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CB03-174

**MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES
SEPTEMBER 2003**

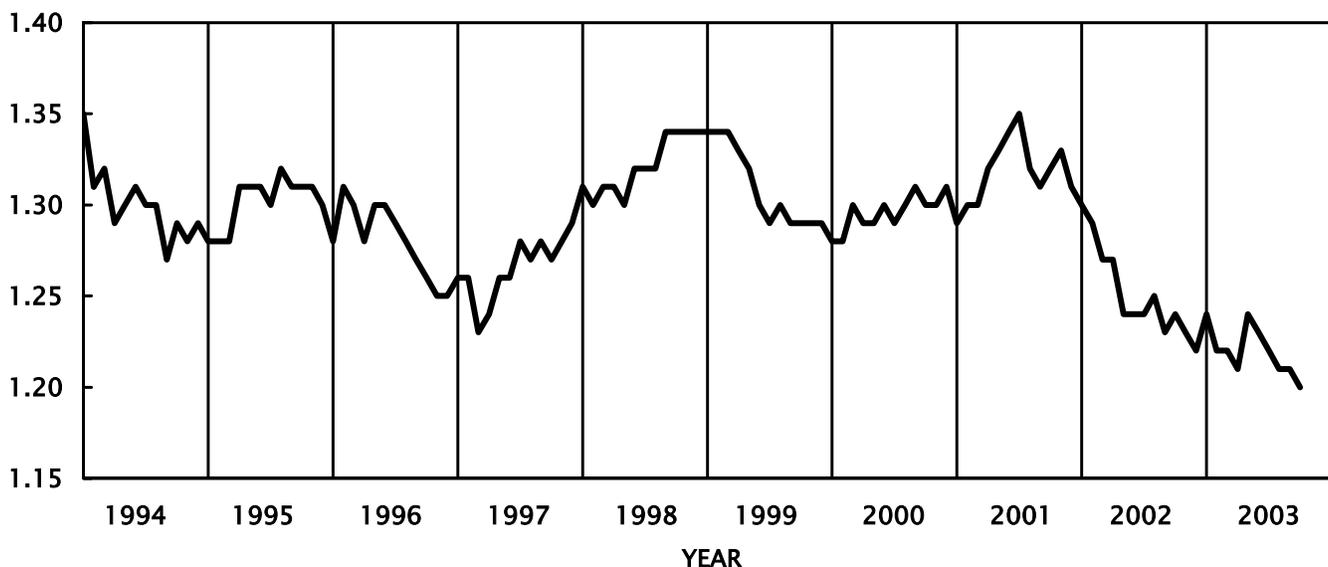
Sales. September 2003 sales of merchant wholesalers, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$240.7 billion, up 0.5 percent (+/-0.6%) from the revised August level, and were up 3.9 percent (+/-1.0%) from the September 2002 level. The August preliminary estimate was revised downward \$0.4 billion or 0.2 percent. September sales of durable goods increased 1.6 percent (+/-0.9%) from last month, and were up 3.0 percent (+/-1.3%) from a year ago. Compared to last month, sales of lumber and other construction materials increased 4.8 percent and sales of computer and computer peripheral equipment and software were also up 4.8 percent. September sales of nondurable goods decreased 0.5 percent (+/-0.8%) from last month, but increased 4.7 percent (+/-1.6%) from last year. Compared to last month, sales of beer, wine, and distilled alcoholic beverages were down 3.0 percent and sales of petroleum and petroleum products decreased 2.6 percent.

Inventories. Total inventories of merchant wholesalers, after adjustment for seasonal variations but not for price changes, were \$289.8 billion at the end of September, up 0.4 percent (+/-0.4%) from last month, and increased 0.9 percent (+/-1.1%) from a year ago. The August preliminary estimate was revised upward \$0.1 billion. End-of-month inventories of durable goods increased 0.2 percent (+/-0.4%) from August, but were down 0.2 percent (+/-0.9%) from last year. Inventories of electrical goods increased 1.0 percent from last month. End-of-month inventories of nondurable goods increased 0.5 percent (+/-0.6%) from August and were up 2.6 percent (+/-2.1%) from last year. Inventories of petroleum and petroleum products increased 2.4 percent from last month and inventories of groceries and related products were up 1.7 percent.

Inventories/Sales Ratio. The September inventories/sales ratio for merchant wholesalers, based on seasonally adjusted data, was 1.20. The September 2002 ratio was 1.24.

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.

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



Monthly Wholesale Trade for October is scheduled to be released December 9, 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		
		Sep. 2003 (p)	Aug. 2003 (r)	Sep. 2002 (r)	Sep./Aug.	Aug./Jul.	Sep. 03/Sep. 02	Sep. 2003 (p)	Aug. 2003 (r)	Sep. 2002 (r)	Sep./Aug.	Aug./Jul.	Sep. 03/Sep. 02	Sep. 2003 (p)	Aug. 2003 (r)	Sep. 2002 (r)
Adjusted²																
42	U.S. Total	240,739	239,515	231,752	0.5	0.2	3.9	289,777	288,717	287,186	0.4	-0.1	0.9	1.20	1.21	1.24
421	Durable	114,960	113,120	111,647	1.6	-0.4	3.0	172,867	172,438	173,216	0.2	-0.3	-0.2	1.50	1.52	1.55
4211	Automotive	18,159	17,958	17,800	1.1	-0.7	2.0	24,617	24,698	24,342	-0.3	-1.7	1.1	1.36	1.38	1.37
4212	Furniture	3,768	3,762	3,537	0.2	-0.9	6.5	5,399	5,418	5,182	-0.4	1.3	4.2	1.43	1.44	1.47
4213	Lumber	8,105	7,736	6,651	4.8	2.7	21.9	7,269	7,250	7,104	0.3	0.5	2.3	0.90	0.94	1.07
4214	Prof. equip.	20,650	20,239	21,085	2.0	-1.9	-2.1	24,275	24,258	23,880	0.1	0.7	1.7	1.18	1.20	1.13
42143	Comp. equip.	9,123	8,708	9,960	4.8	-4.9	-8.4	7,425	7,539	7,992	-1.5	-1.2	-7.1	0.81	0.87	0.80
4215	Metals	7,451	7,313	7,496	1.9	-0.8	-0.6	13,114	13,062	13,598	0.4	-0.2	-3.6	1.76	1.79	1.81
4216	Electrical	17,919	17,674	17,237	1.4	-0.9	4.0	22,905	22,674	23,625	1.0	0.0	-3.0	1.28	1.28	1.37
4217	Hardware	5,610	5,521	5,414	1.6	0.4	3.6	10,297	10,293	10,207	0.0	-1.5	0.9	1.84	1.86	1.89
4218	Machinery	19,751	19,841	18,834	-0.5	1.3	4.9	44,552	44,738	45,832	-0.4	-0.1	-2.8	2.26	2.25	2.43
4219	Misc. Durable	13,547	13,076	13,593	3.6	-0.6	-0.3	20,439	20,047	19,446	2.0	-0.6	5.1	1.51	1.53	1.43
422	Nondurable	125,779	126,395	120,105	-0.5	0.8	4.7	116,910	116,279	113,970	0.5	0.1	2.6	0.93	0.92	0.95
4221	Paper	6,101	5,898	6,145	3.4	-2.2	-0.7	6,158	6,231	6,144	-1.2	-0.1	0.2	1.01	1.06	1.00
4222	Drugs	22,308	22,542	19,827	-1.0	0.7	12.5	31,286	31,429	27,887	-0.5	0.6	12.2	1.40	1.39	1.41
4223	Apparel	7,055	6,932	7,361	1.8	0.9	-4.2	12,088	12,211	12,841	-1.0	-1.3	-5.9	1.71	1.76	1.74
4224	Groceries	36,163	36,007	34,793	0.4	-0.3	3.9	22,603	22,226	22,316	1.7	0.4	1.3	0.63	0.62	0.64
4225	Farm products	10,176	10,040	9,682	1.4	3.2	5.1	9,523	9,436	10,296	0.9	-0.1	-7.5	0.94	0.94	1.06
4226	Chemicals	5,355	5,276	5,301	1.5	-1.6	1.0	5,946	5,923	6,015	0.4	-1.6	-1.1	1.11	1.12	1.13
4227	Petroleum	18,287	18,783	16,322	-2.6	3.5	12.0	4,748	4,638	4,438	2.4	5.1	7.0	0.26	0.25	0.27
4228	Alcohol	7,143	7,365	6,781	-3.0	-0.1	5.3	7,547	7,475	7,146	1.0	-1.5	5.6	1.06	1.01	1.05
4229	Misc. Nondur.	13,191	13,552	13,893	-2.7	1.2	-5.1	17,011	16,710	16,887	1.8	0.2	0.7	1.29	1.23	1.22
Not Adjusted																
Sales to date																
2003 2002																
42	U.S. Total	247,590	238,279	230,444	3.9	-2.5	7.4	287,170	284,600	284,324	0.9	-1.1	1.0	2,135,693	2,041,589	
421	Durable	121,365	113,061	113,603	7.3	-3.5	6.8	172,177	172,528	172,541	-0.2	-1.5	-0.2	1,012,988	1,002,353	
4211	Automotive	17,850	17,922	16,910	-0.4	-3.4	5.6	24,026	23,562	23,782	2.0	-5.3	1.0	160,659	157,821	
4212	Furniture	4,013	3,860	3,633	4.0	-0.2	10.5	5,577	5,613	5,353	-0.6	1.6	4.2	32,901	32,205	
4213	Lumber	8,672	8,239	6,804	5.3	-1.7	27.5	7,240	7,250	7,076	-0.1	-0.3	2.3	66,813	61,320	
4214	Prof. equip.	23,004	19,672	22,709	16.9	-7.3	1.3	24,275	24,404	23,856	-0.5	-0.6	1.8	185,308	183,185	
42143	Comp. equip.	10,455	8,647	11,105	20.9	-7.7	-5.9	7,395	7,652	7,944	-3.4	-3.5	-6.9	82,787	85,965	
4215	Metals	7,756	7,569	7,496	2.5	-3.9	3.5	13,180	13,101	13,639	0.6	-0.9	-3.4	66,600	68,180	
4216	Electrical	19,299	17,709	17,875	9.0	-2.9	8.0	23,134	22,969	23,861	0.7	-0.2	-3.0	157,268	156,597	
4217	Hardware	5,823	5,615	5,398	3.7	-3.1	7.9	10,235	10,355	10,156	-1.2	-2.1	0.8	49,872	50,322	
4218	Machinery	20,561	19,504	18,777	5.4	-2.3	9.5	43,928	45,006	45,236	-2.4	-1.7	-2.9	172,419	169,674	
4219	Misc. Durable	14,387	12,971	14,001	10.9	-2.4	2.8	20,582	20,268	19,582	1.5	-0.2	5.1	121,148	123,049	
422	Nondurable	126,225	125,218	116,841	0.8	-1.5	8.0	114,993	112,072	111,783	2.6	-0.5	2.9	1,122,705	1,039,236	
4221	Paper	6,382	5,998	6,225	6.4	-2.7	2.5	6,072	6,162	6,064	-1.5	-0.9	0.1	54,869	54,871	
4222	Drugs	22,866	21,280	19,490	7.5	-4.8	17.3	30,692	29,763	27,357	3.1	-2.8	12.2	191,494	171,333	
4223	Apparel	7,768	7,424	7,758	4.6	2.4	0.1	12,499	12,809	13,239	-2.4	-0.8	-5.6	63,432	68,492	
4224	Groceries	35,874	35,935	33,854	-0.2	-4.2	6.0	22,671	22,070	22,361	2.7	1.5	1.4	319,645	305,982	
4225	Farm products	9,932	8,845	8,811	12.3	-0.4	12.7	8,114	7,360	8,700	10.2	0.8	-6.7	87,708	77,930	
4226	Chemicals	5,387	5,265	5,137	2.3	-5.4	4.9	5,875	5,882	5,937	-0.1	-3.2	-1.0	48,501	46,582	
4227	Petroleum	17,994	19,459	15,751	-7.5	7.8	14.2	4,890	4,638	4,536	5.4	6.6	7.8	171,753	131,433	
4228	Alcohol	6,950	7,623	6,367	-8.8	-4.0	9.2	7,713	7,363	7,310	4.8	-4.2	5.5	62,698	59,084	
4229	Misc. Nondur.	13,072	13,389	13,448	-2.4	0.0	-2.8	16,467	16,025	16,279	2.8	2.0	1.2	122,605	123,529	

^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	1.1	1.6	1.2	1.6	0.3	0.2	0.6	0.7	1.1	1.1	0.4
421	Durable	1.2	1.5	1.3	1.5	0.6	0.3	0.8	0.5	1.2	1.3	0.6
4211	Automotive	3.7	4.4	3.7	4.4	1.0	0.7	1.0	1.3	3.6	3.8	0.7
4212	Furniture	6.1	7.7	6.0	7.4	1.8	0.7	2.5	2.5	6.1	5.2	1.5
4213	Lumber	5.0	5.8	5.0	5.8	1.2	0.8	1.8	2.0	4.8	4.9	1.3
4214	Prof. equip.	4.9	6.8	4.8	6.7	1.3	0.7	2.0	1.8	4.8	4.9	1.8
42143	Comp. equip.	8.1	7.9	8.1	7.7	1.9	1.5	3.0	3.7	7.7	8.2	2.3
4215	Metals	7.2	10.2	7.1	10.0	1.6	0.6	2.7	2.2	6.9	6.5	1.7
4216	Electrical	3.5	5.0	3.4	5.0	1.2	0.6	1.6	1.5	3.4	3.1	1.0
4217	Hardware	7.9	10.6	7.9	10.6	1.2	0.7	2.3	1.7	7.8	7.7	1.8
4218	Machinery	3.8	3.2	3.6	3.2	1.7	0.4	2.1	1.2	3.7	3.5	1.1
4219	Misc. Durable	4.5	7.4	4.5	7.4	1.8	0.7	2.6	2.6	4.3	4.8	2.0
422	Nondurable	1.9	2.5	1.9	2.5	0.5	0.4	0.9	1.3	1.8	1.5	0.7
4221	Paper	4.4	3.6	4.4	3.6	0.9	0.6	1.0	1.3	4.3	4.3	0.5
4222	Drugs	5.8	5.6	5.7	5.6	0.9	0.4	1.7	1.5	5.7	5.9	1.2
4223	Apparel	5.0	5.0	5.2	5.1	2.4	0.9	2.7	1.7	4.7	4.7	1.5
4224	Groceries	3.9	8.0	3.9	8.1	0.7	0.7	1.7	2.0	3.7	3.5	1.4
4225	Farm products	7.1	8.1	6.9	8.2	2.2	2.1	2.6	4.4	7.0	5.6	1.6
4226	Chemicals	4.8	7.1	4.9	7.2	1.0	0.7	1.8	2.1	4.7	4.9	1.5
4227	Petroleum	6.9	7.9	6.8	7.6	0.8	1.2	2.1	2.0	6.7	6.0	1.9
4228	Alcohol	3.8	5.1	3.8	5.1	1.0	0.6	1.1	1.1	3.8	3.8	1.0
4229	Misc. Nondur.	7.3	8.3	7.1	8.3	2.1	0.9	3.8	2.5	7.1	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
		Oct.	Sep.r	Aug.r	Jul.	Jun.	Sep.r	Oct.	Sep.r	Aug.r	Jul.	Jun.	Sep.r
42	U.S. Total ¹	1.066	1.027	0.993	1.019	1.012	0.995	1.009	0.990	0.986	0.996	0.991	0.990
421	Durable	1.074	1.054	0.997	1.031	1.034	1.015	0.997	0.996	1.000	1.013	1.003	0.996
4211	Automotive	1.056	0.983	0.998	1.025	1.017	0.950	1.006	0.976	0.954	0.990	0.987	0.977
4212	Furniture	1.106	1.065	1.026	1.019	1.021	1.027	1.016	1.033	1.036	1.033	1.011	1.033
4213	Lumber	1.116	1.070	1.065	1.113	1.074	1.023	0.969	0.996	1.000	1.008	1.023	0.996
4214	Prof. equip.	1.046	1.114	0.972	1.028	1.052	1.077	1.012	1.000	1.006	1.019	0.994	0.999
42143	Comp. equip.	1.052	1.146	0.993	1.023	1.070	1.115	1.008	0.996	1.015	1.039	0.997	0.994
4215	Metals	1.080	1.041	1.035	1.068	1.032	1.000	0.993	1.005	1.003	1.010	0.997	1.003
4216	Electrical	1.101	1.077	1.002	1.022	1.011	1.037	1.005	1.010	1.013	1.015	1.004	1.010
4217	Hardware	1.089	1.038	1.017	1.053	1.065	0.997	0.975	0.994	1.006	1.012	1.012	0.995
4218	Machinery	1.051	1.041	0.983	1.019	1.053	0.997	0.980	0.986	1.006	1.023	1.019	0.987
4219	Misc. Durable	1.109	1.062	0.992	1.010	1.001	1.030	1.015	1.007	1.011	1.007	0.995	1.007
422	Nondurable	1.066	1.001	0.985	1.013	0.994	0.972	1.026	0.982	0.962	0.969	0.968	0.981
4221	Paper	1.079	1.046	1.017	1.023	1.008	1.013	0.996	0.986	0.989	0.996	1.000	0.987
4222	Drugs	1.062	1.025	0.944	0.998	0.985	0.983	1.014	0.981	0.947	0.980	0.986	0.981
4223	Apparel	1.134	1.101	1.071	1.055	0.959	1.054	1.005	1.034	1.049	1.043	1.023	1.031
4224	Groceries	1.040	0.992	0.998	1.039	1.004	0.973	1.039	1.003	0.993	0.983	0.988	1.002
4225	Farm products	1.115	0.976	0.881	0.913	0.899	0.910	1.143	0.852	0.780	0.773	0.794	0.845
4226	Chemicals	1.056	1.006	0.998	1.038	1.026	0.969	0.984	0.988	0.993	1.010	1.003	0.987
4227	Petroleum	1.051	0.984	1.036	0.995	1.002	0.965	1.021	1.030	1.000	0.986	0.972	1.022
4228	Alcohol	1.046	0.973	1.035	1.077	1.049	0.939	1.065	1.022	0.985	1.013	1.012	1.023
4229	Misc. Nondur.	1.012	0.991	0.988	1.000	1.011	0.968	1.009	0.968	0.959	0.942	0.940	0.964

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/>.