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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES September 2007

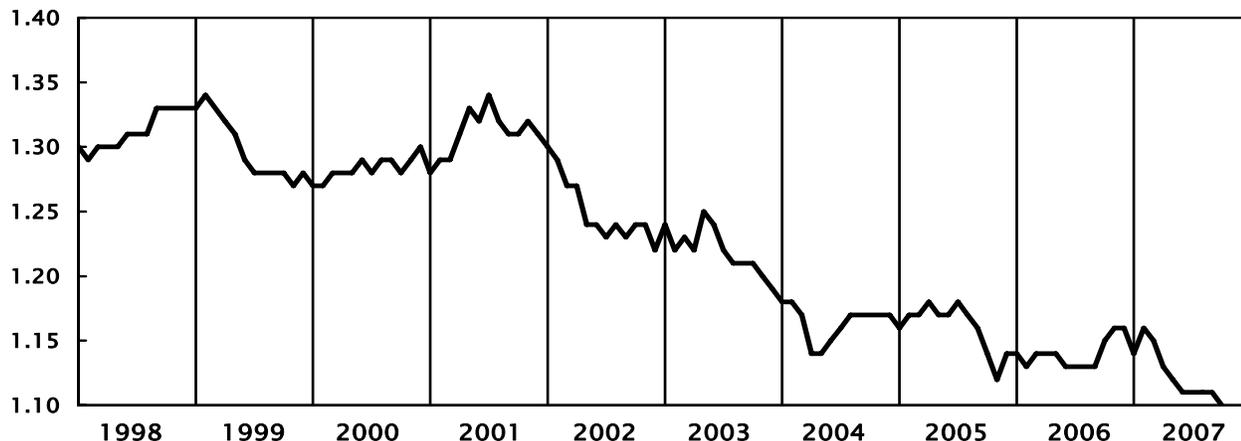
Sales. The U.S. Census Bureau announced today that September 2007 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$366.8 billion, up 1.3 percent (+/-0.5%) from the revised August level and were up 9.9 percent (+/-1.3%) from the September 2006 level. The August preliminary estimate was revised upward \$1.3 billion or 0.4 percent. September sales of durable goods were up 0.3 percent (+/-0.8%)* from last month and were up 4.6 percent (+/-2.0%) from a year ago. Compared to last month, sales of motor vehicle and motor vehicle parts and supplies were up 4.1 percent, while sales of metals and minerals, except petroleum, were down 3.7 percent. Sales of nondurable goods were up 2.1 percent (+/-0.7%) from last month and were up 15.1 percent (+/-2.0%) from last year. Sales of petroleum and petroleum products were up 7.7 percent from last month, and sales of farm product raw materials were up 5.2 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$404.5 billion at the end of September, up 0.8 percent (+/-0.3%) from the revised August level and were up 5.2 percent (+/-1.8%) from a year ago. The August preliminary estimate was revised upward \$2.3 billion, or 0.6 percent. End-of-month inventories of durable goods were up 0.7 percent (+/-0.5%) from last month and were up 1.3 percent (+/-2.3%)* from last September. Inventories of computer and computer peripheral equipment and software were up 2.0 percent from last month. End-of-month inventories of nondurable goods increased 1.0 percent (+/-0.5%) from August and were up 12.2 percent (+/-3.6%) compared to last September. Inventories of farm product raw materials were up 9.6 percent from last month.

Inventories/Sales Ratio. The September inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.10. The September 2006 ratio was 1.15.

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 can be found at: <<http://www.census.gov/mwts/www/mwtsreliability.html>>.

**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 October is scheduled to be released December 11, 2007 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		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		Sep. 2007 (p)	Aug. 2007 (r)	Sep. 2006 (r)	Sep./ Aug.	Aug./ Jul.	Sep. 07/ Sep. 06	Sep. 2007 (p)	Aug. 2007 (r)	Sep. 2006 (r)	Sep./ Aug.	Aug./ Jul.	Sep. 07/ Sep. 06	Sep. 2007 (p)	Aug. 2007 (r)	Sep. 2006 (r)
Adjusted²																
42	U.S. Total	366,826	362,232	333,762	1.3	0.8	9.9	404,549	401,359	384,617	0.8	0.7	5.2	1.10	1.11	1.15
423	.Durable	172,149	171,642	164,558	0.3	1.0	4.6	250,783	249,139	247,583	0.7	0.6	1.3	1.46	1.45	1.50
4231	..Automotive	28,678	27,553	26,599	4.1	2.4	7.8	38,098	37,727	38,697	1.0	2.2	-1.5	1.33	1.37	1.45
4232	..Furniture	6,051	5,977	5,845	1.2	-3.3	3.5	7,962	8,002	7,505	-0.5	-0.5	6.1	1.32	1.34	1.28
4233	..Lumber	10,349	10,563	11,753	-2.0	-1.8	-11.9	14,179	14,314	15,533	-0.9	0.8	-8.7	1.37	1.36	1.32
4234	..Prof. equip.	29,650	30,372	28,386	-2.4	-0.1	4.5	32,647	32,430	30,554	0.7	1.0	6.9	1.10	1.07	1.08
42343	...Comp. equip.	15,485	15,901	14,936	-2.6	-1.1	3.7	12,518	12,272	11,402	2.0	2.5	9.8	0.81	0.77	0.76
4235	..Metals	13,157	13,660	13,758	-3.7	-0.9	-4.4	23,352	23,498	24,388	-0.6	-1.5	-4.2	1.77	1.72	1.77
4236	..Electrical	26,038	25,497	25,447	2.1	0.6	2.3	32,255	32,112	31,839	0.4	0.2	1.3	1.24	1.26	1.25
4237	..Hardware	7,943	7,953	7,651	-0.1	1.5	3.8	15,392	15,261	14,831	0.9	0.0	3.8	1.94	1.92	1.94
4238	..Machinery	30,324	29,702	27,218	2.1	2.3	11.4	64,157	63,337	61,633	1.3	0.4	4.1	2.12	2.13	2.26
4239	..Misc. Durable	19,959	20,365	17,901	-2.0	3.2	11.5	22,741	22,458	22,603	1.3	1.1	0.6	1.14	1.10	1.26
424	.Nondurable	194,677	190,590	169,204	2.1	0.6	15.1	153,766	152,220	137,034	1.0	0.8	12.2	0.79	0.80	0.81
4241	..Paper	8,183	8,196	7,744	-0.2	0.6	5.7	6,858	6,822	6,395	0.5	-1.5	7.2	0.84	0.83	0.83
4242	..Drugs	32,874	33,851	31,745	-2.9	1.3	3.6	31,406	31,871	31,355	-1.5	2.2	0.2	0.96	0.94	0.99
4243	..Apparel	11,046	11,184	10,531	-1.2	2.4	4.9	15,854	15,862	14,859	-0.1	0.8	6.7	1.44	1.42	1.41
4244	..Groceries	43,220	42,798	38,913	1.0	0.6	11.1	27,347	27,391	24,574	-0.2	-0.8	11.3	0.63	0.64	0.63
4245	..Farm products	17,690	16,811	11,280	5.2	9.2	56.8	20,665	18,847	11,306	9.6	10.2	82.8	1.17	1.12	1.00
4246	..Chemicals	8,743	8,401	7,997	4.1	0.2	9.3	9,174	9,094	8,764	0.9	-2.2	4.7	1.05	1.08	1.10
4247	..Petroleum	44,596	41,397	34,930	7.7	-2.7	27.7	12,844	13,040	13,009	-1.5	-3.8	-1.3	0.29	0.31	0.37
4248	..Alcohol	8,723	8,652	8,152	0.8	0.4	7.0	10,507	10,342	9,406	1.6	-3.0	11.7	1.20	1.20	1.15
4249	..Misc. Nondur.	19,602	19,300	17,912	1.6	-1.2	9.4	19,111	18,951	17,366	0.8	0.4	10.0	0.97	0.98	0.97
													Sales to date			
													2007		2006	
42	U.S. Total	354,719	381,067	332,969	-6.9	7.2	6.5	401,296	395,877	383,002	1.4	-0.4	4.8	3,179,026	2,947,739	
423	.Durable	168,163	181,215	166,197	-7.2	8.8	1.2	250,180	248,739	246,818	0.6	-0.5	1.4	1,518,674	1,446,184	
4231	..Automotive	26,384	28,683	25,163	-8.0	9.1	4.9	37,260	35,727	37,768	4.3	-3.0	-1.3	245,029	237,911	
4232	..Furniture	5,948	6,389	5,927	-6.9	4.3	0.4	8,121	8,274	7,648	-1.8	0.5	6.2	54,667	49,862	
4233	..Lumber	10,070	12,074	11,894	-16.6	7.0	-15.3	14,023	14,386	15,347	-2.5	0.0	-8.6	99,445	115,171	
4234	..Prof. equip.	31,014	31,071	30,543	-0.2	7.8	1.5	32,810	32,657	30,676	0.5	1.0	7.0	263,246	243,593	
42343	...Comp. equip.	16,786	15,901	16,698	5.6	4.9	0.5	12,631	12,162	11,470	3.9	1.3	10.1	137,952	125,879	
4235	..Metals	12,341	14,712	13,428	-16.1	6.2	-8.1	23,375	23,592	24,412	-0.9	-2.1	-4.2	125,849	118,143	
4236	..Electrical	26,324	27,103	26,490	-2.9	9.2	-0.6	32,836	32,754	32,444	0.3	-0.1	1.2	226,934	214,418	
4237	..Hardware	7,808	8,868	7,766	-12.0	10.9	0.5	15,377	15,368	14,801	0.1	-0.3	3.9	70,787	70,167	
4238	..Machinery	29,293	31,543	27,354	-7.1	9.2	7.1	63,387	63,590	60,893	-0.3	-0.6	4.1	259,410	241,277	
4239	..Misc. Durable	18,981	20,772	17,632	-8.6	12.8	7.7	22,991	22,391	22,829	2.7	2.1	0.7	173,307	155,642	
424	.Nondurable	186,556	199,852	166,772	-6.7	5.8	11.9	151,116	147,138	136,184	2.7	-0.2	11.0	1,660,352	1,501,555	
4241	..Paper	7,978	8,860	7,837	-10.0	12.3	1.8	6,892	6,829	6,433	0.9	-1.9	7.1	72,611	70,228	
4242	..Drugs	30,967	34,765	31,110	-10.9	7.7	-0.5	32,128	31,457	32,013	2.1	2.1	0.4	292,334	277,757	
4243	..Apparel	11,311	12,672	11,047	-10.7	14.7	2.4	16,694	16,845	15,632	-0.9	2.6	6.8	96,877	91,278	
4244	..Groceries	41,448	44,382	38,057	-6.6	4.5	8.9	27,156	27,172	24,427	-0.1	0.5	11.2	381,200	337,358	
4245	..Farm products	15,903	15,180	10,457	4.8	11.1	52.1	16,532	14,267	9,056	15.9	1.9	82.6	126,667	93,932	
4246	..Chemicals	8,367	8,997	7,949	-7.0	8.2	5.3	9,091	9,094	8,685	0.0	-2.5	4.7	75,907	70,487	
4247	..Petroleum	43,793	45,537	35,349	-3.8	0.7	23.9	13,101	13,118	13,282	-0.1	-7.1	-1.4	365,779	329,313	
4248	..Alcohol	8,069	9,561	7,842	-15.6	11.1	2.9	10,717	10,239	9,585	4.7	-5.3	11.8	74,219	69,435	
4249	..Misc. Nondur.	18,720	19,898	17,124	-5.9	2.7	9.3	18,805	18,117	17,071	3.8	1.2	10.2	174,758	161,767	

Footnotes:

^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 to previous year sales to date
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	
42	U.S. Total	0.9	1.3	0.9	1.3	0.3	0.2	0.8	1.1	0.8	0.6	0.6
423	..Durable	1.4	1.5	1.4	1.5	0.5	0.3	1.2	1.4	1.3	1.3	0.9
4231	..Automotive	2.7	4.3	2.8	4.2	0.8	0.7	2.0	4.6	2.9	2.2	1.5
4232	..Furniture	3.4	4.4	3.3	4.3	1.7	0.9	3.3	6.1	3.1	3.0	2.6
4233	..Lumber	4.6	7.6	4.2	7.5	1.0	0.7	2.8	5.1	4.3	4.5	2.1
4234	..Prof. equip.	4.0	4.7	4.0	4.7	1.0	0.5	2.5	4.1	4.0	3.0	2.0
42343	...Comp. equip.	6.4	7.2	6.4	7.3	1.9	0.9	5.7	9.4	6.3	4.2	3.9
4235	..Metals	4.0	5.7	3.9	5.6	1.3	0.7	2.9	5.4	4.0	2.6	2.3
4236	..Electrical	3.4	3.3	3.4	3.4	0.8	0.4	2.9	2.3	3.3	2.9	2.0
4237	..Hardware	5.1	5.1	5.0	5.1	1.6	0.6	4.3	4.7	5.2	2.9	3.6
4238	..Machinery	3.4	2.5	3.4	2.5	2.2	0.6	3.3	3.2	2.7	3.0	2.9
4239	..Misc. Durable	6.1	5.3	5.8	5.3	1.7	1.2	6.0	3.4	6.2	3.0	5.3
424	..Nondurable	1.2	2.1	1.3	2.1	0.4	0.3	1.2	2.2	1.1	0.9	0.9
4241	..Paper	8.2	7.4	8.2	6.9	1.2	1.0	5.2	3.8	8.2	4.7	4.4
4242	..Drugs	3.9	5.9	3.8	5.7	0.6	0.5	2.8	6.2	3.9	2.2	2.2
4243	..Apparel	4.5	5.4	4.3	5.4	2.5	1.1	3.8	4.2	3.9	4.0	3.0
4244	..Groceries	3.3	8.1	3.3	8.1	0.9	0.7	2.0	7.6	3.4	3.5	1.3
4245	..Farm products	4.3	7.9	4.3	7.9	1.9	1.5	3.7	4.9	3.9	4.4	2.9
4246	..Chemicals	6.8	6.8	6.8	7.0	1.4	0.9	6.7	7.8	6.7	5.2	4.0
4247	..Petroleum	3.5	3.8	3.5	3.9	1.0	0.9	3.3	4.0	3.3	2.3	2.5
4248	..Alcohol	7.6	3.6	7.6	3.6	1.1	1.1	2.5	3.3	7.5	7.7	2.0
4249	..Misc. Nondur.	4.3	5.1	4.4	4.9	1.5	0.8	3.8	5.1	4.1	2.6	2.9

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 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					
		2007					2006	2007					2006
		Oct.	Sep.r	Aug.r	Jul.	Jun.	Sep.r	Oct.	Sep.r	Aug.r	Jul.	Jun.	Sep.r
42	U.S. Total¹	1.069	0.969	1.051	0.990	1.023	0.998	1.005	0.995	0.990	0.999	0.994	0.995
423	..Durable	1.077	0.976	1.054	0.981	1.036	1.008	1.002	0.997	0.998	1.009	1.004	0.997
4231	..Automotive	1.064	0.920	1.041	0.977	1.018	0.946	1.014	0.978	0.947	0.997	0.998	0.976
4232	..Furniture	1.104	0.983	1.069	0.991	1.000	1.014	1.012	1.020	1.034	1.024	1.004	1.019
4233	..Lumber	1.070	0.973	1.143	1.049	1.076	1.012	0.957	0.989	1.005	1.013	1.030	0.988
4234	..Prof. equip.	1.055	1.046	1.023	0.948	1.056	1.076	1.031	1.005	1.007	1.007	0.987	1.004
42343	...Comp. equip.	1.037	1.084	1.000	0.943	1.095	1.118	1.040	1.009	0.991	1.002	0.981	1.006
4235	..Metals	1.063	0.938	1.077	1.005	1.043	0.976	0.989	1.001	1.004	1.010	1.001	1.001
4236	..Electrical	1.114	1.011	1.063	0.979	1.015	1.041	1.008	1.018	1.020	1.023	1.001	1.019
4237	..Hardware	1.091	0.983	1.115	1.021	1.084	1.015	0.987	0.999	1.007	1.010	1.010	0.998
4238	..Machinery	1.055	0.966	1.062	0.995	1.043	1.005	0.989	0.988	1.004	1.014	1.019	0.988
4239	..Misc. Durable	1.120	0.951	1.020	0.933	1.019	0.985	1.021	1.011	0.997	0.987	0.983	1.010
424	..Nondurable	1.068	0.960	1.045	0.996	1.009	0.985	1.011	0.991	0.977	0.984	0.981	0.989
4241	..Paper	1.093	0.975	1.081	0.968	1.003	1.012	1.006	1.005	1.001	1.005	0.997	1.006
4242	..Drugs	1.073	0.942	1.027	0.966	0.987	0.980	1.003	1.023	0.987	0.988	1.010	1.021
4243	..Apparel	1.195	1.024	1.133	1.012	1.000	1.049	1.018	1.053	1.062	1.044	1.006	1.052
4244	..Groceries	1.035	0.959	1.037	0.998	1.009	0.978	1.015	0.993	0.992	0.979	0.985	0.994
4245	..Farm products	1.197	0.899	0.903	0.888	0.917	0.927	1.042	0.800	0.757	0.819	0.835	0.801
4246	..Chemicals	1.055	0.957	1.071	0.992	1.034	0.994	0.983	0.991	1.000	1.003	1.007	0.991
4247	..Petroleum	1.074	0.982	1.100	1.062	1.028	1.012	0.973	1.020	1.006	1.042	1.002	1.021
4248	..Alcohol	1.071	0.925	1.105	0.998	1.093	0.962	1.047	1.020	0.990	1.015	1.008	1.019
4249	..Misc. Nondur.	0.983	0.955	1.031	0.991	1.032	0.956	0.992	0.984	0.956	0.948	0.957	0.983

Footnotes:

¹ Revised.

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 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. Approximately 77% of those mailed provided data for this reporting period. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 28% of the total sales estimate and 29% 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, in the case of sales, also for 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>.