

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR IMMEDIATE RELEASE THURSDAY, JULY 10, 2014 AT 10:00 A.M. EDT

CB14-121

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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES May 2014

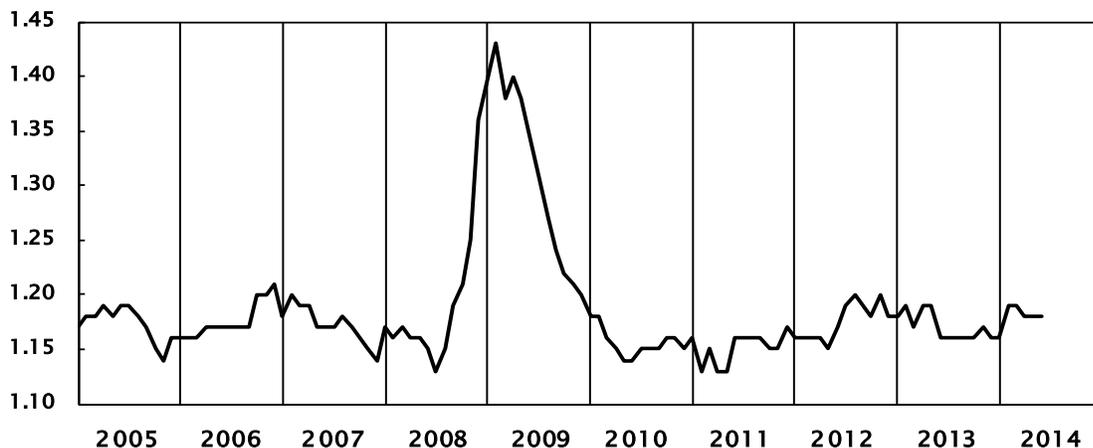
Sales. The U.S. Census Bureau announced today that May 2014 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$453.2 billion, up 0.7 percent (+/-0.5) from the revised April level and were up 6.6 percent (+/-1.4%) from the May 2013 level. The April preliminary estimate was virtually unchanged. May sales of durable goods were up 0.2 percent (+/-0.7%)* from last month and were up 5.9 percent (+/-1.2%) from a year ago. Sales of metals and minerals, except petroleum, were up 3.2 percent from last month, while sales of computer and computer peripheral equipment and software were down 1.6 percent. Sales of nondurable goods were up 1.1 percent (+/-0.5%) from April and were up 7.2 percent (+/-2.6%) from last May. Sales of farm product raw materials were up 6.6 percent from last month and sales of apparel, piece goods, and notions were up 2.0 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$532.7 billion at the end of May, up 0.5 percent (+/-0.4%) from the revised April level and were up 7.9 percent (+/-0.9%) from the May 2013 level. The April preliminary estimate was revised downward \$0.5 billion or 0.1 percent. May inventories of durable goods were up 1.0 percent (+/-0.4%) from last month and were up 8.5 percent (+/-1.2%) from a year ago. Inventories of metals and minerals, except petroleum, were up 2.1 percent from last month and inventories of motor vehicle and motor vehicle parts and supplies were up 1.9 percent. Inventories of nondurable goods were down 0.3 percent (+/-0.5%)* from April, but were up 6.9 percent (+/-1.1%) from last May. Inventories of farm product raw materials were down 3.2 percent from last month, while inventories of petroleum and petroleum products were up 2.0 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 2013 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 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: 2005 to 2014**
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for June is scheduled to be released August 8, 2014 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>>.

To receive the latest updates on the nation's key economic indicators, download the America's Economy app for Apple and Android smartphones and tablets.

The U.S. Census Bureau updated its Application Programming Interface (API) with monthly and quarterly economic indicators. The API allows developers to combine Census Bureau statistics with other data sets to create tools for research on a variety of topics. For more information, visit <<http://www.census.gov/developers>>.

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 2014 (p)	Apr. 2014 (r)	May 2013 (r)	May/Apr.	Apr./Mar.	May 14/ May 13	May 2014 (p)	Apr. 2014 (r)	May 2013 (r)	May/Apr.	Apr./Mar.	May 14/ May 13	May 2014 (p)	Apr. 2014 (r)	May 2013 (r)
Adjusted²																
42	U.S. Total	453,153	450,167	425,215	0.7	1.3	6.6	532,693	530,062	493,895	0.5	1.0	7.9	1.18	1.18	1.16
423	.Durable	206,493	206,150	195,052	0.2	1.6	5.9	327,857	324,546	302,224	1.0	0.9	8.5	1.59	1.57	1.55
4231	..Automotive	34,462	34,088	33,125	1.1	3.1	4.0	54,907	53,893	49,751	1.9	0.9	10.4	1.59	1.58	1.50
4232	..Furniture	5,276	5,337	5,113	-1.1	2.9	3.2	8,600	8,629	8,108	-0.3	0.4	6.1	1.63	1.62	1.59
4233	..Lumber	10,200	10,056	9,616	1.4	2.1	6.1	15,140	14,954	13,943	1.2	0.3	8.6	1.48	1.49	1.45
4234	..Prof. equip.	39,147	39,517	37,108	-0.9	2.7	5.5	40,965	40,837	38,265	0.3	0.2	7.1	1.05	1.03	1.03
42343	...Comp. equip.	22,426	22,785	21,251	-1.6	3.5	5.5	18,010	18,351	16,915	-1.9	2.4	6.5	0.80	0.81	0.80
4235	..Metals	13,698	13,268	12,306	3.2	-1.5	11.3	28,367	27,781	26,470	2.1	2.4	7.2	2.07	2.09	2.15
4236	..Electrical	36,204	36,622	34,264	-1.1	1.6	5.7	36,868	36,523	34,957	0.9	2.6	5.5	1.02	1.00	1.02
4237	..Hardware	10,074	9,959	9,682	1.2	-0.3	4.0	19,375	19,525	18,925	-0.8	1.8	2.4	1.92	1.96	1.95
4238	..Machinery	39,240	38,854	35,050	1.0	1.6	12.0	96,299	95,285	84,868	1.1	0.4	13.5	2.45	2.45	2.42
4239	..Misc. Durable	18,192	18,449	18,788	-1.4	-0.5	-3.2	27,336	27,119	26,937	0.8	0.0	1.5	1.50	1.47	1.43
424	.Nondurable	246,660	244,017	230,163	1.1	1.1	7.2	204,836	205,516	191,671	-0.3	1.0	6.9	0.83	0.84	0.83
4241	..Paper ³	7,878	7,961	7,563	-1.0	0.5	4.2	7,461	7,467	7,131	-0.1	2.3	4.6	0.95	0.94	0.94
4242	..Drugs	40,591	40,326	36,267	0.7	2.7	11.9	43,630	42,966	35,899	1.5	2.8	21.5	1.07	1.07	0.99
4243	..Apparel	12,696	12,444	11,474	2.0	-1.2	10.7	24,733	24,745	23,152	0.0	0.8	6.8	1.95	1.99	2.02
4244	..Groceries	52,129	52,275	49,758	-0.3	0.9	4.8	33,113	33,753	32,341	-1.9	1.3	2.4	0.64	0.65	0.65
4245	..Farm products	22,920	21,494	21,472	6.6	1.3	6.7	22,373	23,110	21,248	-3.2	-0.4	5.3	0.98	1.08	0.99
4246	..Chemicals ³	11,233	11,081	10,227	1.4	1.3	9.8	12,492	12,431	11,819	0.5	0.7	5.7	1.11	1.12	1.16
4247	..Petroleum	66,814	66,819	59,475	0.0	-0.5	12.3	21,131	20,721	21,294	2.0	0.6	-0.8	0.32	0.31	0.36
4248	..Alcohol	10,881	10,882	10,589	0.0	2.0	2.8	14,765	14,798	14,270	-0.2	1.1	3.5	1.36	1.36	1.35
4249	..Misc. Nondur.	21,518	20,735	23,338	3.8	4.3	-7.8	25,138	25,525	24,517	-1.5	-0.7	2.5	1.17	1.23	1.05
														Sales to date		
														2014		2013
42	U.S. Total	465,967	463,495	448,483	0.5	2.9	3.9	527,749	533,205	489,443	-1.0	0.3	7.8	2,193,366	2,090,843	
423	.Durable	207,163	210,380	200,659	-1.5	2.1	3.2	327,666	325,578	302,021	0.6	1.5	8.5	989,457	952,832	
4231	..Automotive	34,186	35,145	33,821	-2.7	1.2	1.1	54,468	53,947	49,204	1.0	0.8	10.7	164,909	160,802	
4232	..Furniture	5,408	5,284	5,379	2.3	5.4	0.5	8,497	8,405	8,011	1.1	1.3	6.1	25,288	23,898	
4233	..Lumber	11,200	10,710	10,962	4.6	12.4	2.2	15,867	15,851	14,612	0.1	0.1	8.6	47,971	46,507	
4234	..Prof. equip.	37,229	39,122	35,995	-4.8	-0.9	3.4	40,678	40,919	37,997	-0.6	3.1	7.1	183,526	178,159	
42343	...Comp. equip.	20,587	22,261	19,742	-7.5	-1.1	4.3	17,884	18,516	16,797	-3.4	7.9	6.5	102,686	98,837	
4235	..Metals	14,410	13,971	13,352	3.1	1.8	7.9	28,452	27,920	26,576	1.9	2.6	7.1	67,611	64,901	
4236	..Electrical	35,661	36,073	34,607	-1.1	1.3	3.0	36,794	36,121	34,852	1.9	4.9	5.6	171,035	164,601	
4237	..Hardware	10,638	10,248	10,466	3.8	4.6	1.6	19,685	19,779	19,171	-0.5	2.1	2.7	48,323	46,828	
4238	..Machinery	40,221	41,341	36,838	-2.7	5.0	9.2	96,299	95,761	85,038	0.6	-0.1	13.2	189,750	171,454	
4239	..Misc. Durable	18,210	18,486	19,239	-1.5	-2.2	-5.3	26,926	26,875	26,560	0.2	0.9	1.4	91,044	95,682	
424	.Nondurable	258,804	253,115	247,824	2.2	3.6	4.4	200,083	207,627	187,422	-3.6	-1.4	6.8	1,203,909	1,138,011	
4241	..Paper	7,894	8,033	7,828	-1.7	1.7	0.8	7,461	7,467	7,131	-0.1	2.3	4.6	38,483	36,543	
4242	..Drugs	41,037	41,253	37,935	-0.5	4.4	8.2	43,106	41,978	35,396	2.7	-0.4	21.8	195,469	178,766	
4243	..Apparel	12,125	11,984	11,256	1.2	-2.6	7.7	23,867	23,607	22,272	1.1	0.9	7.2	59,379	55,857	
4244	..Groceries	54,892	53,425	53,092	2.7	0.1	3.4	32,815	33,213	32,018	-1.2	0.3	2.5	255,860	240,797	
4245	..Farm products	22,989	22,160	22,073	3.7	4.1	4.1	18,883	24,034	18,082	-21.4	-10.1	4.4	107,073	107,904	
4246	..Chemicals	11,705	11,557	10,902	1.3	6.6	7.4	12,492	12,431	11,819	0.5	0.7	5.7	55,472	52,000	
4247	..Petroleum	69,620	69,024	63,757	0.9	1.1	9.2	21,279	21,094	21,528	0.9	-0.1	-1.2	334,092	301,578	
4248	..Alcohol	11,752	10,838	11,902	8.4	9.4	-1.3	15,193	15,138	14,684	0.4	3.9	3.5	49,897	49,050	
4249	..Misc. Nondur.	26,790	24,841	29,079	7.8	18.6	-7.9	24,987	28,665	24,492	-12.8	-4.2	2.0	108,184	115,516	

Footnotes:

^p Preliminary estimate.

^r Revised estimate.

¹ For a full description of the NAICS codes used in this table, see the 2007 NAICS manual or <http://www.census.gov/eos/www/naics>.

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	1.2	1.7	0.3	0.2	0.8	0.5	1.2	1.0	0.9
423	..Durable	1.0	1.8	1.1	1.9	0.4	0.2	0.7	0.7	1.1	1.0	0.5
4231	..Automotive	2.6	4.2	2.6	4.3	1.6	0.6	1.2	1.5	2.4	2.3	1.3
4232	..Furniture	5.4	5.3	5.8	5.3	1.7	0.4	2.2	1.9	5.5	4.1	2.4
4233	..Lumber	4.2	5.6	4.3	5.5	0.7	0.2	1.5	1.4	4.0	3.8	1.3
4234	..Prof. equip.	3.5	4.5	3.4	4.5	1.1	0.4	1.9	1.5	3.4	2.6	1.8
42343	...Comp. equip.	3.9	5.0	3.5	4.7	0.8	0.5	2.5	2.2	3.5	1.8	2.3
4235	..Metals	5.4	8.5	5.5	8.3	1.3	0.4	2.3	2.1	5.2	4.2	1.7
4236	..Electrical	1.5	3.3	1.5	3.3	0.8	0.3	1.9	1.8	1.6	2.5	2.0
4237	..Hardware	2.8	4.6	1.9	4.6	1.9	0.4	1.8	2.0	2.2	2.0	1.3
4238	..Machinery	2.9	3.7	3.0	3.6	1.1	0.2	2.3	2.1	3.0	3.4	2.3
4239	..Misc. Durable	4.2	5.9	4.1	5.7	1.4	0.6	1.9	2.0	4.1	3.7	1.6
424	..Nondurable	2.1	2.1	2.1	2.2	0.3	0.3	1.5	0.6	2.1	1.6	1.6
4241	..Paper	4.4	6.5	4.4	6.6	1.1	0.3	2.5	3.5	4.3	3.2	2.2
4242	..Drugs	2.9	5.3	3.4	5.8	0.7	0.4	1.0	1.7	3.1	2.8	1.0
4243	..Apparel	5.0	4.9	5.0	4.8	1.1	0.6	3.7	2.9	5.0	5.8	3.9
4244	..Groceries	4.0	7.1	3.9	6.7	0.4	0.7	1.5	3.0	4.0	3.4	1.8
4245	..Farm products	2.4	4.0	1.9	4.3	1.3	0.8	1.8	3.5	1.9	2.6	1.2
4246	..Chemicals	4.4	5.0	4.6	5.0	1.0	0.4	1.7	1.7	4.3	4.3	1.5
4247	..Petroleum	5.9	3.7	5.8	3.7	0.4	0.3	6.0	1.9	5.7	3.1	5.5
4248	..Alcohol	3.8	4.4	3.9	4.1	1.1	0.8	1.0	1.8	3.8	3.6	0.7
4249	..Misc. Nondur.	4.6	6.0	4.0	6.2	1.6	0.8	1.3	1.4	4.1	3.7	1.4

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					
		2014					2013	2014					2013
		Jun.	May r	Apr. r	Mar.	Feb.	May r	Jun.	May r	Apr. r	Mar.	Feb.	May r
42	U.S. Total²	1.015	1.029	1.034	1.013	0.900	1.054	0.985	0.989	1.005	1.011	1.011	0.989
423	.Durable	1.028	1.001	1.019	1.015	0.883	1.027	1.000	0.998	1.001	0.996	1.000	0.998
4231	..Automotive	1.007	0.992	1.031	1.050	0.922	1.021	0.995	0.992	1.001	1.002	1.027	0.989
4232	..Furniture	1.008	1.025	0.990	0.966	0.878	1.052	0.994	0.988	0.974	0.966	0.984	0.988
4233	..Lumber	1.107	1.098	1.065	0.967	0.820	1.140	1.031	1.048	1.060	1.063	1.030	1.048
4234	..Prof. equip.	1.053	0.951	0.990	1.026	0.854	0.970	0.996	0.993	1.002	0.974	0.994	0.993
42343	...Comp. equip.	1.083	0.918	0.977	1.022	0.818	0.929	1.006	0.993	1.009	0.958	0.970	0.993
4235	..Metals	1.024	1.052	1.053	1.019	0.933	1.085	1.003	1.003	1.005	1.003	1.002	1.004
4236	..Electrical	1.012	0.985	0.985	0.988	0.871	1.010	0.994	0.998	0.989	0.968	0.980	0.997
4237	..Hardware	1.096	1.056	1.029	0.981	0.864	1.081	1.015	1.016	1.013	1.010	0.997	1.013
4238	..Machinery	1.030	1.025	1.064	1.030	0.891	1.051	1.003	1.000	1.005	1.010	1.000	1.002
4239	..Misc. Durable	0.960	1.001	1.002	1.020	0.908	1.024	0.988	0.985	0.991	0.982	0.989	0.986
424	.Nondurable	1.003	1.054	1.038	1.015	0.916	1.078	0.961	0.975	1.012	1.036	1.027	0.976
4241	..Paper ³	0.993	1.002	1.009	0.997	0.902	1.035	1.000	1.000	1.000	1.000	1.000	1.000
4242	..Drugs	0.976	1.011	1.023	1.006	0.915	1.046	0.994	0.988	0.977	1.009	0.966	0.986
4243	..Apparel	0.954	0.955	0.963	0.977	0.960	0.981	1.016	0.965	0.954	0.953	0.986	0.962
4244	..Groceries	1.005	1.053	1.022	1.030	0.913	1.067	0.989	0.991	0.984	0.993	0.985	0.990
4245	..Farm products	0.914	1.003	1.031	1.003	0.939	1.028	0.744	0.844	1.040	1.152	1.195	0.851
4246	..Chemicals ³	1.028	1.042	1.043	0.991	0.930	1.066	1.000	1.000	1.000	1.000	1.000	1.000
4247	..Petroleum	0.994	1.042	1.033	1.017	0.916	1.072	1.007	1.007	1.018	1.025	1.018	1.011
4248	..Alcohol	1.086	1.080	0.996	0.929	0.832	1.124	1.015	1.029	1.023	0.995	0.970	1.029
4249	..Misc. Nondur.	1.123	1.245	1.198	1.054	0.886	1.246	0.924	0.994	1.123	1.163	1.123	0.999

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-13 ARIMA-SEATS program may be found at <http://www.census.gov/srd/www/x13as/>.

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 4,200. Approximately 71% 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 31% 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>.