

# Wholesale trade, May 2019

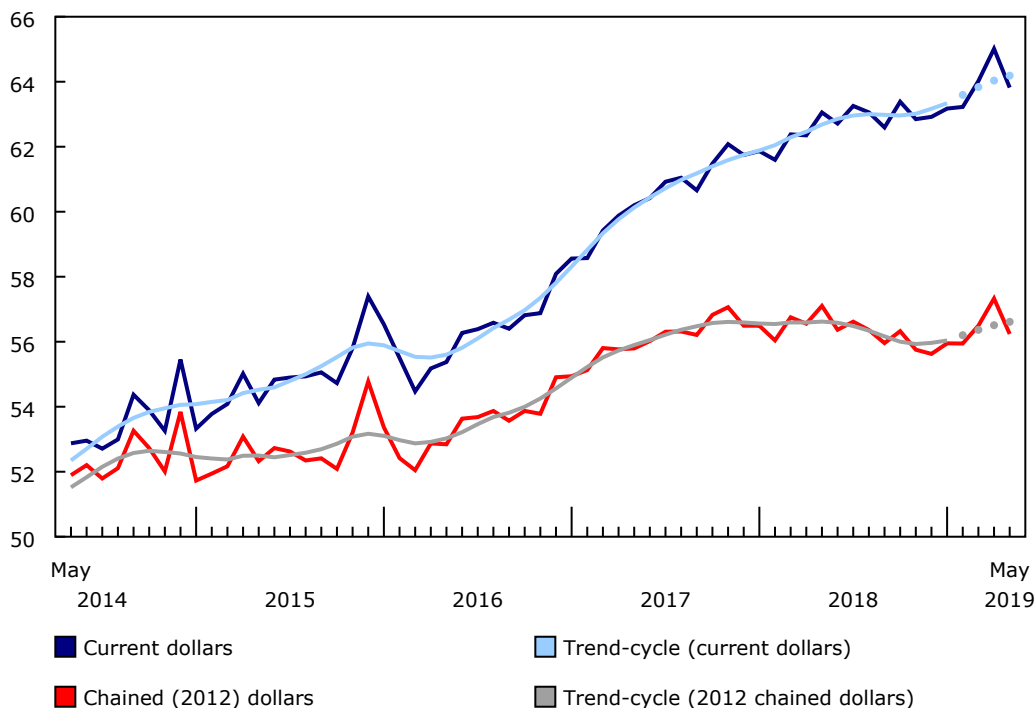
Released at 8:30 a.m. Eastern time in *The Daily*, Monday, July 22, 2019

Wholesale sales were down 1.8% in May to \$63.8 billion, following five consecutive monthly increases. Lower sales were observed in six subsectors, accounting for 86% of total wholesale sales. The motor vehicle and motor vehicle parts and accessories subsector was the leading contributor to May's retreat, followed by the miscellaneous subsector.

In volume terms, wholesale sales decreased 1.9% from April to May.

**Chart 1**  
**Wholesale sales decrease in May**

billions of dollars



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

## Decrease in May attributable to lower sales in six of seven subsectors

Sales in the motor vehicle and parts subsector declined 4.3% to \$11.2 billion in May, following a 2.7% increase in April. The decline in May was the subsector's largest monthly drop since February 2018. Sales fell in each industry, led by the motor vehicle industry (-5.2%). With the majority of sales in the motor vehicle industry comprising vehicles imported from other countries, the 5.2% decline in wholesale sales for May coincides with a 3.9% decrease in imports of passenger cars and light trucks over the same period.

Sales in the miscellaneous subsector decreased 4.2% to \$8.0 billion in May, down 6.4% compared with December 2018. Declines were recorded in four of five industries, with the agricultural supplies industry (-11.1%) posting the largest monthly decrease.

The food, beverage and tobacco subsector declined 1.2% to \$11.9 billion in May. All three of the industries fell, with the majority of the decrease attributable to lower sales in the food industry (-1.0%).

Wholesale sales in the machinery, equipment and supplies subsector decreased 0.9% to \$13.7 billion, following two consecutive monthly increases. Two of four industries recorded declines, led by the construction, forestry, mining and industrial machinery, equipment and supplies industry (-2.7%).

### **Lower sales in seven provinces**

Wholesale sales declined in seven provinces in May, which together represented 98% of total wholesale sales in Canada. Alberta posted the largest decrease in sales, followed by Ontario, British Columbia and Saskatchewan.

Sales in Alberta were down 8.7% to \$6.8 billion in May, with six of seven subsectors reporting declines, led by the machinery, equipment and supplies (-14.8%) and the miscellaneous (-15.3%) subsectors.

In Ontario, sales decreased for the second time in 2019, down 1.0% to \$32.7 billion in May. Four of seven subsectors posted declines, with the motor vehicle and motor vehicle parts and accessories (-4.1%) and the personal and household goods (-1.5%) subsectors contributing the most.

Sales in British Columbia declined for the first time in three months, down 1.7% to \$6.4 billion. Lower sales were recorded in four of seven subsectors, led by the motor vehicle and motor vehicle parts and accessories (-14.0%) and the miscellaneous (-5.6%) subsectors.

In Saskatchewan, sales decreased 3.4% to \$2.3 billion, with lower sales in two of seven subsectors. The miscellaneous subsector accounted for most of the decline in May, down 14.1% to \$952 million and more than offsetting the 9.1% gain in April.

### **Inventories rise in May**

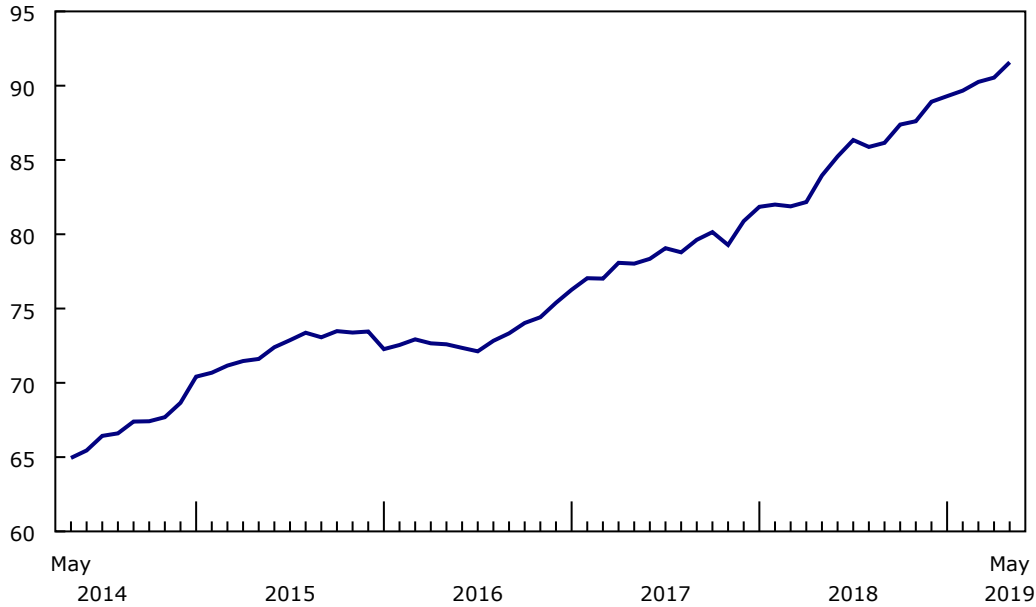
Wholesale inventories increased for a ninth consecutive month, up 1.1% in May to \$91.6 billion. In contrast, December 2013 marked the beginning of a 21-month streak of inventory increases.

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## Chart 2 Inventories rise in May

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billions of dollars



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

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In May, gains were recorded in six of seven subsectors, representing 83% of total wholesale inventories.

In dollar terms, the food, beverage and tobacco subsector (+3.5%) reported the largest gain, on the strength of higher inventories in the food industry. This was the third monthly increase in 2019 for both the subsector and the industry.

Inventories in the personal and household goods subsector (+1.4%) grew for the sixth consecutive month. Gains were recorded in four of six industries, led by the textile, clothing and footwear, and the personal goods industries.

The machinery, equipment and supplies subsector (+0.7%) posted its fourth consecutive monthly inventory gain, led by the other machinery, equipment and supplies industry.

The inventory-to-sales ratio increased from 1.39 in April to 1.43 in May, a level last seen in October 1995. This ratio is a measure of the time in months required to exhaust inventories if sales were to remain at their current level.

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

	May 2018	April 2019 <sup>r</sup>	May 2019 <sup>p</sup>	April to May 2019	May 2018 to May 2019
	millions of dollars			% change	
<b>Total, wholesale sales (current dollars)</b>	<b>63,054</b>	<b>65,014</b>	<b>63,820</b>	<b>-1.8</b>	<b>1.2</b>
<b>Total, wholesale sales (2012 chained dollars)</b>	<b>57,102</b>	<b>57,330</b>	<b>56,239</b>	<b>-1.9</b>	<b>-1.5</b>
<b>Total wholesale sales (current dollars), excluding motor vehicle and parts</b>	<b>52,153</b>	<b>53,340</b>	<b>52,646</b>	<b>-1.3</b>	<b>0.9</b>
Farm product	829	776	769	-0.9	-7.3
Food, beverage and tobacco	11,616	12,080	11,941	-1.2	2.8
Food	10,347	10,822	10,709	-1.0	3.5
Beverage	647	658	654	-0.6	1.0
Cigarette and tobacco product	622	600	578	-3.7	-7.0
Personal and household goods	8,678	9,257	9,184	-0.8	5.8
Textile, clothing and footwear	1,060	1,226	1,230	0.3	16.0
Home entertainment equipment and household appliance	767	710	751	5.7	-2.1
Home furnishings	599	580	585	1.0	-2.3
Personal goods	838	895	868	-3.0	3.6
Pharmaceuticals and pharmacy supplies	4,588	4,915	4,799	-2.4	4.6
Toiletries, cosmetics and sundries	826	931	950	2.1	15.1
Motor vehicle and motor vehicle parts and accessories	10,901	11,674	11,174	-4.3	2.5
Motor vehicle	8,687	9,289	8,806	-5.2	1.4
New motor vehicle parts and accessories	2,154	2,324	2,311	-0.6	7.3
Used motor vehicle parts and accessories	59	60	56	-6.6	-5.3
Building material and supplies	9,601	9,026	9,023	0.0	-6.0
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,879	2,955	2,964	0.3	2.9
Metal service centres	1,826	1,749	1,805	3.2	-1.1
Lumber, millwork, hardware and other building supplies	4,896	4,321	4,255	-1.5	-13.1
Machinery, equipment and supplies	13,048	13,818	13,701	-0.9	5.0
Farm, lawn and garden machinery and equipment	1,828	1,771	1,673	-5.5	-8.5
Construction, forestry, mining, and industrial machinery, equipment and supplies	4,176	4,663	4,537	-2.7	8.6
Computer and communications equipment and supplies	3,810	4,169	4,240	1.7	11.3
Other machinery, equipment and supplies	3,235	3,215	3,252	1.1	0.5
Miscellaneous	8,380	8,383	8,029	-4.2	-4.2
Recyclable material	1,014	898	854	-4.9	-15.8
Paper, paper product and disposable plastic product	1,141	1,017	1,045	2.7	-8.4
Agricultural supplies	2,462	2,503	2,225	-11.1	-9.7
Chemical (except agricultural) and allied product	1,501	1,501	1,489	-0.8	-0.8
Other miscellaneous	2,262	2,465	2,417	-2.0	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 2018	April 2019 <sup>r</sup>	May 2019 <sup>p</sup>	April to May 2019	May 2018 to May 2019
	millions of dollars			% change	
<b>Canada</b>	<b>63,054</b>	<b>65,014</b>	<b>63,820</b>	<b>-1.8</b>	<b>1.2</b>
Newfoundland and Labrador	376	355	359	1.0	-4.4
Prince Edward Island	92	81	89	10.0	-3.1
Nova Scotia	902	868	876	0.9	-2.9
New Brunswick	529	561	548	-2.3	3.7
Quebec	11,399	12,143	12,115	-0.2	6.3
Ontario	31,809	33,025	32,688	-1.0	2.8
Manitoba	1,576	1,588	1,587	-0.1	0.7
Saskatchewan	2,312	2,355	2,274	-3.4	-1.6
Alberta	7,325	7,471	6,822	-8.7	-6.9
British Columbia	6,654	6,484	6,376	-1.7	-4.2
Yukon	13	14	15	8.3	12.5
Northwest Territories	57	55	55	-1.4	-4.4
Nunavut	11	14	17	20.9	57.2

<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 2018	April 2019 <sup>r</sup>	May 2019 <sup>p</sup>	April to May 2019	May 2018 to May 2019
	millions of dollars			% change	
<b>Total, wholesale inventories</b>	<b>83,954</b>	<b>90,543</b>	<b>91,574</b>	<b>1.1</b>	<b>9.1</b>
Farm product	176	160	176	9.5	0.0
Food, beverage and tobacco	7,935	8,929	9,243	3.5	16.5
Food	7,193	8,007	8,344	4.2	16.0
Beverage	464	612	621	1.4	33.8
Cigarette and tobacco product	278	310	278	-10.3	-0.1
Personal and household goods	14,571	15,646	15,860	1.4	8.8
Textile, clothing and footwear	2,642	3,455	3,571	3.4	35.2
Home entertainment equipment and household appliance	987	1,016	1,110	9.3	12.5
Home furnishings	1,416	1,469	1,471	0.1	3.9
Personal goods	2,419 <sup>E</sup>	2,038	2,145	5.2	-11.3
Pharmaceuticals and pharmacy supplies	5,977	6,611	6,520	-1.4	9.1
Toiletries, cosmetics and sundries	1,131	1,057	1,044	-1.3	-7.7
Motor vehicle and motor vehicle parts and accessories	12,182	12,695	12,877	1.4	5.7
Motor vehicle	7,180	7,265	7,420	2.1	3.3
New motor vehicle parts and accessories	4,912	5,318	5,343	0.5	8.8
Used motor vehicle parts and accessories	90	112 <sup>E</sup>	F	F	F
Building material and supplies	14,301	15,458	15,455	0.0	8.1
Electrical, plumbing, heating and air-conditioning equipment and supplies	4,031	4,234	4,267	0.8	5.9
Metal service centres	4,098	4,878	4,749	-2.6	15.9
Lumber, millwork, hardware and other building supplies	6,173	6,347	6,439	1.4	4.3
Machinery, equipment and supplies	23,914	26,548	26,741	0.7	11.8
Farm, lawn and garden machinery and equipment	6,646	6,983	7,029	0.7	5.8
Construction, forestry, mining, and industrial machinery, equipment and supplies	10,486	12,303	12,187	-0.9	16.2
Computer and communications equipment and supplies	2,233	2,577	2,621	1.7	17.4
Other machinery, equipment and supplies	4,550	4,685	4,904	4.7	7.8
Miscellaneous	10,875	11,106	11,223	1.1	3.2
Recyclable material	962 <sup>E</sup>	901	872 <sup>E</sup>	-3.2	-9.4
Paper, paper product and disposable plastic product	808	919	964	4.9	19.2
Agricultural supplies	4,477	4,732	4,882	3.2	9.0
Chemical (except agricultural) and allied product	1,390	1,457	1,438	-1.3	3.5
Other miscellaneous	3,237	3,097	3,067	-1.0	-5.2

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>E</sup> use with caution

<sup>F</sup> too unreliable to be published

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

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

### Note to readers

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 (2012) dollars is a chained Fisher volume index with 2012 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 North American Industry Classification System (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 12.

### Next release

Wholesale trade data for June will be released on August 22.

**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)), Mining, Manufacturing and Wholesale Trade Division.