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Statistical release

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Key findings for the quarter ended December 2014

The total turnover of all industries¹ for the fourth quarter of 2014 was estimated at R2 030 411 million (R2,03 trillion), an increase of 0,9% compared with the revised third quarter of 2014 (R2 012 649 million or R2,01 trillion).

Between the third and fourth quarters of 2014 turnover increased in five of the eight industries covered by the survey. The largest increase in turnover was recorded for construction (+3,7%), followed by trade (+3,6%), transport, storage and communication (+1,9%), manufacturing (+1,4%) and community, social and personal services (excluding government institutions) (+1,1%). Decreases were recorded for electricity, gas and water supply (-22,4%), real estate and other business services (excluding financial intermediation and insurance) (-2,7%) and mining and quarrying (-1,3%).

Total inventories at the end of the fourth quarter of 2014 were estimated at R660 327 million, compared with R691 085 million for the revised third quarter of 2014, a decrease of 4,5%. Decreases in inventories were recorded for trade (-7,6%) and manufacturing (-5,8%). Increases were recorded for electricity, gas and water supply (+8,3%), mining and quarrying (+6,4%), real estate and other business services (excluding financial intermediation and insurance) (+1,6%), construction (+1,0%), community, social and personal services (excluding government institutions) (+0,3%) and transport, storage and communication (+0,1%).

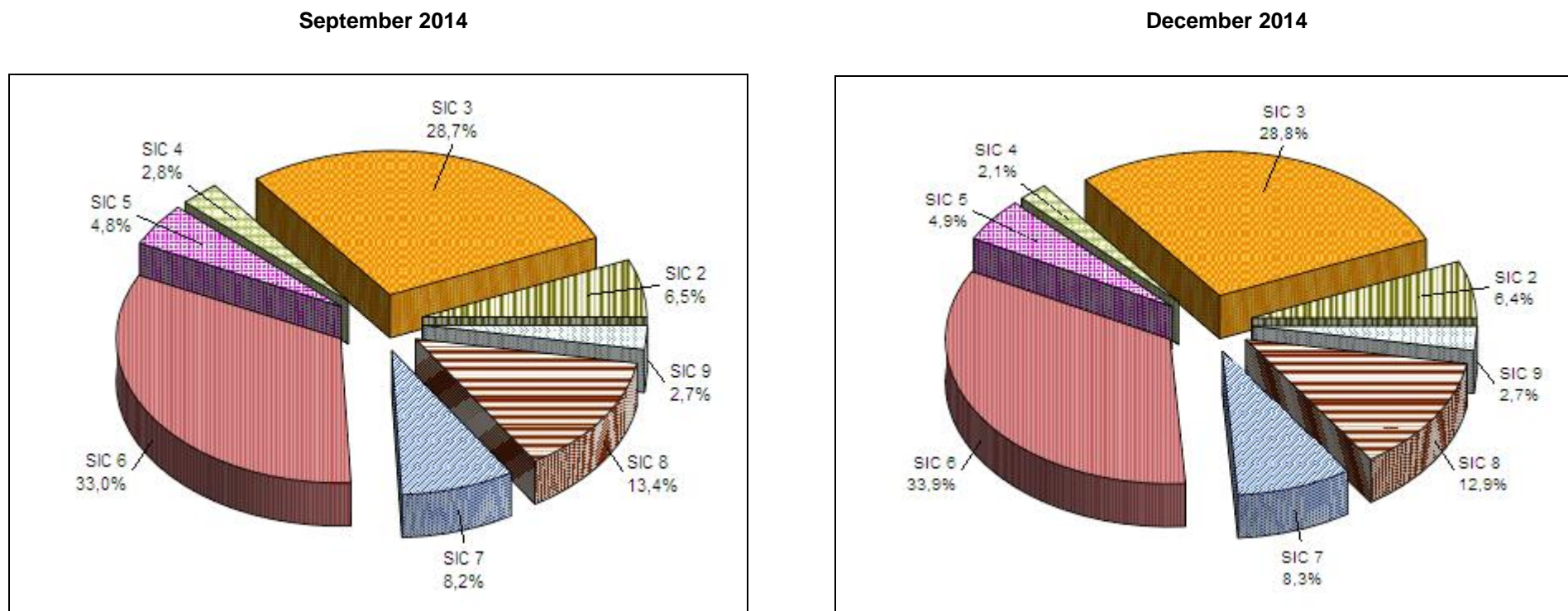
Total capital expenditure on property, plant and equipment for the fourth quarter of 2014 was estimated at R90 311 million, compared with R93 619 million for the revised third quarter of 2014, a decrease of 3,5%. The largest decrease was recorded for community, social and personal services (excluding government institutions) (-38,0%), followed by transport, storage and communication (-29,3%), electricity, gas and water supply (-28,0%) and construction (-1,4%). Increases were recorded for manufacturing (+39,1%), mining and quarrying (+21,3%), trade (+14,5%) and real estate and other business services (excluding financial intermediation and insurance) (+8,9%).

Turnover of all industries for the fourth quarter of 2014 was estimated at R2 030 411 million, compared with R1 897 247 million for the fourth quarter of 2013, an increase of 7,0%. The largest increase in turnover was recorded for real estate and other business services (excluding financial intermediation and insurance) (+36,5%), followed by construction (+22,8%), community, social and personal services (excluding government institutions) (+19,7%), electricity, gas and water supply (+8,9%) and trade (+7,1%). Decreases were recorded for mining and quarrying (-4,1%), manufacturing (-1,2%) and transport, storage and communication (-0,4%).

¹All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

**PJ Lehohla
Statistician-General**

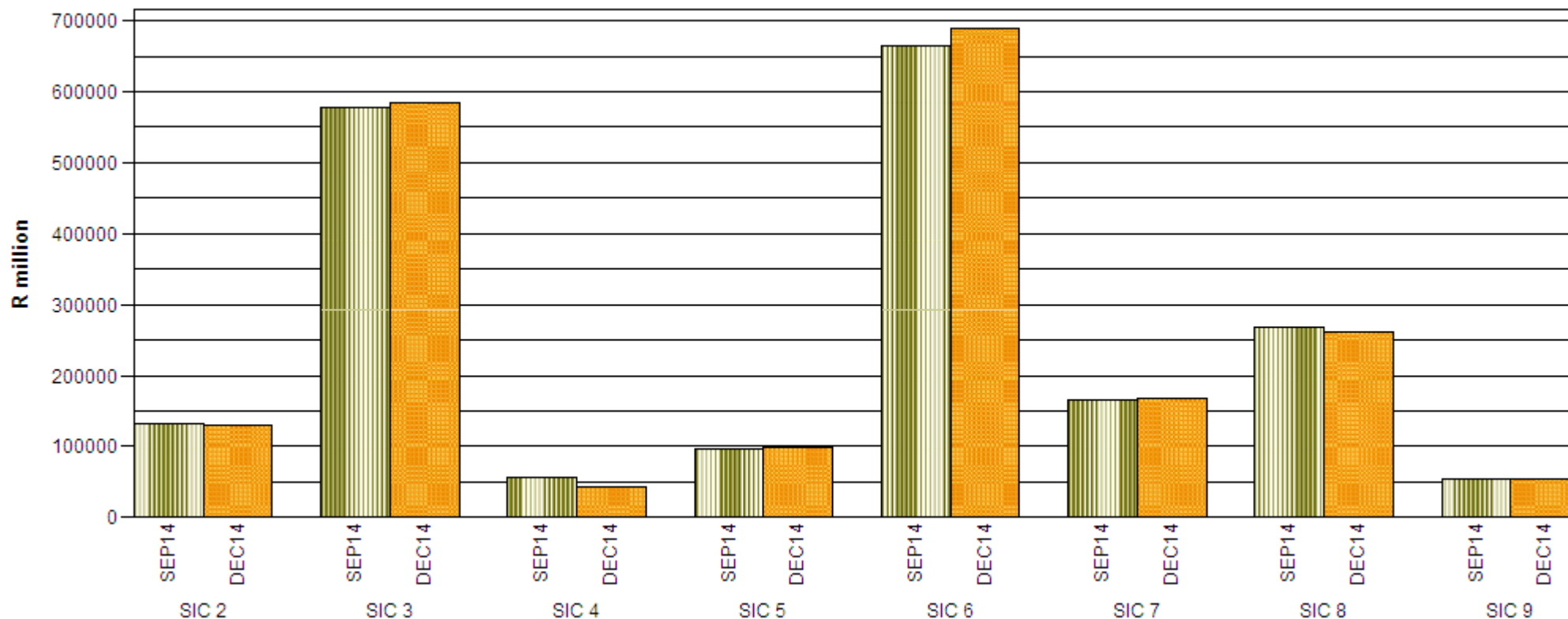
Figure 1 – Percentage contribution to total turnover by industry for the quarters ended September 2014 and December 2014¹



- SIC 2 - Mining and quarrying industry**
- SIC 3 - Manufacturing industry**
- SIC 4 - Electricity, gas and water supply industry**
- SIC 5 - Construction industry**
- SIC 6 - Trade industry**
- SIC 7 - Transport, storage and communication industry**
- SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)**
- SIC 9 - Community, social and personal services industry (excluding government institutions)**

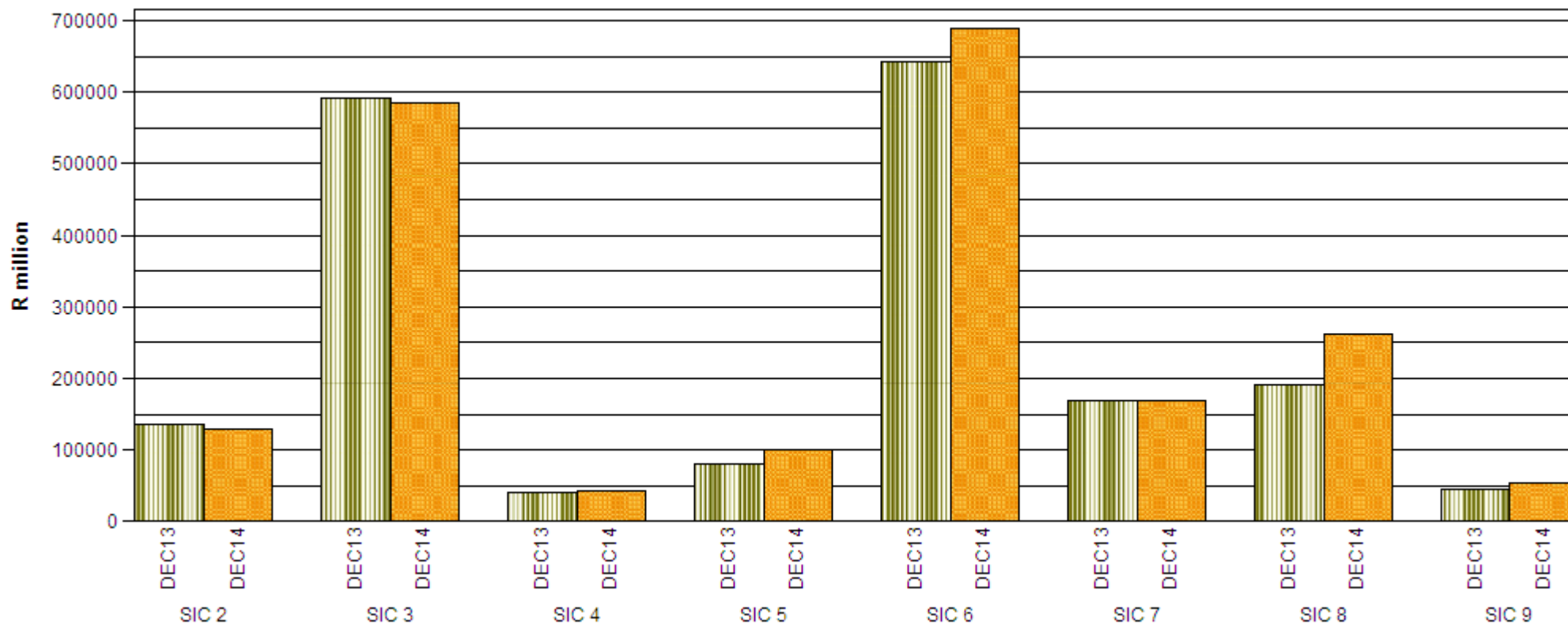
¹The aggregates of the SIC contributions may not add up to totals due to rounding-off.

Figure 2 – Comparison of turnover by industry for the quarters ended September 2014 and December 2014



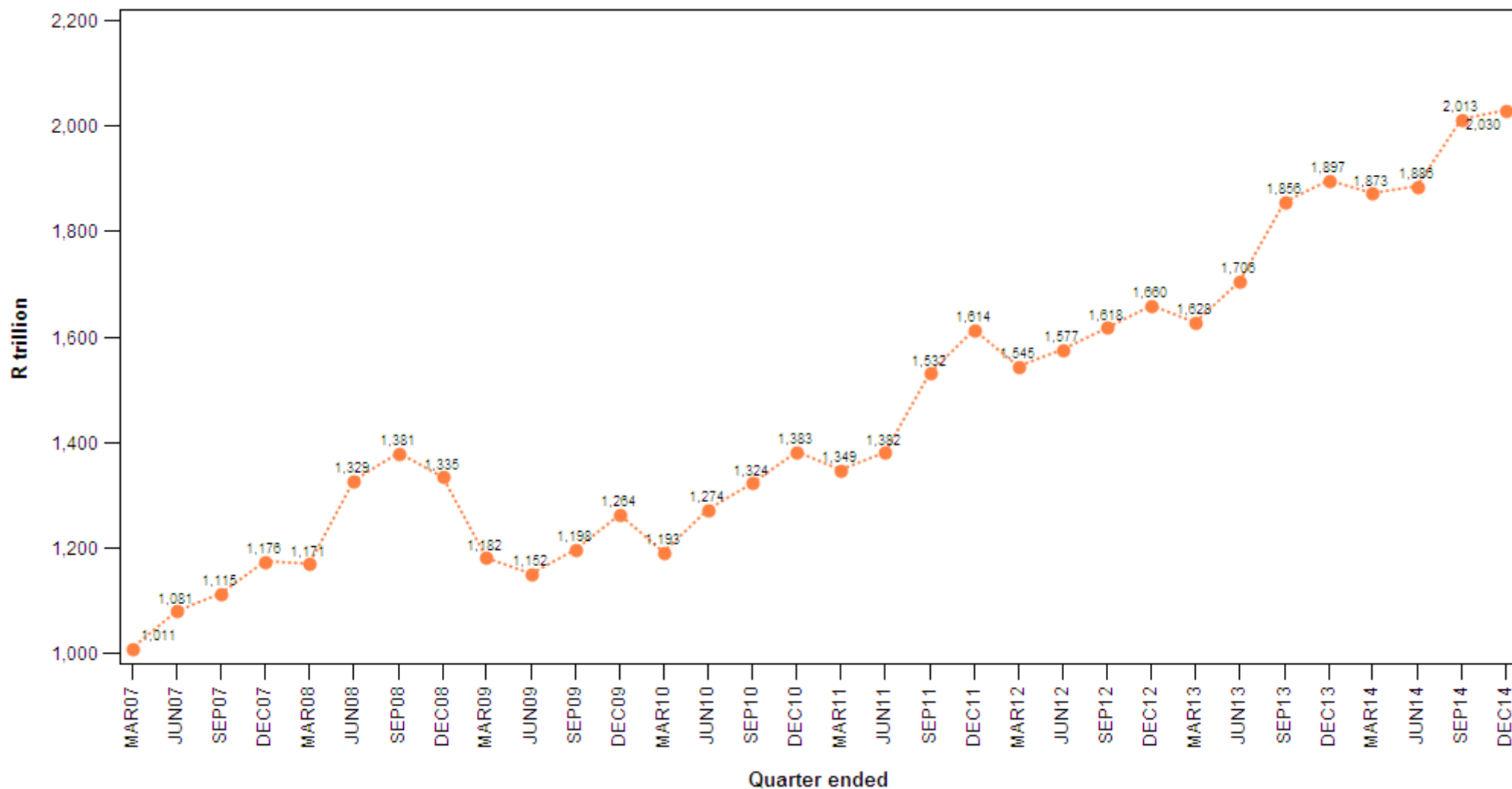
- SIC 2 - Mining and quarrying industry
- SIC 3 - Manufacturing industry
- SIC 4 - Electricity, gas and water supply industry
- SIC 5 - Construction industry
- SIC 6 - Trade industry
- SIC 7 - Transport, storage and communication industry
- SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)
- SIC 9 - Community, social and personal services industry (excluding government institutions)

Figure 3 – Comparison of turnover by industry for the quarters ended December 2013 and December 2014



- SIC 2 - Mining and quarrying industry
- SIC 3 - Manufacturing industry
- SIC 4 - Electricity, gas and water supply industry
- SIC 5 - Construction industry
- SIC 6 - Trade industry
- SIC 7 - Transport, storage and communication industry
- SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)
- SIC 9 - Community, social and personal services industry (excluding government institutions)

Figure 4 – Quarterly turnover estimate for all industries¹ from March 2007 to December 2014



¹All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

Table 1 – Selected income and expenditure items: All industries¹

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ²	December 2014 ³		
Income items						R million	R million
Turnover received	1 897 247	1 873 232	1 885 612	2 012 649	2 030 411	17 762	133 164
Interest received	9 950	13 054	10 140	9 562	10 595	1 033	645
Dividends received	9 487	14 159	10 611	12 094	7 699	-4 395	-1 788
Royalties, franchise fees, copyright, trade names and patent rights received	1 334	1 140	1 561	1 217	1 349	132	15
Rental/leasing of land, buildings and other structures received	3 509	3 220	2 859	2 855	2 807	-48	-702
Hiring/leasing of plant, machinery, vehicles and other equipment received	2 832	2 689	2 819	2 725	2 783	58	-49
Profit on assets/investment sold or revalued	18 988	17 925	21 565	17 979	18 035	56	-953
Other income	36 363	29 376	27 442	28 915	31 324	2 409	-5 039
Total income (A)	1 979 710	1 954 795	1 962 609	2 087 996	2 105 003	17 007	125 293
Inventories							
Opening value of raw materials	175 894	168 869	172 946	171 306	168 317	-2 989	-7 577
Opening value of work in progress	74 848	75 356	77 169	82 367	81 139	-1 228	6 291
Opening value of finished goods	398 346	402 864	422 403	435 111	427 357	-7 754	29 011
Total opening values (B)	649 088	647 089	672 518	688 784	676 813	-11 971	27 725
Closing value of raw materials	171 801	173 059	184 820	168 314	169 176	862	-2 625
Closing value of work in progress	75 865	77 893	78 697	80 919	78 585	-2 334	2 720
Closing value of finished goods	406 209	422 129	438 577	441 852	412 566	-29 286	6 357
Total closing values (C)	653 875	673 081	702 094	691 085	660 327	-30 758	6 452

¹ All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

² Revised.

³ Preliminary.

Table 1 – Selected income and expenditure items: All industries¹ (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ²	December 2014 ³		
Expenditure items						R million	R million
Purchases	1 120 635	1 165 852	1 139 724	1 191 359	1 182 916	-8 443	62 281
Employment costs ⁴	251 162	248 522	257 072	266 816	276 461	9 645	25 299
Interest paid	36 576	37 646	38 311	39 284	40 219	935	3 643
Royalties, franchise fees, copyright, trade names and patent rights paid	8 586	7 836	6 864	7 693	9 123	1 430	537
Rental/leasing of land, buildings and other structures paid	37 883	38 090	39 285	43 003	43 588	585	5 705
Hiring/leasing for plant, machinery, vehicles and other equipment paid	9 023	8 915	9 033	10 197	9 665	-532	642
Depreciation	47 818	48 751	51 083	47 676	47 467	-209	-351
Losses on assets/investments sold or revalued	31 621	14 192	14 708	15 178	15 488	310	-16 133
Other expenditure	287 827	283 397	298 313	288 700	292 949	4 249	5 122
Total expenditure (D)	1 831 131	1 853 201	1 854 393	1 909 906	1 917 876	7 970	86 745
Net profit or loss before taxation (E) ⁵	153 366	127 586	137 792	180 391	170 641	-9 750	17 275
Company tax	38 321	33 831	31 019	31 281	30 890	-391	-7 431
Dividends payable	30 765	29 148	25 715	25 086	36 442	11 356	5 677
Carrying value of property, plant and equipment as at the end of quarter	2 129 639	2 186 057	2 256 519	2 406 346	2 453 153	46 807	323 514
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	13 015	9 920	12 295	10 192	10 606	414	-2 409
Plant, machinery, furniture, fittings and other equipment	63 157	85 121	65 894	75 152	72 517	-2 635	9 360
Vehicles	11 050	11 477	9 958	8 275	7 188	-1 087	-3 862
Total capital expenditure	87 222	106 518	88 147	93 619	90 311	-3 308	3 089

¹ All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

² Revised.

³ Preliminary.

⁴ Refer to page 34 for comparability with the *Quarterly Employment Statistics (QES) (P0277)* survey.

⁵ E=A-B+C-D.

Table 2 – Selected income and expenditure items: Mining and quarrying industry

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received	135 649	136 142	129 907	131 756	130 040	-1 716	-5 609
Interest received	1 480	3 456	1 322	1 301	1 503	202	23
Dividends received	1 569	2 619	1 910	3 314	1 101	-2 213	-468
Royalties, franchise fees, copyright, trade names and patent rights received	66	59	61	41	39	-2	-27
Rental/leasing of land, buildings and other structures received	44	33	56	37	47	10	3
Hiring/leasing of plant, machinery, vehicles and other equipment received	119	161	121	98	103	5	-16
Profit on assets/investment sold or revalued	1 660	1 483	1 907	1 740	987	-753	-673
Other income	4 676	3 111	1 772	2 307	1 660	-647	-3 016
Total income (A)	145 263	147 064	137 056	140 594	135 480	-5 114	-9 783
Inventories							
Opening value of raw materials	13 534	14 284	14 628	16 136	16 606	470	3 072
Opening value of work in progress	26 497	25 735	23 176	22 661	20 476	-2 185	-6 021
Opening value of finished goods	27 842	28 055	24 170	24 478	27 583	3 105	-259
Total opening values (B)	67 873	68 074	61 974	63 275	64 665	1 390	-3 208
Closing value of raw materials	13 843	14 551	16 050	16 604	17 037	433	3 194
Closing value of work in progress	25 697	23 729	22 199	20 537	22 127	1 590	-3 570
Closing value of finished goods	28 123	25 505	23 810	27 485	29 569	2 084	1 446
Total closing values (C)	67 663	63 785	62 059	64 626	68 733	4 107	1 070

¹ Revised.

² Preliminary.

Table 2 – Selected income and expenditure items: Mining and quarrying industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	47 949	48 201	47 826	48 739	51 066	2 327	3 117
Employment costs ³	28 609	26 449	27 810	29 115	31 490	2 375	2 881
Interest paid	3 902	3 791	4 207	3 777	4 174	397	272
Royalties, franchise fees, copyright, trade names and patent rights paid	1 168	1 107	1 256	1 274	1 077	-197	-91
Rental/leasing of land, buildings and other structures paid	3 187	3 004	2 914	3 816	3 323	-493	136
Hiring/leasing for plant, machinery, vehicles and other equipment paid	715	668	670	863	921	58	206
Depreciation	10 792	10 988	12 854	11 444	11 864	420	1 072
Losses on assets/investments sold or revalued	17 547	920	2 324	2 197	3 074	877	-14 473
Other expenditure	32 680	28 096	29 105	28 693	22 921	-5 772	-9 759
Total expenditure (D)	146 549	123 224	128 966	129 918	129 910	-8	-16 639
Net profit or loss before taxation (E) ⁴	-1 496	19 551	8 175	12 027	9 638	-2 389	11 134
Company tax	7 616	5 066	4 143	3 576	3 600	24	-4 016
Dividends payable	2 183	3 320	1 241	2 420	2 441	21	258
Carrying value of property, plant and equipment as at the end of quarter	498 424	456 728	479 266	539 310	545 970	6 660	47 546
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	5 602	4 127	4 151	3 986	3 863	-123	-1 739
Plant, machinery, furniture, fittings and other equipment	11 431	8 170	9 415	9 610	13 625	4 015	2 194
Vehicles	441	706	663	1 202	455	-747	14
Total capital expenditure	17 474	13 003	14 229	14 798	17 943	3 145	469

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly Employment Statistics* (QES) (P0277) survey.

⁴ E=A-B+C-D.

Table 3 – Selected income and expenditure items: Manufacturing industry

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received	592 443	589 725	575 863	576 953	585 141	8 188	-7 302
Interest received	2 326	3 280	2 730	2 651	2 899	248	573
Dividends received	1 198	1 123	391	446	800	354	-398
Royalties, franchise fees, copyright, trade names and patent rights received	269	267	267	342	373	31	104
Rental/leasing of land, buildings and other structures received	1 486	1 530	1 081	965	1 012	47	-474
Hiring/leasing of plant, machinery, vehicles and other equipment received	125	119	112	137	140	3	15
Profit on assets/investment sold or revalued	4 765	4 933	3 409	4 055	3 595	-460	-1 170
Other income	7 465	7 348	7 924	6 545	6 790	245	-675
Total income (A)	610 077	608 325	591 777	592 094	600 750	8 656	-9 327
Inventories							
Opening value of raw materials	101 494	95 237	98 113	104 201	102 162	-2 039	668
Opening value of work in progress	36 757	36 043	39 776	42 901	42 196	-705	5 439
Opening value of finished goods	145 406	142 143	155 593	154 597	154 581	-16	9 175
Total opening values (B)	283 657	273 423	293 482	301 699	298 939	-2 760	15 282
Closing value of raw materials	97 251	97 325	102 769	102 483	101 685	-798	4 434
Closing value of work in progress	37 008	39 348	41 220	41 502	39 140	-2 362	2 132
Closing value of finished goods	142 710	155 699	162 372	155 179	141 017	-14 162	-1 693
Total closing values (C)	276 969	292 372	306 361	299 164	281 842	-17 322	4 873

¹ Revised.

² Preliminary.

Table 3 – Selected income and expenditure items: Manufacturing industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	387 277	420 622	405 561	379 341	373 040	-6 301	-14 237
Employment costs ³	64 208	63 056	62 172	62 995	65 982	2 987	1 774
Interest paid	7 536	7 547	7 027	7 033	7 909	876	373
Royalties, franchise fees, copyright, trade names and patent rights paid	2 584	2 418	2 504	2 815	3 366	551	782
Rental/leasing of land, buildings and other structures paid	7 541	7 709	8 471	9 861	9 281	-580	1 740
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 540	1 541	1 621	1 738	1 684	-54	144
Depreciation	10 505	10 203	10 499	10 539	10 455	-84	-50
Losses on assets/investments sold or revalued	6 268	4 400	3 426	4 180	3 173	-1 007	-3 095
Other expenditure	73 609	68 797	72 614	70 416	72 388	1 972	-1 221
Total expenditure (D)	561 068	586 293	573 895	548 918	547 278	-1 640	-13 790
Net profit or loss before taxation (E)⁴	42 321	40 981	30 761	40 641	36 375	-4 266	-5 946
Company tax	12 764	12 174	10 333	11 049	9 354	-1 695	-3 410
Dividends payable	17 250	7 102	13 446	6 510	19 168	12 658	1 918
Carrying value of property, plant and equipment as at the end of quarter	390 780	380 537	391 812	397 241	410 038	12 797	19 258
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 085	2 050	3 664	2 538	3 138	600	1 053
Plant, machinery, furniture, fittings and other equipment	10 947	8 591	12 332	11 927	17 621	5 694	6 674
Vehicles	1 034	1 067	928	1 169	987	-182	-47
Total capital expenditure	14 066	11 708	16 924	15 634	21 746	6 112	7 680

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly Employment Statistics* (QES) (P0277) survey.

⁴ E=A-B+C-D.

Table 4 – Selected income and expenditure items: Electricity, gas and water supply industry

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received	39 724	38 815	44 645	55 754	43 257	-12 497	3 533
Interest received	908	839	740	821	849	28	-59
Dividends received	0	20	0	0	24	24	24
Royalties, franchise fees, copyright, trade names and patent rights received	0	0	0	0	0	0	0
Rental/leasing of land, buildings and other structures received	2	3	3	2	2	0	0
Hiring/leasing of plant, machinery, vehicles and other equipment received	42	52	41	56	60	4	18
Profit on assets/investment sold or revalued	1 243	90	89	116	69	-47	-1 174
Other income	83	385	202	404	206	-198	123
Total income (A)	42 002	40 204	45 720	57 153	44 467	-12 686	2 465
Inventories							
Opening value of raw materials	14 679	14 471	12 467	16 969	15 372	-1 597	693
Opening value of work in progress	113	120	121	187	231	44	118
Opening value of finished goods	89	78	89	120	123	3	34
Total opening values (B)	14 881	14 669	12 677	17 276	15 726	-1 550	845
Closing value of raw materials	14 475	12 483	16 968	15 369	16 630	1 261	2 155
Closing value of work in progress	120	121	93	231	254	23	134
Closing value of finished goods	80	87	107	123	139	16	59
Total closing values (C)	14 675	12 691	17 168	15 723	17 023	1 300	2 348

¹ Revised.

² Preliminary.

Table 4 – Selected income and expenditure items: Electricity, gas and water supply industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	22 574	26 190	23 327	27 031	25 829	-1 202	3 255
Employment costs ³	6 483	5 912	6 765	6 323	6 338	15	-145
Interest paid	2 198	2 353	2 596	2 394	2 285	-109	87
Royalties, franchise fees, copyright, trade names and patent rights paid	0	0	0	0	0	0	0
Rental/leasing of land, buildings and other structures paid	21	27	45	28	28	0	7
Hiring/leasing for plant, machinery, vehicles and other equipment paid	159	195	187	202	184	-18	25
Depreciation	3 216	3 275	3 490	3 549	3 715	166	499
Losses on assets/investments sold or revalued	46	322	45	78	1 116	1 038	1 070
Other expenditure	7 541	4 633	11 129	4 423	8 863	4 440	1 322
Total expenditure (D)	42 238	42 907	47 584	44 028	48 358	4 330	6 120
Net profit or loss before taxation (E)⁴	-442	-4 681	2 627	11 572	-2 594	-14 166	-2 152
Company tax	373	317	175	248	310	62	-63
Dividends payable	32	0	0	10	127	117	95
Carrying value of property, plant and equipment as at the end of quarter	408 504	432 607	442 482	466 241	485 227	18 986	76 723
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	420	836	913	312	250	-62	-170
Plant, machinery, furniture, fittings and other equipment	15 658	26 374	11 698	23 736	17 042	-6 694	1 384
Vehicles	94	131	61	93	99	6	5
Total capital expenditure	16 172	27 341	12 672	24 141	17 391	-6 750	1 219

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly Employment Statistics* (QES) (P0277) survey.

⁴ E=A-B+C-D.

Table 5 – Selected income and expenditure items: Construction industry

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received	81 140	73 220	80 608	96 106	99 666	3 560	18 526
Interest received	416	373	468	368	649	281	233
Dividends received	327	310	118	167	581	414	254
Royalties, franchise fees, copyright, trade names and patent rights received	10	10	1	1	1	0	-9
Rental/leasing of land, buildings and other structures received	204	182	254	375	265	-110	61
Hiring/leasing of plant, machinery, vehicles and other equipment received	336	350	346	686	742	56	406
Profit on assets/investment sold or revalued	559	1 089	278	292	349	57	-210
Other income	494	500	846	700	1 026	326	532
Total income (A)	83 486	76 034	82 919	98 695	103 279	4 584	19 793
Inventories							
Opening value of raw materials	2 253	2 287	3 439	5 163	4 607	-556	2 354
Opening value of work in progress	5 996	8 171	8 949	9 664	11 495	1 831	5 499
Opening value of finished goods	2 828	2 928	3 822	5 452	6 076	624	3 248
Total opening values (B)	11 077	13 386	16 210	20 279	22 178	1 899	11 101
Closing value of raw materials	2 216	3 435	4 111	4 607	4 609	2	2 393
Closing value of work in progress	7 685	8 971	9 714	11 908	10 714	-1 194	3 029
Closing value of finished goods	2 948	3 826	4 884	6 023	7 447	1 424	4 499
Total closing values (C)	12 849	16 232	18 709	22 538	22 770	232	9 921

¹ Revised.

² Preliminary.

Table 5 – Selected income and expenditure items: Construction industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	53 694	50 411	51 938	61 933	60 845	-1 088	7 151
Employment costs ³	13 614	13 005	15 005	17 548	19 307	1 759	5 693
Interest paid	571	670	688	913	1 036	123	465
Royalties, franchise fees, copyright, trade names and patent rights paid	38	17	15	31	14	-17	-24
Rental/leasing of land, buildings and other structures paid	787	644	870	1 024	1 101	77	314
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 688	1 680	1 790	2 202	1 937	-265	249
Depreciation	1 259	1 331	1 488	1 486	1 405	-81	146
Losses on assets/investments sold or revalued	293	217	514	400	449	49	156
Other expenditure	9 203	8 845	10 746	13 366	15 186	1 820	5 983
Total expenditure (D)	81 147	76 820	83 054	98 903	101 280	2 377	20 133
Net profit or loss before taxation (E) ⁴	4 111	2 060	2 364	2 051	2 591	540	-1 520
Company tax	556	606	946	748	1 176	428	620
Dividends payable	287	295	233	238	735	497	448
Carrying value of property, plant and equipment as at the end of quarter	25 108	28 632	30 093	38 077	39 435	1 358	14 327
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	117	148	61	213	63	-150	-54
Plant, machinery, furniture, fittings and other equipment	708	1 274	1 457	1 523	1 678	155	970
Vehicles	124	194	195	474	438	-36	314
Total capital expenditure	949	1 616	1 713	2 210	2 179	-31	1 230

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly Employment Statistics* (QES) (P0277) survey.

⁴ E=A-B+C-D.

Table 6 – Selected income and expenditure items: Trade industry

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received	642 868	626 991	633 257	664 822	688 539	23 717	45 671
Interest received	3 075	3 248	2 982	2 880	3 023	143	-52
Dividends received	505	433	230	505	600	95	95
Royalties, franchise fees, copyright, trade names and patent rights received	120	139	154	153	165	12	45
Rental/leasing of land, buildings and other structures received	491	485	492	504	505	1	14
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 651	1 558	1 779	1 319	1 359	40	-292
Profit on assets/investment sold or revalued	2 085	1 452	1 525	2 156	2 037	-119	-48
Other income	6 890	6 958	5 696	6 438	6 947	509	57
Total income (A)	657 685	641 264	646 115	678 777	703 175	24 398	45 490
Inventories							
Opening value of raw materials	20 205	20 073	20 175	19 417	20 320	903	115
Opening value of work in progress	2 082	1 812	2 067	3 573	3 417	-156	1 335
Opening value of finished goods	206 945	215 036	223 387	228 029	216 504	-11 525	9 559
Total opening values (B)	229 232	236 921	245 629	251 019	240 241	-10 778	11 009
Closing value of raw materials	20 107	21 740	20 432	19 998	19 882	-116	-225
Closing value of work in progress	1 834	2 166	2 130	3 417	3 034	-383	1 200
Closing value of finished goods	217 531	222 489	230 998	230 553	211 651	-18 902	-5 880
Total closing values (C)	239 472	246 395	253 560	253 968	234 567	-19 401	-4 905

¹ Revised.

² Preliminary.

Table 6 – Selected income and expenditure items: Trade industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	486 803	498 737	484 849	509 635	508 906	-729	22 103
Employment costs ³	49 147	47 916	46 446	48 706	50 795	2 089	1 648
Interest paid	4 647	4 970	5 536	5 439	5 499	60	852
Royalties, franchise fees, copyright, trade names and patent rights paid	1 267	1 275	1 459	2 041	2 573	532	1 306
Rental/leasing of land, buildings and other structures paid	14 854	14 761	14 329	14 032	14 836	804	-18
Hiring/leasing for plant, machinery, vehicles and other equipment paid	739	806	911	879	775	-104	36
Depreciation	5 130	5 406	5 128	5 393	5 035	-358	-95
Losses on assets/investments sold or revalued	2 411	3 536	2 873	3 048	3 155	107	744
Other expenditure	51 824	55 557	50 116	48 833	50 942	2 109	-882
Total expenditure (D)	616 822	632 964	611 647	638 006	642 516	4 510	25 694
Net profit or loss before taxation (E) ⁴	51 103	17 774	42 399	43 720	54 985	11 265	3 882
Company tax	7 178	6 678	5 486	5 744	5 994	250	-1 184
Dividends payable	3 123	3 195	968	2 575	2 317	-258	-806
Carrying value of property, plant and equipment as at the end of quarter	171 272	160 714	167 147	157 740	160 018	2 278	-11 254
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 255	706	1 920	1 081	1 250	169	-5
Plant, machinery, furniture, fittings and other equipment	9 321	9 301	10 463	5 035	5 749	714	-3 572
Vehicles	1 971	1 981	1 455	1 564	1 792	228	-179
Total capital expenditure	12 547	11 988	13 838	7 680	8 791	1 111	-3 756

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the Quarterly *Employment Statistics* (QES) (P0277) survey.

⁴ E=A-B+C-D.

Table 7 – Selected income and expenditure items: Transport, storage and communication industry

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received	168 398	159 743	161 831	164 637	167 783	3 146	-615
Interest received	1 305	1 424	1 500	1 111	1 047	-64	-258
Dividends received	206	272	321	314	170	-144	-36
Royalties, franchise fees, copyright, trade names and patent rights received	13	7	8	8	8	0	-5
Rental/leasing of land, buildings and other structures received	1 071	749	757	768	772	4	-299
Hiring/leasing of plant, machinery, vehicles and other equipment received	496	391	368	395	345	-50	-151
Profit on assets/investment sold or revalued	1 001	609	592	855	679	-176	-322
Other income	3 490	3 479	3 688	2 658	2 665	7	-825
Total income (A)	175 980	166 674	169 065	170 746	173 469	2 723	-2 511
Inventories							
Opening value of raw materials	3 658	3 829	3 516	3 526	3 251	-275	-407
Opening value of work in progress	1 143	1 155	759	735	771	36	-372
Opening value of finished goods	9 970	9 474	8 861	8 801	8 822	21	-1 148
Total opening values (B)	14 771	14 458	13 136	13 062	12 844	-218	-1 927
Closing value of raw materials	3 736	3 540	3 767	3 254	3 241	-13	-495
Closing value of work in progress	1 199	1 267	799	771	680	-91	-519
Closing value of finished goods	9 699	9 134	9 654	8 823	8 945	122	-754
Total closing values (C)	14 634	13 941	14 220	12 848	12 866	18	-1 768

¹ Revised.

² Preliminary.

Table 7 – Selected income and expenditure items: Transport, storage and communication industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	62 591	58 511	61 797	69 464	71 641	2 177	9 050
Employment costs ³	28 381	26 997	28 625	25 075	25 113	38	-3 268
Interest paid	4 052	4 543	4 670	4 432	4 304	-128	252
Royalties, franchise fees, copyright, trade names and patent rights paid	149	119	96	62	66	4	-83
Rental/leasing of land, buildings and other structures paid	3 899	3 803	4 154	4 549	4 770	221	871
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 513	2 547	2 543	2 269	2 191	-78	-322
Depreciation	10 293	11 124	10 674	9 513	9 506	-7	-787
Losses on assets/investments sold or revalued	1 832	1 800	1 488	1 727	1 383	-344	-449
Other expenditure	43 643	46 622	45 294	41 507	42 366	859	-1 277
Total expenditure (D)	157 353	156 066	159 341	158 598	161 340	2 742	3 987
Net profit or loss before taxation (E) ⁴	18 490	10 091	10 808	11 934	12 151	217	-6 339
Company tax	4 104	3 313	3 258	3 377	3 331	-46	-773
Dividends payable	1 824	7 523	945	6 757	1 702	-5 055	-122
Carrying value of property, plant and equipment as at the end of quarter	403 686	416 128	426 130	430 890	434 883	3 993	31 197
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 706	538	747	800	782	-18	-924
Plant, machinery, furniture, fittings and other equipment	12 638	28 510	17 627	19 961	13 486	-6 475	848
Vehicles	6 047	5 649	5 461	1 543	1 511	-32	-4 536
Total capital expenditure	20 391	34 697	23 835	22 304	15 779	-6 525	-4 612

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly Employment Statistics* (QES) (P0277) survey.

⁴ E=A-B+C-D.

Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received ³	191 824	201 573	215 769	269 090	261 862	-7 228	70 038
Interest received	0	0	0	0	0	0	0
Dividends received	5 615	9 054	7 606	7 171	4 343	-2 828	-1 272
Royalties, franchise fees, copyright, trade names and patent rights received	798	602	1 020	616	707	91	-91
Rental/leasing of land, buildings and other structures received	0	0	0	0	0	0	0
Hiring/leasing of plant, machinery, vehicles and other equipment received	0	0	0	0	0	0	0
Profit on assets/investment sold or revalued	7 372	7 998	13 433	7 501	8 592	1 091	1 220
Other income	5 942	4 246	4 837	7 006	8 528	1 522	2 586
Total income (A)	211 551	223 473	242 665	291 384	284 032	-7 352	72 481
Inventories							
Opening value of raw materials	19 605	18 173	20 060	3 083	3 177	94	-16 428
Opening value of work in progress	2 201	2 267	2 259	2 612	2 508	-104	307
Opening value of finished goods	4 374	4 185	5 457	12 623	12 694	71	8 320
Total opening values (B)	26 180	24 625	27 776	18 318	18 379	61	-7 801
Closing value of raw materials	19 641	19 527	20 085	3 177	3 231	54	-16 410
Closing value of work in progress	2 269	2 229	2 522	2 508	2 593	85	324
Closing value of finished goods	4 151	4 388	5 629	12 694	12 850	156	8 699
Total closing values (C)	26 061	26 144	28 236	18 379	18 674	295	-7 387

¹ Revised.

² Preliminary.

³ Turnover includes: interest, rent/leasing and hiring – refer to page 38 for more details.

Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance) (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	51 857	54 155	56 174	85 838	82 411	-3 427	30 554
Employment costs ³	48 967	53 620	58 797	60 814	60 907	93	11 940
Interest paid	11 648	12 091	12 616	14 450	14 081	-369	2 433
Royalties, franchise fees, copyright, trade names and patent rights paid	3 158	2 675	1 337	1 315	1 843	528	-1 315
Rental/leasing of land, buildings and other structures paid	5 949	6 479	6 866	7 577	8 064	487	2 115
Hiring/leasing for plant, machinery, vehicles and other equipment paid	657	624	593	1 531	1 534	3	877
Depreciation	4 915	4 666	5 510	4 406	3 917	-489	-998
Losses on assets/investments sold or revalued	3 137	2 861	3 781	3 263	2 867	-396	-270
Other expenditure	51 530	53 840	62 973	63 049	60 852	-2 197	9 322
Total expenditure (D)	181 818	191 011	208 647	242 243	236 476	-5 767	54 658
Net profit or loss before taxation (E) ⁴	29 614	33 981	34 478	49 202	47 851	-1 351	18 237
Company tax	4 595	4 365	5 774	5 326	5 653	327	1 058
Dividends payable	4 671	5 765	7 017	5 409	7 470	2 061	2 799
Carrying value of property, plant and equipment as at the end of quarter	189 842	268 094	279 214	336 618	337 060	442	147 218
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 524	1 123	462	648	922	274	-602
Plant, machinery, furniture, fittings and other equipment	1 530	1 729	2 091	2 133	2 518	385	988
Vehicles	1 142	1 571	1 007	1 986	1 750	-236	608
Total capital expenditure	4 196	4 423	3 560	4 767	5 190	423	994

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly Employment Statistics* (QES) (P0277) survey.

⁴ E=A-B+C-D.

Table 9 – Selected income and expenditure items: Community, social and personal services industry (excluding government institutions)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Income items						R million	R million
Turnover received	45 201	47 023	43 732	53 531	54 123	592	8 922
Interest received	440	434	398	430	625	195	185
Dividends received	67	328	35	177	80	-97	13
Royalties, franchise fees, copyright, trade names and patent rights received	58	56	50	56	56	0	-2
Rental/leasing of land, buildings and other structures received	211	238	216	204	204	0	-7
Hiring/leasing of plant, machinery, vehicles and other equipment received	63	58	52	34	34	0	-29
Profit on assets/investment sold or revalued	303	271	332	1 264	1 727	463	1 424
Other income	7 323	3 349	2 477	2 857	3 502	645	-3 821
Total income (A)	53 666	51 757	47 292	58 553	60 351	1 798	6 685
Inventories							
Opening value of raw materials	466	515	548	2 811	2 822	11	2 356
Opening value of work in progress	59	53	62	34	45	11	-14
Opening value of finished goods	892	965	1 024	1 011	974	-37	82
Total opening values (B)	1 417	1 533	1 634	3 856	3 841	-15	2 424
Closing value of raw materials	532	458	638	2 822	2 861	39	2 329
Closing value of work in progress	53	62	20	45	43	-2	-10
Closing value of finished goods	967	1 001	1 123	972	948	-24	-19
Total closing values (C)	1 552	1 521	1 781	3 839	3 852	13	2 300

¹ Revised.

² Preliminary.

Table 9 – Selected income and expenditure items: Community, social and personal services industry (excluding government institutions) (concluded)

Item	Quarter ended					Quarter-on-quarter difference between December 2014 and September 2014	Year-on-year difference between December 2014 and December 2013
	R million						
	December 2013	March 2014	June 2014	September 2014 ¹	December 2014 ²		
Expenditure items						R million	R million
Purchases	7 890	9 025	8 252	9 378	9 178	-200	1 288
Employment costs ³	11 753	11 567	11 452	16 240	16 529	289	4 776
Interest paid	2 022	1 681	971	846	931	85	-1 091
Royalties, franchise fees, copyright, trade names and patent rights paid	222	225	197	155	184	29	-38
Rental/leasing of land, buildings and other structures paid	1 645	1 663	1 636	2 116	2 185	69	540
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 012	854	718	513	439	-74	-573
Depreciation	1 708	1 758	1 440	1 346	1 570	224	-138
Losses on assets/investments sold or revalued	87	136	257	285	271	-14	184
Other expenditure	17 797	17 007	16 336	18 413	19 431	1 018	1 634
Total expenditure (D)	44 136	43 916	41 259	49 292	50 718	1 426	6 582
Net profit or loss before taxation (E)⁴	9 665	7 829	6 180	9 244	9 644	400	-21
Company tax	1 135	1 312	904	1 213	1 472	259	337
Dividends payable	1 395	1 948	1 865	1 167	2 482	1 315	1 087
Carrying value of property, plant and equipment as at the end of quarter	42 023	42 617	40 375	40 229	40 522	293	-1 501
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	306	392	377	614	338	-276	32
Plant, machinery, furniture, fittings and other equipment	924	1 172	811	1 227	798	-429	-126
Vehicles	197	178	188	244	156	-88	-41
Total capital expenditure	1 427	1 742	1 376	2 085	1 292	-793	-135

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly Employment Statistics (QES) (P0277)* survey.

⁴ E=A-B+C-D.

Table 10 – Comparison of selected operating ratios between September 2014 and December 2014

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	September 2014 ¹	December 2014 ²	September 2014 ¹	December 2014 ²	September 2014 ¹	December 2014 ²	September 2014 ¹	December 2014 ²
Mining and quarrying	0,24	0,24	0,09	0,07	2,04	1,89	0,02	0,02
Manufacturing	1,45	1,43	0,07	0,06	1,93	2,08	0,10	0,09
Electricity, gas and water supply	0,12	0,09	0,21	-0,06	3,55	2,54	0,02	-0,01
Construction	2,52	2,53	0,02	0,03	4,26	4,38	0,05	0,07
Trade	4,21	4,30	0,07	0,08	2,62	2,94	0,28	0,34
Transport, storage and communication	0,38	0,39	0,07	0,07	12,81	13,04	0,03	0,03
Real estate and other business services, excluding financial intermediation and insurance	0,80	0,78	0,18	0,18	14,64	14,02	0,15	0,14
Community, social and personal services, excluding government institutions	1,33	1,34	0,17	0,18	13,94	14,05	0,23	0,24
All industries	0,84	0,83	0,09	0,08	2,91	3,07	0,07	0,07

¹ Revised.

² Preliminary.

³ Turnover / Carrying value of property, plant and equipment at the end of the quarter.

⁴ Net profit or loss before taxation / Turnover.

⁵ Turnover / Closing value of inventories.

⁶ Net profit or loss before taxation / Carrying value of property, plant and equipment at the end of the quarter.

Table 10 – Comparison of selected operating ratios between September 2014 and December 2014 (concluded)

Industry	Total capital expenditure / Fixed assets ³		Cost of Sales [*] / Average inventories ⁴		Net profit before interest and income tax expenses / Interest expense ⁵		Cash dividends / Net income ⁶	
	September 2014 ¹	December 2014 ²	September 2014 ¹	December 2014 ²	September 2014 ¹	December 2014 ²	September 2014 ¹	December 2014 ²
Mining and quarrying	0,03	0,03	0,74	0,70	4,18	3,31	0,29	0,40
Manufacturing	0,04	0,05	1,27	1,34	6,78	5,60	0,22	0,71
Electricity, gas and water supply	0,05	0,04	1,73	1,50	5,83	-0,14	0,00	-0,04
Construction	0,06	0,06	2,79	2,68	3,25	3,50	0,18	0,52
Trade	0,05	0,05	2,01	2,17	9,04	11,00	0,07	0,05
Transport, storage and communication	0,05	0,04	5,38	5,57	3,69	3,82	0,79	0,19
Real estate and other business services, excluding financial intermediation and insurance	0,01	0,02	4,67	4,43	4,40	4,40	0,12	0,18
Community, social and personal services, excluding government institutions	0,05	0,03	2,44	2,38	11,93	11,36	0,15	0,30
All industries	0,04	0,04	1,72	1,79	5,59	5,24	0,17	0,26

¹ Revised.

² Preliminary.

³ Total capital expenditure on new property, plant and equipment / Carrying value of property, plant and equipment at the end of the quarter.

⁴ Cost of sales^{*} / [(Opening inventories + Closing inventories) / 2].

⁵ (Net profit or loss before taxation + Interest paid) / Interest paid.

⁶ Dividends paid / (Net profit or loss before taxation – Company tax).

^{*} Cost of sales = (Opening inventories + Purchases – Closing inventories).

Technical notes

Confidence intervals

The 95% confidence intervals of a population parameter (turnover) are obtained as follows:

Lower limit

= lower 95% confidence limit of a population parameter
 = estimate – 1,96 * Standard error (estimate);

and

Upper limit

= upper 95% confidence limit of a population parameter
 = estimate + 1,96 * Standard error (estimate)

Standard error (SE)

$$= \frac{\text{Upper limit (R million)} - \text{Lower limit (R million)}}{2 * 1,96}$$

Relative standard error (RSE)

$$= \frac{\text{SE of estimate} * 100}{\text{Estimated}}$$

Table A – Estimates of turnover by industry within 95% confidence limits: September 2014

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	130 833	131 756	132 679	0,4
Manufacturing	562 137	576 953	591 769	1,3
Electricity, gas and water supply	55 199	55 754	56 309	0,5
Construction	77 606	96 106	114 606	9,8
Trade	611 396	664 822	718 248	4,1
Transport, storage and communication	158 320	164 637	170 954	2,0
Real estate and other business services, excluding financial intermediation and insurance	232 128	269 090	306 052	7,0
Community, social and personal services, excluding government institutions	47 314	53 531	59 748	5,9

Table B – Estimates of turnover by industry within 95% confidence limits: December 2014

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	129 209	130 040	130 871	0,3
Manufacturing	569 341	585 141	600 941	1,4
Electricity, gas and water supply	42 785	43 257	43 729	0,6
Construction	80 513	99 666	118 819	9,8
Trade	634 557	688 539	742 521	4,0
Transport, storage and communication	161 358	167 783	174 208	2,0
Real estate and other business services, excluding financial intermediation and insurance	229 208	261 862	294 516	6,4
Community, social and personal services, excluding government institutions	47 749	54 123	60 497	6,0

Table C – Turnover by industry and percentage change

Industry	Turnover December 2013	Turnover September 2014	Turnover December 2014	Difference between December 2014 and September 2014	Difference between December 2014 and December 2013
	R million	R million	R million	%	%
Mining and quarrying industry	135 649	131 756	130 040	-1,3	-4,1
Manufacturing industry	592 443	576 953	585 141	1,4	-1,2
Electricity, gas and water supply industry	39 724	55 754	43 257	-22,4	8,9
Construction industry	81 140	96 106	99 666	3,7	22,8
Trade industry	642 868	664 822	688 539	3,6	7,1
Transport, storage and communication industry	168 398	164 637	167 783	1,9	-0,4
Real estate and other business services industry, excluding financial intermediation and insurance	191 824	269 090	261 862	-2,7	36,5
Community, social and personal services industry, excluding government institutions	45 201	53 531	54 123	1,1	19,7
All industries	1 897 247	2 012 649	2 030 411	0,9	7,0

Table D – Turnover by industry and percentage contribution¹

Industry	September 2014		December 2014	
	R million	Percentage of total turnover	R million	Percentage of total turnover
Mining and quarrying industry	131 756	6,5	130 040	6,4
Manufacturing industry	576 953	28,7	585 141	28,8
Electricity, gas and water supply industry	55 754	2,8	43 257	2,1
Construction industry	96 106	4,8	99 666	4,9
Trade industry	664 822	33,0	688 539	33,9
Transport, storage and communication industry	164 637	8,2	167 783	8,3
Real estate and other business services industry, excluding financial intermediation and insurance	269 090	13,4	261 862	12,9
Community, social and personal services industry, excluding government institutions	53 531	2,7	54 123	2,7
All industries	2 012 649	100,0	2 030 411	100,0

¹The aggregates of the SIC contributions may not add up to totals due to rounding-off.

Table E – Closing inventories by industry and percentage change

Industry	Inventories September 2014	Inventories December 2014	Difference between December 2014 and September 2014
	R million	R million	%
Mining and quarrying	64 626	68 733	6,4
Manufacturing	299 164	281 842	-5,8
Electricity, gas and water supply	15 723	17 023	8,3
Construction	22 538	22 770	1,0
Trade	253 968	234 567	-7,6
Transport, storage and communication	12 848	12 866	0,1
Real estate and other business services, excluding financial intermediation and insurance	18 379	18 674	1,6
Community, social and personal services, excluding government institutions	3 839	3 852	0,3
All industries	691 085	660 327	-4,5

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure September 2014	Capital expenditure December 2014	Difference between December 2014 and September 2014
	R million	R million	%
Mining and quarrying	14 798	17 943	21,3
Manufacturing	15 634	21 746	39,1
Electricity, gas and water supply	24 141	17 391	-28,0
Construction	2 210	2 179	-1,4
Trade	7 680	8 791	14,5
Transport, storage and communication	22 304	15 779	-29,3
Real estate and other business services, excluding financial intermediation and insurance	4 767	5 190	8,9
Community, social and personal services, excluding government institutions	2 085	1 292	-38,0
All industries	93 619	90 311	-3,5

Neyman Optimal Allocation	<p>Before drawing samples in each of the surveys the population of enterprises on the Business Sampling Frame (BSF) was stratified. Strata were formed using a combination of the standard industrial classification variable and the measure of size variable for enterprises. The Neyman optimal allocation formula used to allocate samples to each stratum is given by a formula below.</p> $n_h = \frac{N_h S_h}{\sum N_h S_h}$ <p>Where N_h and S_h are the stratum population size and the stratum variance, respectively.</p>
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Table G – DTI cut-off points (adjusted by Statistics South Africa (Stats SA) for QFS)

Industry	Enterprise size			
	Large (Size-group 1) Lower limits Rand	Medium (Size-group 2) Lower limits Rand	Small (Size-group 3) Lower limits Rand	Very small ¹ (Size-group 4) Lower limits Rand
Mining and quarrying	370 500 000	95 000 000	38 000 000	2 000 000
Manufacturing	456 310 000	123 500 000	47 500 000	2 000 000
Electricity, gas and water supply	456 310 000	123 500 000	48 450 000	2 000 000
Construction	247 000 000	57 000 000	28 500 000	2 000 000
Wholesale trade	608 000 000	304 000 000	57 000 000	2 000 000
Retail trade	370 500 000	180 500 000	42 471 000	2 000 000
Motor trade	370 500 000	180 500 000	42 471 000	2 000 000
Accommodation and catering	123 500 000	57 000 000	48 450 000	2 000 000
Transport, storage and communication	247 000 000	123 500 000	28 500 000	2 000 000
Real estate and other businesses services, excluding financial intermediation and insurance	247 000 000	123 500 000	28 500 000	2 000 000
Community, social and personal services, excluding government institutions	123 500 000	57 000 000	8 500 000	2 000 000

Source: National Small Business Amendment Bill 2003, Department of Trade and Industry (DTI).

¹Enterprises with a turnover of less than R2 000 000 are excluded from this survey as from the 2009 sample.

Explanatory notes

Introduction

- 1 Stats SA conducts a quarterly sample survey to collect a range of financial statistics in respect of enterprises in the formal business sector of the South African economy, excluding agriculture, hunting, forestry and fishing and financial intermediation and insurance and government institutions. This statistical release presents a selection of key findings and tables from Stats SA's *Quarterly Financial Statistics* (QFS) survey for the December 2013 and March, June, September and December 2014 quarters which examines key variables as required by the Systems of National Accounts (SNA) 2008, and are mentioned below:
 - turnover;
 - interest received and paid;
 - dividends received and dividends payable;
 - royalties, franchise fees, copyright, trade names and trade and patent rights received and paid;
 - income and expenditure in respect of rental/leasing of land, buildings and other structures, including payments for water and electricity services;
 - income and expenditure in respect of hiring/leasing of plant, machinery, vehicles and other equipment;
 - employment costs;
 - profit and loss on assets/investments sold or revalued;
 - depreciation provided for;
 - purchases;
 - other income and other expenditure;
 - total income and total expenditure;
 - net profit or loss before providing for company tax and dividends;
 - company tax;
 - carrying value of property, plant and equipment at the end of the quarter;
 - inventories as at the beginning and end of the quarter; and
 - capital expenditure on new property, plant and equipment at the end of the quarter.
- 2 The statistical release also contains accounting ratios derived from estimates of selected key variables.
- 3 In order to improve timeliness of the publication, some information for the current quarter may have been estimated due to late or non-submission by respondents. These estimates are revised as soon as the actual information is available.
- 4 Additional information regarding estimates of small, medium and large enterprises by industry per variable for the quarters ended September 2014 and December 2014 is available on the Stats SA website and can also be made available on request.

Purpose of the survey

- 5 The QFS survey covers a sample of enterprises operating in the formal non-agricultural business sector of the South African economy, excluding financial intermediation, insurance and government institutions. Results of the survey are used in compiling estimates of the Gross Domestic Product (GDP) and its components, which in turn are used to develop and monitor government policy.

These statistics are also used by the private sector in analysis of comparative business and industry performance. The results are published quarterly in statistical release P0044: *Quarterly financial statistics*.

Scope of the survey	<p>6 This survey covers financial statistics of the following industries according to the <i>Standard Industrial Classification of All Economic Activities (SIC)</i>, Fifth edition, January 1993:</p> <ul style="list-style-type: none"> • mining and quarrying industry; • manufacturing industry; • electricity, gas and water supply industry; • construction industry; • trade industry; • transport, storage and communication industry; • real estate and business services industry, excluding financial intermediation and insurance; and • community, social and personal services industry, excluding government institutions.
Classification	<p>7 The 1993 edition of the <i>Standard Industrial Classification of All Economic Activities (SIC)</i>, Fifth edition, January 1993, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of All Economic Activities (ISIC)</i> with suitable adaptations for local conditions. Statistics in this publication are only presented at SIC major division (one digit) level. Each enterprise is classified to an industry which reflects the predominant activity of the enterprise. Estimates on lower digits SIC can be made available on request.</p>
Statistical unit	<p>8 For the purpose of this publication, the statistical unit in the quarterly financial statistics survey is the enterprise. An enterprise is defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities. The statistical units are derived from and linked to the South African Revenue Service (SARS) value added tax (VAT) administrative data.</p>
Survey methodology and design	<p>9 The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of approximately 5 000 enterprises. Questionnaires have to be returned to Stats SA within two weeks after the end of the quarter concerned. Fax, telephone and electronic reminders are used to follow up on non-responding enterprises.</p> <p>10 Samples are normally drawn each year and the resulting level changes in estimates are indicated when the new sample is implemented. A new sample was drawn in 2014 and implemented from the September 2014 quarter onwards.</p> <p>11 The sample was drawn from a population of enterprises that contributed approximately 95% to the total turnover per industry. Adjustments are made to the estimates to account for enterprises contributing less than 5% of the total turnover within each industry. All enterprises are stratified by type of enterprise according to size groups based on the National Small Business Amendment Bill, 2003, size group allocations for industries as defined in the <i>Standard Industrial Classification</i></p>

of *All Economic Activities* (SIC), Fifth edition, January 1993. All large enterprises, which comprise 50% of the number of enterprises in the sample, are completely enumerated, while simple random sampling is applied for medium sized, small and very small enterprises. Enterprises with a VAT turnover of less than R 2 000 000 are excluded from this survey. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.

Reliability of estimates

- 12 Data presented in this publication are based on information obtained from a sample of enterprises and are, therefore, subject to sampling variability, that is, the data may differ from the figures that would have been produced if the data had been obtained from all enterprises in the different industries in South Africa, inaccuracies of this kind are referred to as sampling errors. See Tables A and B (page 27) to determine the extent that estimates may vary.
- 13 Inaccuracies may occur because of imperfections in reporting by enterprises and errors made with the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by designing the questionnaire carefully, conducting pilot studies, editing of data and the implementation of efficient operating procedures. Preliminary figures are indicated in the relevant tables.

Reasons for fluctuations in data

- 14 The fluctuations in the data can be attributed to:
 - revisions to previous quarters made in the event of new or revised information being furnished by the respondents;
 - restructuring of large businesses;
 - exchange rate fluctuations;
 - restating of previous estimates due to International Financial Reporting Standards (IFRS);
 - once-off items reflected in one or more quarters, but not reflected in other quarters;
 - year-end adjustments performed during the last quarter of the financial year;
 - seasonal factors;
 - items declared annually and not quarterly; and
 - samples drawn annually (*see paragraph 10 on page 32*);
 - Response rates per industry and within sub sectors.

Standard error

- 15 The estimates in this publication are based on a sample drawn from units in the surveyed population. The entire population is not surveyed. The published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic (*see page 27, Tables A and B*).

Revised figures

- 16 The revised figures are due to respondents reporting revisions or corrections in their figures and late submissions of their data to Stats SA. Editing of data occurs at individual enterprise level.

Reference period

- 17 The reference period for this publication is from 1 October 2014 to 31 December 2014.

Related publications	18	<p>Users may also wish to refer to the following publications which are available from Stats SA:</p> <ul style="list-style-type: none"> • <i>Annual Financial Statistics</i> (P0021); • <i>Bulletin of Statistics – issued quarterly</i>; • <i>Gross Domestic Product</i> (P0441) – issued quarterly and annually; • <i>Manufacturing: Production and sales</i> (P3041.2) – issued monthly; • <i>Mining: Production and sales</i> (P2041) – issued monthly; • <i>Motor trade sales</i> (P6343.2) – issued monthly; • <i>Quarterly Employment Statistics</i> (P0277); • <i>Retail trade sales</i> (P6242.1) – issued monthly; • <i>South African Statistics</i> – issued annually; and • <i>Wholesale trade sales</i> (P6141.2) – issued monthly.
Rounding-off of figures	19	<p>The figures in the tables have, where necessary, been rounded off to the nearest three digits shown.</p>
Comparison of results with Quarterly Employment Statistics (QES) survey	20	<p>Employment costs estimates produced in this publication are based on information as defined by the International Accounting Standards 19 (IAS19) from an accounting perspective. The <i>Quarterly Employment Statistics</i> (QES) survey produces estimates for employment and earnings from a payroll perspective.</p> <p>The differences between the QFS employment costs and QES earnings can be attributed, but not limited, to the following factors:</p> <ul style="list-style-type: none"> • accounting and payroll timing differences in the recognition of employment-related transactions. The QFS employment costs are recognised on an accrual basis while the QES earnings are recognised on a cash basis; • classification differences between surveys; • changes in accounting standards (International Financial Reporting Standards (IFRS) revisions in the QFS); • different sampling frames; • different sampling methodology and sampling specifications; • information sources (information from the payroll administrator vs. information from the accounting officer); and • restructuring of businesses.
Adjustment of DTI cut-off points	21	<p>The DTI cut-off points sourced from the National Small Business Amendment Bill 2003 have been raised by a factor of 9,5 to comply with sample specifications.</p>

Symbols and abbreviations

22	AFS	Annual Financial Statistics
	BSF	Business Sampling Frame
	DTI	Department of Trade and Industry
	GDP	Gross Domestic Product
	IAS	International Accounting Standards
	IFRS	International Financial Reporting Standards
	ISIC	International Standard Industrial Classification
	QES	Quarterly Employment Statistics
	QFS	Quarterly Financial Statistics
	RSE	Relative Standard Error
	SARS	South African Revenue Service
	SE	Standard Error
	SIC	Standard Industrial Classification of All Economic Activities
	Stats SA	Statistics South Africa
	VAT	Value-added tax
	..	Not available

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Glossary

Capital expenditure on property, plant and equipment

Capital expenditure on property, plant and equipment includes:

- erection of new buildings and works, additions to and alterations of existing buildings and works, whether payments were made to outside contractors or concerns, or work done by the enterprise itself;
- work in progress capitalised; and
- new plant and machinery, vehicles and equipment.

Carrying value of property, plant and equipment

Carrying value of property, plant and equipment at the end of the quarter includes:

- land;
- residential buildings and non-residential buildings;
- construction works, roads and parking areas;
- computers and other IT equipment;
- motor vehicles and other transport equipment; and
- plant, machinery, furniture, fittings and other office equipment.

Company tax

Company tax brought into account consists of taxes on incomes, profits and capital gains, excluding value-added tax (VAT). They are assessed on the actual or presumed incomes of enterprises and exclude employees' taxes and compulsory loan levies.

Employment costs

Employment/staff costs according to IAS 19 are costs incurred in exchange for services rendered by employees. These costs are divided into four categories: short-term employee benefits, post-employment benefits, other long-term employee benefits and termination benefits.

Employment costs include (among other types of employment benefits):

- wages and salaries;
- compensated absences (paid vacation and sick leave);
- commissions paid;
- profit sharing plans;
- bonuses;
- medical and life insurance benefits during employment;
- housing benefits;
- free or subsidised goods or services given to employees;
- pension benefits;
- post-employment medical and life insurance benefits;
- long-service or sabbatical leave;
- jubilee' benefits;
- deferred compensation programmes;
- severance, termination and redundancy payments to staff; and
- other employee-related costs not mentioned above.

Enterprise	An enterprise is a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
Establishment	An establishment is defined as an enterprise or part of an enterprise that is situated at a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.
Industry	An industry consists of a group of enterprises engaged in the same or similar kinds of economic activity, and is classified according to the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993.
International Financial Reporting Standards (IFRS)	International Financial Reporting Standards (IFRS) are international accounting standards stating how particular types of transactions and other events should be reported in financial statements. IFRS are issued by the Accounting Standards Board. The purpose of IFRS is to improve transparency and comparability within financial reporting and introduce consistency in accounting.
Inventories	<p>Inventories consist of:</p> <ul style="list-style-type: none">• outputs that are held by the enterprise that produced them prior to their being further processed, sold, delivered to other units or used in other ways; and• products acquired from other enterprises that are intended to be used for intermediate consumption or for resale without further processing (factored goods). <p>Raw materials consist of components for processing, packing materials, fuel, consumable and maintenance stores.</p> <p>Work in progress consists of goods in the process of manufacturing or work that has been partially done, but which has not yet been completed at the beginning and end of the quarter.</p> <p>Finished goods include manufactured goods by own manufacturers and goods not produced by the enterprise but purchased for resale, not sold at the beginning and end of the quarter.</p>
Net profit or loss	Net profit or loss before drawings by proprietors or partners, company tax paid or provided for and dividends paid or provided for are taken into account is calculated as total income minus opening inventories plus closing inventories less total expenditure.

Purchases

Purchases includes:

- raw materials, components, etc, used in production;
- fuels;
- spare parts and building materials; and
- purchases and transfers-in of factored goods, intermediate products and partially completed goods from related enterprises.

Purchases excludes:

- subcontract and commission expenses;
- motor vehicle running expenditure, including parts and fuel;
- purchases of materials capitalised for “capital work done” by own employees; and
- containers and packaging materials.

Turnover

Turnover refers to the following items for all industries, excluding real estate and other business services (excluding financial intermediation and insurance):

- value of sales;
- amounts received for work done; and
- amounts received for services rendered.

Turnover refers to the following items for the real estate and other business services industry (excluding financial intermediation and insurance):

- value of sales;
- amounts received for work done;
- amounts received for services rendered;
- interest received;
- rent and or lease payments received for land and buildings; and
- rent, leasing and hiring received for machinery, vehicles and other equipment.

Turnover excludes:

- value-added tax (VAT); and
- net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange).

Value-added tax

VAT is an indirect tax based on consumption of goods and services in the economy.

General information

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