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MANUFACTURING AND TRADE INVENTORIES AND SALES **September 2003**

Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for September, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$866.3 billion, up 0.6 percent ($\pm 0.3\%$) from August and up 4.6 percent ($\pm 0.3\%$) from September 2002.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,177.2 billion, up 0.3 percent ($\pm 0.1\%$) from August and up 1.6 percent ($\pm 0.4\%$) from September 2002.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of September was 1.36. The September 2002 ratio was 1.40.

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 October is scheduled for release December 11, 2003 at 10:00 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>. September data was released November 5 for Manufacturers and November 7 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		
	Sep. 2003	Aug. 2003	Sep. 2002	Sep. 2003	Aug. 2003	Sep. 2002	Sep. 2003	Aug. 2003	Sep. 2002
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted									
Total business.....	866,265	861,312	828,278	1,177,216	1,173,573	1,159,217	1.36	1.36	1.40
Manufacturers ³	336,164	331,676	326,165	437,768	439,632	443,595	1.30	1.33	1.36
Retailers.....	289,362	290,121	270,361	449,671	445,224	428,436	1.55	1.53	1.58
Merchant wholesalers.....	240,739	239,515	231,752	289,777	288,717	287,186	1.20	1.21	1.24
Not Adjusted									
Total business.....	884,034	873,719	830,242	1,170,968	1,156,653	1,153,948	1.32	1.32	1.39
Manufacturers ³	357,094	335,985	343,319	437,869	443,020	443,808	1.23	1.32	1.29
Retailers.....	279,350	299,455	256,479	445,929	429,033	425,816	1.60	1.43	1.66
Merchant wholesalers.....	247,590	238,279	230,444	287,170	284,600	284,324	1.16	1.19	1.23

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		
	Sep. 03/ Aug. 03	Aug. 03/ Jul. 03	Sep. 03/ Sep. 02	Sep. 03/ Aug. 03	Aug. 03/ Jul. 03	Sep. 03/ Sep. 02	Sep. 03/ Aug. 03	Aug. 03/ Jul. 03	Sep. 03/ Sep. 02	Sep. 03/ Aug. 03	Aug. 03/ Jul. 03	Sep. 03/ Sep. 02
Total business.....	0.6	-0.3	4.6	0.3	-0.4	1.6	1.2	3.0	6.5	1.2	-0.6	1.5
Manufacturers.....	1.4	-1.7	3.1	-0.4	-0.3	-1.3	6.3	8.4	4.0	-1.2	0.2	-1.3
Retailers.....	-0.3	0.9	7.0	1.0	-0.7	5.0	-6.7	2.0	8.9	3.9	-1.1	4.7
Merchant wholesalers..	0.5	0.2	3.9	0.4	-0.1	0.9	3.9	-2.5	7.4	0.9	-1.1	1.0

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		
		Sep. 2003 (p)	Aug. 2003 (r)	Sep. 2002 (s)	Sep. 2003 (p)	Aug. 2003 (r)	Sep. 2002 (s)	Sep. 03/ Aug. 03	Aug. 03/ Jul. 03	Sep. 03/ Sep. 02	Sep. 03	Aug. 03	Sep. 02
	Adjusted ²												
	Retail trade, total.....	289,362	290,121	270,361	449,671	445,224	428,436	1.0	-0.7	5.0	1.55	1.53	1.58
	Total (excl. motor veh. & parts).....	213,417	212,506	199,484	295,451	293,228	287,618	0.8	0.1	2.7	1.38	1.38	1.44
441	Motor vehicle & parts dealers.....	75,945	77,615	70,877	154,220	151,996	140,818	1.5	-2.1	9.5	2.03	1.96	1.99
442,3	Furniture, home furn., elect. & appl. stores..	16,738	16,620	15,390	27,557	27,393	26,304	0.6	0.6	4.8	1.65	1.65	1.71
444	Building materials, garden equip & supplies..	27,790	27,433	25,217	46,292	45,328	42,293	2.1	1.3	9.5	1.67	1.65	1.68
445	Food & beverage stores.....	42,892	42,781	40,855	34,951	34,800	34,290	0.4	0.3	1.9	0.81	0.81	0.84
448	Clothing & clothing access. stores.....	15,126	14,989	13,860	36,689	36,749	35,706	-0.2	0.4	2.8	2.43	2.45	2.58
452	General merchandise stores.....	40,534	40,436	37,925	66,547	65,892	65,166	1.0	-0.7	2.1	1.64	1.63	1.72
4521	Dept. str. (excl. leased depts.).....	18,457	18,482	18,577	36,329	36,141	38,006	0.5	-0.5	-4.4	1.97	1.96	2.05
	Not Adjusted												
	Retail trade, total.....	279,350	299,455	256,479	445,929	429,033	425,816	3.9	-1.1	4.7	1.60	1.43	1.66
	Total (excl. motor veh. & parts).....	203,546	215,827	188,183	303,203	290,029	295,156	4.5	1.0	2.7	1.49	1.34	1.57
441	Motor vehicle & parts dealers.....	75,804	83,628	68,296	142,726	139,004	130,660	2.7	-5.2	9.2	1.88	1.66	1.91
442,3	Furniture, home furn., elect. & appl. stores..	15,918	16,886	14,368	27,915	26,708	26,620	4.5	0.6	4.9	1.75	1.58	1.85
444	Building materials, garden equip & supplies..	28,187	27,940	24,760	45,505	44,240	41,532	2.9	0.4	9.6	1.61	1.58	1.68
445	Food & beverage stores.....	41,327	43,758	39,234	34,769	33,939	34,111	2.4	0.1	1.9	0.84	0.78	0.87
448	Clothing & clothing access. stores.....	13,563	15,443	12,418	39,257	37,668	38,205	4.2	3.1	2.8	2.89	2.44	3.08
452	General merchandise stores.....	35,802	40,781	33,847	70,619	64,740	69,141	9.1	1.4	2.1	1.97	1.59	2.04
4521	Dept. str. (excl. leased depts.).....	15,890	18,447	16,231	38,799	35,346	40,514	9.8	1.9	-4.2	2.44	1.92	2.50

(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.