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Wholesale trade sales Preliminary: January 2006

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Table A - Key figures as at the end of January 2006

Estimates	January 2006 R million	% change between January 2005 and January 2006	% change between November 2004 to January 2005 and November 2005 to January 2006	
Wholesale trade sales				
at current prices	43 992	+12,1	+7,7	
at constant 2000 prices	32 805	+6,4	+2,7	

Seasonally adjusted estimates	January 2006 R million	% change between December 2005 and January 2006	% change between August to October 2005 and November 2005 to January 2006	
Wholesale trade sales				
at current prices	51 184	+1,3	+1,5	
at constant 2000 prices	37 899	+0,8	+0,6	

Key findings as at the end of January 2006

Wholesale trade sales increase in real terms

As indicated in table A, wholesale trade sales, at constant (2000) prices, for the three months up to January 2006 increased by 2,7% compared with the three months up to January 2005. Furthermore seasonally adjusted wholesale trade sales, at constant (2000) prices, for the three months up to January 2006 increased by 0,6% compared with the three months up to October 2005.

Wholesale trade sales at constant (2000) prices, for the month of January 2006 increased by 6,4% compared with January 2005.

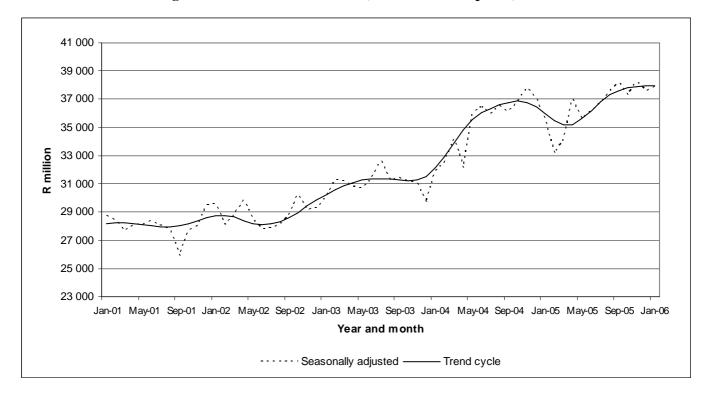
Wholesale trade sales increase at current prices

Wholesale trade sales, at current prices, for the three months up to January 2006 increased by 7,7% compared with the same period in 2005.

Wholesale trade sales at current prices, for January 2006 increased by 12,1% compared with January 2005.

Figure 1 below shows the seasonally adjusted and trend patterns for wholesale trade sales at constant (2000) prices between January 2001 and January 2006. The trend cycle showed a gradual upward trend from January 2001 until the beginning of 2004. Thereafter, the trend cycle started to increase sharply until October 2004. It then showed a slight decline at the beginning of 2005 but has resumed an upward trend since the middle of 2005.

Figure 1 – Wholesale trade sales (at constant 2000 prices)



P J Lehohla Statistician-General

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Notes

Forthcoming issue	Issue	Expected release date				
	February 2006	4 May 2006				
Purpose of the survey	estimates of the Gross Don used in monitoring the state	y wholesale trade sales survey are used to compile nestic Product (GDP) and its components, which are of the economy and formulation of economic policy. d in the analysis of comparative business and industry				
Response Rate	The preliminary response ra 2006 is 92,5%.	te for the survey on wholesale trade sales for January				

Detailed results

Outlined below in table 1 are wholesale trade sales according to type of dealer.

Table 1 - Total wholesale trade sales according to type of dealer at current prices (R million) for 2006

Year	Month 1/	Type A	Type B	Type C	Type D	Type E	Type F	Type G	Type H	Type I	Type J	Type K	Type L	Total 2/
2005	January	1 005	2 510	8 087	782	3 495	1 467	6 149	1 423	2 354	1 402	6 286	4 284	39 244
	February	1 176	2 445	8 358	1 080	3 597	810	6 737	1 673	2 642	1 343	7 268	3 968	41 097
	March	1 252	2 016	8 642	1 181	4 169	1 783	7 367	1 610	2 705	1 484	7 242	4 432	43 883
	April	1 234	2 018	9 034	1 159	4 234	1 766	7 843	1 656	2 901	1 399	7 501	4 370	45 115
	May	1 618	2 000	9 350	1 068	4 380	2 040	7 952	1 809	3 044	1 492	7 704	4 489	46 946
	June	1 866	2 214	9 277	994	4 437	1 838	9 488	1 730	2 977	1 716	7 695	4 404	48 637
	July	2 042	2 034	9 834	1 094	4 581	973	9 322	1 797	3 267	1 544	7 346	4 711	48 546
	August	1 891	2 129	8 856	1 296	4 864	1 385	10 011	1 887	3 272	1 613	7 858	4 876	49 938
	September	1 690	2 107	9 382	1 418	5 118	1 987	10 066	1 900	3 308	1 786	8 399	4 723	51 883
	October	1 932	2 203	10 016	1 498	5 682	2 043	10 261	1 879	3 376	1 835	8 104	4 827	53 655
	November	2 225	2 831	10 244	1 616	6 552	2 132	9 604	2 127	3 742	1 977	8 737	5 681	57 468
	December	1 977	2 454	11 814	1 016	5 384	1 575	9 301	1 237	2 267	1 327	6 644	4 746	49 741
	Total	19 908	26 961	112 894	14 202	56 493	19 799	104 101	20 728	35 855	18 918	90 784	55 511	576 153
2006	January	1 438	2 290	9 526	809	4 592	339	8 736	1 554	2 441	1 453	7 038	3 775	43 992

^{1/} Preliminary

Description of type of dealers included in indicated group types in table 1 $\scriptstyle \mu$

Group type	Type of dealers included in group type
Type A	Wholesale trade on a fee or contract basis
Type B	Wholesale trade in agricultural raw materials and livestock
Type C	Wholesale trade in food, beverages and tobacco
Type D	Wholesale trade in textiles, clothing and footwear
Type E	Wholesale trade in other household goods except precious stones
Type F	Wholesale trade in precious stones, jewellery and silverware
Type G	Wholesale trade in solid, liquid and gaseous fuels and related products
Туре Н	Wholesale trade in metals and metal ores
Type I	Wholesale trade in construction and building materials
Type J	Wholesale trade in other intermediate products, waste and scrap
Type K	Wholesale trade in machinery, equipment and supplies
Type L	Wholesale trade in other goods

1/ See note 3 on page 9

^{2/} The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and the totals

Tables 2 and 3 show wholesale trade sales at current prices over the period January 1999 to January 2006. Table 4 shows seasonally adjusted wholesale trade sales at current prices over the same period.

Table 2 - Total wholesale trade sales at current prices (R million)

Month	1999	2000	2001	2002	2003	2004	2005 1/	2006 1/
January	19 818	22 440	27 046	30 828	33 506	35 074	39 244	43 992
February	21 588	25 155	29 117	32 484	38 329	39 615	41 097	
March	22 006	27 377	29 161	34 550	39 429	42 886	43 883	
April	21 597	25 264	28 324	34 422	36 551	38 300	45 115	
May	22 380	27 145	30 066	35 064	38 634	46 230	46 946	
June	22 518	27 220	30 596	34 449	39 913	47 606	48 637	
July	22 860	26 339	29 621	33 911	40 674	45 604	48 546	
August	25 097	27 858	30 184	34 951	39 039	46 515	49 938	
September	25 594	27 877	28 865	36 672	39 886	47 056	51 883	
October	24 635	30 104	33 059	41 151	42 004	50 934	53 655	
November	27 583	31 014	34 233	40 608	42 887	54 290	57 468	
December	25 679	29 191	33 289	36 857	36 656	46 840	49 741	
Total	281 355	326 984	363 561	425 947	467 508	540 950	576 153	

1/ Preliminary

Table 3 - Percentage change in total wholesale trade sales at current prices $\ensuremath{ \scriptscriptstyle{1/2}}$

Month	1999	2000	2001	2002	2003	2004	2005	2006
January	5,5	13,2	20,5	14,0	8,7	4,7	11,9	12,1
February	6,0	16,5	15,8	11,6	18,0	3,4	3,7	
March	3,5	24,4	6,5	18,5	14,1	8,8	2,3	
April	4,8	17,0	12,1	21,5	6,2	4,8	17,8	
May	7,0	21,3	10,8	16,6	10,2	19,7	1,5	
June	5,0	20,9	12,4	12,6	15,9	19,3	2,2	
July	3,6	15,2	12,5	14,5	19,9	12,1	6,5	
August	12,2	11,0	8,3	15,8	11,7	19,2	7,4	
September	10,0	8,9	3,5	27,0	8,8	18,0	10,3	
October	4,0	22,2	9,8	24,5	2,1	21,3	5,3	
November	18,2	12,4	10,4	18,6		26,6	5,9	
December	18,0	13,7	14,0	·	-0,5	27,8	6,2	
Total	8,3	16,2	11,2	17,2	9,8	15,7	6,5	

^{1/} The percentage change is the difference between wholesale trade sales of the relevant year and those of the previous year expressed as a percentage

Table 4 - Seasonally adjusted total wholesale trade sales at current prices (R million)

Month	1999	2000	2001	2002	2003	2004	2005	2006
January	21 934	24 788	29 973	34 383	37 790	40 039	45 330	51 184
February	22 125	25 723	29 812	33 248	39 350	40 767	42 347	
March	21 878	27 196	28 910	34 336	39 269	42 934	43 938	
April	22 534	26 430	29 764	36 299	38 625	40 538	47 792	
May	22 506	27 198	29 971	34 824	38 253	45 787	46 487	
June	22 643	27 283	30 490	34 067	39 235	46 626	47 520	
July	23 326	26 946	30 354	34 677	41 414	46 210	49 086	
August	24 828	27 684	30 160	35 032	39 169	46 577	49 938	
September	25 190	27 438	28 469	36 145	39 251	46 158	50 874	
October	23 033	28 115	30 806	38 337	39 034	47 338	49 878	
November	25 501	28 594	31 384	36 950	38 663	48 629	51 312	
December	25 515	29 030	33 226	36 938	36 922	47 418	50 516	

Tables 5 and 6 show wholesale trade sales at constant prices over the period January 1999 to January 2006. Table 7 shows seasonally adjusted wholesale trade sales at constant prices over the same period.

Table 5 - Total wholesale trade sales at constant 2000 prices (R million)

Month	1999	2000	2001	2002	2003	2004	2005 1/	2006 1/
January	22 032	23 351	25 930	26 541	26 709	28 138	30 828	32 805
February	23 880	26 027	27 783	27 413	30 493	31 604	32 170	
March	24 169	28 209	27 759	28 900	31 367	34 240	34 164	
April	23 681	25 596	26 695	28 319	29 089	30 289	34 838	
May	24 234	27 406	28 125	28 635	31 082	36 517	36 071	
June	24 343	27 329	28 422	28 019	31 689	36 990	36 818	
July	24 542	26 299	27 363	27 293	32 090	35 476	36 350	
August	26 813	27 514	27 679	27 860	30 922	36 156	37 225	
September	27 330	27 424	26 470	29 255	31 973	36 835	38 907	
October	26 165	29 428	29 891	32 608	33 684	39 683	40 221	
November	29 111	29 994	30 592	32 076	34 517	42 266	42 855	
December	26 973	28 123	29 590	29 228	29 466	36 637	37 065	
Total	303 273	326 700	336 299	346 147	373 081	424 831	437 512	

1/ Preliminary

Table 6 - Percentage change in total wholesale trade sales at constant 2000 prices ν

Month	1999	2000	2001	2002	2003	2004	2005	2006
January	0,9	6,0	11,0	2,4	0,6	5,4	9,6	6,4
February	0,6	9,0	6,7	-1,3	11,2	3,6	1,8	
March	-2,5	16,7	-1,6	4,1	8,5	9,2	-0,2	
April	-0,3	8,1	4,3	6,1	2,7	4,1	15,0	
May	1,0	13,1	2,6	1,8	8,5	17,5	-1,2	
June	-1,0	12,3	4,0	-1,4	13,1	16,7	-0,5	
July	-1,6	7,2	4,0	-0,3	17,6	10,6	2,5	
August	7,4	2,6	0,6	0,7	11,0	16,9	3,0	
September	5,7	0,3	-3,5	10,5	9,3	15,2	5,6	
October	-1,0	12,5	1,6	9,1	3,3	17,8	1,4	
November	11,9	3,0	2,0	4,9	7,6	22,4	1,4	
December	10,8	4,3	5,2	-1,2	0,8	24,3	1,2	
Total	2,7	7,7	2,9	2,9	7,8	13,9	3,0	

1/ The percentage change is the difference between wholesale trade sales of the relevant year and those of the previous year expressed as a percentage

Table 7 - Seasonally adjusted total wholesale trade sales at constant 2000 prices (R million)

Month	1999	2000	2001	2002	2003	2004	2005	2006
January	24 437	25 831	28 748	29 560	30 031	31 960	35 386	37 899
February	24 463	26 623	28 464	28 072	31 317	32 520	33 124	
March	24 164	28 171	27 650	28 787	31 226	34 179	34 090	
April	24 746	26 813	28 082	29 905	30 793	32 133	36 997	
May	24 435	27 520	28 067	28 427	30 717	36 055	35 579	
June	24 468	27 408	28 376	27 809	31 294	36 431	36 196	
July	25 087	26 912	28 011	27 870	32 659	35 958	36 763	
August	26 682	27 494	27 804	28 088	31 235	36 503	37 560	
September	26 562	26 729	25 940	28 737	31 412	36 101	38 137	
October	24 408	27 401	27 767	30 291	31 232	36 819	37 340	
November	26 901	27 630	28 026	29 157	31 101	37 835	38 239	
December	26 740	27 924	29 510	29 278	29 659	37 051	37 596	

Outlined below in tables 8.1 and 8.2 are the percentage changes in wholesale trade sales at current prices, constant (2000) prices and seasonally adjusted estimates.

Table 8 – Estimates and percentage changes in total wholesale trade sales

Table 8.1 - Quarterly percentage changes

Estimates	November 2004 to January 2005 R million	November 2005 to January 2006	% change between November 2004 to January 2005 and November 2005 to January 2006
Wholesale trade sales			
at current prices	140 374	151 201	+7,7
at constant 2000 prices	109 731	112 725	+2,7

Table 8.2 - Seasonally adjusted estimates with monthly and quarterly percentage changes.

Seasonally adjusted estimates	December 2005 R million	January 2006 R million	% change between December 2005 and January 2006	August to October 2005 R million	November 2005 to January 2006 R million	% change between August to October 2005 and November 2005 to January 2006
Wholesale trade sales						
at current prices	50 516	51 184	+1,3	150 690	153 012	+1,5
at constant 2000 prices	37 596	37 899	+0,8	113 037	113 734	+0,6

Explanatory notes

1

Introduction

- Statistics South Africa (Stats SA) conducts a monthly survey of the wholesale trade industry, covering wholesale enterprises (see 4 below). This survey is based on a sample drawn from the 2005 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT) and income tax.
- 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. Published wholesale trade sales estimates exclude VAT.

Scope of the survey

3 This survey covers wholesale enterprises according to the following types of dealer:

- Wholesale trade on a fee or contract basis
 - Sales by commission agents, commodity brokers, auctioneers and other wholesale trade on a fee or contract basis;
- Wholesale trade in agricultural raw materials and livestock;
- Wholesale trade in food, beverages and tobacco;
- Wholesale trade in textiles, clothing and footwear;
- Wholesale trade in other household goods except precious stones
 - Wholesale trade in household furniture, requisites and appliances, wholesale trade in books and stationery, wholesale trade in pharmaceuticals and toiletries and wholesale trade in other household goods not elsewhere classified;
- Wholesale trade in precious stones, jewellery and silverware;
- Wholesale trade in solid, liquid and gaseous fuels and related products;
- Wholesale trade in metals and metal ores;
- Wholesale trade in construction and building materials
 - Wholesale trade in construction materials, hardware, plumbing and heating equipment and supplies;
- Wholesale trade in machinery, equipment and supplies;
- Wholesale trade in other intermediate products, waste and scrap; and
- Wholesale trade in other goods
 - General wholesale trade and other wholesale trade not elsewhere classified.

Classification

4 The 1993 edition of the *Standard Industrial Classification of all Economic Activities* (*SIC*), Fifth Edition, Report No. 09-90-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 *International Standard Industrial Classification of all Economic Activities* (*ISIC*) with suitable adaptations for local conditions. Statistics in this publication are presented at SIC division (four digit) level. Each enterprise is classified to the industry, which reflects its predominant activity.

Statistical unit

5 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 sales activities.

Survey methodology and design

- 6 The survey is conducted monthly. Questionnaires are sent to a sample of about 800 enterprises from a population of about 19 000 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.
- The value of sales is obtained monthly from the sample of 800 enterprises (which was drawn in August 2005 at the SIC four-digit level) from a population then of about 19 000 wholesale enterprises. The wholesale industry is divided into four size groups. All large enterprises (size group one) are completely enumerated. Simple random sampling is applied to size groups two (medium sized), three and four (small) enterprises. The total value of sales of the large enterprises (size group one) is added to the weighted totals of size groups two, three and four to reflect the total value of sales.

Weighting methodology

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 http://www.statssa.gov.za/publications/publicationsearch.asp.

Constant prices

The constant prices for the 2005 series are calculated using a combination of the production price indices for consumption in South Africa and total output of South African industry groups from the Production Price Index (PPI) to deflate the current prices. From January 2005 onwards, only the total sales will be deflated and not the type of dealer.

Seasonal adjustment

10

Seasonally adjusted estimates 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.

Trend cycle

11 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.

Reliability of estimates

- 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 wholesale industry in South Africa. Estimates are subject to sampling and non-sampling errors. Preliminary figures are indicated in the tables.
- 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.

Revised figures

Revised figures are due to respondents reporting revisions or corrections to their figures and late submission of their data to Stats SA. Preliminary figures are indicated in the relevant tables. Data are edited at the enterprise level.

Related publications

- 15 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

Where figures have been rounded-off discrepancies may occur between sums of the component items and the totals.

Pre-release policy

17 Stats SA's pre-release policy may be inspected at its Website, www.statssa.gov.za.

Symbols and	18
abbreviations	

BSF Business sampling frame GDP Gross Domestic Product

ISIC International Standard Industrial Classification

SIC Standard Industrial Classification of all Economic Activities

SARS South African Revenue Service

Stats SA Statistics South Africa
VAT Value-added tax
Revised

- Figures not available

Technical note

Neyman optimal allocation

Before drawing in each of the surveys the population of enterprises on the Business Sampling Frame (BSF) was stratified. Strata were formed using a combination of Standard Industrial Classification and the measure of size classes for enterprises. The Neyman optimal allocation formula given below was used to allocate samples to each stratum.

$$n_{h} = \frac{N_h S_h}{\sum N_h S_h}$$

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

Neyman allocation formula not only allocates sample sizes to each stratum but also calculates the relative precision for each stratum as well as the relative precision for all strata. The relative precision for these surveys did not exceed 6.4%.

Class limits

Enterprise size	Size Group	Lower limits	Upper limits
Very small	4	0	6 000 000
Small	3	6 000 001	32 000 000
Medium	2	32 000 001	64 000 000
Large	1	64 000 001	

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 sales activities.

Industry An industry is made up of enterprises engaged in the same or similar kinds of economic

activity. Industries are defined in the System of National Accounts (SNA) in the same way as in the Standard Industrial Classification of all Economic Activities, Fifth Edition, Report

No. 09-90-02 of January 1993 (SIC).

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.

Wholesale trade Wholesale trade includes the resale (sale without transformation) of new and used goods and

products to other wholesalers, retailers, agricultural, industrial, commercial, institutional and

professional users either directly or through agents on a fee or contract basis.

Wholesaler A wholesaler is an enterprise deriving 50% or more of its turnover from sales of goods to

other businesses and institutions.

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