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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES October 2014

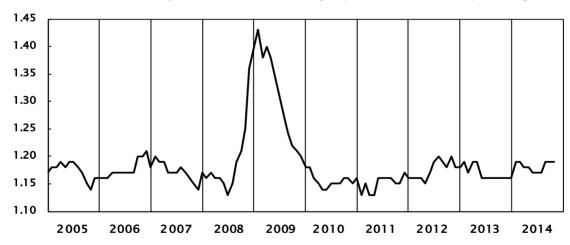
Sales. The U.S. Census Bureau announced today that October 2014 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$454.6 billion, up 0.2 percent (+/-0.9)* from the revised September level and were up 4.3 percent (+/-1.4%) from the October 2013 level. The September preliminary estimate was revised downward \$0.6 billion or 0.1 percent. October sales of durable goods were up 0.8 percent (+/-1.2%)* from last month and were up 6.0 percent (+/-1.4%) from a year ago. Sales of electrical and electronic goods were up 1.9 percent from last month. Sales of nondurable goods were down 0.3 percent (+/-1.1%)* from September, but were up 2.8 percent (+/-2.5%) from last October. Sales of petroleum and petroleum products were down 5.8 percent from last month, while sales of farm product raw materials were up 8.0 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$542.0 billion at the end of October, up 0.4 percent (+/-0.4%)* from the revised September level and were up 6.8 percent (+/-1.1%) from the October 2013 level. The September preliminary estimate was revised upward \$0.9 billion or 0.2 percent. October inventories of durable goods were virtually unchanged (+/-0.4%)* from last month, but were up 8.5 percent (+/-1.4%) from a year ago. Inventories of computer and computer peripheral equipment and software were down 3.6 percent from last month, while inventories of hardware and plumbing and heating equipment and supplies were up 1.6 percent. Inventories of nondurable goods were up 1.2% (+/-0.7%) from September and were up 4.2 percent (+/-1.2%) from last October. Inventories of drugs and druggists' sundries were up 3.2 percent from last month and inventories of paper and paper products were up 1.6 percent.

Inventories/Sales Ratio. The October inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.19. The October 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 November is scheduled to be released January 9, 2015 at 10:00 a.m. EST.

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.]

		Sales							Inventories						Inventories/Sales		
NAICS ¹	Kind of	Monthly Percent change					Monthly Percent change						Ratios				
code	Business	Oct.	Sep.	Oct.	Oct./	Sep./	Oct. 14/	Oct.	Sep.	Oct.	Oct./	Sep./	Oct. 14/	Oct.	Sep.	Oct.	
code	business	2014	2014	2013	Sep.	Aug.	Oct. 13	2014	2014	2013	Sep.	Aug.	Oct. 13	2014	2014	2013	
		(p)	(r)	(r)				(p)	(r)	(r)				(p)	(r)	(r)	
<u>Adjusted</u>																	
42	U.S. Total	454,587	453,662	436,003	0.2	0.0	4.3	541,985	539,719	507,464	0.4	0.4	6.8	1.19	1.19	1.16	
423	.Durable	213,487	211,852	201,381	0.8	0.5	6.0	335,516	335,636	309,311	0.0	0.7	8.5	1.57	1.58	1.54	
4231	Automotive	34,886	35,257	33,210	-1.1	1.4	5.0	54,873	55,642	50,868	-1.4	0.7	7.9	1.57	1.58	1.53	
4232	Furniture	5,677	5,486	5,220	3.5	2.2	8.8	8,898	8,965	8,588	-0.7	2.0	3.6	1.57	1.63	1.65	
4233	Lumber	10,633	10,609	9,978	0.2	1.9	6.6	15,659	15,630	14,182	0.2	1.3	10.4	1.47	1.47	1.42	
4234	Prof. equip.	40,263	39,652	37,876	1.5	0.7	6.3	42,350	42,642	38,464	-0.7	1.0		1.05	1.08	1.02	
42343	Comp. equip.	22,639	22,305	21,996	1.5	0.1	2.9	18,412	19,090	16,104	-3.6	1.7		0.81	0.86	0.73	
4235	Metals	15,272	15,140	13,341	0.9	1.1	14.5	29,796	29,632	26,584	0.6	1.9		1.95	1.96	1.99	
4236	Electrical	37,190	36,506	35,566	1.9	0.7	4.6	37,872	37,577	35,310	0.8	-0.6		1.02	1.03 1.90	0.99	
4237 4238	Hardware Machinery	10,757 40,314	10,612 39,889	9,690 37,598	1.4 1.1	4.2 -1.1	11.0 7.2	20,522 98,147	20,207 97,772	18,533 89,071	1.6 0.4	0.9 0.5		1.91 2.43	2.45	1.91 2.37	
4239	Misc. Durable	18,495	18,701	18,902	-1.1	-2.0	-2.2	27,399	27,569	27,711	-0.6	0.3		1.48	1.47	1.47	
424	.Nondurable	241,100	241,810	234,622	-0.3	-0.4	2.8	206,469	204,083	198,153	1.2	0.0		0.86	0.84	0.84	
			-						-	-							
4241	Paper³	7,995	7,917	7,689	1.0	-1.8	4.0	7,467	7,353	7,281	1.6	-0.1	2.6	0.93	0.93	0.95	
4242	Drugs	41,984	42,118	36,795	-0.3	1.1	14.1	45,842	44,423	38,194	3.2	-2.5		1.09	1.05	1.04	
4243	Apparel	13,557	13,535	11,794	0.2	2.8	14.9	25,824	25,722	23,378	0.4	0.5	10.5	1.90	1.90 0.64	1.98	
4244 4245	Groceries	54,652	53,579	51,098 20,021	2.0	1.4 -5.5	7.0 0.7	34,742	34,370	33,375	1.1 3.6	2.2 4.2		0.64 1.00	1.05	0.65 1.07	
	Farm products	20,157	18,666		8.0			20,213	19,510	21,420				1.11	1.16		
4246	Chemicals ³	11,163	10,836 63,179	10,546	3.0 -5.8	-2.2 -2.8	5.9 -8.7	12,383 19,122	12,605	12,064 23.028	-1.8 -1.9	2.4 -5.6	2.6 -17.0	0.32	0.31	1.14 0.35	
4247 4248	Petroleum Alcohol	59,539 11,084	10,934	65,232 10,469	-5.8 1.4	-2.8 1.5	-8.7 5.9	14,959	19,495 14,968	14,366	-1.9 -0.1	-5.6 1.1	-17.0 4.1	1.35	1.37	1.37	
4246 4249	Misc. Nondur.	20,969	21,046	20,978	-0.4	3.4	0.0	25,917	25,637	25,047	-0.1 1.1	0.7		1.35	1.22	1.19	
	•	20,303	21,040	20,570	0.1	5.1	0.0	23,317	23,037	23,047		0.7	3.5		les to da		
Not Adj	ustea 													2014		2013	
42	U.S. Total	482,307	460,342	463,071	4.8	2.5	4.2	546,966	535,179	512,529	2.2	1.2	6.7	4,511		,266,417	
423	.Durable	230,342	221,297	217,695	4.1	5.2	5.8	337,789	336,982	311,831	0.2	1.2		2,081		,970,396	
4231	Automotive	37,049	34,728	35,335	6.7	-1.4	4.9	55,586	54,474	51,580	2.0	3.3	7.8	•	,888	327,028	
4232	Furniture	6,415	5,832	5,920	10.0	6.2	8.4	9,094	9,279	8,768	-2.0	2.4	3.7		,680	51,185	
4233	Lumber	11,866	11,299	11,096	5.0	0.4	6.9	14,751	15,239	13,374	-3.2	-0.9			,765	99,870	
4234	Prof. equip.	43,404	42,785	40,868	1.4	13.9	6.2	43,239	43,239	39,349	0.0	1.7			,190	373,273	
42343	Comp. equip.	24,880	24,023	24,262	3.6	15.3	2.5	19,001	19,625	16,716	-3.2	4.6	13.7	220	,644	212,737	
4235	Metals	16,204	15,519	14,115	4.4	2.3	14.8	29,409	29,721	26,212	-1.0	1.9	12.2	144	,256	129,866	
4236	Electrical	41,393	38,952	39,692	6.3	8.7	4.3	38,970	38,742	36,369	0.6	-0.2			,439	346,959	
4237	Hardware	11,542	11,026	10,455	4.7	4.5	10.4	20,317	20,187	18,366	0.6	-0.1	10.6		,199	98,473	
4238	Machinery	42,088	41,165	39,252	2.2	1.1	7.2	98,147	97,870	89,160	0.3	0.9			,981	353,380	
4239	Misc. Durable	20,381	19,991	20,962	2.0	7.8	-2.8	28,276	28,231	28,653	0.2	0.8			5,954	190,362	
424	.Nondurable	251,965	239,045	245,376	5.4	0.2	2.7	209,177	198,197	200,698	5.5	1.1	4.2	2,429	•	,296,021	
4241	Paper	8,715	8,305	8,389	4.9	0.7	3.9	7,467	7,353	7,281	1.6	-0.1	2.6		,383	75,453	
4242	Drugs	44,881	42,960	39,444	4.5	6.7	13.8	46,392	44,512	38,614	4.2	-3.2			,806	362,682	
4243	Apparel	15,930	14,875	14,035	7.1	4.5	13.5	25,927	27,343	23,472	-5.2	0.5			,954	118,602	
4244	Groceries	56,128	53,579	52,478	4.8	1.3	7.0	35,923	34,645	34,476	3.7	4.7	4.2		,194	491,362 205,041	
4245 4246	Farm products	22,878 11,531	16,575 10,934	23,285 10,894	38.0 5.5	-0.8 -3.2	-1.7 5.8	23,043 12,383	14,047 12,605	24,654 12,064	64.0 -1.8	11.5 2.4	-6.5 2.6		,829	105,056	
4246	Petroleum	59,241	61,789	64,514	-4.1	-3.2 -6.5	-8.2	18,013	12,605	21,646	-1.8 -5.3	-5.6			,629 ',541	617,289	
4247	Alcohol	11,860	10,792	11,170	9.9	-0.3	6.2	15,408	15,027	14,797	2.5	2.4			5,127	103,483	
4249	Misc. Nondur.	20,801	19,236	21,167	8.1	6.9	-1.7	24,621	23,637	23,694	4.2	4.4			,652	217,053	
Footnotes															•		

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.

^p Preliminary estimate.

r Revised estimate.

 $^{^1\,}For\ a\ full\ description\ of\ the\ NAICS\ codes\ used\ in\ this\ table,\ see\ the\ 2007\ NAICS\ manual\ or\ \underline{http://www.census.gov/eos/www/naics.}$

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.

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.]

	Kind of Business		nt of variati				dard error f		Coeffic variation	Standard error for percent change		
NAICS code		Preliminar	y estimates	Final estimates			of two ve months	current m	month to nonth last ar	Sales to date		Current year sales to date to
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	previous year sales to date
42	U.S. Total	1.0	1.7	0.9	1.6	0.5	0.2	0.8	0.6	1.1	0.9	0.9
423	.Durable	1.2	1.9	1.3	1.9	0.7	0.2	0.8	0.8	1.1	1.1	0.5
4231	Automotive	2.2	3.9	2.3	4.0	1.1	0.7	1.5	1.7	2.4	2.1	1.1
4232	Furniture	7.1	6.4	6.3	6.0	2.2	0.9	5.2	3.4	5.3	4.3	2.4
4233	Lumber	4.8	5.3	4.5	5.2	0.9	0.3	1.5	1.4	4.4	3.9	1.2
4234	Prof. equip.	3.8	4.4	4.4	4.5	1.5	0.8	1.5	2.7	3.5	2.5	1.7
42343	Comp. equip.	3.3	5.6	4.4	5.0	1.4	0.7	1.8	3.2	3.4	2.0	2.1
4235	Metals	6.0	7.9	6.6	7.4	1.2	0.5	2.1	2.1	5.6	4.6	1.9
4236	Electrical	1.7	3.1	2.1	3.3	0.9	0.8	2.0	2.2	1.6	2.4	1.8
4237	Hardware	3.5	4.7	2.9	4.7	1.5	0.3	4.0	1.1	2.2	2.2	1.4
4238	Machinery	3.3	3.5	3.1	3.5	1.4	0.5	2.9	1.5	2.9	3.2	1.8
4239	Misc. Durable	4.2	5.9	3.8	5.9	1.1	0.5	1.6	2.2	3.9	3.9	1.3
424	.Nondurable	1.9	2.0	2.1	2.0	0.6	0.4	1.4	0.7	2.1	1.6	1.5
4241	Paper	3.6	6.2	4.0	6.3	0.8	0.4	1.8	2.7	4.1	3.3	1.8
4242	Drugs	2.8	6.0	2.8	5.9	0.3	0.2	1.1	1.6	3.0	2.8	0.9
4243	Apparel	7.5	5.9	7.6	6.1	1.0	0.7	2.8	2.0	5.6	5.3	3.2
4244	Groceries	3.8	7.3	4.1	7.0	1.6	1.0	1.9	2.8	3.9	3.4	1.7
4245	Farm products	3.5	4.1	3.7	4.6	2.4	2.9	5.1	2.8	2.1	2.2	1.4
4246	Chemicals	4.5	5.2	4.3	5.3	1.2	0.7	2.4	2.3	4.3	4.4	1.7
4247	Petroleum	5.9	4.4	6.0	4.1	0.4	0.4	4.6	2.1	5.9	3.4	5.5
4248	Alcohol	4.1	4.4	4.2	4.5	0.9	0.6	2.2	1.4	3.8	3.6	1.3
4249	Misc. Nondur.	4.6	5.6	3.9	5.6	2.4	0.8	1.8	1.4	4.2	4.0	1.1

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 ± 1.4 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 $\pm 1.753 \times \text{CV} \times \text{(the estimated monthly total)}$. 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. Combined 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	Kind of	Sales							Inventories					
code	Business	2014					2013	2014					2013	
		Nov.	Oct.r	Sep.r	Aug.	Jul.	Oct.r	Nov.	Oct.r	Sep.r	Aug.	Jul.	Oct.r	
42	U.S. Total ²	0.946	1.058	1.013	0.987	1.014	1.061	1.008	1.010	0.991	0.982	0.988	1.010	
423	.Durable	0.941	1.079	1.046	0.997	1.013	1.083	0.999	1.009	1.006	1.001	1.008	1.009	
4231	Automotive	0.952	1.062	0.985	1.013	0.995	1.064	1.035	1.013	0.979	0.955	0.996	1.014	
4232	Furniture	0.973	1.130	1.063	1.023	1.035	1.134	1.002	1.022	1.035	1.031	1.022	1.021	
4233	Lumber	0.871	1.116	1.065	1.081	1.125	1.112	0.930	0.942	0.975	0.997	1.022	0.943	
4234	Prof. equip.	0.931	1.078	1.079	0.954	1.014	1.079	1.008	1.021	1.014	1.007	1.005	1.023	
42343	Comp. equip.	0.939	1.099	1.077	0.935	1.039	1.103	1.008	1.032	1.028	1.000	1.023	1.038	
4235	Metals	0.885	1.061	1.025	1.013	1.047	1.058	0.981	0.987	1.003	1.003	1.012	0.986	
4236	Electrical	1.023	1.113	1.067	0.989	1.004	1.116	1.002	1.029	1.031	1.027	1.011	1.030	
4237	Hardware	0.894	1.073	1.039	1.036	1.090	1.079	0.981	0.990	0.999	1.009	1.014	0.991	
4238	Machinery	0.847	1.044	1.032	1.010	0.991	1.044	0.996	1.000	1.001	0.997	1.008	1.001	
4239	Misc. Durable	0.992	1.102	1.069	0.972	0.961	1.109	0.997	1.032	1.024	1.018	1.010	1.034	
424	.Nondurable	0.954	1.039	0.983	0.977	1.016	1.045	1.023	1.014	0.966	0.952	0.955	1.012	
4241	Paper ³	0.924	1.090	1.049	1.023	1.012	1.091	1.000	1.000	1.000	1.000	1.000	1.000	
4242	Drugs	0.930	1.069	1.020	0.966	1.021	1.072	1.004	1.012	1.002	1.010	1.007	1.011	
4243	Apparel	0.993	1.175	1.099	1.081	1.075	1.190	0.958	1.004	1.063	1.063	1.054	1.004	
4244	Groceries	0.951	1.027	1.000	1.001	1.028	1.027	1.034	1.034	1.008	0.984	0.986	1.033	
4245	Farm products	1.088	1.135	0.888	0.846	0.923	1.163	1.242	1.140	0.720	0.673	0.678	1.151	
4246	Chemicals ³	0.886	1.033	1.009	1.019	1.044	1.033	1.000	1.000	1.000	1.000	1.000	1.000	
4247	Petroleum	0.931	0.995	0.978	1.016	1.029	0.989	0.941	0.942	0.976	0.976	1.011	0.940	
4248	Alcohol	0.975	1.070	0.987	1.015	1.030	1.067	1.026	1.030	1.004	0.991	1.017	1.030	
4249	Misc. Nondur.	0.897	0.992	0.914	0.884	1.013	1.009	0.968	0.950	0.922	0.889	0.880	0.946	

Footnotes:

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 69% 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 30% 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.

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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.