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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES January 2006

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 release on March 30, 2006 and can be found on our website at <http://www.census.gov/whl>.

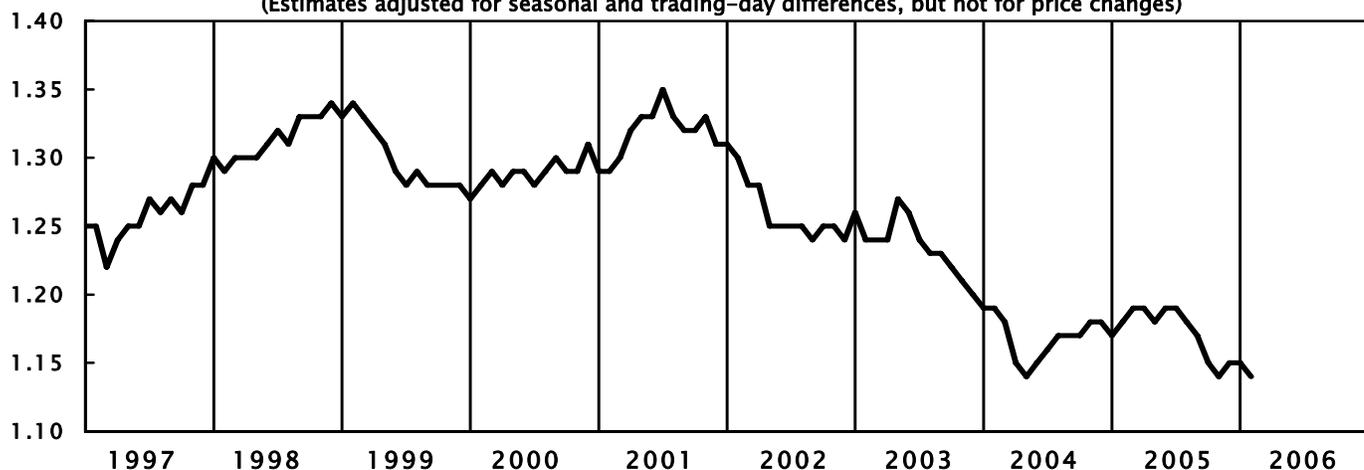
Sales. The U.S. Census Bureau announced today that January 2006 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$318.6 billion, up 1.0 percent (+/-0.7%) from the revised December level and were up 9.3 percent (+/-1.2%) from the January 2005 level. The December preliminary estimate was revised upward \$0.5 billion or 0.2 percent. January sales of durable goods increased 1.4 percent (+/-0.8%) from last month and were up 8.9 percent (+/-1.5%) from a year ago. Compared to last month, sales of motor vehicle and motor vehicle parts and supplies increased 4.5 percent, while hardware, and plumbing and heating equipment and supplies decreased 2.4 percent. January sales of nondurable goods were up 0.6 percent (+/-0.8%)* from last month and were up 9.8 percent (+/-1.5%) from last year. Compared to last month, sales of grocery and related products were up 1.8 percent, while chemicals and allied products decreased 2.0 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$362.8 billion at the end of January, up 0.1 percent (+/-0.3%)* from last month and were up 5.7 percent (+/-1.0%) from a year ago. The December preliminary estimate was revised downward \$0.1 billion. End-of-month inventories of durable goods increased 0.3 percent (+/-0.5%)* from December and were up 5.9 percent (+/-1.3%) from last January. Inventories of hardware, and plumbing and heating equipment and supplies increased 2.4 percent from last month. End-of-month inventories of nondurable goods decreased 0.1 percent (+/-0.5%)* from December, but were up 5.3 percent (+/-1.3%) compared to last January. Inventories of drugs and druggists' sundries decreased 5.5 percent from last month, while inventories of petroleum and petroleum products increased 12.9 percent.

Inventories/Sales Ratio. The January inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.14. The January 2005 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: 1997 to 2006
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for February is scheduled to be released April 7, 2006 at 10:00 a.m. EDT.

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		
		Jan. 2006 (p)	Dec. 2005 (r)	Jan. 2005 (r)	Jan./Dec.	Dec./Nov.	Jan. 06/Jan. 05	Jan. 2006 (p)	Dec. 2005 (r)	Jan. 2005 (r)	Jan./Dec.	Dec./Nov.	Jan. 06/Jan. 05	Jan. 2006 (p)	Dec. 2005 (r)	Jan. 2005 (r)
Adjusted²																
42	U.S. Total	318,629	315,391	291,509	1.0	1.2	9.3	362,814	362,407	343,256	0.1	0.9	5.7	1.14	1.15	1.18
423	Durable	160,271	158,008	147,226	1.4	1.7	8.9	229,983	229,401	217,128	0.3	0.6	5.9	1.43	1.45	1.47
4231	Automotive	26,713	25,573	23,086	4.5	2.4	15.7	34,123	34,530	32,852	-1.2	0.4	3.9	1.28	1.35	1.42
4232	Furniture	5,814	5,688	5,199	2.2	2.7	11.8	7,849	7,821	7,528	0.4	0.1	4.3	1.35	1.38	1.45
4233	Lumber	14,105	13,567	12,260	4.0	3.4	15.0	15,205	15,137	13,915	0.4	3.7	9.3	1.08	1.12	1.13
4234	Prof. equip.	26,044	26,224	24,445	-0.7	1.9	6.5	29,343	28,978	28,761	1.3	0.7	2.0	1.13	1.11	1.18
42343	Comp. equip.	13,844	14,072	13,873	-1.6	1.7	-0.2	10,978	10,728	10,794	2.3	0.2	1.7	0.79	0.76	0.78
4235	Metals	11,429	11,702	11,175	-2.3	1.9	2.3	19,157	19,003	20,512	0.8	0.0	-6.6	1.68	1.62	1.84
4236	Electrical	23,406	22,939	22,505	2.0	0.4	4.0	27,150	27,477	26,703	-1.2	0.1	1.7	1.16	1.20	1.19
4237	Hardware	7,285	7,461	6,826	-2.4	-0.1	6.7	14,278	13,946	12,490	2.4	2.6	14.3	1.96	1.87	1.83
4238	Machinery	28,266	28,107	25,176	0.6	1.5	12.3	59,508	58,889	51,806	1.1	0.4	14.9	2.11	2.10	2.06
4239	Misc. Durable	17,209	16,747	16,554	2.8	1.5	4.0	23,370	23,620	22,561	-1.1	-0.1	3.6	1.36	1.41	1.36
424	Nondurable	158,358	157,383	144,283	0.6	0.6	9.8	132,831	133,006	126,128	-0.1	1.5	5.3	0.84	0.85	0.87
4241	Paper	7,551	7,600	6,973	-0.6	2.1	8.3	7,286	7,365	6,913	-1.1	-0.6	5.4	0.96	0.97	0.99
4242	Drugs	29,149	29,120	27,468	0.1	0.4	6.1	25,912	27,414	29,220	-5.5	3.5	-11.3	0.89	0.94	1.06
4243	Apparel	10,503	10,388	9,221	1.1	3.9	13.9	15,964	16,119	15,492	-1.0	-1.7	3.0	1.52	1.55	1.68
4244	Groceries	37,215	36,564	35,175	1.8	0.3	5.8	24,378	24,461	22,909	-0.3	1.4	6.4	0.66	0.67	0.65
4245	Farm products	9,211	9,090	9,685	1.3	-4.4	-4.9	11,846	11,733	10,067	1.0	4.7	17.7	1.29	1.29	1.04
4246	Chemicals	7,141	7,287	6,790	-2.0	-0.5	5.2	7,773	7,534	7,192	3.2	-0.8	8.1	1.09	1.03	1.06
4247	Petroleum	32,484	32,835	25,438	-1.1	3.1	27.7	10,273	9,101	6,885	12.9	-0.1	49.2	0.32	0.28	0.27
4248	Alcohol	7,997	7,894	7,562	1.3	-1.4	5.8	9,024	9,070	8,439	-0.5	-0.5	6.9	1.13	1.15	1.12
4249	Misc. Nondur.	17,107	16,605	15,971	3.0	-1.0	7.1	20,375	20,209	19,011	0.8	2.9	7.2	1.19	1.22	1.19
													Sales to date			
													2006	2005		
42	U.S. Total	300,308	312,416	266,885	-3.9	0.7	12.5	366,911	364,419	347,016	0.7	1.3	5.7	300,308	266,885	
423	Durable	147,437	155,706	130,991	-5.3	1.0	12.6	228,974	226,066	216,234	1.3	-0.2	5.9	147,437	130,991	
4231	Automotive	24,282	25,982	20,200	-6.5	2.5	20.2	34,362	34,357	33,082	0.0	-1.1	3.9	24,282	20,200	
4232	Furniture	5,326	5,426	4,617	-1.8	-4.2	15.4	7,755	7,696	7,423	0.8	-0.4	4.5	5,326	4,617	
4233	Lumber	12,737	11,016	10,666	15.6	-10.0	19.4	15,083	14,426	13,804	4.6	5.0	9.3	12,737	10,666	
4234	Prof. equip.	23,596	28,873	21,634	-18.3	14.7	9.1	29,519	28,572	28,905	3.3	-2.6	2.1	23,596	21,634	
42343	Comp. equip.	12,709	15,972	12,486	-20.4	22.8	1.8	11,022	10,717	10,794	2.8	-2.5	2.1	12,709	12,486	
4235	Metals	11,189	10,438	10,449	7.2	-4.2	7.1	19,234	19,136	20,574	0.5	2.3	-6.5	11,189	10,449	
4236	Electrical	21,674	21,884	20,232	-1.0	-6.8	7.1	26,851	26,982	26,409	-0.5	-1.1	1.7	21,674	20,232	
4237	Hardware	6,739	6,760	6,082	-0.3	-8.4	10.8	14,178	13,779	12,390	2.9	3.5	14.4	6,739	6,082	
4238	Machinery	25,976	28,613	22,130	-9.2	10.7	17.4	58,318	57,829	50,770	0.8	-0.1	14.9	25,976	22,130	
4239	Misc. Durable	15,918	16,714	14,981	-4.8	-8.3	6.3	23,674	23,289	22,877	1.7	-1.7	3.5	15,918	14,981	
424	Nondurable	152,871	156,710	135,894	-2.4	0.4	12.5	137,937	138,353	130,782	-0.3	3.7	5.5	152,871	135,894	
4241	Paper	7,287	7,433	6,555	-2.0	0.3	11.2	7,250	7,557	6,885	-4.1	1.2	5.3	7,287	6,555	
4242	Drugs	29,207	30,314	26,342	-3.7	2.2	10.9	26,793	28,840	30,301	-7.1	7.9	-11.6	29,207	26,342	
4243	Apparel	9,558	8,778	8,142	8.9	-12.6	17.4	16,251	15,861	15,786	2.5	-0.5	2.9	9,558	8,142	
4244	Groceries	35,131	36,747	32,818	-4.4	0.0	7.0	24,597	25,195	23,092	-2.4	1.1	6.5	35,131	32,818	
4245	Farm products	10,178	10,154	10,247	0.2	-8.8	-0.7	13,812	13,118	11,798	5.3	10.1	17.1	10,178	10,247	
4246	Chemicals	6,998	6,777	6,491	3.3	-4.5	7.8	7,781	7,542	7,199	3.2	-0.5	8.1	6,998	6,491	
4247	Petroleum	32,257	31,325	24,802	3.0	4.1	30.1	11,002	10,057	7,339	9.4	10.1	49.9	32,257	24,802	
4248	Alcohol	6,174	9,125	5,596	-32.3	7.8	10.3	8,690	8,499	8,135	2.2	-11.1	6.8	6,174	5,596	
4249	Misc. Nondur.	16,081	16,057	14,901	0.1	3.6	7.9	21,761	21,684	20,247	0.4	7.5	7.5	16,081	14,901	

^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/mwtsreliability.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	1.6	1.4	0.8
423	Durable	1.3	1.9	1.3	1.8	0.5	0.3	0.9	0.8	1.5	1.7	1.2
4231	Automotive	3.3	4.6	3.3	4.6	1.1	0.8	1.6	1.9	3.1	3.5	2.5
4232	Furniture	7.6	10.1	7.6	10.1	1.7	0.6	2.5	2.0	6.9	6.8	2.6
4233	Lumber	5.7	7.1	5.7	7.1	1.6	0.8	2.0	2.6	5.4	5.4	1.7
4234	Prof. equip.	4.2	6.3	4.2	6.3	1.3	0.5	3.0	2.3	4.1	4.6	2.6
42343	Comp. equip.	9.2	10.6	9.3	10.5	1.9	0.9	3.8	3.5	8.4	9.2	3.9
4235	Metals	6.5	10.9	6.6	10.9	1.6	0.8	2.8	2.7	6.2	6.8	4.1
4236	Electrical	4.1	7.0	4.1	6.9	1.1	0.7	1.6	1.5	4.2	5.0	3.1
4237	Hardware	6.9	8.6	7.0	8.7	1.4	0.6	1.6	2.2	6.6	6.8	1.4
4238	Machinery	4.9	4.3	4.8	4.3	1.5	0.5	2.3	1.2	5.0	4.5	2.3
4239	Misc. Durable	4.2	7.8	4.1	7.8	1.4	0.6	2.4	2.5	5.2	4.2	3.4
424	Nondurable	2.5	2.3	2.4	2.3	0.5	0.3	0.9	0.8	2.6	2.3	0.8
4241	Paper	6.1	5.7	6.1	5.7	1.2	0.6	1.6	1.7	6.4	6.5	1.0
4242	Drugs	5.5	5.6	5.5	5.6	0.9	0.4	1.4	0.9	6.0	5.2	1.5
4243	Apparel	6.3	5.0	6.2	4.9	2.0	0.7	2.8	2.4	7.2	5.8	2.7
4244	Groceries	3.8	7.3	3.8	7.2	0.8	0.7	1.6	1.7	4.4	4.6	1.4
4245	Farm products	7.0	9.4	6.9	9.5	2.0	1.9	2.1	3.4	7.4	7.5	2.4
4246	Chemicals	4.9	5.7	4.9	5.7	0.9	0.6	1.9	1.9	5.6	5.6	2.0
4247	Petroleum	9.9	11.0	9.9	11.2	0.9	1.4	2.1	3.2	10.5	10.0	1.8
4248	Alcohol	5.5	5.6	5.3	5.5	1.3	0.7	1.9	1.7	6.6	5.9	2.5
4249	Misc. Nondur.	7.9	9.2	7.8	9.2	1.9	1.0	2.7	2.3	8.1	8.8	3.2

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					
		2006		2005			2005	2006		2005			2005
		Feb.	Jan.r	Dec.r	Nov.	Oct.	Jan.r	Feb.	Jan.r	Dec.r	Nov.	Oct.	Jan.r
42	U.S. Total ¹	0.916	0.942	0.994	0.999	1.017	0.916	1.007	1.011	1.005	1.005	1.006	1.011
423	Durable	0.908	0.920	0.985	0.995	1.016	0.890	1.005	0.996	0.986	0.993	0.997	0.996
4231	Automotive	0.903	0.909	1.016	1.015	1.002	0.875	1.033	1.007	0.995	1.010	1.005	1.007
4232	Furniture	0.894	0.916	0.954	1.023	1.043	0.888	0.988	0.988	0.984	0.989	1.010	0.986
4233	Lumber	0.886	0.903	0.812	0.933	1.020	0.870	1.022	0.992	0.953	0.941	0.956	0.992
4234	Prof. equip.	0.889	0.906	1.101	0.978	0.990	0.885	0.995	1.006	0.986	1.020	1.022	1.005
42343	Comp. equip.	0.878	0.918	1.135	0.940	0.984	0.900	0.982	1.004	0.999	1.027	1.025	1.000
4235	Metals	0.945	0.979	0.892	0.949	0.993	0.935	1.002	1.004	1.007	0.985	0.982	1.003
4236	Electrical	0.907	0.926	0.954	1.028	1.046	0.899	0.991	0.989	0.982	0.994	1.001	0.989
4237	Hardware	0.896	0.925	0.906	0.988	1.036	0.891	1.012	0.993	0.988	0.979	0.988	0.992
4238	Machinery	0.893	0.919	1.018	0.933	0.990	0.879	0.998	0.980	0.982	0.987	0.983	0.980
4239	Misc. Durable	0.936	0.925	0.998	1.105	1.079	0.905	1.000	1.013	0.986	1.002	1.026	1.014
424	Nondurable	0.929	0.966	1.002	1.004	1.019	0.945	1.011	1.037	1.041	1.024	1.017	1.038
4241	Paper	0.919	0.965	0.978	0.996	1.026	0.940	0.988	0.995	1.026	1.008	0.998	0.996
4242	Drugs	0.924	1.002	1.041	1.022	0.997	0.959	0.978	1.034	1.052	1.009	1.014	1.037
4243	Apparel	1.003	0.910	0.845	1.005	1.077	0.883	0.982	1.018	0.984	0.972	1.009	1.019
4244	Groceries	0.906	0.944	1.005	1.008	1.009	0.933	0.989	1.009	1.030	1.033	1.028	1.008
4245	Farm products	0.965	1.105	1.117	1.170	1.092	1.058	1.186	1.166	1.118	1.063	1.020	1.172
4246	Chemicals	0.937	0.980	0.930	0.969	0.983	0.956	1.009	1.001	1.001	0.998	0.990	1.001
4247	Petroleum	0.931	0.993	0.954	0.945	1.044	0.975	1.021	1.071	1.105	1.003	0.980	1.066
4248	Alcohol	0.828	0.772	1.156	1.057	0.980	0.740	0.967	0.963	0.937	1.049	1.054	0.964
4249	Misc. Nondur.	0.953	0.940	0.967	0.924	0.967	0.933	1.042	1.068	1.073	1.027	1.010	1.065

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¹ Adjusted 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>.