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Quarterly financial statistics (QFS)

June 2017

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Krisseelan Govinden
+27 12 310 4651

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www.statssa.gov.za
info@statssa.gov.za
T +27 12 310 8911
F +27 12 310 8500

Private Bag X44, Pretoria, 0001, South Africa
ISibalo House, Koch Street, Salvokop, Pretoria, 0002

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Key findings for the quarter ended June 2017

The total turnover of quarterly financial statistics (QFS) industries¹ in the second quarter of 2017 was estimated at R2 304 245 million (R2,30 trillion), an increase of 2,5% compared with the first quarter of 2017 (R2 248 280 million or R2,25 trillion).

Between the first and second quarters of 2017, turnover increased in all of the eight industries covered by the survey. The largest percentage increase in turnover was recorded in electricity, gas and water supply (+9,1%), followed by construction (+7,2%), manufacturing (+3,4%), real estate and other business services (excluding financial intermediation and insurance) (+2,7%), transport, storage and communication (+2,5%), mining and quarrying (+1,6%), trade (+1,1%) and community, social and personal services (excluding government institutions) (+0,3%).

Total closing inventories at the end of the second quarter of 2017 were estimated at R860 737 million, an increase of 1,2% compared with R850 145 million at the end of the first quarter of 2017. Increases were recorded in transport, storage and communication (+15,8%), followed by mining and quarrying (+2,6%), electricity, gas and water supply (+2,5%), manufacturing (+1,8%) and community, social and personal services (excluding government institutions) (+0,2%). Decreases were recorded in construction (-1,4%) and real estate and other business services (excluding financial intermediation and insurance) (-0,1%).

Total capital expenditure on property, plant and equipment was estimated at R78 339 million in the second quarter of 2017, a decrease of 15,9% compared with R93 147 million in the first quarter of 2017. The largest percentage decrease was recorded in electricity, gas and water supply (-35,2%), followed by trade (-28,6%), community, social and personal services (excluding government institutions) (-15,2%), transport, storage and communication (-5,6%), mining and quarrying (-5,5%) and manufacturing (-2,2%). Increases were recorded in construction (+7,9%) and real estate and other business services (excluding financial intermediation and insurance) (+7,1%).

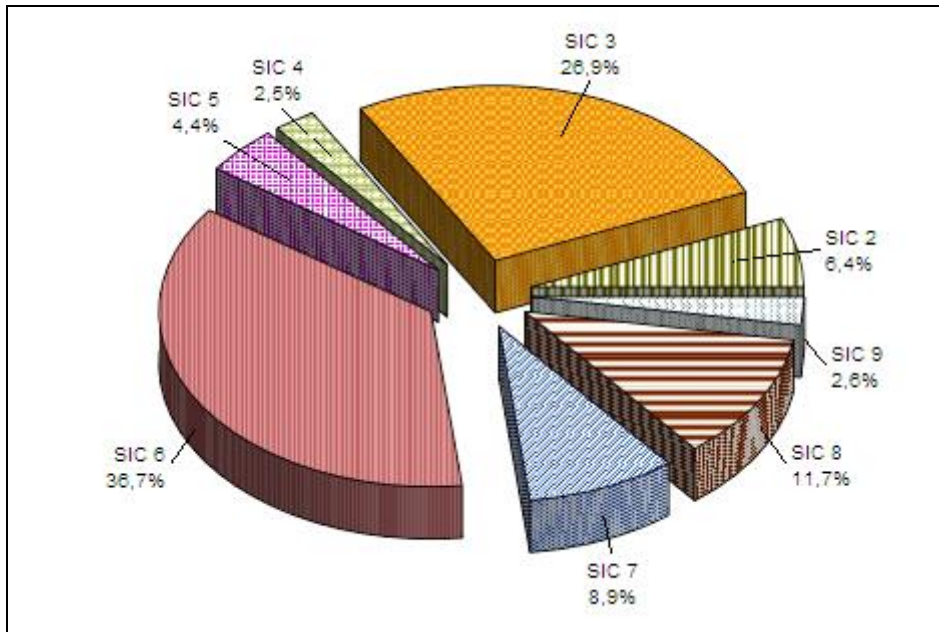
Turnover was estimated at R2 304 245 million in the second quarter of 2017, an increase of 8,3% compared with R2 127 594 million in the second quarter of 2016. Six of the eight industries covered by the survey reflected an annual increase. The largest percentage increase in turnover was recorded in trade (+15,9%), followed by community, social and personal services (excluding government institutions) (+13,8%), transport, storage and communication (+11,9%), real estate and other business services (excluding financial intermediation and insurance) (+8,3%), electricity, gas and water supply (+4,5%) and manufacturing (+2,9%). Decreases were recorded in construction (-4,6%) and mining and quarrying (-1,6%).

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

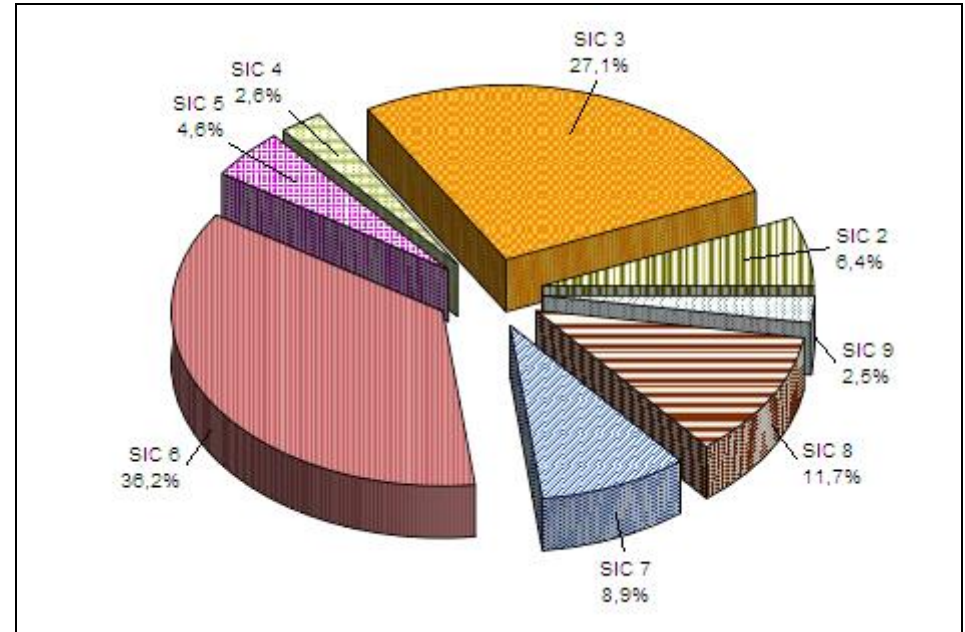
**PJ Lehohla
Statistician-General**

Figure 1 – Percentage contribution to total turnover by industry in the quarters ended March 2017 and June 2017¹

March 2017



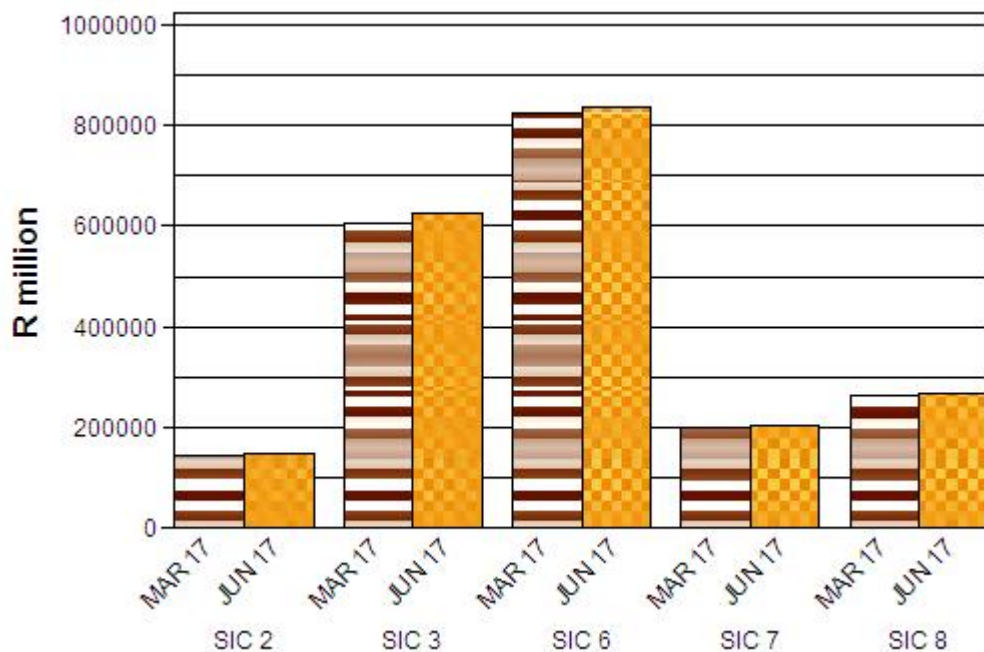
June 2017



- 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 in the quarters ended March 2017 and June 2017



SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 6 - Trade industry

SIC 7 - Transport, storage and communication industry

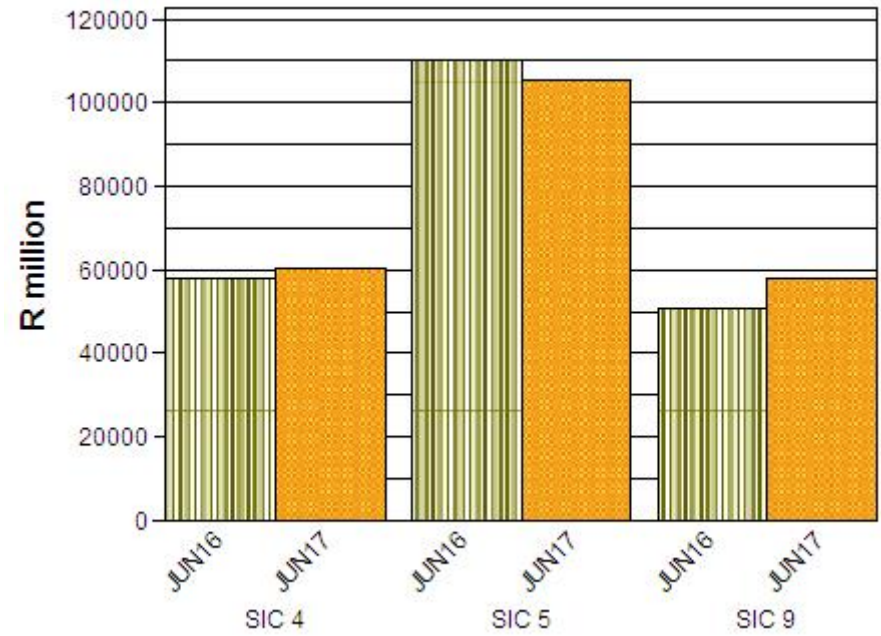
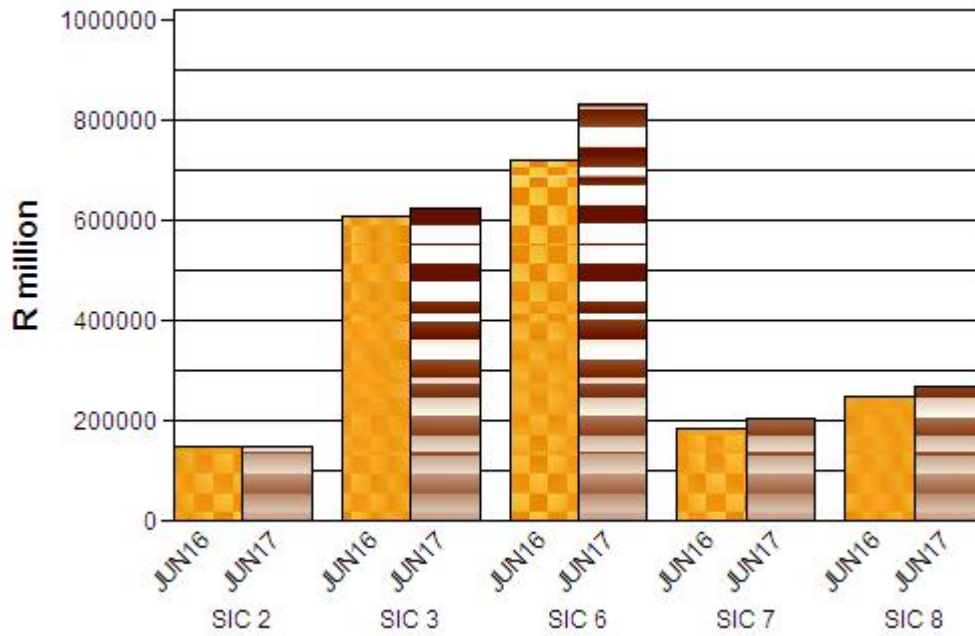
SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)

SIC 4 - Electricity, gas and water supply industry

SIC 5 - Construction industry

SIC 9 - Community, social and personal services industry (excluding government institutions)

Figure 3 – Comparison of turnover by industry in the quarters ended June 2016 and June 2017



SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 6 - Trade industry

SIC 7 - Transport, storage and communication industry

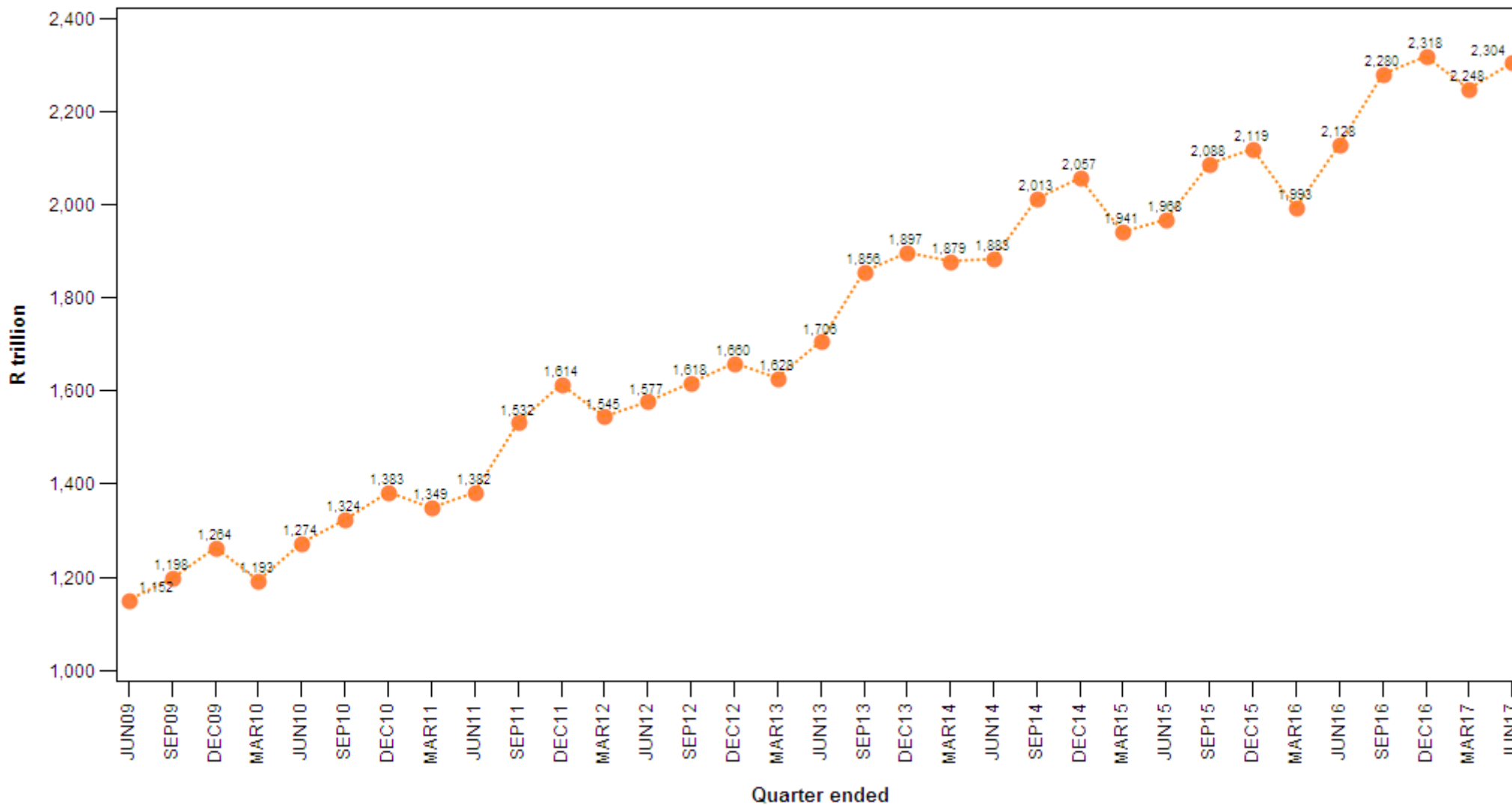
SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)

SIC 4 - Electricity, gas and water supply industry

SIC 5 - Construction industry

SIC 9 - Community, social and personal services industry (excluding government institutions)

Figure 4 – Quarterly turnover of all industries covered by the quarterly financial statistics (QFS) survey¹ from June 2009 to June 2017



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

Table 1 – Selected income and expenditure items: All industries covered by the quarterly financial statistics (QFS) survey¹

Item	Quarter ended					Quarter-on-quarter difference between June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ²	June 2017 ³		
Income items						R million	R million
Turnover received	2 127 594	2 279 770	2 317 840	2 248 280	2 304 245	55 965	176 651
Interest received	14 780	14 122	14 493	14 934	14 665	-269	-115
Dividends received	9 929	10 789	14 268	10 903	30 233	19 330	20 304
Royalties, franchise fees, copyright, trade names and patent rights received	1 106	1 720	1 748	1 580	1 401	-179	295
Rental/leasing of land, buildings and other structures received	5 196	5 970	7 060	6 772	6 747	-25	1 551
Hiring/leasing of plant, machinery, vehicles and other equipment received	5 153	3 805	3 732	4 151	3 730	-421	-1 423
Profit on assets/investment sold or revalued	27 948	68 012	26 466	27 459	147 671	120 212	119 723
Other income	37 111	37 216	37 866	63 951	32 299	-31 652	-4 812
Total income (A)	2 228 817	2 421 404	2 423 473	2 378 030	2 540 991	162 961	312 174
Inventories							
Opening value of raw materials	182 506	188 808	194 810	196 122	201 483	5 361	18 977
Opening value of work in progress	93 310	86 623	87 477	85 984	89 368	3 384	-3 942
Opening value of finished goods	498 487	510 155	522 004	558 738	551 938	-6 800	53 451
Total opening values (B)	774 303	785 586	804 291	840 844	842 789	1 945	68 486
Closing value of raw materials	189 291	196 364	192 903	202 369	205 904	3 535	16 613
Closing value of work in progress	92 717	86 770	86 510	90 295	93 812	3 517	1 095
Closing value of finished goods	514 166	523 053	526 306	557 481	561 021	3 540	46 855
Total closing values (C)	796 174	806 187	805 719	850 145	860 737	10 592	64 563

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 industries covered by the quarterly financial statistics (QFS) survey¹ (concluded)

Item	Quarter ended					Quarter-on-quarter difference between June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ²	June 2017 ³		
Expenditure items						R million	R million
Purchases	1 237 751	1 334 859	1 353 253	1 391 855	1 385 143	-6 712	147 392
Employment costs ⁴	297 859	312 492	323 670	318 685	326 767	8 082	28 908
Interest paid	55 046	60 177	62 625	58 308	60 410	2 102	5 364
Royalties, franchise fees, copyright, trade names and patent rights paid	8 529	8 435	12 421	8 651	8 626	-25	97
Rental/leasing of land, buildings and other structures paid	49 979	58 256	55 465	57 435	58 447	1 012	8 468
Hiring/leasing for plant, machinery, vehicles and other equipment paid	11 084	12 388	12 672	12 559	13 041	482	1 957
Depreciation	53 756	58 226	58 569	57 974	58 039	65	4 283
Losses on assets/investments sold or revalued	28 480	26 734	27 636	25 413	26 676	1 263	-1 804
Other expenditure	359 244	350 001	347 312	338 114	339 087	973	-20 157
Total expenditure (D)	2 101 728	2 221 568	2 253 623	2 268 994	2 276 236	7 242	174 508
Net profit or loss before taxation (E)⁵	148 960	220 437	171 278	118 337	282 703	164 366	133 743
Company tax	27 784	28 089	31 842	32 016	26 619	-5 397	-1 165
Dividends payable	21 523	40 934	33 714	43 361	24 221	-19 140	2 698
Carrying value of property, plant and equipment as at the end of quarter	2 756 021	3 052 932	3 034 813	3 084 543	3 101 145	16 602	345 124
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	9 774	16 744	11 988	9 634	10 395	761	621
Plant, machinery, furniture, fittings and other equipment	74 455	69 640	80 448	72 250	59 044	-13 206	-15 411
Vehicles and transport equipment	9 770	10 180	12 107	11 263	8 900	-2 363	-870
Total capital expenditure	93 999	96 564	104 543	93 147	78 339	-14 808	-15 660

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) (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received	149 569	146 604	158 926	144 921	147 250	2 329	-2 319
Interest received	1 932	1 926	2 249	1 897	2 126	229	194
Dividends received	461	1 225	3 455	2 766	2 023	-743	1 562
Royalties, franchise fees, copyright, trade names and patent rights received	23	25	23	37	28	-9	5
Rental/leasing of land, buildings and other structures received	91	179	204	189	80	-109	-11
Hiring/leasing of plant, machinery, vehicles and other equipment received	81	110	200	159	182	23	101
Profit on assets/investment sold or revalued	2 216	4 647	3 536	1 536	1 165	-371	-1 051
Other income	3 499	3 992	2 057	750	843	93	-2 656
Total income (A)	157 872	158 708	170 650	152 255	153 697	1 442	-4 175
Inventories							
Opening value of raw materials	17 215	16 858	17 040	17 350	16 653	-697	-562
Opening value of work in progress	26 234	24 659	23 601	24 709	25 697	988	-537
Opening value of finished goods	26 902	21 747	24 222	23 536	24 593	1 057	-2 309
Total opening values (B)	70 351	63 264	64 863	65 595	66 943	1 348	-3 408
Closing value of raw materials	17 609	17 038	17 370	16 643	16 946	303	-663
Closing value of work in progress	24 078	23 608	24 721	25 669	26 912	1 243	2 834
Closing value of finished goods	24 588	24 357	23 532	24 614	24 832	218	244
Total closing values (C)	66 275	65 003	65 623	66 926	68 690	1 764	2 415

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	54 420	55 308	55 728	52 819	57 800	4 981	3 380
Employment costs ³	32 400	33 482	33 023	32 042	34 106	2 064	1 706
Interest paid	4 802	4 445	5 389	4 449	4 732	283	-70
Royalties, franchise fees, copyright, trade names and patent rights paid	1 223	1 117	1 445	1 635	1 265	-370	42
Rental/leasing of land, buildings and other structures paid	4 492	5 728	4 557	3 939	4 365	426	-127
Hiring/leasing for plant, machinery, vehicles and other equipment paid	970	1 041	1 120	1 023	1 061	38	91
Depreciation	11 291	11 542	12 011	11 335	11 448	113	157
Losses on assets/investments sold or revalued	3 289	2 580	3 477	3 234	8 991	5 757	5 702
Other expenditure	30 028	30 870	30 944	29 201	29 428	227	-600
Total expenditure (D)	142 915	146 113	147 694	139 677	153 196	13 519	10 281
Net profit or loss before taxation (E) ⁴	10 881	14 334	23 716	13 909	2 248	-11 661	-8 633
Company tax	4 129	4 101	5 826	6 105	4 058	-2 047	-71
Dividends payable	1 040	2 740	1 436	5 382	2 422	-2 960	1 382
Carrying value of property, plant and equipment as at the end of quarter	492 251	470 425	475 108	482 176	478 177	-3 999	-14 074
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 470	1 895	2 331	1 969	1 768	-201	-702
Plant, machinery, furniture, fittings and other equipment	7 792	7 059	10 167	8 532	8 507	-25	715
Vehicles and transport equipment	365	209	348	961	551	-410	186
Total capital expenditure	10 627	9 163	12 846	11 462	10 826	-636	199

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received	607 138	638 571	650 843	604 452	624 777	20 325	17 639
Interest received	3 506	3 573	4 065	3 687	3 705	18	199
Dividends received	2 316	1 159	1 973	1 639	10 327	8 688	8 011
Royalties, franchise fees, copyright, trade names and patent rights received	107	190	221	220	234	14	127
Rental/leasing of land, buildings and other structures received	1 562	2 924	3 128	2 818	2 874	56	1 312
Hiring/leasing of plant, machinery, vehicles and other equipment received	510	481	251	468	471	3	-39
Profit on assets/investment sold or revalued	8 355	47 387	10 307	7 634	5 901	-1 733	-2 454
Other income	8 693	5 684	6 915	7 337	6 272	-1 065	-2 421
Total income (A)	632 187	699 969	677 703	628 255	654 561	26 306	22 374
Inventories							
Opening value of raw materials	114 463	115 858	119 905	118 497	124 745	6 248	10 282
Opening value of work in progress	45 161	40 748	41 947	39 376	41 892	2 516	-3 269
Opening value of finished goods	158 380	186 065	183 584	179 250	172 407	-6 843	14 027
Total opening values (B)	318 004	342 671	345 436	337 123	339 044	1 921	21 040
Closing value of raw materials	119 194	120 527	117 765	125 299	125 814	515	6 620
Closing value of work in progress	46 254	42 328	39 498	42 834	44 667	1 833	-1 587
Closing value of finished goods	164 106	185 466	180 492	173 529	177 457	3 928	13 351
Total closing values (C)	329 554	348 321	337 755	341 662	347 938	6 276	18 384

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	401 121	421 625	420 347	416 828	426 302	9 474	25 181
Employment costs ³	67 837	73 682	77 332	71 622	73 023	1 401	5 186
Interest paid	7 913	9 157	12 813	8 985	10 440	1 455	2 527
Royalties, franchise fees, copyright, trade names and patent rights paid	2 975	3 398	6 713	2 886	2 906	20	-69
Rental/leasing of land, buildings and other structures paid	11 379	11 749	10 645	10 801	11 021	220	-358
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 661	1 582	1 538	1 588	1 637	49	-24
Depreciation	11 935	11 687	11 699	12 165	11 864	-301	-71
Losses on assets/investments sold or revalued	9 471	7 568	9 033	6 339	4 963	-1 376	-4 508
Other expenditure	86 251	78 341	79 373	71 806	75 262	3 456	-10 989
Total expenditure (D)	600 543	618 789	629 493	603 020	617 418	14 398	16 875
Net profit or loss before taxation (E) ⁴	43 194	86 830	40 529	29 774	46 037	16 263	2 843
Company tax	9 410	8 380	9 230	8 998	7 131	-1 867	-2 279
Dividends payable	3 644	6 717	13 000	10 786	9 080	-1 706	5 436
Carrying value of property, plant and equipment as at the end of quarter	498 133	546 841	529 922	509 190	513 361	4 171	15 228
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 893	6 243	1 417	1 614	1 603	-11	-290
Plant, machinery, furniture, fittings and other equipment	15 855	13 926	15 727	12 392	12 097	-295	-3 758
Vehicles and transport equipment	1 303	1 254	1 880	1 227	1 196	-31	-107
Total capital expenditure	19 051	21 423	19 024	15 233	14 896	-337	-4 155

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received	57 779	69 277	56 141	55 332	60 363	5 031	2 584
Interest received	1 289	1 553	1 452	1 160	1 291	131	2
Dividends received	0	32	1	1	0	-1	0
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	5	5	4	5	1	3
Hiring/leasing of plant, machinery, vehicles and other equipment received	56	57	62	57	55	-2	-1
Profit on assets/investment sold or revalued	90	176	130	1 531	77	-1 454	-13
Other income	952	424	397	1 342	350	-992	-602
Total income (A)	60 168	71 524	58 188	59 427	62 141	2 714	1 973
Inventories							
Opening value of raw materials	17 995	19 830	20 907	22 440	22 694	254	4 699
Opening value of work in progress	135	1	1	2	1	-1	-134
Opening value of finished goods	149	347	362	368	340	-28	191
Total opening values (B)	18 279	20 178	21 270	22 810	23 035	225	4 756
Closing value of raw materials	19 701	20 907	22 440	22 694	23 273	579	3 572
Closing value of work in progress	135	1	2	1	1	0	-134
Closing value of finished goods	127	362	350	340	330	-10	203
Total closing values (C)	19 963	21 270	22 792	23 035	23 604	569	3 641

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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	26 641	28 825	28 523	29 695	28 795	-900	2 154
Employment costs ³	7 845	8 016	7 890	8 879	8 387	-492	542
Interest paid	5 059	6 982	6 515	6 937	7 208	271	2 149
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	78	49	81	66	59	-7	-19
Hiring/leasing for plant, machinery, vehicles and other equipment paid	107	116	105	101	101	0	-6
Depreciation	5 238	6 218	5 884	6 440	6 316	-124	1 078
Losses on assets/investments sold or revalued	133	2 146	1 416	176	180	4	47
Other expenditure	9 393	9 982	9 543	12 832	13 327	495	3 934
Total expenditure (D)	54 494	62 334	59 957	65 126	64 373	-753	9 879
Net profit or loss before taxation (E)⁴	7 358	10 282	-247	-5 474	-1 663	3 811	-9 021
Company tax	467	482	504	485	473	-12	6
Dividends payable	334	271	556	1 670	716	-954	382
Carrying value of property, plant and equipment as at the end of quarter	598 383	637 928	653 385	676 227	688 154	11 927	89 771
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 232	1 762	1 731	1 890	2 083	193	851
Plant, machinery, furniture, fittings and other equipment	22 327	22 762	20 195	26 348	16 341	-10 007	-5 986
Vehicles and transport equipment	79	149	266	374	117	-257	38
Total capital expenditure	23 638	24 673	22 192	28 612	18 541	-10 071	-5 097

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received	110 249	109 456	102 560	98 047	105 155	7 108	-5 094
Interest received	870	593	569	646	637	-9	-233
Dividends received	232	138	315	191	333	142	101
Royalties, franchise fees, copyright, trade names and patent rights received	1	1	1	1	1	0	0
Rental/leasing of land, buildings and other structures received	1 584	521	545	403	365	-38	-1 219
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 922	853	844	724	729	5	-1 193
Profit on assets/investment sold or revalued	698	279	501	562	453	-109	-245
Other income	1 154	683	1 061	777	756	-21	-398
Total income (A)	116 710	112 524	106 396	101 351	108 429	7 078	-8 281
Inventories							
Opening value of raw materials	6 191	5 564	5 175	5 179	5 350	171	-841
Opening value of work in progress	15 678	5 665	6 541	6 364	6 205	-159	-9 473
Opening value of finished goods	7 150	4 651	5 048	5 281	4 998	-283	-2 152
Total opening values (B)	29 019	15 880	16 764	16 824	16 553	-271	-12 466
Closing value of raw materials	6 123	6 173	5 296	5 350	5 193	-157	-930
Closing value of work in progress	15 603	5 606	6 764	6 205	6 552	347	-9 051
Closing value of finished goods	6 836	4 828	5 281	4 998	4 572	-426	-2 264
Total closing values (C)	28 562	16 607	17 341	16 553	16 317	-236	-12 245

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	70 493	69 232	66 753	61 979	67 578	5 599	-2 915
Employment costs ³	18 311	16 925	16 971	15 562	16 902	1 340	-1 409
Interest paid	1 091	929	992	968	920	-48	-171
Royalties, franchise fees, copyright, trade names and patent rights paid	9	10	7	192	199	7	190
Rental/leasing of land, buildings and other structures paid	1 265	1 054	1 088	1 044	959	-85	-306
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 150	1 605	1 813	1 892	2 584	692	434
Depreciation	2 201	980	962	998	967	-31	-1 234
Losses on assets/investments sold or revalued	3 777	1 966	360	524	476	-48	-3 301
Other expenditure	15 887	18 129	15 752	16 479	14 857	-1 622	-1 030
Total expenditure (D)	115 184	110 830	104 698	99 638	105 442	5 804	-9 742
Net profit or loss before taxation (E) ⁴	1 069	2 421	2 275	1 442	2 751	1 309	1 682
Company tax	792	648	1 209	1 258	509	-749	-283
Dividends payable	1 080	228	91	2 058	182	-1 876	-898
Carrying value of property, plant and equipment as at the end of quarter	46 684	36 124	35 387	36 363	36 767	404	-9 917
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	223	54	81	28	24	-4	-199
Plant, machinery, furniture, fittings and other equipment	1 870	640	856	875	994	119	-876
Vehicles and transport equipment	325	180	170	167	137	-30	-188
Total capital expenditure	2 418	874	1 107	1 070	1 155	85	-1 263

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received	719 822	791 483	821 358	825 388	834 245	8 857	114 423
Interest received	4 352	4 311	3 981	4 525	4 188	-337	-164
Dividends received	896	638	569	959	500	-459	-396
Royalties, franchise fees, copyright, trade names and patent rights received	250	462	238	240	299	59	49
Rental/leasing of land, buildings and other structures received	583	917	1 019	2 073	2 076	3	1 493
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 686	1 552	1 639	2 077	1 647	-430	-39
Profit on assets/investment sold or revalued	3 678	6 506	2 242	8 006	6 466	-1 540	2 788
Other income	7 869	7 933	7 242	35 590	7 672	-27 918	-197
Total income (A)	739 136	813 802	838 288	878 858	857 093	-21 765	117 957
Inventories							
Opening value of raw materials	17 618	21 986	23 186	22 873	22 461	-412	4 843
Opening value of work in progress	1 945	11 049	11 027	10 972	10 929	-43	8 984
Opening value of finished goods	281 218	265 932	277 557	317 556	317 700	144	36 482
Total opening values (B)	300 781	298 967	311 770	351 401	351 090	-311	50 309
Closing value of raw materials	17 778	23 152	20 275	22 782	24 133	1 351	6 355
Closing value of work in progress	2 022	11 026	11 031	10 936	11 011	75	8 989
Closing value of finished goods	293 367	276 278	283 942	322 250	320 737	-1 513	27 370
Total closing values (C)	313 167	310 456	315 248	355 968	355 881	-87	42 714

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	552 412	609 028	623 751	678 503	649 167	-29 336	96 755
Employment costs ³	60 673	58 158	62 952	66 664	65 771	-893	5 098
Interest paid	6 629	7 636	7 893	8 590	7 791	-799	1 162
Royalties, franchise fees, copyright, trade names and patent rights paid	1 877	1 875	1 844	1 803	1 937	134	60
Rental/leasing of land, buildings and other structures paid	16 983	17 462	16 394	17 200	17 185	-15	202
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 375	1 610	1 746	1 613	1 469	-144	94
Depreciation	4 967	5 384	5 737	6 539	6 454	-85	1 487
Losses on assets/investments sold or revalued	7 088	6 440	5 513	11 528	8 008	-3 520	920
Other expenditure	72 113	70 293	70 476	70 502	66 109	-4 393	-6 004
Total expenditure (D)	724 117	777 886	796 306	862 942	823 891	-39 051	99 774
Net profit or loss before taxation (E)⁴	27 405	47 405	45 460	20 483	37 993	17 510	10 588
Company tax	3 602	5 332	5 644	5 351	4 714	-637	1 112
Dividends payable	2 707	4 211	3 176	3 631	2 047	-1 584	-660
Carrying value of property, plant and equipment as at the end of quarter	202 149	243 643	247 265	254 090	249 438	-4 652	47 289
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 472	1 662	1 601	1 333	1 453	120	-19
Plant, machinery, furniture, fittings and other equipment	5 582	4 824	5 478	4 741	3 924	-817	-1 658
Vehicles and transport equipment	3 826	3 480	3 657	4 124	1 900	-2 224	-1 926
Total capital expenditure	10 880	9 966	10 736	10 198	7 277	-2 921	-3 603

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received	183 720	201 103	206 510	200 406	205 491	5 085	21 771
Interest received	1 692	1 517	1 565	2 322	1 711	-611	19
Dividends received	157	146	197	113	165	52	8
Royalties, franchise fees, copyright, trade names and patent rights received	7	6	7	7	6	-1	-1
Rental/leasing of land, buildings and other structures received	985	1 204	1 904	1 030	1 097	67	112
Hiring/leasing of plant, machinery, vehicles and other equipment received	675	524	519	462	429	-33	-246
Profit on assets/investment sold or revalued	1 442	2 169	2 585	1 927	1 501	-426	59
Other income	3 683	3 764	3 277	3 563	3 124	-439	-559
Total income (A)	192 361	210 433	216 564	209 830	213 524	3 694	21 163
Inventories							
Opening value of raw materials	3 323	3 294	2 975	3 883	3 343	-540	20
Opening value of work in progress	1 598	1 665	1 129	1 295	1 233	-62	-365
Opening value of finished goods	7 840	10 901	11 012	11 136	10 512	-624	2 672
Total opening values (B)	12 761	15 860	15 116	16 314	15 088	-1 226	2 327
Closing value of raw materials	3 257	2 975	3 887	3 343	4 353	1 010	1 096
Closing value of work in progress	1 823	1 129	1 295	1 233	1 286	53	-537
Closing value of finished goods	8 184	11 013	11 156	10 230	11 501	1 271	3 317
Total closing values (C)	13 264	15 117	16 338	14 806	17 140	2 334	3 876

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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	69 525	80 820	83 309	81 614	83 238	1 624	13 713
Employment costs ³	30 062	32 040	32 572	31 458	33 470	2 012	3 408
Interest paid	7 202	6 911	7 100	6 528	7 029	501	-173
Royalties, franchise fees, copyright, trade names and patent rights paid	39	68	115	72	78	6	39
Rental/leasing of land, buildings and other structures paid	4 449	4 669	4 678	4 950	5 201	251	752
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 752	2 275	2 242	2 341	2 276	-65	-476
Depreciation	11 847	13 299	12 928	11 534	12 275	741	428
Losses on assets/investments sold or revalued	2 348	2 236	1 864	1 510	1 731	221	-617
Other expenditure	54 481	56 221	56 610	53 627	57 501	3 874	3 020
Total expenditure (D)	182 705	198 539	201 418	193 634	202 799	9 165	20 094
Net profit or loss before taxation (E)⁴	10 159	11 151	16 368	14 688	12 777	-1 911	2 618
Company tax	3 160	3 575	3 818	3 932	3 572	-360	412
Dividends payable	3 393	4 945	540	5 816	2 627	-3 189	-766
Carrying value of property, plant and equipment as at the end of quarter	562 135	571 123	580 919	569 546	577 600	8 054	15 465
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 126	1 657	1 501	441	655	214	-471
Plant, machinery, furniture, fittings and other equipment	16 055	15 448	23 242	14 525	13 034	-1 491	-3 021
Vehicles and transport equipment	2 111	2 413	3 613	2 458	2 753	295	642
Total capital expenditure	19 292	19 518	28 356	17 424	16 442	-982	-2 850

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received ³	248 392	267 145	266 005	261 984	269 013	7 029	20 621
Interest received	0	0	0	0	0	0	0
Dividends received	5 736	7 361	7 244	5 058	16 790	11 732	11 054
Royalties, franchise fees, copyright, trade names and patent rights received	554	910	1 069	969	725	-244	171
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	8 642	6 582	6 973	5 881	131 981	126 100	123 339
Other income	7 795	10 612	12 712	11 230	10 426	-804	2 631
Total income (A)	271 119	292 610	294 003	285 122	428 935	143 813	157 816
Inventories							
Opening value of raw materials	5 166	4 492	4 648	4 834	5 231	397	65
Opening value of work in progress	2 469	2 758	3 142	3 177	3 313	136	844
Opening value of finished goods	15 686	19 120	18 804	20 215	20 036	-179	4 350
Total opening values (B)	23 321	26 370	26 594	28 226	28 580	354	5 259
Closing value of raw materials	5 077	4 632	4 803	5 225	5 137	-88	60
Closing value of work in progress	2 711	2 983	3 110	3 319	3 343	24	632
Closing value of finished goods	15 691	19 450	20 232	20 168	20 198	30	4 507
Total closing values (C)	23 479	27 065	28 145	28 712	28 678	-34	5 199

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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	53 952	59 016	62 114	57 823	60 029	2 206	6 077
Employment costs ³	66 716	73 918	76 605	75 871	78 196	2 325	11 480
Interest paid	21 290	23 020	20 774	20 568	21 203	635	-87
Royalties, franchise fees, copyright, trade names and patent rights paid	2 236	1 742	1 929	1 771	1 969	198	-267
Rental/leasing of land, buildings and other structures paid	8 902	15 296	15 704	17 090	17 268	178	8 366
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 118	2 915	2 879	2 859	2 841	-18	1 723
Depreciation	4 727	7 304	7 625	7 310	7 209	-101	2 482
Losses on assets/investments sold or revalued	2 046	3 479	5 392	1 784	1 863	79	-183
Other expenditure	72 634	66 819	65 739	64 861	64 742	-119	-7 892
Total expenditure (D)	233 621	253 509	258 761	249 937	255 320	5 383	21 699
Net profit or loss before taxation (E)⁴	37 656	39 796	36 793	35 671	173 713	138 042	136 057
Company tax	4 554	4 691	4 524	4 716	4 975	259	421
Dividends payable	8 962	21 394	14 672	12 477	6 608	-5 869	-2 354
Carrying value of property, plant and equipment as at the end of quarter	271 947	470 602	438 832	484 328	486 873	2 545	214 926
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	858	2 928	2 663	1 950	1 986	36	1 128
Plant, machinery, furniture, fittings and other equipment	3 276	3 499	3 209	2 909	3 070	161	-206
Vehicles and transport equipment	1 506	2 066	1 843	1 623	1 886	263	380
Total capital expenditure	5 640	8 493	7 715	6 482	6 942	460	1 302

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with *the Quarterly employment statistics (QES)* (statistical release 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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Income items						R million	R million
Turnover received	50 925	56 131	55 497	57 750	57 951	201	7 026
Interest received	1 139	649	612	697	1 007	310	-132
Dividends received	131	90	514	176	95	-81	-36
Royalties, franchise fees, copyright, trade names and patent rights received	164	126	189	106	108	2	-56
Rental/leasing of land, buildings and other structures received	389	220	255	255	250	-5	-139
Hiring/leasing of plant, machinery, vehicles and other equipment received	223	228	217	204	217	13	-6
Profit on assets/investment sold or revalued	2 827	266	192	382	127	-255	-2 700
Other income	3 466	4 124	4 205	3 362	2 856	-506	-610
Total income (A)	59 264	61 834	61 681	62 932	62 611	-321	3 347
Inventories							
Opening value of raw materials	535	926	974	1 066	1 006	-60	471
Opening value of work in progress	90	78	89	89	98	9	8
Opening value of finished goods	1 162	1 392	1 415	1 396	1 352	-44	190
Total opening values (B)	1 787	2 396	2 478	2 551	2 456	-95	669
Closing value of raw materials	552	960	1 067	1 033	1 055	22	503
Closing value of work in progress	91	89	89	98	40	-58	-51
Closing value of finished goods	1 267	1 299	1 321	1 352	1 394	42	127
Total closing values (C)	1 910	2 348	2 477	2 483	2 489	6	579

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 June 2017 and March 2017	Year-on-year difference between June 2017 and June 2016
	R million						
	June 2016	September 2016	December 2016	March 2017 ¹	June 2017 ²		
Expenditure items						R million	R million
Purchases	9 187	11 005	12 728	12 594	12 234	-360	3 047
Employment costs ³	14 015	16 271	16 325	16 587	16 912	325	2 897
Interest paid	1 060	1 097	1 149	1 283	1 087	-196	27
Royalties, franchise fees, copyright, trade names and patent rights paid	170	225	368	292	272	-20	102
Rental/leasing of land, buildings and other structures paid	2 431	2 249	2 318	2 345	2 389	44	-42
Hiring/leasing for plant, machinery, vehicles and other equipment paid	951	1 244	1 229	1 142	1 072	-70	121
Depreciation	1 550	1 812	1 723	1 653	1 506	-147	-44
Losses on assets/investments sold or revalued	328	319	581	318	464	146	136
Other expenditure	18 457	19 346	18 875	18 806	17 861	-945	-596
Total expenditure (D)	48 149	53 568	55 296	55 020	53 797	-1 223	5 648
Net profit or loss before taxation (E)⁴	11 238	8 218	6 384	7 844	8 847	1 003	-2 391
Company tax	1 670	880	1 087	1 171	1 187	16	-483
Dividends payable	363	428	243	1 541	539	-1 002	176
Carrying value of property, plant and equipment as at the end of quarter	84 339	76 246	73 995	72 623	70 775	-1 848	-13 564
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	500	543	663	409	823	414	323
Plant, machinery, furniture, fittings and other equipment	1 698	1 482	1 574	1 928	1 077	-851	-621
Vehicles and transport equipment	255	429	330	329	360	31	105
Total capital expenditure	2 453	2 454	2 567	2 666	2 260	-406	-193

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 10 – Comparison of selected operating ratios between March 2017 and June 2017

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	March 2017 ¹	June 2017 ²	March 2017 ¹	June 2017 ²	March 2017 ¹	June 2017 ²	March 2017 ¹	June 2017 ²
Mining and quarrying	0,30	0,31	0,10	0,02	2,17	2,14	0,03	0,00
Manufacturing	1,19	1,22	0,05	0,07	1,77	1,80	0,06	0,09
Electricity, gas and water supply	0,08	0,09	-0,10	-0,03	2,40	2,56	-0,01	0,00
Construction	2,70	2,86	0,01	0,03	5,92	6,44	0,04	0,07
Trade	3,25	3,34	0,02	0,05	2,32	2,34	0,08	0,15
Transport, storage and communication	0,35	0,36	0,07	0,06	13,54	11,99	0,03	0,02
Real estate and other business services, excluding financial intermediation and insurance	0,54	0,55	0,14	0,65	9,12	9,38	0,07	0,36
Community, social and personal services, excluding government institutions	0,80	0,82	0,14	0,15	23,26	23,28	0,11	0,13
All industries	0,73	0,74	0,05	0,12	2,64	2,68	0,04	0,09

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 March 2017 and June 2017 (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	
	March 2017 ¹	June 2017 ²	March 2017 ¹	June 2017 ²	March 2017 ¹	June 2017 ²	March 2017 ¹	June 2017 ²
Mining and quarrying	0,02	0,02	0,78	0,83	4,13	1,48	0,69	-1,34
Manufacturing	0,03	0,03	1,21	1,22	4,31	5,41	0,52	0,23
Electricity, gas and water supply	0,04	0,03	1,29	1,21	0,21	0,77	-0,28	-0,34
Construction	0,03	0,03	3,73	4,13	2,49	3,99	11,18	0,08
Trade	0,04	0,03	1,91	1,82	3,38	5,88	0,24	0,06
Transport, storage and communication	0,03	0,03	5,34	5,04	3,25	2,82	0,54	0,29
Real estate and other business services, excluding financial intermediation and insurance	0,01	0,01	2,01	2,09	2,73	9,19	0,40	0,04
Community, social and personal services, excluding government institutions	0,04	0,03	5,03	4,93	7,11	9,14	0,23	0,07
All industries	0,03	0,03	1,64	1,61	3,03	5,68	0,50	0,09

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: March 2017

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	142 887	144 921	146 955	0,7
Manufacturing	584 474	604 452	624 430	1,7
Electricity, gas and water supply	54 513	55 332	56 151	0,8
Construction	74 143	98 047	121 951	12,4
Trade	720 234	825 388	930 542	6,5
Transport, storage and communication	187 027	200 406	213 785	3,4
Real estate and other business services, excluding financial intermediation and insurance	227 529	261 984	296 439	6,7
Community, social and personal services, excluding government institutions	52 560	57 750	62 940	4,6
All industries	2 145 641	2 248 280	2 350 919	2,3

Table B – Estimates of turnover by industry within 95% confidence limits: June 2017

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	145 435	147 250	149 065	0,6
Manufacturing	603 766	624 777	645 788	1,7
Electricity, gas and water supply	59 673	60 363	61 053	0,6
Construction	79 740	105 155	130 570	12,3
Trade	732 868	834 245	935 622	6,2
Transport, storage and communication	192 002	205 491	218 980	3,3
Real estate and other business services, excluding financial intermediation and insurance	234 537	269 013	303 489	6,5
Community, social and personal services, excluding government institutions	52 659	57 951	63 243	4,7
All industries	2 197 766	2 304 245	2 410 724	2,4

Table C – Turnover by industry and percentage change

Industry	Turnover June 2016	Turnover March 2017	Turnover June 2017	Difference between June 2017 and March 2017	Difference between June 2017 and June 2016
	R million	R million	R million	%	%
Mining and quarrying	149 569	144 921	147 250	1,6	-1,6
Manufacturing	607 138	604 452	624 777	3,4	2,9
Electricity, gas and water supply	57 779	55 332	60 363	9,1	4,5
Construction	110 249	98 047	105 155	7,2	-4,6
Trade	719 822	825 388	834 245	1,1	15,9
Transport, storage and communication	183 720	200 406	205 491	2,5	11,9
Real estate and other business services, excluding financial intermediation and insurance	248 392	261 984	269 013	2,7	8,3
Community, social and personal services, excluding government institutions	50 925	57 750	57 951	0,3	13,8
All industries	2 127 594	2 248 280	2 304 245	2,5	8,3

Table D – Turnover by industry and percentage contribution¹

Industry	March 2017		June 2017	
	R million	% total turnover	R million	% total turnover
Mining and quarrying industry	144 921	6,4	147 250	6,4
Manufacturing industry	604 452	26,9	624 777	27,1
Electricity, gas and water supply industry	55 332	2,5	60 363	2,6
Construction industry	98 047	4,4	105 155	4,6
Trade industry	825 388	36,7	834 245	36,2
Transport, storage and communication industry	200 406	8,9	205 491	8,9
Real estate and other business services industry, excluding financial intermediation and insurance	261 984	11,7	269 013	11,7
Community, social and personal services industry, excluding government institutions	57 750	2,6	57 951	2,5
All industries	2 248 280	100,0	2 304 245	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 March 2017	Inventories June 2017	Difference between June 2017 and March 2017
	R million	R million	%
Mining and quarrying	66 926	68 690	2,6
Manufacturing	341 662	347 938	1,8
Electricity, gas and water supply	23 035	23 604	2,5
Construction	16 553	16 317	-1,4
Trade	355 968	355 881	0,0
Transport, storage and communication	14 806	17 140	15,8
Real estate and other business services, excluding financial intermediation and insurance	28 712	28 678	-0,1
Community, social and personal services, excluding government institutions	2 483	2 489	0,2
All industries	850 145	860 737	1,2

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure March 2017	Capital expenditure June 2017	Difference Between June 2017 and March 2017
	R million	R million	%
Mining and quarrying	11 462	10 826	-5,5
Manufacturing	15 233	14 896	-2,2
Electricity, gas and water supply	28 612	18 541	-35,2
Construction	1 070	1 155	7,9
Trade	10 198	7 277	-28,6
Transport, storage and communication	17 424	16 442	-5,6
Real estate and other business services, excluding financial intermediation and insurance	6 482	6 942	7,1
Community, social and personal services, excluding government institutions	2 666	2 260	-15,2
All industries	93 147	78 339	-15,9

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	487 500 000	125 000 000	50 000 000	2 000 000
Manufacturing	637 500 000	162 500 000	62 500 000	2 000 000
Electricity, gas and water supply	637 500 000	162 500 000	63 750 000	2 000 000
Construction	325 000 000	75 000 000	37 500 000	2 000 000
Wholesale trade	800 000 000	400 000 000	75 000 000	2 000 000
Retail trade	487 500 000	237 500 000	50 000 000	2 000 000
Motor trade	487 500 000	237 500 000	50 000 000	2 000 000
Accommodation and catering	162 500 000	75 000 000	63 750 000	2 000 000
Transport, storage and communication	325 000 000	162 500 000	37 500 000	2 000 000
Real estate and other businesses services, excluding financial intermediation and insurance	325 000 000	162 500 000	37 500 000	2 000 000
Community, social and personal services, excluding government institutions	162 500 000	75 000 000	12 500 000	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 June and September 2016 and March and June 2017 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 March and June 2017 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 4 500 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 2016 and implemented from the September 2016 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 54% 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 R2 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	<p>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.</p> <p>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.</p>
Reasons for fluctuations in data	<p>14 The fluctuations in the data can be attributed to:</p> <ul style="list-style-type: none"> • 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; • samples drawn annually (<i>see paragraph 10 on page 32</i>); and • response rates per industry and within sub sectors.
Standard error	<p>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 (<i>see page 27, Tables A and B</i>).</p>
Revised figures	<p>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.</p>
Reference period	<p>17 The reference period for this publication is from 1 April 2017 to 30 June 2017.</p>

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>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>Stats in brief</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 12,5 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

Technical enquiries**Krisseelan Govinden**

Tel: (012) 310 4651

Email: krisseelang@statssa.gov.za

Khathutshelo Raluombe

Tel: (012) 310 8320

Email: khathutshelor@statssa.gov.za

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, deferred tax 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.• 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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Enquiries

User information services

Telephone number: (012) 310 8600
Email address: info@statssa.gov.za

Postal address:

Private Bag X44, Pretoria, 0001

Produced by Stats SA