



The South Africa I know, the home I understand

Statistical release

P6141.2

Wholesale trade sales (Preliminary)

July 2016

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 and to minimise revisions to historical growth rates, historical sales levels were revised (i.e. they were linked to the estimates based on the new sample).

**Embargoed until:
15 September 2016
10:00**

Enquiries:

Keshnee Govender
(012) 310 8423

Forthcoming issue:

August 2016

Expected release date:

20 October 2016

Contents

Sales at constant 2012 prices: results for July 2016 2

Table A – Key growth rates in wholesale trade sales at constant 2012 prices 2

Figure 1 – Wholesale trade sales at constant 2012 prices..... 2

Sales at current prices: results for July 2016..... 3

Table B – Key growth rates in wholesale trade sales at current prices 3

Table C – Wholesale trade sales at current prices for the latest three months by type of dealer 3

Note 1: Changes to the monthly current indicator survey and the impact on the statistical series... 4

Tables 6

Table 1 – Wholesale trade sales at constant 2012 prices (R million)..... 6

Table 2 – Year-on-year percentage change in wholesale trade sales at constant 2012 prices..... 6

Table 3 – Seasonally adjusted wholesale trade sales at constant 2012 prices 6

Table 4 – Wholesale trade sales at current prices (R million) 7

Table 5 – Year-on-year percentage change in wholesale trade sales at current prices 7

Table 6 – Seasonally adjusted wholesale trade sales at current prices 7

Table 7 – Wholesale trade sales at current prices by type of dealer (R million) 8

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

Table 9 – Contribution of type of dealer to the year-on-year percentage change in wholesale trade sales at current prices 8

Survey information..... 9

Technical notes 11

Glossary..... 13

Technical enquiries..... 13

General information 14

Sales at constant 2012 prices: results for July 2016

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

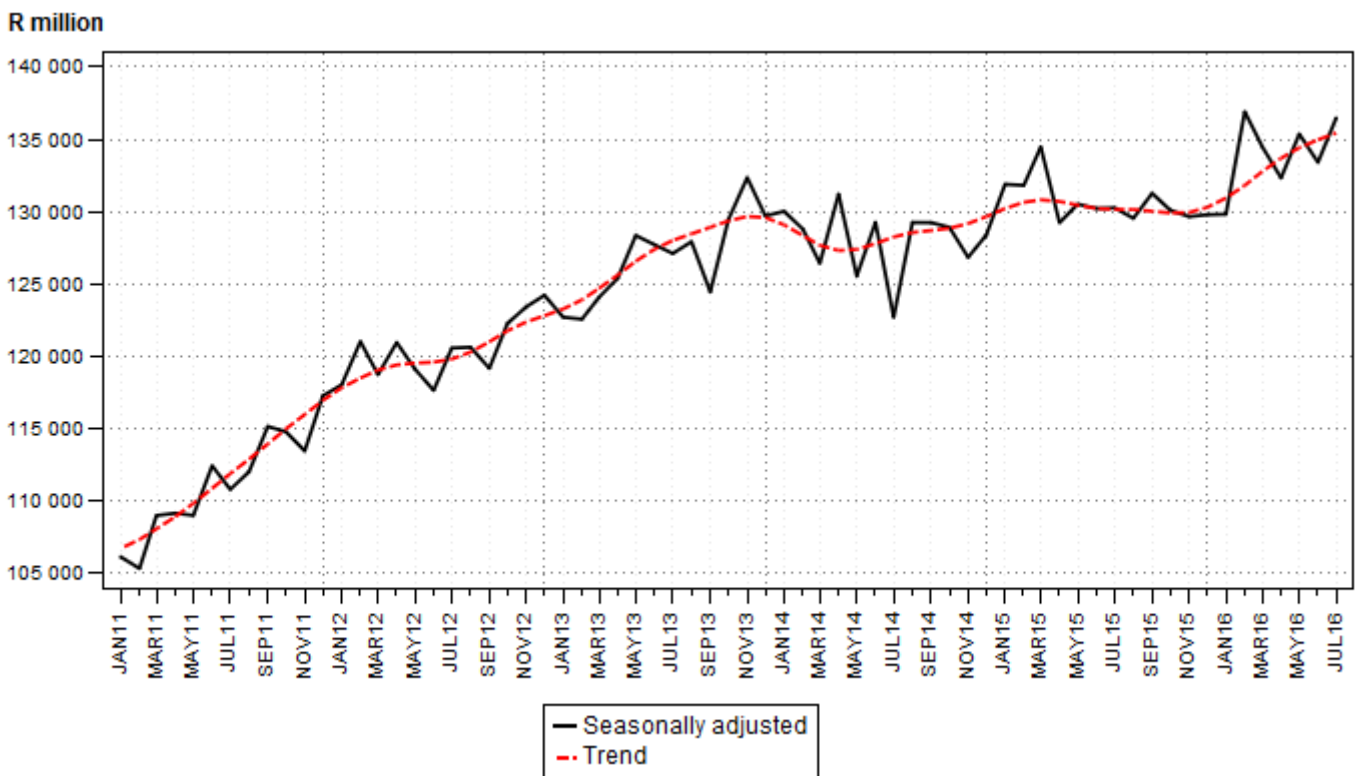
	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Year-on-year % change, unadjusted	4,9	-1,9	5,0	5,3	1,7	1,2
Month-on-month % change, seasonally adjusted	5,4	-1,8	-1,6	2,3	-1,4	2,3
3-month % change, seasonally adjusted 1/	1,4	3,0	3,7	1,4	0,0	0,4

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 1,2% in July 2016 compared with July 2015. Seasonally adjusted wholesale trade sales increased by 2,3% in July 2016 compared with June 2016. This followed month-on-month changes of -1,4% in June 2016 and 2,3% in May 2016.

In the three months ended July 2016, seasonally adjusted wholesale trade sales increased by 0,4% compared with the previous three months.

Figure 1 – Wholesale trade sales at constant 2012 prices



Sales at current prices: results for July 2016

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

	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Year-on-year % change, unadjusted	15,5	4,4	11,6	11,5	8,0	8,2
Month-on-month % change, seasonally adjusted	3,4	-1,1	-0,8	2,5	-0,2	2,4
3-month % change, seasonally adjusted 1/	3,8	5,8	4,9	2,6	1,2	2,3

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 8,2% in July 2016 compared with July 2015. The main contributors to this increase were dealers in:

- agricultural raw materials and livestock (95,1% and contributing 5,0 percentage points); and
- machinery, equipment and supplies (35,5% and contributing 4,4 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 2015 (R million)	Weight	May – Jul 2016 (R million)	% change between May – Jul 2015 and May – Jul 2016	Contribution (% points) to the total % change
Fee or contract basis	19 166	4,4	22 726	18,6	0,8
Agricultural raw materials and livestock	22 840	5,2	41 624	82,2	4,3
Food, beverages and tobacco	67 383	15,3	72 892	8,2	1,3
Textiles, clothing and footwear	10 416	2,4	8 999	-13,6	-0,3
Other household goods except precious stones	59 887	13,6	61 303	2,4	0,3
Precious stones, jewellery and silverware	8 552	1,9	9 635	12,7	0,2
Solid, liquid and gaseous fuels and related products	99 397	22,6	90 513	-8,9	-2,0
Metal and metal ores	12 186	2,8	11 495	-5,7	-0,2
Construction and building materials	28 589	6,5	31 428	9,9	0,6
Other intermediate products, waste and scrap	17 824	4,1	19 108	7,2	0,3
Machinery, equipment and supplies	56 678	12,9	70 830	25,0	3,2
Other goods	37 135	8,4	39 903	7,5	0,6
Total	440 054	100,0	480 458	9,2	9,2

Wholesale trade sales increased by 9,2% in the three months ended July 2016 compared with the three months ended July 2015. The main contributors to this increase were dealers in:

- agricultural raw materials and livestock (82,2% and contributing 4,3 percentage points); and
- machinery, equipment and supplies (25,0% and contributing 3,2 percentage points) – see Table C.

PJ Lehohla
Statistician-General

Note: 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 2016 which replaces the previous sample that was drawn in April 2015. The sample was drawn from a business register of enterprises with an annual turnover of at least R2 201 028 and that are required to register with the South African Revenue Service 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 (revised) 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 2016 based on the new sample was 1,2% lower than the level of total sales recorded for the previous sample (see Table D and Figure 2). The previous sample was drawn in April 2015 and was operational for the last half of 2015 and the first half of 2016.

Table D – Total sales for previous and new samples for the wholesale industry: April to June 2016

Wholesale trade industry	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (%)
	470 557	465 055	-5 502	-1,2

Figure 2 – Total wholesale trade sales: monthly levels of previous and new samples for April to June 2016

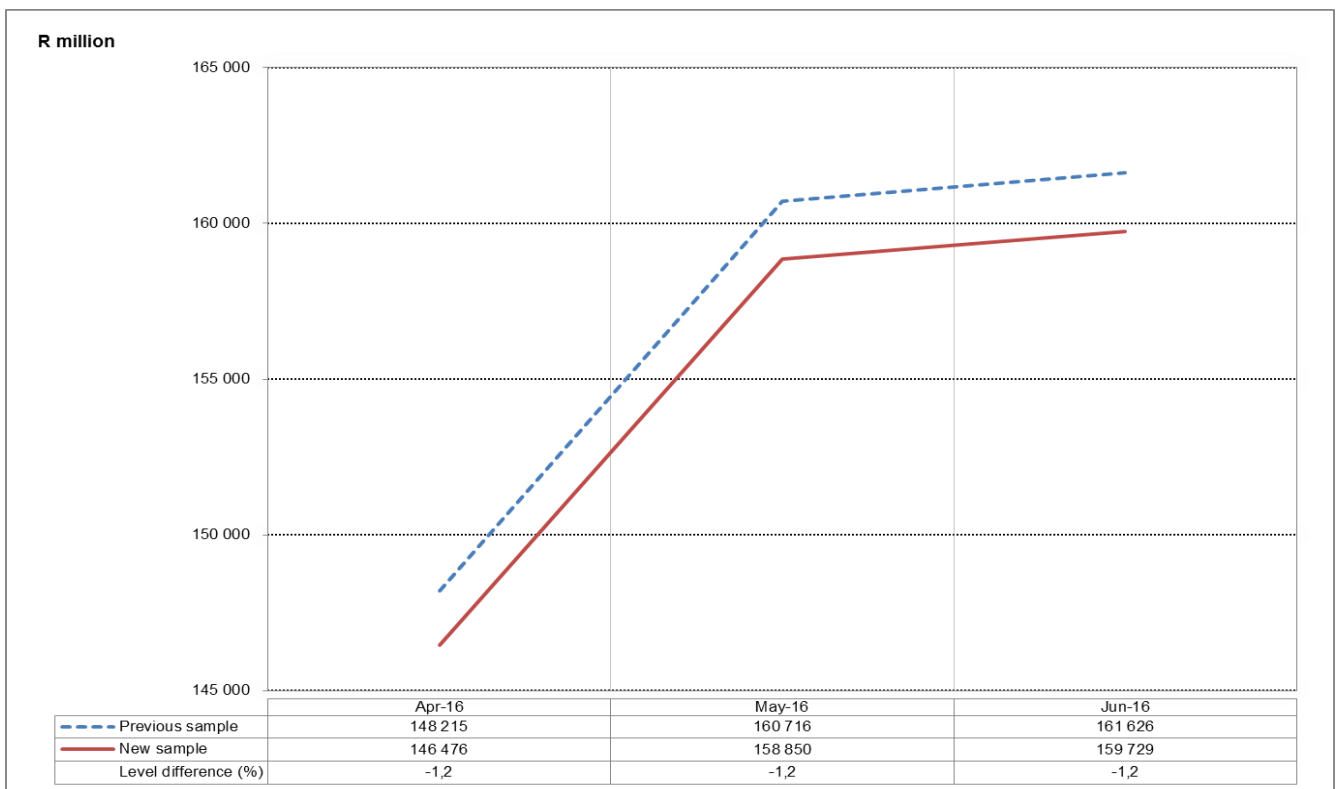


Table E – Wholesale trade sales for previous and new samples by type of dealer: April to June 2016

Type of dealer	Previous sample R million	New sample R million	Difference R million	Difference % 1/
Fee or contract basis	20 716	21 319	603	2,9
Agricultural raw materials and livestock	48 155	36 852	-11 303	-23,5
Food, beverages and tobacco	71 876	72 220	344	0,5
Textiles, clothing and footwear	8 049	9 380	1 331	16,5
Other household goods except precious stones	47 567	61 610	14 043	29,5
Precious stones, jewellery and silverware	10 768	10 658	-110	-1,0
Solid, liquid and gaseous fuels and related products	78 740	85 682	6 942	8,8
Metals and metal ores	11 103	11 380	277	2,5
Construction and building materials	29 782	31 349	1 567	5,3
Other intermediate products, waste and scrap	20 039	19 316	-723	-3,6
Machinery, equipment and supplies	82 895	65 985	-16 910	-20,4
Other goods	40 864	39 302	-1 562	-3,8
Total	470 557	465 055	-5 502	-1,2

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:

- agricultural raw materials and livestock (23,5% or R11 303 million lower in the new sample);
- machinery, equipment and supplies (20,4% or R16 910 million lower in the new sample);
- 'other' household goods except precious stones (29,5% or R14 043 million higher in the new sample);
and
- textiles, clothing and footwear (16,5% or R1 331 million higher in the new sample).

Backcasting

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

Tables

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

Month	2010	2011	2012	2013	2014	2015	2016 1/
Jan	87 179	92 663	105 109	111 363	118 637	118 634	114 443
Feb	97 014	100 648	116 640	118 515	125 183	128 746	135 055
Mar	106 324	112 482	120 977	119 226	126 221	136 854	134 307
Apr	96 852	100 834	110 208	120 638	120 128	117 267	123 136
May	102 674	107 913	119 774	129 326	124 611	126 921	133 689
Jun	104 127	112 249	116 408	122 847	126 528	130 235	132 474
Jul	104 556	107 921	119 090	128 360	123 522	131 801	133 367
Aug	106 486	115 190	123 738	129 266	127 988	128 209	
Sep	108 628	118 765	118 391	126 283	134 558	136 407	
Oct	108 395	119 965	132 915	140 263	140 319	139 557	
Nov	120 274	127 767	139 155	146 900	136 909	142 364	
Dec	111 776	119 221	123 279	130 511	131 421	131 867	
Total	1 254 285	1 335 618	1 445 684	1 523 498	1 536 025	1 568 862	

1/ Figures for latest month are preliminary.

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

Month	2011	2012	2013	2014	2015	2016	2016 year-to-date
Jan	6,3	13,4	6,0	6,5	0,0	-3,5	-3,5
Feb	3,7	15,9	1,6	5,6	2,8	4,9	0,9
Mar	5,8	7,6	-1,4	5,9	8,4	-1,9	-0,1
Apr	4,1	9,3	9,5	-0,4	-2,4	5,0	1,1
May	5,1	11,0	8,0	-3,6	1,9	5,3	1,9
Jun	7,8	3,7	5,5	3,0	2,9	1,7	1,9
Jul	3,2	10,3	7,8	-3,8	6,7	1,2	1,8
Aug	8,2	7,4	4,5	-1,0	0,2		
Sep	9,3	-0,3	6,7	6,6	1,4		
Oct	10,7	10,8	5,5	0,0	-0,5		
Nov	6,2	8,9	5,6	-6,8	4,0		
Dec	6,7	3,4	5,9	0,7	0,3		
Total	6,5	8,2	5,4	0,8	2,1		

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

Month	R million				Month-on-month % change			
	2013	2014	2015	2016	2013	2014	2015	2016
Jan	122 714	130 027	131 896	129 832	-1,2	0,2	2,7	0,0
Feb	122 579	128 798	131 824	136 906	-0,1	-0,9	-0,1	5,4
Mar	124 075	126 436	134 477	134 487	1,2	-1,8	2,0	-1,8
Apr	125 400	131 211	129 240	132 338	1,1	3,8	-3,9	-1,6
May	128 359	125 558	130 526	135 364	2,4	-4,3	1,0	2,3
Jun	127 720	129 268	130 225	133 412	-0,5	3,0	-0,2	-1,4
Jul	127 115	122 707	130 271	136 468	-0,5	-5,1	0,0	2,3
Aug	127 927	129 256	129 548		0,6	5,3	-0,6	
Sep	124 463	129 248	131 272		-2,7	0,0	1,3	
Oct	129 460	128 927	130 105		4,0	-0,2	-0,9	
Nov	132 354	126 850	129 664		2,2	-1,6	-0,3	
Dec	129 711	128 390	129 794		-2,0	1,2	0,1	

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

Month	2010	2011	2012	2013	2014	2015	2016 1/
Jan	76 410	84 641	101 722	114 859	131 492	125 680	133 098
Feb	85 279	93 410	114 014	122 949	140 490	137 524	158 879
Mar	93 860	105 468	119 073	125 211	143 318	150 639	157 241
Apr	86 454	94 645	109 361	126 036	136 712	131 284	146 476
May	91 672	101 573	119 758	134 739	141 686	142 464	158 850
Jun	93 525	105 987	115 745	129 090	143 972	147 961	159 729
Jul	93 489	102 947	117 927	135 770	140 908	149 629	161 879
Aug	95 511	111 047	123 879	138 260	145 685	145 049	
Sep	97 032	115 687	119 307	135 648	153 350	154 014	
Oct	96 845	117 231	135 367	151 348	159 082	160 088	
Nov	108 221	125 308	142 970	158 916	153 742	163 571	
Dec	100 882	116 855	126 561	142 500	145 241	150 749	
Total	1 119 180	1 274 799	1 445 684	1 615 326	1 735 678	1 758 652	

1/ Figures for latest month are preliminary.

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

Month	2011	2012	2013	2014	2015	2016	2016 year-to-date
Jan	10,8	20,2	12,9	14,5	-4,4	5,9	5,9
Feb	9,5	22,1	7,8	14,3	-2,1	15,5	10,9
Mar	12,4	12,9	5,2	14,5	5,1	4,4	8,5
Apr	9,5	15,5	15,2	8,5	-4,0	11,6	9,3
May	10,8	17,9	12,5	5,2	0,5	11,5	9,7
Jun	13,3	9,2	11,5	11,5	2,8	8,0	9,4
Jul	10,1	14,6	15,1	3,8	6,2	8,2	9,2
Aug	16,3	11,6	11,6	5,4	-0,4		
Sep	19,2	3,1	13,7	13,0	0,4		
Oct	21,1	15,5	11,8	5,1	0,6		
Nov	15,8	14,1	11,2	-3,3	6,4		
Dec	15,8	8,3	12,6	1,9	3,8		
Total	13,9	13,4	11,7	7,5	1,3		

Table 6 – Seasonally adjusted wholesale trade sales at current prices

Month	R million				Month-on-month % change			
	2013	2014	2015	2016	2013	2014	2015	2016
Jan	128 409	146 858	142 340	154 081	1,1	3,7	-0,3	3,5
Feb	128 719	146 487	142 795	159 373	0,2	-0,3	0,3	3,4
Mar	128 239	142 171	148 189	157 663	-0,4	-2,9	3,8	-1,1
Apr	130 981	148 314	142 349	156 381	2,1	4,3	-3,9	-0,8
May	134 119	142 590	145 544	160 339	2,4	-3,9	2,2	2,5
Jun	133 157	145 871	147 705	160 091	-0,7	2,3	1,5	-0,2
Jul	135 264	140 572	148 153	163 964	1,6	-3,6	0,3	2,4
Aug	136 357	145 836	145 200		0,8	3,7	-2,0	
Sep	133 259	147 928	149 092		-2,3	1,4	2,7	
Oct	139 538	145 730	147 959		4,7	-1,5	-0,8	
Nov	143 816	141 636	148 324		3,1	-2,8	0,2	
Dec	141 616	142 756	148 833		-1,5	0,8	0,3	

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

Type of dealer	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16 1/
Fee or contract basis	6 988	5 422	6 169	7 251	7 899	7 576
Agricultural raw materials and livestock	10 097	10 611	10 634	12 245	13 973	15 406
Food, beverages and tobacco	24 364	27 095	22 327	24 857	25 036	22 999
Textiles, clothing and footwear	3 417	4 007	3 559	2 783	3 038	3 178
Other household goods except precious stones	21 200	21 010	19 801	20 970	20 839	19 494
Precious stones, jewellery and silverware	3 694	3 755	4 454	2 897	3 307	3 431
Solid, liquid and gaseous fuels and related products	26 666	27 585	26 193	30 101	29 388	31 024
Metals and metal ores	3 633	3 617	3 662	3 948	3 770	3 777
Construction and building materials	10 128	9 907	10 373	10 533	10 443	10 452
Other intermediate products, waste and scrap	7 168	6 450	6 153	6 448	6 715	5 945
Machinery, equipment and supplies	26 905	24 541	20 269	23 385	22 331	25 114
Other goods	14 619	13 241	12 882	13 432	12 988	13 483
Total	158 879	157 241	146 476	158 850	159 729	161 879

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-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Fee or contract basis	26,8	4,5	10,5	11,8	21,7	22,4
Agricultural raw materials and livestock	39,4	55,2	79,4	67,7	82,9	95,1
Food, beverages and tobacco	11,2	7,4	7,7	8,6	9,0	6,9
Textiles, clothing and footwear	3,4	-2,4	-4,3	-20,8	-3,3	-15,5
Other household goods except precious stones	18,2	-1,2	4,5	9,6	0,4	-2,5
Precious stones, jewellery and silverware	37,5	60,2	120,5	41,5	7,9	-0,2
Solid, liquid and gaseous fuels and related products	-2,3	-11,6	-5,0	-7,3	-9,5	-10,0
Metals and metal ores	-13,4	-11,1	3,6	5,9	-7,4	-13,9
Construction and building materials	14,4	1,9	24,8	19,7	10,1	1,4
Other intermediate products, waste and scrap	20,1	12,5	15,2	21,9	8,1	-6,0
Machinery, equipment and supplies	46,8	10,0	11,9	29,3	11,3	35,5
Other goods	2,1	4,6	12,1	5,4	12,1	5,3
Total	15,5	4,4	11,6	11,5	8,0	8,2

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-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Fee or contract basis	1,1	0,2	0,5	0,5	1,0	0,9
Agricultural raw materials and livestock	2,1	2,5	3,6	3,5	4,3	5,0
Food, beverages and tobacco	1,8	1,2	1,2	1,4	1,4	1,0
Textiles, clothing and footwear	0,1	-0,1	-0,1	-0,5	-0,1	-0,4
Other household goods except precious stones	2,4	-0,2	0,6	1,3	0,1	-0,3
Precious stones, jewellery and silverware	0,8	1,0	1,8	0,6	0,2	0,0
Solid, liquid and gaseous fuels and related products	-0,5	-2,4	-1,1	-1,7	-2,1	-2,3
Metals and metal ores	-0,4	-0,3	0,1	0,2	-0,2	-0,4
Construction and building materials	0,9	0,1	1,6	1,2	0,6	0,1
Other intermediate products, waste and scrap	0,9	0,5	0,6	0,8	0,3	-0,3
Machinery, equipment and supplies	6,2	1,5	1,6	3,7	1,5	4,4
Other goods	0,2	0,4	1,1	0,5	0,9	0,5
Total	15,5	4,4	11,6	11,5	8,0	8,2

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 2016 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 2016 was 76,3%. The collection rate for June 2016 for the new sample was 83,5%.

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 publication available from Stats SA: <ul style="list-style-type: none">• <i>Stats in Brief</i> 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 1 257 enterprises from a population of 19 401 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 2016 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:

$$n_h = n * (N_h * S_h) / [\sum (N_i * S_i)].$$

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 7,0%.

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	2 201 028	27 000 000
Small	3	27 000 001	144 000 000
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. 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 2016](#)

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	<p>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.</p> <p>From January 2012, wholesale trade sales at constant prices are compiled as follows:</p> <ol style="list-style-type: none"> (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. <p>Total wholesale trade sales at constant prices is obtained by aggregating (1) to (6).</p>
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.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data; and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

Advance release calendar

A release calendar is disseminated on www.statssa.gov.za

Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division
National Library of South Africa, Cape Town Division
Natal Society Library, Pietermaritzburg
Library of Parliament, Cape Town
Bloemfontein Public Library
Johannesburg Public Library
Eastern Cape Library Services, King William's Town
Central Regional Library, Polokwane
Central Reference Library, Mbombela
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

Electronic services

A large range of data is available via online services. For more details about our electronic data services, contact Stats SA's user information service at (012) 310 8600.

You can visit us on the internet at: www.statssa.gov.za

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

Produced by Stats SA