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MANUFACTURING AND TRADE INVENTORIES AND SALES September 2006

Special Notice – Beginning with the December 13, 2006 release for October 2006, retail and wholesale data in this report will be based on a new sample. New samples for the Monthly Retail and Wholesale Trade Surveys are selected about once every five years. For further information on the sample revision, see our website at <http://www.census.gov/bussales>.

Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for September, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,050.8 billion, down 2.0 percent ($\pm 0.2\%$) from August and up 4.9 percent ($\pm 0.3\%$) from September 2005.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,362.6 billion, up 0.4 percent ($\pm 0.1\%$) from August and up 7.6 percent ($\pm 0.4\%$) from September 2005.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of September was 1.30. The September 2005 ratio was 1.26.

Total Business Inventories/Sales Ratios: 1997 to 2006

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for October is scheduled to be released December 13, 2006 at 10:00 a.m. EST.

For information, visit the Census Bureau's Web site at <http://www.census.gov/bussales>. 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. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories			Inventories/Sales Ratios		
	Sep. 2006	Aug. 2006	Sep. 2005	Sep. 2006	Aug. 2006	Sep. 2005	Sep. 2006	Aug. 2006	Sep. 2005
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,050,808	1,072,170	1,001,736	1,362,623	1,356,996	1,266,138	1.30	1.27	1.26
Manufacturers ³	392,395	406,519	383,109	479,404	476,356	446,221	1.22	1.17	1.16
Retailers.....	328,188	331,490	313,145	492,954	493,616	464,725	1.50	1.49	1.48
Merchant wholesalers.....	330,225	334,161	305,482	390,265	387,024	355,192	1.18	1.16	1.16
Not Adjusted									
Total business.....	1,050,495	1,117,205	1,018,170	1,354,706	1,340,588	1,258,962	1.29	1.20	1.24
Manufacturers ³	406,732	419,934	403,254	479,391	480,282	445,763	1.18	1.14	1.11
Retailers.....	316,340	345,319	303,761	487,834	476,738	460,489	1.54	1.38	1.52
Merchant wholesalers.....	327,423	351,952	311,155	387,481	383,568	352,710	1.18	1.09	1.13

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Sep. 06/ Aug. 06	Aug. 06/ Jul. 06	Sep. 06/ Sep. 05	Sep. 06/ Aug. 06	Aug. 06/ Jul. 06	Sep. 06/ Sep. 05	Sep. 06/ Aug. 06	Aug. 06/ Jul. 06	Sep. 06/ Sep. 05	Sep. 06/ Aug. 06	Aug. 06/ Jul. 06	Sep. 06/ Sep. 05
Total business.....	-2.0	0.5	4.9	0.4	0.6	7.6	-6.0	9.5	3.2	1.1	0.5	7.6
Manufacturers.....	-3.5	0.8	2.4	0.6	0.6	7.4	-3.1	13.1	0.9	-0.2	0.6	7.5
Retailers.....	-1.0	-0.2	4.8	-0.1	0.3	6.1	-8.4	4.1	4.1	2.3	0.4	5.9
Merchant wholesalers..	-1.2	0.7	8.1	0.8	1.2	9.9	-7.0	10.8	5.2	1.0	0.4	9.9

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Sep. 2006 (p)	Aug. 2006 (r)	Sep. 2005 (s)	Sep. 2006 (p)	Aug. 2006 (r)	Sep. 2005 (s)	Sep. 06/ Aug. 06	Aug. 06/ Jul. 06	Sep. 05/ Sep. 05	Sep. 06	Aug. 06	Sep. 05
	Adjusted ²												
	Retail trade, total.....	328,188	331,490	313,145	492,954	493,616	464,725	-0.1	0.3	6.1	1.50	1.49	1.48
	Total (excl. motor veh. & parts).....	251,801	255,640	241,638	330,605	330,200	316,874	0.1	0.6	4.3	1.31	1.29	1.31
441	Motor vehicle & parts dealers.....	76,387	75,850	71,507	162,349	163,416	147,851	-0.7	-0.3	9.8	2.13	2.15	2.07
442,3	Furniture, home furn., elect. & appl. stores.....	18,893	18,906	18,058	31,406	31,346	29,946	0.2	-0.3	4.9	1.66	1.66	1.66
444	Building materials, garden equip & supplies.....	29,081	29,600	27,944	48,417	48,833	45,116	-0.9	0.9	7.3	1.66	1.65	1.61
445	Food & beverage stores.....	45,515	45,743	43,764	34,552	34,409	33,099	0.4	0.2	4.4	0.76	0.75	0.76
448	Clothing & clothing access. stores.....	18,462	17,938	16,524	44,896	44,566	42,262	0.7	0.5	6.2	2.43	2.48	2.56
452	General merchandise stores.....	46,634	46,220	44,058	74,358	74,134	73,712	0.3	0.7	0.9	1.59	1.60	1.67
4521	Dept. str. (excl. leased depts.).....	17,752	17,628	17,464	36,450	36,185	37,712	0.7	0.6	-3.3	2.05	2.05	2.16
	Not Adjusted												
	Retail trade, total.....	316,340	345,319	303,761	487,834	476,738	460,489	2.3	0.4	5.9	1.54	1.38	1.52
	Total (excl. motor veh. & parts).....	242,512	261,467	233,723	338,345	326,886	324,330	3.5	2.0	4.3	1.40	1.25	1.39
441	Motor vehicle & parts dealers.....	73,828	83,852	70,038	149,489	149,852	136,159	-0.2	-2.8	9.8	2.02	1.79	1.94
442,3	Furniture, home furn., elect. & appl. stores.....	18,097	19,396	17,253	31,469	30,656	30,066	2.7	-0.4	4.7	1.74	1.58	1.74
444	Building materials, garden equip & supplies.....	28,567	31,665	28,193	47,061	47,661	43,853	-1.3	0.4	7.3	1.65	1.51	1.56
445	Food & beverage stores.....	44,995	46,594	43,050	34,280	33,748	32,845	1.6	0.2	4.4	0.76	0.72	0.76
448	Clothing & clothing access. stores.....	16,824	17,914	15,015	48,039	45,636	45,220	5.3	3.4	6.2	2.86	2.55	3.01
452	General merchandise stores.....	42,588	45,133	40,059	78,500	72,769	77,752	7.9	3.8	1.0	1.84	1.61	1.94
4521	Dept. str. (excl. leased depts.).....	15,773	16,963	15,460	39,038	35,389	40,276	10.3	4.4	-3.1	2.47	2.09	2.61

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.