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CB01-195

MANUFACTURING AND TRADE INVENTORIES AND SALES October 2001

Special Notice: Because of the terrorist attacks of September 11, the Census Bureau altered an option in its seasonal adjustment procedures used to produce the seasonally adjusted data for the October release. This alteration ensured that the published seasonally adjusted values fully include the effects of the attacks and eliminated the distortion that September's untypical events would otherwise have had on seasonal factors for September, October and surrounding months. The alteration was made where the appropriate statistical test showed that the unadjusted September or October value was not in a typical range and for which there were also independent indications of an impact due to the September events. For technical details, see <http://www.census.gov/mtis/www/mtis.html>.

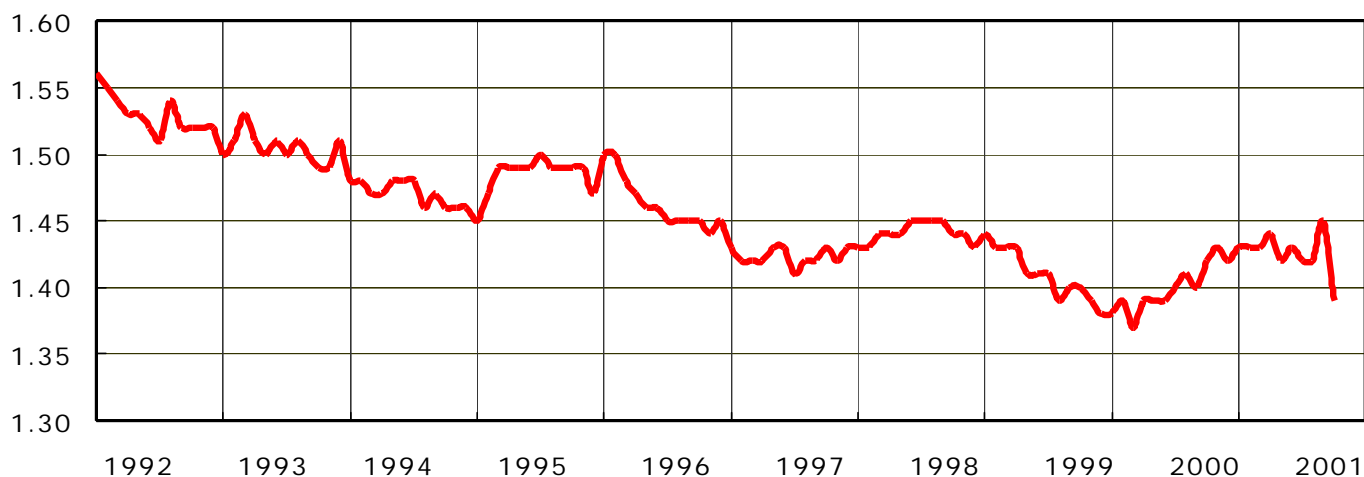
Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for October, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$830.0 billion, up 2.7 percent ($\pm 0.2\%$) from September but were down 2.2 percent ($\pm 0.6\%$) from October 2000.

Inventories. Manufacturers' and trade inventories, adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,155.8 billion, down 1.4 percent ($\pm 0.2\%$) from September and down 3.8 percent ($\pm 0.8\%$) from October 2000.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of October was 1.39. The October 2000 ratio was 1.42.

Total Business Inventories/Sales Ratios: 1992 to 2001

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



The Manufacturing and Trade Inventories and Sales Report for November is scheduled for release January 16, 2002 at 8:30 a.m. Questions concerning this report may be addressed to: Nancy Piesto (301) 457-2706/2708 (Retail), Lee Wentela (301) 457-4832 (Manufacturing), or Scott Scheleur (301) 457-2747/2764 (Wholesale). Electronic inquiries may be sent to: retail.trade@census.gov.

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. October data were released December 6 for Manufacturers and December 7 for merchant wholesalers. The data are also available the day of issue on the Internet-<http://www.census.gov/mtis/www/current.html> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Oct. 2001	Sep. 2001	Oct. 2000	Oct. 2001	Sep. 2001	Oct. 2000	Oct. 2001	Sep. 2001	Oct. 2000
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	829,979	807,798	848,428	1,155,843	1,172,328	1,201,844	1.39	1.45	1.42
Manufacturers ³	328,666	321,573	355,921	458,658	460,645	482,000	1.40	1.43	1.35
Retailers.....	278,170	260,018	259,419	402,973	414,521	416,850	1.45	1.59	1.61
Merchant wholesalers.....	223,143	226,207	233,088	294,212	297,162	302,994	1.32	1.31	1.30
Not Adjusted									
Total business.....	852,337	806,339	860,891	1,178,688	1,163,520	1,226,078	1.38	1.44	1.42
Manufacturers ³	336,974	341,063	363,906	460,302	458,762	484,933	1.37	1.35	1.33
Retailers.....	277,000	246,244	253,913	422,829	412,230	436,458	1.53	1.67	1.72
Merchant wholesalers.....	238,363	219,032	243,072	295,557	292,528	304,687	1.24	1.34	1.25

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		
	Oct. 01/ Sep. 01	Sep. 01/ Aug. 01	Oct. 01/ Oct. 00	Oct. 01/ Sep. 01	Sep. 01/ Aug. 01	Oct. 01/ Oct. 00	Oct. 01/ Sep. 01	Sep. 01/ Aug. 01	Oct. 01/ Oct. 00	Oct. 01/ Sep. 01	Sep. 01/ Aug. 01	Oct. 01/ Oct. 00
Total business.....	2.7	-2.9	-2.2	-1.4	-0.6	-3.8	5.7	-6.3	-1.0	1.3	0.1	-3.9
Manufacturers.....	2.2	-4.7	-7.7	-0.4	-0.9	-4.8	-1.2	-0.9	-7.4	0.3	-1.7	-5.1
Retailers.....	7.0	-2.2	7.2	-2.8	-0.3	-3.3	12.5	-11.5	9.1	2.6	2.3	-3.1
Merchant wholesalers.....	-1.4	-1.2	-4.3	-1.0	-0.4	-2.9	8.8	-8.0	-1.9	1.0	-0.1	-3.0

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		
		Oct. 2001 (p)	Sep. 2001 (r)	Oct. 2000 (s)	Oct. 2001 (p)	Sep. 2001 (r)	Oct. 2000 (s)	Oct. 01/ Sep. 01	Sep. 01/ Aug. 01	Oct. 01/ Oct. 00	Oct. 01	Sep. 01	Oct. 00
	Adjusted ²												
	Retail trade, total	278,170	260,018	259,419	402,973	414,521	416,850	-2.8	-0.3	-3.3	1.45	1.59	1.61
	Total (excl. motor veh. & parts)	192,282	190,856	190,181	284,098	284,101	285,024	0.0	-0.2	-0.3	1.48	1.49	1.50
441	Motor vehicle & parts dealers	85,888	69,162	69,238	118,875	130,420	131,826	-8.9	-0.5	-9.8	1.38	1.89	1.90
442.3	Furniture/home furn., elect. & appl. stores	14,850	14,623	14,986	23,566	23,480	24,385	0.4	-0.2	-3.4	1.59	1.61	1.63
444	Building materials, garden equip. & supplies	24,564	23,968	23,057	40,648	40,530	41,164	0.3	0.3	-1.3	1.65	1.69	1.79
445	Food & beverage stores	40,519	40,427	39,205	34,313	34,185	33,300	0.4	0.0	3.0	0.85	0.85	0.85
448	Clothing & clothing accessories stores	14,165	13,347	14,362	33,768	34,105	34,817	-1.0	0.2	-3.0	2.38	2.56	2.42
452	General merchandise stores	35,018	34,764	34,351	67,032	66,733	65,926	0.4	-0.5	1.7	1.91	1.92	1.92
4521	Dept. stores (excl. leased depts)	19,461	19,391	19,884	43,893	44,070	43,657	-0.4	0.5	0.5	2.26	2.27	2.20
	Not Adjusted												
	Retail trade, total	277,000	246,244	253,913	422,829	412,230	436,458	2.6	2.3	-3.1	1.53	1.67	1.72
	Total (excl. motor veh. & parts)	191,024	180,334	186,550	306,914	290,473	307,959	5.7	3.0	-0.3	1.61	1.61	1.65
441	Motor vehicle & parts dealers	85,976	65,910	67,363	115,915	121,757	128,499	-4.8	0.7	-9.8	1.35	1.85	1.91
442.3	Furniture/home furn., elect. & appl. stores	14,471	13,720	14,399	25,899	23,644	26,823	9.5	2.7	-3.4	1.79	1.72	1.86
444	Building materials, garden equip. & supplies	25,948	23,256	23,850	39,876	39,638	40,382	0.6	-0.3	-1.3	1.54	1.70	1.69
445	Food & beverage stores	40,006	39,414	38,347	35,395	33,952	34,336	4.3	1.8	3.1	0.88	0.86	0.90
448	Clothing & clothing accessories stores	13,428	12,282	13,460	37,921	36,288	39,100	4.5	4.3	-3.0	2.82	2.95	2.90
452	General merchandise stores	33,687	31,461	32,840	77,274	70,581	75,986	9.5	6.9	1.7	2.29	2.24	2.31
4521	Dept. stores (excl. leased depts)	18,395	17,281	18,789	50,872	46,626	50,555	9.1	8.4	0.6	2.77	2.70	2.69

Note: U.S. and group totals include kinds of business not shown.

(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: 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. 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.