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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES January 2007

Intention to Revise Wholesale Data: Monthly wholesale sales, inventories, and inventories/sales ratios will be revised based on the results of the 2005 Annual Wholesale Trade Survey. Revised unadjusted and corresponding adjusted data are tentatively scheduled for release on our website on March 29, 2007.

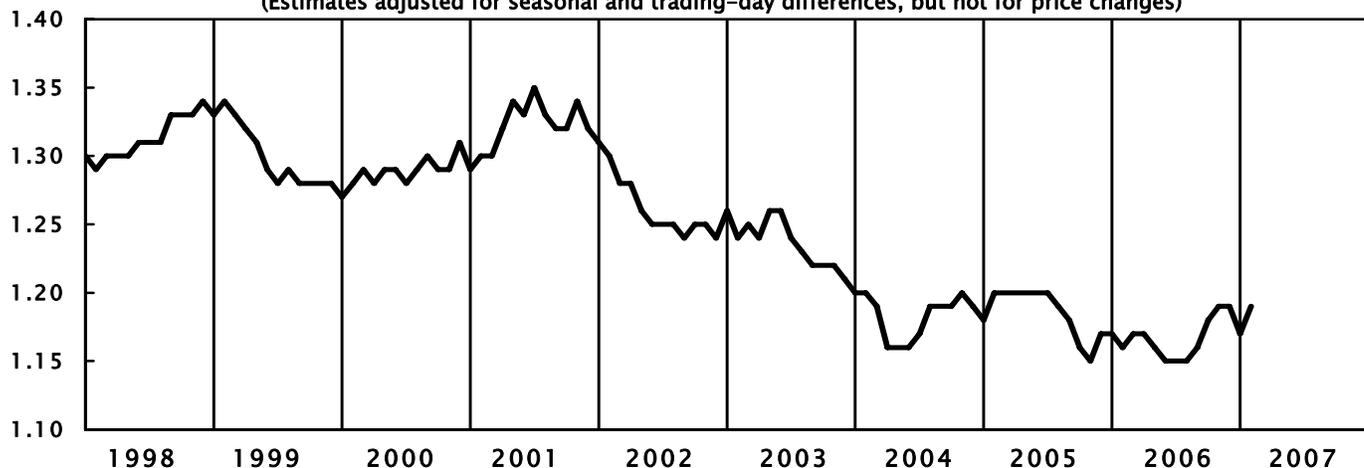
Sales. The U.S. Census Bureau announced today that January 2007 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$333.4 billion, down 0.9 percent (+/-0.5%) from the revised December level, but were up 6.2 percent (+/-1.2%) from the January 2006 level. The December preliminary estimate was revised downward \$0.5 billion or 0.2 percent. January sales of durable goods were virtually unchanged (+/-0.8%)* from last month, but were up 5.7 percent (+/-2.0%) from a year ago. Compared to last month, sales of computer and computer peripheral equipment and software were down 5.0 percent, while sales of metals and minerals, except petroleum, increased 4.4 percent. January sales of nondurable goods were down 1.8 percent (+/-0.7%) from last month, but were up 6.7 percent (+/-2.0%) from last year. Compared to last month, sales of petroleum and petroleum products decreased 11.1 percent and sales of beer, wine, and distilled alcoholic beverages were down 5.3 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$396.7 billion at the end of January, up 0.7 percent (+/-0.3%) from last month and were up 9.2 percent (+/-1.7%) from a year ago. The December preliminary estimate was revised upward \$0.1 billion. End-of-month inventories of durable goods increased 1.1 percent (+/-0.5%) from December and were up 9.3 percent (+/-2.3%) from last January. Compared to last month, inventories of motor vehicle and motor vehicle parts and supplies were up 3.1 percent and inventories of machinery, equipment, and supplies increased 2.7 percent. End-of-month inventories of nondurable goods increased 0.1 percent (+/-0.7%)* from December and were up 9.0 percent (+/-3.5%) compared to last January. Inventories of beer, wine, and distilled alcoholic beverages were up 3.1 percent from last month, while inventories of petroleum and petroleum products decreased 3.2 percent.

Inventories/Sales Ratio. The January inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.19. The January 2006 ratio was 1.16.

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: 1998 to 2007
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for February is scheduled to be released April 6, 2007 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. 2007 (p)	Dec. 2006 (r)	Jan. 2006 (r)	Jan./Dec.	Dec./Nov.	Jan. 07/Jan. 06	Jan. 2007 (p)	Dec. 2006 (r)	Jan. 2006 (r)	Jan./Dec.	Dec./Nov.	Jan. 07/Jan. 06	Jan. 2007 (p)	Dec. 2006 (r)	Jan. 2006 (r)
Adjusted²																
42	U.S. Total	333,421	336,574	314,056	-0.9	1.6	6.2	396,725	393,894	363,319	0.7	-0.5	9.2	1.19	1.17	1.16
423	Durable	164,515	164,486	155,708	0.0	0.9	5.7	251,421	248,665	230,014	1.1	-0.3	9.3	1.53	1.51	1.48
4231	Automotive	28,256	29,535	26,292	-4.3	3.3	7.5	37,899	36,747	34,922	3.1	-3.1	8.5	1.34	1.24	1.33
4232	Furniture	6,151	6,025	5,455	2.1	0.5	12.8	8,614	8,544	7,886	0.8	1.7	9.2	1.40	1.42	1.45
4233	Lumber	10,298	10,427	12,845	-1.2	0.7	-19.8	16,348	16,405	15,570	-0.3	-0.4	5.0	1.59	1.57	1.21
4234	Prof. equip.	28,080	28,181	26,174	-0.4	0.9	7.3	32,333	32,147	29,553	0.6	0.7	9.4	1.15	1.14	1.13
42343	Comp. equip.	14,443	15,202	13,295	-5.0	1.0	8.6	11,204	11,072	10,718	1.2	-1.4	4.5	0.78	0.73	0.81
4235	Metals	13,277	12,722	11,638	4.4	-2.2	14.1	24,070	24,169	18,934	-0.4	1.0	27.1	1.81	1.90	1.63
4236	Electrical	25,734	25,972	22,811	-0.9	1.7	12.8	31,864	31,561	28,262	1.0	-0.4	12.7	1.24	1.22	1.24
4237	Hardware	7,261	7,353	7,407	-1.3	2.1	-2.0	14,379	14,513	14,121	-0.9	-0.9	1.8	1.98	1.97	1.91
4238	Machinery	27,597	26,916	26,023	2.5	-0.9	6.0	65,169	63,485	58,385	2.7	0.1	11.6	2.36	2.36	2.24
4239	Misc. Durable	17,861	17,355	17,063	2.9	1.1	4.7	20,745	21,094	22,381	-1.7	0.0	-7.3	1.16	1.22	1.31
424	Nondurable	168,906	172,088	158,348	-1.8	2.3	6.7	145,304	145,229	133,305	0.1	-0.7	9.0	0.86	0.84	0.84
4241	Paper	8,067	7,981	7,788	1.1	0.3	3.6	7,682	7,558	7,337	1.6	0.4	4.7	0.95	0.95	0.94
4242	Drugs	30,991	31,024	29,067	-0.1	2.2	6.6	30,417	31,065	27,999	-2.1	-0.6	8.6	0.98	1.00	0.96
4243	Apparel	10,985	10,886	10,558	0.9	-3.5	4.0	16,481	16,107	15,424	2.3	2.2	6.9	1.50	1.48	1.46
4244	Groceries	40,371	39,017	36,659	3.5	4.0	10.1	27,469	27,171	24,378	1.1	0.6	12.7	0.68	0.70	0.66
4245	Farm products	11,024	10,667	8,777	3.3	1.5	25.6	16,362	16,660	11,291	-1.8	-4.5	44.9	1.48	1.56	1.29
4246	Chemicals	8,250	8,226	7,398	0.3	2.6	11.5	8,805	8,614	8,368	2.2	0.5	5.2	1.07	1.05	1.13
4247	Petroleum	33,258	37,423	32,142	-11.1	5.9	3.5	9,370	9,675	10,426	-3.2	-7.3	-10.1	0.28	0.26	0.32
4248	Alcohol	8,352	8,819	8,034	-5.3	-0.7	4.0	10,019	9,719	8,950	3.1	1.7	11.9	1.20	1.10	1.11
4249	Misc. Nondur.	17,608	18,045	17,925	-2.4	-2.0	-1.8	18,699	18,660	19,132	0.2	-0.5	-2.3	1.06	1.03	1.07
													Sales to date			
													2007		2006	
42	U.S. Total	321,358	324,400	293,685	-0.9	-0.8	9.4	400,438	396,393	366,358	1.0	-0.4	9.3	321,358	293,685	
423	Durable	155,185	158,285	142,536	-2.0	-1.7	8.9	249,825	244,804	228,665	2.1	-1.6	9.3	155,185	142,536	
4231	Automotive	26,222	29,801	23,768	-12.0	3.9	10.3	37,975	36,233	35,027	4.8	-6.1	8.4	26,222	23,768	
4232	Furniture	5,837	5,543	5,035	5.3	-10.7	15.9	8,571	8,450	7,831	1.4	1.6	9.4	5,837	5,035	
4233	Lumber	9,474	8,383	11,432	13.0	-12.4	-17.1	16,135	15,634	15,399	3.2	0.8	4.8	9,474	11,432	
4234	Prof. equip.	26,199	30,407	23,714	-13.8	10.1	10.5	32,592	31,793	29,760	2.5	-2.5	9.5	26,199	23,714	
42343	Comp. equip.	13,475	17,421	12,032	-22.7	21.2	12.0	11,305	11,105	10,782	1.8	-4.6	4.9	13,475	12,032	
4235	Metals	13,184	10,712	11,242	23.1	-13.4	17.3	24,046	24,435	18,915	-1.6	3.2	27.1	13,184	11,242	
4236	Electrical	24,499	24,388	21,055	0.5	-6.3	16.4	31,259	30,835	27,753	1.4	-2.6	12.6	24,499	21,055	
4237	Hardware	6,760	6,471	6,755	4.5	-6.1	0.1	14,192	14,368	13,952	-1.2	0.3	1.7	6,760	6,755	
4238	Machinery	26,024	26,162	23,837	-0.5	4.0	9.2	64,061	62,152	57,334	3.1	-1.3	11.7	26,024	23,837	
4239	Misc. Durable	16,986	16,418	15,698	3.5	-11.0	8.2	20,994	20,904	22,694	0.4	-1.4	-7.5	16,986	15,698	
424	Nondurable	166,173	166,115	151,149	0.0	-0.1	9.9	150,613	151,589	137,693	-0.6	1.8	9.4	166,173	151,149	
4241	Paper	8,123	7,590	7,562	7.0	-3.8	7.4	7,667	7,709	7,322	-0.5	2.0	4.7	8,123	7,562	
4242	Drugs	31,704	30,807	28,718	2.9	1.1	10.4	30,630	32,836	28,363	-6.7	4.3	8.0	31,704	28,718	
4243	Apparel	10,293	9,101	9,523	13.1	-20.4	8.1	16,860	15,785	15,763	6.8	3.0	7.0	10,293	9,523	
4244	Groceries	39,442	38,237	34,863	3.2	0.9	13.1	27,799	28,176	24,622	-1.3	-0.4	12.9	39,442	34,863	
4245	Farm products	12,601	11,296	9,664	11.6	-4.3	30.4	19,765	19,376	13,549	2.0	5.2	45.9	12,601	9,664	
4246	Chemicals	8,431	7,395	7,272	14.0	-4.5	15.9	8,787	8,545	8,360	2.8	0.5	5.1	8,431	7,272	
4247	Petroleum	32,294	35,065	30,792	-7.9	8.6	4.9	9,717	10,362	10,885	-6.2	-0.5	-10.7	32,294	30,792	
4248	Alcohol	6,698	9,842	6,210	-31.9	4.0	7.9	9,698	9,058	8,664	7.1	-9.7	11.9	6,698	6,210	
4249	Misc. Nondur.	16,587	16,782	16,545	-1.2	-2.6	0.3	19,690	19,742	20,165	-0.3	4.2	-2.4	16,587	16,545	

^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/naics02/naicod02.htm#N42>.

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	0.9	1.3	0.9	1.3	0.3	0.2	0.7	1.0	0.7	0.6	0.8
423	Durable	1.6	1.6	1.6	1.6	0.5	0.3	1.2	1.4	1.7	1.3	1.3
4231	Automotive	2.7	4.8	2.7	4.8	0.8	0.6	2.0	6.2	3.5	2.2	2.7
4232	Furniture	3.2	4.4	3.1	4.5	1.6	0.9	3.2	6.2	3.9	2.9	4.6
4233	Lumber	4.2	7.8	4.1	7.8	1.2	0.8	2.8	6.7	4.7	5.1	2.8
4234	Prof. equip.	3.7	4.6	3.6	4.5	1.4	0.6	2.3	4.1	3.8	2.8	2.5
42343	Comp. equip.	5.5	7.1	5.4	6.5	2.7	1.0	5.0	9.4	6.7	4.6	6.7
4235	Metals	3.5	5.5	3.5	5.5	1.0	0.6	2.7	5.4	3.3	2.3	2.7
4236	Electrical	3.1	2.7	3.1	2.6	0.9	0.4	3.4	2.4	3.6	2.8	3.4
4237	Hardware	4.6	4.8	4.6	4.8	1.4	0.7	4.8	4.6	5.5	2.8	5.2
4238	Machinery	3.5	2.4	3.1	2.4	1.6	0.7	2.7	3.2	4.4	2.6	4.5
4239	Misc. Durable	4.6	5.4	4.7	5.4	1.6	0.9	5.5	3.7	5.6	2.7	6.6
424	Nondurable	1.3	2.0	1.3	1.9	0.4	0.4	1.2	2.1	1.2	0.9	1.2
4241	Paper	6.7	6.3	6.3	5.6	1.0	0.9	4.8	3.5	7.4	4.4	5.6
4242	Drugs	3.0	5.3	3.0	5.0	0.9	0.5	2.8	6.1	3.5	2.2	2.8
4243	Apparel	4.1	5.2	4.1	5.1	2.2	1.2	3.2	4.2	3.5	3.9	3.0
4244	Groceries	3.4	6.8	3.4	6.4	0.9	0.7	2.0	6.7	2.9	3.4	2.0
4245	Farm products	5.0	7.8	4.9	7.9	1.6	1.4	3.7	5.1	4.2	4.7	3.5
4246	Chemicals	6.8	6.4	6.8	6.3	1.4	0.8	6.7	7.8	6.0	5.6	6.5
4247	Petroleum	3.4	3.9	3.3	3.8	0.8	1.0	3.8	4.9	3.8	2.3	3.8
4248	Alcohol	7.6	3.5	7.5	3.7	1.1	1.1	2.1	3.3	7.9	8.1	3.0
4249	Misc. Nondur.	4.5	5.4	4.4	5.3	1.1	0.7	3.9	5.5	4.2	2.0	3.7

Note: Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation or trading-day differences and are derived from estimates for the period July 2006 to present. 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					
		2007		2006			2006	2007		2006			2006
		Feb.	Jan.r	Dec.r	Nov.	Oct.	Jan.r	Feb.	Jan.r	Dec.r	Nov.	Oct.	Jan.r
42	U.S. Total ¹	0.911	0.963	0.964	0.988	1.041	0.938	1.007	1.008	1.003	1.008	1.005	1.009
423	Durable	0.905	0.943	0.960	0.988	1.048	0.918	1.002	0.995	0.985	0.998	1.000	0.995
4231	Automotive	0.917	0.928	1.009	1.004	1.034	0.904	1.033	1.002	0.986	1.018	1.006	1.003
4232	Furniture	0.901	0.949	0.920	1.036	1.083	0.923	0.988	0.995	0.989	0.990	1.017	0.993
4233	Lumber	0.889	0.920	0.804	0.924	1.034	0.890	1.017	0.987	0.953	0.942	0.948	0.989
4234	Prof. equip.	0.880	0.933	1.079	0.989	1.026	0.906	0.995	1.008	0.989	1.021	1.032	1.007
42343	Comp. equip.	0.870	0.933	1.146	0.955	1.006	0.905	0.987	1.009	1.003	1.037	1.036	1.006
4235	Metals	0.939	0.993	0.842	0.951	1.039	0.966	0.990	0.999	1.011	0.989	0.994	0.999
4236	Electrical	0.904	0.952	0.939	1.019	1.073	0.923	0.987	0.981	0.977	0.999	1.004	0.982
4237	Hardware	0.897	0.931	0.880	0.957	1.067	0.912	1.006	0.987	0.990	0.978	0.984	0.988
4238	Machinery	0.897	0.943	0.972	0.926	1.020	0.916	0.995	0.983	0.979	0.993	0.988	0.982
4239	Misc. Durable	0.921	0.951	0.946	1.074	1.093	0.920	0.996	1.012	0.991	1.005	1.027	1.014
424	Nondurable	0.919	0.985	0.969	0.991	1.038	0.959	1.013	1.031	1.040	1.027	1.012	1.032
4241	Paper	0.921	1.007	0.951	0.992	1.056	0.971	0.993	0.998	1.020	1.004	1.009	0.998
4242	Drugs	0.928	1.023	0.993	1.004	1.037	0.988	0.970	1.007	1.057	1.008	1.008	1.013
4243	Apparel	0.984	0.937	0.836	1.013	1.132	0.902	0.990	1.023	0.980	0.972	1.016	1.022
4244	Groceries	0.910	0.977	0.980	1.010	1.023	0.951	0.994	1.012	1.037	1.047	1.023	1.010
4245	Farm products	0.962	1.143	1.059	1.123	1.149	1.101	1.214	1.208	1.163	1.056	1.004	1.200
4246	Chemicals	0.934	1.022	0.899	0.966	1.013	0.983	1.003	0.998	0.992	0.992	0.986	0.999
4247	Petroleum	0.889	0.971	0.937	0.913	1.026	0.958	1.011	1.037	1.071	0.997	0.962	1.044
4248	Alcohol	0.827	0.802	1.116	1.066	1.031	0.773	0.967	0.968	0.932	1.049	1.050	0.968
4249	Misc. Nondur.	0.929	0.942	0.930	0.936	0.955	0.923	1.035	1.053	1.058	1.010	0.996	1.054

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 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 employer firms selected in a probability sample of approximately 4,500. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 30% of the total sales estimate and 31% 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/whl>.