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MANUFACTURING AND TRADE INVENTORIES AND SALES JULY 2005

Notice of Revision: Revised unadjusted and adjusted monthly estimates of manufacturing shipments and inventories were released on August 19, 2005. For further information on these revisions, see <http://www.census.gov/indicator/www/m3>.

Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for July, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,011.8 billion, up 1.1 percent ($\pm 0.2\%$) from June and up 8.2 percent ($\pm 0.4\%$) from July 2004.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,270.6 billion, down 0.5 percent ($\pm 0.2\%$) from June, but up 4.2 percent ($\pm 0.5\%$) from July 2004.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of July was 1.26. The July 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 August is scheduled to be released October 14, 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 ¹			Inventories/Sales Ratios		
	Jul. 2005	Jun. 2005	Jul. 2004	Jul. 2005	Jun. 2005	Jul. 2004	Jul. 2005	Jun. 2005	Jul. 2004
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,011,846	1,001,155	935,235	1,270,609	1,276,804	1,219,242	1.26	1.28	1.30
Manufacturers ³	389,333	386,436	365,217	463,824	461,511	437,473	1.19	1.19	1.20
Retailers.....	323,857	317,623	292,296	454,749	462,956	456,359	1.40	1.46	1.56
Merchant wholesalers.....	298,656	297,096	277,722	352,036	352,337	325,410	1.18	1.19	1.17
Not Adjusted									
Total business.....	969,679	1,046,924	911,034	1,257,440	1,267,181	1,205,166	1.30	1.21	1.32
Manufacturers ³	358,334	412,308	337,391	466,641	458,827	439,661	1.30	1.11	1.30
Retailers.....	324,644	325,140	299,236	439,388	457,996	440,699	1.35	1.41	1.47
Merchant wholesalers.....	286,701	309,476	274,407	351,411	350,358	324,806	1.23	1.13	1.18

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		
	Jul. 05/ Jun. 05	Jun. 05/ May 05	Jul. 05/ Jul. 04	Jul. 05/ Jun. 05	Jun. 05/ May 05	Jul. 05/ Jul. 04	Jul. 05/ Jun. 05	Jun. 05/ May 05	Jul. 05/ Jul. 04	Jul. 05/ Jun. 05	Jun. 05/ May 05	Jul. 05/ Jul. 04
Total business.....	1.1	0.8	8.2	-0.5	0.0	4.2	-7.4	3.8	6.4	-0.8	-0.7	4.3
Manufacturers.....	0.7	0.0	6.6	0.5	0.1	6.0	-13.1	5.4	6.2	1.7	-1.2	6.1
Retailers.....	2.0	2.0	10.8	-1.8	-0.5	-0.4	-0.2	2.1	8.5	-4.1	-1.5	-0.3
Merchant wholesalers..	0.5	0.5	7.5	-0.1	0.4	8.2	-7.4	3.6	4.5	0.3	1.0	8.2

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		
		Jul. 2005 (p)	Jun. 2005 (r)	Jul. 2004 (s)	Jul. 2005 (p)	Jun. 2005 (r)	Jul. 2004 (s)	Jul. 05/ Jun. 05	Jun. 05/ May 05	Jul. 05/ Jul. 04	Jul. 05	Jun. 05	Jul. 04
	Adjusted ²												
	Retail trade, total.....	323,857	317,623	292,296	454,749	462,956	456,359	-1.8	-0.5	-0.4	1.40	1.46	1.56
	Total (excl. motor veh. & parts).....	238,453	237,265	219,553	312,695	312,811	295,326	0.0	0.4	5.9	1.31	1.32	1.35
441	Motor vehicle & parts dealers.....	85,404	80,358	72,743	142,054	150,145	161,033	-5.4	-2.3	-11.8	1.66	1.87	2.21
442,3	Furniture, home furn., elect. & appl. stores...	17,404	17,372	16,724	29,345	29,402	27,186	-0.2	1.1	7.9	1.69	1.69	1.63
444	Building materials, garden equip & supplies...	27,465	27,530	25,249	46,316	46,182	42,213	0.3	0.4	9.7	1.69	1.68	1.67
445	Food & beverage stores.....	43,534	43,455	41,373	33,632	33,779	33,231	-0.4	0.1	1.2	0.77	0.78	0.80
448	Clothing & clothing access. stores.....	16,649	16,801	15,684	39,481	39,479	37,281	0.0	0.8	5.9	2.37	2.35	2.38
452	General merchandise stores.....	44,409	44,492	41,688	72,536	72,519	68,440	0.0	0.0	6.0	1.63	1.63	1.64
4521	Dept. str. (excl. leased depts.).....	17,793	18,064	17,863	38,148	38,084	37,884	0.2	0.4	0.7	2.14	2.11	2.12
	Not Adjusted												
	Retail trade, total.....	324,644	325,140	299,236	439,388	457,996	440,699	-4.1	-1.5	-0.3	1.35	1.41	1.47
	Total (excl. motor veh. & parts).....	234,285	237,115	218,926	305,161	305,164	288,456	0.0	0.0	5.8	1.30	1.29	1.32
441	Motor vehicle & parts dealers.....	90,359	88,025	80,310	134,227	152,832	152,243	-12.2	-4.3	-11.8	1.49	1.74	1.90
442,3	Furniture, home furn., elect. & appl. stores...	16,727	16,750	16,319	28,553	28,638	26,452	-0.3	1.0	7.9	1.71	1.71	1.62
444	Building materials, garden equip & supplies...	28,301	31,926	26,974	45,575	46,782	41,538	-2.6	-1.7	9.7	1.61	1.47	1.54
445	Food & beverage stores.....	44,901	43,600	43,223	32,943	33,446	32,541	-1.5	0.5	1.2	0.73	0.77	0.75
448	Clothing & clothing access. stores.....	15,248	15,607	14,636	39,363	38,374	37,206	2.6	1.8	5.8	2.58	2.46	2.54
452	General merchandise stores.....	42,710	43,316	40,111	69,073	68,946	65,286	0.2	-1.5	5.8	1.62	1.59	1.63
4521	Dept. str. (excl. leased depts.).....	16,271	17,108	16,440	36,164	35,647	35,952	1.5	-2.0	0.6	2.22	2.08	2.19

(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.