

P3041.2

Manufacturing: Production and sales

January 1998

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MANUFACTURING PRODUCTION SLIGHTLY HIGHER THAN A YEAR AGO

Manufacturing production for January 1998 shows a slight increase of 0,9% compared with January 1997. Production for the three months up to January 1998 shows a marginal increase of 0,1% after seasonal adjustment compared with the previous three months.

Noticeably higher production figures for the three months up to January 1998 were reported by the paper and paper products, basic iron and steel products and the machinery industries. The contribution of these three divisions to the increase in total manufacturing production was 0,31, 0,62 and 0,42 of a percentage point respectively. These increases were counteracted by the negative contributions of the motor vehicle industry (-0,89 of a percentage point), the other chemical products industry (-0,30 of a percentage point) and the metal products industry (-0,34 of a percentage point).

Total sales of manufactured products increased by 1,3% in the latest three months up to January 1998 after seasonal adjustment compared with the previous three months. The increased sales of food products (+R510 million), petroleum products (+R304 million), basic iron and steel products (+R366 million), machinery (+R193 million) and other manufactured products (+R197 million) were to a large extent counteracted by a decrease in the sales of locally manufactured motor vehicles, parts and accessories (-R258 million).

Increased levels of unfilled orders for January 1998 compared with January 1997 were reported by the paper (+R16 million), basic iron and steel products (+R110 million), basic non-ferrous metal products (+R56 million) and metal products industries (+R249 million). Furthermore, the motor vehicle industry reported an increase of R96 million.

NOTES

1. This statistical release shows the indices of the physical volume of manufacturing production and the value of sales and unfilled orders, **after benchmarking**, according to manufacturing divisions. Furthermore, in accordance with international practice, the indices were recalculated on the basis of 1995=100. Both actual and seasonally adjusted figures are shown. **The former TBVC states are included.**

2. New weights for production indices

An updated weighting system for the production indices is being used (see table 2). The weighting factors for the combining of the production indices for the manufacturing divisions to calculate the total manufacturing index were calculated on the basis of the net output data obtained from the 1993 Manufacturing Census.

In order to improve timeliness, some information for the current month may have been estimated due to late response. These estimates will be revised in the next issue(s) as soon as better information is available.

3. Standard Industrial Classification

The industrial classification of this statistical release is based on the **Standard Industrial Classification of all Economic Activities (SIC)**, Fifth edition 1993. The manufacturing division classification of this edition differs in some cases from the manufacturing major group classification of the fourth edition that was used for this statistical release up to July 1997. The above-mentioned classification is obtainable from the CSS, free of charge.

Although the implementation of the new SIC had a minimal effect on the production and sales of most groups, two reclassifications of subgroups need to be mentioned, viz.

Metal furniture which was previously included in the major group Metal Products, is included in the division Furniture and

Knitted and crocheted fabrics and articles which was previously included in the major group Textiles is included in the division Wearing Apparel.

4. The calculation of the monthly production indices is based on the value of products and articles manufactured, after the effect of price changes has been eliminated through deflation by using appropriate sub-indices of the Production Price Index (PPI). The value of the manufactured products is obtained from a monthly sample survey of manufacturing establishments in the private and public sectors.

5. **The results of the 1991 and 1993 Manufacturing Censuses were used to adjust the level of the indices and the value of sales.** This process is known as benchmarking. The total value of gross output of the manufacturing major groups (which represents the total value of work done by the establishments in these groups) as obtained from the respective manufacturing censuses, was deflated with appropriate subindices of the Production Price Index in order to calculate the real gross output. The latter served as benchmarks to verify or adjust the level of the monthly volume indices. The level adjustments were done on the volume indices for January of the relevant census year (e.g. the 1993 census year covers the period 1 July 1992 to 30 June 1993 and therefore the benchmarking was done using the index of January 1993 as reference point).

6. The 1988 Manufacturing Census provided the framework for the selection of a revised sample implemented as from January 1995. A stratified systematic sample design based on gross output was used. Establishments which commenced operations after the census have also been taken into account.

7. Businesses in the former TBVC states are included in the survey as from January 1995. The 1991 and 1993 manufacturing censuses as well as this sample survey (before 1995) did not include information of the former TBVC states. Published and unpublished information was obtained from statistical offices of the former TBVC states and has been incorporated in the information before January 1995 to ensure a comparable time series. The sample data before January 1995 do not reflect the influence of the cyclic movement of the establishments in the former TBVC states.

8. Production indices for the various manufacturing subgroups, that were previously published in the **Bulletin of Statistics**, were discontinued as from January 1993. The production indices on a subgroup basis can be obtained through approximation by deflating the value of sales according to manufacturing subgroups (as published in Chapter 6 of the Bulletin of Statistics) by the production price indices for the relevant manufacturing subgroups (statistical release P0142.1, entitled **Production Price Index**).

9. More comprehensive detail on the method of calculation and historical data in respect of the production indices according to manufacturing major groups and the value of sales for the period January 1990 to August 1997 was published in statistical releases P3041.3 (entitled **Manufacturing statistics: Indices of the physical volume of manufacturing production, Base: 1995=100, January 1990 to August 1997**) on 12 November 1997 and P3041.4 (entitled **Manufacturing statistics: Value of sales, January 1990 to July 1997**) on 6 November 1997.

SUMMARY - TOTAL MANUFACTURING

Period	Production indices		Sales		Percentage change of:	
	1995 = 100		R mill.		Production indices	Sales
	Actual					
Nov. 1997 - Jan. 1998		97,1		86 395,9	+1,0	+4,1
Nov. 1996 - Jan. 1997		96,1		82 981,2		
Seasonally adjusted						
Nov. 1997 - Jan. 1998		103,5		92 021,0	+0,1	+1,3
Aug. 1997 - Oct. 1997		103,4		90 827,2		

TABLE 1

TABLE 1 - INDICES OF THE PHYSICAL VOLUME OF MANUFACTURING PRODUCTION - TOTAL
HISTORICAL TABLE
BASE 1995 = 100

Month	1992	1993	1994	1995	1996	1997*	1998
ACTUAL INDICES							
J	77,2	75,7	75,1	80,4	83,9	90,1	90,9 1/
F	92,3	90,8	88,8	97,0	96,6	101,9	
M	95,9	98,3	98,9	103,3	102,0	102,1	
A	87,0	84,2	86,5	90,6	95,5	104,6	
M	89,7	87,8	86,1	101,9	102,7	105,1	
J	90,0	93,1	93,5	101,1	101,4	104,3	
J	92,2	92,3	95,6	102,8	103,2	107,1	
A	86,5	94,4	95,7	104,8	105,5	106,2	
S	94,0	96,4	103,4	107,5	104,3	107,4	
O	100,5	100,7	105,4	112,1	114,4	117,4	
N	100,7	103,3	109,3	111,7	113,7	112,3	
D	81,4	83,3	85,3	86,8	84,4	88,0	
YEAR	90,6	91,7	93,6	100,0	100,6	103,9	
SEASONALLY ADJUSTED INDICES							
J	92,3	90,9	90,2	96,2	99,7	106,3	106,9
F	93,2	92,0	90,3	99,1	99,2	104,8	
M	91,6	94,1	95,0	99,5	98,7	99,0	
A	92,4	89,5	92,0	96,2	101,3	110,8	
M	91,7	89,2	86,9	102,1	102,4	104,4	
J	89,0	92,4	92,9	100,5	100,9	104,0	
J	91,4	91,1	93,9	100,7	101,0	104,7	
A	83,5	91,4	92,8	101,7	102,3	102,9	
S	89,3	91,5	98,1	102,2	99,3	102,4	
O	91,2	91,2	95,0	100,6	102,3	104,8	
N	89,7	92,2	97,9	100,3	102,5	101,5	
D	92,5	94,8	97,6	99,8	97,6	102,1	

* Revised

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TABLE 2

TABLE 2 - INDICES OF THE PHYSICAL VOLUME OF MANUFACTURING PRODUCTION - DIVISIONS

BASE 1995 = 100

Manufacturing Divisions	Weights	Year 1997 *	Actual indices			Seasonally adjusted indices		
			January	December	January	January	December	January
			1/ 1998	1997		1998	1997	
TOTAL	100,0	103,9	90,9	88,0	90,1	106,9	102,1	106,3
Food and food products	13,6	106,3	96,8	104,9	90,2	113,2	109,6	105,9
Beverages	5,2	104,4	107,1	136,0	100,9	109,2	102,1	103,3
Textiles	3,3	101,5	71,4	67,3	77,1	102,0	100,6	110,3
Wearing apparel	3,7	94,1	67,1	68,0	63,0	105,5	102,4	99,6
Tanning and dressing of leather	0,4	103,0	90,9	59,8	81,3	120,8	88,7	108,7
Footwear	1,1	83,9	52,5	60,8	44,9	94,3	95,6	81,0
Wood and products of wood	1,8	111,3	81,9	87,7	87,7	108,5	106,4	117,0
Paper and paper products	4,9	92,0	91,6	89,9	90,2	98,7	97,0	97,7
Publishing and printing	3,9	99,5	91,5	88,2	87,1	100,5	99,9	96,1
Coke and refined petroleum products	6,0	105,3	110,1	103,1	117,7	101,9	103,3	109,0
Basic chemicals	4,4	108,1	100,0	101,3	103,7	105,7	108,8	110,6
Other chemical products	7,0	107,9	91,8	84,1	95,7	107,6	97,1	112,8
Rubber products	1,5	98,1	74,7	68,4	71,6	102,2	90,6	98,9
Plastic products	2,9	91,8	75,2	62,3	74,6	97,3	87,7	96,5
Glass and glass products	0,9	97,5	74,9	81,7	79,7	89,1	91,4	93,9
Other non-metallic mineral products	3,3	98,3	82,7	71,2	80,5	99,8	101,6	97,1
Basic iron and steel products	5,8	101,1	96,4	94,2	97,0	103,4	101,1	104,3
Basic precious and non-ferrous metal products	1,9	143,5	146,0	139,4	156,6	151,3	156,2	162,8
Fabricated metal products	6,6	109,9	89,4	77,4	90,7	108,7	102,7	110,0
General and special purpose machinery and apparatus	6,1	110,3	89,4	97,0	83,7	114,6	121,2	107,1
Electrical machinery and apparatus	3,2	100,8	83,0	75,6	75,4	108,2	103,0	98,5
Radio, television and communication apparatus	1,2	102,1	88,5	89,6	89,2	114,5	119,2	116,3
Professional equipment	0,5	95,3	76,2	80,1	76,9	93,6	104,7	94,2
Motor vehicles, trailers parts and accessories	6,5	93,6	73,9	39,3	83,2	92,6	61,0	105,0
Other transport equipment	1,0	127,2	122,3	106,3	136,4	129,0	126,8	143,4
Furniture	1,8	108,8	84,7	72,5	55,7	153,6	97,0	100,7
Other manufacturing industries	1,5	119,0	88,8	82,0	85,2	119,5	113,8	116,0

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TABLE 3

TABLE 3 - VALUE OF SALES - MANUFACTURING - TOTAL
 HISTORICAL TABLE
 R1 000

Month	1992	1993	1994	1995	1996	1997*	1998
ACTUAL VALUES							
J	14 467 037	15 266 173	16 169 989	18 939 693	21 416 829	24 877 017	26 195 700 1/
F	17 510 739	18 609 956	19 656 081	24 029 003	25 710 681	29 232 801	
M	18 805 877	20 434 463	21 847 702	26 256 366	27 639 783	29 292 328	
A	16 763 639	17 572 052	18 978 165	22 525 020	25 705 818	29 785 213	
M	17 522 847	18 319 979	19 527 269	25 302 470	27 686 140	30 006 416	
J	17 807 581	19 559 198	21 839 174	25 722 122	27 642 844	29 898 301	
J	18 492 184	19 540 911	22 018 314	25 181 192	27 742 223	30 472 865	
A	17 278 219	20 333 383	21 700 239	26 595 046	28 926 216	30 733 937	
S	18 982 133	20 731 470	23 634 447	27 214 146	28 941 766	30 581 542	
O	20 485 866	21 503 872	24 884 237	28 775 075	32 316 524	35 067 759	
N	20 479 731	22 033 110	25 875 369	29 255 420	32 274 173	32 795 868	
D	16 508 727	17 800 395	20 422 869	23 589 466	25 830 019	27 404 321	
YEAR	215 104 580	231 704 962	256 553 855	303 385 019	331 833 016	360 148 368	
SEASONALLY ADJUSTED VALUES							
J	17 571 929	18 666 520	19 832 836	23 229 300	26 145 554	30 223 594	31 745 987
F	17 717 263	18 865 176	19 947 069	24 443 891	26 215 658	29 816 006	
M	17 642 779	19 162 240	20 480 249	24 648 105	26 022 899	27 635 335	
A	17 931 804	18 848 259	20 386 713	24 172 990	27 583 884	31 926 102	
M	17 831 042	18 573 884	19 695 212	25 376 806	27 649 562	29 873 009	
J	17 608 612	19 340 218	21 598 956	25 442 907	27 371 320	29 642 340	
J	18 389 761	19 425 687	21 885 951	25 032 393	27 590 803	30 338 379	
A	16 599 160	19 595 634	20 964 128	25 737 469	28 025 149	29 796 533	
S	18 024 022	19 702 589	22 529 563	26 086 719	27 868 783	29 533 837	
O	18 618 614	19 484 029	22 486 701	25 916 868	29 068 199	31 496 810	
N	18 362 643	19 745 197	23 185 059	26 167 022	28 866 395	29 349 442	
D	18 652 302	20 100 443	23 033 691	26 602 181	29 136 385	30 925 549	

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TABLE 4

TABLE 4 - VALUE OF SALES - MANUFACTURING DIVISIONS

R1 000

Manufacturing Divisions	Year 1997	Actual values			Seasonally adjusted values		
		January 1/	December	January	January	December	January
		*	1998	1997	1998	1997	1997
TOTAL	360 148 368	26 195 700	27 404 321	24 877 017	31 745 987	30 925 549	30 223 594
Food and food products	54 329 387	4 488 206	4 561 727	3 896 024	5 173 951	4 456 415	4 498 280
Beverages	18 235 329	1 596 874	2 198 737	1 346 359	1 670 221	1 575 226	1 411 106
Textiles	10 064 254	580 985	553 257	571 304	828 524	826 123	816 047
Wearing apparel	8 414 526	475 868	572 890	381 959	820 554	766 786	660 046
Tanning and dressing of leather	1 826 328	117 165	95 872	112 870	161 409	140 515	155 951
Footwear	2 323 575	154 176	163 264	157 591	188 314	193 213	190 067
Wood and products of wood	6 082 686	402 013	396 083	388 434	559 731	522 874	541 629
Paper and paper products	17 365 406	1 186 088	1 446 918	1 354 954	1 313 749	1 513 529	1 498 340
Publishing and printing	10 280 351	794 539	789 550	726 836	891 718	879 044	817 856
Coke and refined petroleum products	20 419 821	1 744 775	1 626 012	1 852 719	1 800 381	1 633 748	1 915 302
Basic chemicals	16 968 736	1 195 913	1 355 970	1 180 140	1 448 318	1 472 043	1 431 228
Other chemical products	21 383 191	1 581 805	1 620 859	1 461 672	1 902 590	1 824 007	1 762 407
Rubber products	4 240 076	290 625	315 178	263 487	395 942	358 725	360 788
Plastic products	9 251 160	625 606	610 783	611 123	807 745	779 314	789 084
Glass and glass products							
Other non-metallic mineral products	9 142 342	634 205	597 725	590 747	800 850	824 154	744 113
Basic iron and steel products	24 663 273	1 855 659	2 039 786	1 741 650	2 030 811	2 249 671	1 897 339
Basic precious and non-ferrous metal products	12 001 786	967 540	1 002 589	917 980	1 045 145	1 083 171	993 223
Fabricated metal products	22 219 713	1 493 286	1 580 270	1 406 216	1 912 717	1 936 657	1 789 078
General and special purpose machinery and apparatus	19 735 286	1 357 511	1 580 611	1 274 795	1 775 045	1 836 952	1 663 133
Electrical machinery and apparatus	10 835 443	701 757	761 449	629 065	968 827	985 584	863 858
Radio, television and communication apparatus	3 385 252	238 939	242 437	211 758	332 239	318 350	295 457
Professional equipment	1 159 640	84 452	89 043	77 901	108 560	108 057	99 879
Motor vehicles, trailers parts and accessories	33 610 575	2 217 807	1 670 353	2 431 840	2 793 456	2 474 798	3 089 807
Other transport equipment	2 130 752	117 953	120 313	114 432	153 624	137 415	148 264
Furniture	5 557 126	331 808	278 114	262 890	572 242	342 410	454 553
Other manufacturing industries	10 407 875	762 812	907 093	709 771	900 636	1 007 931	849 053

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TABLE 5

TABLE 5 - VALUE OF UNFILLED ORDERS - SELECTED SUBGROUPS

R1 000

Selected Manufacturing Subgroups	Actual values			Seasonally adjusted values		
	January	December	January	January	December	January
	1998	1997		1998	1997	
Spinning, weaving and finishing of textiles	224 350	241 645	270 494	234 670	249 603	283 723
Tents, tarpaulins, sails and other canvas goods and automotive textile goods	8 066	10 414	10 664	7 840	10 591	10 366
Other textile articles	70 274	68 794	77 314	75 221	81 165	82 661
Knitted and crocheted fabrics and articles	144 293	148 269	164 196	150 897	149 983	171 146
Wearing apparel	908 504	926 967	933 809	960 603	1 016 056	984 949
Sawmilling and preserving of timber	22 897	18 909	31 395	20 239	23 214	27 629
Veneer sheets, plywood, laminboard, etc.	28 200	11 772	37 424	28 282	13 987	37 414
Builders' carpentry and joinery	33 528	25 447	36 316	32 977	31 038	35 525
Pulp, paper and paperboard	216 334	246 505	200 226	244 489	266 775	225 721
Corrugated paper and paperboard and containers	303 068	307 859	324 603	304 466	299 306	326 061
Paints, varnishes and coatings	18 506	10 062	29 377	19 957	11 370	31 780
Basic iron and steel products	3 307 334	3 328 725	3 197 699	3 320 255	3 346 329	3 207 805
Steel pipe and tube mills	215 806	192 416	444 930	202 281	182 495	416 478
Basic precious and non-ferrous metal products	1 166 842	1 223 389	1 110 673	1 216 117	1 261 467	1 151 371
Metal structures, parts	1 553 020	1 569 021	1 428 290	1 581 940	1 566 788	1 453 063
Cutlery, hand tools and general hardware	25 394	25 440	32 835	26 152	29 726	33 684
Metal containers, e.g. cans and tins	57 817	55 669	69 648	56 620	52 329	67 861
Cables, wire products, springs	67 088	73 507	72 027	80 420	84 740	86 254
Metal fasteners	49 897	47 629	72 784	50 632	54 851	73 340
All other metal products	961 621	741 913	790 573	1 050 608	882 651	864 960
Domestic appliances	35 350	41 695	25 150	38 592	42 887	27 300
Electric motors, generators and transformers	191 870	187 617	213 004	201 923	181 364	223 660
Insulated wire and cables	213 693	218 949	228 494	222 720	241 103	238 334
Accumulators, primary cells and primary batteries	16 103	13 691	14 839	14 679	13 227	13 302
Television, radio and communication apparatus	944 830	1 027 451	696 008	1 062 681	1 067 182	778 660
Motor vehicles	1 314 750	980 151	1 219 066	1 379 505	1 246 461	1 273 060
Parts and accessories for motor vehicles	332 996	307 591	329 256	336 470	309 416	332 876
Furniture	265 556	202 469	276 707	292 810	238 374	304 070

* Revised