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MANUFACTURING AND TRADE INVENTORIES AND SALES - AUGUST 1973

Manufacturing and trade inventories rose \$1.9 billion in August, compared with \$1.6 billion in July (revised), according to the Bureau of Economic Analysis, an agency of the Commerce Department's Social and Economic Statistics Administration. Manufacturers' inventories increased \$963 million, retailers' \$547 million, and wholesalers' \$362 million.

Combined business sales declined 0.7 percent in August after rising 2.9 percent in July. Retailers' sales were off 1.3 percent and manufacturers' 1 percent, outweighing a 1-percent increase in wholesalers' sales.

The combined inventory to sales ratio rose from 1.41 in July to 1.43 in August. It was 1.49 in August 1972.

All figures in the text of this report are adjusted for seasonal variation but not for price change.

Retailers' stocks of nondurables rose \$494 million in August, accounting for most of the \$547 million total accumulation; durables stocks edged up \$53 million. July total stocks were up \$171 million, with an increase of \$343 million in durables stocks partly offset by a decline of \$172 million at nondurable goods stores. In August, increases were reported for all nondurable lines. Gains were largest at department stores (\$173 million) and food stores (\$171 million). Small increases were noted for the furniture-appliance and "other durables" groups. The automotive group was virtually unchanged after a substantial accumulation during the three preceding months.

Merchant wholesalers' stocks of nondurables rose \$338 million in August. This accounted for most of the total wholesale inventory increase, the same pattern as in July.

Manufacturers' stocks rose \$956 million in durables accounting for virtually all of the industry's accumulation. Substantial increases were reported by all durable goods lines except primary metals. Nondurables inventory growth was stunted by a \$173 million drop at food plants. There had been a \$885 million increase in July, almost evenly divided between durables and nondurables.

Retail sales in August declined 1.9 percent for nondurables, after rising 3.4 percent to a record in July. All nondurables lines declined, except eating and drinking places. Durables sales remained unchanged from July.

Merchant wholesalers' sales rose 2.3 percent for nondurables in August and softgoods sales declined 0.5 percent. Wholesale dollar volume had increased 3.1 percent in July.

Manufacturers' shipments of durables fell 3.7 percent in August, compared with a 3.9 percent rise in July. More than half of the drop was accounted for by transportation equipment.

Buoyed by a strong increase in food sales, nondurables sales rose 2.4 percent in August, compared with 0.3 percent in July.

Manufacturers' new orders edged up one-half of 1 percent in August, following a very small decline in July. Durables' orders -- down for the second successive month -- were off 0.9 percent but were outweighed by a 2.4 percent increase in nondurables' orders.

Manufacturers' unfilled orders rose \$3.0 billion in August, compared with \$1.9 billion in July. The ratio of unfilled orders to sales rose from 2.41 in July to 2.52 in August, the highest since April 1970.

Additional data appear in the statistical pages of the Survey of Current Business, a monthly magazine of the Bureau of Economic Analysis.

The Survey is available from District Offices of the Department of Commerce, or from the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402, at an annual subscription price of \$20, including weekly supplements.

Details of sales and inventories are given in the following table.

TABLE 1.--TOTAL MANUFACTURING AND TRADE
(Millions of dollars)

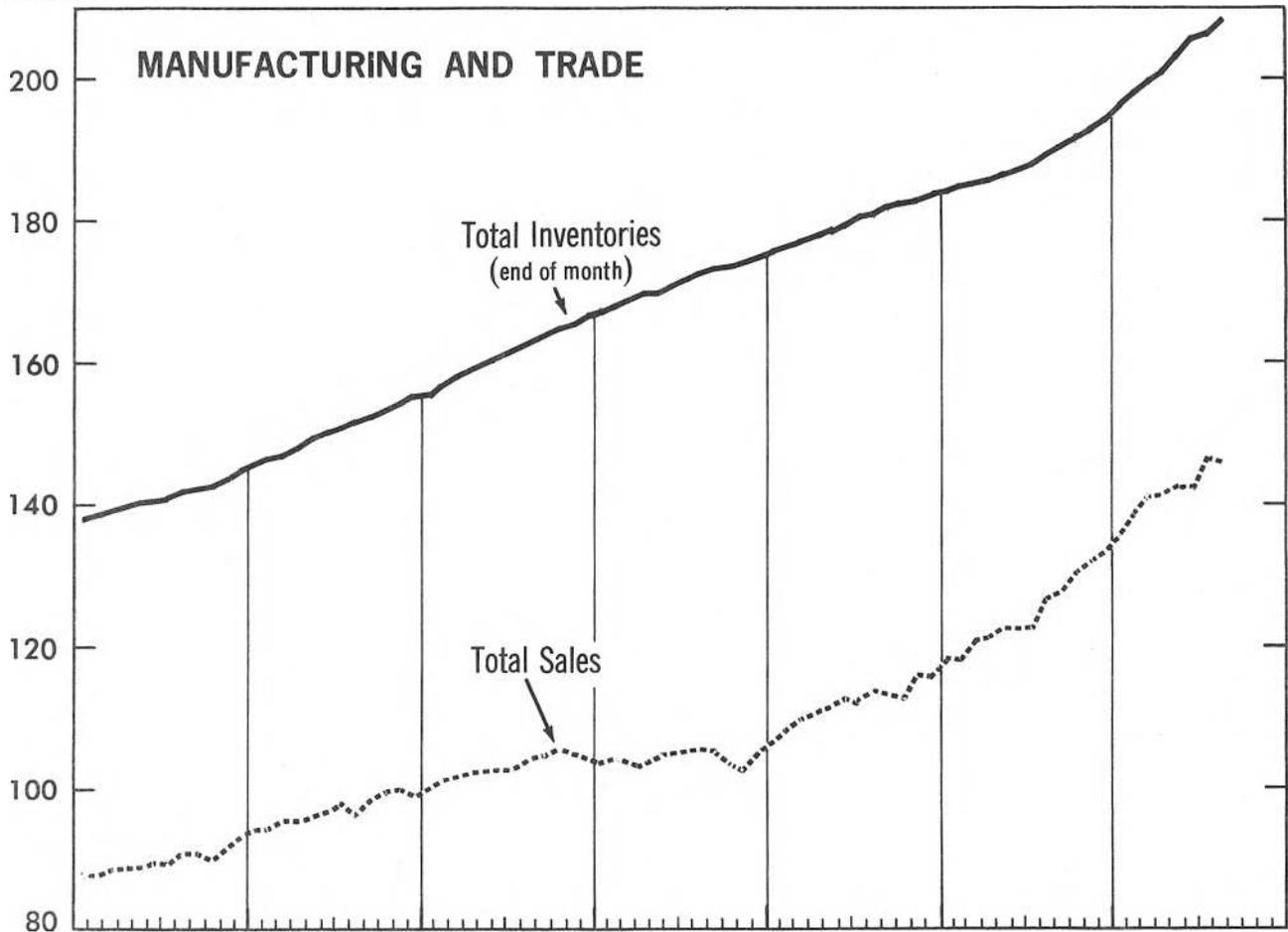
	Unadjusted			Seasonally adjusted			First 8 months	
	1972	1973		1973			1972	1973
	Aug.	r	p	June	r	p		
		July	Aug		July	Aug		
<u>SALES</u>								
TOTAL.....	126,226	138,920	146,199	142,323	146,469	145,505	972,483	1,135,048
Manufacturing.....	61,578	67,354	70,729	71,616	73,248	72,512	486,273	566,493
Durable.....	32,367	36,640	37,325	39,257	40,779	39,276	262,155	311,206
Nondurable.....	29,211	30,714	33,404	32,359	32,469	33,236	224,118	255,287
Retail.....	37,994	41,674	43,015	41,179	42,778	42,231	292,251	333,036
Durable.....	12,785	14,518	14,581	13,731	14,409	14,411	96,838	114,440
Nondurable.....	25,209	27,156	28,434	27,448	28,369	27,820	195,413	218,596
Merchant wholesalers...	26,654	29,892	32,455	29,528	30,443	30,762	193,959	235,519
Durable.....	12,552	14,073	14,983	13,781	14,039	13,975	89,956	109,440
Nondurable.....	14,102	15,819	17,472	15,747	16,404	16,787	104,003	126,079
<u>INVENTORIES</u>								
TOTAL.....	187,113	205,725	205,940	205,252	206,813	208,685		
Manufacturing.....	105,552	113,367	114,432	113,025	113,910	114,873		
Durable.....	68,639	74,051	75,140	73,801	74,278	75,234		
Nondurable.....	36,913	39,316	39,292	39,224	39,632	39,639		
Retail.....	51,693	58,063	57,152	58,079	58,250	58,797		
Durable.....	21,749	26,195	24,320	25,454	25,797	25,850		
Nondurable.....	29,944	31,868	32,832	32,625	32,453	32,947		
Merchant wholesalers...	29,868	34,295	34,356	34,148	34,653	35,015		
Durable.....	18,098	20,390	20,277	20,141	20,159	20,183		
Nondurable.....	11,769	13,905	14,079	14,007	14,494	14,832		

TABLE 2.--RETAIL INVENTORIES
(Millions of dollars)

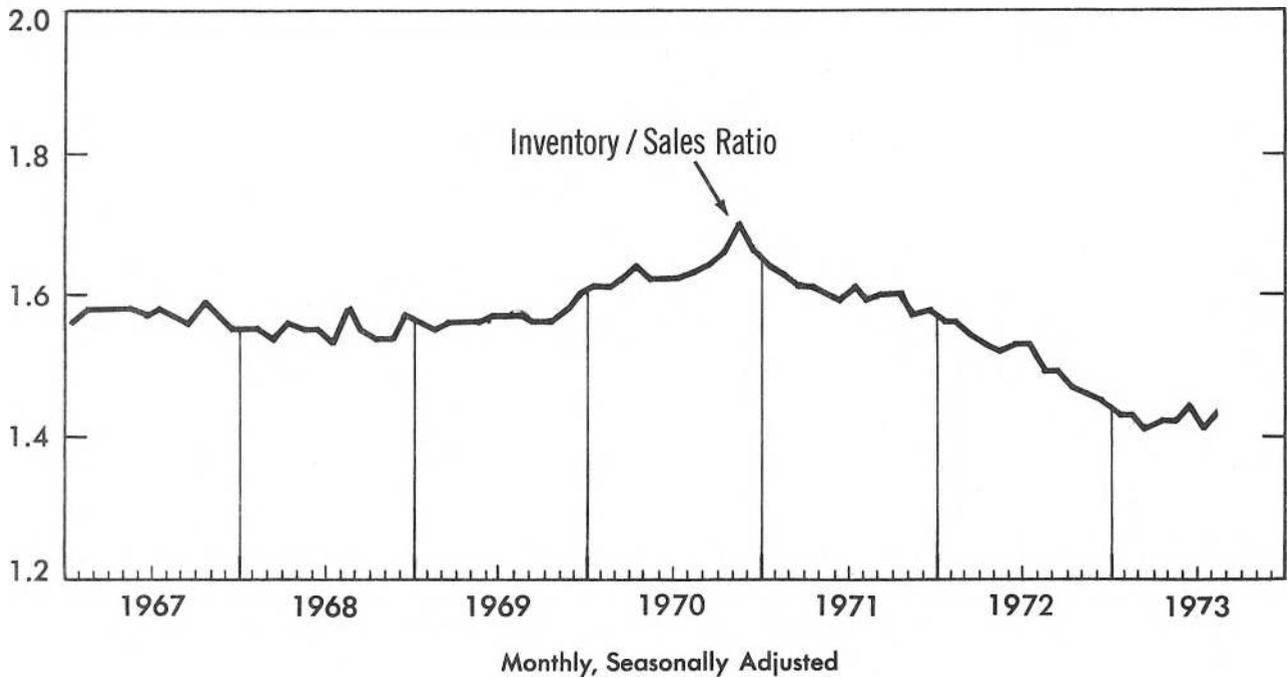
<u>KIND OF BUSINESS</u>						
TOTAL.....	51,693	58,063	57,152	58,079	58,250	58,797
Durable.....	21,749	26,195	24,320	25,454	25,797	25,850
Automotive.....	9,169	12,909	10,977	12,027	12,424	12,431
Furniture-appliance	3,672	3,959	3,988	4,004	3,995	4,016
Lumber-hardware...	3,536	4,037	3,967	3,964	4,029	4,015
Nondurable.....	29,944	31,868	32,832	32,625	32,453	32,947
Apparel.....	4,834	4,823	5,061	4,983	4,962	4,972
Food.....	5,631	6,046	6,154	6,168	6,089	6,260
General merchandise	12,541	13,692	14,154	13,921	13,938	14,161
Department stores	7,469	8,022	8,359	8,201	8,228	8,401

r Revised
p Preliminary

Billion \$



Ratio



Monthly, Seasonally Adjusted