

FOR WIRE TRANSMISSION 8:30 A.M. ET, Friday, March 12, 2004

CB-04-35

**MANUFACTURING AND TRADE INVENTORIES AND SALES**  
**January 2004**

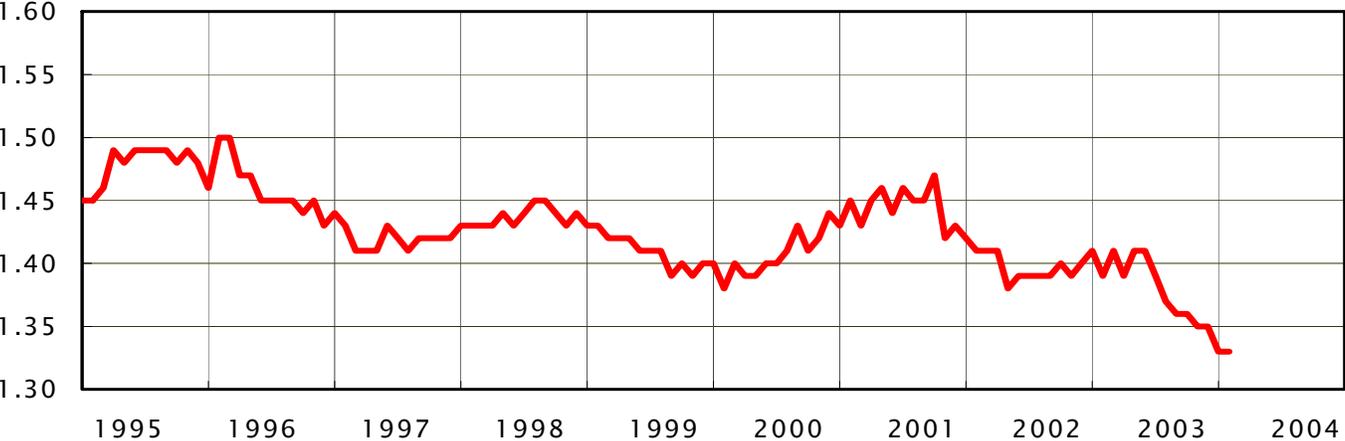
**INTENTION TO REVISE:** Revisions to the Retail adjusted and unadjusted monthly estimates for sales and inventories are scheduled for release March 30. Manufacturing estimates will be revised at a later date. Revisions to the Wholesale sales and inventories estimates were published March 3 and are reflected in this release. Revisions to the Retail data will be reflected in the February 2004 MTIS scheduled for April 13, 2004. Revised historical data can be found on the Internet at: <http://www.census.gov/mtis/www/mtis.html>.

**Sales.** The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for January, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$896.6 billion, up 0.4 percent ( $\pm 0.3\%$ ) from December and up 6.4 percent ( $\pm 0.4\%$ ) from January 2003.

**Inventories.** Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,193.8 billion, up 0.1 percent ( $\pm 0.1\%$ ) from December and up 1.9 percent ( $\pm 0.4\%$ ) from January 2003.

**Inventories/Sales Ratio.** The total business inventories/sales ratio based on seasonally adjusted data at the end of January was 1.33. The January 2003 ratio was 1.39.

**Total Business Inventories/Sales Ratios: 1995 to 2004**  
(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



**The Manufacturing and Trade Inventories and Sales Report for February is scheduled for release April 13, 2004 at 10:00 a.m.** Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Derrick Roy (301) 763-4832 (Manufacturing), or Nancy Piesto (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: [retail.trade@census.gov](mailto: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>. January data was released March 4 for Manufacturers and March 10 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 <sup>1</sup>			Inventories/Sales Ratios		
	Jan. 2004	Dec. 2003	Jan. 2003	Jan. 2004	Dec. 2003	Jan. 2003	Jan. 2004	Dec. 2003	Jan. 2003
	(p)	(r)	(s)	(p)	(r)	(s)			
<b>Adjusted</b>									
Total business.....	896,627	893,201	842,768	1,193,816	1,192,214	1,171,808	1.33	1.33	1.39
Manufacturers <sup>3</sup> .....	350,087	348,485	329,665	439,411	438,584	444,220	1.26	1.26	1.35
Retailers.....	293,424	293,190	277,855	458,618	458,195	439,016	1.56	1.56	1.58
Merchant wholesalers.....	253,116	251,526	235,248	295,787	295,435	288,572	1.17	1.17	1.23
<b>Not Adjusted</b>									
Total business.....	825,113	946,733	782,104	1,188,955	1,179,901	1,166,373	1.44	1.25	1.49
Manufacturers <sup>3</sup> .....	319,666	345,976	301,776	437,389	428,176	442,409	1.37	1.24	1.47
Retailers.....	266,474	343,390	252,558	450,979	453,551	431,453	1.69	1.32	1.71
Merchant wholesalers.....	238,973	257,367	227,770	300,587	298,174	292,511	1.26	1.16	1.28

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		
	Jan. 04/ Dec. 03	Dec. 03/ Nov. 03	Jan. 04/ Jan. 03	Jan. 04/ Dec. 03	Dec. 03/ Nov. 03	Jan. 04/ Jan. 03	Jan. 04/ Dec. 03	Dec. 03/ Nov. 03	Jan. 04/ Jan. 03	Jan. 04/ Dec. 03	Dec. 03/ Nov. 03	Jan. 04/ Jan. 03
Total business.....	0.4	1.4	6.4	0.1	0.3	1.9	-12.8	10.8	5.5	0.8	-3.4	1.9
Manufacturers.....	0.5	2.1	6.2	0.2	0.1	-1.1	-7.6	3.8	5.9	2.2	-2.6	-1.1
Retailers.....	0.1	0.4	5.6	0.1	0.3	4.5	-22.4	20.0	5.5	-0.6	-6.7	4.5
Merchant wholesalers..	0.6	1.5	7.6	0.1	0.6	2.5	-7.1	9.7	4.9	0.8	0.6	2.8

**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 <sup>1</sup>			Percent Change In Inventories			Inventories/Sales Ratios		
		Jan. 2004 (p)	Dec. 2003 (r)	Jan. 2003 (s)	Jan. 2004 (p)	Dec. 2003 (r)	Jan. 2003 (s)	Jan. 04/Dec. 03	Dec. 03/Nov. 03	Jan. 04/Jan. 03	Jan. 04	Dec. 03	Jan. 03
	Adjusted <sup>2</sup>												
	Retail trade, total.....	293,424	293,190	277,855	458,618	458,195	439,016	0.1	0.3	4.5	1.56	1.56	1.58
	Total (excl. motor veh. & parts).....	218,139	215,615	204,016	299,382	299,416	289,902	0.0	0.4	3.3	1.37	1.39	1.42
441	Motor vehicle & parts dealers.....	75,285	77,575	73,839	159,236	158,779	149,114	0.3	0.2	6.8	2.12	2.05	2.02
442,3	Furniture, home furn., elect. & appl. stores...	17,064	16,952	15,484	28,376	28,509	26,364	-0.5	0.4	7.6	1.66	1.68	1.70
444	Building materials, garden equip & supplies...	28,036	28,312	25,819	47,656	47,337	42,791	0.7	1.3	11.4	1.70	1.67	1.66
445	Food & beverage stores.....	43,596	42,720	41,884	34,635	34,522	34,221	0.3	-0.4	1.2	0.79	0.81	0.82
448	Clothing & clothing access. stores.....	15,673	15,347	14,632	36,434	36,656	36,620	-0.6	-0.2	-0.5	2.32	2.39	2.50
452	General merchandise stores.....	41,246	40,739	38,008	68,063	67,939	66,204	0.2	1.3	2.8	1.65	1.67	1.74
4521	Dept. str. (excl. leased depts.).....	18,189	18,059	18,198	36,127	35,898	37,360	0.6	-0.5	-3.3	1.99	1.99	2.05
	Not Adjusted												
	Retail trade, total.....	266,474	343,390	252,558	450,979	453,551	431,453	-0.6	-6.7	4.5	1.69	1.32	1.71
	Total (excl. motor veh. & parts).....	199,979	270,908	186,721	288,199	291,035	278,799	-1.0	-10.7	3.4	1.44	1.07	1.49
441	Motor vehicle & parts dealers.....	66,495	72,482	65,837	162,780	162,516	152,654	0.2	1.7	6.6	2.45	2.24	2.32
442,3	Furniture, home furn., elect. & appl. stores...	15,942	23,959	14,464	27,525	28,395	25,573	-3.1	-12.5	7.6	1.73	1.19	1.77
444	Building materials, garden equip & supplies...	22,490	25,531	21,085	46,751	45,917	41,978	1.8	0.7	11.4	2.08	1.80	1.99
445	Food & beverage stores.....	43,172	46,724	41,068	34,686	35,339	34,298	-1.8	-2.5	1.1	0.80	0.76	0.84
448	Clothing & clothing access. stores.....	11,802	26,895	10,825	33,483	33,907	33,617	-1.3	-17.1	-0.4	2.84	1.26	3.11
452	General merchandise stores.....	35,087	61,470	32,071	62,932	63,577	61,054	-1.0	-20.1	3.1	1.79	1.03	1.90
4521	Dept. str. (excl. leased depts.).....	14,227	31,243	14,247	32,912	33,170	33,998	-0.8	-23.9	-3.2	2.31	1.06	2.39

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

<sup>1</sup> Inventories are on a non-LIFO basis as of the end of the month.

<sup>2</sup> 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.

<sup>3</sup> 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  $\pm 1.2$  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.