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MANUFACTURING AND TRADE INVENTORIES AND SALES December 2008

INTENTION TO REVISE: Revisions to the Wholesale and Retail adjusted and not adjusted monthly estimates for sales and inventories are scheduled for release in March 2009 and April 2009, respectively. Estimates will be revised to reflect the results of the 2007 Annual Wholesale and Annual Retail Trade Surveys. Manufacturing estimates will be revised at a later date. Revisions to the Wholesale data will be reflected in the February 2009 Manufacturing and Trade Inventories and Sales (MTIS) release scheduled for April 14, 2009. Revisions to the Retail data will be reflected in the March 2009 MTIS release scheduled for May 13, 2009.

Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for December, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,016.6 billion, down 3.2 percent ($\pm 0.2\%$) from November 2008 and down 11.8 percent ($\pm 0.3\%$) from December 2007.

Inventories. Manufacturers' and trade inventories, adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,460.5 billion, down 1.3 percent ($\pm 0.1\%$) from November 2008, but up 0.9 percent ($\pm 0.4\%$) from December 2007.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of December was 1.44. The December 2007 ratio was 1.26.

Total Business Inventories/Sales Ratios: 1999 to 2008

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for January is scheduled to be released March 12, 2009 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		
	Dec. 2008	Nov. 2008	Dec. 2007	Dec. 2008	Nov. 2008	Dec. 2007	Dec. 2008	Nov. 2008	Dec. 2007
	(p)	(r)	(r)	(p)	(r)	(r)	(p)	(r)	(r)
Adjusted²									
Total business.....	1,016,643	1,050,629	1,152,382	1,460,523	1,479,752	1,446,870	1.44	1.41	1.26
Manufacturers ³	377,642	388,928	433,063	544,301	552,253	530,664	1.44	1.42	1.23
Retailers.....	302,935	313,152	343,078	488,726	493,785	502,777	1.61	1.58	1.47
Merchant wholesalers ⁴	336,066	348,549	376,241	427,496	433,714	413,429	1.27	1.24	1.10
Not Adjusted									
Total business.....	1,061,959	1,002,108	1,168,165	1,438,418	1,512,448	1,427,002	1.35	1.51	1.22
Manufacturers ³	370,041	372,138	420,528	529,521	552,910	515,952	1.43	1.49	1.23
Retailers.....	354,751	306,489	391,457	480,642	524,519	494,978	1.35	1.71	1.26
Merchant wholesalers ⁴	337,167	323,481	356,180	428,255	435,019	416,072	1.27	1.34	1.17

See footnotes and notes at the end of Table 3.

(p) Preliminary estimate.
(r) Revised estimate.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Dec. 08/ Nov. 08	Nov. 08/ Oct. 08	Dec. 08/ Dec. 07	Dec. 08/ Nov. 08	Nov. 08/ Oct. 08	Dec. 08/ Dec. 07	Dec. 08/ Nov. 08	Nov. 08/ Oct. 08	Dec. 08/ Dec. 07	Dec. 08/ Nov. 08	Nov. 08/ Oct. 08	Dec. 08/ Dec. 07
Total business.....	-3.2	-5.7	-11.8	-1.3	-1.1	0.9	6.0	-12.8	-9.1	-4.9	-0.7	0.8
Manufacturers ³	-2.9	-6.5	-12.8	-1.4	-0.5	2.6	-0.6	-13.7	-12.0	-4.2	-1.1	2.6
Retailers.....	-3.3	-2.7	-11.7	-1.0	-1.8	-2.8	15.7	-3.9	-9.4	-8.4	-0.2	-2.9
Merchant wholesalers ⁴	-3.6	-7.3	-10.7	-1.4	-0.9	3.4	4.2	-18.9	-5.3	-1.6	-0.9	2.9

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 ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Dec. 2008 (p)	Nov. 2008 (r)	Dec. 2007 (r)	Dec. 2008 (p)	Nov. 2008 (r)	Dec. 2007 (r)	Dec. 08/ Nov. 08	Nov. 08/ Oct. 08	Dec. 08/ Dec. 07	Dec. 08 (p)	Nov. 08 (r)	Dec. 07 (r)
	Adjusted ²												
	Retail trade, total.....	302,935	313,152	343,078	488,726	493,785	502,777	-1.0	-1.8	-2.8	1.61	1.58	1.47
	Total (excl. motor veh. & parts).....	245,211	254,227	266,550	338,983	342,257	344,249	-1.0	-1.5	-1.5	1.38	1.35	1.29
441	Motor vehicle & parts dealers.....	57,724	58,925	76,528	149,743	151,528	158,528	-1.2	-2.6	-5.5	2.59	2.57	2.07
442,3	Furniture, home furn., elect. & appl. stores.....	16,878	17,538	19,125	31,254	31,637	33,063	-1.2	-6.1	-5.5	1.85	1.80	1.73
444	Building materials, garden equip & supplies.....	25,059	25,657	27,454	49,978	50,997	49,490	-2.0	-0.5	1.0	1.99	1.99	1.80
445	Food & beverage stores.....	48,293	49,447	48,018	37,861	38,109	36,595	-0.7	-0.3	3.5	0.78	0.77	0.76
448	Clothing & clothing access. stores.....	16,910	17,617	18,777	46,096	46,393	47,282	-0.6	-0.6	-2.5	2.73	2.63	2.52
452	General merchandise stores.....	49,167	49,765	49,274	74,258	75,120	76,280	-1.1	-1.2	-2.7	1.51	1.51	1.55
4521	Dept. str. (excl. leased depts.).....	16,128	16,467	17,330	33,740	34,459	37,033	-2.1	-3.2	-8.9	2.09	2.09	2.14
	Not Adjusted												
	Retail trade, total.....	354,751	306,489	391,457	480,642	524,519	494,978	-8.4	-0.2	-2.9	1.35	1.71	1.26
	Total (excl. motor veh. & parts).....	300,352	256,724	321,593	329,656	371,502	334,770	-11.3	-0.5	-1.5	1.10	1.45	1.04
441	Motor vehicle & parts dealers.....	54,399	49,765	69,864	150,986	153,017	160,208	-1.3	0.5	-5.8	2.78	3.07	2.29
442,3	Furniture, home furn., elect. & appl. stores.....	23,715	19,348	26,464	31,035	35,781	32,798	-13.3	-2.8	-5.4	1.31	1.85	1.24
444	Building materials, garden equip & supplies.....	22,271	23,374	23,429	47,929	49,518	47,510	-3.2	-1.5	0.9	2.15	2.12	2.03
445	Food & beverage stores.....	52,514	49,444	52,470	38,743	40,281	37,413	-3.8	1.7	3.6	0.74	0.81	0.71
448	Clothing & clothing access. stores.....	27,445	19,185	31,235	42,869	51,264	43,925	-16.4	-0.6	-2.4	1.56	2.67	1.41
452	General merchandise stores.....	69,687	54,754	71,346	70,295	88,222	72,301	-20.3	0.9	-2.8	1.01	1.61	1.01
4521	Dept. str. (excl. leased depts.).....	27,505	19,634	29,700	31,479	41,868	34,663	-24.8	-1.6	-9.2	1.14	2.13	1.17

(p) Preliminary estimate.

(r) Revised estimate.

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.

⁴ The 2002 North American Industry Classification System (NAICS) defines merchant wholesalers as including manufacturers' sales branches and offices. However, the estimates included in this release exclude manufacturers' sales branches and offices. Note that this is not a change in coverage from prior releases and is consistent with the description used in the Monthly Wholesale Trade Survey data products.

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.