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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES AUGUST 2008

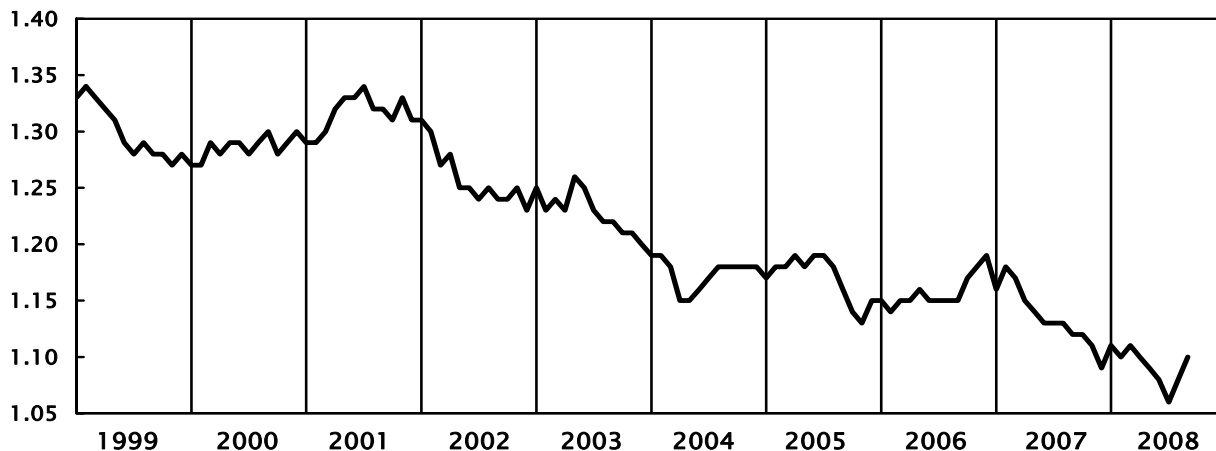
Sales. The U.S. Census Bureau announced today that August 2008 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$404.9 billion, down 1.0 percent (+/-0.5%) from the revised July level, but up 13.4 percent (+/-1.0%) from the August 2007 level. The July preliminary estimate was revised downward \$1.7 billion or 0.4 percent. August sales of durable goods were down 1.5 percent (+/-0.8%) from last month, but were up 5.5 percent (+/-1.7%) from a year ago. Compared to last month, sales of hardware, and plumbing and heating equipment and supplies were down 6.5 percent and sales of lumber and other construction materials were down 5.2 percent. Sales of nondurable goods were down 0.6 percent (+/-0.8%)* from last month, but were up 20.7 percent (+/-1.7%) from last year. Sales of petroleum and petroleum products were down 2.1 percent from last month.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$445.4 billion at the end of August, up 0.8 percent (+/-0.3%) from the revised July level and were up 11.1 percent (+/-1.2%) from a year ago. The July preliminary estimate was revised upward \$0.6 billion or 0.1 percent. End-of-month inventories of durable goods were up 1.4 percent (+/-0.5%) from last month and were up 10.0 percent (+/-1.3%) from last August. Inventories of metals and minerals, except petroleum, were up 3.3 percent and inventories of computer and computer peripheral equipment and software were up 2.1 percent. End-of-month inventories of nondurable goods decreased 0.1 percent (+/-0.7%)* from July, but were up 13.0 percent (+/-3.1%) compared to last August. Inventories of farm product raw materials were down 2.3 percent from last month, while inventories of grocery and related products were up 2.1 percent.

Inventories/Sales Ratio. The August inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.10. The August 2007 ratio was 1.12.

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/methodology/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 September is scheduled to be released November 7, 2008 at 10:00 a.m. EST.

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 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		
		Aug. 2008 (p)	Jul. 2008 (r)	Aug. 2007 (r)	Aug./ Jul.	Jul./ Jun.	Aug. 08/ Aug. 07	Aug. 2008 (p)	Jul. 2008 (r)	Aug. 2007 (r)	Aug./ Jul.	Jul./ Jun.	Aug. 08/ Aug. 07	Aug. 2008 (p)	Jul. 2008 (r)	Aug. 2007 (r)
Adjusted²																
42	U.S. Total	404,862	408,862	357,087	-1.0	-0.8	13.4	445,394	441,823	400,986	0.8	1.5	11.1	1.10	1.08	1.12
423	.Durable	180,415	183,101	171,074	-1.5	-0.2	5.5	275,146	271,365	250,256	1.4	1.8	9.9	1.53	1.48	1.46
4231	..Automotive	24,145	24,689	27,269	-2.2	-2.4	-11.5	42,644	42,153	37,880	1.2	2.5	12.6	1.77	1.71	1.39
4232	..Furniture	5,526	5,540	5,620	-0.3	1.4	-1.7	8,115	8,149	8,043	-0.4	0.8	0.9	1.47	1.47	1.43
4233	..Lumber	9,506	10,028	10,433	-5.2	-0.6	-8.9	14,959	14,893	14,484	0.4	1.9	3.3	1.57	1.49	1.39
4234	..Prof. equip.	30,712	30,868	29,570	-0.5	0.2	3.9	32,844	32,383	30,756	1.4	-0.3	6.8	1.07	1.05	1.04
42343	...Comp. equip.	15,393	15,419	15,122	-0.2	-1.8	1.8	11,939	11,696	10,926	2.1	1.0	9.3	0.78	0.76	0.72
4235	..Metals	16,172	15,820	13,587	2.2	3.0	19.0	28,589	27,679	23,422	3.3	2.9	22.1	1.77	1.75	1.72
4236	..Electrical	29,295	30,166	26,864	-2.9	0.2	9.0	35,542	34,875	32,353	1.9	0.7	9.9	1.21	1.16	1.20
4237	..Hardware	7,518	8,037	8,089	-6.5	1.3	-7.1	15,379	15,310	15,356	0.5	1.4	0.1	2.05	1.90	1.90
4238	..Machinery	31,943	31,262	28,567	2.2	-3.3	11.8	70,874	70,200	64,416	1.0	2.9	10.0	2.22	2.25	2.25
4239	..Misc. Durable	25,598	26,691	21,075	-4.1	2.3	21.5	26,200	25,723	23,546	1.9	1.6	11.3	1.02	0.96	1.12
424	.Nondurable	224,447	225,761	186,013	-0.6	-1.2	20.7	170,248	170,458	150,730	-0.1	1.1	12.9	0.76	0.76	0.81
4241	..Paper ³	8,483	8,428	7,770	0.7	4.6	9.2	7,172	7,253	6,876	-1.1	2.8	4.3	0.85	0.86	0.88
4242	..Drugs	32,178	32,035	30,789	0.4	1.9	4.5	32,130	32,122	30,153	0.0	6.1	6.6	1.00	1.00	0.98
4243	..Apparel	11,436	11,549	10,993	-1.0	7.5	4.0	16,270	16,519	16,881	-1.5	-0.8	-3.6	1.42	1.43	1.54
4244	..Groceries	45,066	44,741	42,596	0.7	0.2	5.8	27,728	27,172	25,834	2.0	1.6	7.3	0.62	0.61	0.61
4245	..Farm products	23,027	23,446	16,726	-1.8	1.1	37.7	25,780	26,386	20,262	-2.3	-5.6	27.2	1.12	1.13	1.21
4246	..Chemicals ³	10,098	9,915	8,133	1.8	3.2	24.2	10,082	10,191	8,945	-1.1	6.3	12.7	1.00	1.03	1.10
4247	..Petroleum	64,243	65,587	41,907	-2.0	-7.2	53.3	17,088	16,874	12,359	1.3	2.7	38.3	0.27	0.26	0.29
4248	..Alcohol	9,084	9,162	8,735	-0.9	0.0	4.0	10,770	10,769	10,025	0.0	1.3	7.4	1.19	1.18	1.15
4249	..Misc. Nondur.	20,832	20,898	18,364	-0.3	-0.4	13.4	23,228	23,172	19,395	0.2	-0.6	19.8	1.12	1.11	1.06
Not Adjusted													Sales to date			
													2008	2007		
42	U.S. Total	401,743	418,401	374,186	-4.0	-0.4	7.4	439,332	439,006	396,260	0.1	1.7	10.9	3,164,819	2,776,855	
423	.Durable	178,842	186,476	180,105	-4.1	-1.9	-0.7	275,762	273,566	250,705	0.8	2.3	10.0	1,425,995	1,341,347	
4231	..Automotive	23,686	24,763	28,142	-4.3	-2.3	-15.8	40,554	41,984	35,948	-3.4	2.9	12.8	206,836	215,340	
4232	..Furniture	5,548	5,679	6,008	-2.3	3.8	-7.7	8,375	8,377	8,300	0.0	3.5	0.9	44,126	46,061	
4233	..Lumber	10,133	11,241	11,987	-9.9	1.6	-15.5	15,094	15,116	14,600	-0.1	1.1	3.4	79,555	88,959	
4234	..Prof. equip.	29,391	30,714	30,161	-4.3	-6.2	-2.6	33,304	32,674	31,156	1.9	1.3	6.9	235,932	225,037	
42343	...Comp. equip.	14,423	15,080	15,031	-4.4	-13.4	-4.0	11,999	11,743	10,959	2.2	3.2	9.5	117,405	114,163	
4235	..Metals	16,463	16,769	14,715	-1.8	4.6	11.9	29,046	28,066	23,726	3.5	2.9	22.4	123,227	114,133	
4236	..Electrical	29,441	30,709	28,449	-4.1	1.5	3.5	36,253	35,433	33,000	2.3	2.1	9.9	229,622	209,042	
4237	..Hardware	7,759	8,519	8,857	-8.9	0.0	-12.4	15,517	15,478	15,479	0.3	2.2	0.2	62,949	63,646	
4238	..Machinery	31,847	31,418	30,395	1.4	-7.4	4.8	71,157	70,972	64,738	0.3	2.6	9.9	249,214	222,822	
4239	..Misc. Durable	24,574	26,664	21,391	-7.8	-0.1	14.9	26,462	25,466	23,758	3.9	1.8	11.4	194,534	156,307	
424	.Nondurable	222,901	231,925	194,081	-3.9	0.9	14.8	163,570	165,440	145,555	-1.1	0.6	12.4	1,738,824	1,435,508	
4241	..Paper	8,619	8,453	8,415	2.0	4.4	2.4	7,172	7,253	6,876	-1.1	2.8	4.3	64,845	61,736	
4242	..Drugs	30,827	32,195	31,713	-4.2	4.6	-2.8	31,969	31,801	29,851	0.5	4.7	7.1	250,207	238,613	
4243	..Apparel	12,339	12,577	12,521	-1.9	19.9	-1.5	17,230	17,328	17,894	-0.6	3.2	-3.7	88,890	84,828	
4244	..Groceries	44,615	45,099	43,959	-1.1	0.8	1.5	27,756	26,710	25,808	3.9	0.7	7.5	359,182	337,186	
4245	..Farm products	19,757	21,852	15,020	-9.6	4.8	31.5	19,593	21,320	15,460	-8.1	-9.6	26.7	174,303	109,594	
4246	..Chemicals	10,280	10,322	8,816	-0.4	5.5	16.6	10,082	10,191	8,945	-1.1	6.3	12.7	74,860	66,128	
4247	..Petroleum	66,620	70,244	45,050	-5.2	-3.6	47.9	17,003	17,768	12,322	-4.3	4.3	38.0	492,099	321,499	
4248	..Alcohol	9,366	9,574	9,635	-2.2	-3.9	-2.8	10,652	10,963	9,935	-2.8	2.2	7.2	70,272	66,663	
4249	..Misc. Nondur.	20,478	21,609	18,952	-5.2	-3.5	8.1	22,113	22,106	18,464	0.0	-2.7	19.8	164,166	149,261	

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	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	0.8	1.3	0.8	1.3	0.3	0.2	0.6	0.7	0.9	0.8	0.7
423	..Durable	1.6	1.8	1.6	1.7	0.5	0.3	1.0	0.8	1.6	1.3	1.1
4231	..Automotive	2.7	4.0	2.5	4.0	0.7	0.5	1.3	1.8	2.7	2.9	0.6
4232	..Furniture	3.9	5.0	3.9	5.0	1.9	0.8	2.8	2.4	3.7	3.3	1.9
4233	..Lumber	4.8	8.9	4.7	8.8	1.1	0.7	2.0	2.7	4.9	4.3	1.8
4234	..Prof. equip.	4.5	4.4	4.4	4.5	1.0	0.5	1.6	1.5	4.3	4.1	1.3
42343	...Comp. equip.	6.9	6.6	6.7	6.6	2.0	1.0	2.2	2.8	6.8	6.5	1.0
4235	..Metals	5.2	6.6	5.2	6.5	1.7	0.7	2.3	2.3	5.1	4.7	1.9
4236	..Electrical	7.8	4.5	7.8	4.5	0.9	0.3	5.2	3.7	8.5	3.3	6.2
4237	..Hardware	5.4	4.9	5.5	5.0	1.5	0.5	2.7	2.4	5.0	5.0	2.2
4238	..Machinery	3.5	3.3	3.6	3.1	2.0	0.6	3.0	1.3	3.7	2.9	1.7
4239	..Misc. Durable	6.1	4.2	5.9	4.2	1.8	1.2	3.5	2.4	5.9	6.5	2.6
424	..Nondurable	1.2	1.8	1.2	1.7	0.5	0.4	1.0	1.9	1.3	1.1	0.9
4241	..Paper	7.2	7.0	7.0	7.0	1.0	0.9	3.6	5.2	6.8	8.1	3.7
4242	..Drugs	3.9	5.1	3.9	5.2	0.6	0.4	2.1	3.8	3.8	4.1	2.1
4243	..Apparel	4.0	7.0	4.0	6.9	2.5	0.9	3.0	3.5	3.5	4.1	2.1
4244	..Groceries	4.1	7.4	4.1	7.4	0.9	0.9	1.6	3.8	4.1	3.8	1.2
4245	..Farm products	3.7	6.4	3.9	6.0	2.2	1.3	5.1	7.1	3.4	3.7	4.8
4246	..Chemicals	7.5	7.2	7.5	7.3	1.7	0.9	2.8	2.1	7.5	6.9	1.9
4247	..Petroleum	3.7	3.8	3.7	3.7	1.2	0.8	3.7	3.0	3.8	3.5	3.3
4248	..Alcohol	7.2	4.3	7.2	4.4	1.1	0.9	1.6	1.8	7.3	7.4	1.3
4249	..Misc. Nondur.	4.9	6.8	4.8	6.5	1.6	0.9	2.3	3.2	4.6	4.2	1.2

Note:

Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation, trading-day differences, or moving holidays. Medians are based on 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/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 $\pm 1.645 \times 0.9$ 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. 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					
		2008					2007	2008					2007
		Sep.	Aug.r	Jul.r	Jun.	May	Aug.r	Sep.	Aug.r	Jul.r	Jun.	May	Aug.r
42	U.S. Total²	1.023	0.993	1.025	1.023	1.019	1.050	0.994	0.989	0.996	0.993	0.989	0.989
423	..Durable	1.039	0.994	1.017	1.035	1.007	1.055	0.999	1.000	1.009	1.002	1.003	1.000
4231	..Automotive	0.970	0.981	1.003	1.002	1.007	1.032	0.977	0.951	0.996	0.992	0.991	0.949
4232	..Furniture	1.056	1.004	1.025	1.001	0.999	1.069	1.019	1.032	1.028	1.001	0.992	1.032
4233	..Lumber	1.042	1.066	1.121	1.097	1.073	1.149	0.999	1.009	1.015	1.023	1.023	1.008
4234	..Prof. equip.	1.104	0.957	0.995	1.063	0.952	1.020	1.008	1.014	1.009	0.993	0.992	1.013
42343	...Comp. equip.	1.128	0.937	0.978	1.109	0.925	0.994	1.017	1.005	1.004	0.982	0.983	1.003
4235	..Metals	1.005	1.018	1.060	1.044	1.063	1.083	1.017	1.016	1.014	1.014	1.004	1.013
4236	..Electrical	1.067	1.005	1.018	1.005	0.980	1.059	1.016	1.020	1.016	1.002	1.002	1.020
4237	..Hardware	1.049	1.032	1.060	1.074	1.019	1.095	1.004	1.009	1.011	1.003	1.012	1.008
4238	..Machinery	1.054	0.997	1.005	1.050	1.024	1.064	0.989	1.004	1.011	1.014	1.011	1.005
4239	..Misc. Durable	1.001	0.960	0.999	1.023	1.047	1.015	1.022	1.010	0.990	0.988	0.999	1.009
424	..Nondurable	1.006	0.988	1.026	1.006	1.027	1.041	0.982	0.967	0.979	0.980	0.965	0.969
4241	..Paper ³	1.046	1.016	1.003	1.005	0.997	1.083	1.000	1.000	1.000	1.000	1.000	1.000
4242	..Drugs	1.024	0.958	1.005	0.979	0.991	1.030	1.017	0.995	0.990	1.003	0.985	0.990
4243	..Apparel	1.087	1.079	1.089	0.976	0.923	1.139	1.050	1.059	1.049	1.008	0.952	1.060
4244	..Groceries	0.997	0.990	1.008	1.002	1.043	1.032	1.003	1.001	0.983	0.992	0.991	0.999
4245	..Farm products	0.944	0.858	0.932	0.899	0.982	0.898	0.802	0.760	0.808	0.844	0.840	0.763
4246	..Chemicals ³	1.031	1.018	1.041	1.019	1.017	1.084	1.000	1.000	1.000	1.000	1.000	1.000
4247	..Petroleum	0.997	1.037	1.071	1.031	1.038	1.075	1.004	0.995	1.053	1.037	0.948	0.997
4248	..Alcohol	0.979	1.031	1.045	1.088	1.070	1.103	1.026	0.989	1.018	1.009	1.002	0.991
4249	..Misc. Nondur.	0.986	0.983	1.034	1.068	1.147	1.032	0.971	0.952	0.954	0.975	1.001	0.952

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 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 26% of the total sales estimate and 27% 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>.