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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES December 2008

Intention to Revise Wholesale Data: Monthly wholesale sales, inventories, and inventories/sales ratios will be revised based on the results of the 2007 Annual Wholesale Trade Survey. Revised unadjusted and corresponding adjusted data are tentatively scheduled for release on our website on March 31, 2009.

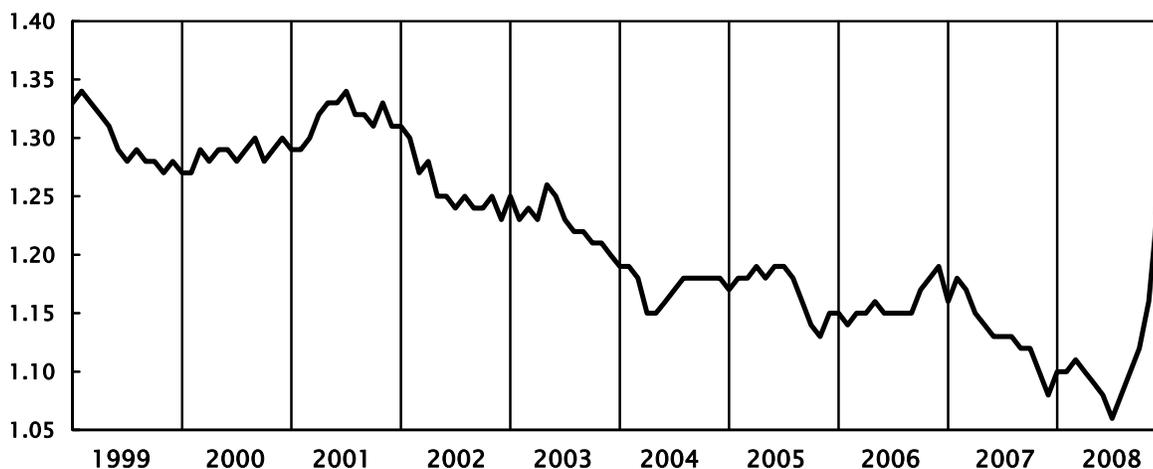
Sales. The U.S. Census Bureau announced today that December 2008 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$336.1 billion, down 3.6 percent (+/-0.7%) from the revised November level and were down 10.7 percent (+/-1.1%) from the December 2007 level. The November preliminary estimate was revised downward \$0.7 billion or 0.2 percent. December sales of durable goods were down 2.0 percent (+/-1.4%) from last month and were down 9.4 percent (+/-2.5%) from a year ago. Compared to last month, sales of lumber and other construction materials were down 8.6 percent and sales of motor vehicle and motor vehicle parts and supplies were down 8.1 percent. Sales of nondurable goods were down 4.9 percent (+/-0.7%) from last month and were down 11.8 percent (+/-1.9%) from last year. Sales of petroleum and petroleum products were down 16.4 percent from last month and sales of farm product raw materials were down 9.4 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$427.5 billion at the end of December, down 1.4 percent (+/-0.4%) from the revised November level, but were up 3.4 percent (+/-1.2%) from a year ago. The November preliminary estimate was revised downward \$1.3 billion or 0.3 percent. End-of-month inventories of durable goods were down 1.4 percent (+/-0.4%) from last month, but were up 6.8 percent (+/-1.9%) from last December. Inventories of computer and computer peripheral equipment and software were down 6.7 percent from last month and inventories of metals and minerals, except petroleum, were down 6.6 percent. End-of-month inventories of nondurable goods decreased 1.5 percent (+/-0.7%) from November and were down 2.0 percent (+/-3.3%)* compared to last December. Inventories of petroleum and petroleum products were down 8.8 percent from last month and inventories of chemicals and allied products were down 1.9 percent.

Inventories/Sales Ratio. The December inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.27. The December 2007 ratio was 1.10.

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/wholesale/www/how_surveys_are_collected/011340.html>.

Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers'
Sales Branches and Offices: 1999 to 2008
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for January is scheduled to be released March 10, 2009 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <<http://www.census.gov/wholesale>>. 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		
		Dec. 2008 (p)	Nov. 2008 (r)	Dec. 2007 (r)	Dec./ Nov.	Nov./ Oct.	Dec. 08/ Dec. 07	Dec. 2008 (p)	Nov. 2008 (r)	Dec. 2007 (r)	Dec./ Nov.	Nov./ Oct.	Dec. 08/ Dec. 07	Dec. 2008 (p)	Nov. 2008 (r)	Dec. 2007 (r)
Adjusted²																
42	U.S. Total	336,066	348,549	376,241	-3.6	-7.3	-10.7	427,496	433,714	413,429	-1.4	-0.9	3.4	1.27	1.24	1.10
423	.Durable	156,113	159,279	172,324	-2.0	-6.0	-9.4	271,545	275,330	254,269	-1.4	-0.4	6.8	1.74	1.73	1.48
4231	..Automotive	19,023	20,691	26,538	-8.1	-10.9	-28.3	43,927	43,211	39,727	1.7	1.5	10.6	2.31	2.09	1.50
4232	..Furniture	5,123	5,229	5,662	-2.0	-1.1	-9.5	8,017	8,066	7,981	-0.6	-0.6	0.5	1.56	1.54	1.41
4233	..Lumber	7,813	8,548	9,745	-8.6	-8.1	-19.8	13,898	14,095	14,609	-1.4	-2.5	-4.9	1.78	1.65	1.50
4234	..Prof. equip.	29,680	30,010	29,999	-1.1	-1.6	-1.1	31,685	32,497	30,782	-2.5	-1.3	2.9	1.07	1.08	1.03
42343	...Comp. equip.	15,114	15,007	15,493	0.7	-1.4	-2.4	10,736	11,508	10,699	-6.7	-3.4	0.3	0.71	0.77	0.69
4235	..Metals	13,135	13,891	13,828	-5.4	-6.7	-5.0	26,950	28,869	23,000	-6.6	-0.1	17.2	2.05	2.08	1.66
4236	..Electrical	27,377	26,532	28,104	3.2	-6.9	-2.6	34,552	35,584	33,251	-2.9	-2.5	3.9	1.26	1.34	1.18
4237	..Hardware	7,058	7,055	7,977	0.0	-3.5	-11.5	14,669	14,997	15,415	-2.2	-1.2	-4.8	2.08	2.13	1.93
4238	..Machinery	30,148	30,860	29,720	-2.3	-3.3	1.4	73,992	73,099	66,494	1.2	0.8	11.3	2.45	2.37	2.24
4239	..Misc. Durable	16,756	16,463	20,751	1.8	-11.1	-19.3	23,855	24,912	23,010	-4.2	-1.4	3.7	1.42	1.51	1.11
424	.Nondurable	179,953	189,270	203,917	-4.9	-8.4	-11.8	155,951	158,384	159,160	-1.5	-1.8	-2.0	0.87	0.84	0.78
4241	..Paper ³	7,610	7,870	7,978	-3.3	-3.8	-4.6	7,143	7,244	6,917	-1.4	-0.9	3.3	0.94	0.92	0.87
4242	..Drugs	31,616	31,412	31,294	0.6	-3.4	1.0	30,850	31,225	30,538	-1.2	-0.4	1.0	0.98	0.99	0.98
4243	..Apparel	10,324	10,498	11,006	-1.7	-3.4	-6.2	17,008	16,839	16,336	1.0	0.4	4.1	1.65	1.60	1.48
4244	..Groceries	44,522	44,393	44,328	0.3	-0.1	0.4	27,853	27,639	26,365	0.8	-1.2	5.6	0.63	0.62	0.59
4245	..Farm products	17,006	18,776	18,991	-9.4	-4.9	-10.5	18,337	19,124	24,174	-4.1	-5.0	-24.1	1.08	1.02	1.27
4246	..Chemicals ³	8,136	8,753	8,799	-7.0	-5.5	-7.5	9,407	9,588	9,356	-1.9	-4.4	0.5	1.16	1.10	1.06
4247	..Petroleum	33,068	39,578	52,952	-16.4	-25.3	-37.6	11,378	12,475	14,558	-8.8	-6.8	-21.8	0.34	0.32	0.27
4248	..Alcohol	9,203	9,135	8,982	0.7	-0.7	2.5	11,230	11,060	10,266	1.5	1.9	9.4	1.22	1.21	1.14
4249	..Misc. Nondur.	18,468	18,855	19,587	-2.1	-2.8	-5.7	22,745	23,190	20,650	-1.9	-1.2	10.1	1.23	1.23	1.05
													Sales to date			
													2008		2007	
42	U.S. Total	337,167	323,481	356,180	4.2	-18.9	-5.3	428,255	435,019	416,072	-1.6	-0.9	2.9	4,626,103	4,243,956	
423	.Durable	155,830	147,041	162,267	6.0	-19.5	-4.0	267,631	274,801	250,544	-2.6	-0.9	6.8	2,095,930	2,029,502	
4231	..Automotive	19,803	19,843	26,060	-0.2	-19.0	-24.0	44,015	44,032	39,687	0.0	3.4	10.9	294,775	324,077	
4232	..Furniture	4,918	5,051	5,158	-2.6	-13.7	-4.7	7,857	7,953	7,829	-1.2	-2.4	0.4	65,850	69,250	
4233	..Lumber	6,399	7,377	7,543	-13.3	-28.0	-15.2	13,217	13,418	13,922	-1.5	-4.2	-5.1	113,626	126,962	
4234	..Prof. equip.	33,479	27,909	32,009	20.0	-15.0	4.6	31,051	33,017	30,228	-6.0	-2.2	2.7	364,280	349,564	
42343	...Comp. equip.	18,333	13,716	17,817	33.7	-15.1	2.9	10,618	11,922	10,613	-10.9	-4.6	0.0	183,784	179,856	
4235	..Metals	11,152	12,016	11,062	-7.2	-25.6	0.8	27,004	28,292	23,069	-4.6	-2.0	17.1	178,296	164,687	
4236	..Electrical	26,857	25,975	26,137	3.4	-16.7	2.8	33,999	35,869	32,686	-5.2	-3.2	4.0	344,694	323,292	
4237	..Hardware	6,409	6,258	6,812	2.4	-22.5	-5.9	14,522	14,817	15,276	-2.0	-1.6	-4.9	91,574	94,992	
4238	..Machinery	31,113	26,725	28,769	16.4	-20.7	8.1	72,660	72,441	65,297	0.3	0.5	11.3	373,543	338,304	
4239	..Misc. Durable	15,700	15,887	18,717	-1.2	-20.7	-16.1	23,306	24,962	22,550	-6.6	-3.2	3.4	269,292	238,374	
424	.Nondurable	181,337	176,440	193,913	2.8	-18.3	-6.5	160,624	160,218	165,528	0.3	-0.8	-3.0	2,530,173	2,214,454	
4241	..Paper	7,671	7,327	7,539	4.7	-18.8	1.8	7,143	7,244	6,917	-1.4	-0.9	3.3	97,335	93,549	
4242	..Drugs	33,766	29,182	30,918	15.7	-17.5	9.2	32,423	31,350	32,156	3.4	0.0	0.8	381,590	362,758	
4243	..Apparel	8,693	9,994	8,761	-13.0	-19.9	-0.8	16,634	16,250	15,977	2.4	-4.8	4.1	132,508	128,329	
4244	..Groceries	45,412	42,351	43,619	7.2	-7.0	4.1	28,605	28,468	27,077	0.5	-0.4	5.6	536,886	510,338	
4245	..Farm products	18,281	18,945	18,592	-3.5	-13.9	-1.7	20,776	20,386	27,703	1.9	2.9	-25.0	253,514	182,823	
4246	..Chemicals	7,713	7,974	7,840	-3.3	-19.3	-1.6	9,407	9,588	9,356	-1.9	-4.4	0.5	109,842	100,049	
4247	..Petroleum	31,481	34,829	48,716	-9.6	-34.0	-35.4	12,448	12,450	15,897	0.0	-3.6	-21.7	671,511	509,759	
4248	..Alcohol	11,108	8,925	10,006	24.5	-10.9	11.0	10,466	11,547	9,568	-9.4	1.7	9.4	109,664	103,981	
4249	..Misc. Nondur.	17,212	16,913	17,922	1.8	-11.0	-4.0	22,722	22,935	20,877	-0.9	-0.8	8.8	237,323	222,868	

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 Except where indicated, sales and inventories estimates are adjusted for seasonal variation. Estimates of sales are also adjusted for trading-day differences and moving holidays. See Table 3 for the combined adjustment factors. Adjusted sales-to-date estimates are not tabulated.

³ No discernible seasonal pattern for this NAICS code was detected in the latest annual review of the seasonal adjustment for inventories. Consequently, the "Adjusted" inventories estimates are equal to the "Not Adjusted" estimates.

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/wholesale/www/how_surveys_are_collected/011340.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	Coefficient of variation for monthly total				Standard error for monthly total				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	1.2	1.5	1.2	1.5	0.4	0.2	0.6	0.7	0.9	0.7	0.6
423	..Durable	1.9	2.0	2.1	1.9	0.8	0.2	1.4	1.1	1.6	1.3	1.1
4231	..Automotive	3.1	4.5	3.0	4.9	1.3	0.5	1.2	1.5	2.8	2.7	0.6
4232	..Furniture	6.6	4.6	6.3	4.6	2.9	0.7	4.8	2.5	4.3	3.2	2.1
4233	..Lumber	4.9	9.9	5.2	9.3	1.2	0.8	2.6	3.0	4.9	4.5	1.8
4234	..Prof. equip.	4.1	4.0	4.3	4.0	1.5	0.7	1.5	1.9	4.2	4.1	1.2
42343	...Comp. equip.	6.3	6.4	7.0	6.4	3.2	1.1	3.0	2.7	6.6	6.2	1.3
4235	..Metals	6.7	6.5	6.4	6.4	1.3	0.8	4.4	2.4	5.1	4.7	1.6
4236	..Electrical	9.8	4.8	10.3	4.7	1.0	0.5	6.6	4.1	8.8	3.1	6.1
4237	..Hardware	4.8	5.1	4.5	4.9	3.1	0.5	3.6	2.5	4.8	5.3	2.0
4238	..Machinery	3.9	4.2	3.6	4.0	2.7	0.4	3.0	2.7	3.6	2.9	1.7
4239	..Misc. Durable	3.6	4.5	4.0	4.6	1.8	1.3	3.5	2.7	5.3	6.3	2.1
424	..Nondurable	1.7	1.8	1.6	1.7	0.4	0.4	1.1	1.9	1.3	1.1	0.9
4241	..Paper	7.2	6.8	7.6	7.1	1.5	1.1	4.1	6.2	7.0	8.2	3.8
4242	..Drugs	3.4	4.4	3.6	4.6	0.6	0.7	3.1	4.5	3.5	4.0	2.2
4243	..Apparel	3.6	6.6	4.8	6.3	2.2	1.1	2.3	3.2	3.6	3.9	1.8
4244	..Groceries	4.8	8.2	5.1	7.5	1.3	1.0	2.9	3.3	4.2	3.7	1.3
4245	..Farm products	4.1	5.6	4.5	6.6	1.5	2.9	3.8	3.9	3.4	3.7	4.0
4246	..Chemicals	8.4	9.2	7.9	8.3	2.5	1.0	3.0	3.0	7.4	6.8	2.0
4247	..Petroleum	3.8	4.3	4.1	4.6	0.8	1.2	1.5	1.6	3.9	3.3	2.7
4248	..Alcohol	6.0	3.3	6.7	3.7	2.9	2.9	2.7	3.8	7.0	7.2	1.1
4249	..Misc. Nondur.	6.0	6.3	5.9	6.3	1.1	0.8	2.4	2.9	4.7	5.0	1.2

Note:

Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation, trading-day differences, or moving holidays. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at http://www.census.gov/wholesale/www/how_surveys_are_collected/011340.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 $\pm 1.753 \times 0.9$ percent or ± 1.6 percent, and the 90 percent confidence interval is -0.4 percent to +2.8 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 $\pm 1.753 \times CV \times$ (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. Combined¹ Adjustment Factors for Monthly Wholesale Sales and Inventory Estimates

Combined 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					
		2009	2008				2007	2009	2008				2007
		Jan.	Dec.r	Nov.r	Oct.	Sep.	Dec.r	Jan.	Dec.r	Nov.r	Oct.	Sep.	Dec.r
42	U.S. Total²	0.934	1.011	0.936	1.060	1.021	0.958	1.007	1.003	1.006	1.004	0.994	1.003
423	.Durable	0.917	1.011	0.934	1.076	1.033	0.954	0.994	0.984	1.000	1.003	1.002	0.984
4231	..Automotive	0.905	1.041	0.959	1.055	0.984	0.982	1.019	1.002	1.019	1.000	0.979	0.999
4232	..Furniture	0.936	0.960	0.966	1.107	1.065	0.911	0.996	0.980	0.986	1.005	1.016	0.981
4233	..Lumber	0.846	0.819	0.863	1.101	1.048	0.774	0.979	0.951	0.952	0.969	1.000	0.953
4234	..Prof. equip.	0.899	1.128	0.930	1.077	1.105	1.067	0.996	0.980	1.016	1.026	1.009	0.982
42343	...Comp. equip.	0.889	1.213	0.914	1.061	1.157	1.150	0.997	0.989	1.036	1.049	1.014	0.992
4235	..Metals	0.947	0.849	0.865	1.084	1.005	0.800	0.985	1.002	0.980	0.999	1.021	1.003
4236	..Electrical	0.929	0.981	0.979	1.094	1.071	0.930	0.983	0.984	1.008	1.016	1.017	0.983
4237	..Hardware	0.897	0.908	0.887	1.104	1.048	0.854	0.979	0.990	0.988	0.992	1.005	0.991
4238	..Machinery	0.909	1.032	0.866	1.056	1.040	0.968	0.990	0.982	0.991	0.994	0.991	0.982
4239	..Misc. Durable	0.907	0.937	0.965	1.082	0.986	0.902	0.992	0.977	1.002	1.021	1.030	0.980
424	.Nondurable	0.959	1.015	0.941	1.049	1.004	0.963	1.024	1.031	1.011	0.997	0.983	1.033
4241	..Paper ³	0.954	1.008	0.931	1.104	1.037	0.945	1.000	1.000	1.000	1.000	1.000	1.000
4242	..Drugs	0.987	1.068	0.929	1.087	1.021	0.988	0.995	1.051	1.004	0.999	1.013	1.053
4243	..Apparel	0.912	0.842	0.952	1.148	1.091	0.796	1.025	0.978	0.965	1.018	1.054	0.978
4244	..Groceries	0.966	1.020	0.954	1.025	0.996	0.984	1.001	1.027	1.030	1.022	1.001	1.027
4245	..Farm products	1.038	1.075	1.009	1.114	0.942	0.979	1.203	1.133	1.066	0.984	0.824	1.146
4246	..Chemicals ³	0.971	0.948	0.911	1.066	1.026	0.891	1.000	1.000	1.000	1.000	1.000	1.000
4247	..Petroleum	0.937	0.952	0.880	0.996	1.013	0.920	1.007	1.094	0.998	0.965	0.993	1.092
4248	..Alcohol	0.766	1.207	0.977	1.089	0.986	1.114	0.968	0.932	1.044	1.046	1.025	0.932
4249	..Misc. Nondur.	0.873	0.932	0.897	0.980	0.987	0.915	1.018	0.999	0.989	0.985	0.977	1.011

Footnotes:

¹ Revised factors.

¹ Combined factors for sales include the effects of seasonal variation, trading day differences, and moving holidays. Combined factors for inventories include only the effects of seasonal variation.

² Adjusted sales and inventories estimates for detailed kind-of-business levels in Table 1 are computed by dividing each "Not Adjusted" estimate by the combined 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. Combined 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.

³ No discernible seasonal pattern for this NAICS code was detected in the latest annual review of the seasonal adjustment for inventories. Therefore, the combined adjustment factors for inventories are set to one for this NAICS code.

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 inventories-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 75% 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 28% of the total end-of-month inventories estimate is based on imputed data.

Monthly sales and inventories 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/wholesale>.