

For Wire Transmission 10:00 a.m. E.T. July 10, 2001

BW/01-05

**MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES
MAY 2001**

Sales. May 2001 sales of merchant wholesalers, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$229.8 billion, down 0.1 percent (+/-0.7%) from the revised April level, but were 0.1 percent (+/-1.5%) above the May 2000 level. The April preliminary estimate was revised downward \$0.3 billion or 0.1 percent. Among durable goods, sales of metals and minerals, except petroleum increased 3.7 percent from last month, while electrical goods decreased 3.1 percent. Among nondurable goods, sales of petroleum and petroleum products were up 1.7 percent and drugs and druggists' sundries grew 1.4 percent.

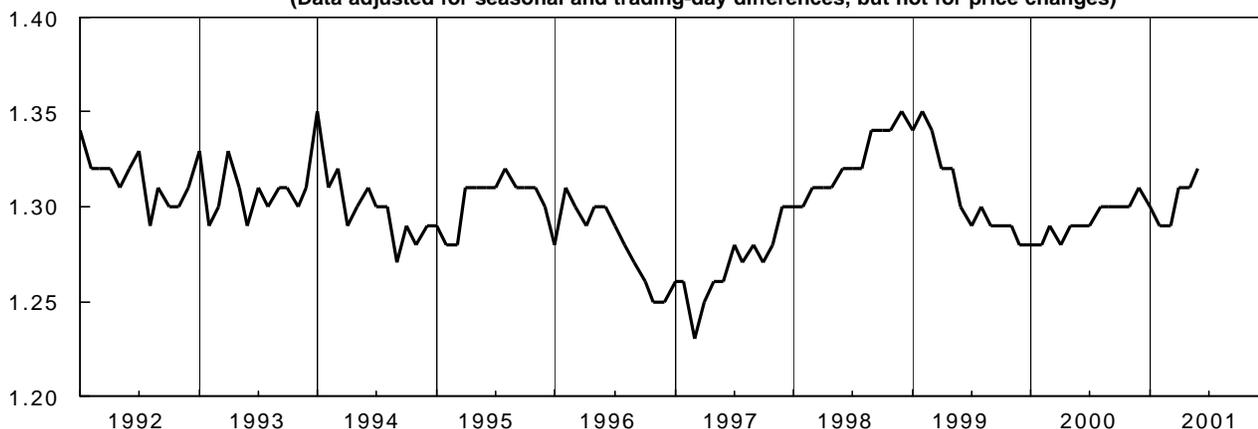
Inventories. Total inventories of merchant wholesalers, after adjustment for seasonal variations but not for price changes, were \$302.6 billion at the end of May, up 0.2 percent (+/-0.4%) from last month, and were 2.3 percent (+/-2.5%) above a year ago. The April preliminary estimate was revised downward \$0.6 billion or 0.2 percent. End-of-month

inventories of durable goods decreased 0.9 percent (+/-0.6%) from last month, and were 1.0 percent (+/-2.3%) below May 2000. Compared to last month, inventories of electrical goods decreased 3.2 percent and motor vehicle and motor vehicle parts and supplies fell 1.9 percent. End-of-month inventories of nondurable goods increased 2.0 percent (+/-0.7%) from April 2001, and were up 8.4 percent (+/-4.9%) from last year. Inventories of drugs and druggists' sundries increased 4.3 percent from last month, and farm product raw materials increased 2.4 percent.

Inventories/Sales Ratio. The May inventories/sales ratio for merchant wholesalers, based on seasonally adjusted data, was 1.32. The May 2000 ratio was 1.29.

Data in this report are based on a sample and, therefore, are subject to sampling and nonsampling variability. A discussion of the reliability of the data and general survey methodology appears in BW/00-A Current Business Reports.

Monthly Inventories/Sales Ratios of Merchant Wholesalers: 1992 to 2001
(Data adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for June is scheduled to be released August 8, 2001 at 10:00 a.m.

Address inquiries concerning this report to Service Sector Statistics Division, U.S. Census Bureau, Washington, DC 20233, or call Scott Scheleur, (301) 457-2747 or (301) 457-2764. For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

This report is available on day of issue through the Department of Commerce's online Economic Bulletin Board (202-482-1986). The data are also available on the internet - <http://www.census.gov/svsd/www/mwts.html>.

Table 1. Estimated Monthly Sales, Inventories, and Inventories/Sales Ratios of Merchant Wholesalers: 2001 and 2000

[In millions of dollars]

NAICS ¹ code	Kind of Business	Sales						Inventories						Inventories/Sales Ratios		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		May 2001 (p)	Apr. 2001 (r)	May 2000 (r)	May/Apr.	Apr./Mar.	May 01 May 00	May 2001 (p)	Apr. 2001 (r)	May 2000 (r)	May/Apr.	Apr./Mar.	May 01 May 00	May 2001 (p)	Apr. 2001 (r)	May 2000 (r)
Adjusted²																
42	U.S. Total	229,821	229,959	229,670	-0.1	0.1	0.1	302,616	302,102	295,735	0.2	0.1	2.3	1.32	1.31	1.29
421	Durable	116,750	116,676	120,814	0.1	-0.3	-3.4	188,810	190,574	190,790	-0.9	-0.4	-1.0	1.62	1.63	1.58
4211	Automotive	16,682	16,772	16,247	-0.5	2.6	2.7	25,334	25,818	26,708	-1.9	-1.0	-5.1	1.52	1.54	1.64
4212	Furniture	3,658	3,696	3,953	-1.0	-3.2	-7.5	5,763	5,843	5,734	-1.4	-1.4	0.5	1.58	1.58	1.45
4213	Lumber	6,306	6,180	5,990	2.0	2.3	5.3	6,450	6,474	6,838	-0.4	-1.5	-5.7	1.02	1.05	1.14
4214	Prof. equip.	23,153	22,713	23,372	1.9	1.6	-0.9	25,589	25,857	26,727	-1.0	1.0	-4.3	1.11	1.14	1.14
42143	Comp. equip.	12,833	12,393	13,876	3.6	-0.3	-7.5	10,727	10,732	11,170	0.0	0.8	-4.0	0.84	0.87	0.80
4215	Metals	8,263	7,967	8,653	3.7	2.1	-4.5	13,355	13,410	15,116	-0.4	-1.2	-11.6	1.62	1.68	1.75
4216	Electrical	18,022	18,601	20,107	-3.1	-3.5	-10.4	29,263	30,225	27,376	-3.2	0.4	6.9	1.62	1.62	1.36
4217	Hardware	5,180	5,094	5,605	1.7	-4.2	-7.6	10,623	10,579	10,531	0.4	-1.4	0.9	2.05	2.08	1.88
4218	Machinery	22,157	22,222	21,310	-0.3	-0.1	4.0	49,878	49,504	49,415	0.8	-0.6	0.9	2.25	2.23	2.32
4219	Misc. Durable	13,329	13,431	15,577	-0.8	-3.3	-14.4	22,555	22,864	22,345	-1.4	-0.4	0.9	1.69	1.70	1.43
422	Nondurable	113,071	113,283	108,856	-0.2	0.7	3.9	113,806	111,528	104,945	2.0	1.0	8.4	1.01	0.98	0.96
4221	Paper	6,524	6,513	6,618	0.2	0.8	-1.4	6,845	6,771	6,614	1.1	0.3	3.5	1.05	1.04	1.00
4222	Drugs	15,182	14,975	13,658	1.4	0.2	11.2	24,385	23,381	19,376	4.3	2.0	25.9	1.61	1.56	1.42
4223	Apparel	7,505	7,319	8,117	2.5	1.6	-7.5	13,213	12,963	12,733	1.9	1.8	3.8	1.76	1.77	1.57
4224	Groceries	33,909	34,352	32,174	-1.3	1.7	5.4	21,916	21,659	21,349	1.2	-0.3	2.7	0.65	0.63	0.66
4225	Farm products	8,772	9,074	8,906	-3.3	-5.3	-1.5	10,880	10,624	11,298	2.4	-0.6	-3.7	1.24	1.17	1.27
4226	Chemicals	4,942	4,998	4,972	-1.1	-2.2	-0.6	5,882	5,882	5,839	-0.2	2.9	0.6	1.19	1.18	1.17
4227	Petroleum	14,815	14,565	13,337	1.7	4.4	11.1	4,248	4,248	4,059	0.0	-2.0	4.7	0.29	0.29	0.30
4228	Alcohol	6,142	6,275	5,936	-2.1	3.6	3.5	6,839	6,814	6,477	0.4	1.4	5.6	1.11	1.09	1.09
4229	Misc. Nondur.	15,280	15,212	15,138	0.4	-1.6	0.9	19,608	19,186	17,200	2.2	1.5	14.0	1.28	1.26	1.14
													Sales to date			
													2001		2000	
42	U.S. Total	239,387	224,791	238,645	6.5	-6.2	0.3	299,842	302,735	293,210	-1.0	0.0	2.3	1,141,125	1,118,134	
421	Durable	120,535	113,397	124,024	6.3	-8.2	-2.8	189,508	191,573	191,633	-1.1	0.5	-1.1	575,077	583,930	
4211	Automotive	17,850	17,024	16,881	4.9	-4.2	5.7	25,461	26,412	26,842	-3.6	-0.5	-5.1	82,558	81,204	
4212	Furniture	3,706	3,626	4,000	2.2	-8.1	-7.4	5,665	5,644	5,648	0.4	-1.7	0.3	18,207	18,595	
4213	Lumber	6,987	6,112	6,625	14.3	1.1	5.5	6,650	6,668	7,050	-0.3	-1.4	-5.7	29,534	29,456	
4214	Prof. equip.	23,060	21,214	23,302	8.7	-10.5	-1.0	25,231	26,012	26,380	-3.0	3.1	-4.4	109,419	113,336	
42143	Comp. equip.	12,538	11,389	13,626	10.1	-14.6	-8.0	10,384	10,689	10,880	-2.9	5.0	-4.6	61,005	67,518	
4215	Metals	8,660	7,871	8,999	10.0	-4.6	-3.8	13,342	13,370	15,116	-0.2	-1.4	-11.7	40,444	43,914	
4216	Electrical	17,734	17,355	19,906	2.2	-13.8	-10.9	29,000	29,772	27,157	-2.6	1.2	6.8	91,623	94,321	
4217	Hardware	5,568	4,916	6,003	13.3	-7.8	-7.2	10,814	10,759	10,731	0.5	-0.1	0.8	25,653	26,733	
4218	Machinery	23,708	22,600	22,887	4.9	-5.5	3.6	50,925	50,346	50,453	1.2	0.0	0.9	111,489	105,078	
4219	Misc. Durable	15,282	12,679	15,421	4.6	-12.0	-14.0	22,420	22,590	22,256	-0.8	1.2	0.7	66,150	71,293	
422	Nondurable	118,852	111,394	114,621	6.7	-4.2	3.7	110,334	111,162	101,577	-0.7	-0.7	8.6	566,048	534,204	
4221	Paper	6,635	6,233	6,757	6.4	-5.7	-1.8	6,859	6,845	6,627	0.2	1.3	3.5	32,119	32,315	
4222	Drugs	15,607	14,526	13,958	7.4	-5.8	11.8	23,458	23,428	18,620	0.1	1.3	26.0	75,612	65,774	
4223	Apparel	7,100	6,719	7,435	5.7	-16.5	-4.5	13,094	12,509	12,580	4.7	1.9	4.1	36,792	38,755	
4224	Groceries	35,977	33,665	34,233	6.9	-3.0	5.1	21,697	21,312	21,157	1.8	-0.7	2.6	166,763	156,670	
4225	Farm products	8,947	8,430	9,182	6.1	-15.0	-2.6	9,172	10,348	9,445	-11.4	-10.1	-2.9	46,966	43,659	
4226	Chemicals	5,263	4,853	5,290	8.4	-8.7	-0.5	5,954	5,953	5,915	0.0	3.2	0.7	25,272	24,509	
4227	Petroleum	15,171	14,259	13,924	6.4	3.4	9.0	4,125	4,150	3,966	-0.6	-1.7	4.0	73,265	67,114	
4228	Alcohol	6,824	5,930	6,494	15.1	-0.2	5.1	6,818	6,875	6,445	-0.8	3.1	5.8	28,865	27,229	
4229	Misc. Nondur.	17,328	16,779	17,348	3.3	1.6	-0.1	19,157	19,742	16,822	-3.0	-2.1	13.9	80,394	78,179	

p Preliminary estimate. r Revised.

1 For a full description of the NAICS codes shown above, see the "1997 North American Industry Classification System" or the Current Business Reports "Annual Benchmark Report for Wholesale Trade" publication.

2 Data adjusted for seasonal variations and, in the case of sales, also for trading-day differences. See Table 3 for seasonal adjustment factors used.

Table 2. Coefficients of Variation and Standard Errors for Sales and Inventories Estimates

NAICS code	Kind of Business	Median coefficients of variation for level (%)				Median standard errors for trend				Coefficients of variation for level (%)		Standard errors for trend
		Preliminary estimates		Final estimates		Ratio of two consecutive months		Year-to-year estimates		Cumulative sales estimates		Current year cumulative
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	to previous year cumulative
42	U.S. Total	1.3	1.7	1.3	1.7	0.4	0.2	0.9	1.5	1.4	1.0	0.9
421	Durable	1.7	2.0	1.6	2.0	0.6	0.3	1.2	1.4	1.8	0.7	1.2
4211	Automotive	3.9	4.6	3.9	4.8	1.3	0.7	3.0	5.2	4.2	2.4	3.1
4212	Furniture	3.9	6.3	3.7	6.2	2.0	1.0	3.9	3.1	3.8	3.1	3.5
4213	Lumber	3.8	6.0	3.8	6.0	1.4	0.8	2.2	4.4	3.8	4.2	1.9
4214	Prof. equip.	3.9	4.5	3.9	4.4	1.4	0.7	2.8	2.0	3.9	2.6	2.7
42143	Comp. equip.	6.6	5.7	6.2	5.4	2.0	1.2	5.0	2.2	6.7	4.4	4.8
4215	Metals	8.1	8.9	7.6	8.8	1.4	0.6	5.3	3.6	8.1	3.4	5.4
4216	Electrical	4.0	4.5	3.9	4.5	1.4	0.6	2.6	3.6	4.0	2.7	2.6
4217	Hardware	6.7	9.5	6.4	9.4	1.7	1.0	3.8	3.7	6.9	4.4	3.6
4218	Machinery	3.4	3.6	3.3	3.5	1.8	0.7	2.6	3.2	3.2	2.5	2.4
4219	Misc. Durable	4.6	7.6	4.7	7.8	1.6	1.2	2.2	2.6	4.6	4.3	2.0
422	Nondurable	1.7	2.8	1.7	2.9	0.4	0.4	0.9	2.9	1.7	1.9	1.0
4221	Paper	4.7	3.4	4.7	3.5	1.1	0.5	2.2	1.5	4.8	4.4	2.2
4222	Drugs	4.1	5.5	4.1	5.5	0.8	0.6	2.3	6.0	4.1	3.9	2.3
4223	Apparel	4.2	5.4	4.1	5.4	1.7	0.8	3.2	5.2	4.1	3.9	2.9
4224	Groceries	2.6	5.7	2.7	5.7	0.8	0.8	2.1	4.1	2.5	3.3	1.9
4225	Farm products	5.0	11.5	4.8	11.7	2.1	1.3	4.5	7.0	5.0	4.5	3.9
4226	Chemicals	4.4	6.7	4.4	6.6	1.6	0.8	2.8	3.2	4.4	4.1	2.7
4227	Petroleum	5.4	6.8	5.4	6.6	0.8	1.0	2.7	3.4	5.5	4.6	2.8
4228	Alcohol	4.1	3.9	4.2	3.9	1.3	0.7	2.3	6.6	4.0	4.6	2.3
4229	Misc. Nondur.	7.6	7.6	7.9	7.3	2.3	1.0	3.6	6.8	7.8	6.7	3.5

Note: Medians are based on data from the period January 2001 to present.

Reliability of Estimates

There are two types of errors possible in an estimate based on a sample survey: sampling and nonsampling.

Sampling errors occur because observations are made on a sample, not on the entire population, and different samples could have led to different estimates. Standard errors and coefficients of variation, as calculated for this report, are measures of sampling variation. The margin of sampling error, as used on page 1, gives a range about the estimate which is a 90% confidence interval. If, for example, the trend estimate is up 1.2% and the standard error is 0.9%, then the margin of sampling error is $\pm 1.65 \times 0.9\%$ or $\pm 1.5\%$, and the 90% confidence interval is -0.3% to $+2.7\%$. If the interval contains 0, it is uncertain whether there was an increase or decrease. For monthly level, the coefficient of variation (CV) is given. The resulting confidence interval is the estimated value $\pm 1.65 \times CV \times$ (the estimated value).

Nonsampling errors can occur because of nonresponse, insufficient coverage of the universe of wholesale businesses, mistakes in the recording and coding of data, and response errors. Imputed data accounts for approximately 28% of the sales estimates and 31% of the inventories estimates. Additionally, estimates of sales and inventories prior to March 2001 have been restated from SIC-based estimates. The restatement methodology may have introduced additional nonsampling error. The calculated median standard errors of year-to-year change estimates may also be influenced by the methodology used to impute historical data for units in the NAICS sample. The effect of this historic imputation methodology on published estimates will decrease as more data from the NAICS sample is accumulated. Precautionary steps are taken to minimize nonsampling errors, but their magnitude is not directly measured.

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Table 3. Seasonal Adjustment Factors for Sales and Inventories of Merchant Wholesalers

NAICS code	Kind of Business	Sales						Inventories					
		2001					2000	2001					2000
		Jun.	May r	Apr.r	Mar.	Feb.	May r	Jun.	May r	Apr.r	Mar.	Feb.	May r
42	U.S. Total¹	1.018	1.042	0.979	1.047	0.911	1.042	0.987	0.991	1.003	1.003	1.010	0.991
421	Durable	1.028	1.033	0.974	1.056	0.906	1.031	1.002	1.004	1.006	0.997	1.000	1.005
4211	Automotive	1.019	1.070	1.015	1.088	0.902	1.039	0.984	1.005	1.023	1.018	1.037	1.005
4212	Furniture	0.988	1.013	0.981	1.034	0.891	1.012	1.015	0.983	0.966	0.969	0.971	0.985
4213	Lumber	1.100	1.108	0.989	1.001	0.847	1.106	1.036	1.031	1.030	1.029	0.992	1.031
4214	Prof. equip.	1.035	0.996	0.934	1.061	0.892	0.997	0.978	0.986	1.006	0.986	1.005	0.987
42143	Comp. equip.	1.026	0.977	0.919	1.073	0.886	0.982	0.968	0.968	0.996	0.956	1.000	0.974
4215	Metals	1.023	1.048	0.988	1.057	0.954	1.040	1.005	0.999	0.997	0.999	0.998	1.000
4216	Electrical	1.011	0.984	0.933	1.044	0.903	0.990	1.000	0.991	0.985	0.977	0.997	0.992
4217	Hardware	1.080	1.075	0.965	1.003	0.884	1.071	1.024	1.018	1.017	1.004	0.996	1.019
4218	Machinery	1.044	1.070	1.017	1.076	0.912	1.074	1.016	1.021	1.017	1.010	0.990	1.021
4219	Misc. Durable	0.981	0.995	0.944	1.038	0.904	0.990	0.999	0.994	0.988	0.972	0.990	0.996
422	Nondurable	1.010	1.051	0.981	1.035	0.919	1.052	0.960	0.969	0.994	1.013	1.024	0.967
4221	Paper	1.000	1.017	0.957	1.023	0.914	1.021	0.993	1.002	1.011	1.001	0.990	1.002
4222	Drugs	0.967	1.028	0.970	1.032	0.926	1.022	0.986	0.962	1.002	1.009	0.997	0.961
4223	Apparel	0.972	0.946	0.918	1.117	1.019	0.916	1.014	0.991	0.965	0.964	1.008	0.988
4224	Groceries	1.007	1.061	0.980	1.027	0.902	1.064	0.981	0.990	0.984	0.988	0.980	0.991
4225	Farm products	0.933	1.020	0.929	1.035	0.956	1.031	0.770	0.843	0.974	1.078	1.162	0.836
4226	Chemicals	1.056	1.065	0.971	1.040	0.932	1.064	1.006	1.014	1.012	1.009	1.002	1.013
4227	Petroleum	0.999	1.024	0.979	0.988	0.945	1.044	0.979	0.971	0.977	0.974	0.980	0.977
4228	Alcohol	1.067	1.111	0.945	0.981	0.821	1.094	1.010	0.997	1.009	0.992	0.965	0.995
4229	Misc. Nondur.	1.074	1.134	1.103	1.068	0.909	1.146	0.935	0.977	1.029	1.067	1.085	0.978

r Revised



1 Adjusted sales and inventories data shown in Table 1 are obtained by dividing the unadjusted data by the adjustment factors shown above for the corresponding group. Adjusted data for the totals are obtained by adding the durable and nondurable goods. Seasonal factors shown for the totals will provide an approximation of the adjusted estimates, but may show small differences from the published data.

Note: The seasonal factors shown have been computed based on monthly estimates through the current month preliminary estimates.