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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES May 2012

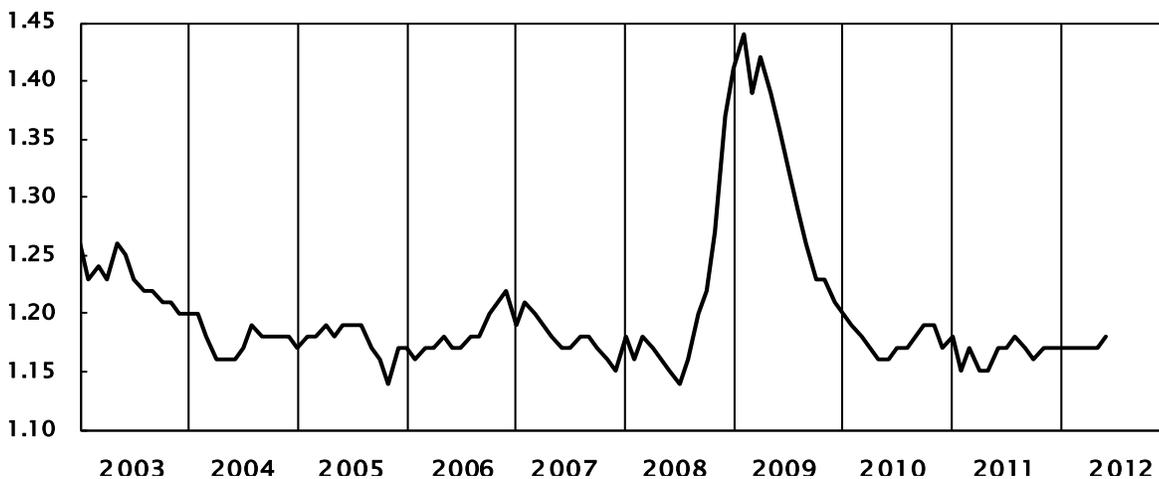
Sales. The U.S. Census Bureau announced today that May 2012 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$409.6 billion, down 0.8 percent (+/-0.5) from the revised April level, but were up 5.7 percent (+/-0.9%) from the May 2011 level. The April preliminary estimate was revised downward \$2.1 billion or 0.5 percent. May sales of durable goods were up 0.6 percent (+/-1.1%)* from last month and were up 9.0 percent (+/-1.2%) from a year ago. Sales of computer and computer peripheral equipment and software were up 1.4 percent from last month. Sales of nondurable goods were down 1.9 percent (+/-0.7%) from April, but were up 3.2 percent (+/-1.2%) from last May. Sales of petroleum and petroleum products were down 4.7 percent from last month and sales of drugs and druggists' sundries were down 1.7 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$484.1 billion at the end of May, up 0.3 percent (+/-0.4%)* from the revised April level and were up 6.4 percent (+/-0.9%) from the May 2011 level. The April preliminary estimate was revised downward \$0.7 billion or 0.1 percent. May inventories of durable goods were up 0.6 percent (+/-0.4%) from last month and were up 10.1 percent (+/-1.2%) from a year ago. Inventories of machinery, equipment, and supplies were up 1.4 percent from last month and inventories of motor vehicle and motor vehicle parts and supplies were up 1.3 percent. Inventories of nondurable goods were down 0.2 percent (+/-0.7%)* from April, but were up 1.4 percent (+/-1.4%)* from last May. Inventories of farm product raw materials were down 5.1 percent from last month, while inventories of grocery and related products were up 2.9 percent.

Inventories/Sales Ratio. The May inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.18. The May 2011 ratio was 1.17.

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/monthly_methodology.html>.

**Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers'
Sales Branches and Offices: 2003 to 2012**
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for June is scheduled to be released August 9, 2012 at 10:00 a.m. EDT.

For customized wholesale time series estimates by industry, visit the Census Bureau's website at <<http://www.census.gov/timeseries>>. For additional survey information, visit <<http://www.census.gov/wholesale>>.

* 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 inventories 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		
		May 2012 (p)	Apr. 2012 (r)	May 2011 (r)	May/ Apr.	Apr./ Mar.	May 12/ May 11	May 2012 (p)	Apr. 2012 (r)	May 2011 (r)	May/ Apr.	Apr./ Mar.	May 12/ May 11	May 2012 (p)	Apr. 2012 (r)	May 2011 (r)
Adjusted²																
42	U.S. Total	409,626	412,940	387,450	-0.8	0.6	5.7	484,128	482,838	454,999	0.3	0.5	6.4	1.18	1.17	1.17
423	.Durable	184,611	183,495	169,355	0.6	-0.3	9.0	286,228	284,479	259,858	0.6	1.2	10.1	1.55	1.55	1.53
4231	..Automotive	32,927	32,629	23,950	0.9	1.4	37.5	46,531	45,931	38,885	1.3	2.9	19.7	1.41	1.41	1.62
4232	..Furniture	4,490	4,410	4,287	1.8	-0.7	4.7	7,140	7,107	7,222	0.5	-0.3	-1.1	1.59	1.61	1.68
4233	..Lumber	9,046	9,230	8,070	-2.0	0.3	12.1	12,698	12,583	12,013	0.9	1.6	5.7	1.40	1.36	1.49
4234	..Prof. equip.	32,384	32,199	30,789	0.6	0.5	5.2	32,372	32,243	31,209	0.4	0.9	3.7	1.00	1.00	1.01
42343	...Comp. equip.	16,603	16,367	16,094	1.4	0.1	3.2	12,066	11,926	11,990	1.2	0.7	0.6	0.73	0.73	0.74
4235	..Metals	12,761	12,956	11,931	-1.5	-1.5	7.0	26,815	26,875	24,108	-0.2	0.5	11.2	2.10	2.07	2.02
4236	..Electrical	31,000	31,020	31,554	-0.1	-0.1	-1.8	41,093	41,107	40,010	0.0	0.1	2.7	1.33	1.33	1.27
4237	..Hardware	9,160	9,000	8,364	1.8	0.6	9.5	18,090	18,047	17,196	0.2	0.4	5.2	1.97	2.01	2.06
4238	..Machinery	32,973	32,277	28,467	2.2	-0.7	15.8	76,777	75,721	64,916	1.4	2.2	18.3	2.33	2.35	2.28
4239	..Misc. Durable	19,870	19,774	21,943	0.5	-3.5	-9.4	24,712	24,865	24,299	-0.6	-1.3	1.7	1.24	1.26	1.11
424	.Nondurable	225,015	229,445	218,095	-1.9	1.3	3.2	197,900	198,359	195,141	-0.2	-0.5	1.4	0.88	0.86	0.89
4241	..Paper ³	7,126	6,898	7,105	3.3	-3.1	0.3	7,515	7,525	7,505	-0.1	3.9	0.1	1.05	1.09	1.06
4242	..Drugs	35,630	36,262	35,790	-1.7	0.0	-0.4	34,691	33,757	31,582	2.8	-2.4	9.8	0.97	0.93	0.88
4243	..Apparel	11,713	11,910	11,457	-1.7	3.5	2.2	22,263	22,060	21,101	0.9	0.6	5.5	1.90	1.85	1.84
4244	..Groceries	47,168	47,229	44,644	-0.1	-0.8	5.7	34,817	33,846	32,423	2.9	-1.0	7.4	0.74	0.72	0.73
4245	..Farm products	17,939	18,256	19,801	-1.7	2.6	-9.4	19,761	20,832	24,772	-5.1	-2.7	-20.2	1.10	1.14	1.25
4246	..Chemicals ³	9,999	10,245	9,473	-2.4	2.9	5.6	11,755	11,685	11,038	0.6	1.0	6.5	1.18	1.14	1.17
4247	..Petroleum	65,073	68,294	62,336	-4.7	3.4	4.4	27,254	28,286	28,492	-3.6	1.0	-4.3	0.42	0.41	0.46
4248	..Alcohol	10,276	10,021	9,376	2.5	0.2	9.6	13,528	13,172	12,371	2.7	2.3	9.4	1.32	1.31	1.32
4249	..Misc. Nondur.	20,091	20,330	18,113	-1.2	0.0	10.9	26,316	27,196	25,857	-3.2	-1.4	1.8	1.31	1.34	1.43
Not Adjusted																
Sales to date																
2012																
2011																
42	U.S. Total	431,125	412,547	396,558	4.5	-4.0	8.7	479,814	483,820	450,017	-0.8	-0.1	6.6	2,038,197	1,880,427	
423	.Durable	190,002	179,358	169,324	5.9	-7.8	12.2	285,658	283,904	259,192	0.6	1.6	10.2	904,701	818,296	
4231	..Automotive	33,553	32,629	23,950	2.8	-6.5	40.1	45,042	45,242	37,641	-0.4	0.9	19.7	162,641	128,154	
4232	..Furniture	4,688	4,167	4,334	12.5	-8.1	8.2	7,061	6,929	7,135	1.9	0.0	-1.0	21,774	20,638	
4233	..Lumber	10,294	9,442	8,812	9.0	3.0	16.8	13,282	13,225	12,506	0.4	2.3	6.2	43,671	36,890	
4234	..Prof. equip.	31,574	29,881	28,880	5.7	-13.6	9.3	32,178	31,953	31,022	0.7	3.7	3.7	153,313	147,292	
42343	...Comp. equip.	15,607	14,665	14,629	6.4	-18.0	6.7	11,957	11,723	11,894	2.0	4.3	0.5	77,036	75,998	
4235	..Metals	13,935	13,034	12,611	6.9	-5.3	10.5	27,083	27,009	24,301	0.3	1.5	11.4	66,542	59,363	
4236	..Electrical	31,620	29,593	31,333	6.8	-6.9	0.9	40,723	40,408	39,610	0.8	1.1	2.8	151,268	146,760	
4237	..Hardware	9,810	8,973	8,707	9.3	-1.6	12.7	18,235	18,173	17,316	0.3	0.5	5.3	44,227	40,316	
4238	..Machinery	33,863	32,438	28,666	4.4	-7.3	18.1	77,391	76,100	65,435	1.7	2.3	18.3	159,812	135,348	
4239	..Misc. Durable	20,665	19,201	22,031	7.6	-11.4	-6.2	24,663	24,865	24,226	-0.8	0.2	1.8	101,453	103,535	
424	.Nondurable	241,123	233,189	227,234	3.4	-0.9	6.1	194,156	199,916	190,825	-2.9	-2.5	1.7	1,133,496	1,062,131	
4241	..Paper	7,333	6,629	7,062	10.6	-9.0	3.8	7,515	7,525	7,505	-0.1	3.9	0.1	34,519	34,314	
4242	..Drugs	36,592	34,993	35,504	4.6	-6.5	3.1	34,136	33,487	31,108	1.9	-5.0	9.7	179,683	171,736	
4243	..Apparel	11,736	11,207	10,907	4.7	-3.7	7.6	21,172	20,604	20,046	2.8	-0.2	5.6	56,514	53,810	
4244	..Groceries	50,281	47,418	46,519	6.0	-5.6	8.1	34,573	33,169	32,164	4.2	-2.2	7.5	239,863	218,648	
4245	..Farm products	18,513	18,274	19,623	1.3	-1.7	-5.7	17,429	21,228	21,874	-17.9	-13.3	-20.3	91,176	97,903	
4246	..Chemicals	10,579	10,091	9,681	4.8	-1.9	9.3	11,755	11,685	11,038	0.6	1.0	6.5	49,997	46,930	
4247	..Petroleum	69,888	71,231	66,326	-1.9	5.0	5.4	27,145	29,842	28,264	-9.0	3.4	-4.0	329,914	301,384	
4248	..Alcohol	11,509	9,540	9,967	20.6	-3.1	15.5	13,799	13,304	12,581	3.7	3.2	9.7	47,224	43,973	
4249	..Misc. Nondur.	24,692	23,806	21,645	3.7	7.9	14.1	26,632	29,072	26,245	-8.4	-3.5	1.5	104,606	93,433	

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/monthly_methodology.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	1.1	1.7	1.1	1.7	0.3	0.2	0.5	0.5	1.2	1.0	0.5
423	..Durable	1.2	1.8	1.4	1.8	0.6	0.2	0.7	0.7	1.4	1.4	0.5
4231	..Automotive	4.7	4.8	4.8	5.0	1.4	0.6	1.3	1.8	4.4	4.1	1.7
4232	..Furniture	6.7	7.8	6.9	7.6	1.3	0.4	4.2	1.9	6.6	4.6	4.0
4233	..Lumber	6.4	7.9	6.7	8.1	0.5	0.6	2.4	1.9	5.9	6.0	2.2
4234	..Prof. equip.	4.0	4.4	4.0	4.3	0.5	0.5	1.4	1.7	4.1	4.7	1.2
42343	...Comp. equip.	7.3	6.5	7.2	6.3	0.6	1.1	1.9	3.2	7.1	8.3	1.6
4235	..Metals	5.8	4.9	6.4	4.9	1.5	0.3	2.4	1.6	5.9	5.6	2.2
4236	..Electrical	3.7	4.4	3.6	4.4	1.3	0.2	1.8	1.0	3.6	3.7	1.5
4237	..Hardware	5.3	5.1	5.2	5.2	1.1	0.2	2.9	1.1	5.2	4.9	1.9
4238	..Machinery	3.9	4.8	3.8	4.7	1.5	0.5	2.5	2.2	3.7	3.5	2.4
4239	..Misc. Durable	6.5	6.0	6.2	6.0	1.3	1.3	2.4	2.9	6.9	6.4	2.1
424	..Nondurable	1.6	2.5	1.6	2.4	0.4	0.4	0.7	0.8	1.5	1.4	0.7
4241	..Paper	8.1	7.6	8.2	7.3	0.7	0.5	2.1	3.1	8.0	7.8	1.7
4242	..Drugs	4.9	5.1	4.6	5.1	0.6	0.5	2.1	1.6	4.5	4.6	1.8
4243	..Apparel	4.7	7.3	4.6	7.3	1.4	0.4	4.4	4.2	4.6	4.4	4.1
4244	..Groceries	5.5	9.1	5.5	8.2	1.2	0.8	1.9	1.9	5.5	5.6	1.9
4245	..Farm products	7.7	7.9	8.3	8.5	2.6	1.4	3.3	1.5	7.2	6.1	3.0
4246	..Chemicals	5.8	6.7	5.5	7.0	1.4	0.9	1.5	2.8	5.4	5.5	1.8
4247	..Petroleum	4.3	4.1	4.1	4.1	0.4	0.4	1.5	1.0	4.2	4.1	1.0
4248	..Alcohol	4.7	4.3	4.5	4.3	1.1	0.7	1.8	1.9	4.3	4.9	1.6
4249	..Misc. Nondur.	4.7	7.2	4.7	7.0	1.0	1.1	2.6	2.6	5.1	5.3	1.6

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/monthly_methodology.html.

Reliability of the Estimates

Because the estimates presented in this report are based on a sample survey, they 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 can be used to construct a 90-percent confidence interval. If, for example, the percent change estimate is +1.2 percent and its estimated standard error is 0.8 percent, then the margin of sampling error is $\pm 1.753 \times 0.8$ percent or ± 1.4 percent, and the 90 percent confidence interval is 1.2 ± 1.4 or -0.2 percent to 2.6 percent. If the interval contains 0, then one does not have sufficient statistical evidence to conclude at the 90 percent confidence level that the actual change is different from zero. Estimated changes shown in the text are statistically significant unless otherwise noted. For a monthly total, the estimated coefficient of variation is given. The resulting confidence interval is the estimated monthly total $\pm 1.753 \times CV \times$ (the estimated monthly total). 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-13 ARIMA-SEATS program and are based on data from the Monthly Wholesale Trade Survey.]

NAICS code	Kind of Business	Sales						Inventories					
		2012					2011	2012					2011
		Jun	May r	Apr.r	Mar.	Feb.	May r	Jun	May r	Apr.r	Mar.	Feb.	May r
42	U.S. Total²	1.022	1.051	1.004	1.047	0.936	1.024	0.992	0.991	1.000	1.006	1.010	0.990
423	..Durable	1.030	1.025	0.979	1.058	0.922	0.995	1.000	0.998	0.997	0.992	0.999	0.997
4231	..Automotive	0.992	1.019	1.000	1.085	0.971	1.000	0.988	0.968	0.985	1.005	1.045	0.968
4232	..Furniture	1.002	1.044	0.945	1.021	0.925	1.011	1.002	0.989	0.975	0.972	0.982	0.988
4233	..Lumber	1.124	1.138	1.023	0.996	0.856	1.092	1.040	1.046	1.051	1.044	1.009	1.041
4234	..Prof. equip.	1.060	0.975	0.928	1.080	0.900	0.938	0.994	0.994	0.991	0.965	0.993	0.994
42343	...Comp. equip.	1.104	0.940	0.896	1.094	0.882	0.909	0.999	0.991	0.983	0.949	0.952	0.992
4235	..Metals	1.048	1.092	1.006	1.046	0.952	1.057	1.011	1.010	1.005	0.995	0.987	1.008
4236	..Electrical	1.019	1.020	0.954	1.024	0.927	0.993	0.994	0.991	0.983	0.973	0.980	0.990
4237	..Hardware	1.084	1.071	0.997	1.019	0.901	1.041	1.007	1.008	1.007	1.006	1.001	1.007
4238	..Machinery	1.033	1.027	1.005	1.076	0.910	1.007	1.012	1.008	1.005	1.004	0.998	1.008
4239	..Misc. Durable	0.993	1.040	0.971	1.058	0.911	1.004	0.995	0.998	1.000	0.985	0.978	0.997
424	..Nondurable	1.011	1.072	1.022	1.041	0.951	1.044	0.976	0.983	1.007	1.027	1.027	0.982
4241	..Paper ³	1.003	1.029	0.961	1.023	0.944	0.994	1.000	1.000	1.000	1.000	1.000	1.000
4242	..Drugs	0.967	1.027	0.965	1.032	0.956	0.992	1.001	0.984	0.992	1.020	0.962	0.985
4243	..Apparel	0.950	1.002	0.941	1.012	1.005	0.952	1.012	0.951	0.934	0.941	0.983	0.950
4244	..Groceries	1.007	1.066	1.004	1.055	0.960	1.042	0.993	0.993	0.980	0.992	0.988	0.992
4245	..Farm products	0.926	1.032	1.001	1.045	1.007	0.991	0.772	0.882	1.019	1.143	1.214	0.883
4246	..Chemicals ³	1.048	1.058	0.985	1.033	0.951	1.022	1.000	1.000	1.000	1.000	1.000	1.000
4247	..Petroleum	1.016	1.074	1.043	1.028	0.938	1.064	1.038	0.996	1.055	1.030	1.023	0.992
4248	..Alcohol	1.102	1.120	0.952	0.985	0.870	1.063	1.017	1.020	1.010	1.001	0.982	1.017
4249	..Misc. Nondur.	1.142	1.229	1.171	1.086	0.892	1.195	0.964	1.012	1.069	1.092	1.071	1.015

Footnotes:

^r 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-13 ARIMA-SEATS 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 73% 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 31% of the total sales estimate and 29% 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>.