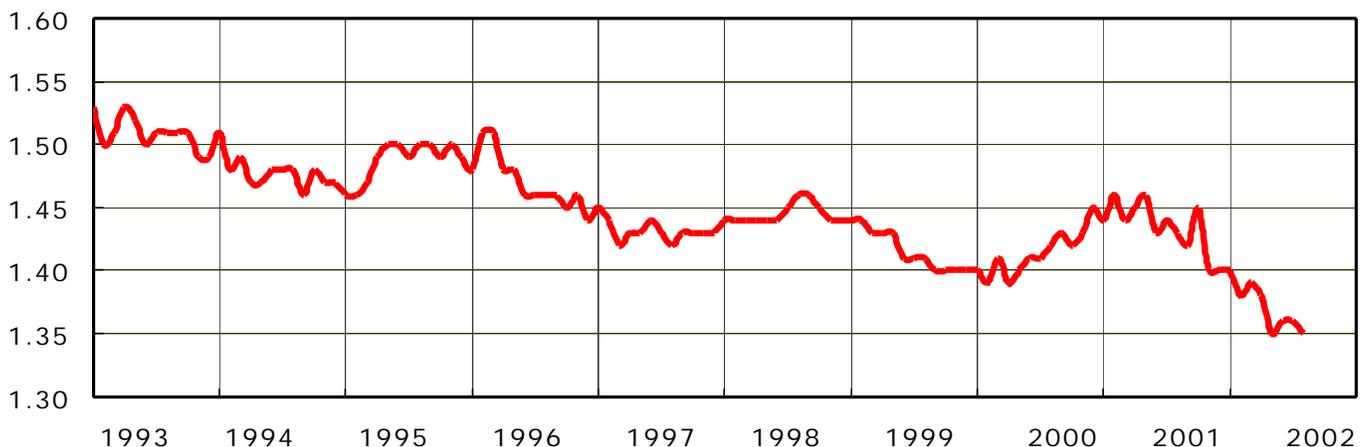
Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments (excluding semiconductors) for July, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$832.8 billion, up 1.2 percent ($\pm 0.2\%$) from June and were up 2.2 percent ($\pm 0.2\%$) from July 2001.

Inventories. Manufacturers' and trade inventories (excluding semiconductors) adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,124.5 billion, up 0.4 percent ($\pm 0.1\%$) from June but were down 3.7 percent ($\pm 0.3\%$) from July 2001.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of July was 1.35. The July 2001 ratio was 1.43.

Total Business Inventories/Sales Ratios: 1993 to 2002

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for August is scheduled for release October 15, 2002 at 8:30 a.m. Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Dan Sansbury (301) 457-4832 (Manufacturing), or Nancy Piesto (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: retail.trade@census.gov.

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. July data were released September 5 for Manufacturers and September 9 for merchant wholesalers. The data are also available the day of issue on the Internet-<http://www.census.gov/bussales> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Jul. 2002	Jun. 2002	Jul. 2001	Jul. 2002	Jun. 2002	Jul. 2001	Jul. 2002	Jun. 2002	Jul. 2001
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business ³	832,816	822,795	814,554	1,124,479	1,119,454	1,168,281	1.35	1.36	1.43
Manufacturers ^{3,4}	325,911	320,810	325,820	427,813	428,230	460,388	1.31	1.33	1.41
Retailers.....	275,914	272,347	263,114	412,514	408,884	409,731	1.50	1.50	1.56
Merchant wholesalers.....	230,991	229,638	225,620	284,152	282,340	298,162	1.23	1.23	1.32
Not Adjusted									
Total business.....	811,016	838,763	777,549	1,111,199	1,107,513	1,154,792	1.37	1.32	1.49
Manufacturers ^{3,4}	297,284	339,333	293,911	429,586	425,000	462,192	1.45	1.25	1.57
Retailers.....	278,761	272,623	260,755	399,056	403,313	396,024	1.43	1.48	1.52
Merchant wholesalers.....	234,971	226,807	222,883	282,557	279,200	296,576	1.20	1.23	1.33

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories -- Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Jul. 02/ Jun. 02	Jun. 02/ May. 02	Jul. 02/ Jul. 01	Jul. 02/ Jun. 02	Jun. 02/ May. 02	Jul. 02/ Jul. 01	Jul. 02/ Jun. 02	Jun. 02/ May. 02	Jul. 02/ Jul. 01	Jul. 02/ Jun. 02	Jun. 02/ May. 02	Jul. 02/ Jul. 01
	Jun. 02	May. 02	Jul. 01	Jun. 02	May. 02	Jul. 01	Jun. 02	May. 02	Jul. 01	Jun. 02	May. 02	Jul. 01
Total business.....	1.2	0.3	2.2	0.4	0.3	-3.7	-3.3	-1.9	4.3	0.3	-0.6	-3.8
Manufacturers.....	1.6	-0.9	0.0	-0.1	-0.1	-7.1	-12.4	1.8	1.1	1.1	-1.4	-7.1
Retailers.....	1.3	1.5	4.9	0.9	0.5	0.7	2.3	-4.0	6.9	-1.1	-0.6	0.8
Merchant wholesalers.....	0.6	0.7	2.4	0.6	0.4	-4.7	3.6	-4.4	5.4	1.2	0.3	-4.7

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business

(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change			Inventories/Sales		
		Jul 2002	Jun 2002	Jul 2001	Jul 2002	Jun 2002	Jul 2001	Jul 02/ Jun 02	Jun 02/ May 02	Jul 02/ Jul 01	Jul 02	Jun 02	Jul 01
		(p)	(r)	(s)	(p)	(r)	(s)						
	Adjusted ²												
	Retail total	275,914	272,347	263,114	412,514	408,884	409,731	0.9	0.5	0.7	150	150	156
	Total (excl. mfg. & parts)	200,080	199,401	192,829	283,370	282,080	281,927	0.5	0.3	0.5	142	141	146
441	Mfg. mfg. & parts	75,884	72,946	70,285	129,144	126,804	127,804	1.8	1.0	1.0	1.70	1.74	1.82
4423	Furniture, home furn., elect. & appl. stores	15,516	15,685	14,955	26,406	26,200	24,642	0.8	0.1	7.2	1.70	1.67	1.65
444	Bldg. mfg. mfg. & eqpt. & suppls.	26,200	26,285	24,868	40,759	40,884	39,715	-0.3	-0.1	2.6	1.56	1.56	1.60
445	Food & beverage stores	40,143	40,035	39,352	33,219	33,288	33,592	-0.2	-0.3	-1.1	0.83	0.83	0.85
448	Clothing & clothing accessories	14,477	14,636	14,257	33,828	33,767	34,337	0.2	1.3	-1.5	2.34	2.31	2.41
452	General merchandise stores	38,289	38,215	36,168	64,694	63,931	65,767	1.2	-0.1	-1.6	1.69	1.67	1.82
4521	Dept. stores (excl. food & dept.)	18,957	19,001	19,361	40,003	39,679	42,064	0.8	0.4	-4.9	2.11	2.09	2.17
	Not Adjusted												
	Retail total	278,761	272,623	260,755	399,056	403,313	396,024	-1.1	-0.6	0.8	143	148	152
	Total (excl. mfg. & parts)	197,465	196,984	188,001	277,307	274,454	275,867	1.0	-0.5	0.5	140	139	147
441	Mfg. mfg. & parts	81,296	75,639	72,754	121,749	128,859	120,157	-5.5	-0.6	1.3	1.50	1.70	1.65
4423	Furniture, home furn., elect. & appl. stores	14,962	14,843	14,217	25,693	25,414	24,001	1.1	-0.7	7.0	1.72	1.71	1.69
444	Bldg. mfg. mfg. & eqpt. & suppls.	28,543	29,383	26,456	40,311	41,456	39,318	-2.8	-2.2	2.5	1.41	1.41	1.49
445	Food & beverage stores	41,121	40,043	39,964	32,444	32,773	32,824	-1.0	0.0	-1.2	0.79	0.82	0.82
448	Clothing & clothing accessories	12,983	13,382	12,717	33,862	32,484	34,371	4.2	1.3	-1.5	2.61	2.43	2.72
452	General merchandise stores	35,531	37,075	33,395	62,064	60,349	63,026	2.8	-2.4	-1.5	1.75	1.63	1.89
4521	Dept. stores (excl. food & dept.)	16,842	17,861	17,133	38,163	37,140	40,129	2.8	-2.6	-4.9	2.27	2.08	2.34

(p) Preliminary (r) Revised (s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Total business and manufacturers estimates exclude semiconductor manufacturers. The number of semiconductor manufacturers choosing not to participate in the voluntary manufacturing monthly survey has risen to a level such that the Census Bureau can no longer produce monthly estimates of semiconductor data.

⁴ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those Industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.