

# Wholesale trade, May 2018

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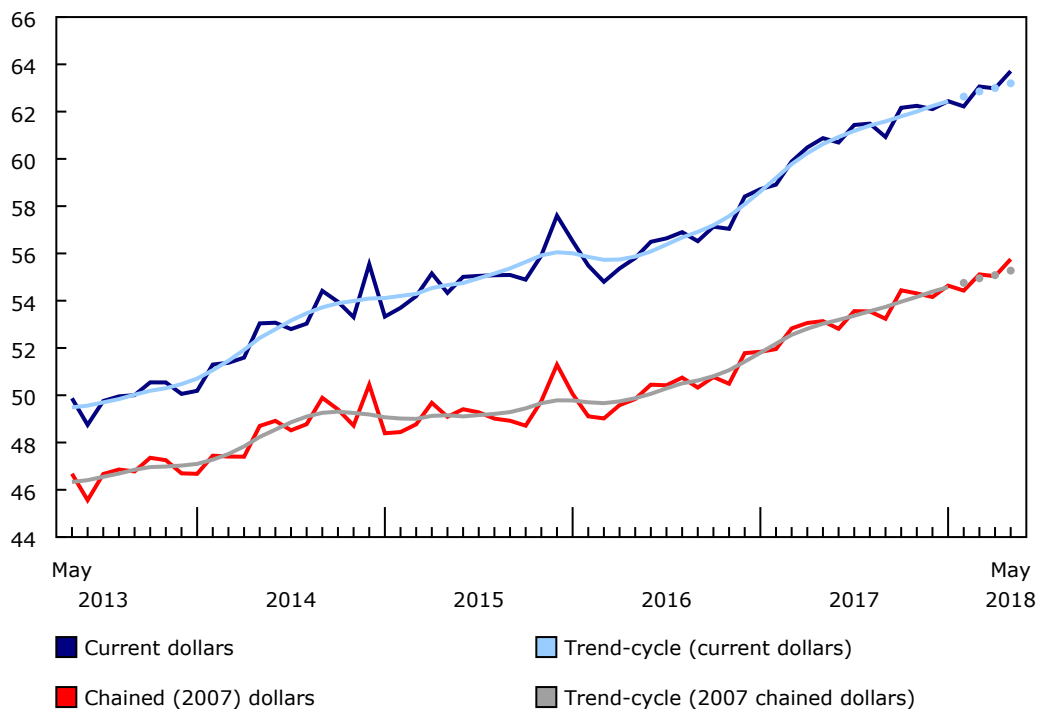
Wholesale sales rose 1.2% to a record \$63.7 billion in May. Sales were up in four of seven subsectors, representing approximately 50% of total wholesale sales.

The miscellaneous, building material and supplies, and farm product subsectors contributed the most to the gains in May, while the motor vehicle and parts subsector posted the largest decline.

In volume terms, wholesale sales increased 1.3%.

## Chart 1 Wholesale sales increase in May

billions of dollars



Source(s): Tables [20-10-0074-01](#) and [20-10-0003-01](#).

## Sales increase in four of seven subsectors, led by the miscellaneous and the building material and supplies subsectors

In dollar terms, the miscellaneous subsector reported the largest increase in May, as sales rose 7.8% to \$8.3 billion. Sales were up in four of five industries, led by the agricultural supplies industry (+25.6%) following a 5.4% decline in April. In volume terms, the agricultural supplies industry increased 27.4%.

Sales in the building material and supplies subsector rose 5.0% to \$9.7 billion as all industries posted gains in May. Much of May's increase was attributable to higher sales in the lumber, millwork, hardware and other building supplies industry, up 7.3% to \$4.9 billion. This was the third consecutive increase for the industry and the highest



sales level since July 2017. In volume terms, the industry increased 6.8%, indicating that the gain in the current dollar series was partly price driven. In May, international merchandise trade reported gains in both imports and exports of building and packaging materials.

Following a 17.5% decline in April, the farm product subsector rebounded in May, up 25.5% to \$859 million. This was the third increase in four months and the highest level since November 2017. A 28.5% increase in volume terms signifies that price changes had no impact on the growth seen in the current dollar series. Exports of farm and fishing products increased in May.

The motor vehicle and supplies subsector recorded the largest decline in dollar terms in May, down 2.5% to \$11.1 billion. This was the second consecutive monthly decline and the fifth drop in six months, bringing the subsector to its lowest level since December 2016. The sole contributor to the decrease was the motor vehicle industry, down 3.7% to \$8.9 billion. Imports and exports of passenger cars and light trucks as well as manufacturing sales of motor vehicles declined in May.

### **Sales increase in eight provinces**

Sales were up in eight provinces in May, accounting for 49% of total wholesale sales in Canada. Higher sales in the western provinces led the gains. In dollar terms, Alberta contributed the most to the increase, more than offsetting the decline reported in Ontario.

Alberta reported its fifth increase in six months, with sales rising 6.7% to \$7.3 billion, their highest level on record. Sales were up in six subsectors, led by the miscellaneous subsector (+26.7%). The agricultural supplies industry within the miscellaneous subsector contributed the most to the gains.

Sales in Saskatchewan increased for the third consecutive month, up 9.8% to \$2.3 billion—the highest level since December 2016. The miscellaneous subsector (+17.2%) led the gains, with the agricultural supplies industry contributing the most to the increase.

In British Columbia, sales grew 1.9% to \$6.7 billion, its third consecutive gain. The gains were led by the machinery, equipment and supplies subsector (+11.4%), more than offsetting the 10.2% decline in April.

Sales in Nova Scotia rose 9.0% to \$962.3 million, driven by gains in the food, beverage and tobacco subsector (+38.8%).

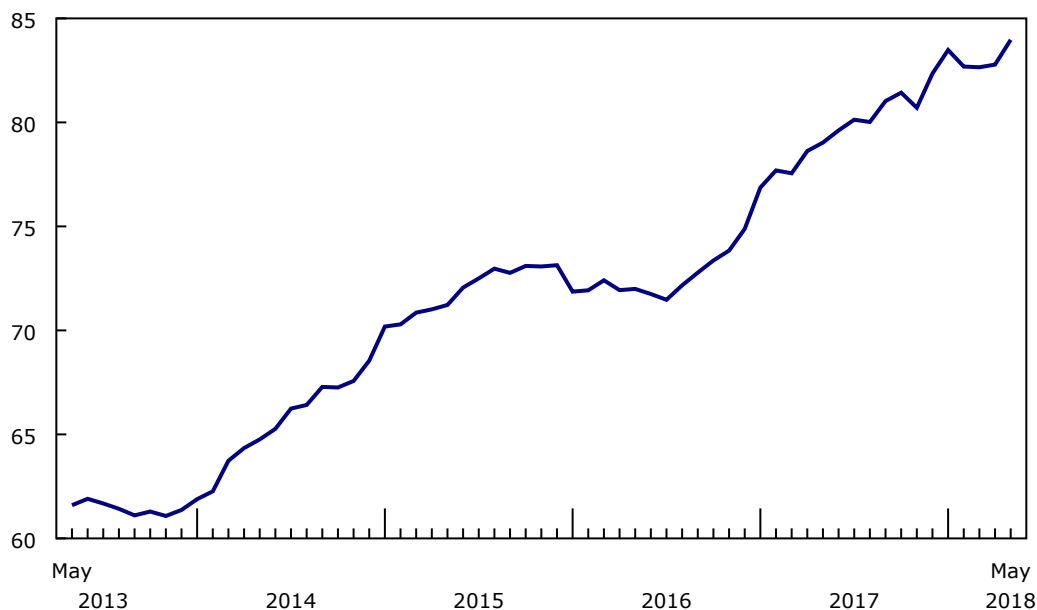
Ontario posted its second consecutive monthly decline in May, down 0.9% to \$32.1 billion. The motor vehicle and parts (-4.6%) and the food, beverage and tobacco (-6.5%) subsectors led the decrease. The motor vehicle and parts subsector was down for the second consecutive month, while the food, beverage and tobacco subsector declined for the second time in four months.

### **Wholesale inventories increase for the second consecutive month**

Wholesale inventories rose for the second consecutive month, up 1.4% to a record \$84.0 billion in May. Five of seven subsectors posted increases, representing 90% of total wholesale inventories.

**Chart 2**  
**Wholesale inventories increase for the second consecutive month**

billions of dollars



Source(s): Table 20-10-0076-01.

In dollar terms, the machinery, equipment and supplies subsector (+1.6%) posted the largest gain, following a 0.3% decline in April. Three of four industries increased, with the other machinery, equipment and supplies industry contributing the most to the upturn.

Inventories grew 2.7% in the miscellaneous subsector, a third consecutive monthly gain. Increases were reported by all five industries and were led by increased stock in the other miscellaneous industry (+4.0%).

The building material and supplies subsector (+2.0%) rose for the third consecutive month, on the strength of higher inventories in the metal service centres (+3.8%) and the lumber, millwork, hardware and other building supplies (+1.6%) industries.

Higher inventories in the motor vehicle and parts subsector (+2.0%) were led by increased stock in the motor vehicle industry (+2.9%).

The inventory-to-sales ratio increased from 1.31 in April to 1.32 in May. This ratio is a measure of the time in months required to exhaust inventories if sales were to remain at their current level.

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### **Note to readers**

Starting this month, the Monthly Wholesale Trade Survey (MWTS) produces constant dollar data for wholesale sales at the industry level (North American Industry Classification System (NAICS)). Publishing constant dollar data by industry allows MWTS to analyse industry trends in greater detail. This monthly data series goes back to January 2009. Table 20-10-0003-01 replaces archived table 20-10-0018-01.

All data in this release are seasonally adjusted and expressed in current dollars, unless otherwise noted. For information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Total wholesale sales expressed in volume are calculated by deflating current dollar values using relevant price indexes. The wholesale sales series in chained (2007) dollars is a chained Fisher volume index with 2007 as the reference year. For more information, see [Sales in volume for Wholesale Trade](#).

The Monthly Wholesale Trade Survey covers all industries within the wholesale trade sector as defined by the NAICS, with the exception of oilseed and grain merchant wholesalers (NAICS 41112), petroleum and petroleum products merchant wholesalers (NAICS 412) and business-to-business electronic markets, and agents and brokers (NAICS 419).

For information on trend-cycle data, see the [StatCan Blog](#) and [Trend-cycle estimates – Frequently asked questions](#).

### **Real-time data tables**

Real-time data tables 20-10-0019-01, 20-10-0020-01 and 20-10-0005-01 will be updated on August 13.

### **Next release**

Wholesale trade data for June will be released on August 21.

**Table 1**  
**Wholesale merchants' sales by industry – Seasonally adjusted**

	May 2017	April 2018 <sup>r</sup>	May 2018 <sup>p</sup>	April to May 2018	May 2017 to May 2018
	millions of dollars			% change	
<b>Total, wholesale sales (current dollars)</b>	<b>60,877</b>	<b>62,981</b>	<b>63,711</b>	<b>1.2</b>	<b>4.7</b>
<b>Total, wholesale sales (2007 chained dollars)</b>	<b>53,135</b>	<b>55,035</b>	<b>55,757</b>	<b>1.3</b>	<b>4.9</b>
<b>Total wholesale sales (current dollars), excluding motor vehicle and parts</b>	<b>49,472</b>	<b>51,573</b>	<b>52,592</b>	<b>2.0</b>	<b>6.3</b>
Farm product	802	684	859	25.5	7.1
Food, beverage and tobacco	11,828	12,005	11,881	-1.0	0.4
Food	10,707	10,763	10,599	-1.5	-1.0
Beverage	603	651	652	0.2	8.2
Cigarette and tobacco product	518	591	630	6.5	21.5
Personal and household goods	8,441	8,933	8,779	-1.7	4.0
Textile, clothing and footwear	1,101	1,120	1,070	-4.4	-2.8
Home entertainment equipment and household appliance	838	892	817	-8.4	-2.5
Home furnishings	569	578	595	2.9	4.6
Personal goods	854	838	852	1.6	-0.3
Pharmaceuticals and pharmacy supplies	4,326	4,662	4,614	-1.0	6.6
Toiletries, cosmetics and sundries	752	842	831	-1.3	10.6
Motor vehicle and parts	11,404	11,409	11,120	-2.5	-2.5
Motor vehicle	9,247	9,263	8,922	-3.7	-3.5
New motor vehicle parts and accessories	2,108	2,089	2,137	2.3	1.3
Used motor vehicle parts and accessories	49	56	61	7.7	22.9
Building material and supplies	8,433	9,210	9,673	5.0	14.7
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,582	2,801	2,894	3.3	12.1
Metal service centres	1,649	1,802	1,835	1.8	11.2
Lumber, millwork, hardware and other building supplies	4,202	4,608	4,944	7.3	17.7
Machinery, equipment and supplies	12,154	13,039	13,094	0.4	7.7
Farm, lawn and garden machinery and equipment	1,910	1,822	1,810	-0.6	-5.2
Construction, forestry, mining, and industrial machinery, equipment and supplies	3,842	4,229	4,191	-0.9	9.1
Computer and communications equipment and supplies	3,416	3,756	3,759	0.1	10.1
Other machinery, equipment and supplies	2,986	3,233	3,335	3.1	11.7
Miscellaneous	7,814	7,702	8,306	7.8	6.3
Recyclable material	899	988	996	0.8	10.9
Paper, paper product and disposable plastic product	1,021	1,097	1,092	-0.4	7.0
Agricultural supplies	2,266	1,954	2,455	25.6	8.3
Chemical (except agricultural) and allied product	1,534	1,456	1,523	4.6	-0.7
Other miscellaneous	2,095	2,206	2,239	1.5	6.8

<sup>r</sup> revised

<sup>p</sup> preliminary

**Note(s):** Figures may not add up to totals as a result of rounding.

**Source(s):** Tables [20-10-0074-01](#) and [20-10-0003-01](#).

**Table 2**  
**Wholesale merchants' sales by province and territory – Seasonally adjusted**

	May 2017	April 2018 <sup>r</sup>	May 2018 <sup>p</sup>	April to May 2018	May 2017 to May 2018
	millions of dollars			% change	
<b>Canada</b>	<b>60,877</b>	<b>62,981</b>	<b>63,711</b>	<b>1.2</b>	<b>4.7</b>
Newfoundland and Labrador	381	353	385	9.1	1.0
Prince Edward Island	81	81	102	26.0	26.4
Nova Scotia	928	883	962	9.0	3.7
New Brunswick	552	532	524	-1.4	-5.1
Quebec	10,965	11,514	11,590	0.7	5.7
Ontario	31,174	32,422	32,121	-0.9	3.0
Manitoba	1,658	1,586	1,620	2.1	-2.3
Saskatchewan	2,189	2,109	2,315	9.8	5.7
Alberta	6,692	6,817	7,272	6.7	8.7
British Columbia	6,173	6,600	6,726	1.9	9.0
Yukon	10	13	12	-8.3	15.6
Northwest Territories	60	57	71	24.7	18.6
Nunavut	13	15	10	-36.2	-27.0

<sup>r</sup> revised

<sup>p</sup> preliminary

**Note(s):** Figures may not add up to totals as a result of rounding.

**Source(s):** Table [20-10-0074-01](#).

**Table 3**  
**Wholesale merchants' inventories by industry – Seasonally adjusted**

	May 2017	April 2018 <sup>r</sup>	May 2018 <sup>p</sup>	April to May 2018	May 2017 to May 2018
	millions of dollars			% change	
<b>Total, wholesale inventories</b>	<b>79,030</b>	<b>82,778</b>	<b>83,971</b>	<b>1.4</b>	<b>6.3</b>
Farm product	196	194	183	-5.4	-6.6
Food, beverage and tobacco	8,010	8,199	8,040	-1.9	0.4
Food	7,248	7,438	7,268	-2.3	0.3
Beverage	515	483	488	1.1	-5.3
Cigarette and tobacco product	247	278	284	2.2	15.2
Personal and household goods	13,407	13,629	13,811	1.3	3.0
Textile, clothing and footwear	2,636	2,483	2,491	0.3	-5.5
Home entertainment equipment and household appliance	1,074	1,059	1,037	-2.1	-3.4
Home furnishings	1,296	1,305	1,437	10.1	10.8
Personal goods	1,815 <sup>E</sup>	1,896 <sup>E</sup>	1,946 <sup>E</sup>	2.6	7.2
Pharmaceuticals and pharmacy supplies	5,621	5,776	5,779	0.0	2.8
Toiletries, cosmetics and sundries	965	1,109	1,122	1.2	16.3
Motor vehicle and parts	12,544	12,171	12,409	2.0	-1.1
Motor vehicle	7,697	7,095	7,300	2.9	-5.2
New motor vehicle parts and accessories	4,773	5,000	5,020	0.4	5.2
Used motor vehicle parts and accessories	74	76	89	17.2	20.6
Building material and supplies	13,314	14,072	14,348	2.0	7.8
Electrical, plumbing, heating and air-conditioning equipment and supplies	3,818	4,087	4,119	0.8	7.9
Metal service centres	3,738	3,860	4,007	3.8	7.2
Lumber, millwork, hardware and other building supplies	5,758	6,125	6,222	1.6	8.0
Machinery, equipment and supplies	21,746	23,922	24,302	1.6	11.8
Farm, lawn and garden machinery and equipment	5,614	6,601	6,598	-0.0	17.5
Construction, forestry, mining, and industrial machinery, equipment and supplies	9,480	10,556	10,650	0.9	12.3
Computer and communications equipment and supplies	2,316	2,222	2,296	3.3	-0.9
Other machinery, equipment and supplies	4,337	4,543	4,758	4.7	9.7
Miscellaneous	9,812	10,593	10,877	2.7	10.9
Recyclable material	852	964	1,004 <sup>E</sup>	4.2	17.8
Paper, paper product and disposable plastic product	800	785	807	2.8	0.9
Agricultural supplies	3,863	4,468	4,562	2.1	18.1
Chemical (except agricultural) and allied product	1,340	1,428	1,439	0.7	7.4
Other miscellaneous	2,957	2,947	3,066	4.0	3.7

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>E</sup> use with caution

**Note(s):** Figures may not add up to totals as a result of rounding.

**Source(s):** Table 20-10-0076-01.

**Available tables:** [20-10-0003-01](#), [20-10-0074-01](#) and [20-10-0076-01](#).

**Definitions, data sources and methods:** survey number [2401](#).

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300;  
[STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)).

For analytical information, or to enquire about the concepts, methods or data quality of this release, contact  
John Burton (613-862-4878; [john.burton@canada.ca](mailto:john.burton@canada.ca)), Manufacturing and Wholesale Trade Division.