

Manufacturing: Production and sales

August 2005

This is the last statistical release based on the sample drawn in 2004. The next statistical release for September 2005 will be based on the new sample drawn in August 2005 and is due to be published on 17 November 2005.

**Embargoed until:
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13:00**

Table A - Selected key figures regarding manufacturing production and sales for August 2005

Estimates	August 2005	% change between August 2004 and August 2005	% change between June to August 2004 and June to August 2005	% change between January to August 2004 and January to August 2005
Physical volume of manufacturing production index (2000=100)	117,6	+3,5	+3,1	+3,2
Total value of sales of manufactured products (R million)	73 422	+8,2	+7,3	+6,0

Seasonally adjusted estimates	August 2005	% change between July and August 2005	% change between March to May 2005 and June to August 2005
Physical volume of manufacturing production index (2000=100)	114,6	+0,4	+1,2
Total value of sales of manufactured products (R million)	72 006	+1,3	+3,0

Key findings regarding manufacturing production and sales for August 2005

Manufacturing production increases

The estimated manufacturing production for the three months ended August 2005 increased by 1,2% after seasonal adjustment, compared with the previous three months. Higher production was reported by seven of the ten manufacturing divisions.

The major contributor to the seasonally adjusted increase of 1,2% in total manufacturing production for the three months ended August 2005 compared with the previous three months was the motor vehicles, parts and accessories and other transport equipment division (contributing +0,8 of a percentage point to the increase in total manufacturing production), followed by the petroleum, chemical products, rubber and plastic products division (contributing +0,5 of a percentage point), the furniture and ‘other’ manufacturing divisions (contributing +0,5 of a percentage point), the wood and wood products, paper, publishing and printing division (contributing +0,3 of a percentage point), the food and beverages division (contributing +0,2 of a percentage point), the radio, television and communication apparatus and professional equipment division (contributing +0,2 of a percentage point) and the glass and non-metallic mineral products division (contributing +0,1 of a percentage point). However, these increases were counteracted by decreases reported by the basic iron and steel, non-ferrous metal products, metal products and machinery division (contributing -1,2 percentage points) and the textiles, clothing, leather and footwear division (contributing -0,2 of a percentage point) (see table B).

Figure 1 shows the seasonally adjusted and trend series for the volume index of manufacturing production between January 1999 and August 2005. The trend series has been rising since mid-2003 to September 2004, declining slightly up to December 2004 and resuming its upward trend in 2005.

Figure 1 – Index of the physical volume of manufacturing production

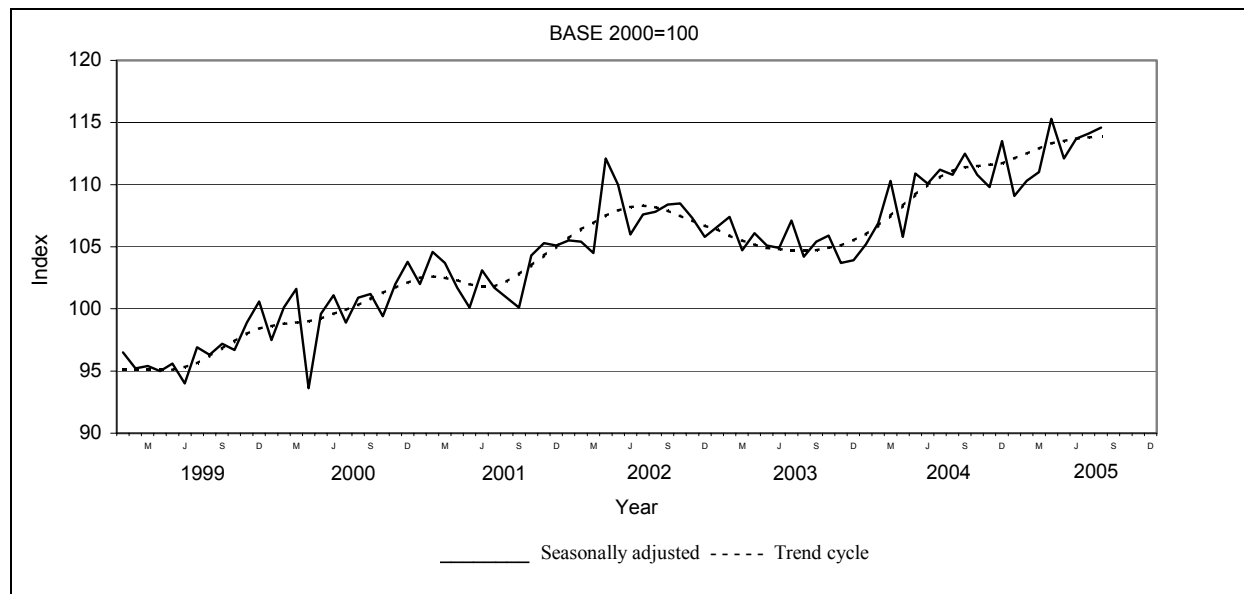


Table B - Contribution of manufacturing divisions to total manufacturing production (Base 2000=100)

Manufacturing divisions	Percentage contribution to the total manufacturing production using the weights according to large sample survey of the manufacturing industry, 2001	Average seasonally adjusted production index for March to May 2005	Average seasonally adjusted production index for June to August 2005	Quarterly percentage change of June to August 2005 compared with the preceding three months	Contribution (percentage points) to the seasonally adjusted quarterly percentage change in total manufacturing production
Food and beverages	16,4	119,9	121,3	+1,2	+0,2
Textiles, clothing, leather and footwear	5,4	99,8	96,9	-2,9	-0,2
Wood and wood products, paper, publishing and printing	11,0	107,1	110,0	+2,7	+0,3
Petroleum, chemical products, rubber and plastic products	22,5	113,1	115,5	+2,1	+0,5
Glass and non-metallic mineral products	3,9	118,4	123,0	+3,9	+0,1
Basic iron and steel, non-ferrous metal products, metal products and machinery	22,4	115,8	109,6	-5,4	-1,2
Electrical machinery	2,7	98,9	97,7	-1,2	-0,0
Radio, television and communication apparatus and professional equipment	1,3	105,8	120,7	+14,1	+0,2
Motor vehicles, parts and accessories and other transport equipment	8,6	118,8	130,4	+9,8	+0,8
Furniture and other manufacturing divisions	5,8	98,3	106,2	+8,0	+0,5
Total	100,0	112,8	114,1	+1,2	+1,2

1/ The contribution is calculated by multiplying the quarterly percentage change of each manufacturing division with its corresponding weight in the base year, divided by 100.

Sales of manufactured products increase

The estimated total value of sales of manufactured products at current prices for the three months ended August 2005 increased by 3,0% (+R6 285 million), after seasonal adjustment, compared with the previous three months. Higher manufacturing sales were reported by eight of the ten manufacturing divisions during this period (see table C). The value of sales of manufactured products at current prices for the three months ended August 2005 was 7,3% higher than for the three months ended August 2004 (see table D).

The seasonally adjusted increase of 3,0% in the total value of sales of manufactured products at current prices for the three months ended August 2005 compared with the previous three months was mainly due to increases reported for the radio, television and communication apparatus and professional equipment (+15,9% or +R440 million), motor vehicles, parts and accessories and other transport equipment (+11,2% or +R3 538 million), furniture and 'other' manufacturing divisions (+5,8% or +R554 million), petroleum, chemical products, rubber and plastic products (+4,8% or +R1 937 million), wood and wood products, paper, publishing and printing (+2,9% or +R539 million) and food and beverages (+1,1% or +R442 million) divisions (see table C).

Table C - Contribution of the manufacturing divisions to the total value of seasonally adjusted sales of manufactured products

Manufacturing divisions	Seasonally adjusted sales March to May 2005	Seasonally adjusted sales June to August 2005	Percentage change between March to June to August 2005	Difference in seasonally adjusted sales of manufacturing divisions between March to May 2005 and June to August 2005
	R'000	R'000		R'000
Food and beverages	38 748 593	39 190 243	+1,1	441 650
Textiles, clothing, leather and footwear	10 271 134	10 097 005	-1,7	-174 129
Wood and wood products, paper, publishing and printing	18 481 274	19 020 737	+2,9	539 463
Petroleum, chemical products, rubber and plastic products	40 690 933	42 628 395	+4,8	1 937 462
Glass and non-metallic mineral products	6 017 477	6 270 900	+4,2	253 423
Basic iron and steel, non-ferrous metal products, metal products and machinery	44 331 161	42 973 986	-3,1	-1 357 175
Electrical machinery	5 280 834	5 392 968	+2,1	112 134
Radio, television and communication apparatus and professional equipment	2 765 142	3 205 361	+15,9	440 219
Motor vehicles, parts and accessories and other transport equipment	31 595 324	35 133 508	+11,2	3 538 184
Furniture and other manufacturing divisions	9 508 268	10 061 779	+5,8	553 511
Total	207 690 141	213 974 882	+3,0	6 284 741

The major contributors to the increase of 7,3% in sales of manufactured products at current prices for the three months ended August 2005 compared with the three months ended August 2004 were the motor vehicles, parts and accessories and other transport equipment (+2,9 percentage points or +R5 913 million), petroleum chemical products, rubber and plastic products (+1,7 percentage points or +R3 359 million), food and beverages (+0,8 of a percentage point or +R1 671 million), wood and wood products, paper, publishing and printing (+0,8 of a percentage point or +R1 567 million), furniture and 'other' manufacturing (+0,7 of a percentage point or +R1 415 million), glass and non-metallic mineral products (+0,4 of a percentage point or +R796 million) and radio, television and communication apparatus and professional equipment (+0,2 of a percentage point or +R386 million) (see table D).

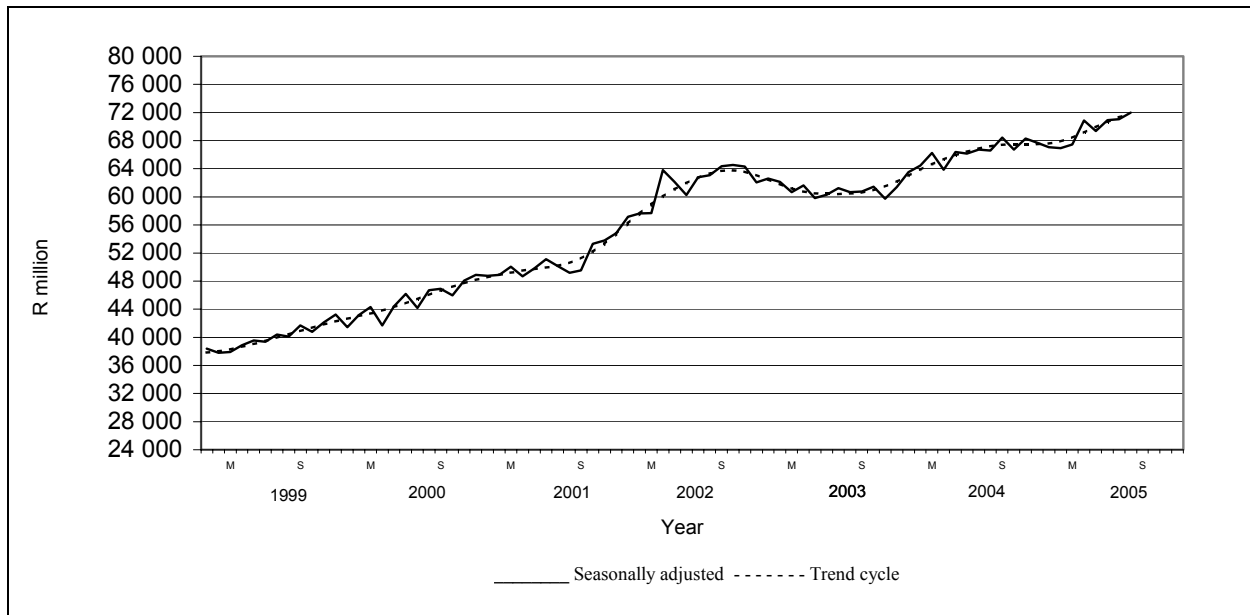
Table D - Contribution of the manufacturing divisions to total value of sales of manufactured products

Manufacturing divisions	Percentage contribution to total value of sales of manufactured products June to August 2004	Percentage change between June to August 2004 and June to August 2005	Contribution (percentage points) to the percentage change in the total value of sales of manufactured products 1/	Difference in sales of manufacturing divisions between June to August 2004 and June to August 2005
Food and beverages	18,2	+4,5	+0,8	1 671 170
Textiles, clothing, leather and footwear	5,3	-3,6	-0,2	-380 343
Wood and wood products, paper, publishing and printing	8,7	+9,0	+0,8	1 566 897
Petroleum, chemical products, rubber and plastic products	19,6	+8,5	+1,7	3 358 884
Glass and non-metallic mineral products	2,9	+13,6	+0,4	796 110
Basic iron and steel, non-ferrous metal products, metal products and machinery	21,8	-0,6	-0,1	-266 169
Electrical machinery	2,7	+3,7	+0,1	201 220
Radio, television and communication apparatus and professional equipment	1,3	+14,2	+0,2	385 555
Motor vehicles, parts and accessories and other transport equipment	15,1	+19,4	+2,9	5 912 572
Furniture and other manufacturing divisions	4,3	+16,3	+0,7	1 414 618
Total	100,0	+7,3	+7,3	14 660 514

1/ The contribution (percentage points) is calculated by multiplying the percentage change of each manufacturing division with the percentage contribution of the same division during corresponding period in 2004, divided by 100.

Figure 2 shows the seasonally adjusted and trend series for sales of manufactured products between January 1999 and August 2005. After peaking in September 2002, the series declined until May 2003, before resuming its upward movement.

Figure 2 - Total value of sales of manufactured products at current prices



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Notes

Forthcoming issues	Issue	Expected release date
	Sept. 2005	17 November 2005
Purpose of the survey	The results of the monthly manufacturing production and sales survey are used to calculate indices of the physical volume of manufacturing production. These indices provide an indicator of the real level of manufacturing activity in the economy. They are used in monitoring the state of the economy and formulation of economic policy. They are also important inputs to estimation of the Gross Domestic Product (GDP).	
Special Data Dissemination Standard of the IMF	The data in this statistical release adhere to the Special Data Dissemination Standard (SDDS) of the International Monetary Fund (IMF), which sets out standards on coverage, periodicity and timeliness of data, access by the public, integrity, and quality of the disseminated data.	

Detailed tables

Table 1 - Indices of the physical volume of manufacturing production: Total

Base 2000 = 100

Month	1999	2000	2001	2002	2003	2004	2005
Indices							
J	83,6	85,2	91,1	93,7	94,4	93,1	1/ 96,2
F	93,7	98,7	102,7	103,6	104,3	103,6	1/ 106,3
M	97,9	104,8	106,8	108,2	108,4	114,0	1/ 114,9
A	90,7	89,0	95,3	104,4	100,0	100,3	1/ 109,1
M	95,9	99,9	100,2	110,3	105,6	111,5	1/ 112,6
J	94,8	102,1	104,0	106,7	105,3	110,5	1/ 113,9
J	98,3	100,1	102,8	108,8	108,7	112,9	1/ 115,8
A	97,7	102,5	102,3	109,8	106,4	113,6	1/ 117,6
S	100,9	104,8	103,1	111,4	108,6	115,9	
O	107,3	109,8	114,9	119,6	116,7	122,4	
N	109,9	113,6	117,6	119,8	115,1	122,2	
D	86,3	89,5	92,5	92,7	91,4	98,9	
Year	96,4	100,0	102,8	107,4	105,4	109,9	
Seasonally adjusted indices							
J	95,6	97,1	102,5	105,6	106,6	105,2	109,1
F	94,6	99,8	105,0	105,9	107,5	106,9	110,3
M	94,4	101,0	103,7	104,6	104,8	110,3	111,0
A	96,6	94,7	101,4	111,6	106,1	105,8	115,3
M	96,3	99,9	100,0	110,0	105,1	110,9	112,1
J	94,0	101,2	103,0	106,0	104,7	110,1	113,7
J	97,2	99,0	101,7	107,6	107,2	111,2	114,1
A	96,8	101,2	100,9	107,8	104,0	110,8	114,6
S	97,1	101,1	100,1	108,3	105,4	112,5	
O	97,3	99,6	104,4	108,5	105,9	110,8	
N	98,2	101,5	105,3	107,4	103,8	109,8	
D	99,5	103,1	105,1	105,7	104,0	113,5	

1/ Preliminary.

Table 2 - Percentage change in the index of the physical volume of manufacturing production: Total

Month	1999	2000	2001	2002	2003	2004	2005
J	.	+1,9	+6,9	+2,9	+0,7	-1,4	+3,3
F	.	+5,3	+4,1	+0,9	+0,7	-0,7	+2,6
M	.	+7,0	+1,9	+1,3	+0,2	+5,2	+0,8
A	.	-1,9	+7,1	+9,5	-4,2	+0,3	+8,8
M	.	+4,2	+0,3	+10,1	-4,3	+5,6	+1,0
J	.	+7,7	+1,9	+2,6	-1,3	+4,9	+3,1
J	.	+1,8	+2,7	+5,8	-0,1	+3,9	+2,6
A	.	+4,9	-0,2	+7,3	-3,1	+6,8	+3,5
S	.	+3,9	-1,6	+8,1	-2,5	+6,7	
O	.	+2,3	+4,6	+4,1	-2,4	+4,9	
N	.	+3,4	+3,5	+1,9	-3,9	+6,2	
D	.	+3,7	+3,4	+0,2	-1,4	+8,2	
Year	.	+3,7	+2,8	+4,5	-1,9	+4,3	

The percentage change is the change in the index of the physical volume of manufacturing production of the relevant year compared with the index of physical volume of manufacturing production of the previous year expressed as a percentage.

Table 3 - Indices of the physical volume of manufacturing production by manufacturing division

Base 2000 = 100

Manufacturing divisions	Weights	Year 2004	Indices			Seasonally adjusted indices		
			August 2004	July 2005	August 1/ 2005	August 2004	July 2005	August 2005
			Food and beverages	16,4	111,8	113,9	117,9	123,9
Textiles, clothing, leather and footwear	5,4	100,4	103,6	99,6	99,2	99,0	96,0	95,3
Wood and wood products, paper, publishing and printing	11,0	104,0	102,0	110,1	110,3	102,9	112,8	111,4
Petroleum, chemical products, rubber and plastic products	22,5	110,7	112,5	118,5	116,0	111,9	116,9	115,3
Glass and non-metallic mineral products	3,9	113,1	124,1	125,8	133,5	117,6	121,0	126,2
Basic iron and steel, non-ferrous metal products, metal products and machinery	22,4	113,9	119,3	111,1	114,8	113,6	108,1	109,3
Electrical machinery	2,7	98,6	106,9	102,2	100,6	101,1	99,0	94,6
Radio, television and communication apparatus and professional equipment	1,3	111,3	101,9	116,9	115,2	105,7	119,3	121,5
Motor vehicles, parts and accessories and other transport equipment	8,6	115,4	130,8	133,2	144,9	121,4	125,6	133,2
Furniture and other manufacturing divisions	5,8	101,0	99,7	117,7	105,4	99,0	107,1	104,5
Total	100,0	109,9	113,6	115,8	117,6	110,8	114,1	114,6

Table 3 - Indices of the physical volume of manufacturing production by manufacturing division (concluded)

Manufacturing divisions	Weights	Year 2004	Indices			Seasonally adjusted indices		
			August 2004	August 2005	Percentage difference between August 2004 and August 2005	July 2005	August 2005	Percentage difference between July and August 2005
			Food and beverages	16,4	111,8	113,9	123,9	+8,8
Textiles, clothing, leather and footwear	5,4	100,4	103,6	99,2	-4,2	96,0	95,3	-0,7
Wood and wood products, paper, publishing and printing	11,0	104,0	102,0	110,3	+8,1	112,8	111,4	-1,2
Petroleum, chemical products, rubber and plastic products	22,5	110,7	112,5	116,0	+3,1	116,9	115,3	-1,4
Glass and non-metallic mineral products	3,9	113,1	124,1	133,5	+7,6	121,0	126,2	+4,3
Basic iron and steel, non-ferrous metal products, metal products and machinery	22,4	113,9	119,3	114,8	-3,8	108,1	109,3	+1,1
Electrical machinery	2,7	98,6	106,9	100,6	-5,9	99,0	94,6	-4,4
Radio, television and communication apparatus and professional equipment	1,3	111,3	101,9	115,2	+13,1	119,3	121,5	+1,8
Motor vehicles, parts and accessories and other transport equipment	8,6	115,4	130,8	144,9	+10,8	125,6	133,2	+6,1
Furniture and other manufacturing divisions	5,8	101,0	99,7	105,4	+5,7	107,1	104,5	-2,4
Total	100,0	109,9	113,6	117,6	+3,5	114,1	114,6	+0,4

1/ Preliminary.

Table 4 – Total of estimated sales of the manufacturing industry (R'000)

Month	1999	2000	2001	2002	2003	2004	2005
Value of sales							
J	31 728 425	34 497 091	41 025 607	48 138 526	52 765 592	53 523 613	1/ 56 348 983
F	36 780 094	42 065 366	47 630 261	56 200 264	60 485 281	62 603 113	1/ 64 937 228
M	39 575 843	46 300 045	52 194 339	59 871 135	62 637 848	67 981 939	1/ 69 096 859
A	36 769 193	39 384 857	45 883 170	60 294 761	58 615 159	61 151 048	1/ 67 950 381
M	39 561 905	44 639 157	50 164 812	62 579 978	60 277 805	66 779 109	1/ 69 720 926
J	40 068 157	47 091 414	52 019 977	61 105 492	60 885 020	66 559 330	1/ 71 175 950
J	40 275 610	44 033 012	49 979 263	62 721 938	61 445 221	67 215 037	1/ 71 706 721
A	40 781 001	47 401 498	49 935 125	64 085 893	61 595 356	67 870 063	1/ 73 422 273
S	43 163 552	48 549 234	51 116 793	66 502 646	62 956 064	70 971 548	
O	45 331 713	50 693 801	58 606 253	70 929 284	67 574 392	73 472 746	
N	47 027 113	53 570 122	59 946 335	71 452 903	66 409 310	75 751 403	
D	39 465 357	44 728 188	50 549 896	56 892 701	56 065 409	61 847 746	
Year	480 527 963	542 953 785	609 051 831	740 775 521	731 712 457	795 726 695	
Seasonally adjusted values							
J	38 431 585	41 491 847	48 806 266	57 187 118	62 681 720	63 507 264	67 062 932
F	37 832 198	43 216 230	48 971 446	57 703 246	62 174 183	64 460 679	66 914 152
M	37 951 020	44 340 150	50 109 743	57 709 478	60 720 994	66 244 947	67 440 390
A	38 825 427	41 646 218	48 553 610	63 828 187	61 601 594	63 826 835	70 855 517
M	39 575 674	44 466 871	49 847 581	62 146 906	59 844 296	66 357 798	69 394 234
J	39 397 027	46 193 943	51 123 575	60 268 810	60 316 503	66 170 353	70 906 421
J	40 369 193	44 143 916	50 067 924	62 708 568	61 237 204	66 701 626	71 062 048
A	40 114 575	46 685 805	49 159 877	63 051 842	60 531 939	66 592 584	72 006 413
S	41 679 427	46 901 112	49 451 943	64 279 268	60 762 533	68 418 669	
O	40 803 475	45 953 582	53 258 988	64 488 084	61 434 713	66 721 527	
N	42 134 533	48 091 750	53 792 377	64 287 518	59 748 471	68 298 277	
D	43 242 086	48 878 608	54 786 203	62 034 687	61 420 199	67 719 174	

1/ Preliminary.

Table 5 - Percentage change in the value of sales of the manufacturing industry: Total

Month	1999	2000	2001	2002	2003	2004	2005
J	..	+8,7	+18,9	+17,3	+9,6	+1,4	+5,3
F	..	+14,4	+13,2	+18,0	+7,6	+3,5	+3,7
M	..	+17,0	+12,7	+14,7	+4,6	+8,5	+1,6
A	..	+7,1	+16,5	+31,4	-2,8	+4,3	+11,1
M	..	+12,8	+12,4	+24,7	-3,7	+10,8	+4,4
J	..	+17,5	+10,5	+17,5	-0,4	+9,3	+6,9
J	..	+9,3	+13,5	+25,5	-2,0	+9,4	+6,7
A	..	+16,2	+5,3	+28,3	-3,9	+10,2	+8,2
S	..	+12,5	+5,3	+30,1	-5,3	+12,7	
O	..	+11,8	+15,6	+21,0	-4,7	+8,7	
N	..	+13,9	+11,9	+19,2	-7,1	+14,1	
D	..	+13,3	+13,0	+12,5	-1,5	+10,3	
Year	.	+13,0	+12,2	+21,6	-1,2	+8,7	

The percentage change is the change in the sales of the manufacturing industry of the relevant year compared with the sales of the previous year expressed as a percentage.

Table 6 - Sales of manufactured products by manufacturing division (R'000)

Manufacturing divisions	Year	Value of sales						Seasonally adjusted value of sales					
		August		July		August 1/		August		July		August	
		2004		2004		2005		2004		2005		2005	
Food and beverages	150 794 199	12 398 967	12 744 121	12 976 923	12 540 172	12 994 579	13 140 615						
Textiles, clothing, leather and footwear	41 695 164	3 547 758	3 459 751	3 451 667	3 377 267	3 375 640	3 293 346						
Wood and wood products, paper, publishing and printing	70 228 139	5 690 894	6 323 808	6 412 210	5 771 077	6 429 253	6 501 888						
Petroleum, chemical products, rubber and plastic products	156 215 360	13 440 563	14 650 343	14 568 995	13 142 384	14 382 737	14 235 257						
Glass and non-metallic mineral products	22 153 630	1 974 478	2 177 439	2 293 272	1 862 116	2 054 102	2 164 821						
Basic iron and steel, non-ferrous metal products, metal products and machinery	169 868 082	15 007 420	14 027 299	14 753 433	14 519 679	14 113 079	14 296 838						
Electrical machinery	20 602 189	1 837 382	1 863 457	1 834 785	1 760 169	1 787 884	1 746 939						
Radio, television and communication apparatus and professional equipment	11 370 745	844 855	990 353	1 025 171	883 485	1 092 223	1 091 467						
Motor vehicles, parts and accessories and other transport equipment	117 742 616	10 312 475	11 967 108	12 732 715	9 906 191	11 487 620	12 134 368						
Furniture and other manufacturing divisions	35 056 571	2 815 271	3 503 042	3 373 102	2 830 043	3 344 932	3 400 873						
Total	795 726 695	67 870 063	71 706 721	73 422 273	66 592 584	71 062 048	72 006 413						

Table 6 - Sales of manufactured products by manufacturing division (R'000) (concluded)

Manufacturing divisions	Year	Value of sales				Seasonally adjusted value of sales			
		August		August		July		August	
		2004		2005		2005		2005	
				Percentage change between August 2004 and August 2005				Percentage change between July and August 2005	
Food and beverages	150 794 199	12 398 967	12 976 923	+4,7	12 994 579	13 140 615	+1,1		
Textiles, clothing, leather and footwear	41 695 164	3 547 758	3 451 667	-2,7	3 375 640	3 293 346	-2,4		
Wood and wood products, paper, publishing and printing	70 228 139	5 690 894	6 412 210	+12,7	6 429 253	6 501 888	+1,1		
Petroleum, chemical products, rubber and plastic products	156 215 360	13 440 563	14 568 995	+8,4	14 382 737	14 235 257	-1,0		
Glass and non-metallic mineral products	22 153 630	1 974 478	2 293 272	+16,1	2 054 102	2 164 821	+5,4		
Basic iron and steel, non-ferrous metal products, metal products and machinery	169 868 082	15 007 420	14 753 433	-1,7	14 113 079	14 296 838	+1,3		
Electrical machinery	20 602 189	1 837 382	1 834 785	-0,1	1 787 884	1 746 939	-2,3		
Radio, television and communication apparatus and professional equipment	11 370 745	844 855	1 025 171	+21,3	1 092 223	1 091 467	-0,1		
Motor vehicles, parts and accessories and other transport equipment	117 742 616	10 312 475	12 732 715	+23,5	11 487 620	12 134 368	+5,6		
Furniture and other manufacturing divisions	35 056 571	2 815 271	3 373 102	+19,8	3 344 932	3 400 873	+1,7		
Total	795 726 695	67 870 063	73 422 273	+8,2	71 062 048	72 006 413	+1,3		

1/ Preliminary.

Table 7 - Percentage change between the current quarter and the corresponding quarter of the previous year in the physical volume of manufacturing production and sales by manufacturing division

Manufacturing divisions	Weights	Indices (base 2000=100)			Value of sales (R'000)		
		June to August 2004	June to August 2005	Annual percentage change between June to August 2004 and June to August 2005	June to August 2004	June to August 2005	Annual percentage change between June to August 2004 and June to August 2005
Food and beverages	16,4	112,5	120,2	+6,8	36 762 097	38 433 267	+4,5
Textiles, clothing, leather and footwear	5,4	103,6	98,7	-4,7	10 621 135	10 240 792	-3,6
Wood and wood products, paper, publishing and printing	11,0	103,8	109,5	+5,5	17 459 120	19 026 017	+9,0
Petroleum, chemical products, rubber and plastic products	22,5	111,2	115,8	+4,1	39 584 133	42 943 017	+8,5
Glass and non-metallic mineral products	3,9	119,3	128,8	+8,0	5 837 007	6 633 117	+13,6
Basic iron and steel, non-ferrous metal products, metal products and machinery	22,4	118,1	112,8	-4,5	44 030 609	43 764 440	-0,6
Electrical machinery	2,7	103,7	101,7	-1,9	5 419 642	5 620 862	+3,7
Radio, television and communication apparatus and professional equipment	1,3	107,6	119,1	+10,7	2 709 900	3 095 455	+14,2
Motor vehicles, parts and accessories and other transport equipment	8,6	123,7	136,4	+10,3	30 543 227	36 455 799	+19,4
Furniture and other manufacturing divisions	5,8	102,1	109,2	+7,0	8 677 560	10 092 178	+16,3
Total	100,0	112,3	115,8	+3,1	201 644 430	216 304 944	+7,3

Explanatory notes

- | | |
|------------------------------|--|
| Introduction | <p>1 Statistics South Africa (Stats SA) conducts a monthly survey of the manufacturing industry, covering manufacturing enterprises. This statistical release contains the results of a sample drawn from the new business register, with significantly enhanced coverage of South African businesses (see 4 below). The release contains monthly indices of the physical volume of manufacturing production and monthly value of sales of manufactured products by division within manufacturing.</p> <p>2 In accordance with international practice, the indices are re-based every five years to a new base year. The base period of the index is 2000. Both estimated and seasonally adjusted figures are presented.</p> <p>3 As is usual, information for the latest month has had to be estimated for respondents who have not reported by the cut-off date for production of results. These estimates will be revised in future statistical releases when their reported information becomes available.</p> <p>4 As indicated earlier, Stats SA developed a new business register, based on units registered for value-added tax (VAT) and income tax, obtained from the South African Revenue Service (SARS), which replaced the previous business register.</p> |
| Scope of the survey | <p>5 This survey covers manufacturing enterprises, i.e. those conducting activities in -</p> <ul style="list-style-type: none"> • the manufacturing, processing, making or packing of products; • the slaughtering of animals, including poultry; and • installation, assembly, completion, repair and related work. |
| Classification | <p>6 The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities (SIC)</i>, Fifth Edition, Report No. 09-90-02, 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 presented at SIC division (two digit) level. Each enterprise is classified to an industry which reflects its predominant activity.</p> |
| Statistical unit | <p>7 The statistical unit for which information is compiled and published is the enterprise, 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.</p> |
| Weighting methodology | <p>8 For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates are calculated and then aggregated with the completely enumerated stratum to form division estimates. These procedures, which are in line with international best practice, are described in more detail on the Stats SA website at www.statssa.gov.za/publications/publicationsearch.asp.</p> <p>9 For indices, a weight is calculated for every division according to the value added of the division relative to the total value added of the manufacturing industry as a whole, based on the results of the most recent census of manufacturing or large sample of the manufacturing industry. For the period 1996 to 2000 the weights are based on the 1996 Census of Manufacturing and for the period 2001 to 2005 the weights are based on the 2001 large sample survey of the manufacturing industry. Weights between census years are fixed. The production indices of all divisions are multiplied by the applicable weights and aggregated to produce the index for the total physical volume of manufacturing production (see table E for the fixed weights which were used for the two periods 1996 to 2000 and 2001 to 2005).</p> |

Survey methodology and design	<p>10 The survey is conducted monthly. Questionnaires are sent to a sample of approximately 3 000 enterprises. Completed questionnaires are required to be returned to Stats SA within 10 days after the end of the reference month. Fax and telephone reminders are used to follow up non-respondents.</p> <p>11 The value of sales of manufactured products is obtained monthly from the sample of 2 994 enterprises, which was drawn in September 2004 from a population then of 41 009 manufacturing enterprises. Each manufacturing division is divided into four size groups. The sample is drawn at the SIC three-digit level. All large enterprises (size group one), are completely enumerated. Simple random sampling is applied for size group two (medium sized) enterprises, and for size groups three and four (small) enterprises. The total value of sales of manufactured products of large enterprises (size group one) in a division is added to the weighted totals of size groups two, three and four of that division to reflect the total value of sales of the division.</p> <p>12 The calculation of the monthly production indices is based on the value of sales of products and articles manufactured, after the effect of price changes has been eliminated through deflation using appropriate indices of the Production Price Index (PPI). For six of the ten SIC divisions in manufacturing, the value of production is calculated from the value of sales and stocks of manufactured products obtained from the monthly survey of manufacturing enterprises.</p> <p>13 More direct indicators are used for the production of tobacco, coke and refined petroleum products, basic iron and steel products, basic precious and non-ferrous metal products, motor vehicles, bodies for motor vehicles and parts and accessories for motor vehicles. The volume indices for these major groups are calculated on the basis of physical quantities. This method is used by the national statistical agencies of many other countries for petroleum products as the results are considered more satisfactory (mainly because these commodities are relatively homogeneous).</p>
Seasonal adjustment	<p>14 Seasonally adjusted estimates of all divisions are generated each month, using the X-11 Seasonal Adjustment Program developed by the US Bureau of the Census, 1968. Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences on the series can be more clearly recognised. Seasonal adjustment does not aim to remove irregular or non-seasonal influences which may be present in any particular month. Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variations. Therefore the month-to-month movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour.</p>
Trend cycle	<p>15 The trend is the long-term pattern or movement of a time series. The X-11 Seasonal Adjustment Program is used for smoothing seasonally adjusted estimates to estimates of the underlying trend cycle.</p>
Reliability of estimates	<p>16 Data presented in this publication are based on information obtained from a sample and are, therefore, subject to sampling variability; that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the manufacturing industry in South Africa. Estimates are subject to sampling and non-sampling errors.</p> <p>17 Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in 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 careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Fluctuations may occur in consecutive months as a result of seasonal and economic factors.</p>
Revised figures	<p>18 Revised figures are due to late submission of data to Stats SA, or to respondents reporting revisions or corrections to their figures. Preliminary figures are</p>

Glossary

Enterprise	The enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
Index of physical volume of manufacturing production	The index of physical volume of manufacturing production, also known as a production index, is a statistical measure of the change in the volume of production. The production index of a division is the ratio between the volume of production of a division in a given period and the volume of production of the same division in the base period. The base period is 2000. The production in the base period is set at 100.
Industry	An industry is made up of enterprises engaged in the same or similar kinds of economic activity. Industries are defined in the <i>System of National Accounts (SNA)</i> in the same way as in the <i>Standard Industrial Classification of all Economic Activities, Fifth Edition, Report No. 09-90-02 of January 1993 (SIC)</i> .
Intermediate consumption	Intermediate consumption includes - <ul style="list-style-type: none">• purchases and transfers-in of materials;• payments to other establishments for work done;• other direct factory costs;• rent and leasing paid;• head office charges;• royalties, copyright, trade names and patent rights paid;• advertising;• insurance premiums;• services; and• secretarial and administrative fees.
Output	Output is the aggregate value of goods manufactured and work done and includes - <ul style="list-style-type: none">• sales and transfers-out of own manufactures, factory waste and stocks of factored goods;• repairs;• installation, erection and assembly;• sundry trading revenue;• sales of factored goods minus purchases of factored goods;• rent and leasing received;• royalties received;• difference between opening value and closing value of work in progress, stocks of own manufactures and stocks of factored goods;• head office charges; and• other revenue. Output excludes excise and customs duty paid.
Value added	Value added is the value of output less intermediate consumption. It represents the value added to the cost of the materials used in the process of production.
Sales	Sales are the total value of sales and transfers-out of all own manufactured products/articles and the amounts received for installation, erection or assembly or other services rendered.
Statistical unit	A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.

For the purpose of this publication, the statistical unit in the monthly manufacturing: production and sales survey is the enterprise.

Turnover

Turnover refers to -

- the value of sales and transfers out of all own manufactured products/articles;
- amounts received for work done; and
- amounts received for services rendered.

Turnover excludes -

- value-added tax (VAT);
- export freight charges; and
- excise duty.

Weight

The weight of a division of manufacturing in the overall index for manufacturing is the ratio of the value added of the division (i.e. output of a division minus intermediate consumption) to the total value added of the manufacturing industry. The weight reflects the importance of the division in the total. The ratios change over time due to changes in the relative performance of industries, due to factors such as quality changes, changes in relative prices, and changes in customer preferences. New weights need to be calculated from time to time.

Table E – Weights according to manufacturing divisions

Manufacturing divisions	Weights according to the 1996 census of manufacturing 1996 - 2000	Weights according to the 2001 large sample survey of the manufacturing industry 2001 - 2005
Food and beverages	15,3	16,4
Textiles, clothing, leather and footwear	7,8	5,4
Wood and wood products, paper, publishing and printing	11,4	11,0
Petroleum, chemical products, rubber and plastic products	19,3	22,5
Glass and non-metallic mineral products	4,5	3,9
Basic iron and steel, non-ferrous metal products, metal products and machinery	23,6	22,4
Electrical machinery	3,4	2,7
Radio, television and communication apparatus, professional equipment	1,5	1,3
Motor vehicles, parts and accessories and other transport equipment	9,1	8,6
Furniture and other manufacturing divisions	4,1	5,8
Total	100,0	100,0

General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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