

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR IMMEDIATE RELEASE TUESDAY, JANUARY 10, 2006 AT 10:00 A.M. EST

Nancy Piesto/ Howard Krakower
Service Sector Statistics Division
(301) 763-2747

CB06-05

MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES November 2005

Intention to Revise Wholesale Data: Monthly wholesale sales, inventories, and inventories/sales ratios will be revised based on the results of the 2004 Annual Trade Survey and the final results of the 2002 Census of Wholesale Trade. Revised unadjusted and corresponding adjusted data are scheduled for released on March 30, 2006 and can be found on our website at <http://www.census.gov/whl>.

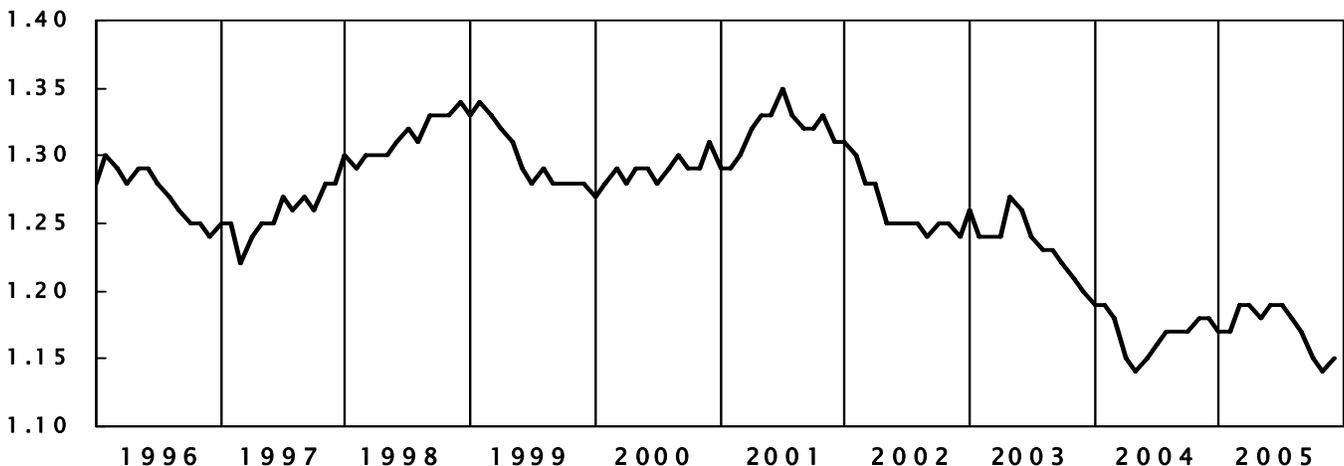
Sales. The U.S. Census Bureau announced today that November 2005 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$311.7 billion, down 0.7 percent (+/-0.7%)* from the revised October level and were up 8.3 percent (+/-1.2%) from the November 2004 level. The October preliminary estimate was revised downward \$0.9 billion or 0.3 percent. November sales of durable goods decreased 0.5 percent (+/-1.0%)* from last month, but were up 6.8 percent (+/-1.5%) from a year ago. November sales of nondurable goods were down 1.0 percent (+/-0.8%) from last month, but were up 9.8 percent (+/-1.5%) from last year. Compared to last month, sales of petroleum and petroleum products were down 7.0 percent, while sales of drugs and druggists' sundries were up 1.7 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$358.6 billion at the end of November, up 0.4 percent (+/-0.3%) from last month and were up 5.9 percent (+/-1.0%) from a year ago. The October preliminary estimate was revised upward \$0.2 billion or 0.1 percent. End-of-month inventories of durable goods increased 0.6 percent (+/-0.5%) from October and were up 6.5 percent (+/-1.2%) from last November. Inventories of machinery, equipment, and supplies increased 1.5 percent from last month, while inventories of computer and computer peripheral equipment and software decreased 1.7 percent. End-of-month inventories of nondurable goods increased 0.1 percent (+/-0.5%)* from October and were up 4.8 percent (+/-1.3%) compared to last November. Inventories of paper and paper products increased 2.2 percent from last month and inventories of grocery and related products increased 1.5 percent.

Inventories/Sales Ratio. The November inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.15. The November 2004 ratio was 1.18.

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/04-A Current Business Reports.

Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices: 1996 to 2005



Monthly Wholesale Trade for December is scheduled to be released February 9, 2006 at 10:00 a.m. EST.

For information, visit the Census Bureau's Web site at <http://www.census.gov/whl>. 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. Estimates of Monthly Sales, Inventories, and Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices

[Total sales and inventory estimates are shown in millions of dollars. Estimates are based on data from the Monthly Wholesale Trade Survey.]

NAICS ¹ code	Kind of Business	Sales						Inventories						Inventories/Sales Ratios		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		Nov. 2005 (p)	Oct. 2005 (r)	Nov. 2004 (r)	Nov./Oct.	Oct./Sep.	Nov. 05/Nov. 04	Nov. 2005 (p)	Oct. 2005 (r)	Nov. 2004 (r)	Nov./Oct.	Oct./Sep.	Nov. 05/Nov. 04	Nov. 2005 (p)	Oct. 2005 (r)	Nov. 2004 (r)
Adjusted²																
42	U.S. Total	311,714	314,028	287,839	-0.7	0.9	8.3	358,647	357,212	338,711	0.4	0.2	5.9	1.15	1.14	1.18
423	Durable	154,897	155,629	145,032	-0.5	1.6	6.8	227,523	226,241	213,588	0.6	1.1	6.5	1.47	1.45	1.47
4231	Automotive	24,931	25,116	22,673	-0.7	1.5	10.0	34,292	34,161	32,504	0.4	1.9	5.5	1.38	1.36	1.43
4232	Furniture	5,513	5,643	5,153	-2.3	4.3	7.0	7,833	7,850	7,460	-0.2	2.3	5.0	1.42	1.39	1.45
4233	Lumber	13,042	12,786	11,721	2.0	3.1	11.3	14,396	14,277	13,250	0.8	3.0	8.6	1.10	1.12	1.13
4234	Prof. equip.	25,551	25,871	24,784	-1.2	-1.1	3.1	28,727	28,785	28,867	-0.2	-0.5	-0.5	1.12	1.11	1.16
42343	Comp. equip.	13,703	13,920	13,994	-1.6	-2.6	-2.1	10,691	10,875	11,218	-1.7	-0.2	-4.7	0.78	0.78	0.80
4235	Metals	11,430	11,583	10,976	-1.3	6.2	4.1	19,034	19,175	19,876	-0.7	-0.9	-4.2	1.67	1.66	1.81
4236	Electrical	22,903	23,061	21,838	-0.7	1.8	4.9	27,400	27,440	26,520	-0.1	-0.4	3.3	1.20	1.19	1.21
4237	Hardware	7,468	7,412	6,549	0.8	4.3	14.0	13,542	13,402	12,314	1.0	2.1	10.0	1.81	1.81	1.88
4238	Machinery	27,591	27,430	24,529	0.6	0.9	12.5	58,717	57,827	50,717	1.5	1.4	15.8	2.13	2.11	2.07
4239	Misc. Durable	16,468	16,727	16,809	-1.5	0.5	-2.0	23,582	23,324	22,080	1.1	2.2	6.8	1.43	1.39	1.31
424	Nondurable	156,817	158,399	142,807	-1.0	0.2	9.8	131,124	130,971	125,123	0.1	-1.2	4.8	0.84	0.83	0.88
4241	Paper	7,454	7,372	6,859	1.1	-1.1	8.7	7,413	7,256	6,649	2.2	-0.1	11.5	0.99	0.98	0.97
4242	Drugs	28,985	28,505	26,140	1.7	-1.5	10.9	26,415	26,600	30,020	-0.7	-3.3	-12.0	0.91	0.93	1.15
4243	Apparel	9,939	10,134	9,076	-1.9	5.7	9.5	16,509	16,566	15,680	-0.3	0.6	5.3	1.66	1.63	1.73
4244	Groceries	36,489	35,978	35,010	1.4	-0.5	4.2	24,013	23,647	23,144	1.5	0.2	3.8	0.66	0.66	0.66
4245	Farm products	9,672	9,578	9,867	1.0	-0.3	-2.0	11,144	11,419	9,261	-2.4	-2.9	20.3	1.15	1.19	0.94
4246	Chemicals	7,329	7,237	6,593	1.3	0.8	11.2	7,638	7,588	7,038	0.7	0.5	8.5	1.04	1.05	1.07
4247	Petroleum	31,996	34,395	26,376	-7.0	0.3	21.3	9,364	9,287	6,411	0.8	-1.5	46.1	0.29	0.27	0.24
4248	Alcohol	8,035	8,078	7,324	-0.5	0.5	9.7	9,120	9,041	8,118	0.9	1.0	12.3	1.14	1.12	1.11
4249	Misc. Nondur.	16,918	17,122	15,562	-1.2	2.2	8.7	19,508	19,567	18,802	-0.3	-2.0	3.8	1.15	1.14	1.21
													Sales to date			
													2005		2004	
42	U.S. Total	310,748	319,366	287,448	-2.7	0.7	8.1	360,180	358,428	340,126	0.5	1.3	5.9	3,302,497	3,042,422	
423	Durable	154,077	158,213	144,695	-2.6	-0.3	6.5	226,361	225,639	212,386	0.3	1.4	6.6	1,650,829	1,534,010	
4231	Automotive	25,355	25,166	22,922	0.8	4.5	10.6	34,738	34,332	32,927	1.2	5.3	5.5	265,067	249,887	
4232	Furniture	5,656	5,886	5,375	-3.9	2.2	5.2	7,747	7,928	7,378	-2.3	1.2	5.0	59,197	56,041	
4233	Lumber	12,220	13,042	10,912	-6.3	-1.7	12.0	13,748	13,649	12,680	0.7	0.2	8.4	137,107	130,149	
4234	Prof. equip.	25,066	25,612	24,214	-2.1	-11.3	3.5	29,244	29,418	29,300	-0.6	1.3	-0.2	273,186	264,133	
42343	Comp. equip.	12,881	13,697	13,084	-6.0	-15.6	-1.6	10,883	11,147	11,364	-2.4	3.2	-4.2	149,403	144,707	
4235	Metals	10,916	11,502	10,372	-5.1	4.1	5.2	18,710	18,830	19,558	-0.6	-1.5	-4.3	122,226	110,717	
4236	Electrical	23,476	24,122	22,406	-2.7	1.5	4.8	27,208	27,467	26,361	-0.9	-1.7	3.2	247,989	234,587	
4237	Hardware	7,393	7,679	6,516	-3.7	5.4	13.5	13,312	13,241	12,080	0.5	1.4	10.2	77,479	71,379	
4238	Machinery	25,798	27,156	23,303	-5.0	-2.9	10.7	57,954	56,844	49,956	2.0	0.8	16.0	289,053	252,337	
4239	Misc. Durable	18,197	18,048	18,675	0.8	8.4	-2.6	23,700	23,930	22,146	-1.0	4.1	7.0	179,525	164,780	
424	Nondurable	156,671	161,153	142,753	-2.8	1.6	9.7	133,819	132,789	127,740	0.8	1.3	4.8	1,651,668	1,508,412	
4241	Paper	7,491	7,564	6,866	-1.0	-2.8	9.1	7,465	7,241	6,696	3.1	-0.4	11.5	78,428	72,351	
4242	Drugs	29,652	28,419	26,767	4.3	-3.9	10.8	26,732	26,972	30,380	-0.9	-2.0	-12.0	301,183	272,161	
4243	Apparel	10,019	10,914	8,967	-8.2	7.2	11.7	15,981	16,715	15,147	-4.4	-2.3	5.5	107,588	100,704	
4244	Groceries	36,744	36,302	35,500	1.2	1.2	3.5	25,022	24,309	24,000	2.9	2.8	4.3	393,033	377,102	
4245	Farm products	11,142	10,459	11,347	6.5	17.8	-1.8	11,913	11,647	10,132	2.3	22.4	17.6	103,571	117,517	
4246	Chemicals	7,109	7,114	6,369	-0.1	-2.3	11.6	7,623	7,512	7,017	1.5	0.7	8.6	77,275	67,788	
4247	Petroleum	30,556	35,908	24,873	-14.9	2.8	22.8	9,345	9,101	6,417	2.7	-7.5	45.6	324,451	258,141	
4248	Alcohol	8,461	7,916	7,654	6.9	-0.4	10.5	9,567	9,529	8,491	0.4	4.7	12.7	85,079	76,211	
4249	Misc. Nondur.	15,497	16,557	14,410	-6.4	2.9	7.5	20,171	19,763	19,460	2.1	1.1	3.7	181,060	166,437	

^p Preliminary estimate. ^r Revised estimate.

¹ For a full description of the NAICS codes used in this table, see the 2002 NAICS manual or <http://www.census.gov/epcd/www/naics.html>.

² Estimates are adjusted for seasonal variation 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/jmwsreliability.html>.

Table 2. Estimated Measures of Sampling Variability of Monthly Wholesale Sales and Inventory Estimates

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

NAICS code	Kind of Business	Median coefficient of variation for monthly total				Median standard error for percent change				Coefficient of variation for total		Standard error for percent change
		Preliminary estimates		Final estimates		Ratio of two consecutive months		Current month to current month last year		Sales to date		Current year sales to date
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	to previous year sales to date
42	U.S. Total	1.4	1.5	1.4	1.5	0.4	0.2	0.7	0.6	1.3	1.1	0.5
423	Durable	1.3	1.8	1.4	1.8	0.6	0.3	0.9	0.7	1.3	1.1	0.5
4231	Automotive	3.3	4.6	3.2	4.6	1.2	0.8	1.6	1.8	3.2	3.2	1.1
4232	Furniture	7.6	10.2	7.7	10.2	1.7	0.6	2.8	2.5	7.5	7.6	2.0
4233	Lumber	5.7	7.1	5.7	7.1	1.5	0.9	2.2	2.8	5.6	5.5	1.3
4234	Prof. equip.	4.3	6.3	4.4	6.3	1.3	0.5	3.1	2.4	4.1	4.5	1.8
42343	Comp. equip.	9.5	10.6	9.7	11.8	1.9	0.9	3.6	3.2	9.1	9.3	2.4
4235	Metals	6.5	10.8	6.4	10.8	1.5	0.8	3.0	2.7	6.2	7.2	1.6
4236	Electrical	4.2	6.6	4.1	6.3	1.2	0.7	1.6	1.4	4.0	4.1	0.9
4237	Hardware	7.0	8.7	7.0	8.7	1.5	0.6	1.8	1.9	6.8	7.1	1.0
4238	Machinery	4.8	4.3	4.7	4.2	1.5	0.5	2.6	1.2	4.6	4.3	1.5
4239	Misc. Durable	4.1	8.0	4.1	7.9	1.4	0.7	2.4	2.6	3.9	3.8	1.4
424	Nondurable	2.3	2.3	2.2	2.3	0.5	0.3	0.9	0.8	2.3	1.9	0.7
4241	Paper	6.1	5.5	6.3	5.5	1.2	0.6	1.8	1.9	5.9	5.1	1.1
4242	Drugs	5.4	5.6	5.3	5.6	0.9	0.4	1.2	0.9	5.4	5.0	1.1
4243	Apparel	6.2	4.8	6.0	4.8	2.0	0.8	2.4	2.6	6.0	5.0	2.0
4244	Groceries	3.7	7.2	3.7	7.2	0.9	0.8	1.6	1.7	3.6	3.0	1.0
4245	Farm products	7.0	9.6	6.9	9.7	1.9	2.2	2.0	3.1	6.8	7.4	1.1
4246	Chemicals	5.0	5.8	5.0	5.9	0.9	0.6	1.7	1.9	4.9	5.0	1.4
4247	Petroleum	9.8	10.8	9.8	10.3	0.8	1.6	2.2	3.7	9.9	9.0	1.6
4248	Alcohol	5.1	5.4	5.0	5.3	1.3	0.7	1.9	1.7	5.2	4.8	1.4
4249	Misc. Nondur.	7.9	9.1	7.8	9.0	2.0	1.0	2.7	2.5	7.9	8.2	1.5

Note: Estimated measures of sampling variability are based on estimates unadjusted for seasonal variation or trading-day differences.

Medians are based on estimates for the most recent 12 months. 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>.

Reliability of the Estimates

Because the estimates presented in this report are based on a sample survey, they may contain sampling error and nonsampling error.

Sampling error is the difference between the estimate and the result that would be obtained from a complete enumeration of the sampling frame conducted under the same survey conditions. This error occurs because only a subset of the entire sampling frame is measured in a sample survey. Standard errors and coefficients of variation (CV), as given in Table 2 of this report, are estimated measures of sampling variation.

The margin of sampling error, as used on page 1, gives a range about the estimate which is a 90-percent confidence interval. If, for example, the percent change estimate is +1.2 percent and its estimated standard error is 0.9 percent, then the margin of sampling error is $\pm 1.645 \times 0.9$ percent or ± 1.5 percent, and the 90 percent confidence interval is -0.3 percent to +2.7 percent. If the interval contains 0, then one does not have sufficient statistical evidence to conclude at the 90 percent confidence level that the change is different from zero and therefore the change is not statistically significant. Estimated changes shown in the text are statistically significant unless otherwise noted. For a monthly total, the median estimated coefficient of variation (CV) is given. The resulting confidence interval is the estimated value $\pm 1.645 \times CV \times$ (the estimated value). The Census Bureau recommends that individuals using estimates in this report incorporate this information into their analyses, as sampling error could affect the conclusions drawn from the estimates.

Nonsampling error encompasses all other factors that contribute to the total error of a sample survey estimate. This type of error can occur because of nonresponse, insufficient coverage of the universe of wholesale businesses, mistakes in the recording and coding of data, model error, and other errors of collection, response, coverage, or processing. Although nonsampling error is not measured directly, the Census Bureau employs quality control procedures throughout the process to minimize this type of error.

Table 3. Seasonal Adjustment Factors for Monthly Wholesale Sales and Inventory Estimates

[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.]

NAICS code	Kind of Business	Sales						Inventories					
		2005					2004	2005					2004
		Dec.	Nov.r	Oct.r	Sep.	Aug.	Nov.r	Dec.	Nov.r	Oct.r	Sep.	Aug.	Nov.r
42	U.S. Total ¹	0.997	0.999	1.017	1.021	1.047	1.001	1.004	1.007	1.006	0.991	0.988	1.007
423	Durable	0.986	0.997	1.016	1.037	1.055	0.999	0.985	0.993	0.997	0.994	1.002	0.993
4231	Automotive	1.016	1.017	1.002	0.973	1.039	1.011	0.990	1.013	1.005	0.973	0.957	1.013
4232	Furniture	0.951	1.026	1.043	1.065	1.094	1.043	0.984	0.989	1.010	1.021	1.035	0.989
4233	Lumber	0.820	0.937	1.020	1.070	1.136	0.931	0.946	0.955	0.956	0.983	0.999	0.957
4234	Prof. equip.	1.088	0.981	0.990	1.104	1.012	0.977	0.989	1.018	1.022	1.003	1.010	1.015
42343	Comp. equip.	1.125	0.940	0.984	1.136	1.007	0.935	1.002	1.018	1.025	0.991	1.001	1.013
4235	Metals	0.880	0.955	0.993	1.013	1.076	0.945	1.010	0.983	0.982	0.988	0.995	0.984
4236	Electrical	0.961	1.025	1.046	1.049	1.057	1.026	0.979	0.993	1.001	1.015	1.020	0.994
4237	Hardware	0.896	0.990	1.036	1.025	1.087	0.995	0.990	0.983	0.988	0.995	1.005	0.981
4238	Machinery	1.014	0.935	0.990	1.029	1.054	0.950	0.985	0.987	0.983	0.989	1.014	0.985
4239	Misc. Durable	1.005	1.105	1.079	1.001	0.991	1.111	0.985	1.005	1.026	1.008	1.005	1.003
424	Nondurable	1.005	1.004	1.019	1.001	1.039	1.005	1.038	1.024	1.017	0.985	0.966	1.026
4241	Paper	0.967	1.005	1.026	1.044	1.085	1.001	1.023	1.007	0.998	1.001	1.006	1.007
4242	Drugs	1.032	1.023	0.997	1.022	1.017	1.024	1.043	1.012	1.014	1.001	0.954	1.012
4243	Apparel	0.839	1.008	1.077	1.062	1.125	0.988	0.987	0.968	1.009	1.039	1.053	0.966
4244	Groceries	1.008	1.007	1.009	0.993	1.049	1.014	1.025	1.042	1.028	1.002	0.994	1.037
4245	Farm products	1.138	1.152	1.092	0.924	0.907	1.150	1.104	1.069	1.020	0.809	0.780	1.094
4246	Chemicals	0.927	0.970	0.983	1.014	1.072	0.966	1.004	0.998	0.990	0.988	0.994	0.997
4247	Petroleum	0.941	0.955	1.044	1.019	1.069	0.943	1.124	0.998	0.980	1.043	1.003	1.001
4248	Alcohol	1.168	1.053	0.980	0.989	1.090	1.045	0.936	1.049	1.054	1.017	0.997	1.046
4249	Misc. Nondur.	0.982	0.916	0.967	0.961	1.043	0.926	1.065	1.034	1.010	0.979	0.946	1.035

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 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/>.

Description of the Survey

The U.S. Census Bureau conducts the Monthly Wholesale Trade Survey (MWTS) to provide national estimates of monthly sales, end-of-month inventories, and inventory-to-sales ratios by kind of business for wholesale firms located in the United States. Specifically, the MWTS covers wholesale merchants who sell goods on their own account and include such businesses as wholesale merchants or jobbers, industrial distributors, exporters, and importers. Sales offices and branches maintained by manufacturing, refining, or mining firms for the purpose of marketing their products are not covered in this report. Also excluded is NAICS Industry Group 4251: Wholesale Electronic Markets and Agents and Brokers.

The MWTS sample was selected using a stratified, one-stage design with strata defined by kind of business (e.g., Automotive, Furniture, Lumber, etc.) and annual sales size. The sample includes firms of all sizes and is updated on a quarterly basis to account for new wholesale firms, deaths, and other changes to the wholesale universe. Each month, questionnaires are mailed to a probability sample of approximately 4,000 employer firms. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 31% of the total sales estimate and 33% of the total end-of-month inventory estimate is based on imputed data. Monthly sales and inventory estimates are obtained by summing weighted data (either reported or imputed). The monthly estimates are benchmarked to annual survey estimates and are adjusted for seasonal variation and trading-day differences. Individuals who use estimates in this report to create new estimates should cite the Census Bureau as the source of only the original estimates.

Additional information on the MWTS can be found on the Census Bureau website at:

<http://www.census.gov/econ/www/retmenu.html#WHOL>.