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Summary of findings: Wholesale trade sales

Table A – Key figures as at the end of July 2009

Wholesale trade sales estimates	July 2009 (R million)	% change between July 2008 and July 2009	% change between May to July 2008 and May to July 2009	% change between January to July 2008 and January to July 2009
At current prices	83 642	-17,0	-16,0	-9,1
At constant 2000 prices	45 163	-13,8	-12,8	-10,5

Seasonally adjusted estimates	July 2009 (R million)	% change between June and July 2009	% change between February to April 2009 and May to July 2009
At current prices	81 453	-0,9	-7,4
At constant 2000 prices	45 291	-2,1	-5,3

Key findings as at the end of July 2009

Wholesale trade sales in real terms decrease

Wholesale trade sales, at constant (2000) prices, for the three months ended July 2009 decreased by 12,8% compared with the three months ended July 2008, while sales for the corresponding period in 2008 increased by 6,2%. Seasonally adjusted wholesale trade sales, at constant (2000) prices, for the three months ended July 2009 decreased by 5,3% compared with the three months ended April 2009.

Wholesale trade sales, at constant (2000) prices, for July 2009 decreased by 13,8% compared with July 2008.

Wholesale trade sales, at current prices, for the three months ended July 2009 decreased by 16,0% compared with the three months ended July 2008. The major contributors to this decrease were dealers in solid, liquid and gaseous fuels and related products (-35,1% and contributing -7,2 percentage points), dealers in machinery, equipment and supplies (-16,4% and contributing -3,1 percentage points) and dealers in metals and metal ores (-45,5% and contributing -2,1 percentage points) – see Table B on page 3.

Wholesale trade sales at current prices for July 2009 decreased by 17,0% compared with July 2008, while sales for the corresponding period in 2008 increased by 28,3%.

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 2008 (R million)	Weight 1/	Sales May to July 2009 (R million)	Difference in sales between May to July 2008 and May to July 2009 (R million)	Percentage change between May to July 2008 and May to July 2009	Contribution (percentage points) to the percentage change in total sales 2/
Contract or fee basis	14 529	4,9	10 279	-4 250	-29,3	-1,4
Agricultural raw materials and livestock	12 871	4,4	10 759	-2 112	-16,4	-0,7
Food, beverages and tobacco	47 514	16,2	50 183	2 669	5,6	0,9
Textiles, clothing and footwear	7 136	2,4	8 024	888	12,4	0,3
Other household goods except precious stones	24 953	8,5	24 378	-575	-2,3	-0,2
Precious stones, jewellery and silverware	6 219	2,1	3 497	-2 722	-43,8	-0,9
Solid, liquid and gaseous fuels and related products	59 855	20,4	38 819	-21 036	-35,1	-7,2
Metals and metal ores	13 564	4,6	7 389	-6 175	-45,5	-2,1
Construction and building materials	16 378	5,6	14 159	-2 219	-13,5	-0,8
Other intermediate products, waste and scrap	11 603	4,0	8 572	-3 031	-26,1	-1,0
Machinery, equipment and supplies	55 157	18,8	46 100	-9 057	-16,4	-3,1
Other goods	23 848	8,1	24 551	703	2,9	0,2
Total 3/	293 630	100,0	246 710	-46 920	-16,0	-16,0

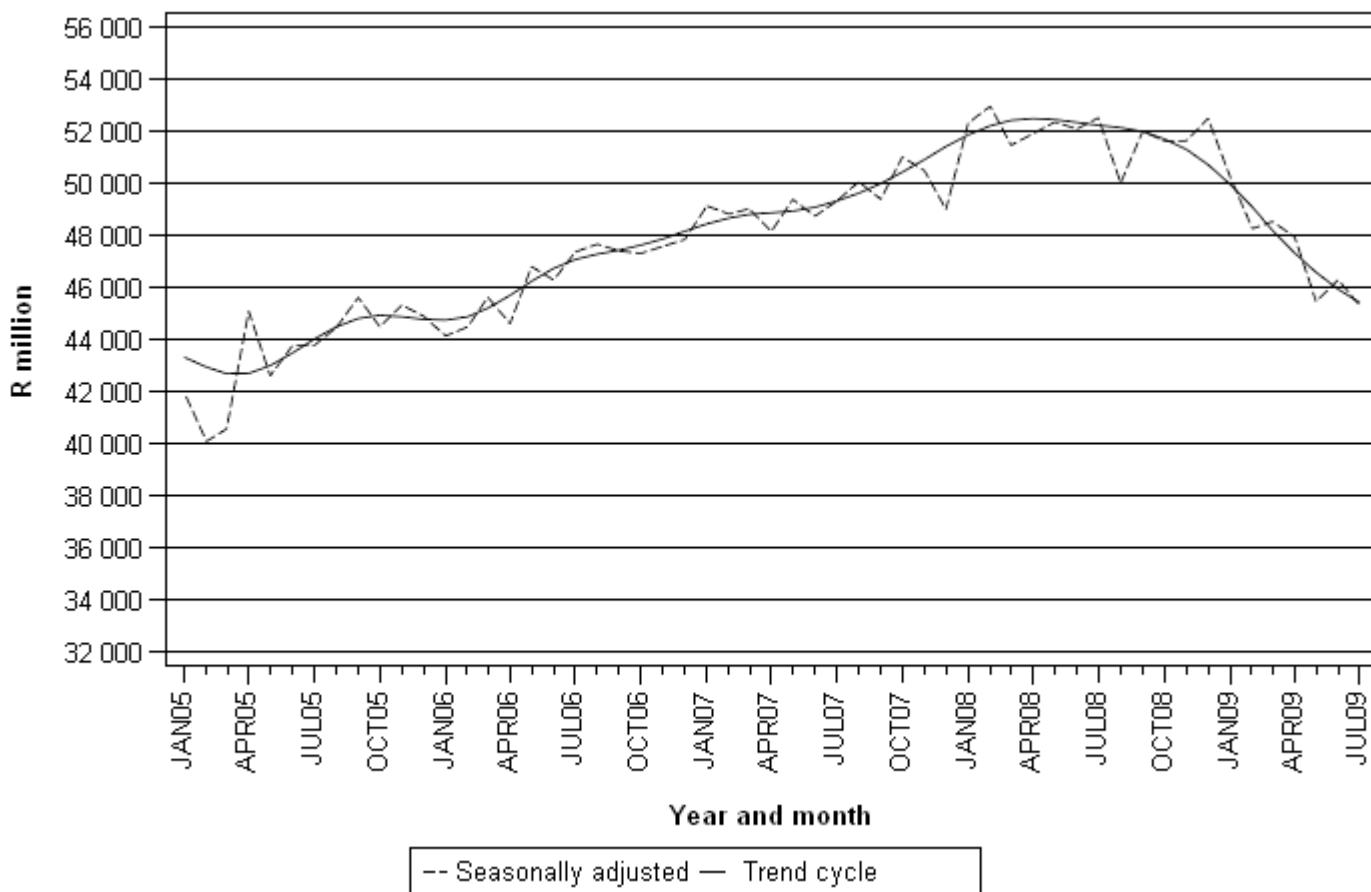
1/ Weight is the percentage contribution of each type of dealer to the total wholesale trade sales for the three months up to the current month of the previous year.

2/ The contribution to the percentage change is calculated by multiplying the percentage change of each type of dealer with its corresponding weight, divided by 100.

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

Figure 1 below shows the seasonally adjusted and trend patterns for wholesale trade sales at constant (2000) prices between January 2005 and July 2009.

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 from a new sample drawn in 2009 which replaces the previous sample that was drawn in 2008. The sample is drawn from a Business Register (BR) 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 survey of wholesale trade sales for the months April to June 2009 based on the new sample was 5,6% 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 2008 that was operational for the last half of 2008 and the first half of 2009. The movements in sales over the overlapping months are very similar between the previous and new samples, so that the series for the survey moves 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 sales for previous and new sample by industry – April to June 2009

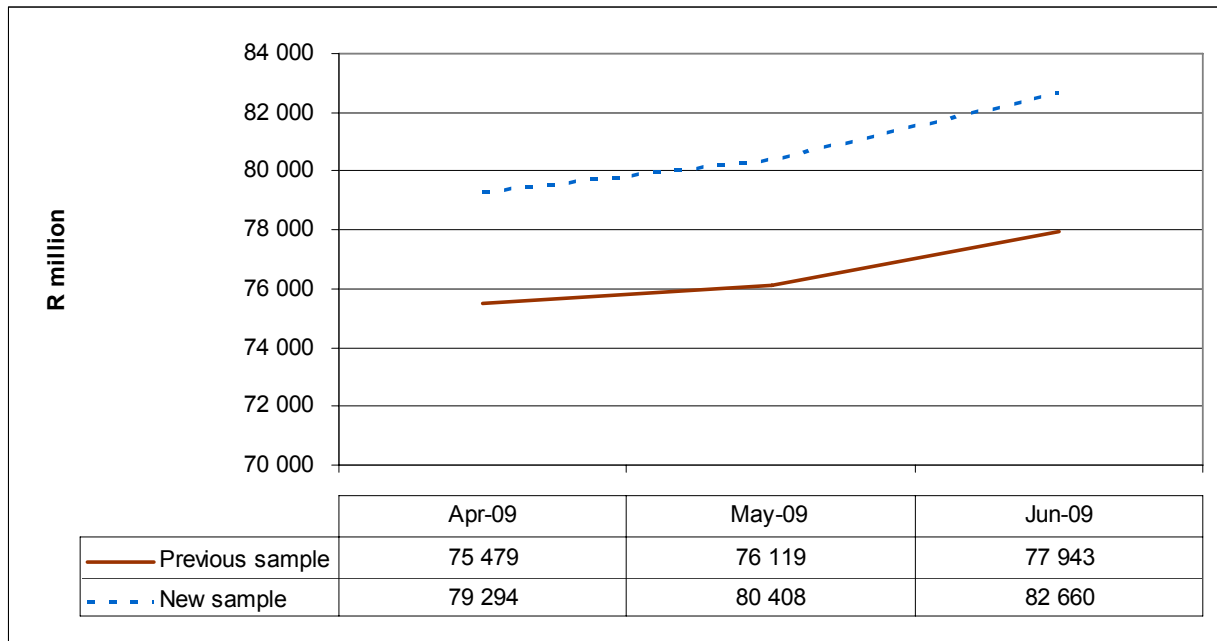
Industry	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (percent)
Wholesale	229 541	242 362	12 821	5,6

Comparing the results of the previous and new samples

The movements in sales over the three months April to June 2009 are very similar between the previous and new samples. As a result the series for the survey moves 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 5,6% compared with the previous sample (2008) (see Figure 2).

While in total there was a difference of 5,6% (R12 821 million) between the levels of sales from the previous and new samples for the overlap period, there were varying differences within the types of wholesale dealers. The major reason for the change in the types of wholesalers’ data is an improved classification of the register as already indicated. The type of wholesale dealer most affected by the implementation of the new sample was wholesale trade in food, beverages and tobacco, reflecting a R6 284 million change in the level of sales for the three overlapping months (see Table D on page 6).

Figure 2 – Total wholesale trade sales: monthly levels of previous and new sample April to June 2009



Levels and movements

Table D – Wholesale trade sales for previous and new samples by type of wholesale dealer: April to June 2009

Type of wholesale dealer	Previous sample	New sample	Difference	Difference
	(R million)	(R million)	(R million)	(Percentage) 1/
Contract or fee basis	8 361	9 970	1 609	19,2
Agricultural raw materials and livestock	9 718	10 064	346	3,6
Food, beverages and tobacco	44 060	50 345	6 284	14,3
Textiles, clothing and footwear	7 673	8 303	631	8,2
Other household goods except precious stones	23 979	23 848	-131	-0,5
Precious stones, jewellery and silverware	3 813	3 865	52	1,4
Solid, liquid and gaseous fuels and related products	36 831	36 523	-308	-0,8
Metals and metal ores	7 170	6 922	-247	-3,5
Construction and building materials	10 764	13 350	2 586	24,0
Other intermediate products, waste and scrap	7 657	8 073	416	5,4
Machinery equipment and supplies	46 433	46 858	425	0,9
Other goods	23 082	24 240	1 158	5,0
Total wholesale	229 541	242 362	12 821	5,6

1/ The percentage difference is the difference between the April to June 2009 sales as recorded in the new sample and the April to June 2009 sales as recorded in the previous sample, expressed as a percentage.

Back-casting

In order 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 2009 as the end point for the back-cast series.

Detailed results

Outlined below in Table 1 are wholesale trade sales according to type of dealer (see description of type of dealer on page 8).

Table 1 – 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/	
2008	January	3 602	3 145	15 220	1 956	6 838	585	13 394	2 750	4 168	2 698	16 257	6 337	76 951
	February	4 398	3 618	14 728	2 818	7 679	1 730	14 576	3 544	5 570	3 230	16 023	6 476	84 389
	March	4 365	2 964	15 449	2 662	6 891	2 024	17 158	3 717	5 328	3 001	17 956	6 535	88 051
	April	4 663	3 427	14 786	3 364	9 587	2 231	17 111	4 212	5 379	3 329	16 213	7 745	92 047
	May	4 716	4 028	15 502	3 061	8 290	2 045	19 036	4 220	5 600	3 736	17 416	8 000	95 651
	June	4 202	4 161	16 510	2 124	8 222	2 357	19 563	4 610	5 144	3 507	18 801	7 960	97 161
	July	5 611	4 682	15 502	1 951	8 441	1 817	21 256	4 734	5 634	4 360	18 940	7 888	100 818
	August	5 662	4 335	17 577	1 973	8 413	662	20 359	4 438	5 421	4 494	17 056	7 429	97 819
	September	5 226	3 931	17 075	2 280	9 162	1 103	18 417	4 070	5 517	3 916	20 616	7 656	98 971
	October	4 375	3 917	16 662	2 572	10 384	1 964	19 303	4 317	6 547	4 195	20 750	8 584	103 572
	November	4 088	4 750	19 515	2 714	9 745	1 799	18 385	3 534	5 968	4 227	22 501	10 315	107 541
	December	4 028	4 098	20 885	2 100	8 306	579	19 340	2 142	3 522	2 632	16 257	9 765	93 653
Total	54 936	47 056	199 411	29 575	101 958	18 896	217 898	46 288	63 798	43 325	218 786	94 690	1 136 624	
2009	January	3 451	3 504	17 232	1 786	7 397	395	14 918	2 559	3 660	3 069	15 822	7 272	81 065
	February	3 931	3 516	17 181	2 595	7 801	838	12 054	2 560	4 616	2 799	16 712	7 950	82 551
	March	4 238	3 452	17 430	3 125	8 314	1 410	12 955	2 456	4 860	2 811	18 260	8 090	87 401
	April	3 690	3 057	16 484	2 883	7 679	1 326	11 733	2 161	4 156	2 442	15 583	8 099	79 294
	May	3 124	3 477	17 134	2 894	8 031	1 650	12 058	2 290	4 573	2 833	14 200	8 144	80 408
	June	3 156	3 530	16 727	2 526	8 138	889	12 733	2 471	4 620	2 799	17 074	7 998	82 660
	July	3 999	3 752	16 322	2 604	8 209	958	14 028	2 628	4 966	2 940	14 826	8 409	83 642

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 4 on page 12.

Tables 2 and 3 show total wholesale trade sales (actual values and annual percentage changes) at current prices over the period January 2002 – July 2009. 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	2002	2003	2004	2005	2006	2007	2008 ^{1/}	2009 ^{1/}
January	36 863	40 062	41 939	46 928	52 090	64 361	76 951	81 065
February	38 841	45 830	47 367	49 121	57 126	69 033	84 389	82 551
March	41 311	47 146	51 276	52 456	61 827	73 914	88 051	87 401
April	41 155	43 702	45 793	53 945	56 006	67 807	92 047	79 294
May	41 927	46 195	55 277	56 105	65 003	76 783	95 651	80 408
June	41 190	47 725	56 921	58 174	65 780	76 898	97 161	82 660
July	40 545	48 634	54 529	58 010	67 931	78 594	100 818	83 642
August	41 789	46 680	55 617	59 757	70 545	81 251	97 819	
September	43 846	47 690	56 250	62 070	70 571	80 308	98 971	
October	49 203	50 224	60 896	64 151	75 177	88 666	103 572	
November	48 556	51 276	64 891	68 746	80 073	92 720	107 541	
December	44 067	43 828	55 988	59 483	69 604	78 286	93 653	
Total	509 293	558 992	646 744	688 946	791 733	928 621	1 136 624	

1/ Preliminary.

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

Month	2002	2003	2004	2005	2006	2007	2008	2009
January	-	8,7	4,7	11,9	11,0	23,6	19,6	5,3
February	-	18,0	3,4	3,7	16,3	20,8	22,2	-2,2
March	-	14,1	8,8	2,3	17,9	19,5	19,1	-0,7
April	-	6,2	4,8	17,8	3,8	21,1	35,7	-13,9
May	-	10,2	19,7	1,5	15,9	18,1	24,6	-15,9
June	-	15,9	19,3	2,2	13,1	16,9	26,4	-14,9
July	-	20,0	12,1	6,4	17,1	15,7	28,3	-17,0
August	-	11,7	19,1	7,4	18,1	15,2	20,4	
September	-	8,8	17,9	10,3	13,7	13,8	23,2	
October	-	2,1	21,2	5,3	17,2	17,9	16,8	
November	-	5,6	26,6	5,9	16,5	15,8	16,0	
December	-	-0,5	27,7	6,2	17,0	12,5	19,6	
Total	-	9,8	15,7	6,5	14,9	17,3	22,4	

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	2002	2003	2004	2005	2006	2007	2008	2009
January	41 049	45 071	47 694	53 819	59 869	73 769	87 841	92 255
February	39 853	47 381	49 355	51 695	60 622	73 764	90 460	88 554
March	41 056	46 898	51 174	52 482	62 083	74 302	88 520	87 853
April	43 704	46 831	49 524	58 803	61 336	74 334	100 852	86 847
May	41 713	45 858	54 896	55 631	64 542	76 206	95 121	79 988
June	40 779	47 030	55 994	57 230	64 863	76 072	96 473	82 221
July	41 280	49 184	54 637	57 642	66 985	76 959	98 289	81 453
August	41 871	46 630	55 109	58 757	68 921	79 249	95 220	
September	43 134	46 801	54 989	60 652	68 889	78 495	96 765	
October	45 572	46 370	56 177	59 184	69 470	82 029	95 831	
November	44 097	46 075	57 813	60 840	70 723	81 963	95 267	
December	44 146	44 161	56 706	60 401	70 675	79 521	95 247	

Tables 5 and 6 show total wholesale trade sales (actual values and annual percentage changes) at constant (2000) prices over the period January 2002 – July 2009. 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	2002	2003	2004	2005	2006	2007	2008 ^{1/}	2009 ^{1/}
January	31 737	31 935	33 645	36 864	38 844	43 517	46 665	45 036
February	32 777	36 460	37 788	38 451	42 536	46 550	50 472	46 015
March	34 555	37 507	40 939	40 838	45 815	49 161	51 613	48 664
April	33 858	34 781	36 214	41 656	41 090	44 376	52 870	44 249
May	34 240	37 164	43 663	43 108	47 172	49 633	52 354	45 377
June	33 501	37 892	44 228	44 038	46 389	48 654	51 819	45 948
July	32 632	38 370	42 419	43 437	47 093	49 121	52 373	45 163
August	33 311	36 974	43 231	44 545	48 022	50 514	50 552	
September	34 979	38 228	44 031	46 547	48 386	50 350	53 011	
October	38 988	40 276	47 445	48 089	51 089	55 055	55 744	
November	38 354	41 268	50 518	51 265	54 049	57 394	58 637	
December	34 946	35 232	43 792	44 324	47 189	48 280	51 656	
Total	413 878	446 087	507 913	523 162	557 674	592 605	627 766	

1/ Preliminary.

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

Month	2002	2003	2004	2005	2006	2007	2008	2009
January	-	0,6	5,4	9,6	5,4	12,0	7,2	-3,5
February	-	11,2	3,6	1,8	10,6	9,4	8,4	-8,8
March	-	8,5	9,2	-0,2	12,2	7,3	5,0	-5,7
April	-	2,7	4,1	15,0	-1,4	8,0	19,1	-16,3
May	-	8,5	17,5	-1,3	9,4	5,2	5,5	-13,3
June	-	13,1	16,7	-0,4	5,3	4,9	6,5	-11,3
July	-	17,6	10,6	2,4	8,4	4,3	6,6	-13,8
August	-	11,0	16,9	3,0	7,8	5,2	0,1	
September	-	9,3	15,2	5,7	4,0	4,1	5,3	
October	-	3,3	17,8	1,4	6,2	7,8	1,3	
November	-	7,6	22,4	1,5	5,4	6,2	2,2	
December	-	0,8	24,3	1,2	6,5	2,3	7,0	
Total	-	7,8	13,9	3,0	6,6	6,3	5,9	

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	2002	2003	2004	2005	2006	2007	2008	2009
January	35 331	35 852	38 079	41 942	44 122	49 111	52 292	50 226
February	33 622	37 626	39 181	40 073	44 470	48 801	52 941	48 240
March	34 337	37 196	40 599	40 547	45 609	49 001	51 441	48 514
April	35 898	37 137	38 955	45 066	44 590	48 130	57 287	47 925
May	34 027	36 791	43 197	42 587	46 783	49 361	52 332	45 437
June	33 271	37 517	43 816	43 748	46 266	48 719	52 071	46 274
July	33 302	38 990	42 862	43 748	47 341	49 290	52 496	45 291
August	33 555	37 246	43 358	44 430	47 648	50 036	49 990	
September	34 316	37 496	43 094	45 596	47 378	49 372	51 989	
October	36 114	37 240	43 865	44 474	47 291	50 987	51 601	
November	34 797	37 072	44 983	45 299	47 566	50 467	51 613	
December	35 007	35 457	44 250	44 885	47 819	48 980	52 476	

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 the actual and seasonally adjusted wholesale trade sales at current prices and at constant (2000) prices.

Table 8.1 – Quarterly and cumulative estimates and percentage changes

Actual wholesale trade sales estimates	May to July 2008 (R million)	May to July 2009 (R million)	% change between May to July 2008 and May to July 2009	January to July 2008 (R million)	January to July 2009 (R million)	% change between January to July 2008 and January to July 2009
At current prices	293 630	246 710	-16,0	635 068	577 021	-9,1
At constant 2000 prices	156 546	136 488	-12,8	358 166	320 452	-10,5

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

Seasonally adjusted wholesale trade sales estimates	June 2009 (R million)	July 2009 (R million)	% change between June and July 2009	February to April 2009 (R million)	May to July 2009 (R million)	% change between February to April 2009 and May to July 2009
At current prices	82 221	81 453	-0,9	263 254	243 662	-7,4
At constant 2000 prices	46 274	45 291	-2,1	144 679	137 002	-5,3

Explanatory notes

Introduction	1	<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 2009 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>
Purpose of the survey	3	<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>
Scope of the survey	4	<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 • 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	5	<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 group (four digit) level. Each enterprise is classified to the industry which reflects its predominant activity.</p>
Response rate	6	<p>The preliminary response rate for the survey on wholesale trade sales for July 2009 was 89,9%.</p>
Statistical unit	7	<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>
Survey methodology and design	8	<p>The survey is conducted monthly. Questionnaires are sent to a sample of about 1 000 enterprises from a population of about 20 000 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 1 000 enterprises (which was drawn in April 2009 at the SIC four-digit level) from a population of about 20 000 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 the remaining size groups (medium, small and very small size 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 group 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.
- 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 Normally 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.

Symbols and abbreviations **20**

BR	Business Register
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

Changes in the publication **21** The results published today are based on a new sample drawn in April 2009. The periodic introduction of a new sample is part of Stats SA's strategic approach in improving the basis from which surveys are conducted.

The new sample was conducted in parallel with the previous sample for April to June 2009. Comparison of estimates from the new and previous samples reflects a level increase of 5,6%.

Technical note

Neyman optimal allocation

A stratified random sample was drawn from the population of enterprises on Stats SA’s Business Sampling Frame (BSF). 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 5,6%.

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.

General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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An advance release calendar is disseminated on www.statssa.gov.za

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Enquiries

Telephone number: (012) 310 8600/8390/8351/4892/8496/8095 (user information services)
(012) 310 8930 (technical enquiries)
(012) 310 8161 (orders)
(012) 310 4883/8018/4885 (library)

Fax number: (012) 310 8332 (technical enquiries)

Email address: Nthabisengs@statssa.gov.za (technical enquiries)
Info@statssa.gov.za (user information services)
joanl@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA