MONTHLY ADVANCE ECONOMIC INDICATORS REPORT, DECEMBER 2019

January 29, 2020 — The U.S. Census Bureau announced the following international trade, wholesale inventories, and retail inventories advance statistics for December 2019:

	ADVANCE INTERNATIONAL TRADE: GOODS DEFICIT	ADVANCE WHOLESALE INVENTORIES	ADVANCE RETAIL INVENTORIES
DECEMBER 2019	$68.3 Billion +8.5%°	$675.6 Billion -0.1%*	$661.2 Billion 0.0%*
NOVEMBER 2019	$63.0 Billion	$676.0 Billion (R)	$661.2 Billion (R)

Next release: February 28, 2020.

* The 90 percent confidence interval includes zero. There is insufficient evidence to conclude that the actual change is different from zero.
° Statistical significance is not applicable or not measurable.
Data adjusted for seasonality but not price changes.
Source: U.S. Census Bureau; Advance Economic Indicators Report, January 29, 2020.

Advance International Trade in Goods

The international trade deficit was $68.3 billion in December, up $5.3 billion from $63.0 billion in November. Exports of goods for December were $137.0 billion, $0.4 billion more than November exports. Imports of goods for December were $205.3 billion, $5.8 billion more than November imports.

Advance Wholesale Inventories

Wholesale inventories for December, adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of $675.6 billion, down 0.1 percent (±0.4 percent)* from November 2019, and were up 2.3 percent (±1.1 percent) from December 2018. The October 2019 to November 2019 percentage change was revised from down 0.1 percent (±0.2 percent)* to up 0.1 percent (±0.2 percent)*.

Advance Retail Inventories

Retail inventories for December, adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of $661.2 billion, virtually unchanged (±0.2 percent)* from November 2019, and were up 1.2 percent (±0.7 percent) from December 2018. The October 2019 to November 2019 percentage change was unrevised from the preliminary estimate of down 0.8 percent (±0.2 percent).

The January 2020 Advance report is scheduled for release on February 28, 2020. View the full schedule in the Economic Briefing Room: <www.census.gov/economic-indicators/>. The full text and tables of this release can be found at <www.census.gov/econ/indicators/>.

GENERAL INFORMATION

Intention to Revise: Revisions to the Wholesale and Retail adjusted and not adjusted monthly estimates are scheduled for release in March 2020 and April 2020, respectively. Estimates will be revised to reflect the results of the 2018 Annual Wholesale and Annual Retail Trade Surveys. Revisions to the Monthly Wholesale estimates will be reflected in the February 2020 Advance Economic Indicators release scheduled for March 26, 2020. Revisions to the Monthly Retail estimates will be reflected in the March 2020 Advance Economic Indicators release scheduled for April 28, 2020.

EXPLANATORY NOTES

International Trade in Goods

Goods (Census Basis)
Data for goods on a Census basis are compiled from the documents collected by the U.S. Customs and Border Protection and reflect the movement of goods between foreign countries and the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and U.S. Foreign Trade Zones. They include government and non-government shipments of goods and exclude shipments between the United States and its territories and possessions; transactions with U.S. military, diplomatic, and consular installations abroad; U.S. goods returned to the United States by its Armed Forces; personal and household effects of travelers; and in-transit shipments. Data for U.S. exports to Canada are derived from import data compiled by Canada. For more information on the data exchange and substitution please refer to the FT-900. The General Imports value reflects the total arrival of merchandise from foreign countries that immediately enters consumption channels, warehouses, or Foreign Trade Zones.

For imports, the value reported is the U.S. Customs and Border Protection appraised value of merchandise—generally, the price paid for merchandise for export to the United States. Import duties, freight, insurance, and other charges incurred in bringing merchandise to the United States are excluded.

Exports are valued at the free alongside ship value of merchandise at the U.S. port of export, based on the transaction price including inland freight, insurance, and other charges incurred in placing the merchandise alongside the carrier at the U.S. port of exportation.

Additional information on coverage and valuation are available in the Guide to Foreign Trade Statistics, <www.census.gov/foreign-trade/guide/sec2.html#coverage> and <www.census.gov/foreign-trade/guide/sec2.html#valuation>, respectively.

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Nonsampling Errors

Goods data are a complete enumeration of documents collected by the U.S. Customs and Border Protection and are not subject to sampling errors. This report presents current month statistics which reflect nearly complete coverage. Current month statistics reflecting complete coverage will be published in the upcoming U.S. International Trade in Goods and Services report (FT-900). Statistics for other months shown reflect complete coverage and appear in the most recently published FT-900. Quality assurance procedures are performed at every stage of collection, processing, and tabulation. However, the data are still subject to several types of nonsampling errors. Information on nonsampling errors and other quality issues are available in the Guide to Foreign Trade Statistics, <www.census.gov/foreign-trade/guide/sec2.html>.

The U.S. Census Bureau recommends that data users incorporate this information into their analyses, as nonsampling errors could impact the conclusion drawn from the results. For a detailed discussion of errors affecting the goods data, see U.S. Merchandise Trade Statistics: A Quality Profile (October 2014), available at <www.census.gov/foreign-trade/aip/quality_profile10032014.pdf> or from the Economic Indicators Division, U.S. Census Bureau.

Adjustments for Seasonal and Trading-Day Variations

Goods data are presented on a seasonally adjusted and not seasonally adjusted basis. Seasonally adjusted (and/or trading day adjusted data) are produced using X-13ARIMA-SEATS software to develop monthly adjustment factors. Goods data are initially classified under the Harmonized Commodity Description and Coding System (Harmonized System), which is an internationally accepted standard for the commodity classification of traded goods. Combining trade into approximately 140 export and 140 import end-use categories makes it possible to examine goods according to their principal uses. These categories are used as the basis for computing the seasonal and trading-day adjusted data. These adjusted data are then summed to the six end-use aggregates for publication.
For more information, visit the seasonal adjustment section of the Guide to Foreign Trade here: <www.census.gov/foreign-trade/guide/sec2.html#seasonal>

Retail and Wholesale Inventories

National estimates of end-of-month inventories are based on data from the Monthly Retail Trade Survey and the Monthly Wholesale Trade Survey. Additional information for each survey can be found at <www.census.gov/retail> and <www.census.gov/wholesale>. The advance estimates contained in this report are not incorporated into the full MRTS and MWTS time series.

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The MRTS and MWTS samples selected to measure inventories consist of a stratified simple random sampling method of approximately 11,000 retail firms and 4,200 wholesale firms located in the United States. The retail and wholesale samples include firms of all sizes and are updated on a quarterly basis to account for new retail and wholesale firms, deaths, and other changes to the universe.

Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. For surveyed Retail companies, approximately 47.6 percent provided data for this reporting period resulting in a total quantity response rate of 54.1 percent. For surveyed Wholesale companies, approximately 52.3 percent provided data for this reporting period resulting in a total quantity response rate of 50.6 percent.

MRTS estimates cover companies with one or more establishments that sell merchandise and related services to final consumers. Nonemployers are represented in the retail estimates through benchmarking to prior annual survey estimates that include nonemployer sales based on administrative records.

MWTS estimates cover 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.

Reliability of Estimates

Because the retail and wholesale estimates 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 are estimated measures of sampling variation.

The margin of sampling error gives a range about the estimate which is a 90 percent confidence interval. If, for example, the percentage change estimate is +1.2 percent and its estimated standard error is 0.9 percent, then the margin of sampling error is ±1.753 x 0.9 percent or ±1.6 percent, and the 90 percent confidence interval is −0.4 percent to +2.8 percent. If the interval contains 0, then one does not have sufficient 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 are statistically significant

unless otherwise noted. For a monthly total, the estimated coefficient of variation is given. The resulting confidence interval is the estimated value ±1.753 x CV x (the estimated monthly total).

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 businesses, mistakes in the recording and coding of data, 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.

The U.S. Census Bureau recommends that individuals using retail and wholesale estimates incorporate this information into their analyses, as sampling error and nonsampling error could affect the conclusions drawn from the estimates.

Adjustments for Seasonal Variations
Concurrent seasonal adjustment is used to adjust the retail and wholesale inventories estimates for seasonal variations. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-13ARIMA-SEATS program. The factors derived from the program are applied to the retail and wholesale estimates of current and previous month inventories and for inventories estimates a year ago as well.

Data Availability
The Advance Economic Indicators Report is available at <www.census.gov/econ/indicators/index.html>. For archived versions of the Advance Economic Indicators Report please visit the Historical Data tab at the following: <census.gov/econ/indicators/historical_data.html>.

RESOURCES

API
The Census Bureau's application programming interface lets developers create custom apps to reach new users and makes key demographic, socio-economic and housing statistics more accessible than ever before.
<www.census.gov/developers/>

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FRED Mobile App

Receive the latest updates on the nation's key economic indicators by downloading the FRED App <https://fred.stlouisfed.org/fred-mobile/> for both Apple and Android devices. FRED, the signature database of the Federal Reserve Bank of St. Louis, now incorporates the Census Bureau's 13 economic indicators.

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* The 90 percent confidence interval includes zero. There is insufficient statistical evidence to conclude that the actual change is different from zero.

° Statistical significance is not applicable or not measurable for this survey.

(R) Revised from the last published Monthly Retail Trade Report and Monthly Wholesale Trade: Sales and Inventories Report

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Table 1. U.S. International Trade in Goods by Principal End−Use Category (1)

In millions of dollars. Details may not equal totals due to seasonal adjustment and rounding. (X) – Not applicable

	Goods - Census Basis (2)						
	Monthly				Percent change		
	December 2019 (a)	November 2019	October 2019	December 2018	December 2019/ November 2019	November 2019/ October 2019	December 2019/ December 2018
Seasonally Adjusted							
Balance	-68,332	-62,988	-66,693	-79,790	(X)	(X)	(X)
Exports	136,983	136,571	135,552	136,001	0.3	0.8	0.7
Foods, Feeds, & Beverages	10,706	10,705	10,512	9,929	0.0	1.8	7.8
Industrial Supplies (3)	45,624	44,381	44,570	44,019	2.8	-0.4	3.6
Capital Goods	45,500	45,325	44,715	46,853	0.4	1.4	-2.9
Automotive Vehicles, etc.	12,293	13,399	12,966	12,479	-8.3	3.3	-1.5
Consumer Goods	16,493	17,105	16,621	17,137	-3.6	2.9	-3.8
Other Goods	6,367	5,656	6,167	5,582	12.6	-8.3	14.1
Imports	205,315	199,559	202,246	215,791	2.9	-1.3	-4.9
Foods, Feeds, & Beverages	12,284	12,238	12,402	12,569	0.4	-1.3	-2.3
Industrial Supplies (3)	44,634	40,773	41,391	46,666	9.5	-1.5	-4.4
Capital Goods	55,738	55,406	56,562	59,595	0.6	-2.0	-6.5
Automotive Vehicles, etc.	29,811	30,114	29,049	31,969	-1.0	3.7	-6.8
Consumer Goods	51,937	51,309	52,311	55,790	1.2	-1.9	-6.9
Other Goods	10,911	9,719	10,530	9,201	12.3	-7.7	18.6
Not Seasonally Adjusted							
Balance	-66,629	-62,052	-76,884	-72,920	(X)	(X)	(X)
Exports	135,185	137,312	142,415	134,157	-1.6	-3.6	0.8
Foods, Feeds, & Beverages	11,205	12,357	12,137	10,635	-9.3	1.8	5.4
Industrial Supplies (3)	44,704	43,368	45,351	42,749	3.1	-4.4	4.6
Capital Goods	46,419	44,995	47,004	48,152	3.2	-4.3	-3.6
Automotive Vehicles, etc.	11,090	13,683	13,712	11,075	-18.9	-0.2	0.1
Consumer Goods	15,151	17,208	17,835	15,697	-12.0	-3.5	-3.5
Other Goods	6,616	5,702	6,376	5,849	16.0	-10.6	13.1
Imports	201,814	199,365	219,298	207,077	1.2	-9.1	-2.5
Foods, Feeds, & Beverages	12,500	11,845	12,858	12,564	5.5	-7.9	-0.5
Industrial Supplies (3)	42,420	38,617	42,376	43,299	9.8	-8.9	-2.0
Capital Goods	56,325	55,331	59,476	59,035	1.8	-7.0	-4.6
Automotive Vehicles, etc.	30,061	30,942	31,305	31,879	-2.8	-1.2	-5.7
Consumer Goods	49,919	52,981	61,522	51,669	-5.8	-13.9	-3.4
Other Goods	10,589	9,649	11,761	8,630	9.7	-18.0	22.7

(a) Advance statistics

(1) For a listing of the detail included in each end-use category, see <www.census.gov/foreign-trade/reference/codes/enduse/exeumstr.txt>.
(2) Data are presented on a Census basis. The information needed to convert to a balance of payment basis is not available.
(3) Includes petroleum and petroleum products.

NOTES:
* Current month statistics reflect nearly complete coverage; current month statistics reflecting complete coverage will be published in the upcoming U.S. International Trade in Goods and Services report (FT-900). Statistics for other months shown reflect complete coverage and appear in the most recently published FT-900.
* For information on data sources, nonsampling errors, and definitions, see the explanatory notes in this release or at <www.census.gov/econ/indicators/advance_report.pdf>.
Source: U.S. Census Bureau; Advance Economic Indicators Report, January 29, 2020.

Table 2. Levels and Percent Changes for Inventories

Inventories estimates are shown in millions of dollars. Estimates are based on data from the Monthly Wholesale Trade Survey and the Monthly Retail Trade Survey.

	Inventories					
	Monthly			Percent change		
	December 2019 (a)	November 2019 (r)	December 2018 (r)	December 2019/ November 2019	November 2019/ October 2019	December 2019/ December 2018
Adjusted[1]						
Merchant wholesale[2] trade, total	675,596	675,997	660,492	-0.1	0.1	2.3
Durable goods	418,358	419,011	412,522	-0.2	-0.4	1.4
Nondurable goods	257,238	256,986	247,970	0.1	0.9	3.7
Retail trade, total	661,219	661,154	653,478	0.0	-0.8	1.2
Total (excl. motor veh. & parts)	421,422	421,242	413,204	0.0	-0.3	2.0
Motor vehicle & parts dealers	239,797	239,912	240,274	0.0	-1.8	-0.2
Not Adjusted						
Merchant wholesale[2] trade, total	676,543	679,136	661,301	-0.4	0.3	2.3
Durable goods	411,489	418,766	405,489	-1.7	-0.8	1.5
Nondurable goods	265,054	260,370	255,812	1.8	2.2	3.6
Retail trade, total	651,122	689,794	643,776	-5.6	-0.4	1.1
Total (excl. motor veh. & parts)	412,285	448,214	404,243	-8.0	-0.1	2.0
Motor vehicle & parts dealers	238,837	241,580	239,533	-1.1	-1.1	-0.3

(a) Advance estimate
(r) Revised estimate

See footnotes and notes at the end of Table 3.

Table 3. Estimated Measures of Sampling Variability

Estimates are shown as percents and are based on data from the Monthly Wholesale Trade Survey and the Monthly Retail Trade Survey.

	Inventories					
	Monthly			Standard Error of		
	Coefficient of Variation			Percent Change		
	December 2019 (a)	November 2019 (r)	December 2018 (r)	December 2019/ November 2019	November 2019/ October 2019	December 2019/ December 2018
Merchant wholesale[2] trade, total	1.8	1.8	1.6	0.2	0.1	0.6
Durable goods	2.6	2.5	2.3	0.2	0.1	0.7
Nondurable goods	1.6	1.6	1.6	0.2	0.3	0.9
Retail trade, total	0.7	0.6	0.6	0.1	0.1	0.4
Total (excl. motor veh. & parts)	0.8	0.7	0.6	0.1	0.1	0.3
Motor vehicle & parts dealers	1.3	1.2	1.4	0.2	0.2	0.6

(a) Advance estimate
(r) Revised estimate

(1) Estimates are concurrently adjusted for seasonal variation, but not for price changes. Concurrent seasonal adjustment uses all available not adjusted estimates as input to the X-13ARIMA-SEATS program. The factors derived from the program are used in calculating all seasonally adjusted estimates shown in this table.

(2) The 2012 North American Industry Classification System (NAICS) defines merchant wholesalers as including manufacturers' sales branches and offices. However, the estimates included in this release exclude manufacturers' sales branches and offices. Note that this is not a change in coverage from prior releases and is consistent with the description used in the Monthly Wholesale Trade Survey data products.

NOTES:
Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at
<www.census.gov/wholesale/www/how_surveys_are_collected/monthly_methodology.html> for wholesale and at
<www.census.gov/retail/mrts/how_surveys_are_collected.html> for retail.

Source: U.S. Census Bureau; Advance Economic Indicators Report, January 29, 2020.