



## Economics Group

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# Wholesale Inventories Edge Higher in March

**Wholesale inventories increased a smaller-than-expected 0.3 percent in March, following large monthly increases over the past three months. Sales among wholesalers also rose a more modest 0.5 percent.**

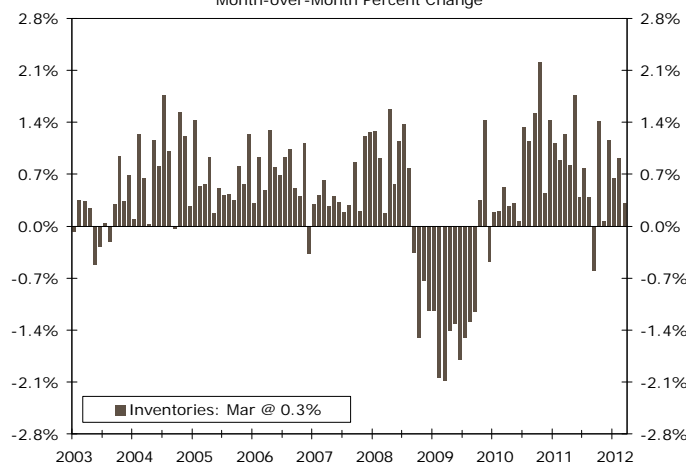
### Inventory Building Slows In March

- Durable inventories increased by 1.0 percent in March due primarily to a 1.6 percent increase in machinery inventories and a 0.9 percent increase in computer inventories. Nondurable inventories slipped 0.6 percent, following a big 1.4 percent increase in February. The three-month change in wholesale inventories slowed to a \$35.5 billion annualized pace from a \$51.2 billion pace in February.

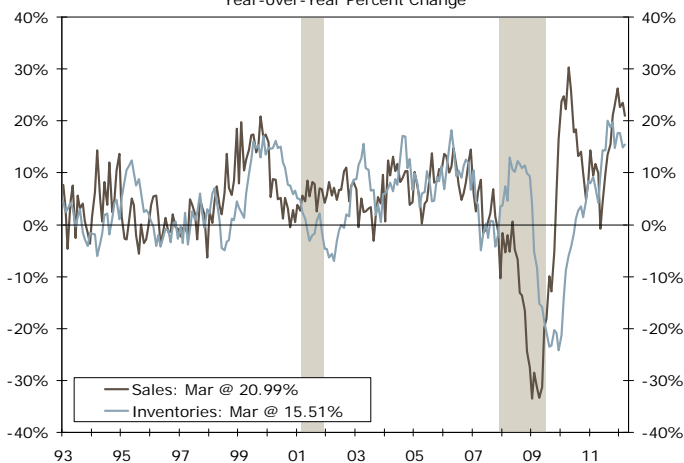
### Another Month of Stable Ratios

- Sales at wholesalers showed more signs of weakening in March. Overall sales rose 0.5 percent, though sales declines were seen in autos, computers and groceries. Solid sales gains occurred in machinery and petroleum.
- The inventory-to-sales ratio remained stable again at 1.17 months, though the durable goods inventory-to-sales ratio is creeping higher to 1.52 months from 1.50 in February.

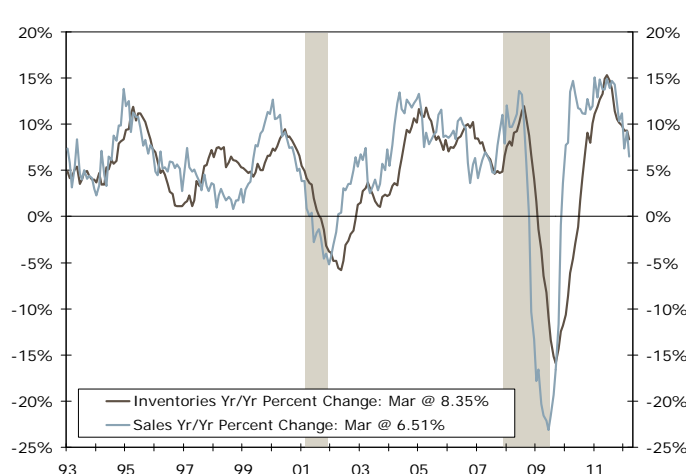
Wholesale Inventories  
Month-over-Month Percent Change



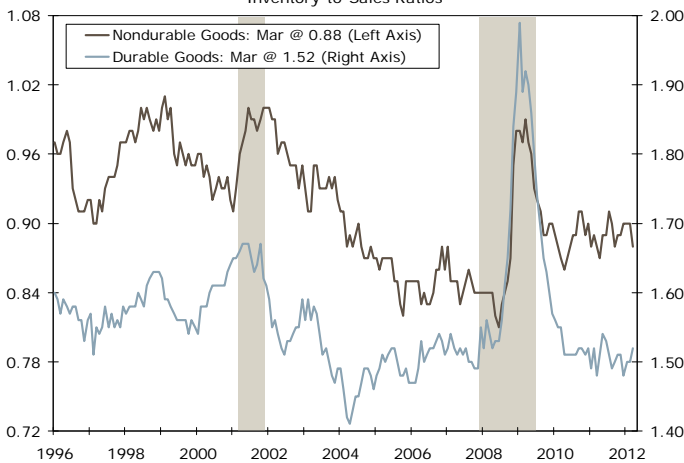
Auto Wholesalers' Sales & Inventories  
Year-over-Year Percent Change



Wholesalers' Inventories & Sales



Durable & Nondurable Goods Wholesalers  
Inventory-to-Sales Ratios



Source: U.S. Department of Commerce and Wells Fargo Securities, LLC

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