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MANUFACTURING AND TRADE INVENTORIES AND SALES May 2004

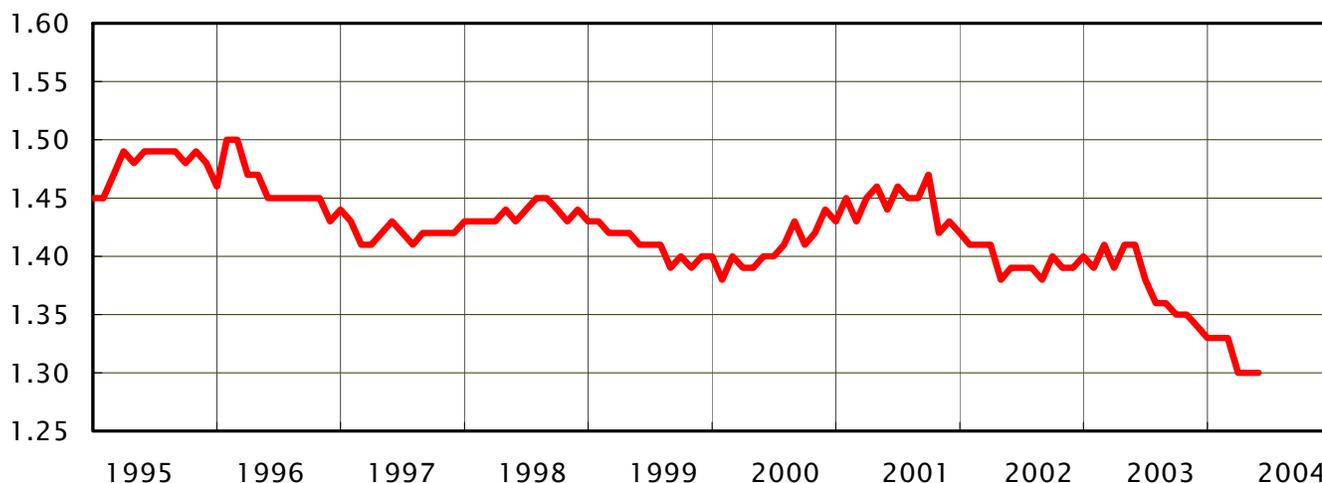
Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for May, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$937.6 billion, up 0.7 percent ($\pm 0.2\%$) from April and up 12.3 percent ($\pm 0.4\%$) from May 2003.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,219.9 billion, up 0.4 percent ($\pm 0.1\%$) from April and up 4.0 percent ($\pm 0.4\%$) from May 2003.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of May was 1.30. The May 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 June is scheduled for release August 12, 2004 at 10:00 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.

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>. May data was released July 2 for Manufacturers and July 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		
	May 2004	Apr. 2004	May 2003	May 2004	Apr. 2004	May 2003	May 2004	Apr. 2004	May 2003
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted									
Total business.....	937,638	930,732	834,777	1,219,933	1,214,579	1,172,888	1.30	1.30	1.41
Manufacturers ³	363,570	362,569	323,920	448,717	446,699	444,049	1.23	1.23	1.37
Retailers.....	303,666	299,146	277,905	465,705	465,891	439,592	1.53	1.56	1.58
Merchant wholesalers.....	270,402	269,017	232,952	305,511	301,989	289,247	1.13	1.12	1.24
Not Adjusted									
Total business.....	945,369	934,545	859,221	1,221,827	1,223,346	1,172,609	1.29	1.31	1.36
Manufacturers ³	366,406	360,275	330,134	453,297	449,025	446,790	1.24	1.25	1.35
Retailers.....	312,610	299,956	293,013	466,147	471,896	439,357	1.49	1.57	1.50
Merchant wholesalers.....	266,353	274,314	236,074	302,383	302,425	286,462	1.14	1.10	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		
	May 04/ Apr. 04	Apr. 04/ Mar. 04	May 04/ May 03	May 04/ Apr. 04	Apr. 04/ Mar. 04	May 04/ May 03	May 04/ Apr. 04	Apr. 04/ Mar. 04	May 04/ May 03	May 04/ Apr. 04	Apr. 04/ Mar. 04	May 04/ May 03
Total business.....	0.7	-0.1	12.3	0.4	0.7	4.0	1.2	-4.9	10.0	-0.1	0.9	4.2
Manufacturers.....	0.3	-0.1	12.2	0.5	0.5	1.1	1.7	-7.7	11.0	1.0	1.3	1.5
Retailers.....	1.5	-0.9	9.3	0.0	1.3	5.9	4.2	-1.1	6.7	-1.2	1.5	6.1
Merchant wholesalers..	0.5	0.9	16.1	1.2	0.2	5.6	-2.9	-5.0	12.8	0.0	-0.5	5.6

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		
		May 2004 (p)	Apr. 2004 (r)	May 2003 (s)	May 2004 (p)	Apr. 2004 (r)	May 2003 (s)	May 04/ Apr. 04	Apr. 04/ Mar. 04	May 04/ May 03	May 04	Apr. 04	May 03
	Adjusted ²												
	Retail trade, total.....	303,666	299,146	277,905	465,705	465,891	439,592	0.0	1.3	5.9	1.53	1.56	1.58
	Total (excl. motor veh. & parts).....	225,086	222,967	204,011	305,768	303,941	291,549	0.6	0.7	4.9	1.36	1.36	1.43
441	Motor vehicle & parts dealers.....	78,580	76,179	73,894	159,937	161,950	148,043	-1.2	2.4	8.0	2.04	2.13	2.00
442,3	Furniture, home furn., elect. & appl. stores..	16,823	17,042	15,863	27,979	27,659	25,421	1.2	0.7	10.1	1.66	1.62	1.60
444	Building materials, garden equip & supplies..	30,591	30,876	25,971	50,621	49,770	44,178	1.7	1.6	14.6	1.65	1.61	1.70
445	Food & beverage stores.....	43,867	43,512	41,474	35,375	34,979	34,620	1.1	0.8	2.2	0.81	0.80	0.83
448	Clothing & clothing access. stores.....	15,816	15,596	14,685	37,986	37,733	37,308	0.7	0.6	1.8	2.40	2.42	2.54
452	General merchandise stores.....	41,770	41,315	38,682	68,770	68,763	66,610	0.0	0.2	3.2	1.65	1.66	1.72
4521	Dept. str. (excl. leased depts.).....	17,771	17,672	17,809	37,196	37,391	38,443	-0.5	-0.1	-3.2	2.09	2.12	2.16
	Not Adjusted												
	Retail trade, total.....	312,610	299,956	293,013	466,147	471,896	439,357	-1.2	1.5	6.1	1.49	1.57	1.50
	Total (excl. motor veh. & parts).....	228,671	220,716	211,749	299,979	301,154	285,712	-0.4	0.7	5.0	1.31	1.36	1.35
441	Motor vehicle & parts dealers.....	83,939	79,240	81,264	166,168	170,742	153,645	-2.7	3.0	8.2	1.98	2.15	1.89
442,3	Furniture, home furn., elect. & appl. stores..	15,847	15,367	15,315	27,140	26,968	24,684	0.6	1.3	9.9	1.71	1.75	1.61
444	Building materials, garden equip & supplies..	35,008	34,776	30,960	52,646	52,259	45,901	0.7	2.0	14.7	1.50	1.50	1.48
445	Food & beverage stores.....	45,218	42,915	43,692	34,900	34,517	34,117	1.1	0.0	2.3	0.77	0.80	0.78
448	Clothing & clothing access. stores.....	15,367	15,034	14,701	36,543	36,752	35,890	-0.6	0.4	1.8	2.38	2.44	2.44
452	General merchandise stores.....	41,924	39,413	39,009	66,289	67,201	64,202	-1.4	0.5	3.3	1.58	1.71	1.65
4521	Dept. str. (excl. leased depts.).....	17,376	16,612	17,567	35,820	36,456	37,021	-1.7	0.1	-3.2	2.06	2.19	2.11

(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.

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