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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES April 2006

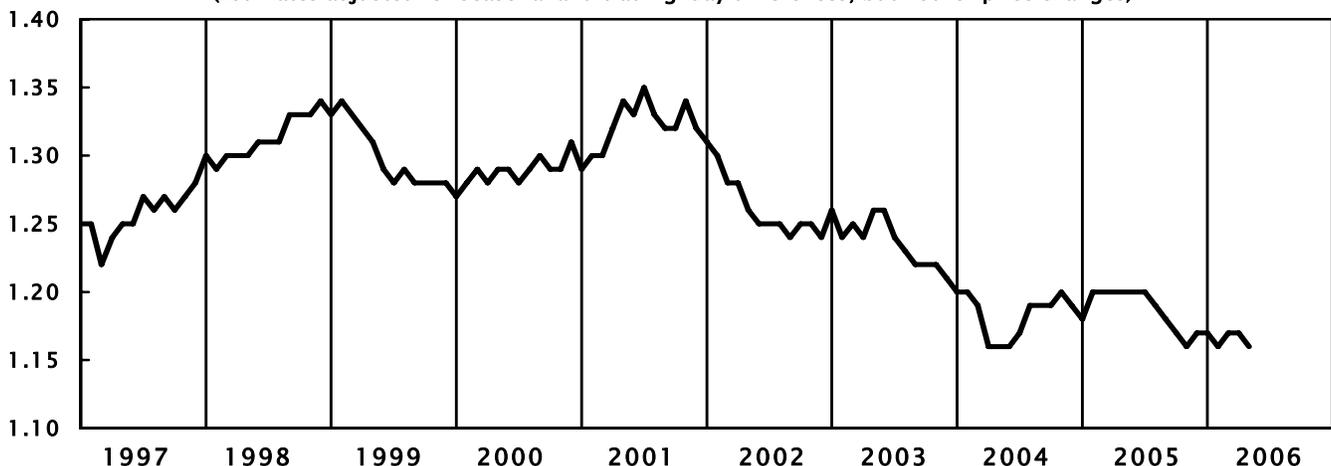
Sales. The U.S. Census Bureau announced today that April 2006 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$319.9 billion, up 1.3 percent (+/-0.5%) from the revised March level and were up 10.1 percent (+/-1.0%) from the April 2005 level. The March preliminary estimate was revised upward \$0.7 billion or 0.2 percent. April sales of durable goods decreased 0.3 percent (+/-0.8%)* from last month, but were up 7.3 percent (+/-1.3%) from a year ago. Sales of hardware, and plumbing and heating equipment and supplies increased 2.2 percent from last month. April sales of nondurable goods increased 2.9 percent (+/-0.8%) from last month and were up 12.8 percent (+/-1.5%) from last year. Sales of petroleum and petroleum products grew 8.7 percent from last month.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$371.3 billion at the end of April, up 0.9 percent (+/-0.3%) from last month, and were up 6.6 percent (+/-1.0%) from a year ago. The March preliminary estimate was revised upward \$1.1 billion or 0.3 percent. End-of-month inventories of durable goods increased 1.2 percent (+/-0.5%) from March and were up 7.8 percent (+/-1.3%) from last April. Inventories of motor vehicle and motor vehicle parts and supplies increased 2.8 percent from last month and metals and minerals, except petroleum were up 2.4 percent. End-of-month inventories of nondurable goods increased 0.5 percent (+/-0.5%)* from March and were up 4.8 percent (+/-1.2%) compared to last April. Inventories of drugs and druggists' sundries increased 1.1 percent from last month.

Inventories/Sales Ratio. The April inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.16. The April 2005 ratio was 1.20.

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/05-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 May is scheduled to be released July 10, 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		
		Apr. 2006 (p)	Mar. 2006 (r)	Apr. 2005 (r)	Apr./Mar.	Mar./Feb.	Apr. 06/ Apr. 05	Apr. 2006 (p)	Mar. 2006 (r)	Apr. 2005 (r)	Apr./Mar.	Mar./Feb.	Apr. 06/ Apr. 05	Apr. 2006 (p)	Mar. 2006 (r)	Apr. 2005 (r)
Adjusted²																
42	U.S. Total	319,863	315,710	290,603	1.3	0.9	10.1	371,276	367,871	348,130	0.9	0.6	6.6	1.16	1.17	1.20
423	Durable	155,577	155,994	144,964	-0.3	0.3	7.3	235,241	232,502	218,279	1.2	0.5	7.8	1.51	1.49	1.51
4231	Automotive	26,114	26,131	23,408	-0.1	-2.7	11.6	37,496	36,464	32,880	2.8	2.1	14.0	1.44	1.40	1.40
4232	Furniture	5,524	5,498	5,006	0.5	-0.1	10.3	7,772	7,800	7,640	-0.4	-0.8	1.7	1.41	1.42	1.53
4233	Lumber	11,714	11,861	10,884	-1.2	0.3	7.6	16,009	15,731	14,431	1.8	1.2	10.9	1.37	1.33	1.33
4234	Prof. equip.	26,742	27,153	25,075	-1.5	2.9	6.6	29,944	29,715	28,769	0.8	-1.4	4.1	1.12	1.09	1.15
42343	Comp. equip.	13,705	13,691	13,049	0.1	2.9	5.0	10,678	10,657	10,448	0.2	-0.9	2.2	0.78	0.78	0.80
4235	Metals	11,929	11,936	11,139	-0.1	1.3	7.1	19,487	19,021	20,160	2.4	0.3	-3.3	1.63	1.59	1.81
4236	Electrical	22,409	22,846	22,216	-1.9	0.1	0.9	29,053	28,759	27,387	1.0	0.7	6.1	1.30	1.26	1.23
4237	Hardware	7,674	7,511	6,763	2.2	0.8	13.5	14,157	14,097	12,445	0.4	0.7	13.8	1.84	1.88	1.84
4238	Machinery	26,646	26,399	24,117	0.9	0.5	10.5	59,534	58,894	52,943	1.1	0.8	12.4	2.23	2.23	2.20
4239	Misc. Durable	16,825	16,659	16,356	1.0	0.5	2.9	21,789	22,021	21,624	-1.1	-0.2	0.8	1.30	1.32	1.32
424	Nondurable	164,286	159,716	145,639	2.9	1.5	12.8	136,035	135,369	129,851	0.5	0.6	4.8	0.83	0.85	0.89
4241	Paper	7,849	7,925	7,242	-1.0	0.9	8.4	7,470	7,437	7,114	0.4	0.4	5.0	0.95	0.94	0.98
4242	Drugs	30,210	30,122	26,695	0.3	0.4	13.2	29,705	29,386	29,789	1.1	2.5	-0.3	0.98	0.98	1.12
4243	Apparel	10,145	9,935	9,605	2.1	-0.4	5.6	15,409	15,559	15,579	-1.0	-0.7	-1.1	1.52	1.57	1.62
4244	Groceries	36,875	36,568	34,993	0.8	0.2	5.4	24,687	24,503	23,227	0.8	-0.6	6.3	0.67	0.67	0.66
4245	Farm products	9,996	9,877	9,040	1.2	6.3	10.6	11,176	11,344	11,324	-1.5	-2.7	-1.3	1.12	1.15	1.25
4246	Chemicals	7,530	7,570	7,238	-0.5	0.4	4.0	8,559	8,488	8,104	0.8	1.9	5.6	1.14	1.12	1.12
4247	Petroleum	35,340	32,519	26,445	8.7	5.2	33.6	9,974	9,826	7,951	1.5	-2.1	25.4	0.28	0.30	0.30
4248	Alcohol	8,096	7,994	7,778	1.3	-1.5	4.1	9,263	9,250	8,648	0.1	3.1	7.1	1.14	1.16	1.11
4249	Misc. Nondur.	18,245	17,206	16,603	6.0	0.0	9.9	19,792	19,576	18,115	1.1	1.9	9.3	1.08	1.14	1.09
													Sales to date			
													2006		2005	
42	U.S. Total	308,927	339,617	288,907	-9.0	18.7	6.9	372,353	369,983	348,861	0.6	0.2	6.7	1,228,424	1,121,592	
423	Durable	149,272	169,900	143,573	-12.1	20.8	4.0	237,371	232,807	220,186	2.0	0.2	7.8	602,408	556,394	
4231	Automotive	25,722	28,927	23,876	-11.1	18.1	7.7	38,208	36,975	33,439	3.3	-0.1	14.3	102,913	92,278	
4232	Furniture	5,204	5,795	4,856	-10.2	17.2	7.2	7,593	7,628	7,472	-0.5	-1.8	1.6	20,978	18,819	
4233	Lumber	11,433	12,644	10,982	-9.6	20.9	4.1	16,649	16,313	14,994	2.1	2.1	11.0	45,966	41,661	
4234	Prof. equip.	23,961	30,031	23,019	-20.2	29.8	4.1	29,824	28,972	28,654	2.9	-3.6	4.1	100,847	94,294	
42343	Comp. equip.	12,211	15,088	11,901	-19.1	29.8	2.6	10,721	10,444	10,521	2.7	-1.5	1.9	50,954	49,745	
4235	Metals	11,893	12,951	11,484	-8.2	16.5	3.6	19,721	19,116	20,362	3.2	0.5	-3.1	47,207	44,318	
4236	Electrical	21,087	24,491	21,616	-13.9	18.3	-2.4	29,024	28,270	27,387	2.7	0.1	6.0	87,334	83,615	
4237	Hardware	7,444	7,849	6,777	-5.2	16.2	9.8	14,327	14,337	12,582	-0.1	1.2	13.9	28,803	26,108	
4238	Machinery	26,140	28,854	24,623	-9.4	22.4	6.2	60,367	59,483	53,737	1.5	2.3	12.3	102,400	90,702	
4239	Misc. Durable	16,388	18,358	16,340	-10.7	18.3	0.3	21,658	21,713	21,559	-0.3	-1.5	0.5	65,960	64,599	
424	Nondurable	159,655	169,717	145,334	-5.9	16.6	9.9	134,982	137,176	128,675	-1.6	0.2	4.9	626,016	565,198	
4241	Paper	7,213	8,504	6,916	-15.2	17.8	4.3	7,410	7,273	7,057	1.9	-0.8	5.0	30,496	27,888	
4242	Drugs	28,428	32,622	26,054	-12.9	16.9	9.1	29,556	30,003	29,580	-1.5	6.1	-0.1	117,665	104,146	
4243	Apparel	9,151	11,077	8,856	-17.4	11.7	3.3	14,639	14,828	14,784	-1.3	-3.8	-1.0	39,667	36,779	
4244	Groceries	35,658	38,177	34,503	-6.6	15.5	3.3	24,415	24,380	22,948	0.1	-0.3	6.4	141,748	135,163	
4245	Farm products	9,446	10,460	8,895	-9.7	16.7	6.2	11,925	13,148	11,947	-9.3	-6.3	-0.2	38,533	36,874	
4246	Chemicals	7,229	8,221	7,245	-12.1	16.5	-0.2	8,627	8,522	8,145	1.2	1.9	5.9	29,778	28,062	
4247	Petroleum	35,199	34,242	27,397	2.8	21.1	28.5	9,176	9,846	7,339	-6.8	-5.8	25.0	128,509	101,724	
4248	Alcohol	7,408	8,090	7,420	-8.4	20.1	-0.2	9,383	9,111	8,760	3.0	5.4	7.1	28,443	27,224	
4249	Misc. Nondur.	19,923	18,324	18,048	8.7	11.8	10.4	19,851	20,065	18,115	-1.1	0.8	9.6	71,177	67,338	

^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/mwts/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	1.6	1.5	1.5	0.3	0.2	0.6	0.6	1.5	1.4	0.5
423	Durable	1.4	1.9	1.4	1.9	0.5	0.3	0.8	0.8	1.4	1.4	0.5
4231	Automotive	3.2	4.7	3.2	4.6	1.0	0.8	1.6	1.9	3.1	3.3	1.4
4232	Furniture	7.4	10.1	7.5	10.0	1.7	0.6	2.5	1.8	7.0	7.0	1.9
4233	Lumber	5.7	7.2	5.7	7.2	1.4	0.8	1.8	2.3	5.6	5.7	1.3
4234	Prof. equip.	4.2	6.4	4.2	6.3	1.2	0.5	2.5	2.3	4.4	4.6	1.9
42343	Comp. equip.	8.9	10.4	9.0	10.4	1.8	1.0	4.0	3.5	8.8	9.8	2.5
4235	Metals	6.6	11.2	6.6	11.1	1.5	0.8	2.6	2.3	6.3	6.5	1.5
4236	Electrical	4.2	7.1	4.1	7.1	1.3	0.7	1.6	1.6	4.3	4.8	1.3
4237	Hardware	6.8	8.6	6.9	8.7	1.3	0.5	1.8	2.3	7.0	6.8	1.2
4238	Machinery	5.0	4.3	5.0	4.3	1.5	0.5	2.3	1.2	5.1	4.5	1.3
4239	Misc. Durable	4.4	7.8	4.2	7.8	1.6	0.6	2.5	2.0	4.5	4.1	2.4
424	Nondurable	2.6	2.4	2.5	2.4	0.5	0.3	0.9	0.7	2.5	2.3	0.7
4241	Paper	6.4	6.0	6.4	5.8	1.2	0.6	1.6	1.5	6.5	5.6	1.1
4242	Drugs	5.9	5.7	5.7	5.7	0.9	0.5	1.4	0.8	6.1	5.2	1.3
4243	Apparel	6.8	5.2	6.6	5.1	1.5	0.7	2.8	2.1	7.1	5.6	2.2
4244	Groceries	4.1	7.3	4.0	7.3	0.8	0.8	1.5	1.7	4.5	4.5	1.0
4245	Farm products	7.0	9.1	6.9	9.5	2.0	1.7	2.1	3.2	6.9	6.8	1.4
4246	Chemicals	5.0	5.7	4.9	5.7	0.9	0.5	2.0	1.6	5.4	5.2	1.6
4247	Petroleum	10.1	11.6	10.0	11.7	0.8	1.3	1.8	2.8	9.8	9.9	1.5
4248	Alcohol	5.8	5.6	5.7	5.6	1.2	0.7	2.0	1.5	6.1	5.6	1.8
4249	Misc. Nondur.	8.0	9.3	8.0	9.2	1.8	0.9	2.6	2.2	9.0	9.4	2.3

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/mwts/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	2006					2005
		May	Apr.r	Mar.r	Feb.	Jan.	Apr.r	May	Apr.r	Mar.r	Feb.	Jan.	Apr.r
42	U.S. Total ¹	1.039	0.964	1.072	0.915	0.941	0.993	0.990	1.003	1.005	1.009	1.010	1.003
423	Durable	1.030	0.957	1.086	0.907	0.919	0.988	1.003	1.009	1.001	1.006	0.995	1.009
4231	Automotive	1.033	0.985	1.107	0.912	0.900	1.020	0.999	1.019	1.014	1.036	1.001	1.017
4232	Furniture	1.020	0.942	1.054	0.898	0.915	0.970	0.994	0.977	0.978	0.988	0.990	0.978
4233	Lumber	1.079	0.976	1.066	0.884	0.916	1.009	1.044	1.040	1.037	1.028	0.993	1.039
4234	Prof. equip.	0.987	0.896	1.106	0.877	0.904	0.918	0.981	0.996	0.975	0.997	1.002	0.996
42343	Comp. equip.	0.981	0.891	1.102	0.874	0.912	0.912	0.974	1.004	0.980	0.986	1.003	1.007
4235	Metals	1.055	0.997	1.085	0.944	0.973	1.031	1.011	1.012	1.005	1.003	0.998	1.010
4236	Electrical	1.012	0.941	1.072	0.907	0.924	0.973	1.004	0.999	0.983	0.989	0.984	1.000
4237	Hardware	1.056	0.970	1.045	0.907	0.927	1.002	1.013	1.012	1.017	1.012	0.993	1.011
4238	Machinery	1.074	0.981	1.093	0.897	0.917	1.021	1.010	1.014	1.010	0.996	0.983	1.015
4239	Misc. Durable	0.996	0.974	1.102	0.936	0.931	0.999	0.984	0.994	0.986	0.999	1.018	0.997
424	Nondurable	1.047	0.970	1.063	0.926	0.966	0.997	0.968	0.993	1.013	1.015	1.034	0.991
4241	Paper	1.017	0.919	1.073	0.919	0.970	0.955	1.000	0.992	0.978	0.990	0.994	0.992
4242	Drugs	1.024	0.941	1.083	0.930	0.998	0.976	0.972	0.995	1.021	0.986	1.033	0.993
4243	Apparel	0.969	0.902	1.115	0.994	0.916	0.922	0.970	0.950	0.953	0.984	1.015	0.949
4244	Groceries	1.065	0.967	1.044	0.906	0.943	0.986	0.985	0.989	0.995	0.992	1.006	0.988
4245	Farm products	1.001	0.945	1.059	0.965	1.099	0.984	0.913	1.067	1.159	1.203	1.163	1.055
4246	Chemicals	1.043	0.960	1.086	0.936	0.980	1.001	1.009	1.008	1.004	1.004	0.999	1.005
4247	Petroleum	1.043	0.996	1.053	0.915	0.987	1.036	0.910	0.920	1.002	1.042	1.081	0.923
4248	Alcohol	1.106	0.915	1.012	0.830	0.772	0.954	0.997	1.013	0.985	0.963	0.965	1.013
4249	Misc. Nondur.	1.122	1.092	1.065	0.952	0.946	1.087	0.960	1.003	1.025	1.036	1.067	1.000

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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>.