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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES JULY 2003

Sales. July 2003 sales of merchant wholesalers, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$238.7 billion, up 0.4 percent (+/-0.6%) from the revised June level, and were up 3.9 percent (+/-1.0%) from the July 2002 level. The June preliminary estimate was revised upward \$0.2 billion or 0.1 percent. July sales of durable goods increased 0.4 percent (+/-1.0%) from last month and were up 1.4 percent (+/-1.3%) from a year ago. Compared to last month, sales of lumber and other construction materials increased 3.9 percent and sales of furniture and home furnishings increased 2.9 percent. July sales of nondurable goods increased 0.5 percent (+/-0.8%) from last month and were up 6.3 percent (+/-1.5%) from last year. Compared to last month, sales of beer, wine, and distilled alcoholic beverages were up 3.3 percent, while sales of farm product raw materials decreased 8.2 percent.

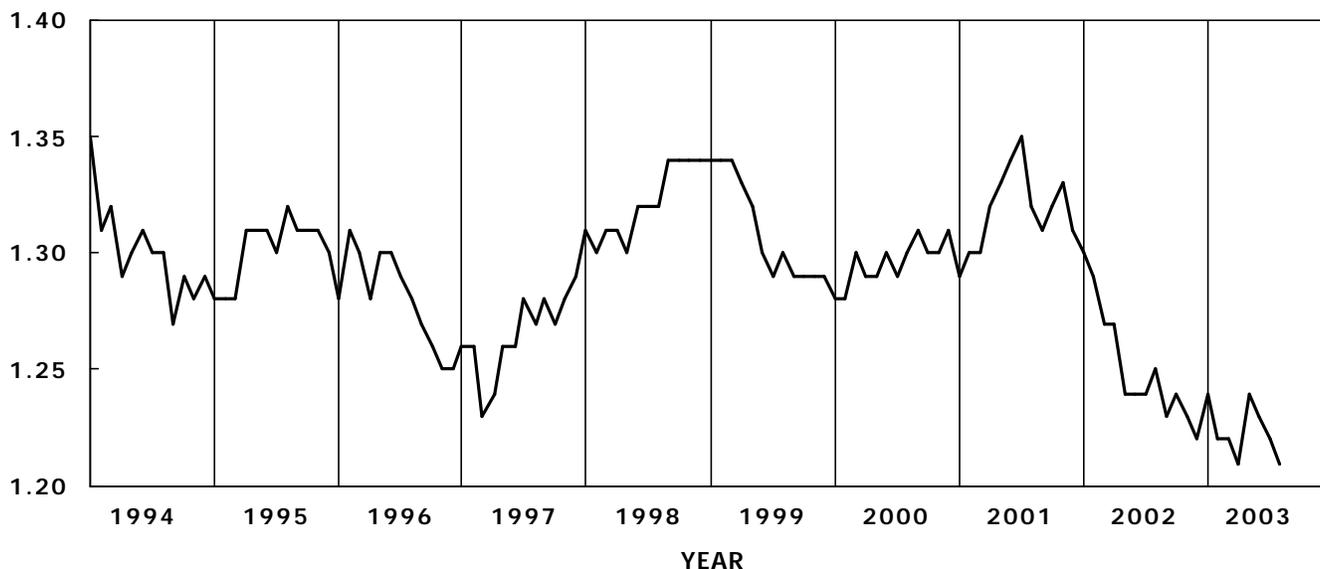
Inventories. Total inventories of merchant wholesalers, after adjustment for seasonal variations but not for price changes, were \$289.0 billion at the end of July, virtually unchanged (+/-0.4%) from last month, and were up 1.0 percent (+/-0.9%) from a year ago. The June preliminary estimate was revised downward \$0.1 billion. End-of-month inventories of durable goods decreased 0.5 percent (+/-0.4%) from June, but were up 0.4 percent (+/-1.0%) from last year. Inventories of motor vehicle and motor vehicle parts and supplies decreased 2.1 percent from last month and inventories of metal and minerals decreased 1.3 percent. End-of-month inventories of nondurable goods increased 0.8 percent (+/-0.6%) from June and were up 1.9 percent (+/-1.9%) from last year. Inventories of drugs and druggists' sundries increased 3.1 percent from June and inventories of groceries and related products increased 0.9 percent (+/-1.3%) from last month.

Inventories/Sales Ratio. The July inventories/sales ratio for merchant wholesalers, based on seasonally adjusted data, was 1.21. The July 2002 ratio was 1.25.

Data in this report are based on a sample and, therefore, are subject to sampling and nonsampling error. A discussion of the reliability of the estimates and general survey methodology appears in BW/02-A Current Business Reports.

Monthly Inventories/Sales Ratios of Merchant Wholesalers: 1994 to 2003 (Estimates adjusted for seasonal and trading-day differences, but not for price changes)

RATIO



Monthly Wholesale Trade for August is scheduled to be released October 8, 2003 at 10:00 a.m.

Address inquiries concerning this report to Service Sector Statistics Division, U.S. Census Bureau, Washington, DC 20233, or call Nancy Piesto, (301) 763-2747.

This report is available on day of issue through the Department of Commerce's STAT-USA website; for information, call (202) 482-1986. The data are also available on the internet - <http://www.census.gov/whl>.

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

[Total sales and inventory estimates are shown in millions of dollars. Estimates are based on data from the Monthly Wholesale Trade Survey, Annual Wholesale Trade Survey, and administrative records. Except for NAICS code 4225, estimates have been adjusted using results of the most recent economic census.]

NAICS ¹ code	Kind of Business	Sales						Inventories						Inventories/Sales Ratios		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		Jul. 2003 (p)	Jun. 2003 (r)	Jul. 2002 (r)	Jul./Jun.	Jun./May	Jul. 03/Jul. 02	Jul. 2003 (p)	Jun. 2003 (r)	Jul. 2002 (r)	Jul./Jun.	Jun./May	Jul. 03/Jul. 02	Jul. 2003 (p)	Jun. 2003 (r)	Jul. 2002 (r)
Adjusted²																
42	U.S. Total	238,729	237,735	229,714	0.4	1.6	3.9	289,036	288,919	286,083	0.0	0.0	1.0	1.21	1.22	1.25
421	Durable	113,711	113,292	112,105	0.4	1.3	1.4	173,086	173,928	172,335	-0.5	-0.1	0.4	1.52	1.54	1.54
4211	Automotive	18,105	18,281	17,727	-1.0	2.3	2.1	25,211	25,747	24,099	-2.1	1.6	4.6	1.39	1.41	1.36
4212	Furniture	3,799	3,691	3,583	2.9	1.1	6.0	5,344	5,394	5,167	-0.9	0.0	3.4	1.41	1.46	1.44
4213	Lumber	7,517	7,238	6,354	3.9	4.5	18.3	7,208	7,233	7,036	-0.3	-0.3	2.4	0.96	1.00	1.11
4214	Prof. equip.	20,771	20,663	20,570	0.5	0.6	1.0	24,163	23,935	23,750	1.0	0.5	1.7	1.16	1.16	1.15
42143	Comp. equip.	9,254	9,254	9,834	0.0	0.1	-5.9	7,771	7,753	8,012	0.2	0.5	-3.0	0.84	0.84	0.81
4215	Metals	7,399	7,248	7,743	2.1	-1.2	-4.4	13,093	13,261	13,081	-1.3	-0.7	0.1	1.77	1.83	1.69
4216	Electrical	17,890	17,890	17,524	0.0	2.7	2.1	22,674	22,851	23,159	-0.8	-0.9	-2.1	1.27	1.28	1.32
4217	Hardware	5,527	5,505	5,437	0.4	1.1	1.7	10,483	10,435	10,201	0.5	-0.5	2.8	1.90	1.90	1.88
4218	Machinery	19,506	19,218	18,784	1.5	1.8	3.8	44,838	45,046	46,600	-0.5	-0.8	-3.8	2.30	2.34	2.48
4219	Misc. Durable	13,197	13,558	14,383	-2.7	-1.2	-8.2	20,072	20,026	19,242	0.2	-0.3	4.3	1.52	1.48	1.34
422	Nondurable	125,018	124,443	117,609	0.5	1.8	6.3	115,950	114,991	113,748	0.8	0.2	1.9	0.93	0.92	0.97
4221	Paper	6,084	6,145	6,273	-1.0	1.1	-3.0	6,234	6,214	6,125	0.3	0.2	1.8	1.02	1.01	0.98
4222	Drugs	22,337	21,749	19,173	2.7	0.6	16.5	31,276	30,347	27,425	3.1	-1.2	14.0	1.40	1.40	1.43
4223	Apparel	6,877	6,875	7,653	0.0	-0.7	-10.1	12,369	12,403	12,260	-0.3	0.9	0.9	1.80	1.80	1.60
4224	Groceries	36,060	35,856	34,458	0.6	0.1	4.6	22,082	21,891	22,727	0.9	-0.4	-2.8	0.61	0.61	0.66
4225	Farm products	9,655	10,515	9,365	-8.2	6.0	3.1	9,356	9,597	10,996	-2.5	2.5	-14.9	0.97	0.91	1.17
4226	Chemicals	5,379	5,325	5,100	1.0	1.6	5.5	6,038	6,006	5,793	0.5	0.5	4.2	1.12	1.13	1.14
4227	Petroleum	17,949	17,632	14,961	1.8	7.1	20.0	4,389	4,427	4,385	-0.9	2.6	0.1	0.24	0.25	0.29
4228	Alcohol	7,365	7,133	6,763	3.3	0.4	8.9	7,605	7,552	7,087	0.7	0.3	7.3	1.03	1.06	1.05
4229	Misc. Nondur.	13,312	13,213	13,863	0.7	0.9	-4.0	16,601	16,554	16,950	0.3	1.0	-2.1	1.25	1.25	1.22
Not Adjusted														Sales to date		
														2003		2002
42	U.S. Total	244,232	240,743	234,510	1.4	1.8	4.1	287,704	286,209	284,385	0.5	0.1	1.2	1,649,779	1,573,241	
421	Durable	117,186	117,111	115,094	0.1	4.2	1.8	175,117	174,606	174,439	0.3	-0.2	0.4	778,585	772,282	
4211	Automotive	18,503	18,592	18,064	-0.5	3.1	2.4	24,858	25,412	23,786	-2.2	0.5	4.5	124,845	122,083	
4212	Furniture	3,871	3,769	3,626	2.7	2.9	6.8	5,526	5,453	5,348	1.3	1.4	3.3	25,030	24,791	
4213	Lumber	8,382	7,774	7,066	7.8	5.4	18.6	7,273	7,399	7,120	-1.7	-0.4	2.1	49,902	47,226	
4214	Prof. equip.	21,249	21,737	20,940	-2.2	8.5	1.5	24,670	23,791	24,201	3.7	1.0	1.9	142,665	139,373	
42143	Comp. equip.	9,374	9,902	9,962	-5.3	13.6	-5.9	8,074	7,730	8,292	4.5	0.4	-2.6	63,692	64,703	
4215	Metals	7,887	7,480	8,115	5.4	-0.7	-2.8	13,224	13,221	13,225	0.0	-0.1	0.0	51,285	52,635	
4216	Electrical	18,230	18,087	17,892	0.8	6.6	1.9	23,037	22,942	23,530	0.4	-0.3	-2.1	120,260	120,820	
4217	Hardware	5,814	5,863	5,731	-0.8	3.0	1.4	10,577	10,560	10,293	0.2	-0.8	2.8	38,455	39,088	
4218	Machinery	20,013	20,237	19,291	-1.1	2.0	3.7	45,780	45,902	47,579	-0.3	-1.0	-3.8	132,402	132,163	
4219	Misc. Durable	13,237	13,572	14,369	-2.5	2.1	-7.9	20,172	19,926	19,357	1.2	-0.5	4.2	93,741	94,103	
422	Nondurable	127,046	123,632	119,416	2.8	-0.4	6.4	112,587	111,603	109,946	0.9	0.7	2.4	871,194	800,959	
4221	Paper	6,157	6,194	6,348	-0.6	3.7	-3.0	6,209	6,214	6,094	-0.1	-1.7	1.9	42,479	42,205	
4222	Drugs	22,359	21,423	19,135	4.4	0.8	16.8	30,619	29,922	26,931	2.3	1.1	13.7	147,359	132,931	
4223	Apparel	7,269	6,593	7,990	10.3	4.4	-9.0	12,888	12,688	12,763	1.6	6.4	1.0	48,259	52,272	
4224	Groceries	37,502	35,999	35,905	4.2	-3.5	4.4	21,751	21,628	22,363	0.6	0.5	-2.7	247,821	236,399	
4225	Farm products	8,825	9,453	8,653	-6.6	2.7	2.0	7,298	7,620	8,456	-4.2	-3.8	-13.7	68,875	60,457	
4226	Chemicals	5,567	5,463	5,279	1.9	-0.1	5.5	6,086	6,024	5,851	1.0	-0.4	4.0	37,852	36,030	
4227	Petroleum	18,021	17,667	15,185	2.0	2.4	18.7	4,358	4,303	4,363	1.3	3.9	-0.1	134,267	99,404	
4228	Alcohol	7,954	7,482	7,169	6.3	-0.1	10.9	7,673	7,643	7,158	0.4	1.0	7.2	48,138	45,417	
4229	Misc. Nondur.	13,392	13,358	13,752	0.3	-3.9	-2.6	15,705	15,561	15,967	0.9	-1.6	-1.6	96,144	95,844	

^p Preliminary estimate. ^r Revised.

¹ For a full description of the NAICS codes used in this table, see <http://www.census.gov/svsd/www/naicsdef.html>.

² Estimates are adjusted for seasonal variations and, in the case of sales, also for trading-day differences. See Table 3 for the seasonal adjustment factors used. Cumulative seasonally adjusted sales estimates are not tabulated.

Note: Estimates have not been adjusted for price changes. Table 2 provides estimated measures of sampling variability. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at <http://www.census.gov/svsd/www/mwtsreliability.html>.

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

[Estimates are shown as percents. Estimates are based on data from the Monthly Wholesale Trade Survey and administrative records.]

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	1.2	1.6	1.2	1.6	0.4	0.2	0.6	0.5	1.1	1.1	0.4
421	Durable	1.3	1.5	1.3	1.5	0.6	0.3	0.8	0.6	1.2	1.3	0.6
4211	Automotive	3.7	4.5	3.7	4.5	0.9	0.7	1.0	1.3	3.6	3.8	0.7
4212	Furniture	5.7	7.1	5.4	7.1	1.6	0.7	2.5	2.0	6.1	5.2	1.6
4213	Lumber	5.0	5.9	5.0	6.2	1.2	0.7	1.7	2.1	4.8	4.9	1.2
4214	Prof. equip.	4.8	6.6	4.8	6.6	1.3	0.7	2.0	1.8	4.8	4.8	1.8
42143	Comp. equip.	8.3	7.5	8.2	7.4	2.0	1.4	2.9	3.9	7.8	8.1	2.5
4215	Metals	7.2	9.9	7.1	9.8	1.6	0.6	2.7	2.7	6.7	6.2	1.9
4216	Electrical	3.5	5.1	3.5	5.1	1.2	0.6	1.5	1.6	3.5	3.2	1.0
4217	Hardware	7.9	10.6	7.9	10.7	1.3	0.6	2.4	1.8	7.7	7.8	2.0
4218	Machinery	3.5	3.2	3.4	3.2	1.7	0.4	2.1	1.2	3.6	3.4	1.2
4219	Misc. Durable	4.8	7.3	4.8	7.4	1.8	0.7	2.8	2.6	4.5	5.0	2.0
422	Nondurable	1.9	2.5	1.9	2.5	0.5	0.4	0.9	1.1	1.8	1.4	0.7
4221	Paper	4.3	3.6	4.3	3.6	1.0	0.6	1.1	1.4	4.2	4.2	0.6
4222	Drugs	5.7	5.6	5.6	5.6	0.9	0.4	1.6	1.5	5.7	5.9	1.2
4223	Apparel	4.9	5.2	4.9	5.1	2.5	0.9	2.7	1.9	4.5	4.8	1.7
4224	Groceries	3.9	7.2	3.9	7.2	0.7	0.8	1.7	2.0	3.7	3.4	1.5
4225	Farm products	6.8	8.1	6.7	8.2	2.1	2.2	2.9	4.3	6.9	5.3	2.1
4226	Chemicals	5.0	7.1	5.0	7.2	1.0	0.8	1.8	2.1	4.7	4.8	1.6
4227	Petroleum	6.8	7.6	6.8	7.6	0.8	1.2	2.1	2.0	6.7	5.8	2.0
4228	Alcohol	3.8	5.1	4.0	5.1	1.1	0.6	1.2	1.1	3.7	3.8	1.0
4229	Misc. Nondur.	7.4	8.2	7.2	8.2	2.0	0.9	3.4	2.1	7.0	7.4	2.9

Note: Estimated measures of sampling variability are based on estimates unadjusted for seasonal variation or trading-day differences. Medians are computed using final monthly estimates for the latest 12 months. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at www.census.gov/svsd/www/mwtsreliability.html.

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 percent change 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 zero, then we do not have sufficient evidence to conclude the estimated change was statistically different from zero. For monthly totals, 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.

Further information regarding the reliability of estimates can be found on the Internet on our web page at <http://www.census.gov/svsd/www/mwtsreliability.html>.

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

[Seasonal adjustment factors are computed using the Census Bureau's X-12 ARIMA program and are based on data from the Monthly Wholesale Trade Survey, Annual Wholesale Trade Survey, and administrative records.]

NAICS code	Kind of Business	Sales						Inventories					
		2003					2002	2003					2002
		Aug.	Jul.r	Jun.r	May	Apr.	Jul.r	Aug.	Jul.r	Jun.r	May	Apr.	Jul.r
42	U.S. Total ¹	0.993	1.020	1.012	1.014	1.013	1.017	0.986	0.996	0.991	0.989	1.003	0.996
421	Durable	1.003	1.030	1.034	1.007	1.013	1.026	1.003	1.011	1.003	1.004	1.010	1.012
4211	Automotive	1.004	1.022	1.017	1.009	1.058	1.019	0.959	0.986	0.987	0.998	1.020	0.987
4212	Furniture	1.025	1.019	1.021	1.003	0.994	1.012	1.033	1.034	1.011	0.997	0.978	1.035
4213	Lumber	1.073	1.115	1.074	1.065	1.058	1.112	0.999	1.009	1.023	1.024	1.033	1.012
4214	Prof. equip.	0.986	1.023	1.052	0.975	0.968	1.018	1.006	1.021	0.994	0.990	1.011	1.019
42143	Comp. equip.	1.006	1.013	1.070	0.943	0.946	1.013	1.014	1.039	0.997	0.998	1.022	1.035
4215	Metals	1.045	1.066	1.032	1.027	1.032	1.048	1.006	1.010	0.997	0.991	0.995	1.011
4216	Electrical	1.007	1.019	1.011	0.974	0.989	1.021	1.019	1.016	1.004	0.998	0.993	1.016
4217	Hardware	1.033	1.052	1.065	1.046	1.037	1.054	1.009	1.009	1.012	1.015	1.019	1.009
4218	Machinery	0.978	1.026	1.053	1.051	1.046	1.027	1.005	1.021	1.019	1.022	1.021	1.021
4219	Misc. Durable	1.010	1.003	1.001	0.969	0.980	0.999	1.015	1.005	0.995	0.997	1.005	1.006
422	Nondurable	0.984	1.013	0.994	1.024	1.021	1.013	0.963	0.969	0.968	0.965	0.989	0.968
4221	Paper	1.023	1.012	1.008	0.982	0.992	1.012	0.985	0.996	1.000	1.019	1.014	0.995
4222	Drugs	0.939	1.001	0.985	0.983	1.015	0.998	0.943	0.979	0.986	0.963	1.000	0.982
4223	Apparel	1.075	1.057	0.959	0.912	0.963	1.044	1.043	1.042	1.023	0.970	0.952	1.041
4224	Groceries	1.000	1.040	1.004	1.042	0.996	1.042	0.998	0.985	0.988	0.979	0.980	0.984
4225	Farm products	0.880	0.914	0.899	0.928	0.995	0.924	0.776	0.780	0.794	0.846	0.962	0.769
4226	Chemicals	1.006	1.035	1.026	1.043	1.029	1.035	0.998	1.008	1.003	1.012	1.003	1.010
4227	Petroleum	1.018	1.004	1.002	1.048	1.077	1.015	0.998	0.993	0.972	0.960	0.978	0.995
4228	Alcohol	1.019	1.080	1.049	1.054	1.000	1.060	0.992	1.009	1.012	1.005	1.011	1.010
4229	Misc. Nondur.	0.958	1.006	1.011	1.061	1.088	0.992	0.961	0.946	0.940	0.964	1.003	0.942

r Revised.

¹Adjusted sales and inventory estimates for detailed kind-of-business levels in Table 1 are computed by dividing each unadjusted estimate by the seasonal adjustment factor for the corresponding kind of business and month. Adjusted estimates for broad kind-of-business levels are obtained by summing adjusted estimates at the appropriate detailed levels. Seasonal factors shown for broad kind-of-business levels may be used to approximate adjusted estimates at these levels, but the resulting estimates may differ slightly from the published estimates.

Note: The seasonal adjustment factors shown are estimates derived from a model that uses sample survey data as input. Therefore, these estimates may contain model error, sampling error, and nonsampling error. Additional information on the general form of the model and the X-12 ARIMA program may be found at <http://www.census.gov/srd/www/x12a/>.