

P3041.2

Manufacturing: Production and sales

March 1998

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MANUFACTURING PRODUCTION AND SALES DECREASE

Total manufacturing production after seasonal adjustment for the three months up to March 1998, decreased slightly by 0,1% compared with the previous three months. Lower production was reported in 14 of the 27 manufacturing divisions. The seasonally adjusted value of sales for the three months up to March 1998 was 0,8% (-R766 million) lower than for the previous three months.

The major contributors to the decrease of 0,1% in manufacturing production were the food (-0,5 of a percentage point), the publishing and printing (-0,2 of a percentage point) and the basic chemicals (-0,2 of a percentage point) divisions. These decreases were mainly counteracted by increases in the motor vehicle (0,8 of a percentage point), petroleum (0,3 of a percentage point), other chemical products (0,3 of a percentage point) and basic iron and steel (0,3 of a percentage point) divisions.

The textiles (-R128 million), publishing and printing (-R145 million), electrical machinery (-R146 million) transport equipment (-R153 million) and other manufacturing (-R422 million) divisions showed the largest decreases in sales during this period. However, in the motor vehicle (+R348 million), food (+R185 million) and beverages (+R121 million) divisions, increased sales were reported during this period.

SUMMARY - TOTAL MANUFACTURING

Period				Production indices 1995 = 100	Sales R mill.	Percentage change of:	
						Production indices	Sales
Actual							
Jan.	1998 -	Mar.	1998	97,4	86 229,3	-0,6	+3,5
Jan.	1997 -	Mar.	1997	98,0	83 332,5		
Seasonally adjusted							
Jan.	1998 -	Mar.	1998	102,8	90 907,0	-0,1	-0,8
Oct.	1997 -	Dec.	1997	102,9	91 672,6		

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.

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	89,9
F	92,3	90,8	88,8	97,0	96,6	101,8	100,1
M	95,9	98,3	98,9	103,3	102,0	102,1	102,2 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	104,1	
J	92,2	92,3	95,6	102,8	103,2	107,0	
A	86,5	94,4	95,7	104,8	105,5	106,5	
S	94,0	96,4	103,4	107,5	104,3	107,7	
O	100,5	100,7	105,4	112,1	114,4	117,9	
N	100,7	103,3	109,3	111,7	113,7	112,4	
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	96,1	99,5	106,1	105,4
F	93,2	92,0	90,3	99,1	98,9	104,4	102,7
M	91,8	94,5	95,4	100,2	99,4	100,0	100,3
A	92,3	89,4	91,8	95,9	101,1	110,5	
M	91,6	89,1	86,7	101,8	102,1	104,1	
J	89,0	92,3	92,9	100,5	101,0	103,8	
J	91,3	91,0	93,9	100,7	101,0	104,7	
A	83,6	91,5	92,8	101,7	102,4	103,2	
S	89,3	91,5	98,2	102,4	99,5	102,9	
O	91,2	91,1	95,0	100,6	102,3	105,3	
N	89,7	92,2	97,8	100,3	102,5	101,6	
D	92,5	94,8	97,5	99,7	97,5	101,9	

* 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	Actual indices			Seasonally adjusted indices				
			1997	March	February	March	March	February	March	
				1998		1997		1998		1997
				March	February	March	February	March		
TOTAL	100,0	103,9	102,2	100,1	102,1	100,3	102,7	100,0		
Food and food products	13,6	106,2	95,1	97,9	97,5	96,2	107,3	98,1		
Beverages	5,2	104,9	108,2	99,2	108,0	104,9	111,4	104,1		
Textiles	3,3	101,5	96,6	101,6	97,0	90,6	99,4	90,6		
Wearing apparel	3,7	94,0	95,7	93,9	96,0	87,5	91,3	87,5		
Tanning and dressing of leather	0,4	103,0	107,6	113,2	110,5	102,1	106,1	105,0		
Footwear	1,1	83,9	83,7	86,0	83,7	80,6	86,9	80,1		
Wood and products of wood	1,8	111,2	108,4	108,1	108,1	106,3	107,6	105,1		
Paper and paper products	4,9	92,0	95,6	84,7	88,2	100,8	87,6	92,7		
Publishing and printing	3,9	99,5	102,3	88,1	96,1	96,0	90,0	90,0		
Coke and refined petroleum products	6,0	105,3	99,1	103,7	99,8	107,4	106,5	108,5		
Basic chemicals	4,4	108,1	104,5	101,4	103,7	109,7	105,9	108,3		
Other chemical products	7,0	107,7	106,6	104,7	110,0	101,8	106,1	104,8		
Rubber products	1,5	98,1	99,2	120,0	92,1	103,6	105,9	96,8		
Plastic products	2,9	91,8	97,4	95,6	91,7	91,6	90,4	86,2		
Glass and glass products	0,9	97,5	110,6	100,4	87,7	115,8	95,9	91,7		
Other non-metallic mineral products	3,3	98,3	101,4	92,7	93,0	97,7	96,8	89,6		
Basic iron and steel products	5,8	100,6	99,3	93,0	97,4	104,0	99,6	101,5		
Basic precious and non-ferrous metal products	1,9	143,4	131,9	133,1	154,2	125,2	145,4	145,4		
Fabricated metal products	6,6	109,9	106,8	115,2	110,2	102,0	112,4	104,5		
General and special purpose machinery and apparatus	6,1	111,6	120,0	110,2	114,8	111,3	112,8	105,6		
Electrical machinery and apparatus	3,2	100,1	91,0	100,0	101,1	87,9	101,1	97,2		
Radio, television and communication apparatus	1,2	102,1	115,6	106,2	121,6	96,7	108,1	100,2		
Professional equipment	0,5	96,7	96,0	82,7	103,8	92,4	88,7	99,5		
Motor vehicles, trailers parts and accessories	6,5	93,6	98,0	85,7	92,4	94,7	84,9	88,5		
Other transport equipment	1,0	123,9	122,6	127,2	108,3	115,2	135,6	101,4		
Furniture	1,8	111,1	94,4	101,2	107,2	96,0	104,5	108,5		
Other manufacturing industries	1,5	119,6	101,8	99,7	123,1	98,2	100,2	118,0		

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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	24 845 998	25 657 731
F	17 510 739	18 609 956	19 656 081	24 029 003	25 710 681	29 192 253	29 284 371
M	18 805 877	20 434 463	21 847 702	26 256 366	27 639 783	29 294 220	31 287 200 1/
A	16 763 639	17 572 052	18 978 165	22 525 020	25 705 818	29 787 754	
M	17 522 847	18 319 979	19 527 269	25 302 470	27 686 140	29 998 513	
J	17 807 581	19 559 198	21 839 174	25 722 122	27 642 844	29 961 086	
J	18 492 184	19 540 911	22 018 314	25 181 192	27 742 223	30 461 329	
A	17 278 219	20 333 383	21 700 239	26 595 046	28 926 216	30 724 981	
S	18 982 133	20 731 470	23 634 447	27 214 146	28 941 766	30 569 350	
O	20 485 866	21 503 872	24 884 237	28 775 075	32 316 524	34 978 211	
N	20 479 731	22 033 110	25 875 369	29 255 420	32 274 173	32 912 149	
D	16 508 727	17 800 395	20 422 869	23 589 466	25 830 019	27 682 685	
YEAR	215 104 580	231 704 962	256 553 855	303 385 019	331 833 016	360 408 529	
SEASONALLY ADJUSTED VALUES							
J	17 568 072	18 659 583	19 818 721	23 199 124	26 110 387	30 131 547	31 027 764
F	17 712 361	18 857 524	19 931 893	24 462 712	26 217 552	29 843 714	29 980 061
M	17 637 015	19 164 237	20 502 684	24 755 720	26 168 699	27 892 745	29 899 157
A	17 918 896	18 827 619	20 353 121	24 114 849	27 509 800	31 824 302	
M	17 837 629	18 579 531	19 698 514	25 362 925	27 629 000	29 824 705	
J	17 610 528	19 344 148	21 604 743	25 441 107	27 372 139	29 692 448	
J	18 373 167	19 409 952	21 889 074	25 048 171	27 641 098	30 379 598	
A	16 651 622	19 674 719	21 061 677	25 878 749	28 195 061	29 958 718	
S	18 018 662	19 693 647	22 518 101	26 077 262	27 858 840	29 504 994	
O	18 612 350	19 473 141	22 435 600	25 817 227	28 889 149	31 197 356	
N	18 356 156	19 732 600	23 166 728	26 157 059	28 858 186	29 442 764	
D	18 644 053	20 085 447	22 979 319	26 502 575	28 967 844	31 032 454	

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TABLE 4 - VALUE OF SALES - MANUFACTURING DIVISIONS

R1 000

Manufacturing Divisions	Year	Actual values			Seasonally adjusted values		
		March	February	March	March	February	March
		1998		1997	1998		1997
TOTAL	360 408 529	31 287 200	29 284 371	29 294 220	29 899 157	29 980 061	27 892 745
Food and food products	54 392 183	4 354 804	4 362 921	4 236 998	4 288 596	4 584 154	4 164 043
Beverages	18 318 615	1 622 485	1 437 844	1 508 319	1 579 519	1 696 840	1 460 924
Textiles	10 067 939	856 550	834 497	816 354	782 009	821 057	744 071
Wearing apparel	9 920 349	911 648	797 432	857 126	801 069	797 229	754 092
Tanning and dressing of leather	1 826 328	154 437	156 605	168 252	148 300	149 686	161 866
Footwear	2 579 392	224 249	215 046	216 933	211 703	218 320	203 577
Wood and products of wood	6 075 424	519 286	486 872	489 619	505 043	492 048	474 891
Paper and paper products	17 420 490	1 633 488	1 399 691	1 436 007	1 650 935	1 446 741	1 453 359
Publishing and printing	10 280 351	883 199	795 172	796 070	825 827	812 869	743 363
Coke and refined petroleum products	20 393 083	1 736 920	1 690 919	1 659 967	1 759 306	1 686 587	1 685 619
Basic chemicals	16 925 153	1 382 866	1 434 954	1 295 940	1 434 409	1 395 908	1 337 421
Other chemical products	21 359 374	1 853 277	1 756 049	1 827 527	1 744 165	1 817 464	1 716 876
Rubber products	4 212 301	375 686	405 462	326 784	378 932	391 185	329 913
Plastic products	9 251 160	814 688	809 624	719 300	794 156	793 881	699 087
Glass and glass products	2 323 575	222 875	218 426	158 241	241 623	216 707	170 840
Other non-metallic mineral products	9 124 768	806 775	741 414	688 920	787 589	782 305	670 750
Basic iron and steel products	24 585 417	2 108 260	2 008 571	2 003 780	2 141 048	2 094 298	2 038 931
Basic precious and non-ferrous metal products	11 995 331	939 568	943 276	1 012 757	904 362	1 014 591	965 055
Fabricated metal products	22 219 713	1 832 568	1 680 132	1 764 393	1 766 189	1 695 475	1 684 628
General and special purpose machinery and apparatus	19 681 617	2 060 534	1 638 045	1 798 701	1 741 764	1 729 445	1 513 332
Electrical machinery and apparatus	10 831 511	900 271	875 229	842 023	880 706	893 875	819 988
Radio, television and communication apparatus	3 309 229	318 581	315 725	348 588	211 574	316 240	229 750
Professional equipment	1 159 640	96 965	89 501	98 424	93 765	93 738	94 475
Motor vehicles, trailers parts and accessories	33 834 583	3 221 712	2 693 970	2 805 410	2 991 131	2 634 449	2 586 494
Other transport equipment	2 264 223	175 510	155 437	159 773	155 963	130 005	138 169
Furniture	5 609 037	442 467	445 080	432 849	467 146	455 471	453 213
Other manufacturing industries	10 447 743	837 531	896 477	825 165	819 914	839 757	796 364

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TABLE 5

TABLE 5 - VALUE OF UNFILLED ORDERS - SELECTED SUBGROUPS

R1 000

Selected Manufacturing Subgroups	Actual values			Seasonally adjusted values		
	March	February	March	March	February	March
	1998		1997	1998		1997
Spinning, weaving and finishing of textiles	225 206	223 227	288 585	223 380	227 919	287 090
Tents, tarpaulins, sails and other canvas goods and automotive textile goods	12 068	8 031	14 610	9 625	8 697	11 903
Other textile articles	81 695	85 922	90 162	80 512	82 668	88 641
Knitted and crocheted fabrics and articles	144 303	143 909	160 103	150 120	149 558	165 434
Wearing apparel	930 362	902 319	1 032 848	931 292	935 095	1 037 055
Sawmilling and preserving of timber	18 599	19 578	21 875	18 349	18 038	21 536
Veneer sheets, plywood, laminboard, etc.	20 336	21 660	38 712	21 177	24 416	40 607
Builders' carpentry and joinery	31 497	30 778	30 835	33 304	32 709	32 395
Pulp, paper and paperboard	252 737	215 721	157 735	245 903	228 166	151 951
Corrugated paper and paper-board and containers	289 173	311 079	321 081	297 315	313 890	330 115
Paints, varnishes and coatings	18 045	16 332	18 939	18 391	15 586	19 078
Basic iron and steel products	3 057 377	3 224 208	3 225 266	3 134 586	3 283 368	3 310 490
Steel pipe and tube mills	180 438	174 097	425 873	186 274	173 731	437 786
Basic precious and non-ferrous metal products	1 244 237	1 265 569	1 209 200	1 290 797	1 266 506	1 254 900
Metal structures, parts	1 463 012	1 396 592	1 543 054	1 482 012	1 416 638	1 560 974
Cutlery, hand tools and general hardware	24 119	25 978	35 350	25 031	26 325	36 690
Metal containers, e.g. cans and tins	51 191	56 012	66 385	49 282	54 640	64 104
Cables, wire products, springs	82 178	79 903	88 159	85 419	77 789	91 890
Metal fasteners	45 502	49 693	71 460	43 988	48 539	68 695
All other metal products	910 142	877 988	935 842	855 705	893 266	879 929
Domestic appliances	31 444	34 294	36 805	26 837	36 670	31 504
Electric motors, generators and transformers	270 805	136 149	204 938	316 775	156 268	234 896
Insulated wire and cables	246 683	236 655	280 074	233 405	228 315	269 632
Accumulators, primary cells and primary batteries	13 366	14 431	12 302	13 193	15 787	12 030
Television, radio and communication apparatus	703 386	643 102	804 223	719 134	645 531	824 343
Motor vehicles	1 419 191	1 377 494	1 596 036	1 330 363	1 428 416	1 508 102
Parts and accessories for motor vehicles	263 986	271 673	325 429	262 860	268 388	323 479
Furniture	206 073	231 602	244 517	225 176	266 100	267 714

* Revised