

FOR WIRE TRANSMISSION 8:30 A.M. ET, Monday, September 15, 2003

CB-03-138

MANUFACTURING AND TRADE INVENTORIES AND SALES July 2003

Notice of Revision: Revised unadjusted and adjusted estimates of manufacturing shipments and inventories were released on August 19, 2003. The revised manufacturing estimates include the semiconductor industry. For further information on this change, see <http://www.census.gov/indicator/www/m3/index.html>.

Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments (including semiconductors) for July, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$862.9 billion, up 1.6 percent ($\pm 0.2\%$) from June and up 3.8 percent ($\pm 0.2\%$) from July 2002.

Inventories. Manufacturers' and trade inventories (including semiconductors) adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,179.6 billion, down 0.1 percent ($\pm 0.1\%$) from June but up 2.4 percent ($\pm 0.5\%$) from July 2002.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of July was 1.37. The July 2002 ratio was 1.39.

Total Business Inventories/Sales Ratios: 1994 to 2003

(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 16, 2003 at 8:30 a.m. Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Dan Sansbury (301) 763-4832 (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 was released September 4 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. 2003	Jun. 2003	Jul. 2002	Jul. 2003	Jun. 2003	Jul. 2002	Jul. 2003	Jun. 2003	Jul. 2002
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted									
Total business.....	862,897	849,696	831,022	1,179,574	1,180,343	1,152,039	1.37	1.39	1.39
Manufacturers ³	336,923	328,643	328,367	440,361	442,666	442,605	1.31	1.35	1.35
Retailers.....	287,245	283,318	272,941	450,177	448,758	423,351	1.57	1.58	1.55
Merchant wholesalers.....	238,729	237,735	229,714	289,036	288,919	286,083	1.21	1.22	1.25
Not Adjusted									
Total business.....	847,815	874,377	810,458	1,163,791	1,168,207	1,137,133	1.37	1.34	1.40
Manufacturers ³	309,852	348,612	298,864	441,747	439,285	444,107	1.43	1.26	1.49
Retailers.....	293,731	285,022	277,084	434,340	442,713	408,641	1.48	1.55	1.47
Merchant wholesalers.....	244,232	240,743	234,510	287,704	286,209	284,385	1.18	1.19	1.21

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. 03/ Jun. 03	Jun. 03/ May 03	Jul. 03/ Jul. 02	Jul. 03/ Jun. 03	Jun. 03/ May 03	Jul. 03/ Jul. 02	Jul. 03/ Jun. 03	Jun. 03/ May 03	Jul. 03/ Jul. 02	Jul. 03/ Jun. 03	Jun. 03/ May 03	Jul. 03/ Jul. 02
Total business.....	1.6	1.3	3.8	-0.1	0.0	2.4	-3.0	1.5	4.6	-0.4	-0.9	2.3
Manufactures.....	2.5	1.5	2.6	-0.5	-0.3	-0.5	-11.1	5.6	3.7	0.6	-1.7	-0.5
Retailers.....	1.4	1.0	5.2	0.3	0.4	6.3	3.1	-3.4	6.0	-1.9	-0.7	6.3
Merchant wholesalers.....	0.4	1.6	3.9	0.0	0.0	1.0	1.4	1.8	4.1	0.5	0.1	1.2

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 In Inventories			Inventories/Sales Ratios		
		Jul. 2003 (p)	Jun. 2003 (r)	Jul. 2002 (s)	Jul. 2003 (p)	Jun. 2003 (r)	Jul. 2002 (s)	Jul. 03/ Jun. 03	Jun. 03/ May. 03	Jul. 03/ Jul. 02	Jul. 03	Jun. 03	Jul. 02
	Adjusted ²												
	Retail trade, total.....	287,245	283,318	272,941	450,177	448,758	423,351	0.3	0.4	6.3	1.57	1.58	1.55
	Total (excl. motor veh. & parts).....	209,898	207,768	199,532	293,454	292,488	285,765	0.3	0.3	2.7	1.40	1.41	1.43
441	Motor vehicle & parts dealers.....	77,347	75,550	73,409	156,723	156,270	137,586	0.3	0.6	13.9	2.03	2.07	1.87
442,3	Furniture, home furn., elect. & appl. stores..	16,429	16,258	15,197	27,197	27,102	25,909	0.4	1.9	5.0	1.66	1.67	1.70
444	Building materials, garden equip & supplies..	27,112	26,697	24,888	44,714	44,517	41,774	0.4	1.1	7.0	1.65	1.67	1.68
445	Food & beverage stores.....	42,607	42,269	40,970	34,645	34,486	33,691	0.5	-0.3	2.8	0.81	0.82	0.82
448	Clothing & clothing access stores.....	14,969	14,793	14,106	36,674	36,792	35,413	-0.3	-0.2	3.6	2.45	2.49	2.51
452	General merchandise stores.....	39,994	39,466	38,019	66,696	66,688	65,185	0.0	0.1	2.3	1.67	1.69	1.71
4521	Dept. strcs. (excl. leased depts.).....	18,441	18,221	18,847	36,491	36,703	38,603	-0.6	-0.6	-5.5	1.98	2.01	2.05
	Not Adjusted												
	Retail trade, total.....	293,731	285,022	277,084	434,340	442,713	408,641	-1.9	-0.7	6.3	1.48	1.55	1.47
	Total (excl. motor veh. & parts).....	209,229	204,886	197,566	287,152	284,140	279,567	1.1	-0.5	2.7	1.37	1.39	1.42
441	Motor vehicle & parts dealers.....	84,502	80,136	79,518	147,188	158,573	129,074	-7.2	-1.2	14.0	1.74	1.98	1.62
442,3	Furniture, home furn., elect. & appl. stores..	15,910	15,348	14,687	26,544	26,289	25,287	1.0	1.8	5.0	1.67	1.71	1.72
444	Building materials, garden equip & supplies..	30,009	30,601	27,416	44,088	45,051	41,231	-2.1	-1.4	6.9	1.47	1.47	1.50
445	Food & beverage stores.....	44,103	41,664	42,015	33,870	33,951	32,933	-0.2	-0.2	2.8	0.77	0.81	0.78
448	Clothing & clothing access stores.....	13,765	13,476	12,803	36,601	35,431	35,378	3.3	0.2	3.5	2.66	2.63	2.76
452	General merchandise stores.....	37,746	37,830	35,499	63,851	62,883	62,325	1.5	-1.9	2.4	1.69	1.66	1.76
4521	Dept. strcs. (excl. leased depts.).....	16,637	16,909	16,845	34,703	34,427	36,673	0.8	-3.2	-5.4	2.09	2.04	2.18

(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 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.