

FOR WIRE TRANSMISSION 10:00 A.M. ET, Monday, December 13, 2004

CB-04-235

MANUFACTURING AND TRADE INVENTORIES AND SALES October 2004

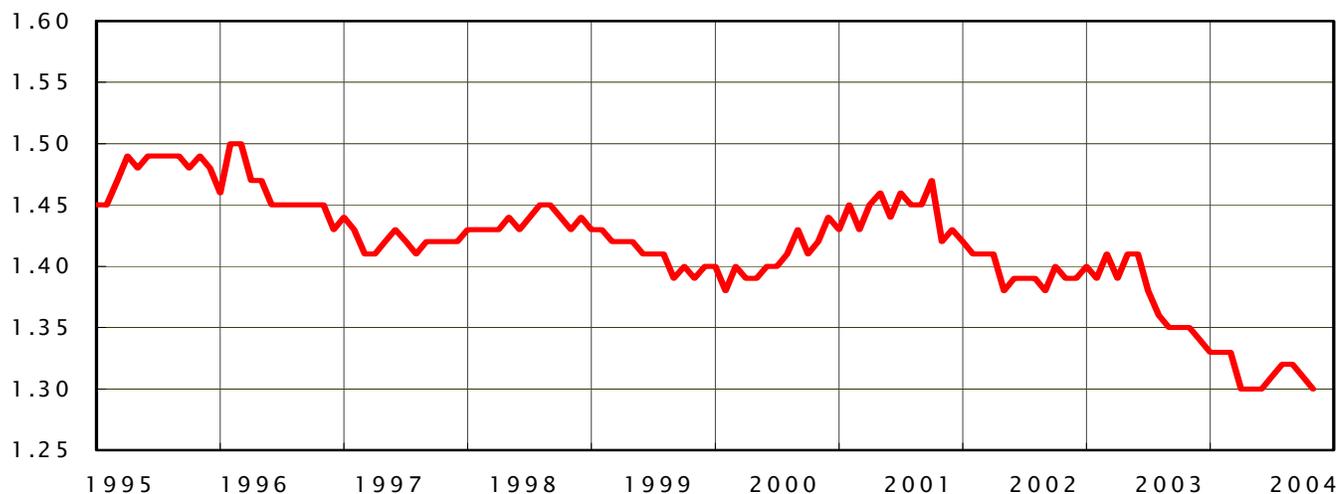
Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for October, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$968.7 billion, up 1.2 percent ($\pm 0.2\%$) from September and up 11.0 percent ($\pm 0.4\%$) from October 2003.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,260.0 billion, up 0.2 percent ($\pm 0.1\%$) from September and up 7.1 percent ($\pm 2.0\%$) from October 2003.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of October was 1.30. The October 2003 ratio was 1.35.

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 November is scheduled for release January 14, 2005 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.

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>. October data was released December 2 for Manufacturers and December 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		
	Oct. 2004	Sep. 2004	Oct. 2003	Oct. 2004	Sep. 2004	Oct. 2003	Oct. 2004	Sep. 2004	Oct. 2003
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	968,678	957,635	872,916	1,260,080	1,257,095	1,176,942	1.30	1.31	1.35
Manufacturers ³	375,932	371,479	339,825	464,566	462,377	438,680	1.24	1.24	1.29
Retailers.....	310,775	308,658	286,388	472,429	475,208	446,194	1.52	1.54	1.56
Merchant wholesalers.....	281,971	277,498	246,703	323,085	319,510	292,068	1.15	1.15	1.18
Not Adjusted									
Total business.....	973,922	975,274	906,273	1,286,871	1,250,524	1,203,867	1.32	1.28	1.33
Manufacturers ³	385,760	393,323	356,009	467,993	463,013	441,907	1.21	1.18	1.24
Retailers.....	304,181	299,991	286,913	492,986	470,796	466,745	1.62	1.57	1.63
Merchant wholesalers.....	283,981	281,960	263,351	325,892	316,715	295,215	1.15	1.12	1.12

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		
	Oct. 04/ Sep. 04	Sep. 04/ Aug. 04	Oct. 04/ Oct. 03	Oct. 04/ Sep. 04	Sep. 04/ Aug. 04	Oct. 04/ Oct. 03	Oct. 04/ Sep. 04	Sep. 04/ Aug. 04	Oct. 04/ Oct. 03	Oct. 04/ Sep. 04	Sep. 04/ Aug. 04	Oct. 04/ Oct. 03
Total business.....	1.2	0.3	11.0	0.2	0.0	7.1	-0.1	0.0	7.5	2.9	0.8	6.9
Manufacturers.....	1.2	-1.1	10.6	0.5	0.1	5.9	-1.9	3.0	8.4	1.1	-0.6	5.9
Retailers.....	0.7	1.7	8.5	-0.6	-0.5	5.9	1.4	-3.7	6.0	4.7	2.1	5.6
Merchant wholesalers..	1.6	0.8	14.3	1.1	0.6	10.6	0.7	0.1	7.8	2.9	0.8	10.4

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		
		Oct. 2004 (p)	Sep. 2004 (r)	Oct. 2003 (s)	Oct. 2004 (p)	Sep. 2004 (r)	Oct. 2003 (s)	Oct. 04/ Sep. 04	Sep. 04/ Aug. 04	Oct. 04/ Oct. 03	Oct. 04	Sep. 04	Oct. 03
	Adjusted ²												
	Retail trade, total.....	310,775	308,658	286,388	472,429	475,208	446,194	-0.6	-0.5	5.9	1.52	1.54	1.56
	Total (excl. motor veh. & parts).....	231,434	228,927	212,542	310,576	309,587	296,235	0.3	0.1	4.8	1.34	1.35	1.39
441	Motor vehicle & parts dealers.....	79,341	79,731	73,846	161,853	165,621	149,959	-2.3	-1.6	7.9	2.04	2.08	2.03
442,3	Furniture, home furn., elect. & appl. stores...	17,341	17,288	16,597	27,595	27,992	26,934	-1.4	-1.0	2.5	1.59	1.62	1.62
444	Building materials, garden equip & supplies...	31,298	31,294	28,174	53,696	52,778	46,422	1.7	0.3	15.7	1.72	1.69	1.65
445	Food & beverage stores.....	44,685	44,490	42,641	35,635	35,436	34,702	0.6	-0.2	2.7	0.80	0.80	0.81
448	Clothing & clothing access. stores.....	16,090	15,709	15,074	37,518	37,467	37,019	0.1	-0.2	1.3	2.33	2.39	2.46
452	General merchandise stores.....	42,730	42,340	39,797	69,434	69,529	67,290	-0.1	0.1	3.2	1.62	1.64	1.69
4521	Dept. str. (excl. leased depts.).....	17,891	17,791	17,778	36,992	36,945	37,909	0.1	-0.3	-2.4	2.07	2.08	2.13
	Not Adjusted												
	Retail trade, total.....	304,181	299,991	286,913	492,986	470,796	466,745	4.7	2.1	5.6	1.62	1.57	1.63
	Total (excl. motor veh. & parts).....	229,207	219,878	213,712	335,277	317,090	320,491	5.7	3.7	4.6	1.46	1.44	1.50
441	Motor vehicle & parts dealers.....	74,974	80,113	73,201	157,709	153,706	146,254	2.6	-0.8	7.8	2.10	1.92	2.00
442,3	Furniture, home furn., elect. & appl. stores...	16,639	16,432	16,168	30,465	28,356	29,681	7.4	2.9	2.6	1.83	1.73	1.84
444	Building materials, garden equip & supplies...	31,435	31,718	29,717	53,213	51,775	45,958	2.8	0.3	15.8	1.69	1.63	1.55
445	Food & beverage stores.....	44,472	43,594	42,657	36,721	35,381	35,754	3.8	1.6	2.7	0.83	0.81	0.84
448	Clothing & clothing access. stores.....	15,467	14,170	14,577	41,758	40,127	41,239	4.1	4.3	1.3	2.70	2.83	2.83
452	General merchandise stores.....	41,866	38,227	38,876	80,277	73,491	77,992	9.2	7.9	2.9	1.92	1.92	2.01
4521	Dept. str. (excl. leased depts.).....	17,339	15,915	17,241	43,650	39,310	44,733	11.0	8.0	-2.4	2.52	2.47	2.59

(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.