

FOR WIRE TRANSMISSION 10:00 A.M. ET, Tuesday, April 13, 2004

CB-04-56

## MANUFACTURING AND TRADE INVENTORIES AND SALES February 2004

**NOTICE OF REVISION:** Revisions to the Retail sales and inventories estimates were published March 30 and are reflected in this release. Manufacturing estimates will be revised at a later date. Revised historical data can be found on the Internet at: <http://www.census.gov/mtis/www/mtis.html>.

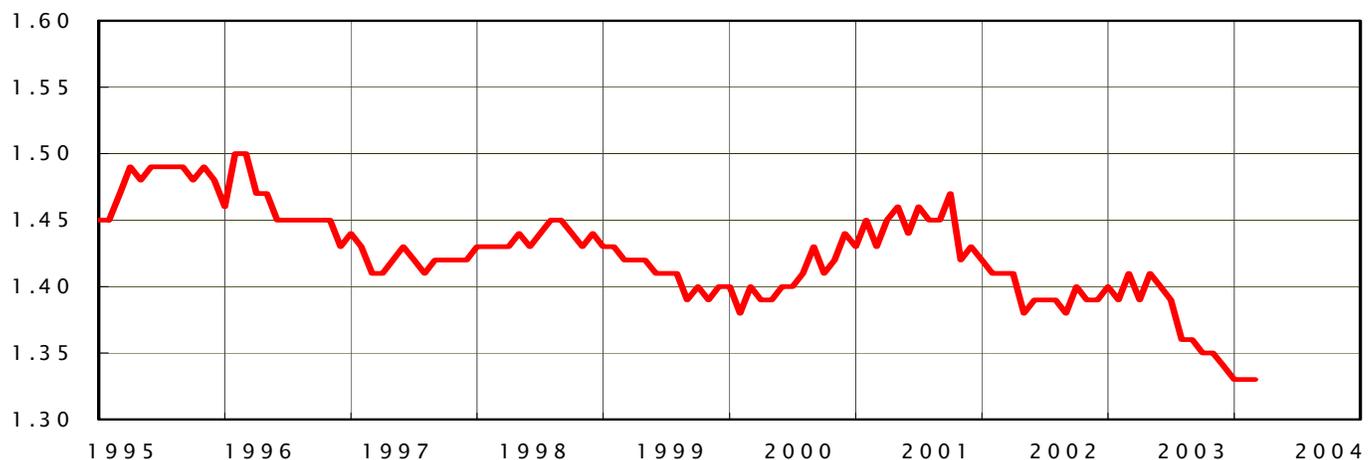
**Sales.** The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for February, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$898.8 billion, up 0.5 percent ( $\pm 0.2\%$ ) from January and up 7.8 percent ( $\pm 0.3\%$ ) from February 2003.

**Inventories.** Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,195.1 billion, up 0.7 percent ( $\pm 0.2\%$ ) from January and up 2.0 percent ( $\pm 0.4\%$ ) from February 2003.

**Inventories/Sales Ratio.** The total business inventories/sales ratio based on seasonally adjusted data at the end of February was 1.33. The February 2003 ratio was 1.41.

### 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 March is scheduled for release May 14, 2004 at 8:30 a.m.** Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Chris Savage (301) 763-4834 (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>. February data was released March 31 for Manufacturers and April 8 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		
	Feb. 2004	Jan. 2004	Feb. 2003	Feb. 2004	Jan. 2004	Feb. 2003	Feb. 2004	Jan. 2004	Feb. 2003
	(p)	(r)	(s)	(p)	(r)	(s)			
<b>Adjusted</b>									
Total business.....	898,829	894,394	834,035	1,195,139	1,187,402	1,172,125	1.33	1.33	1.41
Manufacturers <sup>3</sup> .....	346,813	348,477	325,591	442,366	440,029	446,088	1.28	1.26	1.37
Retailers.....	294,994	292,253	272,887	453,120	451,357	436,786	1.54	1.54	1.60
Merchant wholesalers.....	257,022	253,664	235,557	299,653	296,016	289,251	1.17	1.17	1.23
<b>Not Adjusted</b>									
Total business.....	846,091	822,405	771,380	1,199,267	1,181,921	1,173,918	1.42	1.44	1.52
Manufacturers <sup>3</sup> .....	339,818	318,434	312,516	445,749	437,679	448,757	1.31	1.37	1.44
Retailers.....	266,219	265,064	241,996	450,822	443,801	433,864	1.69	1.67	1.79
Merchant wholesalers.....	240,054	238,907	216,868	302,696	300,441	291,297	1.26	1.26	1.34

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		
	Feb. 04/ Jan. 04	Jan. 04/ Dec. 03	Feb. 04/ Feb. 03	Feb. 04/ Jan. 04	Jan. 04/ Dec. 03	Feb. 04/ Feb. 03	Feb. 04/ Jan. 04	Jan. 04/ Dec. 03	Feb. 04/ Feb. 03	Feb. 04/ Jan. 04	Jan. 04/ Dec. 03	Feb. 04/ Feb. 03
Total business.....	0.5	0.3	7.8	0.7	0.2	2.0	2.9	-12.9	9.7	1.5	0.8	2.2
Manufacturers.....	-0.5	0.0	6.5	0.5	0.3	-0.8	6.7	-8.0	8.7	1.8	2.2	-0.7
Retailers.....	0.9	0.3	8.1	0.4	0.0	3.7	0.4	-22.2	10.0	1.6	-0.6	3.9
Merchant wholesalers..	1.3	0.9	9.1	1.2	0.2	3.6	0.5	-7.2	10.7	0.8	0.8	3.9

**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		
		Feb. 2004 (p)	Jan. 2004 (r)	Feb. 2003 (s)	Feb. 2004 (p)	Jan. 2004 (r)	Feb. 2003 (s)	Feb. 04/ Jan. 04	Jan. 04/ Dec. 03	Feb. 04/ Feb. 03	Feb. 04	Jan. 04	Feb. 03
	Adjusted <sup>2</sup>												
	Retail trade, total.....	294,994	292,253	272,887	453,120	451,357	436,786	0.4	0.0	3.7	1.54	1.54	1.60
	Total (excl. motor veh. & parts).....	218,548	217,536	203,072	299,012	298,665	291,808	0.1	-0.1	2.5	1.37	1.37	1.44
441	Motor vehicle & parts dealers.....	76,446	74,717	69,815	154,108	152,692	144,978	0.9	0.2	6.3	2.02	2.04	2.08
442,3	Furniture, home furn., elect. & appl. stores...	16,850	16,778	14,920	26,962	26,997	25,313	-0.1	-0.9	6.5	1.60	1.61	1.70
444	Building materials, garden equip & supplies...	28,365	28,161	24,307	48,310	47,870	43,973	0.9	0.7	9.9	1.70	1.70	1.81
445	Food & beverage stores.....	42,990	43,282	41,706	34,609	34,734	34,483	-0.4	0.2	0.4	0.81	0.80	0.83
448	Clothing & clothing access. stores.....	15,711	15,668	14,243	37,307	37,185	37,337	0.3	0.0	-0.1	2.37	2.37	2.62
452	General merchandise stores.....	41,409	40,803	38,584	67,487	67,689	66,189	-0.3	-0.1	2.0	1.63	1.66	1.72
4521	Dept. str. (excl. leased depts.).....	18,222	17,945	18,027	37,204	37,461	38,502	-0.7	0.2	-3.4	2.04	2.09	2.14
	Not Adjusted												
	Retail trade, total.....	266,219	265,064	241,996	450,822	443,801	433,864	1.6	-0.6	3.9	1.69	1.67	1.79
	Total (excl. motor veh. & parts).....	195,676	198,999	177,619	290,508	287,617	283,218	1.0	-1.1	2.6	1.48	1.45	1.59
441	Motor vehicle & parts dealers.....	70,543	66,065	64,377	160,314	156,184	150,646	2.6	0.1	6.4	2.27	2.36	2.34
442,3	Furniture, home furn., elect. & appl. stores...	15,363	15,647	13,354	25,641	26,214	24,073	-2.2	-3.3	6.5	1.67	1.68	1.80
444	Building materials, garden equip & supplies...	22,376	22,465	19,042	49,035	46,865	44,545	4.6	1.7	10.1	2.19	2.09	2.34
445	Food & beverage stores.....	39,833	42,902	37,734	34,219	34,802	34,094	-1.7	-2.0	0.4	0.86	0.81	0.90
448	Clothing & clothing access. stores.....	13,259	11,773	11,672	35,479	34,247	35,470	3.6	-0.5	0.0	2.68	2.91	3.04
452	General merchandise stores.....	36,358	34,725	32,426	63,726	62,699	62,550	1.6	-1.3	1.9	1.75	1.81	1.93
4521	Dept. str. (excl. leased depts.).....	15,104	13,981	14,388	34,897	34,164	36,192	2.1	-1.2	-3.6	2.31	2.44	2.52

(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.