Wholesale trade sales
(Preliminary)

July 2015

The results published today are based on a new sample. This is an annual procedure which typically affects the level of sales at both current and constant prices. To avoid breaks in time series, historical sales levels were revised (i.e. they were linked to the estimates based on the new sample).

In addition, a revised method for calculating total wholesale trade at constant prices was introduced in this publication, with effect from January 2012. A detailed explanation of the new deflation method is provided (see Note 2 on page 6 of this publication).

Embargoed until:
17 September 2015
10:00

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Sales at constant 2012 prices: results for July 2015

Table A – Key growth rates in wholesale trade sales at constant 2012 prices

	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15
Year-on-year % change, unadjusted	2,2	7,9	-2,8	1,3	2,5	8,8
Month-on-month % change, seasonally adjusted	0,8	2,4	-6,4	3,6	-0,4	2,5
3-month % change, seasonally adjusted 1/	1,1	4,4	2,6	0,5	-2,6	0,4

1/ Percentage change between the previous 3 months and the 3 months ending in the month indicated.

Measured in real terms (constant 2012 prices), wholesale trade sales increased by 8,8% year-on-year in July 2015. Seasonally adjusted wholesale trade sales increased by 2,5% in July 2015 compared with June 2015. This followed month-on-month changes of -0,4% in June 2015 and 3,6% in May 2015.

Seasonally adjusted wholesale trade sales increased by 0,4% in the three months ended July 2015 compared with the previous three months.

Figure 1 – Wholesale trade sales at constant 2012 prices
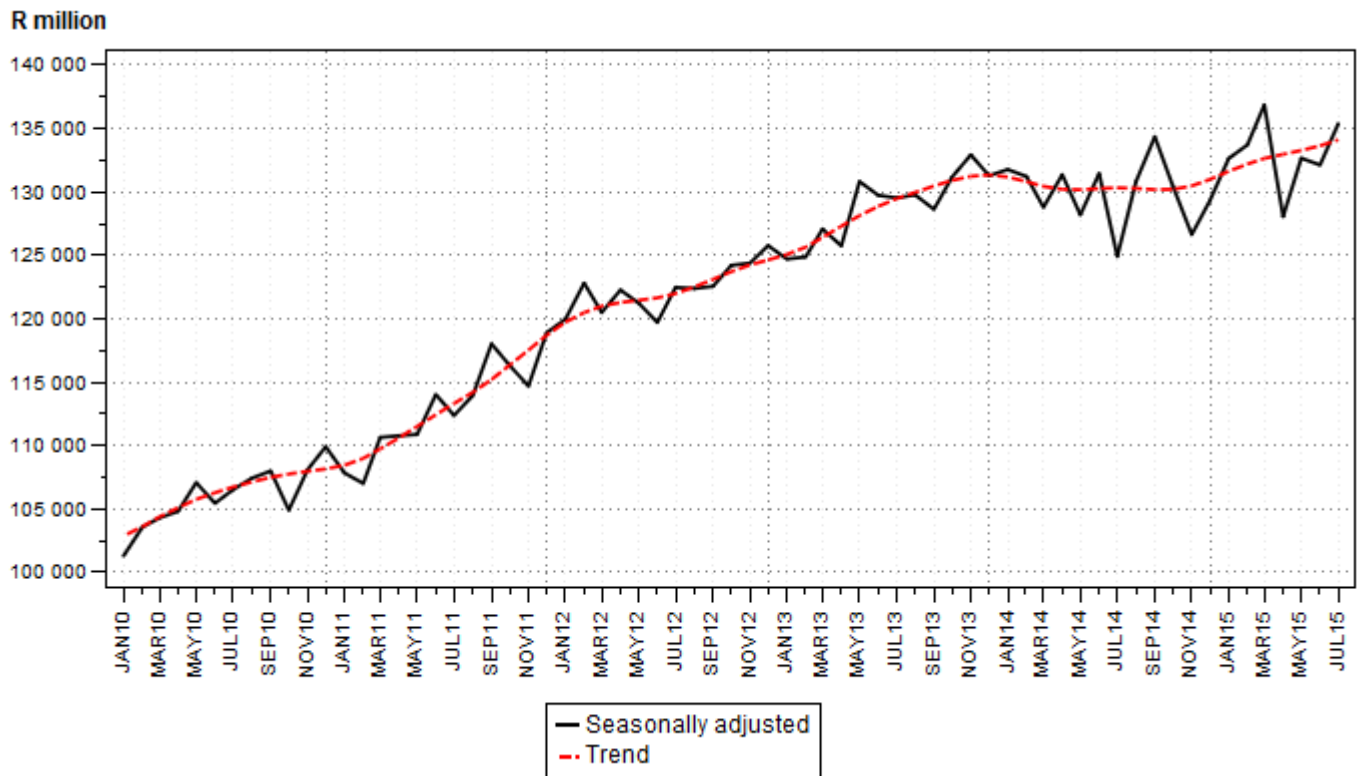
Sales at current prices: results for July 2015

Table B – Key growth rates in wholesale trade sales at current prices

	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15
Year-on-year % change, unadjusted	-2,1	5,1	-3,9	0,5	2,8	8,5
Month-on-month % change, seasonally adjusted	1,9	3,7	-5,3	4,0	1,1	3,3
3-month % change, seasonally adjusted 1/	-2,5	0,9	2,2	2,4	0,6	3,4

1/ Percentage change between the previous 3 months and the 3 months ending in the month indicated.

Measured in nominal terms (current prices), wholesale trade sales increased by 8,5% in July 2015 compared with July 2014. The major contributors to this increase were dealers in:
- machinery, equipment and supplies (11,4% and contributing 1,7 percentage points);
- construction and building materials (27,1% and contributing 1,5 percentage points); and
- precious stones, jewellery and silverware (75,0% and contributing 1,3 percentage points) – see Tables 8 and 9.

Table C – Wholesale trade sales at current prices for the latest three months by type of dealer

Type of dealer	May – Jul 2014 (R million)	Weight	May – Jul 2015 (R million)	% change between May – Jul 2014 and May – Jul 2015	Contribution (% points) to the total % change
Fee or contract basis	18 908	4,4	18 889	-0,1	0,0
Agricultural raw materials and livestock	30 304	7,0	31 018	2,4	0,2
Food, beverages and tobacco	65 767	15,2	68 015	3,4	0,5
Textiles, clothing and footwear	8 364	1,9	9 108	8,9	0,2
Other household goods except precious stones	43 981	10,2	46 603	6,0	0,6
Precious stones, jewellery and silverware	7 419	1,7	9 508	28,2	0,5
Solid, liquid and gaseous fuels and related products	98 817	22,8	95 527	-3,3	-0,8
Metal and metal ores	10 388	2,4	12 049	16,0	0,4
Construction and building materials	24 745	5,7	28 388	14,7	0,8
Other intermediate products, waste and scrap	17 735	4,1	19 863	12,0	0,5
Machinery, equipment and supplies	68 961	15,9	72 282	4,8	0,8
Other goods	37 763	8,7	38 805	2,8	0,2
Total	**433 151**	**100,0**	**450 059**	**3,9**	**3,9**

Wholesale trade sales increased by 3,9% in the three months ended July 2015 compared with the three months ended July 2014. The major contributors to this increase were dealers in:
- construction and building materials (14,7% and contributing 0,8 of a percentage point);
- machinery, equipment and supplies (4,8% and contributing 0,8 of a percentage point); and
- 'other' household goods except precious stones (6,0% and contributing 0,6 of a percentage point) – see Table C.

PJ Lehohla
Statistician-General

Note 1: 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 April 2015 which replaces the previous sample that was drawn in April 2014. The sample was drawn from a business register of enterprises with an annual turnover of at least R2 076 368 and that are required to register with the South African Revenue Service (SARS) for value added tax.

Owing to the evolving nature of business, the business register is 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, Stats SA undertakes quality improvement surveys related to the business register, the primary objective of which is to capture up-to-date information about the structures and activities of large and complex businesses. This process enables Stats SA to review classification codes for these businesses. These changes are an essential part of the statistical architecture.

Comparison of sales between the previous and new samples for the wholesale industry

The reported level of total sales for the monthly survey of the wholesale trade industry for the months April to June 2015 based on the new sample was 6,2% higher than the level of total sales recorded for the previous sample (see Table D and Figure 2). The previous sample was drawn in April 2014 and was operational for the last half of 2014 and the first half of 2015.

Table D – Total sales for previous and new samples for the wholesale industry: April to June 2015

Wholesale trade industry	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (%)
	403 147	428 221	25 074	6,2

Figure 2 – Total wholesale trade sales: monthly levels of previous and new samples for April to June 2015

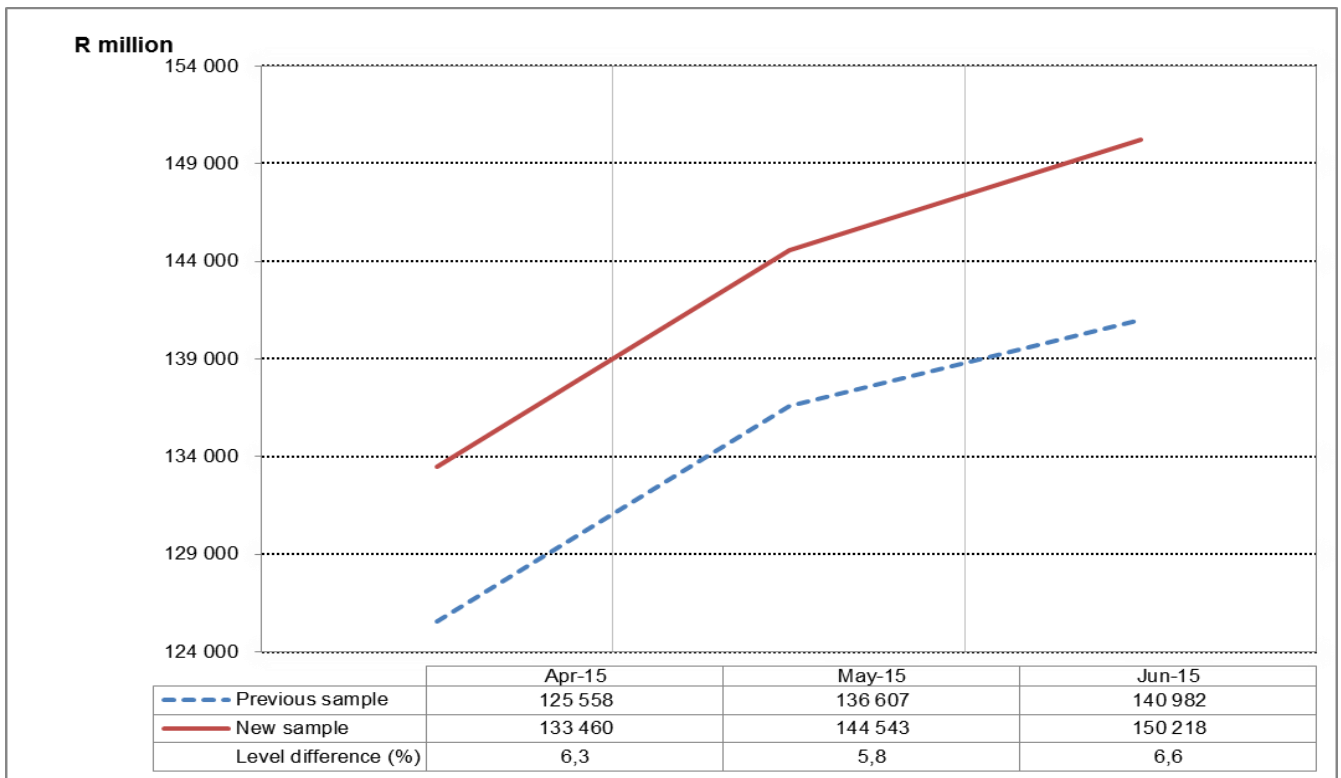|	Apr-15	May-15	Jun-15
Previous sample	125 558	136 607	140 982
New sample	133 460	144 543	150 218
Level difference (%)	6,3	5,8	6,6

Table E – Wholesale trade sales for previous and new samples by type of dealer: April to June 2015

Type of dealer	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (%) 1/
Fee or contract basis	17 057	18 128	1 071	6,3
Agricultural raw materials and livestock	25 445	28 352	2 907	11,4
Food, beverages and tobacco	65 427	66 497	1 070	1,6
Textiles, clothing and footwear	9 304	9 064	-240	-2,6
Other household goods except precious stones	44 175	45 818	1 643	3,7
Precious stones, jewellery and silverware	8 067	7 368	-699	-8,7
Solid, liquid and gaseous fuels and related products	82 057	86 326	4 269	5,2
Metals and metal ores	10 709	11 266	557	5,2
Construction and building materials	24 761	26 539	1 778	7,2
Other intermediate products, waste and scrap	15 984	18 574	2 590	16,2
Machinery equipment and supplies	66 750	71 992	5 242	7,9
Other goods	33 409	38 290	4 881	14,6
Total	**403 147**	**428 221**	**25 074**	**6,2**

1/ The percentage difference is the new sample minus the previous sample, divided by the previous sample, multiplied by 100.

The largest percentage differences were in the following types of dealers:
- 'other' intermediate products, waste and scrap (16,2% or R2 590 million higher in the new sample);
- 'other' goods (14,6% or R4 881 million higher in the new sample);
- agricultural raw materials and livestock (11,4% or R2 907 million higher in the new sample); and
- precious stones, jewellery and silverware (8,7% or R699 million lower in the new sample).

Backcasting

To avoid breaks in the time series and to preserve historical growth rates, historical sales levels were revised (i.e. they were linked to the estimates based on the new sample).

Note 2: New deflation method for wholesale trade sales

Statistics South Africa (Stats SA) publishes monthly data for the wholesale trade industry. The publication contains estimated sales at both current and constant prices. As part of its improvement programme in economic statistics, Stats SA today introduces a change in the deflation method for wholesale trade.

Previously total wholesale trade, with effect from January 2012, was deflated as follows:

(1) Deflate sales of dealers in agricultural raw materials and livestock using the PPI for agriculture.
(2) Deflate sales of dealers in food, beverages and tobacco using the final manufacturing PPI for food products, beverages and tobacco.
(3) Deflate the remaining wholesale trade sales (excluding sales of dealers in agricultural raw materials and livestock; and food, beverages and tobacco) using the headline PPI (final manufacturing) excluding its components for food, beverages and tobacco; and transport equipment.
(4) Compute total wholesale trade sales at constant 2012 prices by aggregating (1), (2) and (3).

The new deflation method, with effect from January 2012, is similar to the previous method but extends the use of PPI components in deflating the sales by the selected types of wholesalers. The steps are as follows:

(1) Deflate sales of dealers in agricultural raw materials and livestock using the PPI for agriculture.
(2) Deflate sales of dealers in food, beverages and tobacco using the final manufacturing PPI for food products, beverages and tobacco.
(3) Deflate sales of dealers in textiles, clothing and footwear using the final manufacturing PPI for textiles, clothing and footwear.
(4) Deflate sales of dealers in solid, liquid and gaseous fuels and related products using the final manufacturing PPI for coal and petroleum products.
(5) Deflate sales of dealers in machinery, equipment and supplies using the final manufacturing PPIs for general and special purpose machinery; household appliances and office machinery; and electrical machinery and apparatus and subcomponents.
(6) Deflate the remaining wholesale trade sales using the headline PPI (final manufacturing) excluding its components for food, beverages and tobacco; textiles, clothing and footwear; coal and petroleum products; general and special purpose machinery; household appliances and office machinery; electrical machinery and apparatus and subcomponents; and transport equipment. The PPI for transport equipment is excluded because it measures producer prices of motor vehicles, which are not included in wholesale trade.
(7) Compute total wholesale trade sales at constant 2012 prices by aggregating (1) to (6).

For the period January 1998 to December 2011, wholesale trade at constant 2012 prices was calculated using the discontinued 'all groups' PPI for domestic output, excluding electricity and other utilities.

A comparison of the annual growth rates in wholesale trade using the previous and new deflation methods is shown in Figure 3 (up to and including June 2015). The differences in the growth rates that are apparent from late 2014 relate mainly to a decline in the prices of oil and related fuel products and the impact of the decline on the deflation procedures described above.

Figure 3 – Comparison of the year-on-year growth rates in total wholesale trade sales at constant 2012 prices using the old and new deflation methods, up to June 2015
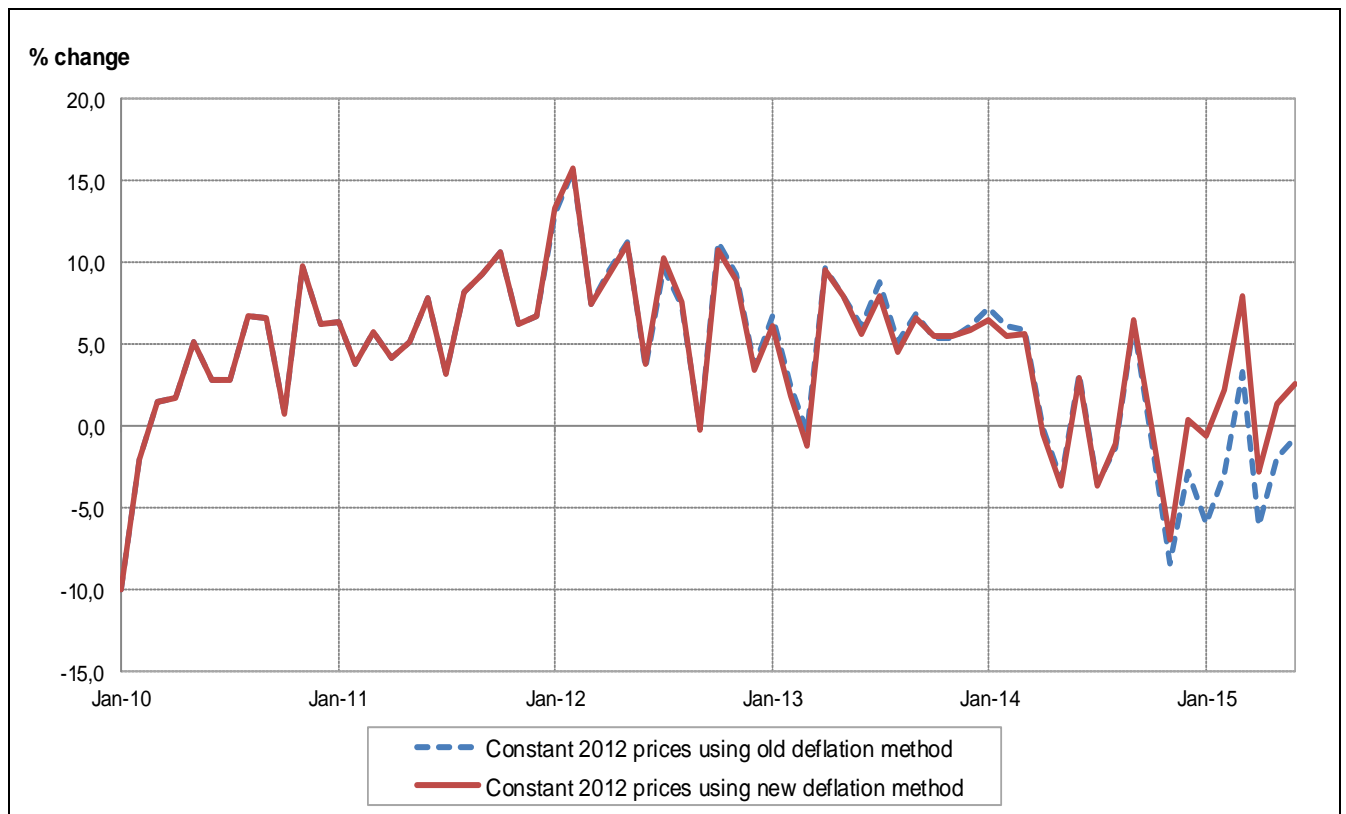
Tables

Table 1 – Wholesale trade sales at constant 2012 prices (R million)

Month	2009	2010	2011	2012	2013	2014	2015 1/
Jan	98 366	88 524	94 094	106 568	113 092	120 344	119 564
Feb	100 621	98 512	102 202	118 340	120 507	127 071	129 804
Mar	106 419	107 967	114 218	122 788	121 288	128 118	138 224
Apr	96 692	98 346	102 391	111 941	122 643	122 043	118 666
May	99 205	104 260	109 579	121 729	131 449	126 591	128 298
Jun	102 872	105 735	113 981	118 288	124 930	128 609	131 850
Jul	103 262	106 170	109 586	120 888	130 506	125 664	136 723
Aug	101 384	108 129	116 969	125 758	131 364	129 984	
Sep	103 522	110 304	120 599	120 306	128 243	136 587	
Oct	109 312	110 068	121 816	134 957	142 356	142 236	
Nov	111 311	122 131	129 740	141 302	148 997	138 629	
Dec	106 838	113 501	121 061	125 140	132 404	132 823	
Total	**1 239 804**	**1 273 647**	**1 356 236**	**1 468 005**	**1 547 779**	**1 558 699**	

1/ Figures for latest month are preliminary.

Table 2 – Year-on-year percentage change in wholesale trade sales at constant 2012 prices

Month	2010	2011	2012	2013	2014	2015	*2015 year-to-date*
Jan	-10,0	6,3	13,3	6,1	6,4	-0,6	*-0,6*
Feb	-2,1	3,7	15,8	1,8	5,4	2,2	*0,8*
Mar	1,5	5,8	7,5	-1,2	5,6	7,9	*3,2*
Apr	1,7	4,1	9,3	9,6	-0,5	-2,8	*1,7*
May	5,1	5,1	11,1	8,0	-3,7	1,3	*1,7*
Jun	2,8	7,8	3,8	5,6	2,9	2,5	*1,8*
Jul	2,8	3,2	10,3	8,0	-3,7	8,8	*2,8*
Aug	6,7	8,2	7,5	4,5	-1,1		
Sep	6,6	9,3	-0,2	6,6	6,5		
Oct	0,7	10,7	10,8	5,5	-0,1		
Nov	9,7	6,2	8,9	5,4	-7,0		
Dec	6,2	6,7	3,4	5,8	0,3		
Total	**2,7**	**6,5**	**8,2**	**5,4**	**0,7**		

Table 3 – Seasonally adjusted wholesale trade sales at constant 2012 prices

Month	R million				Month-on-month % change			
	2012	2013	2014	2015	2012	2013	2014	2015
Jan	119 955	124 707	131 764	132 631	0,9	-0,8	0,4	2,6
Feb	122 799	124 865	131 214	133 709	2,4	0,1	-0,4	0,8
Mar	120 493	127 072	128 786	136 859	-1,9	1,8	-1,9	2,4
Apr	122 259	125 746	131 357	128 051	1,5	-1,0	2,0	-6,4
May	121 236	130 816	128 190	132 657	-0,8	4,0	-2,4	3,6
Jun	119 706	129 734	131 457	132 120	-1,3	-0,8	2,5	-0,4
Jul	122 467	129 520	124 911	135 360	2,3	-0,2	-5,0	2,5
Aug	122 380	129 763	130 824		-0,1	0,2	4,7	
Sep	122 552	128 628	134 346		0,1	-0,9	2,7	
Oct	124 205	131 172	130 435		1,3	2,0	-2,9	
Nov	124 381	132 920	126 635		0,1	1,3	-2,9	
Dec	125 762	131 279	129 308		1,1	-1,2	2,1	

Table 4 – Wholesale trade sales at current prices (R million)

Month	2009	2010	2011	2012	2013	2014	2015 1/
Jan	84 752	77 589	85 948	103 292	116 632	133 522	127 620
Feb	86 303	86 596	94 852	115 774	124 847	142 659	139 647
Mar	91 375	95 310	107 096	120 911	127 144	145 530	152 965
Apr	82 899	87 788	96 106	111 049	127 981	138 823	133 460
May	84 064	93 088	103 141	121 607	136 818	143 873	144 543
Jun	86 419	94 969	107 623	117 532	131 084	146 195	150 218
Jul	87 260	94 932	104 536	119 748	137 867	143 083	155 298
Aug	85 813	96 985	112 762	125 792	140 395	147 934	
Sep	87 248	98 529	117 473	121 149	137 742	155 718	
Oct	92 769	98 340	119 040	137 457	153 685	161 539	
Nov	95 334	109 892	127 243	145 178	161 370	156 115	
Dec	92 249	102 439	118 659	128 515	144 700	147 484	
Total	**1 056 485**	**1 136 457**	**1 294 479**	**1 468 004**	**1 640 265**	**1 762 475**	

1/ Figures for latest month are preliminary.

Table 5 – Year-on-year percentage change in wholesale trade sales at current prices

Month	2010	2011	2012	2013	2014	2015	*2015 year-to-date*
Jan	-8,5	10,8	20,2	12,9	14,5	-4,4	*-4,4*
Feb	0,3	9,5	22,1	7,8	14,3	-2,1	*-3,2*
Mar	4,3	12,4	12,9	5,2	14,5	5,1	*-0,4*
Apr	5,9	9,5	15,5	15,2	8,5	-3,9	*-1,2*
May	10,7	10,8	17,9	12,5	5,2	0,5	*-0,9*
Jun	9,9	13,3	9,2	11,5	11,5	2,8	*-0,3*
Jul	8,8	10,1	14,6	15,1	3,8	8,5	*1,0*
Aug	13,0	16,3	11,6	11,6	5,4		
Sep	12,9	19,2	3,1	13,7	13,1		
Oct	6,0	21,0	15,5	11,8	5,1		
Nov	15,3	15,8	14,1	11,2	-3,3		
Dec	11,0	15,8	8,3	12,6	1,9		
Total	**7,6**	**13,9**	**13,4**	**11,7**	**7,5**		

Table 6 – Seasonally adjusted wholesale trade sales at current prices

Month	R million				Month-on-month % change			
	2012	2013	2014	2015	2012	2013	2014	2015
Jan	116 420	129 731	148 121	142 879	-1,3	1,0	3,6	-0,6
Feb	119 127	130 524	148 856	145 652	2,3	0,6	0,5	1,9
Mar	118 026	130 578	143 942	150 990	-0,9	0,0	-3,3	3,7
Apr	119 754	132 603	150 271	143 032	1,5	1,6	4,4	-5,3
May	121 446	136 747	145 177	148 753	1,4	3,1	-3,4	4,0
Jun	118 896	135 144	148 530	150 458	-2,1	-1,2	2,3	1,1
Jul	122 023	138 807	144 015	155 472	2,6	2,7	-3,0	3,3
Aug	122 133	137 377	147 136		0,1	-1,0	2,2	
Sep	121 913	136 248	151 644		-0,2	-0,8	3,1	
Oct	126 774	141 491	148 089		4,0	3,8	-2,3	
Nov	129 422	146 241	143 574		2,1	3,4	-3,0	
Dec	128 476	142 936	143 722		-0,7	-2,3	0,1	

Table 7 – Wholesale trade sales at current prices by type of dealer (R million)

Type of dealer	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15 1/
Fee or contract basis	5 348	5 058	5 452	6 321	6 355	6 213
Agricultural raw materials and livestock	9 777	9 264	7 979	9 947	10 426	10 645
Food, beverages and tobacco	21 740	25 127	20 647	22 892	22 958	22 165
Textiles, clothing and footwear	2 869	3 576	3 256	3 061	2 747	3 300
Other household goods except precious stones	13 877	16 507	14 764	14 906	16 148	15 549
Precious stones, jewellery and silverware	2 758	2 415	2 104	2 138	3 126	4 244
Solid, liquid and gaseous fuels and related products	25 308	29 040	25 743	30 341	30 242	34 944
Metals and metal ores	4 146	4 035	3 526	3 699	4 041	4 309
Construction and building materials	8 777	9 675	8 364	8 757	9 418	10 213
Other intermediate products, waste and scrap	6 542	6 306	5 875	5 798	6 901	7 164
Machinery, equipment and supplies	23 307	28 470	23 125	23 194	25 673	23 415
Other goods	15 199	13 491	12 623	13 486	12 181	13 138
Total	**139 647**	**152 965**	**133 460**	**144 543**	**150 218**	**155 298**

1/ Figures are preliminary.

Table 8 – Year-on-year percentage change in wholesale trade sales at current prices by type of dealer

Type of dealer	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15
Fee or contract basis	9,3	-1,3	-17,1	10,4	-3,6	-5,7
Agricultural raw materials and livestock	1,5	2,4	-2,6	12,2	6,1	-8,3
Food, beverages and tobacco	5,9	15,9	1,5	2,7	6,3	1,3
Textiles, clothing and footwear	4,9	1,9	1,0	12,6	12,9	2,7
Other household goods except precious stones	6,6	15,1	4,9	2,9	3,3	12,1
Precious stones, jewellery and silverware	-12,5	-16,1	-6,7	-11,8	21,6	75,0
Solid, liquid and gaseous fuels and related products	-18,4	-10,1	-17,8	-5,7	-8,5	4,1
Metals and metal ores	-0,3	12,6	-13,4	4,8	-5,8	67,7
Construction and building materials	14,7	22,6	8,3	8,8	8,7	27,1
Other intermediate products, waste and scrap	-11,0	6,0	-4,3	-5,2	15,3	27,1
Machinery, equipment and supplies	-9,2	4,4	2,4	-5,9	10,2	11,4
Other goods	18,4	12,9	2,6	4,8	-0,5	3,8
Total	**-2,1**	**5,1**	**-3,9**	**0,5**	**2,8**	**8,5**

Table 9 – Contribution of type of dealer to the year-on-year percentage change in wholesale trade sales at current prices

Type of dealer	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15
Fee or contract basis	0,3	0,0	-0,8	0,4	-0,2	-0,3
Agricultural raw materials and livestock	0,1	0,1	-0,2	0,8	0,4	-0,7
Food, beverages and tobacco	0,8	2,4	0,2	0,4	0,9	0,2
Textiles, clothing and footwear	0,1	0,0	0,0	0,2	0,2	0,1
Other household goods except precious stones	0,6	1,5	0,5	0,3	0,4	1,2
Precious stones, jewellery and silverware	-0,3	-0,3	-0,1	-0,2	0,4	1,3
Solid, liquid and gaseous fuels and related products	-4,0	-2,2	-4,0	-1,3	-1,9	1,0
Metals and metal ores	0,0	0,3	-0,4	0,1	-0,2	1,2
Construction and building materials	0,8	1,2	0,5	0,5	0,5	1,5
Other intermediate products, waste and scrap	-0,6	0,2	-0,2	-0,2	0,6	1,1
Machinery, equipment and supplies	-1,7	0,8	0,4	-1,0	1,6	1,7
Other goods	1,7	1,1	0,2	0,4	0,0	0,3
Total	**-2,1**	**5,1**	**-3,9**	**0,5**	**2,8**	**8,5**

Survey information

Introduction	**1**	Statistics South Africa (Stats SA) conducts a monthly survey covering enterprises in the wholesale trade industry (see 4 below). This survey is based on a sample drawn from Stats SA's 2015 business sampling frame (BSF) that contains businesses registered at the South African Revenue Service (SARS) for value added tax (VAT) and income tax (IT). Stats SA continuously updates its BSF, which is linked to the SARS administrative data.
	2	In order to improve timeliness, some information for the latest month had to be estimated due to late response. These estimates will be revised in future statistical releases as soon as information becomes available. Published wholesale trade sales estimates exclude VAT.
Purpose of the survey	**3**	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.
Scope of the survey	**4**	This survey covers wholesale enterprises according to the following types of dealers:

- 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. This group includes 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 materials, hardware, plumbing and heating equipment and supplies;
- Wholesale trade in 'other' intermediate products, waste and scrap;
- Wholesale trade in machinery, equipment and supplies; and
- Wholesale trade in 'other' goods. This group covers general wholesale trade and 'other' wholesale trade not classified elsewhere.

Classification	**5**	The 1993 edition of the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth Edition, Report No, 09-90-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 *International Standard Industrial Classification of all Economic Activities* (ISIC) with suitable adaptations for local conditions. Each enterprise is classified to the industry which reflects its predominant activity. Statistics in this publication are presented at SIC four digit level.
Collection rate	**6**	The preliminary collection rate for the survey on wholesale trade sales for July 2015 was 87,7%. The collection rate for June 2015 for the new sample was 89,3%.

Statistical unit	**7**	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. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.
Revised figures	**8**	Revised figures are mainly due to late submission of data to Stats SA, or respondents reporting revisions or corrections to their figures. Preliminary figures, as indicated in the relevant tables, are subject to change and when revised will not be indicated as such.
Related publications	**9**	Users may also refer to the following publications available from Stats SA:

- *Bulletin of Statistics* issued quarterly;
- *Stats in Brief* issued annually; and
- *South African Statistics* issued annually.

Rounding-off of figures	**10**	Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals.
Historical data	**11**	Historical wholesale trade sales data are available on the Stats SA website. To access the data electronically, use the following link: http://www.statssa.gov.za/?page_id=1849
Past publications	**12**	Past wholesale trade sales releases are available on the Stats SA website. To access the releases electronically, use the following link: http://www.statssa.gov.za/?page_id=1866&PPN=P6141.2&SCH=5717

Technical notes

Survey methodology and design	**1**	The survey is conducted monthly. Questionnaires are sent to a sample of 1 183 enterprises from a population of 18 800 enterprises. Completed questionnaires are required to be returned to Stats SA within 10 days after the end of the reference month. Email, fax and telephone reminders are used to follow up on non-respondents.

2 A stratified random sample was drawn at the SIC four-digit level in April 2015 from 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 (see point 3 below).

The Neyman optimal allocation formula given below was used to allocate samples to each stratum:

$$nh = n * (Nh * Sh) / [\Sigma (Ni * Si)].$$

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 was 6,0%.

Class limits **3** The wholesale sampling frame 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). The total value of sales of the large enterprises (size group one) is added to the weighted totals of size group two, three and four to reflect the total value of sales.

Measure of size classes (Rand)

Enterprise size	Size group	Lower limits	Upper limits
Very small	4	2 076 368	27 000 000
Small	3	27 000 001	128 000 000
Medium	2	144 000 001	288 000 000
Large	1	288 000 001	

Sample weighting **4** 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 are consistent with international best practice.

Seasonal adjustment **5** Seasonally adjusted estimates are generated each month using the X-12-ARIMA 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. The X-12-ARIMA procedure for wholesale trade sales is described in more detail on the Stats SA website:
Click to Download Seasonal_adjustment_Wholesale_Trade_Sales_July_2015

Trend cycle	6	The trend is the long-term pattern or movement of a time series. The X-12-ARIMA Seasonal Adjustment Program is used for smoothing seasonally adjusted estimates to estimates of the underlying trend cycle.
Constant prices	7	Stats SA compiles its monthly estimates of wholesale trade sales at current prices from a survey of wholesalers in the formal sector. For January 1998 to December 2011, wholesale trade sales at constant prices were calculated using the 'all groups' PPI for domestic output, but excluding electricity and other utilities.

From January 2012, wholesale trade sales at constant prices are compiled as follows:
(1) Deflate sales of dealers in agricultural raw materials and livestock using the PPI for agriculture.
(2) Deflate sales of dealers in food, beverages and tobacco using the final manufacturing PPI for food products, beverages and tobacco.
(3) Deflate sales of dealers in textiles, clothing and footwear using the final manufacturing PPI for textiles, clothing and footwear.
(4) Deflate sales of dealers in solid, liquid and gaseous fuels and related products using the final manufacturing PPI for coal and petroleum products.
(5) Deflate sales of dealers in machinery, equipment and supplies using the final manufacturing PPIs for general and special purpose machinery; household appliances and office machinery; and electrical machinery and apparatus and subcomponents.
(6) Deflate the remaining wholesale trade sales using the headline PPI (final manufacturing) excluding the PPIs for food products, beverages and tobacco; textiles, clothing and footwear; coal and petroleum products; general and special purpose machinery; household appliances and office machinery; electrical machinery and apparatus and subcomponents; and transport equipment. The PPI for transport equipment is excluded because it measures producer prices of motor vehicles, which are not included in wholesale trade.
Total wholesale trade sales at constant prices is obtained by aggregating (1) to (6).

Reliability of estimates	8	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.
	9	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.
Month-on-month percentage change	10	The month-on-month percentage change in a variable for any given month is the change between that month and the previous month, expressed as a percentage of the latter.
Year-on-year percentage change	11	The year-on-year percentage change in a variable for any given period is the change between that period and the corresponding period of the previous year, expressed as a percentage of the latter.
Contribution (percentage points)	12	The contribution (percentage points) to the year-on-year percentage change is calculated by multiplying the percentage change of each type of wholesaler by its corresponding weight, divided by 100. The weight is the percentage contribution of each type of wholesaler to total wholesale trade sales in the corresponding period of the previous year.

Glossary

Enterprise	An 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* (SIC)*,* Fifth Edition, Report No, 09-90-02 of January 1993.

Symbols and abbreviations

BSF	Business sampling frame
GDP	Gross domestic product
ISIC	International Standard Industrial Classification
SIC	Standard Industrial Classification of all Economic Activities
SARS	South African Revenue Service
Stats SA	Statistics South Africa
VAT	Value added tax

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.

Technical enquiries

Nthabiseng Sebeyi	Telephone number: (012) 310 8930 Email: nthabisengs@statssa.gov.za
Keshnee Govender	Telephone number: (012) 310 8423 Email: keshneeg@statssa.gov.za

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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General enquiries

User information services	Telephone number: (012) 310 8600
	Email address: info@statssa.gov.za
Orders/subscription services	Telephone number: (012) 310 8044
	Email address: magdaj@statssa.gov.za
Postal address	Private Bag X44, Pretoria, 0001

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