

# U.S. Census Bureau News

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## MANUFACTURING AND TRADE INVENTORIES AND SALES MAY 2005

**INTENTION TO REVISE:** Revisions to the unadjusted and adjusted monthly estimates of manufacturing shipments and inventories are scheduled for release on August 19, 2005. For further information on these revisions, see <http://www.census.gov/indicator/www/m3>. These estimates will be reflected in the September 15 release of this report.

**Sales.** The U.S. Census Bureau 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, was estimated at \$997.8 billion, down 0.1 percent ( $\pm 0.2\%$ )\* from April, but up 6.9 percent ( $\pm 0.3\%$ ) from May 2004.

**Inventories.** Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,299.6 billion, up 0.1 percent ( $\pm 0.1\%$ )\* from April and up 7.0 percent ( $\pm 2.0\%$ ) from May 2004.

**Inventories/Sales Ratio.** The total business inventories/sales ratio based on seasonally adjusted data at the end of May was 1.30. The May 2004 ratio was 1.30.

### Total Business Inventories/Sales Ratios: 1996 to 2005

(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 to be released August 11, 2005 at 10:00 a.m. EDT

For information, visit the Census Bureau's Web site at <<http://www.census.gov/bussales>>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

\* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

**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		
	May 2005	Apr. 2005	May 2004	May 2005	Apr. 2005	May 2004	May 2005	Apr. 2005	May 2004
	(p)	(r)	(s)	(p)	(r)	(s)			
<b>Adjusted<sup>2</sup></b>									
Total business.....	997,825	998,810	933,372	1,299,637	1,298,202	1,215,122	1.30	1.30	1.30
Manufacturers <sup>3</sup> .....	390,838	390,960	364,705	484,560	484,426	449,946	1.24	1.24	1.23
Retailers.....	311,451	312,363	293,227	464,950	464,150	448,167	1.49	1.49	1.53
Merchant wholesalers.....	295,536	295,487	275,440	350,127	349,626	317,009	1.18	1.18	1.15
<b>Not Adjusted</b>									
Total business.....	1,011,652	990,485	937,245	1,298,629	1,307,635	1,214,835	1.28	1.32	1.30
Manufacturers <sup>3</sup> .....	394,442	387,620	367,073	488,023	487,314	453,817	1.24	1.26	1.24
Retailers.....	318,528	308,840	299,767	463,956	469,740	447,428	1.46	1.52	1.49
Merchant wholesalers.....	298,682	294,025	270,405	346,650	350,581	313,590	1.16	1.19	1.16

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 05/ Apr. 05	Apr. 05/ Mar. 05	May 05/ May 04	May 05/ Apr. 05	Apr. 05/ Mar. 05	May 05/ May 04	May 05/ Apr. 05	Apr. 05/ Mar. 05	May 05/ May 04	May 05/ Apr. 05	Apr. 05/ Mar. 05	May 05/ May 04
Total business.....	-0.1	1.2	6.9	0.1	0.2	7.0	2.1	-4.7	7.9	-0.7	0.6	6.9
Manufacturers.....	0.0	0.7	7.2	0.0	0.0	7.7	1.8	-5.9	7.5	0.1	0.8	7.5
Retailers.....	-0.3	1.7	6.2	0.2	0.1	3.7	3.1	-1.3	6.3	-1.2	0.4	3.7
Merchant wholesalers..	0.0	1.3	7.3	0.1	0.7	10.4	1.6	-6.6	10.5	-1.1	0.4	10.5

**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		
		May 2005 (p)	Apr. 2005 (r)	May 2004 (s)	May 2005 (p)	Apr. 2005 (r)	May 2004 (s)	May 05/ Apr. 05	Apr. 05/ Mar. 05	May 05/ May 04	May 05	Apr. 05	May 04
	Adjusted <sup>2</sup>												
	Retail trade, total.....	311,451	312,363	293,227	464,950	464,150	448,167	0.2	0.1	3.7	1.49	1.49	1.53
	Total (excl. motor veh. & parts).....	234,617	234,489	218,156	311,180	309,408	293,375	0.6	0.2	6.1	1.33	1.32	1.34
441	Motor vehicle & parts dealers.....	76,834	77,874	75,071	153,770	154,742	154,792	-0.6	0.0	-0.7	2.00	1.99	2.06
442,3	Furniture, home furn., elect. & appl. stores...	17,165	17,164	16,202	29,018	28,590	27,105	1.5	0.9	7.1	1.69	1.67	1.67
444	Building materials, garden equip & supplies...	27,555	27,349	25,074	46,027	45,584	41,019	1.0	-0.6	12.2	1.67	1.67	1.64
445	Food & beverage stores.....	43,262	43,158	41,227	33,722	33,587	33,053	0.4	0.2	2.0	0.78	0.78	0.80
448	Clothing & clothing access. stores.....	16,622	16,765	15,704	38,867	38,884	37,749	0.0	0.0	3.0	2.34	2.32	2.40
452	General merchandise stores.....	44,072	44,018	41,850	72,525	72,256	67,932	0.4	0.1	6.8	1.65	1.64	1.62
4521	Dept. str. (excl. leased depts.).....	17,919	18,063	17,984	37,891	38,145	38,036	-0.7	-1.8	-0.4	2.11	2.11	2.11
	Not Adjusted												
	Retail trade, total.....	318,528	308,840	299,767	463,956	469,740	447,428	-1.2	0.4	3.7	1.46	1.52	1.49
	Total (excl. motor veh. & parts).....	237,718	228,756	221,025	305,136	306,671	287,376	-0.5	0.3	6.2	1.28	1.34	1.30
441	Motor vehicle & parts dealers.....	80,810	80,084	78,742	158,820	163,069	160,052	-2.6	0.8	-0.8	1.97	2.04	2.03
442,3	Furniture, home furn., elect. & appl. stores...	16,161	15,465	15,289	28,380	27,875	26,454	1.8	1.5	7.3	1.76	1.80	1.73
444	Building materials, garden equip & supplies...	32,576	30,433	28,965	47,592	47,726	42,455	-0.3	-0.4	12.1	1.46	1.57	1.47
445	Food & beverage stores.....	44,072	41,943	42,544	33,296	33,130	32,616	0.5	-0.2	2.1	0.76	0.79	0.77
448	Clothing & clothing access. stores.....	16,006	15,736	15,357	37,546	38,184	36,390	-1.7	-0.2	3.2	2.35	2.43	2.37
452	General merchandise stores.....	43,333	41,393	41,780	70,005	70,943	65,492	-1.3	0.5	6.9	1.62	1.71	1.57
4521	Dept. str. (excl. leased depts.).....	16,913	16,633	17,482	36,375	37,344	36,553	-2.6	-1.9	-0.5	2.15	2.25	2.09

(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.

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