

P3041.2

Manufacturing: Production and sales

October 1997

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MANUFACTURING PRODUCTION IMPROVES SLIGHTLY IN OCTOBER

Total manufacturing production for October 1997 increased by 2,7% after seasonal adjustment compared with September 1997. Despite the improvement in manufacturing production for October 1997, total production for the last three months up to October 1997 was 1,1% lower after seasonal adjustment than for the previous three months.

During the last mentioned period, noticeable decreases in production were recorded by the basic iron and steel products (-0,8 of a percentage point), coke and refined petroleum products (-0,4 of a percentage point), other chemical products (-0,3 of a percentage point) and motor vehicle (-0,3 of a percentage point) industries. These decreases were to a large extent counteracted by an increase (+ 0,7 of a percentage point) in production reflected by the food industry.

The seasonally adjusted value of sales of manufactured products for the three months up to October 1997, was 0,7% higher than for the previous three months. Large increases were reported by the fabricated metal products (+R492 million) and machinery industries (+R197 million). In contrast to this, substantial decreases were reported by the petroleum products (-R363 million) and motor vehicle industries (-R262 million).

If the value of unfilled orders for October 1997 is compared with that for October 1996, better prospects are envisaged for the basic iron and steel, basic precious and non-ferrous metal products, metal structures and television, radio and communication apparatus industries.

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 those for total manufacturing 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 the 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			
Aug. 1997 - Oct. 1997	110,0	96 446,6	+1,8	+7,0
Aug. 1996 - Oct. 1996	108,1	90 177,0		
Seasonally adjusted				
Aug. 1997 - Oct. 1997	103,2	90 666,4	-1,1	+0,7
May 1997 - Jul. 1997	104,4	90 012,7		

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

Month	1991	1992	1993	1994	1995	1996	1997
ACTUAL INDICES							
J	80,6	77,2	75,7	75,1	80,4	83,9	89,8
F	93,2	92,3	90,8	88,8	97,0	96,6	101,9
M	97,8	95,9	98,3	98,9	103,3	102,0	102,1
A	95,2	87,0	84,2	86,5	90,6	95,5	104,8
M	92,0	89,7	87,8	86,1	101,9	102,7	105,2
J	95,1	90,0	93,1	93,5	101,1	101,4	104,3
J	94,1	92,2	92,3	95,6	102,9	103,2	107,0
A	96,9	86,5	94,4	95,7	104,8	105,5	106,0
S	98,3	94,0	96,4	103,4	107,5	104,3	106,5
O	101,0	100,5	100,7	105,4	112,1	114,4	117,4 1/
N	102,1	100,7	103,3	109,3	111,7	113,7	
D	80,6	81,4	83,3	85,3	86,8	84,4	
YEAR	93,9	90,6	91,7	93,6	100,0	100,6	
SEASONALLY ADJUSTED INDICES							
J	96,0	92,3	90,9	90,5	97,0	101,5	108,6
F	94,0	93,2	92,0	90,3	99,1	99,0	104,6
M	93,4	91,7	94,3	95,2	99,7	98,7	99,0
A	101,0	92,4	89,4	91,8	96,0	101,0	110,7
M	94,3	91,7	89,3	87,0	102,3	102,5	104,6
J	93,9	89,0	92,3	92,9	100,5	100,9	104,0
J	93,5	91,3	91,0	93,9	100,8	100,9	104,6
A	93,3	83,6	91,4	92,8	101,6	102,3	102,8
S	93,8	89,3	91,5	98,3	102,4	99,6	102,0
O	91,9	91,2	91,1	95,0	100,5	102,3	104,8
N	91,0	89,7	92,1	97,6	99,8	101,6	
D	91,6	92,4	94,6	97,0	99,0	96,5	

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

BASE 1995 = 100

Manufacturing Divisions	Weights	Year 1996	Actual indices			Seasonally adjusted indices		
			October1/	September	October	October	September	October
			1997		1996	1997		1996
TOTAL	100,0	100,6	117,4	106,5	114,4	104,8	102,0	102,3
Food and food products	13,6	104,6	124,1	108,6	117,9	111,6	109,5	106,2
Beverages	5,2	99,5	116,2	104,1	112,4	106,3	102,1	102,7
Textiles	3,3	97,1	118,0	107,3	109,7	106,3	101,0	98,6
Wearing apparel	3,7	90,7	120,7	108,5	112,4	98,6	94,8	91,8
Tanning and dressing of leather	0,4	101,8	120,3	85,8	116,0	110,1	83,9	105,9
Footwear	1,1	84,3	107,0	101,1	106,7	84,1	84,7	84,2
Wood and products of wood	1,8	102,0	128,4	120,1	120,1	113,1	112,7	105,6
Paper and paper products	4,9	89,2	101,8	97,1	101,4	91,9	93,1	91,6
Publishing and printing	3,9	97,0	112,8	102,9	103,9	101,5	100,6	93,3
Coke and refined petroleum products	6,0	100,5	103,2	96,4	103,3	101,4	100,5	101,9
Basic chemicals	4,4	104,0	118,8	99,3	119,9	107,1	98,3	108,1
Other chemical products	7,0	103,8	126,6	111,4	118,8	112,6	104,5	105,7
Rubber products	1,5	96,2	100,9	107,1	100,4	93,5	98,7	92,1
Plastic products	2,9	97,5	108,4	96,5	118,4	91,9	90,8	100,4
Glass and glass products	0,9	95,0	112,8	101,5	101,3	98,4	99,0	87,8
Other non-metallic mineral products	3,3	100,9	114,8	104,7	119,2	99,9	96,3	104,4
Basic iron and steel products	5,8	96,4	100,1	95,0	105,4	96,4	90,7	101,4
Basic precious and non-ferrous metal products	1,9	148,0	138,2	158,2	150,7	136,1	147,5	146,2
Fabricated metal products	6,6	101,5	129,8	115,9	118,3	113,4	111,8	104,0
General and special purpose machinery and apparatus	6,1	105,3	122,2	109,8	113,9	107,1	98,5	100,0
Electrical machinery and apparatus	3,2	95,8	108,8	106,4	103,3	101,1	98,1	95,8
Radio, television and communication apparatus	1,2	83,4	117,9	118,2	92,7	108,7	107,4	85,1
Professional equipment	0,5	96,6	102,1	91,2	113,3	94,0	88,6	104,8
Motor vehicles, trailers parts and accessories	6,5	95,3	106,6	93,8	118,3	91,2	90,4	101,3
Other transport equipment	1,0	129,2	129,0	129,7	149,5	118,8	129,3	137,6
Furniture	1,8	102,1	148,0	136,8	137,5	112,8	114,9	105,3
Other manufacturing industries	1,5	107,5	155,4	112,6	132,4	127,3	116,1	108,9

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TABLE 3 - VALUE OF SALES - MANUFACTURING - TOTAL

HISTORICAL TABLE
R1 000

Month	1991	1992	1993	1994	1995	1996	1997
ACTUAL VALUES							
J	13 783 105	14 467 037	15 266 173	16 169 989	18 939 693	21 416 829	24 862 903
F	16 297 962	17 510 739	18 609 956	19 656 081	24 029 003	25 710 681	29 195 905
M	17 447 255	18 805 877	20 434 463	21 847 702	26 256 366	27 639 783	29 271 342
A	16 917 211	16 763 639	17 572 052	18 978 165	22 525 020	25 705 818	29 747 378
M	16 632 606	17 522 847	18 319 979	19 527 269	25 302 470	27 686 140	29 955 569
J	17 110 351	17 807 581	19 559 198	21 839 174	25 722 122	27 642 844	29 938 355
J	17 233 731	18 492 184	19 540 911	22 018 314	25 181 192	27 742 223	30 551 696
A	17 863 110	17 278 219	20 333 383	21 700 239	26 595 046	28 926 216	30 900 161
S	18 325 821	18 982 133	20 731 470	23 634 447	27 214 146	28 938 501	30 575 656
O	18 812 910	20 485 866	21 503 872	24 884 237	28 775 075	32 312 237	34 970 762 1/
N	19 018 784	20 479 731	22 033 110	25 875 369	29 255 420	32 266 804	
D	15 174 908	16 508 727	17 800 395	20 422 869	23 589 466	25 827 189	
YEAR	204 617 754	215 104 580	231 704 962	256 553 855	303 385 019	331 815 265	
SEASONALLY ADJUSTED VALUES							
J	16 662 755	17 568 192	18 667 825	19 889 354	23 402 568	26 550 524	30 849 605
F	16 488 455	17 713 380	18 865 993	19 944 809	24 440 191	26 186 230	29 740 831
M	16 406 755	17 638 965	19 144 922	20 442 223	24 576 497	25 915 623	27 487 491
A	18 019 041	17 918 104	18 824 569	20 345 988	24 120 276	27 494 623	31 769 821
M	16 990 579	17 895 775	18 660 367	19 803 313	25 523 249	27 785 189	29 946 520
J	16 925 292	17 601 732	19 329 318	21 589 954	25 427 672	27 353 316	29 663 792
J	17 142 087	18 370 458	19 404 983	21 871 732	25 012 241	27 574 078	30 402 419
A	17 119 418	16 593 957	19 586 185	20 951 277	25 701 764	27 975 884	29 908 704
S	17 453 087	18 019 516	19 693 927	22 512 120	26 037 913	27 792 693	29 449 463
O	17 123 443	18 616 355	19 477 454	22 468 648	25 861 412	28 975 220	31 308 246
N	17 070 412	18 362 056	19 739 748	23 150 120	26 152 348	28 816 374	
D	17 187 420	18 653 671	20 096 324	23 000 387	26 580 619	29 112 432	

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TABLE 4 - VALUE OF SALES - MANUFACTURING DIVISIONS

R1 000

Manufacturing Divisions	Actual values						Seasonally adjusted values		
	Year	October 1/ September		October		October September		October	
		1996	1997		1996		1997		1996
TOTAL	331 815 265	34 970 762	30 575 656	32 312 237	31 308 246	29 449 463	28 975 220		
Food and food products	51 306 023	5 190 923	4 331 451	4 984 964	4 675 792	4 466 984	4 503 871		
Beverages	16 247 507	1 680 244	1 533 658	1 507 213	1 575 273	1 508 723	1 411 823		
Textiles	9 064 196	984 213	884 464	869 124	884 750	836 407	780 094		
Wearing apparel	7 383 526	965 208	819 782	832 443	740 231	707 866	640 405		
Tanning and dressing of leather	1 644 701	183 564	143 741	161 843	164 615	137 157	144 558		
Footwear	2 292 311	232 233	220 798	226 992	193 506	212 746	189 040		
Wood and products of wood	5 264 529	597 049	550 734	531 084	518 760	509 516	462 140		
Paper and paper products	16 179 528	1 608 367	1 573 282	1 540 024	1 444 569	1 554 880	1 386 283		
Publishing and printing	9 429 976	993 752	901 875	868 254	898 054	881 271	782 995		
Coke and refined petroleum products	18 555 078	1 692 439	1 544 674	1 667 666	1 678 757	1 502 993	1 655 343		
Basic chemicals	15 552 192	1 638 647	1 447 113	1 529 827	1 438 907	1 391 107	1 344 049		
Other chemical products	19 310 251	2 112 488	1 828 241	1 899 907	1 854 304	1 739 339	1 669 565		
Rubber products	3 963 194	385 791	382 100	351 514	352 710	367 523	319 657		
Plastic products	8 883 465	941 431	824 547	914 357	798 698	768 212	776 789		
Glass and glass products									
Other non-metallic mineral products	8 453 571	866 878	874 616	856 413	760 634	787 321	753 840		
Basic iron and steel products	22 279 348	2 224 414	2 020 394	2 020 326	2 077 531	1 970 713	1 893 179		
Basic precious and non-ferrous metal products	10 841 732	1 016 409	1 074 517	975 276	984 129	1 037 704	931 653		
Fabricated metal products	19 646 930	2 616 499	1 879 964	1 945 824	2 335 399	1 864 043	1 744 318		
General and special purpose machinery and apparatus	18 337 078	2 006 547	1 701 081	1 785 099	1 707 891	1 533 156	1 529 940		
Electrical machinery and apparatus	9 600 176	1 022 723	939 342	897 158	923 884	890 209	811 584		
Radio, television and communication apparatus	2 902 572	332 998	293 078	264 275	311 643	269 060	246 579		
Professional equipment	1 056 380	104 642	95 420	100 047	96 388	92 387	92 097		
Motor vehicles, trailers parts and accessories	34 158 403	3 225 789	2 838 882	3 560 208	2 740 171	2 699 556	3 026 679		
Other transport equipment	1 842 495	222 228	122 732	209 848	206 455	109 186	197 508		
Furniture	4 905 148	641 661	534 335	553 239	493 069	479 638	427 821		
Other manufacturing industries	8 805 162	1 056 229	832 963	858 339	922 787	849 936	752 789		

* Revised

1/ Preliminary

TABLE 5 - VALUE OF UNFILLED ORDERS - SELECTED SUBGROUPS

R1 000

Selected Manufacturing Subgroups	Actual values			Seasonally adjusted values		
	October 1/ September		October	October September		October
	1997		1996	1997		1996
Spinning, weaving and finishing of textiles	278 009	300 702	273 520	275 818	284 911	271 287
Tents, tarpaulins, sails and other canvas goods and automotive textile goods	11 281	10 335	10 401	11 646	10 831	10 760
Other textile articles	85 571	84 745	90 992	79 947	80 062	85 320
Knitted and crocheted fabrics and articles	168 741	173 690	165 847	150 689	155 739	148 398
Wearing apparel	1 040 116	1 038 824	1 048 437	992 984	994 044	1 000 045
Sawmilling and preserving of timber	26 048	32 107	24 632	27 569	32 258	26 169
Veneer sheets, plywood, laminboard, etc.	30 633	33 876	36 996	27 670	30 009	33 366
Builders' carpentry and joinery	33 657	37 065	51 436	30 428	35 597	46 576
Pulp, paper and paperboard	257 161	241 114	252 337	244 910	243 933	240 890
Corrugated paper and paperboard and containers	337 807	279 230	342 908	297 275	276 907	301 495
Paints, varnishes and coatings	20 428	17 590	30 240	15 607	16 047	23 484
Basic iron and steel products	3 431 745	3 375 561	3 036 996	3 393 195	3 368 976	2 987 223
Steel pipe and tube mills	252 518	307 749	434 192	258 475	338 396	449 309
Basic precious and non-ferrous metal products	1 307 080	1 225 129	759 187	1 338 217	1 240 332	774 940
Metal structures, parts	1 636 440	1 675 362	1 469 174	1 606 041	1 649 674	1 441 796
Cutlery, hand tools and general hardware	35 282	37 419	29 776	35 881	39 044	29 978
Metal containers, e.g. cans and tins	50 487	37 419	73 864	48 996	39 115	71 792
Cables, wire products, springs	91 540	81 571	92 736	84 898	79 541	85 971
Metal fasteners	56 465	54 329	64 910	59 077	59 056	68 347
All other metal products	963 525	1 066 916	867 867	998 287	1 074 903	894 275
Domestic appliances	40 214	48 261	19 887	44 001	47 036	21 394
Electric motors, generators and transformers	203 144	183 244	236 047	168 982	167 797	198 931
Insulated wire and cables	283 883	287 435	189 370	300 165	293 590	198 563
Accumulators, primary cells and primary batteries	15 797	18 296	11 518	16 558	17 275	12 223
Television, radio and communication apparatus	1 034 427	1 205 783	820 254	1 048 512	1 231 151	831 601
Motor vehicles	1 729 747	1 674 517	1 931 832	1 758 721	1 587 182	1 972 103
Parts and accessories for motor vehicles	274 595	329 000	309 328	285 265	336 857	320 472
Furniture	328 498	376 763	481 033	248 777	290 274	364 247

* Revised