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# Statistical release

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# Wholesale trade sales (Preliminary)

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**Summary of findings: Wholesale trade sales**

**Table A – Key figures as at the end of July 2008**

| Wholesale trade sales estimates | July 2008<br>(R million) | % change between<br>July 2007<br>and<br>July 2008 | % change between<br>May<br>to<br>July 2007<br>and<br>May<br>to<br>July 2008 | % change between<br>January<br>to<br>July 2007<br>and<br>January<br>to<br>July 2008 |
|---------------------------------|--------------------------|---|---|---|
| At current prices               | 94 951                   | +27,9   | +26,3   | +25,1   |
| At constant 2000 prices         | 49 325                   | +6,3  | +6,1  | +8,2  |

| Seasonally adjusted estimates | July 2008<br>(R million) | % change between<br>June<br>and<br>July 2008 | % change between<br>February<br>to<br>April 2008<br>and<br>May<br>to<br>July 2008 |
|-------------------------------|--------------------------|--|---|
| At current prices             | 93 209                   | +2,3   | +3,2  |
| At constant 2000 prices       | 49 375                   | +0,4   | -3,3  |

**Key findings as at the end of July 2008**

**Wholesale trade sales increase in real terms**

*Wholesale trade sales, at constant (2000) prices, for the three months up to July 2008 increased by 6,1% compared with the three months up to July 2007. The corresponding growth in 2007 was 4,8%. Seasonally adjusted wholesale trade sales, at constant (2000) prices, for the three months up to July 2008 decreased by 3,3% compared with the three months up to April 2008.*

Wholesale trade sales, at constant (2000) prices, for July 2008 increased by 6,3% compared with July 2007. The 6,3% increase is higher than the 4,3% growth for July 2007 compared to July 2006.

In the first seven months of 2008, wholesale trade sales, at constant (2000) prices, increased by 8,2% compared with the same period in 2007. The annual growth rate for the corresponding period in 2007 was 7,1%.

Wholesale trade sales, at current prices, for the three months up to July 2008 increased by 26,3% compared with the three months up to July 2007.

Wholesale trade sales, at current prices, for July 2008 increased by 27,9% compared with July 2007.

**Table B – Contribution of each type of dealer to the percentage change in wholesale trade sales at current prices**

| Type of wholesale dealer                              | Sales May to July 2007 (R million) | Weight 1/    | Sales May to July 2008 (R million) | Difference in sales between May to July 2007 and May to July 2008 | Percentage change between May to July 2007 and May to July 2008 | Contribution (percentage points) to the percentage change in total sales 2/ |
|---|------------------------------------|--------------|------------------------------------|---|---|---|
| Contract or fee basis                                 | 9 966                              | 4,5          | 12 213                             | 2 247   | 22,5  | 1,0   |
| Agricultural raw materials and livestock              | 8 529                              | 3,9          | 12 397                             | 3 868   | 45,4  | 1,8   |
| Food, beverages and tobacco                           | 36 466                             | 16,6         | 41 224                             | 4 758   | 13,0  | 2,2   |
| Textiles, clothing and footwear                       | 6 320                              | 2,9          | 6 581                              | 261   | 4,1   | 0,1   |
| Other household previous goods except precious stones | 22 183                             | 10,1         | 25 030                             | 2 847   | 12,8  | 1,3   |
| Precious stones, jewellery and silverware             | 5 077                              | 2,3          | 6 035                              | 958   | 18,9  | 0,4   |
| Solid, liquid and gaseous fuels and related products  | 38 901                             | 17,7         | 59 798                             | 20 897  | 53,7  | 9,5   |
| Metals and metal ores                                 | 9 140                              | 4,2          | 13 958                             | 4 818   | 52,7  | 2,2   |
| Construction and building materials                   | 12 069                             | 5,5          | 13 065                             | 996   | 8,3   | 0,5   |
| Other intermediate products, waste and scrap          | 8 302                              | 3,8          | 10 862                             | 2 560   | 30,8  | 1,2   |
| Machinery, equipment and supplies                     | 43 621                             | 19,9         | 52 771                             | 9 150   | 21,0  | 4,2   |
| Other goods   | 18 873                             | 8,6          | 23 178                             | 4 305   | 22,8  | 2,0   |
| <b>Total 3/</b>                                       | <b>219 446</b>                     | <b>100,0</b> | <b>277 115</b>                     | <b>57 669</b>   | <b>26,3</b>   | <b>26,3</b>   |

1/ Weight is the percentage contribution of each type of dealer to the total wholesale trade sales for the three months up to the current month of the previous year.

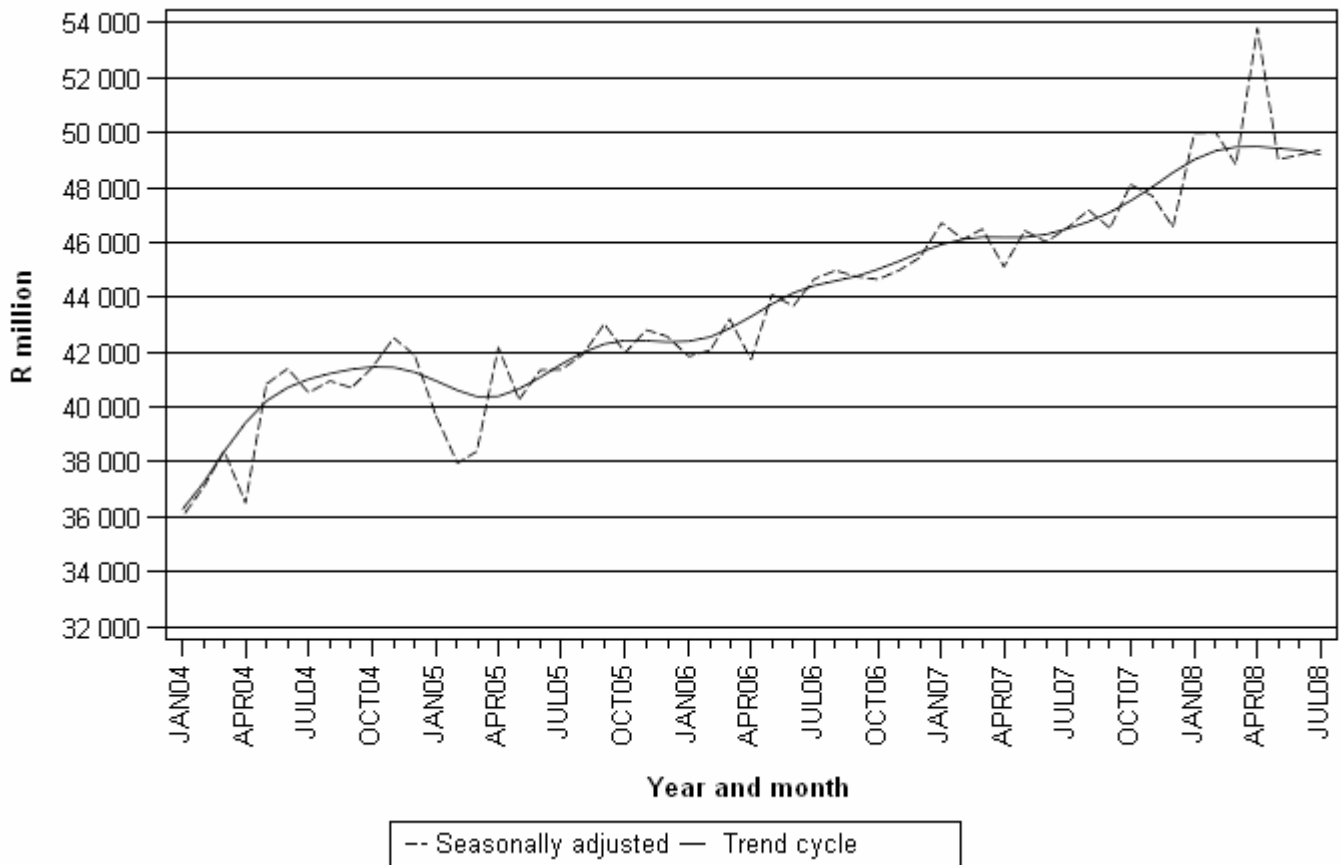
2/ The contribution to the percentage change is calculated by multiplying the percentage change of each type of dealer with its corresponding weight.

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

Table B above shows that the major contributors to the 26,3% increase in wholesale trade sales at current prices for the three months up to July 2008 as compared with the three months up to July 2007 were dealers in solid, liquid and gaseous fuels and related products (+9,5 percentage points), dealers in machinery, equipment and supplies (+4,2 percentage points) and both dealers in metals and metals ores and dealers in food, beverages and tobacco (each contributing +2,2 percentage points).

Figure 1 below shows the seasonally adjusted and trend patterns for wholesale trade sales at constant (2000) prices between January 2004 and July 2008.

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



**P J Lehohla**  
**Statistician-General**

**Article: Changes to the monthly current indicator survey and the impact on the statistical series**

**Business register and samples**

Today Statistics South Africa (Stats SA) publishes results for the monthly survey of wholesale trade sales. Today's publication by Stats SA sees the introduction of a new sample drawn in 2008 which replaces the previous sample that was drawn in 2007. The sample is drawn from a business register that primarily contains enterprises with an annual turnover of at least R300 000 and are required to register with the South African Revenue Service (SARS) for value added tax.

Due to the evolving nature of business, the business register has to be maintained on a continuous basis. The maintenance process is aimed amongst other things at capturing changes related to new businesses, ceased businesses, merged businesses and classification changes. In addition to these changes as a result of the business register maintenance, Stats SA continuously undertakes "Quality Improvement Surveys" (QIS) related to the business register. The primary objective of the QIS is to capture up to date information about the structures and activities of large businesses with complex structures. This process enables Stats SA to review industry codes stored for these businesses, which are often those first assigned to them by SARS. These changes are an essential part of the statistical architecture and future changes should be expected as the economy evolves and improvements are implemented.

**New sample reflects a higher reported level of sales**

The reported level of sales for the monthly wholesale trade sales survey for the months April to June 2008 based on the new sample was 6,8% higher than the level of sales from the previous sample. This is a result of the replacement of a sample that was drawn in April 2007 that was operational for the last half of 2007 and the first half of 2008. The movements in sales over the overlapping months are higher between the previous and new samples, so that the series for the survey move largely in parallel. As indicated above, this change is as a result of the new sample implemented based on improvements in the business register such as changes in classifications.

**Table C - Total wholesale sales, previous and new samples – June quarter 2008**

| Industry              | Previous sample | New sample | Difference | Difference |
|-----------------------|-----------------|------------|------------|------------|
|                       | R million       | R million  | R million  | Percent    |
| Wholesale trade sales | 251 911         | 269 126    | 17 215     | 6,8        |

**Wholesale trade sales**

**Back-casting**

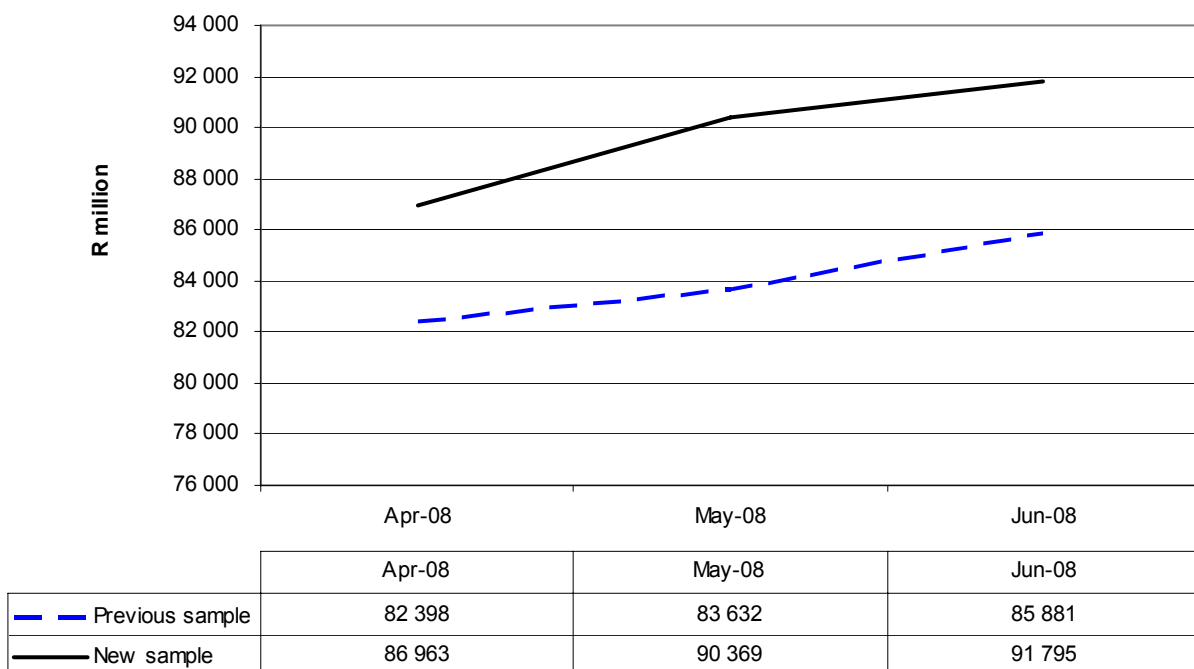
Under ideal conditions growth in series should reflect the actual birth of new businesses, as well as the performance of existing businesses.

Since information about the birth of businesses was not available from SARS on a monthly basis from April 2007 when the previous sample was drawn to April 2008 the new sample was revised based on updating of the business register for business births, deaths, changes of activity etc., the levels of the series were adjusted rather than attempting to adjust the month to month movements. Accordingly, to assist users of time series, the levels from the new sample for the survey have been adjusted back to the start of 1998, using the level for April 2008 as the end point of the back-cast series. Taking the series back to then (as was done when the first sample for this survey was introduced from January 2003) prevents a break in series at July 2001 when the sample frames from the new business register were first created.

**Comparing the results of the previous and new samples**

The movements in sales over the three months April to June 2008 are similar between the previous and new samples. As a result the series for the survey move largely in parallel for those months in which the survey was conducted based on the previous and new samples, reflecting an increase in level of approximately 6,8% compared with the previous sample (2007) (see figure 2).

**Figure 2 – Total wholesale trade sales, previous and new samples - April to June 2008 (R million)**



**Levels and movements**

While in total there was 6,8% difference between the levels of sales from the previous and new samples for the overlap period, the differences within the types of dealers were not similar to the total. The major reason for the change in types of dealers is improved classification of the register, as already indicated.

**Table D – Wholesale trade sales for previous and new samples, by type of wholesaler: April to June 2008**

| Type of wholesaler  | Previous sample | New sample     | Difference    | Difference               |
|---|-----------------|----------------|---------------|--------------------------|
|   | R million       | R million      | R million     | Percentage <sup>1/</sup> |
| Wholesale trade on a fee or contract basis                              | 7 447           | 11 213         | 3 765         | 50,6                     |
| Wholesale trade in agricultural raw materials and livestock             | 13 002          | 11 176         | -1 826        | -14,0                    |
| Wholesale trade in food, beverages and tobacco                          | 39 743          | 40 607         | 864           | 2,2                      |
| Wholesale trade in textiles, clothing and footwear                      | 5 491           | 7 890          | 2 400         | 43,7                     |
| Wholesale trade in other household goods except precious stones         | 27 452          | 26 293         | -1 160        | -4,2                     |
| Wholesale trade in precious stones, jewellery and silverware            | 5 999           | 6 465          | 467           | 7,8                      |
| Wholesale trade in solid, liquid and gaseous fuels and related products | 53 547          | 55 663         | 2 116         | 4,0                      |
| Wholesale trade in metals and metal ores                                | 13 097          | 13 434         | 337           | 2,6                      |
| Wholesale trade in construction and building materials                  | 13 841          | 12 867         | -974          | -7,0                     |
| Wholesale trade in other intermediate products, waste and scrap         | 11 272          | 10 055         | -1 218        | -10,8                    |
| Wholesale trade in machinery, equipment and supplies                    | 44 129          | 50 845         | 6 716         | 15,2                     |
| Wholesale trade in other goods  | 16 891          | 22 619         | 5 728         | 33,9                     |
| <b>Total for wholesale trade sales</b>                                  | <b>251 911</b>  | <b>269 126</b> | <b>17 215</b> | <b>6,8</b>               |

<sup>1/</sup> The percentage difference is the difference between the April to June 2008 sales as recorded in the new sample divided by the April to June 2007 sales as recorded in the previous sample, expressed as a percentage.



**Detailed results**

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

**Table 1 – Total wholesale trade sales according to the type of dealer at current prices (R million)**

| Year and 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/       |        |
|-------------------|------------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|----------------|--------|
| <b>2007</b>       | <b>January</b>   | 2 679         | 2 164          | 11 629        | 1 641         | 5 688         | 739            | 10 503        | 2 388         | 2 841         | 2 431          | 12 605        | 5 498          | 60 806 |
|                   | <b>February</b>  | 3 124         | 2 574          | 11 486        | 2 170         | 6 727         | 1 241          | 10 473        | 2 845         | 3 562         | 2 326          | 13 011        | 5 682          | 65 220 |
|                   | <b>March</b>     | 3 118         | 2 249          | 11 342        | 2 523         | 6 654         | 2 005          | 11 540        | 2 875         | 3 857         | 2 334          | 14 965        | 6 370          | 69 832 |
|                   | <b>April</b>     | 3 388         | 2 128          | 11 029        | 2 326         | 6 971         | 1 883          | 10 946        | 2 731         | 3 359         | 2 362          | 12 063        | 4 875          | 64 062 |
|                   | <b>May</b>       | 3 275         | 2 820          | 11 890        | 2 442         | 7 763         | 1 899          | 12 632        | 3 144         | 4 019         | 2 633          | 13 864        | 6 161          | 72 542 |
|                   | <b>June</b>      | 3 343         | 2 923          | 12 341        | 1 781         | 7 159         | 1 936          | 12 840        | 3 024         | 4 066         | 2 772          | 14 343        | 6 125          | 72 651 |
|                   | <b>July</b>      | 3 348         | 2 786          | 12 235        | 2 097         | 7 261         | 1 242          | 13 429        | 2 972         | 3 984         | 2 897          | 15 414        | 6 587          | 74 253 |
|                   | <b>August</b>    | 3 648         | 2 696          | 12 263        | 2 853         | 7 738         | 1 181          | 13 530        | 3 343         | 3 999         | 3 142          | 15 816        | 6 555          | 76 764 |
|                   | <b>September</b> | 3 265         | 2 661          | 13 339        | 3 042         | 7 529         | 2 097          | 12 684        | 2 912         | 3 980         | 2 756          | 14 985        | 6 623          | 75 873 |
|                   | <b>October</b>   | 3 438         | 2 761          | 13 586        | 3 418         | 8 559         | 2 269          | 13 919        | 3 546         | 4 473         | 3 411          | 17 081        | 7 310          | 83 769 |
|                   | <b>November</b>  | 3 778         | 3 262          | 14 054        | 3 090         | 9 163         | 2 422          | 14 615        | 3 353         | 4 774         | 3 524          | 16 384        | 9 182          | 87 599 |
|                   | <b>December</b>  | 3 266         | 3 084          | 15 392        | 2 008         | 7 362         | 1 819          | 14 023        | 1 807         | 2 453         | 2 541          | 12 609        | 7 598          | 73 962 |
| <b>Total</b>      | <b>39 670</b>    | <b>32 108</b> | <b>150 586</b> | <b>29 391</b> | <b>88 574</b> | <b>20 733</b> | <b>151 134</b> | <b>34 940</b> | <b>45 367</b> | <b>33 129</b> | <b>173 140</b> | <b>78 566</b> | <b>877 333</b> |        |
| <b>2008</b>       | <b>January</b>   | 2 986         | 3 039          | 13 263        | 1 813         | 6 918         | 573            | 13 441        | 2 845         | 3 340         | 2 577          | 15 834        | 6 073          | 72 701 |
|                   | <b>February</b>  | 3 647         | 3 497          | 12 838        | 2 612         | 7 771         | 1 695          | 14 631        | 3 667         | 4 465         | 3 086          | 15 611        | 6 208          | 79 728 |
|                   | <b>March</b>     | 3 613         | 2 860          | 13 442        | 2 463         | 6 961         | 1 979          | 17 191        | 3 839         | 4 263         | 2 862          | 17 462        | 6 253          | 83 188 |
|                   | <b>April</b>     | 3 851         | 3 299          | 12 836        | 3 106         | 9 663         | 2 176          | 17 105        | 4 341         | 4 294         | 3 168          | 15 731        | 7 394          | 86 963 |
|                   | <b>May</b>       | 3 896         | 3 878          | 13 461        | 2 827         | 8 357         | 1 995          | 19 034        | 4 350         | 4 472         | 3 556          | 16 902        | 7 639          | 90 369 |
|                   | <b>June</b>      | 3 465         | 3 999          | 14 309        | 1 958         | 8 273         | 2 295          | 19 524        | 4 743         | 4 100         | 3 331          | 18 212        | 7 586          | 91 795 |
|                   | <b>July</b>      | 4 852         | 4 520          | 13 454        | 1 796         | 8 400         | 1 745          | 21 240        | 4 865         | 4 493         | 3 975          | 17 657        | 7 953          | 94 951 |

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 <sup>1/</sup>**

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

1/ See note 4 on page 13.

Tables 2 and 3 show wholesale trade sales (actual values and annual percentage changes) at current prices over the period January 2001 - July 2008. 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        | 2001           | 2002           | 2003           | 2004           | 2005           | 2006           | 2007 /1        | 2008 /1 |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------|
| January      | 30 551         | 34 827         | 37 849         | 39 623         | 44 336         | 49 213         | 60 806         | 72 701  |
| February     | 32 890         | 36 696         | 43 299         | 44 751         | 46 408         | 53 971         | 65 220         | 79 728  |
| March        | 32 940         | 39 029         | 44 542         | 48 444         | 49 559         | 58 412         | 69 832         | 83 188  |
| April        | 31 997         | 38 882         | 41 288         | 43 264         | 50 966         | 52 913         | 64 062         | 86 963  |
| May          | 33 962         | 39 611         | 43 644         | 52 224         | 53 006         | 61 413         | 72 542         | 90 369  |
| June         | 34 562         | 38 915         | 45 089         | 53 777         | 54 961         | 62 147         | 72 651         | 91 795  |
| July         | 33 460         | 38 306         | 45 948         | 51 517         | 54 806         | 64 179         | 74 253         | 94 951  |
| August       | 34 098         | 39 481         | 44 102         | 52 545         | 56 457         | 66 649         | 76 764         |         |
| September    | 32 608         | 41 424         | 45 056         | 53 143         | 58 642         | 66 673         | 75 873         |         |
| October      | 37 346         | 46 486         | 47 450         | 57 533         | 60 608         | 71 025         | 83 769         |         |
| November     | 38 673         | 45 874         | 48 444         | 61 307         | 64 949         | 75 651         | 87 599         |         |
| December     | 37 605         | 41 633         | 41 407         | 52 896         | 56 198         | 65 760         | 73 962         |         |
| <b>Total</b> | <b>410 692</b> | <b>481 164</b> | <b>528 118</b> | <b>611 024</b> | <b>650 896</b> | <b>748 006</b> | <b>877 333</b> |         |

1/ Preliminary.

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

| Month        | 2001 | 2002        | 2003       | 2004        | 2005       | 2006        | 2007        | 2008 |
|--------------|------|-------------|------------|-------------|------------|-------------|-------------|------|
| January      | -    | 14,0        | 8,7        | 4,7         | 11,9       | 11,0        | 23,6        | 19,6 |
| February     | -    | 11,6        | 18,0       | 3,4         | 3,7        | 16,3        | 20,8        | 22,2 |
| March        | -    | 18,5        | 14,1       | 8,8         | 2,3        | 17,9        | 19,6        | 19,1 |
| April        | -    | 21,5        | 6,2        | 4,8         | 17,8       | 3,8         | 21,1        | 35,7 |
| May          | -    | 16,6        | 10,2       | 19,7        | 1,5        | 15,9        | 18,1        | 24,6 |
| June         | -    | 12,6        | 15,9       | 19,3        | 2,2        | 13,1        | 16,9        | 26,4 |
| July         | -    | 14,5        | 19,9       | 12,1        | 6,4        | 17,1        | 15,7        | 27,9 |
| August       | -    | 15,8        | 11,7       | 19,1        | 7,4        | 18,1        | 15,2        |      |
| September    | -    | 27,0        | 8,8        | 17,9        | 10,3       | 13,7        | 13,8        |      |
| October      | -    | 24,5        | 2,1        | 21,2        | 5,3        | 17,2        | 17,9        |      |
| November     | -    | 18,6        | 5,6        | 26,6        | 5,9        | 16,5        | 15,8        |      |
| December     | -    | 10,7        | -0,5       | 27,7        | 6,2        | 17,0        | 12,5        |      |
| <b>Total</b> | -    | <b>17,2</b> | <b>9,8</b> | <b>15,7</b> | <b>6,5</b> | <b>14,9</b> | <b>17,3</b> |      |

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     | 2001   | 2002   | 2003   | 2004   | 2005   | 2006   | 2007   | 2008   |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|
| January   | 33 822 | 38 792 | 42 591 | 45 069 | 50 815 | 56 538 | 69 711 | 83 227 |
| February  | 33 695 | 37 642 | 44 749 | 46 615 | 48 801 | 57 112 | 69 317 | 84 830 |
| March     | 32 725 | 38 809 | 44 346 | 48 416 | 49 762 | 59 012 | 70 861 | 84 500 |
| April     | 33 737 | 41 305 | 44 301 | 46 906 | 55 777 | 58 254 | 70 778 | 96 268 |
| May       | 33 885 | 39 415 | 43 331 | 51 885 | 52 604 | 60 934 | 71 923 | 89 665 |
| June      | 34 466 | 38 532 | 44 437 | 52 916 | 54 133 | 61 279 | 71 900 | 91 133 |
| July      | 34 180 | 38 973 | 46 433 | 51 580 | 54 510 | 63 377 | 73 068 | 93 209 |
| August    | 34 098 | 39 558 | 44 050 | 52 047 | 55 376 | 64 940 | 74 514 |        |
| September | 32 122 | 40 742 | 44 193 | 51 895 | 57 173 | 64 968 | 73 838 |        |
| October   | 34 648 | 43 047 | 43 788 | 53 013 | 55 762 | 65 412 | 77 135 |        |
| November  | 35 433 | 41 636 | 43 484 | 54 519 | 57 282 | 66 524 | 76 918 |        |
| December  | 37 568 | 41 718 | 41 720 | 53 589 | 57 152 | 67 010 | 75 457 |        |

Tables 5 and 6 show wholesale trade sales (actual values and annual percentage changes) at constant (2000) prices over the period January 2001 - July 2008. 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        | 2001           | 2002           | 2003           | 2004           | 2005           | 2006           | 2007 /1        | 2008 /1 |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------|
| January      | 29 291         | 29 985         | 30 171         | 31 787         | 34 828         | 36 699         | 41 113         | 44 088  |
| February     | 31 384         | 30 967         | 34 446         | 35 701         | 36 327         | 40 187         | 43 978         | 47 684  |
| March        | 31 356         | 32 647         | 35 435         | 38 678         | 38 582         | 43 284         | 46 446         | 48 762  |
| April        | 30 157         | 31 988         | 32 860         | 34 214         | 39 356         | 38 821         | 41 925         | 49 950  |
| May          | 31 770         | 32 349         | 35 112         | 41 251         | 40 727         | 44 567         | 46 892         | 49 463  |
| June         | 32 106         | 31 651         | 35 799         | 41 785         | 41 606         | 43 827         | 45 967         | 48 957  |
| July         | 30 910         | 30 830         | 36 251         | 40 075         | 41 038         | 44 492         | 46 408         | 49 325  |
| August       | 31 268         | 31 472         | 34 932         | 40 843         | 42 085         | 45 370         | 47 724         |         |
| September    | 29 902         | 33 047         | 36 117         | 41 599         | 43 976         | 45 713         | 47 569         |         |
| October      | 33 767         | 36 835         | 38 051         | 44 825         | 45 433         | 48 267         | 52 014         |         |
| November     | 34 560         | 36 235         | 38 989         | 47 728         | 48 433         | 51 064         | 54 224         |         |
| December     | 33 427         | 33 016         | 33 285         | 41 373         | 41 876         | 44 583         | 45 613         |         |
| <b>Total</b> | <b>379 898</b> | <b>391 022</b> | <b>421 448</b> | <b>479 859</b> | <b>494 267</b> | <b>526 874</b> | <b>559 873</b> |         |

1/ Preliminary.

**Table 6 – Percentage change in total wholesale trade sales at constant 2000 prices 1/**

| Month        | 2001 | 2002       | 2003       | 2004        | 2005       | 2006       | 2007       | 2008 |
|--------------|------|------------|------------|-------------|------------|------------|------------|------|
| January      | -    | 2,4        | 0,6        | 5,4         | 9,6        | 5,4        | 12,0       | 7,2  |
| February     | -    | -1,3       | 11,2       | 3,6         | 1,8        | 10,6       | 9,4        | 8,4  |
| March        | -    | 4,1        | 8,5        | 9,2         | -0,2       | 12,2       | 7,3        | 5,0  |
| April        | -    | 6,1        | 2,7        | 4,1         | 15,0       | -1,4       | 8,0        | 19,1 |
| May          | -    | 1,8        | 8,5        | 17,5        | -1,3       | 9,4        | 5,2        | 5,5  |
| June         | -    | -1,4       | 13,1       | 16,7        | -0,4       | 5,3        | 4,9        | 6,5  |
| July         | -    | -0,3       | 17,6       | 10,5        | 2,4        | 8,4        | 4,3        | 6,3  |
| August       | -    | 0,7        | 11,0       | 16,9        | 3,0        | 7,8        | 5,2        |      |
| September    | -    | 10,5       | 9,3        | 15,2        | 5,7        | 3,9        | 4,1        |      |
| October      | -    | 9,1        | 3,3        | 17,8        | 1,4        | 6,2        | 7,8        |      |
| November     | -    | 4,8        | 7,6        | 22,4        | 1,5        | 5,4        | 6,2        |      |
| December     | -    | -1,2       | 0,8        | 24,3        | 1,2        | 6,5        | 2,3        |      |
| <b>Total</b> | -    | <b>2,9</b> | <b>7,8</b> | <b>13,9</b> | <b>3,0</b> | <b>6,6</b> | <b>6,3</b> |      |

1/ The percentage change is the difference between wholesale trade 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     | 2001   | 2002   | 2003   | 2004   | 2005   | 2006   | 2007   | 2008   |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|
| January   | 32 467 | 33 380 | 33 884 | 36 009 | 39 683 | 41 840 | 46 715 | 49 983 |
| February  | 32 192 | 31 804 | 35 606 | 37 099 | 37 954 | 42 074 | 46 113 | 50 000 |
| March     | 31 232 | 32 464 | 35 176 | 38 408 | 38 384 | 43 208 | 46 491 | 48 835 |
| April     | 31 727 | 33 801 | 34 879 | 36 506 | 42 175 | 41 726 | 45 111 | 53 809 |
| May       | 31 705 | 32 145 | 34 768 | 40 832 | 40 273 | 44 097 | 46 426 | 49 026 |
| June      | 32 052 | 31 430 | 35 449 | 41 403 | 41 354 | 43 679 | 46 022 | 49 189 |
| July      | 31 638 | 31 486 | 36 868 | 40 524 | 41 365 | 44 664 | 46 521 | 49 375 |
| August    | 31 394 | 31 704 | 35 188 | 40 952 | 41 913 | 44 978 | 47 178 |        |
| September | 29 289 | 32 419 | 35 425 | 40 705 | 43 032 | 44 746 | 46 520 |        |
| October   | 31 314 | 34 122 | 35 189 | 41 442 | 41 982 | 44 651 | 48 108 |        |
| November  | 31 650 | 32 884 | 35 041 | 42 517 | 42 812 | 44 986 | 47 698 |        |
| December  | 33 395 | 33 097 | 33 527 | 41 899 | 42 570 | 45 456 | 46 566 |        |

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

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 8.1 – Quarterly and cumulative estimates and percentage changes**

| Wholesale trade sales estimates | May to July 2007 (R million) | May to July 2008 (R million) | % change between May to July 2007 and May to July 2008 | January to July 2007 (R million) | January to July 2008 (R million) | % change between January to July 2007 and January to July 2008 |
|---------------------------------|------------------------------|------------------------------|--|----------------------------------|----------------------------------|--|
| <b>At current prices</b>        | 219 446                      | 277 115                      | +26,3  | 479 366                          | 599 695                          | +25,1  |
| <b>At constant 2000 prices</b>  | 139 267                      | 147 745                      | +6,1   | 312 729                          | 338 229                          | +8,2   |

**Table 8.2 – Seasonally adjusted estimates with monthly and quarterly percentage changes**

| Seasonally adjusted wholesale trade sales estimates | June 2008 (R million) | July 2008 (R million) | % change between June and July 2008 | February to April 2008 (R million) | May to July 2008 (R million) | % change between February to April 2008 and May to July 2008 |
|---|-----------------------|-----------------------|-------------------------------------|------------------------------------|------------------------------|--|
| <b>At current prices</b>                            | 91 133                | 93 209                | +2,3                                | 265 598                            | 274 007                      | +3,2   |
| <b>At constant 2000 prices</b>                      | 49 189                | 49 375                | +0,4                                | 152 644                            | 147 590                      | -3,3   |

**Explanatory notes**

|                                      |          |   |
|--------------------------------------|----------|---|
| <b>Introduction</b>                  | <b>1</b> | <p>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 2008 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT).</p> <p>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.</p>   |
| <b>Purpose of the survey</b>         | <b>3</b> | <p>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.</p>   |
| <b>Scope of the survey</b>           | <b>4</b> | <p>This survey covers wholesale enterprises according to the following types of dealer:</p> <ul style="list-style-type: none"> <li>• Wholesale trade on a fee or contract basis</li> <li>• Sales by commission agents, commodity brokers, auctioneers and other wholesale trade on a fee or contract basis;</li> <li>• Wholesale trade in agricultural raw materials and livestock;</li> <li>• Wholesale trade in food, beverages and tobacco;</li> <li>• Wholesale trade in textiles, clothing and footwear;</li> <li>• Wholesale trade in other household previous goods except precious stones</li> <li>• Wholesale trade in household previous furniture, requisites and appliances, wholesale trade in books and stationery, wholesale trade in pharmaceuticals and toiletries and wholesale trade in other household previous goods not elsewhere classified;</li> <li>• Wholesale trade in precious stones, jewellery and silverware;</li> <li>• Wholesale trade in solid, liquid and gaseous fuels and related products;</li> <li>• Wholesale trade in metals and metal ores;</li> <li>• Wholesale trade in construction and building materials</li> <li>• Wholesale trade in construction materials, hardware, plumbing and heating equipment and supplies;</li> <li>• Wholesale trade in machinery, equipment and supplies;</li> <li>• Wholesale trade in other intermediate products, waste and scrap; and</li> <li>• Wholesale trade in other goods</li> <li>• General wholesale trade and other wholesale trade not elsewhere classified.</li> </ul> |
| <b>Classification</b>                | <b>5</b> | <p>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.</p>  |
| <b>Response rate</b>                 | <b>6</b> | <p>The preliminary response rate for the survey on wholesale trade sales for July 2008 was 89,2%.</p>   |
| <b>Statistical unit</b>              | <b>7</b> | <p>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.</p>   |
| <b>Survey methodology and design</b> | <b>8</b> | <p>The survey is conducted monthly. Questionnaires are sent to a sample of about 1000 enterprises from a population of about 21 000 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>   |

- 9 The value of sales is obtained monthly from the sample of about 1000 enterprises (which was drawn in April 2008 at the SIC four-digit level) from a population of about 21 000 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** 10 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** 11 The total sales at constant prices are calculated using a combination of the Production Price Indices (PPI) for consumption in South Africa and for total output of South African industry groups to deflate the sales at current prices. However, with the discontinuation of the PPI for consumption in South Africa in January 2008, total sales at constant prices are calculated using the total output of South African industry groups from the PPI to deflate the sales at current prices.
- Seasonal adjustment** 12 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** 13 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** 14 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.
- 15 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** 16 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** 17 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** 18 Where figures have been rounded-off discrepancies may occur between sums of the component items and the totals.

**Pre-release policy**            **19**    Stats SA's pre-release policy may be inspected at its Website, [www.statssa.gov.za](http://www.statssa.gov.za).

**Symbols and abbreviations**            **20**    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 strata did not exceed 4,8%.

**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 March 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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