

Manufacturing: Production and sales

June 2005

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

| Estimates | June 2005 | % change between June 2004 and June 2005 | % change between April to June 2004 and April to June 2005 | % change between January to June 2004 and January to June 2005 |
|--|------------------|---|---|---|
| Physical volume of manufacturing production index (2000=100) | 113,0 | +2,3 | +3,9 | +3,0 |
| Total value of sales of manufactured products (R million) | 70 950 | +6,6 | +7,3 | +5,4 |

| Seasonally adjusted estimates | June 2005 | % change between May and June 2005 | % change between January to March 2005 and April to June 2005 |
|--|------------------|---|--|
| Physical volume of manufacturing production index (2000=100) | 113,0 | +0,7 | +3,2 |
| Total value of sales of manufactured products (R million) | 70 607 | +1,8 | +4,8 |

Key findings regarding manufacturing production and sales for June 2005

Manufacturing production increases

The estimated manufacturing production for the second quarter of 2005 increased by 3,2%, after seasonal adjustment, compared with the first quarter of 2005. Higher production was reported by eight of the ten manufacturing divisions. The seasonally adjusted difference between the first and the second quarter of 2005 should be used with caution. Lower production was reported in March 2005 and increased production in April 2005 due to a longer working month after the public holidays in March 2005.

The major contributor to the seasonally adjusted increase of 3,2% in total manufacturing production for second quarter of 2005 compared with the first quarter of 2005 was the petroleum, chemical products, rubber and plastic products division (contributing +1,4 percentage point to the increase in total manufacturing production), followed by the food and beverages division (contributing +0,6 of a percentage point), the wood and wood products, paper, publishing and printing (contributing +0,4 of a percentage point), the basic iron and steel, non-ferrous metal products, metal products and machinery division (contributing +0,4 of a percentage point), the glass and non-metallic mineral products division (contributing +0,2 of a percentage point), the radio, television and communication apparatus and professional equipment (contributing +0,2 of a percentage point) and the motor vehicles, parts and accessories and other transport equipment 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 June 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

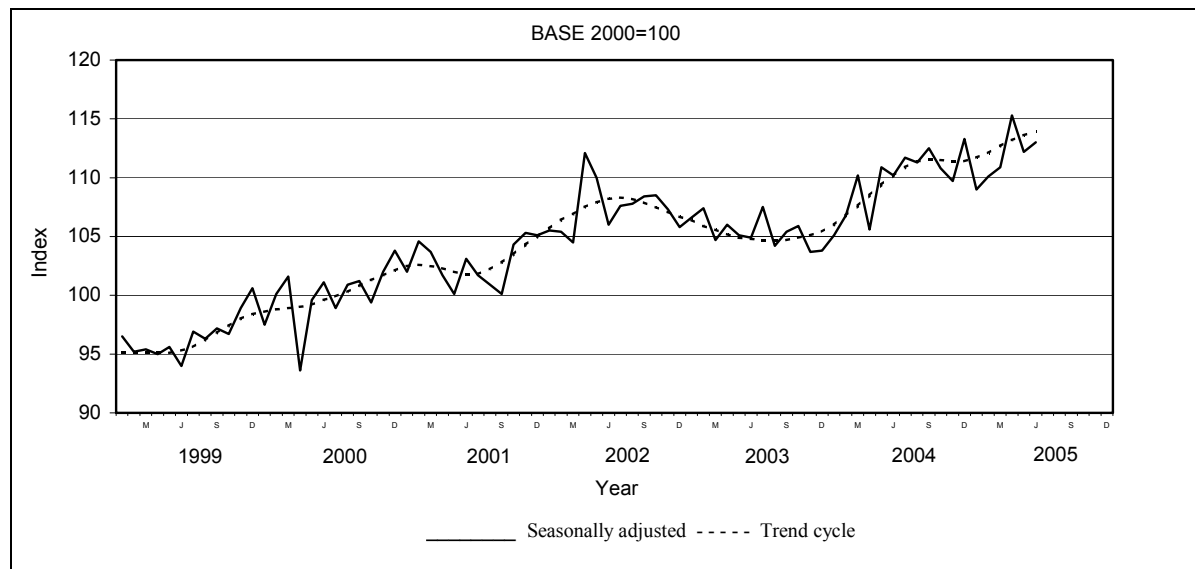


Table B - Contribution of manufacturing divisions to total manufacturing production (Base 2000=100)

| 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 January to March 2005 | Average seasonally adjusted production index for April to June 2005 | Quarterly percentage change of April to June 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 | 114,3 | 118,3 | +3,5 | +0,6 |
| Textiles, clothing, leather and footwear | 5,4 | 100,3 | 100,3 | 0,0 | 0,0 |
| Wood and wood products, paper, publishing and printing | 11,0 | 104,5 | 107,8 | +3,2 | +0,4 |
| Petroleum, chemical products, rubber and plastic products | 22,5 | 107,7 | 114,6 | +6,4 | +1,4 |
| Glass and non-metallic mineral products | 3,9 | 112,7 | 119,9 | +6,4 | +0,2 |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 22,4 | 112,9 | 114,9 | +1,8 | +0,4 |
| Electrical machinery | 2,7 | 95,7 | 96,3 | +0,6 | +0,0 |
| Radio, television and communication apparatus and professional equipment | 1,3 | 100,1 | 112,4 | +12,3 | +0,2 |
| Motor vehicles, parts and accessories and other transport equipment | 8,6 | 120,3 | 123,5 | +2,7 | +0,2 |
| Furniture and other manufacturing divisions | 5,8 | 106,6 | 102,3 | -4,0 | -0,2 |
| Total | 100,0 | 110,0 | 113,5 | +3,2 | +3,2 |

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 second quarter of 2005 increased by 4,8% (+R9 677 million), after seasonal adjustment, compared with the first quarter of 2005. Higher manufacturing sales were reported by nine of the ten manufacturing divisions during this period (see table C). The value of sales of manufactured products at current prices for the second quarter of 2005 was 7,3% higher than for the second quarter of 2004 (see table D).

The seasonally adjusted increase of 4,8% in the total value of sales of manufactured products at current prices for the second quarter of 2005 compared with the first quarter of 2005 was mainly due to increases reported for motor vehicles, parts and accessories and other transport equipment (+9,3% or +R2 808 million), petroleum, chemical products, rubber and plastic products (+8,3% or +R3 203 million), glass and non-metallic mineral products (+8,3% or +R465 million), wood and wood products, paper, publishing and printing (+4,1% or +R725 million), food and beverages (+3,7% or +R1 376 million) and basic iron and steel, non-ferrous metal products, metal products and machinery (+1,1% or +R485 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 January to March 2005 | Seasonally adjusted sales April to June 2005 | Percentage change between January to March 2005 and April to June 2005 | Difference in seasonally adjusted sales of manufacturing divisions between January to March 2005 and April to June 2005 |
|--|---|--|--|---|
| | R'000 | R'000 | | R'000 |
| Food and beverages | 37 639 289 | 39 015 295 | +3,7 | 1 376 006 |
| Textiles, clothing, leather and footwear | 10 448 056 | 10 326 791 | -1,2 | -121 265 |
| Wood and wood products, paper, publishing and printing | 17 744 433 | 18 469 525 | +4,1 | 725 092 |
| Petroleum, chemical products, rubber and plastic products | 38 438 045 | 41 641 041 | +8,3 | 3 202 996 |
| Glass and non-metallic mineral products | 5 628 019 | 6 092 628 | +8,3 | 464 609 |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 43 820 468 | 44 305 378 | +1,1 | 484 910 |
| Electrical machinery | 5 103 808 | 5 267 984 | +3,2 | 164 176 |
| Radio, television and communication apparatus and professional equipment | 2 651 792 | 2 863 058 | +8,0 | 211 266 |
| Motor vehicles, parts and accessories and other transport equipment | 30 288 587 | 33 096 205 | +9,3 | 2 807 618 |
| Furniture and other manufacturing divisions | 9 315 841 | 9 677 350 | +3,9 | 361 509 |
| Total | 201 078 335 | 210 755 251 | +4,8 | 9 676 916 |

The major contributors to the increase of 7,3% in sales of manufactured products at current prices for the second quarter of 2005 compared with the second quarter of 2004 were the motor vehicles, parts and accessories and other transport equipment (+2,3 percentage points or +R4 575 million), petroleum chemical products, rubber and plastic products (+1,4 percentage points or +R2 781 million), basic iron and steel, non-ferrous metal products, metal products and machinery (+1,1 percentage points or +R2 219 million), food and beverages (+0,9 of a percentage point or +R1 750 million), furniture and 'other' manufacturing (+0,6 of a percentage point or +R1 192 million) and glass and non-metallic mineral products (+0,3 of a percentage point or +R656 million) (see table D).

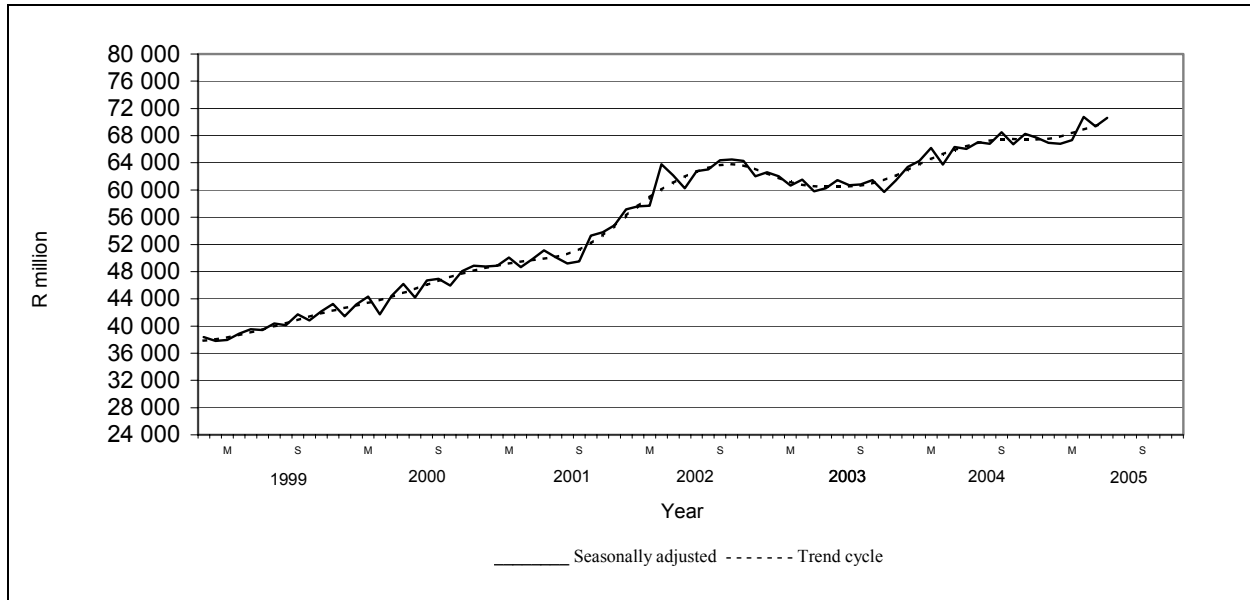
Table D - Contribution of the manufacturing divisions to total value of sales of manufactured products

| Manufacturing divisions | Percentage contribution of sales of manufactured products April to June 2004 | Percentage change between April to June 2004 and April to June 2005 | Contribution (percentage points) to the change in the total value of manufactured products 1/ | Difference in sales of manufacturing divisions between April to June 2004 and April to June 2005 |
|--|--|---|---|--|
| | | | | R'000 |
| Food and beverages | 18,6 | +4,8 | +0,9 | 1 750 250 |
| Textiles, clothing, leather and footwear | 5,3 | -0,8 | -0,0 | -78 626 |
| Wood and wood products, paper, publishing and printing | 9,0 | +5,5 | +0,5 | 961 496 |
| Petroleum, chemical products, rubber and plastic products | 19,7 | +7,2 | +1,4 | 2 781 171 |
| Glass and non-metallic mineral products | 2,8 | +12,0 | +0,3 | 656 407 |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 21,5 | +5,3 | +1,1 | 2 219 341 |
| Electrical machinery | 2,6 | +3,4 | +0,1 | 172 172 |
| Radio, television and communication apparatus and professional equipment | 1,5 | -4,0 | -0,1 | -118 011 |
| Motor vehicles, parts and accessories and other transport equipment | 14,5 | +16,2 | +2,3 | 4 574 530 |
| Furniture and other manufacturing divisions | 4,3 | +14,3 | +0,6 | 1 191 746 |
| Total | 100,0 | +7,3 | +7,3 | 14 110 476 |

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 June 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 |
|---|--|------------------------------|
| | July 2005 | 8 September 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/ 112,8 |
| J | 94,8 | 102,1 | 104,0 | 106,7 | 105,3 | 110,5 | 1/ 113,0 |
| J | 98,3 | 100,1 | 102,8 | 108,8 | 108,7 | 112,9 | |
| A | 97,7 | 102,5 | 102,3 | 109,8 | 106,4 | 113,6 | |
| 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 | 95,5 | 97,0 | 102,4 | 105,5 | 106,6 | 105,1 | 109,0 |
| F | 94,6 | 99,8 | 105,0 | 105,8 | 107,4 | 106,7 | 110,1 |
| M | 94,4 | 100,9 | 103,7 | 104,5 | 104,7 | 110,1 | 110,9 |
| A | 96,6 | 94,7 | 101,4 | 111,6 | 106,1 | 105,7 | 115,3 |
| M | 96,4 | 100,0 | 100,1 | 110,1 | 105,1 | 110,9 | 112,2 |
| J | 94,0 | 101,2 | 103,1 | 106,1 | 104,8 | 110,2 | 113,0 |
| J | 97,3 | 99,1 | 101,7 | 107,6 | 107,5 | 111,7 | |
| A | 96,9 | 101,2 | 100,9 | 107,8 | 104,2 | 111,3 | |
| S | 97,2 | 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 | 103,7 | 109,7 | |
| D | 99,5 | 103,0 | 105,1 | 105,6 | 103,8 | 113,3 | |

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 | +1,2 |
| J | . | +7,7 | +1,9 | +2,6 | -1,3 | +4,9 | +2,3 |
| J | . | +1,8 | +2,7 | +5,8 | -0,1 | +3,9 | |
| A | . | +4,9 | -0,2 | +7,3 | -3,1 | +6,8 | |
| 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 | | |
|--|--------------|--------------|--------------------|--------------|--------------|-----------------------------|--------------|--------------|
| | | | June 2004 | May 2005 | June 1/2005 | June 2004 | May 2005 | June 2005 |
| | | | Food and beverages | 16,4 | 111,8 | 110,7 | 113,8 | 119,0 |
| Textiles, clothing, leather and footwear | 5,4 | 100,4 | 100,2 | 98,2 | 97,9 | 102,5 | 96,8 | 100,6 |
| Wood and wood products, paper, publishing and printing | 11,0 | 104,0 | 108,0 | 108,9 | 108,2 | 104,9 | 107,6 | 105,1 |
| Petroleum, chemical products, rubber and plastic products | 22,5 | 110,7 | 110,3 | 114,7 | 112,6 | 111,9 | 114,7 | 114,3 |
| Glass and non-metallic mineral products | 3,9 | 113,1 | 116,5 | 120,2 | 125,1 | 111,3 | 119,1 | 119,7 |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 22,4 | 113,9 | 116,3 | 115,5 | 111,8 | 115,1 | 115,5 | 111,3 |
| Electrical machinery | 2,7 | 98,6 | 99,8 | 98,2 | 97,0 | 97,0 | 96,4 | 94,6 |
| Radio, television and communication apparatus and professional equipment | 1,3 | 111,3 | 112,3 | 108,8 | 120,0 | 111,0 | 114,7 | 118,7 |
| Motor vehicles, parts and accessories and other transport equipment | 8,6 | 115,4 | 116,2 | 124,2 | 127,3 | 117,8 | 119,6 | 128,8 |
| Furniture and other manufacturing divisions | 5,8 | 101,0 | 94,1 | 98,3 | 102,4 | 95,9 | 96,0 | 105,1 |
| Total | 100,0 | 109,9 | 110,5 | 112,8 | 113,0 | 110,2 | 112,2 | 113,0 |

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

| Manufacturing divisions | Weights | Year 2004 | Indices | | | Seasonally adjusted indices | | |
|--|--------------|--------------|--------------------|--------------|---|-----------------------------|--------------|---|
| | | | June 2004 | June 2005 | Percentage difference between June 2004 and June 2005 | May 2005 | June 2005 | Percentage difference between May and June 2005 |
| | | | Food and beverages | 16,4 | 111,8 | 110,7 | 119,0 | +7,5 |
| Textiles, clothing, leather and footwear | 5,4 | 100,4 | 100,2 | 97,9 | -2,3 | 96,8 | 100,6 | +3,9 |
| Wood and wood products, paper, publishing and printing | 11,0 | 104,0 | 108,0 | 108,2 | +0,2 | 107,6 | 105,1 | -2,3 |
| Petroleum, chemical products, rubber and plastic products | 22,5 | 110,7 | 110,3 | 112,6 | +2,1 | 114,7 | 114,3 | -0,3 |
| Glass and non-metallic mineral products | 3,9 | 113,1 | 116,5 | 125,1 | +7,4 | 119,1 | 119,7 | +0,5 |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 22,4 | 113,9 | 116,3 | 111,8 | -3,9 | 115,5 | 111,3 | -3,6 |
| Electrical machinery | 2,7 | 98,6 | 99,8 | 97,0 | -2,8 | 96,4 | 94,6 | -1,9 |
| Radio, television and communication apparatus and professional equipment | 1,3 | 111,3 | 112,3 | 120,0 | +6,9 | 114,7 | 118,7 | +3,5 |
| Motor vehicles, parts and accessories and other transport equipment | 8,6 | 115,4 | 116,2 | 127,3 | +9,6 | 119,6 | 128,8 | +7,7 |
| Furniture and other manufacturing divisions | 5,8 | 101,0 | 94,1 | 102,4 | +8,8 | 96,0 | 105,1 | +9,5 |
| Total | 100,0 | 109,9 | 110,5 | 113,0 | +2,3 | 112,2 | 113,0 | +0,7 |

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/ 65 027 287 |
| M | 39 575 843 | 46 300 045 | 52 194 339 | 59 871 135 | 62 637 848 | 67 981 939 | 1/ 69 063 225 |
| A | 36 769 193 | 39 384 857 | 45 883 170 | 60 294 761 | 58 615 159 | 61 151 048 | 1/ 67 937 455 |
| M | 39 561 905 | 44 639 157 | 50 164 812 | 62 579 978 | 60 277 805 | 66 779 109 | 1/ 69 712 155 |
| J | 40 068 157 | 47 091 414 | 52 019 977 | 61 105 492 | 60 885 020 | 66 559 330 | 1/ 70 950 353 |
| J | 40 275 610 | 44 033 012 | 49 979 263 | 62 721 938 | 61 445 221 | 67 215 037 | |
| A | 40 781 001 | 47 401 498 | 49 935 125 | 64 085 893 | 61 595 356 | 67 870 063 | |
| 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 | 38 424 851 | 41 480 857 | 48 782 531 | 57 144 606 | 62 611 423 | 63 401 730 | 66 938 242 |
| F | 37 821 674 | 43 191 498 | 48 919 639 | 57 621 917 | 62 037 639 | 64 273 045 | 66 807 154 |
| M | 37 947 864 | 44 334 691 | 50 095 718 | 57 691 371 | 60 664 530 | 66 173 732 | 67 332 939 |
| A | 38 822 109 | 41 642 843 | 48 549 168 | 63 818 166 | 61 557 188 | 63 759 516 | 70 766 750 |
| M | 39 572 757 | 44 463 444 | 49 841 696 | 62 152 820 | 59 820 200 | 66 333 629 | 69 381 290 |
| J | 39 391 876 | 46 186 833 | 51 116 085 | 60 252 126 | 60 260 716 | 66 076 057 | 70 607 211 |
| J | 40 392 732 | 44 182 675 | 50 138 069 | 62 790 563 | 61 470 830 | 67 031 188 | |
| A | 40 120 710 | 46 699 644 | 49 175 119 | 63 066 444 | 60 688 511 | 66 818 845 | |
| S | 41 692 120 | 46 923 178 | 49 488 580 | 64 363 243 | 60 829 164 | 68 493 335 | |
| O | 40 804 216 | 45 957 046 | 53 268 255 | 64 512 377 | 61 435 973 | 66 715 761 | |
| N | 42 134 110 | 48 089 771 | 53 792 758 | 64 298 530 | 59 738 266 | 68 278 523 | |
| D | 43 241 403 | 48 877 577 | 54 784 417 | 62 038 136 | 61 402 394 | 67 684 463 | |

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 | +3,9 |
| 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 | +6,6 |
| J | .. | +9,3 | +13,5 | +25,5 | -2,0 | +9,4 | |
| A | .. | +16,2 | +5,3 | +28,3 | -3,9 | +10,2 | |
| 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 | | | | | |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------------------|--|------|--|------|--|
| | | June | | May | | June 1/ | | June | | May | | June | |
| | | 2004 | | 2004 | | 2005 | | 2004 | | 2005 | | 2005 | |
| Food and beverages | 150 794 199 | 12 069 201 | 12 439 305 | 12 719 233 | 12 343 804 | 12 711 629 | 13 033 091 | | | | | | |
| Textiles, clothing, leather and footwear | 41 695 164 | 3 431 261 | 3 388 236 | 3 349 403 | 3 515 984 | 3 332 717 | 3 447 129 | | | | | | |
| Wood and wood products, paper, publishing and printing | 70 228 139 | 6 126 204 | 6 200 294 | 6 330 732 | 5 875 734 | 6 067 840 | 6 069 859 | | | | | | |
| Petroleum, chemical products, rubber and plastic products | 156 215 360 | 13 053 928 | 14 052 255 | 13 668 619 | 13 254 927 | 14 097 596 | 13 904 063 | | | | | | |
| Glass and non-metallic mineral products | 22 153 630 | 1 922 443 | 2 063 524 | 2 118 523 | 1 822 909 | 2 022 442 | 2 015 135 | | | | | | |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 169 868 082 | 14 553 837 | 14 708 225 | 14 915 745 | 14 181 975 | 14 623 230 | 14 578 688 | | | | | | |
| Electrical machinery | 20 602 189 | 1 760 471 | 1 753 661 | 1 833 218 | 1 698 260 | 1 716 743 | 1 775 092 | | | | | | |
| Radio, television and communication apparatus and professional equipment | 11 370 745 | 1 022 053 | 939 641 | 1 050 061 | 956 556 | 981 489 | 986 218 | | | | | | |
| Motor vehicles, parts and accessories and other transport equipment | 117 742 616 | 9 866 242 | 10 938 283 | 11 769 135 | 9 608 816 | 10 704 689 | 11 479 709 | | | | | | |
| Furniture and other manufacturing divisions | 35 056 571 | 2 753 690 | 3 228 731 | 3 195 684 | 2 817 091 | 3 122 916 | 3 318 229 | | | | | | |
| Total | 795 726 695 | 66 559 330 | 69 712 155 | 70 950 353 | 66 076 057 | 69 381 290 | 70 607 211 | | | | | | |

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

| Manufacturing divisions | Year | Value of sales | | | | Seasonally adjusted value of sales | | | | | |
|--|--------------------|-------------------|-------------------|-------------|-------------------|---|-------------|------|--|---|--|
| | | June | | June | | Percentage change between June 2004 and June 2005 | | June | | Percentage change between May and June 2005 | |
| | | 2004 | | 2005 | | | | 2005 | | | |
| Food and beverages | 150 794 199 | 12 069 201 | 12 719 233 | +5,4 | 12 711 629 | 13 033 091 | +2,5 | | | | |
| Textiles, clothing, leather and footwear | 41 695 164 | 3 431 261 | 3 349 403 | -2,4 | 3 332 717 | 3 447 129 | +3,4 | | | | |
| Wood and wood products, paper, publishing and printing | 70 228 139 | 6 126 204 | 6 330 732 | +3,3 | 6 067 840 | 6 069 859 | -0,0 | | | | |
| Petroleum, chemical products, rubber and plastic products | 156 215 360 | 13 053 928 | 13 668 619 | +4,7 | 14 097 596 | 13 904 063 | -1,4 | | | | |
| Glass and non-metallic mineral products | 22 153 630 | 1 922 443 | 2 118 523 | +10,2 | 2 022 442 | 2 015 135 | -0,4 | | | | |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 169 868 082 | 14 553 837 | 14 915 745 | +2,5 | 14 623 230 | 14 578 688 | -0,3 | | | | |
| Electrical machinery | 20 602 189 | 1 760 471 | 1 833 218 | +4,1 | 1 716 743 | 1 775 092 | +3,4 | | | | |
| Radio, television and communication apparatus and professional equipment | 11 370 745 | 1 022 053 | 1 050 061 | +2,7 | 981 489 | 986 218 | +0,5 | | | | |
| Motor vehicles, parts and accessories and other transport equipment | 117 742 616 | 9 866 242 | 11 769 135 | +19,3 | 10 704 689 | 11 479 709 | +7,2 | | | | |
| Furniture and other manufacturing divisions | 35 056 571 | 2 753 690 | 3 195 684 | +16,1 | 3 122 916 | 3 318 229 | +6,3 | | | | |
| Total | 795 726 695 | 66 559 330 | 70 950 353 | +6,6 | 69 381 290 | 70 607 211 | +1,8 | | | | |

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) | | |
|--|--------------|-------------------------|--------------------|--|------------------------|--------------------|--|
| | | April to June 2004 | April to June 2005 | Annual percentage change between April to June 2004 and April to June 2005 | April to June 2004 | April to June 2005 | Annual percentage change between April to June 2004 and April to June 2005 |
| Food and beverages | 16,4 | 105,9 | 114,6 | +8,2 | 36 197 395 | 37 947 645 | +4,8 |
| Textiles, clothing, leather and footwear | 5,4 | 98,5 | 98,6 | +0,1 | 10 302 104 | 10 223 478 | -0,8 |
| Wood and wood products, paper, publishing and printing | 11,0 | 103,0 | 107,5 | +4,4 | 17 495 748 | 18 457 244 | +5,5 |
| Petroleum, chemical products, rubber and plastic products | 22,5 | 111,4 | 113,7 | +2,1 | 38 399 100 | 41 180 271 | +7,2 |
| Glass and non-metallic mineral products | 3,9 | 111,7 | 120,5 | +7,9 | 5 455 985 | 6 112 392 | +12,0 |
| Basic iron and steel, non-ferrous metal products, metal products and machinery | 22,4 | 112,3 | 112,2 | -0,1 | 41 893 876 | 44 113 217 | +5,3 |
| Electrical machinery | 2,7 | 97,3 | 96,3 | -1,0 | 5 133 915 | 5 306 087 | +3,4 |
| Radio, television and communication apparatus and professional equipment | 1,3 | 113,6 | 110,2 | -3,0 | 2 984 795 | 2 866 784 | -4,0 |
| Motor vehicles, parts and accessories and other transport equipment | 8,6 | 110,8 | 123,0 | +11,0 | 28 282 179 | 32 856 709 | +16,2 |
| Furniture and other manufacturing divisions | 5,8 | 90,1 | 97,6 | +8,3 | 8 344 390 | 9 536 136 | +14,3 |
| Total | 100,0 | 107,4 | 111,6 | +3,9 | 194 489 487 | 208 599 963 | +7,3 |

Explanatory notes

- | | | |
|------------------------------|---|---|
| Introduction | 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. |
| | 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. |
| | 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. |
| | 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. |
| Scope of the survey | 5 | This survey covers manufacturing enterprises, i.e. those conducting activities in - <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 | 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. |
| Statistical unit | 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. |
| Weighting methodology | 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 . |
| | 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). |

| | |
|--------------------------------------|--|
| 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> |

indicated in the relevant tables. Data are edited at the enterprise level.

- Related publications** 19 Users may also wish to refer to the following publications available from Stats SA -
- *Bulletin of Statistics* issued quarterly.
 - *SA Statistics* issued annually.
- Rounding of figures** 20 The figures in the tables have, where necessary, been rounded to the nearest digit shown.
- Pre-release policy** 21 Stats SA's pre-release policy may be inspected at its website, www.statssa.gov.za.
- Symbols and abbreviations** 22
- | | |
|----------|---|
| GDP | Gross Domestic Product |
| ISIC | International Standard Industrial Classification |
| m | Million |
| SIC | Standard Industrial Classification of all Economic Activities |
| SARS | South African Revenue Service |
| Stats SA | Statistics South Africa |
| VAT | Value added tax |
| 1/ | Preliminary figures |
| • | Revised figures |

Technical notes

Neyman optimal allocation

Before drawing samples in each of the surveys the population of enterprises on the BSF was stratified. Strata were formed using a combination of 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.

$$n_h = \frac{N_h S_h}{\sum N_h S_h}$$

where N_h and S_h are the stratum population size and the stratum variance, respectively.

Class limits: Manufacturing

| Enterprise size | Lower limits | Upper limits |
|-----------------|--------------|--------------|
| Very small | 0 | 5 000 000 |
| Small | 5 000 001 | 13 000 000 |
| Medium | 13 000 001 | 51 000 000 |
| Large | 51 000 001 | |

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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