## STATISTICAL RELEASE <br> P6141.2

# Wholesale trade sales <br> (Preliminary) 

## June 2018

The results published in the next publication (July 2018) will be 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 will be revised (i.e. they will be linked to the estimates based on the new sample).

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## Sales at constant 2015 prices: results for June 2018

Table A - Key growth rates in wholesale trade sales at constant 2015 prices

|  | Jan-18 | Feb-18 | Mar-18 | Apr-18 | May-18 |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Jear-on-year \% change, unadjusted | $-2,5$ | 1,8 | $-0,3$ | $-2,6$ | 0,5 |
| Month-on-month \% change, seasonally adjusted | $-1,2$ | 0,3 | 2,9 | $-3,0$ | 1,1 |
| 3-month \% change, seasonally adjusted 1/ | 1,6 | $-0,1$ | $-1,1$ | $-0,4$ | 1,4 |

1/ Percentage change between the previous 3 months and the 3 months ending in the month indicated.
Measured in real terms (constant 2015 prices), wholesale trade sales decreased by $0,5 \%$ in June 2018 compared with June 2017.

Seasonally adjusted wholesale trade sales increased by $1,4 \%$ in June 2018 compared with May 2018. This followed month-on-month changes of 1,1\% in May 2018 and -3,0\% in April 2018.

In the second quarter of 2018 , seasonally adjusted wholesale trade sales increased by $0,1 \%$ compared with the previous quarter.

Figure 1 - Wholesale trade sales at constant 2015 prices


## Sales at current prices: results for June 2018

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

|  | Jan-18 | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: |
| Year-on-year \% change, unadjusted | 3,6 | 6,5 | 3,2 | 2,1 | 5,9 | 6,4 |
| Month-on-month \% change, seasonally adjusted | $-1,0$ | 1,1 | 2,4 | $-4,5$ | 3,6 | 2,3 |
| 3-month \% change, seasonally adjusted 1/ | 3,6 | 1,2 | 0,2 | $-0,2$ | 0,9 | 0,5 |

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 6,4\% in June 2018 compared with June 2017. The main contributors to this increase were dealers in:

- solid, liquid and gaseous fuels and related products ( $22,6 \%$ and contributing 4,3 percentage points); and
- precious stones, jewellery and silverware (71,4\% and contributing 1,8 percentage points) - see Tables 8 and 9 .

Table C - Wholesale trade sales at current prices for the latest three months by type of dealer
$\left.\begin{array}{|l|l|l|l|l|l|}\hline \text { Type of dealer } & \text { Apr- Jun } \\ \text { 2017 } \\ \text { (R million) }\end{array}\right)$

Wholesale trade sales increased by $4,9 \%$ in the second quarter of 2018 compared with the second quarter of 2017. The main contributor to this increase was dealers in solid, liquid and gaseous fuels and related products (18,0\% and contributing 3,5 percentage points) - see Table C.

## Risenga Maluleke Statistician-General

## Tables

Table 1 - Wholesale trade sales at constant 2015 prices (R million)

| Month | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 1/ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Jan | 117508 | 124270 | 132660 | 131578 | 128096 | 129640 | 126372 |
| Feb | 129907 | 132955 | 140819 | 143576 | 151781 | 135224 | 137623 |
| Mar | 135810 | 133623 | 141865 | 152953 | 150324 | 150422 | 149904 |
| Apr | 122932 | 135543 | 134800 | 131164 | 136935 | 133669 | 130244 |
| May | 134304 | 145209 | 139844 | 141332 | 148698 | 143359 | 144026 |
| Jun | 130345 | 137624 | 141859 | 145646 | 150125 | 147921 | 147109 |
| Jul | 132989 | 143935 | 138140 | 146857 | 145855 | 143270 |  |
| Aug | 138941 | 145125 | 143468 | 143335 | 149931 | 146675 |  |
| Sep | 132692 | 142417 | 151282 | 152302 | 157303 | 142977 |  |
| Oct | 148966 | 157581 | 157388 | 156443 | 154828 | 153802 |  |
| Nov | 156364 | 165231 | 153348 | 159531 | 162344 | 163632 |  |
| Dec | 138316 | 146262 | 146685 | 146690 | 151698 | 143360 |  |
| Total | 1619074 | 1709775 | 1722158 | 1751407 | 1787918 | 1733951 |  |

1/ Figures for latest month are preliminary.

Table 2 - Year-on-year percentage change in wholesale trade sales at constant 2015 prices

| Month | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | $\begin{gathered} 2018 \\ \text { year-to-date } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Jan | 5,8 | 6,8 | -0,8 | -2,6 | 1,2 | -2,5 | -2,5 |
| Feb | 2,3 | 5,9 | 2,0 | 5,7 | -10,9 | 1,8 | -0,3 |
| Mar | -1,6 | 6,2 | 7,8 | -1,7 | 0,1 | -0,3 | -0,3 |
| Apr | 10,3 | -0,5 | -2,7 | 4,4 | -2,4 | -2,6 | -0,9 |
| May | 8,1 | -3,7 | 1,1 | 5,2 | -3,6 | 0,5 | -0,6 |
| Jun | 5,6 | 3,1 | 2,7 | 3,1 | -1,5 | -0,5 | -0,6 |
| Jul | 8,2 | -4,0 | 6,3 | -0,7 | -1,8 |  |  |
| Aug | 4,5 | -1,1 | -0,1 | 4,6 | -2,2 |  |  |
| Sep | 7,3 | 6,2 | 0,7 | 3,3 | -9,1 |  |  |
| Oct | 5,8 | -0,1 | -0,6 | -1,0 | -0,7 |  |  |
| Nov | 5,7 | -7,2 | 4,0 | 1,8 | 0,8 |  |  |
| Dec | 5,7 | 0,3 | 0,0 | 3,4 | -5,5 |  |  |
| Total | 5,6 | 0,7 | 1,7 | 2,1 | -3,0 |  |  |

Table 3 - Seasonally adjusted wholesale trade sales at constant 2015 prices

| Month | R million |  |  |  | Month-on-month \% change |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: | ---: | ---: | :---: |
|  | $\mathbf{2 0 1 5}$ | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | $\mathbf{2 0 1 5}$ | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ |
| Jan | 146781 | 146840 | 147177 | 142371 | 1,3 | 1,8 | $-1,8$ | $-1,2$ |
| Feb | 148266 | 149794 | 139975 | 142772 | 1,0 | 2,0 | $-4,9$ | 0,3 |
| Mar | 148817 | 146995 | 143383 | 146932 | 0,4 | $-1,9$ | 2,4 | 2,9 |
| Apr | 143153 | 147528 | 150783 | 142462 | $-3,8$ | 0,4 | 5,2 | $-3,0$ |
| May | 145728 | 151524 | 144115 | 144035 | 1,8 | 2,7 | $-4,4$ | 1,1 |
| Jun | 145144 | 148979 | 145197 | 146040 | $-0,4$ | $-1,7$ | 0,8 | 1,4 |
| Jul | 147725 | 150349 | 147903 |  | 1,8 | 0,9 | 1,9 |  |
| Aug | 145440 | 148694 | 144755 |  | $-1,5$ | $-1,1$ | $-2,1$ |  |
| Sep | 145603 | 149332 | 137004 |  | 0,1 | 0,4 | $-5,4$ |  |
| Oct | 145648 | 147351 | 145238 |  | 0,0 | $-1,3$ | 6,0 |  |
| Nov | 145071 | 146442 | 147497 |  | $-0,4$ | $-0,6$ | 1,6 |  |
| Dec | 144293 | 149834 | 144142 |  | $-0,5$ | 2,3 | $-2,3$ |  |

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

| Month | $\mathbf{2 0 1 2}$ | $\mathbf{2 0 1 3}$ | $\mathbf{2 0 1 4}$ | $\mathbf{2 0 1 5}$ | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8} \mathbf{1 /}$ |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| Jan | 101303 | 114385 | 130950 | 125162 | 132550 | $\mathbf{1 4 1} \mathbf{1 5 5}$ | $\mathbf{1 4 6 1 9 7}$ |
| Feb | 113544 | 122442 | 139912 | 136957 | 158224 | 148811 | 158437 |
| Mar | 118582 | 124695 | 142727 | 150019 | 156593 | 165755 | 171014 |
| Apr | 108910 | 125516 | 136149 | 130743 | 144804 | 147386 | 150492 |
| May | 119264 | 134183 | 141103 | 141877 | 157449 | 159144 | 168456 |
| Jun | 115268 | 128558 | 143379 | 147351 | 160885 | 163606 | 174091 |
| Jul | 117442 | 135211 | 140326 | 149012 | 157707 | 159029 |  |
| Aug | 123368 | 137690 | 145085 | 144451 | 160568 | 163336 |  |
| Sep | 118815 | 135089 | 152718 | 153380 | 167590 | 161291 |  |
| Oct | 134809 | 150724 | 158427 | 159428 | 166246 | 175204 |  |
| Nov | 142381 | 158261 | 153108 | 162898 | 176328 | 188144 |  |
| Dec | 126039 | 141913 | 144642 | 150128 | 165221 | 166529 |  |
| Total | $\mathbf{1 4 3 9 7 2 5}$ | $\mathbf{1 6 0 8 6 6 7}$ | $\mathbf{1 7 2 8 5 2 6}$ | $\mathbf{1 7 5 1 4 0 6}$ | $\mathbf{1 9 0 4 1 6 5}$ | $\mathbf{1 9 3 9 3 9 0}$ |  |

1/ Figures for latest month are preliminary.

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

| Month | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | $\begin{gathered} 2018 \\ \text { year-to-date } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Jan | 12,9 | 14,5 | -4,4 | 5,9 | 6,5 | 3,6 | 3,6 |
| Feb | 7,8 | 14,3 | -2,1 | 15,5 | -5,9 | 6,5 | 5,1 |
| Mar | 5,2 | 14,5 | 5,1 | 4,4 | 5,9 | 3,2 | 4,4 |
| Apr | 15,2 | 8,5 | -4,0 | 10,8 | 1,8 | 2,1 | 3,8 |
| May | 12,5 | 5,2 | 0,5 | 11,0 | 1,1 | 5,9 | 4,2 |
| Jun | 11,5 | 11,5 | 2,8 | 9,2 | 1,7 | 6,4 | 4,6 |
| Jul | 15,1 | 3,8 | 6,2 | 5,8 | 0,8 |  |  |
| Aug | 11,6 | 5,4 | -0,4 | 11,2 | 1,7 |  |  |
| Sep | 13,7 | 13,0 | 0,4 | 9,3 | -3,8 |  |  |
| Oct | 11,8 | 5,1 | 0,6 | 4,3 | 5,4 |  |  |
| Nov | 11,2 | -3,3 | 6,4 | 8,2 | 6,7 |  |  |
| Dec | 12,6 | 1,9 | 3,8 | 10,1 | 0,8 |  |  |
| Total | 11,7 | 7,5 | 1,3 | 8,7 | 1,8 |  |  |

Table 6 - Seasonally adjusted wholesale trade sales at current prices

| Month | R million |  |  |  | Month-on-month \% change |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\mathbf{2 0 1 5}$ | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | $\mathbf{2 0 1 5}$ | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ |
| Jan | 140515 | 152621 | 160046 | 164448 | $-0,8$ | 3,8 | $-1,8$ | $-1,0$ |
| Feb | 143181 | 160169 | 155794 | 166217 | 1,9 | 4,9 | $-2,7$ | 1,1 |
| Mar | 147287 | 155771 | 159517 | 170282 | 2,9 | $-2,7$ | 2,4 | 2,4 |
| Apr | 141782 | 155706 | 165921 | 162573 | $-3,7$ | 0,0 | 4,0 | $-4,5$ |
| May | 145114 | 158885 | 158980 | 168506 | 2,4 | 2,0 | $-4,2$ | 3,6 |
| Jun | 146134 | 159280 | 159782 | 172355 | 0,7 | 0,2 | 0,5 | 2,3 |
| Jul | 148616 | 160882 | 161857 |  | 1,7 | 1,0 | 1,3 |  |
| Aug | 145239 | 157850 | 160842 |  | $-2,3$ | $-1,9$ | $-0,6$ |  |
| Sep | 148939 | 160720 | 157319 |  | 2,5 | 1,8 | $-2,2$ |  |
| Oct | 148141 | 157889 | 164401 |  | $-0,5$ | $-1,8$ | 4,5 |  |
| Nov | 147205 | 158615 | 169432 |  | $-0,6$ | 0,5 | 3,1 |  |
| Dec | 147057 | 162930 | 166159 |  | $-0,1$ | 2,7 | $-1,9$ |  |

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

| Type of dealer | Jan-18 | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 1/ |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
| Fee or contract basis | 4381 | 6319 | 7247 | 6933 | 6979 | 6891 |
| Agricultural raw materials and livestock | 10473 | 11204 | 11469 | 10303 | 13057 | 14267 |
| Food, beverages and tobacco | 24412 | 24196 | 27962 | 23798 | 25896 | 26816 |
| Textiles, clothing and footwear | 2767 | 3812 | 4600 | 3795 | 4209 | 3661 |
| Other household goods except precious stones | 19125 | 20516 | 21811 | 20656 | 21722 | 21865 |
| Precious stones, jewellery and silverware | 3296 | 5070 | 6201 | 3446 | 4945 | 7061 |
| Solid, liquid and gaseous fuels and related products | 31369 | 32042 | 36432 | 33872 | 36267 | 37880 |
| Metals and metal ores | 3350 | 4255 | 4241 | 3673 | 4702 | 4206 |
| Construction and building materials | 7123 | 8214 | 8493 | 7739 | 9149 | 9127 |
| Other intermediate products, waste and scrap | 8272 | 8224 | 7646 | 6338 | 7517 | 7554 |
| Machinery, equipment and supplies | 20829 | 21639 | 21866 | 18378 | 20534 | 22892 |
| Other goods | 10797 | 12945 | 13047 | 11562 | 13478 | 11870 |
| Total | $\mathbf{1 4 6 1 9 7}$ | $\mathbf{1 5 8 4 3 7}$ | $\mathbf{1 7 1 0 1 4}$ | $\mathbf{1 5 0 4 9 2}$ | $\mathbf{1 6 8 4 5 6}$ | $\mathbf{1 7 4 0 9 1}$ |

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 | Jan-18 | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 |
| :--- | ---: | ---: | ---: | ---: | :---: | :---: |
| Fee or contract basis | 0,9 | 16,6 | 18,5 | 24,9 | $-1,9$ | $-7,7$ |
| Agricultural raw materials and livestock | $-5,6$ | $-12,5$ | $-11,9$ | 0,6 | 1,1 | 0,2 |
| Food, beverages and tobacco | 10,6 | 2,2 | $-2,4$ | $-2,0$ | $-1,7$ | $-3,6$ |
| Textiles, clothing and footwear | $-2,8$ | 2,1 | 7,1 | $-0,8$ | 13,9 | 14,4 |
| Other household goods except precious stones | 1,7 | 2,6 | 3,2 | 7,3 | 2,6 | 4,1 |
| Precious stones, jewellery and silverware | 65,9 | 3,7 | 83,5 | $-48,9$ | 79,9 | 71,4 |
| Solid, liquid and gaseous fuels and related products | 3,5 | 18,8 | 17,7 | 12,5 | 18,8 | 22,6 |
| Metals and metal ores | $-0,9$ | $-5,5$ | $-13,0$ | 2,7 | 13,4 | $-5,0$ |
| Construction and building materials | 6,6 | 0,9 | $-6,6$ | $-1,6$ | 3,4 | $-0,2$ |
| Other intermediate products, waste and scrap | 0,2 | 2,2 | $-3,0$ | $-1,4$ | 0,5 | 8,4 |
| Machinery, equipment and supplies | 8,2 | 14,4 | $-6,6$ | 6,5 | 0,0 | 4,9 |
| Other goods | $-10,7$ | 10,4 | 0,7 | $-5,4$ | $-1,2$ | $-4,9$ |
| Total | $\mathbf{3 , 6}$ | $\mathbf{6 , 5}$ | $\mathbf{3 , 2}$ | $\mathbf{2 , 1}$ | $\mathbf{5 , 9}$ | $\mathbf{6 , 4}$ |

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

| Type of dealer | Jan-18 | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: |
| Fee or contract basis | 0,0 | 0,6 | 0,7 | 0,9 | $-0,1$ | $-0,4$ |
| Agricultural raw materials and livestock | $-0,4$ | $-1,1$ | $-0,9$ | 0,0 | 0,1 | 0,0 |
| Food, beverages and tobacco | 1,7 | 0,3 | $-0,4$ | $-0,3$ | $-0,3$ | $-0,6$ |
| Textiles, clothing and footwear | $-0,1$ | 0,1 | 0,2 | 0,0 | 0,3 | 0,3 |
| Other household goods except precious stones | 0,2 | 0,3 | 0,4 | 1,0 | 0,3 | 0,5 |
| Precious stones, jewellery and silverware | 0,9 | 0,1 | 1,7 | $-2,2$ | 1,4 | 1,8 |
| Solid, liquid and gaseous fuels and related products | 0,8 | 3,4 | 3,3 | 2,6 | 3,6 | 4,3 |
| Metals and metal ores | 0,0 | $-0,2$ | $-0,4$ | 0,1 | 0,3 | $-0,1$ |
| Construction and building materials | 0,3 | 0,0 | $-0,4$ | $-0,1$ | 0,2 | 0,0 |
| Other intermediate products, waste and scrap | 0,0 | 0,1 | $-0,1$ | $-0,1$ | 0,0 | 0,4 |
| Machinery, equipment and supplies | 1,1 | 1,8 | $-0,9$ | 0,8 | 0,0 | 0,7 |
| Other goods | $-0,9$ | 0,8 | 0,1 | $-0,4$ | $-0,1$ | $--0,4$ |
| Total | $\mathbf{3 , 6}$ | $\mathbf{6 , 5}$ | $\mathbf{3 , 2}$ | $\mathbf{2 , 1}$ | $\mathbf{5 , 9}$ | $\mathbf{6 , 4}$ |

## Survey information

## Introduction

## Purpose of the survey

## Scope of the survey

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 2017 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 responses. These estimates will be revised in future statistical releases as soon as information becomes available. Published wholesale trade sales estimates exclude VAT.

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.

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.


## Collection rate

## 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.

6 The preliminary collection rate for the survey on wholesale trade sales for June 2018 was 81,1\%. The improved collection rate for May 2018 was 85,3\%.

| 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 publication available from Stats SA: <br> - Stats in Brief, 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: <br> Click to download historical data |
| Past publications | 12 | Past wholesale trade sales releases are available on the Stats SA website. To access the releases electronically, use the following link: Click to download past releases |

## Technical notes

## Survey methodology and design

## Sample weighting

## Seasonal adjustment

## Trend cycle

1 The survey is conducted monthly. Questionnaires are sent to a sample of 1275 enterprises from a population of 19534 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 2017 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:

$$
\mathrm{nh}=\mathrm{n} *(\mathrm{Nh} * \mathrm{Sh}) /\left[\Sigma\left(\mathrm{Ni}^{*} \mathrm{Si}\right)\right] .
$$

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 6,4\%.

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 | 2314764 | 27000000 |
| Small | 3 | 27000001 | 144000000 |
| Medium | 2 | 144000001 | 288000000 |
| Large | 1 | 288000001 |  |

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.

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-tomonth 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 August 2017

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

## Reliability of estimates

## Month-on-month percentage change

## Year-on-year percentage change

## Contribution (percentage points)

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 communication and metering equipment,
(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 communication and metering equipment; 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).

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.

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.

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.

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 <br> 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 <br> economic activity. Industries are defined in the System of National Accounts (SNA) in <br> the same way as in the Standard IIdustrial Classification of All Economic Activities |
|  | (SIC), Fitth Edition, Report No, 09-90-02 of January 1993. |

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