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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES December 2007

Intention to Revise Wholesale Data: Monthly wholesale sales, inventories, and inventories/sales ratios will be revised based on the results of the 2006 Annual Wholesale Trade Survey. Revised unadjusted and corresponding adjusted data are tentatively scheduled for release on our website on March 27, 2008.

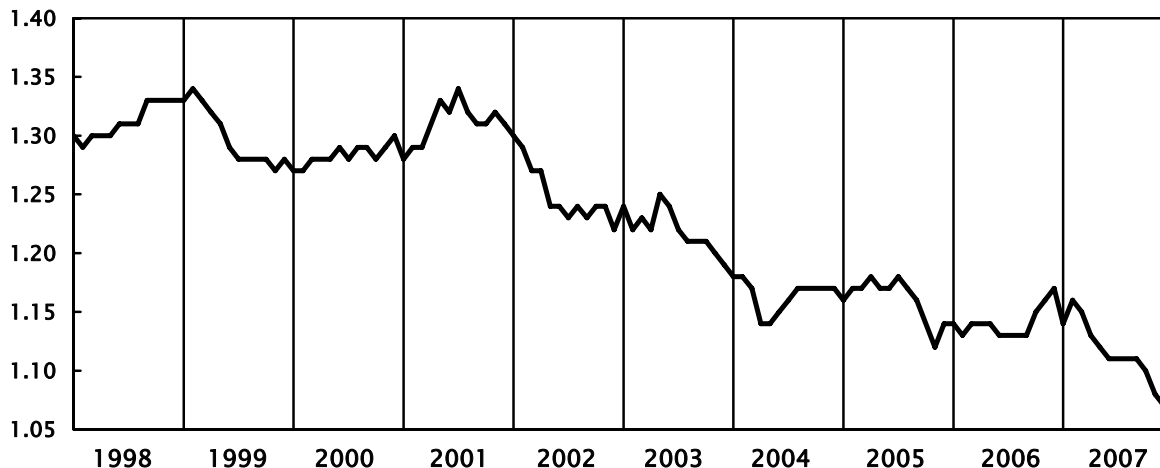
Sales. The U.S. Census Bureau announced today that December 2007 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$376.6 billion, down 0.7 percent (+/-0.5%) from the revised November level and were up 10.6 percent (+/-1.3%) from the December 2006 level. The November preliminary estimate was revised downward \$1.1 billion or 0.3 percent. December sales of durable goods were down 2.0 percent (+/-0.8%) from last month, but were up 1.6 percent (+/-2.0%)* from a year ago. Compared to last month, sales of electrical and electronic goods were down 4.3 percent and sales of computer and computer peripheral equipment and software were down 4.0 percent. Sales of nondurable goods were up 0.4 percent (+/-0.7%)* from last month and were up 19.3 percent (+/-2.0%) from last year.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$411.6 billion at the end of December, up 1.1 percent (+/-0.3%) from the revised November level and were up 6.1 percent (+/-1.5%) from a year ago. The November preliminary estimate was revised upward \$0.8 billion or 0.2 percent. End-of-month inventories of durable goods were up 0.9 percent (+/-0.3%) from last month and were up 1.9 percent (+/-1.7%) from last December. Inventories of motor vehicle and motor vehicle parts and supplies were up 3.5 percent from last month, and inventories of metals and minerals, except petroleum, were up 1.7 percent. End-of-month inventories of nondurable goods increased 1.6 percent (+/-0.5%) from November and were up 13.6 percent (+/-2.8%) compared to last December. Inventories of petroleum and petroleum products were up 9.2 percent from last month and inventories of farm product raw materials were up 3.7 percent.

Inventories/Sales Ratio. The December inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.09. The December 2006 ratio was 1.14.

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: 1998 to 2007
(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, 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 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. 2007 (p)	Nov. 2007 (r)	Dec. 2006 (r)	Dec./ Nov.	Nov./ Oct.	Dec. 07/ Dec. 06	Dec. 2007 (p)	Nov. 2007 (r)	Dec. 2006 (r)	Dec./ Nov.	Nov./ Oct.	Dec. 07/ Dec. 06	Dec. 2007 (p)	Nov. 2007 (r)	Dec. 2006 (r)
Adjusted²																
42	U.S. Total	376,646	379,270	340,558	-0.7	1.9	10.6	411,600	406,928	387,905	1.1	0.8	6.1	1.09	1.07	1.14
423	.Durable	170,852	174,300	168,121	-2.0	0.4	1.6	252,667	250,496	247,955	0.9	0.4	1.9	1.48	1.44	1.47
4231	..Automotive	27,026	27,643	29,404	-2.2	-0.6	-8.1	39,688	38,351	37,805	3.5	2.6	5.0	1.47	1.39	1.29
4232	..Furniture	5,897	6,042	6,035	-2.4	-3.3	-2.3	7,907	7,936	7,752	-0.4	0.6	2.0	1.34	1.31	1.28
4233	..Lumber	9,733	10,119	11,583	-3.8	-1.5	-16.0	14,403	14,231	15,082	1.2	-0.5	-4.5	1.48	1.41	1.30
4234	..Prof. equip.	30,471	31,289	29,069	-2.6	0.9	4.8	32,448	32,178	31,119	0.8	1.0	4.3	1.06	1.03	1.07
42343	...Comp. equip.	16,330	17,004	15,606	-4.0	3.0	4.6	11,776	11,921	11,467	-1.2	-2.1	2.7	0.72	0.70	0.73
4235	..Metals	13,330	13,287	13,356	0.3	-1.4	-0.2	22,810	22,434	24,969	1.7	-1.6	-8.6	1.71	1.69	1.87
4236	..Electrical	25,978	27,155	26,266	-4.3	3.1	-1.1	33,066	32,687	32,315	1.2	0.3	2.3	1.27	1.20	1.23
4237	..Hardware	7,912	7,996	7,809	-1.1	-1.6	1.3	15,432	15,450	14,675	-0.1	0.3	5.2	1.95	1.93	1.88
4238	..Machinery	30,543	30,441	27,193	0.3	0.4	12.3	65,330	64,995	61,919	0.5	0.5	5.5	2.14	2.14	2.28
4239	..Misc. Durable	19,962	20,328	17,406	-1.8	1.5	14.7	21,583	22,234	22,319	-2.9	-1.4	-3.3	1.08	1.09	1.28
424	.Nondurable	205,794	204,970	172,437	0.4	3.2	19.3	158,933	156,432	139,950	1.6	1.4	13.6	0.77	0.76	0.81
4241	..Paper	8,353	8,364	7,892	-0.1	0.2	5.8	6,872	6,909	6,437	-0.5	-0.2	6.8	0.82	0.83	0.82
4242	..Drugs	34,341	34,217	32,015	0.4	0.2	7.3	32,164	31,848	31,259	1.0	1.4	2.9	0.94	0.93	0.98
4243	..Apparel	10,796	11,182	10,437	-3.5	4.6	3.4	15,442	15,493	15,083	-0.3	-1.4	2.4	1.43	1.39	1.45
4244	..Groceries	44,339	43,693	39,848	1.5	-0.1	11.3	27,603	27,354	25,226	0.9	0.7	9.4	0.62	0.63	0.63
4245	..Farm products	17,799	17,699	11,487	0.6	9.8	54.9	21,627	20,858	14,581	3.7	3.1	48.3	1.22	1.18	1.27
4246	..Chemicals	8,894	8,973	8,186	-0.9	-1.5	8.6	9,209	9,208	8,660	0.0	1.8	6.3	1.04	1.03	1.06
4247	..Petroleum	51,910	51,083	36,253	1.6	8.8	43.2	15,541	14,238	12,083	9.2	4.5	28.6	0.30	0.28	0.33
4248	..Alcohol	8,972	8,811	8,303	1.8	-1.0	8.1	10,623	10,553	9,610	0.7	-0.1	10.5	1.18	1.20	1.16
4249	..Misc. Nondur.	20,390	20,948	18,016	-2.7	1.9	13.2	19,852	19,971	17,011	-0.6	1.7	16.7	0.97	0.95	0.94
													Sales to date			
													2007		2006	
42	U.S. Total	362,121	378,058	327,385	-4.2	-4.9	10.6	415,707	409,918	390,299	1.4	1.1	6.5	4,316,872	3,952,032	
423	.Durable	163,267	174,245	160,712	-6.3	-6.9	1.6	249,102	249,894	244,505	-0.3	0.0	1.9	2,042,949	1,942,774	
4231	..Automotive	26,810	28,196	29,522	-4.9	-4.8	-9.2	39,490	39,118	37,616	1.0	3.9	5.0	329,486	324,020	
4232	..Furniture	5,431	6,266	5,528	-13.3	-9.7	-1.8	7,788	7,841	7,636	-0.7	-1.5	2.0	73,307	67,928	
4233	..Lumber	7,621	9,461	9,162	-19.4	-13.7	-16.8	13,712	13,562	14,343	1.1	-1.3	-4.4	127,498	146,900	
4234	..Prof. equip.	32,756	31,133	31,133	5.2	-5.3	5.2	32,026	32,693	30,714	-2.0	-0.2	4.3	360,206	332,215	
42343	...Comp. equip.	18,665	16,545	17,760	12.8	-3.4	5.1	11,752	12,374	11,456	-5.0	-2.0	2.6	190,433	173,305	
4235	..Metals	10,997	12,636	11,152	-13.0	-12.6	-1.4	23,038	22,097	25,219	4.3	-2.3	-8.6	163,843	156,291	
4236	..Electrical	24,497	28,296	24,821	-13.4	-2.7	-1.3	32,471	32,687	31,701	-0.7	-0.4	2.4	308,800	292,952	
4237	..Hardware	6,820	7,820	6,763	-12.8	-12.8	0.8	15,185	15,141	14,470	0.3	-0.5	4.9	94,372	92,302	
4238	..Machinery	29,810	28,706	26,513	3.8	-10.2	12.4	64,219	64,410	60,866	-0.3	0.5	5.5	349,959	320,690	
4239	..Misc. Durable	18,525	21,731	16,118	-14.8	-2.6	14.9	21,173	22,345	21,940	-5.2	-3.0	-3.5	235,478	209,476	
424	.Nondurable	198,854	203,813	166,673	-2.4	-3.0	19.3	166,605	160,024	145,794	4.1	2.8	14.3	2,273,923	2,009,258	
4241	..Paper	7,952	8,331	7,513	-4.5	-9.3	5.8	6,975	6,944	6,553	0.4	-0.6	6.4	98,094	93,869	
4242	..Drugs	34,066	34,422	31,823	-1.0	-6.4	7.0	34,030	32,071	33,009	6.1	2.1	3.1	397,639	374,003	
4243	..Apparel	8,777	11,372	8,590	-22.8	-8.8	2.2	15,102	15,013	14,766	0.6	-6.2	2.3	129,583	122,915	
4244	..Groceries	43,718	43,518	38,852	0.5	-3.9	12.5	28,238	28,175	25,857	0.2	2.4	9.2	513,916	454,244	
4245	..Farm products	18,636	19,664	12,165	-5.2	3.4	53.2	25,909	23,569	17,279	9.9	12.3	49.9	183,971	131,912	
4246	..Chemicals	7,996	8,758	7,359	-8.7	-9.3	8.7	9,135	9,107	8,582	0.3	2.6	6.4	102,234	93,667	
4247	..Petroleum	48,692	48,631	34,549	0.1	1.6	40.9	16,691	14,067	13,025	18.7	5.7	28.1	511,310	430,245	
4248	..Alcohol	9,932	9,384	9,283	5.8	-2.4	7.0	9,879	11,007	8,947	-10.2	-0.5	10.4	103,184	96,063	
4249	..Misc. Nondur.	19,085	19,733	16,539	-3.3	-3.0	15.4	20,646	20,071	17,776	2.9	3.1	16.1	233,992	212,340	

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 Estimates are adjusted for seasonal variation and, in the case of sales, also for trading-day differences. See Table 3 for the seasonal adjustment factors used. Cumulative seasonally adjusted sales estimates are not tabulated.

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/methodology/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	0.8	0.9	0.8	0.6	0.5
423	..Durable	1.3	1.4	1.3	1.4	0.5	0.2	1.2	1.0	1.3	1.3	0.8
4231	..Automotive	2.7	4.2	2.8	4.0	0.7	0.8	1.6	3.2	2.7	2.2	1.2
4232	..Furniture	3.8	4.4	3.8	4.4	1.7	0.9	3.4	4.4	2.9	2.9	2.5
4233	..Lumber	4.6	7.6	4.6	7.5	0.9	0.7	2.6	4.6	4.3	4.3	1.8
4234	..Prof. equip.	4.2	4.7	4.1	4.7	1.0	0.5	2.4	2.7	4.1	3.2	1.7
42343	...Comp. equip.	6.4	7.0	6.5	7.2	1.9	1.0	4.5	6.2	6.2	4.5	3.0
4235	..Metals	4.3	5.8	4.1	5.8	1.4	0.7	2.8	3.8	4.2	3.0	2.0
4236	..Electrical	3.3	3.4	3.4	3.4	0.8	0.4	2.5	1.8	3.1	2.8	1.7
4237	..Hardware	5.6	5.1	5.6	5.1	1.7	0.5	3.9	3.5	5.4	3.4	3.3
4238	..Machinery	3.3	2.7	3.3	2.6	2.2	0.6	3.6	2.3	2.8	3.2	2.8
4239	..Misc. Durable	6.1	4.8	6.4	4.9	1.6	1.2	5.6	3.3	6.1	3.4	4.3
424	..Nondurable	1.2	2.1	1.2	2.1	0.4	0.3	1.2	1.7	1.1	0.8	0.8
4241	..Paper	8.3	7.6	8.3	7.6	1.2	0.9	4.2	3.7	8.2	5.2	3.6
4242	..Drugs	3.9	6.0	3.9	6.0	0.6	0.6	2.5	4.2	3.9	2.4	1.8
4243	..Apparel	4.6	5.5	4.5	5.5	2.6	1.1	3.4	3.9	3.9	3.8	2.7
4244	..Groceries	3.9	8.1	3.7	8.1	0.9	0.8	2.0	5.6	3.5	3.4	0.9
4245	..Farm products	4.3	8.0	4.2	8.1	2.0	1.5	3.8	4.6	3.7	4.4	2.6
4246	..Chemicals	6.8	6.9	6.8	7.0	1.4	0.8	4.8	5.1	6.6	5.5	2.8
4247	..Petroleum	3.5	3.7	3.5	3.7	1.2	0.9	3.4	3.7	3.2	2.4	2.4
4248	..Alcohol	7.6	3.8	7.6	3.8	1.2	1.0	2.5	3.0	7.3	7.6	1.6
4249	..Misc. Nondur.	4.6	5.6	4.4	5.1	1.5	0.9	3.5	3.8	4.7	3.1	2.8

Note:

Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation or trading-day differences and are derived from 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/methodology/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. Seasonal Adjustment Factors for Monthly Wholesale Sales and Inventory Estimates

[Seasonal 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				2006	2008	2007				2006
		Jan.	Dec.r	Nov.r	Oct.	Sep.	Dec.r	Jan.	Dec.r	Nov.r	Oct.	Sep.	Dec.r
42	U.S. Total¹	0.960	0.964	0.993	1.066	0.968	0.963	1.009	1.005	1.004	1.004	0.996	1.005
423	..Durable	0.942	0.959	0.997	1.078	0.974	0.960	0.996	0.986	0.996	1.001	0.998	0.986
4231	..Automotive	0.931	0.992	1.020	1.064	0.921	1.004	1.020	0.995	1.020	1.007	0.980	0.995
4232	..Furniture	0.949	0.921	1.037	1.111	0.980	0.916	0.989	0.985	0.988	1.009	1.020	0.985
4233	..Lumber	0.925	0.783	0.935	1.068	0.975	0.791	0.983	0.952	0.953	0.960	0.991	0.951
4234	..Prof. equip.	0.933	1.075	0.995	1.060	1.042	1.071	1.006	0.987	1.016	1.029	1.007	0.987
42343	...Comp. equip.	0.927	1.143	0.973	1.037	1.080	1.138	1.008	0.998	1.038	1.037	1.009	0.999
4235	..Metals	0.996	0.825	0.951	1.073	0.936	0.835	0.998	1.010	0.985	0.992	1.005	1.010
4236	..Electrical	0.958	0.943	1.042	1.104	1.011	0.945	0.987	0.982	1.000	1.007	1.016	0.981
4237	..Hardware	0.918	0.862	0.978	1.103	0.976	0.866	0.983	0.984	0.980	0.987	0.999	0.986
4238	..Machinery	0.939	0.976	0.943	1.054	0.967	0.975	0.990	0.983	0.991	0.991	0.987	0.983
4239	..Misc. Durable	0.926	0.928	1.069	1.114	0.946	0.926	1.003	0.981	1.005	1.022	1.012	0.983
424	..Nondurable	0.980	0.972	0.995	1.060	0.960	0.969	1.030	1.043	1.022	1.010	0.990	1.041
4241	..Paper	0.997	0.952	0.996	1.100	0.969	0.952	0.995	1.015	1.005	1.009	1.003	1.018
4242	..Drugs	1.027	0.992	1.006	1.077	0.943	0.994	1.006	1.058	1.007	1.000	1.023	1.056
4243	..Apparel	0.945	0.813	1.017	1.166	1.034	0.823	1.016	0.978	0.969	1.019	1.053	0.979
4244	..Groceries	0.972	0.986	0.996	1.036	0.958	0.975	1.000	1.023	1.030	1.013	0.997	1.025
4245	..Farm products	1.104	1.047	1.111	1.180	0.899	1.059	1.227	1.198	1.130	1.037	0.813	1.185
4246	..Chemicals	1.029	0.899	0.976	1.060	0.954	0.899	0.998	0.992	0.989	0.982	0.994	0.991
4247	..Petroleum	0.956	0.938	0.952	1.019	0.987	0.953	1.048	1.074	0.988	0.977	1.012	1.078
4248	..Alcohol	0.808	1.107	1.065	1.080	0.923	1.118	0.962	0.930	1.043	1.047	1.023	0.931
4249	..Misc. Nondur.	0.928	0.936	0.942	0.990	0.947	0.918	1.037	1.040	1.005	0.991	0.981	1.045

Footnotes:

¹ Revised estimate.

¹ Adjusted sales and inventory estimates for detailed kind-of-business levels in Table 1 are computed by dividing each unadjusted estimate by the seasonal 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. Seasonal 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.

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 inventory-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 76% 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 27% of the total sales estimate and 29% of the total end-of-month inventory estimate is based on imputed data.

Monthly sales and inventory 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>.