

Wholesale trade sales

July 2005

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Table A - Key figures as at the end of July 2005

Estimates	July 2005 R million	% change between July 2004 and July 2005	% change between May to July 2004 and May to July 2005	% change between January to July 2004 and January to July 2005
Wholesale trade sales				
at current prices	43 843	+6,7	+4,3	+6,8
at constant 2000 prices	32 829	+2,7	+1,1	+4,1

Seasonally adjusted estimates	July 2005 R million	% change between June and July 2005	% change between February to April 2005 and May to July 2005
Wholesale trade sales			
at current prices	44 330	+2,1	+8,0
at constant 2000 prices	33 249	+0,6	+5,3

Key findings as at the end of July 2005

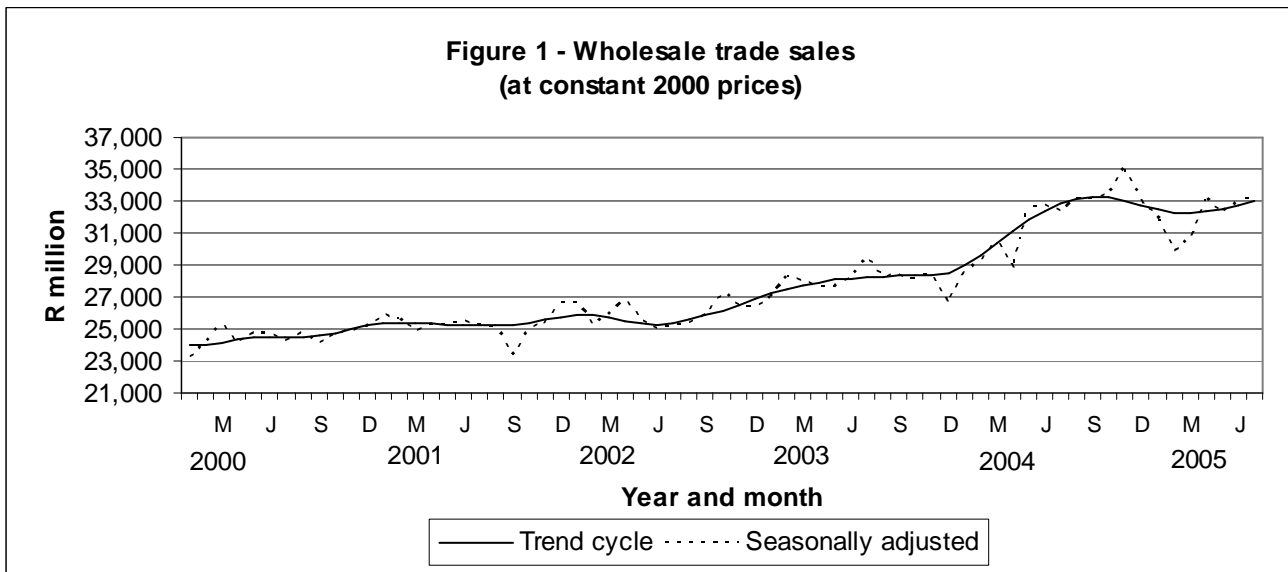
Wholesale trade sales increase

As indicated in table A, wholesale trade sales, at constant (2000) prices, for the three months ending July 2005 increased by 1,1% compared with the three months ending July 2004. Seasonally adjusted wholesale trade sales, at constant (2000) prices, for three months ending July 2005 showed an increase of 5,3% compared with the previous three months.

Wholesale trade sales, at constant (2000) prices, increased by 2,7% for the month of July 2005 compared with July 2004.

Wholesale trade sales, at constant (2000) prices, for January to July 2005 increased by 4,1% compared with the same period last year.

Figure 1 below shows the seasonally adjusted and trend patterns for wholesale trade sales at constant (2000) prices between January 2000 and July 2005. The trend cycle, after a brief decline towards the end of 2003, assumed an upward movement for most of 2004. This trend shows a repeat of the upward movement in 2005.



**P J Lehohla
Statistician-General**

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Notes

Forthcoming issue	Issue	Expected release date
	August 2005	3 November 2005
Purpose of the survey	The results of the monthly wholesale trade sales survey are used to compile estimates of the Gross Domestic Product (GDP) and its components, which are used in monitoring the state of the economy and formulation of economic policy. These statistics are also used in the analysis of comparative business and industry performance.	

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 2005

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	2/ Total
January	1 409	2 320	6 859	808	3 011	1 659	4 093	1 142	2 463	1 326	5 662	4 874	35 632
February	1 650	2 260	7 089	1 116	3 099	916	4 485	1 343	2 764	1 271	6 547	4 514	37 058
March	1 756	1 863	7 329	1 220	3 592	2 017	4 904	1 292	2 831	1 404	6 523	5 041	39 778
April	1 731	1 866	7 662	1 197	3 648	1 997	5 221	1 329	3 036	1 324	6 757	4 971	40 745
May	2 270	1 849	7 930	1 104	3 773	2 307	5 294	1 452	3 186	1 412	6 940	5 107	42 628
June	2 522	2 088	7 835	1 034	3 822	2 545	6 281	1 406	3 212	1 552	6 965	5 338	44 605
July	2 678	1 843	8 317	1 121	3 974	1 544	6 194	1 446	3 131	1 415	6 790	5 385	43 843
August													
September													
October													
November													
December													

1/ Preliminary

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

Description of type of dealers included in indicated group types in table 1 ¹

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
Type H	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

Outlined below in tables 2 and 3 are details of the behaviour of wholesale trade sales at current prices over the period January 1998 to July 2005. Table 4 gives details of the behaviour of the seasonally adjusted wholesale trade sales at current prices over the same period.

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

Month	1998	1999	2000	2001	2002	2003	2004	1/ 2005
January	16 924	17 862	20 225	24 376	27 785	30 199	31 612	35 632
February	18 350	19 457	22 672	26 243	29 278	34 546	35 705	37 059
March	19 172	19 834	24 675	26 283	31 140	35 537	38 653	39 779
April	18 575	19 465	22 770	25 528	31 024	32 943	34 520	40 745
May	18 858	20 171	24 466	27 098	31 603	34 821	41 667	42 629
June	19 330	20 295	24 533	27 576	31 049	35 973	42 907	44 606
July	19 895	20 604	23 739	26 697	30 564	36 659	41 103	43 843
August	20 162	22 620	25 108	27 205	31 501	35 186	41 924	
September	20 963	23 068	25 125	26 016	33 052	35 949	43 020	
October	21 341	22 203	27 133	29 796	37 089	37 858	46 353	
November	21 027	24 860	27 953	30 854	36 600	38 654	48 989	
December	19 622	23 144	26 310	30 003	33 219	33 038	42 116	
Total	234 219	253 583	294 709	327 675	383 904	421 363	488 569	

1/ Preliminary

Table 3 - Percentage change in total wholesale trade sales at current prices 1/

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	-	5,5	13,2	20,5	14,0	8,7	4,7	12,7
February	-	6,0	16,5	15,8	11,6	18,0	3,4	3,8
March	-	3,5	24,4	6,5	18,5	14,1	8,8	2,9
April	-	4,8	17,0	12,1	21,5	6,2	4,8	18,0
May	-	7,0	21,3	10,8	16,6	10,2	19,7	2,3
June	-	5,0	20,9	12,4	12,6	15,9	19,3	4,0
July	-	3,6	15,2	12,5	14,5	19,9	12,1	6,7
August	-	12,2	11,0	8,4	15,8	11,7	19,1	
September	-	10,0	8,9	3,5	27,0	8,8	19,7	
October	-	4,0	22,2	9,8	24,5	2,1	22,4	
November	-	18,2	12,4	10,4	18,6	5,6	26,7	
December	-	17,9	13,7	14,0	10,7	-0,5	27,5	
Total	-	8,3	16,2	11,2	17,2	9,8	15,9	

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	1998	1999	2000	2001	2002	2003	2004	2005
January	18 787	19 758	22 336	27 016	30 984	33 969	35 897	40 747
February	18 815	19 938	23 181	26 859	29 945	35 440	36 672	38 099
March	19 073	19 724	24 515	26 045	30 865	35 209	38 357	39 438
April	19 370	20 305	23 807	26 792	32 614	34 618	36 224	42 759
May	19 015	20 284	24 508	26 996	31 368	34 442	41 223	42 172
June	19 460	20 407	24 584	27 467	30 670	35 263	41 852	43 401
July	20 271	21 022	24 284	27 358	31 269	37 311	41 626	44 330
August	19 886	22 391	24 968	27 206	31 643	35 496	42 352	
September	20 635	22 725	24 757	25 672	32 612	35 498	42 444	
October	19 959	20 746	25 326	27 739	34 470	35 085	42 884	
November	19 438	22 985	25 791	28 429	33 680	35 567	45 057	
December	19 463	22 997	26 167	29 955	33 232	33 176	42 417	

Outlined below in tables 5 and 6 are details of the behaviour of wholesale trade sales at constant prices over the period January 1998 to July 2005. Table 7 gives details of the behaviour of the 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	1998	1999	2000	2001	2002	2003	2004	1/ 2005
January	19 680	19 858	21 046	23 371	23 922	24 073	25 361	27 991
February	21 400	21 523	23 458	25 041	24 707	27 483	28 484	29 009
March	22 333	21 783	25 425	25 019	26 048	28 271	30 860	30 968
April	21 400	21 343	23 069	24 060	25 523	26 218	27 299	31 464
May	21 626	21 842	24 700	25 349	25 809	28 014	32 912	32 754
June	22 167	21 941	24 631	25 616	25 253	28 562	33 339	33 767
July	22 481	22 119	23 704	24 662	24 599	28 922	31 974	32 829
August	22 502	24 167	24 798	24 947	25 111	27 870	32 588	
September	23 305	24 633	24 717	23 857	26 368	28 817	33 675	
October	23 831	23 583	26 523	26 940	29 389	30 360	36 114	
November	23 454	26 238	27 034	27 573	28 910	31 110	38 139	
December	21 948	24 311	25 347	26 669	26 343	26 558	32 942	
Total	266 127	273 341	294 452	303 104	311 982	336 258	383 687	

1/ Preliminary

Table 6 - Percentage change in total wholesale trade sales at constant 2000 prices ^{1/}

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	-	0,9	6,0	11,0	2,4	0,6	5,4	10,4
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	0,3
April	-	-0,3	8,1	4,3	6,1	2,7	4,1	15,3
May	-	1,0	13,1	2,6	1,8	8,5	17,5	-0,5
June	-	-1,0	12,3	4,0	-1,4	13,1	16,7	1,3
July	-	-1,6	7,2	4,0	-0,3	17,6	10,6	2,7
August	-	7,4	2,6	0,6	0,7	11,0	16,9	
September	-	5,7	0,3	-3,5	10,5	9,3	16,9	
October	-	-1,0	12,5	1,6	9,1	3,3	19,0	
November	-	11,9	3,0	2,0	4,8	7,6	22,6	
December	-	10,8	4,3	5,2	-1,2	0,8	24,0	
Total	-	2,7	7,7	2,9	2,9	7,8	14,1	

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	1998	1999	2000	2001	2002	2003	2004	2005
January	21 901	22 017	23 276	25 911	26 637	26 998	28 667	31 837
February	21 916	22 046	23 991	25 645	25 288	28 214	29 270	29 824
March	22 349	21 779	25 386	24 901	25 876	28 009	30 562	30 633
April	22 354	22 302	24 159	25 295	26 896	27 640	28 764	33 166
May	21 862	22 022	24 796	25 280	25 609	27 669	32 482	32 304
June	22 306	22 052	24 695	25 557	25 028	28 119	32 692	33 053
July	22 951	22 609	24 262	25 263	25 155	29 453	32 429	33 249
August	22 340	24 068	24 797	25 074	25 353	28 271	33 124	
September	22 606	23 938	24 094	23 371	25 903	28 372	33 139	
October	22 253	21 998	24 705	25 032	27 269	28 112	33 397	
November	21 671	24 244	24 915	25 366	26 536	28 542	34 969	
December	21 724	24 108	25 169	26 593	26 326	26 636	33 126	

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

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

Table 8.1 - Quarterly and cumulative estimates and percentage changes

Estimates	May to July 2004	May to July 2005	% change between May to July 2004 and May to July 2005	January to July 2004 R million	January to July 2005 R million	% change between January to July 2004 and January to July 2005
Wholesale trade sales at current prices	125 677	131 078	+4,3	266 167	284 293	+6,8
at constant 2000 prices	98 225	99 350	+1,1	210 229	218 782	+4,1

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

Seasonally adjusted estimates	June 2005 R million	July 2005 R million	% change between June and July 2005	February to April 2005 R million	May to July 2005 R million	% change between February to April 2005 and May to July 2005
Wholesale trade sales at current prices	43 401	44 330	+2,1	120 296	129 903	+8,0
at constant 2000 prices	33 053	33 249	+0,6	93 623	98 606	+5,3

Explanatory notes

- | | | |
|--------------------------------------|---|---|
| Introduction | 1 | 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 2004 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT) and income tax. |
| | 2 | 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 | <p>This survey covers wholesale enterprises according to the following types of dealer:</p> <ul style="list-style-type: none"> • Wholesale trade on a fee or contract basis (not covered in previous survey) <ul style="list-style-type: none"> ○ 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 <ul style="list-style-type: none"> ○ 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 <ul style="list-style-type: none"> ○ 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 <ul style="list-style-type: none"> ○ General wholesale trade and other wholesale trade not elsewhere classified. |
| Classification | 4 | 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 (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. |
| | 7 | The value of sales is obtained monthly from the sample of 800 enterprises (which was drawn in September 2004 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	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 http://www.statssa.gov.za/publications/publicationsearch.asp .
Constant prices	9	The constant prices for the 2004 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	12	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.
	13	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	14	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 - <ul style="list-style-type: none"> • <i>Bulletin of Statistics</i> issued quarterly. • <i>SA Statistics</i> issued annually.
Rounding of figures	16	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 abbreviations	18	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 <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> .
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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Postal address: Private Bag X44, Pretoria, 0001

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