

Wholesale trade sales

March 2005

**Embargoed until:
08 June 2005
13:00**

Table A – Key figures as at the end of March 2005

Estimates	March 2005 R million	% change between March 2004 and March 2005	% change between January to March 2004 and January to March 2005
Wholesale trade sales:			
at current prices	39 898	+3,2	+6,2
at constant 2000 prices	31 061	+0,7	+4,0

Seasonally adjusted estimates	March 2005 R million	% change between February and March 2005	% change between October to December 2004 and January to March 2005
Wholesale trade sales:			
at current prices	39 215	+3,9	-9,7
at constant 2000 prices	30 530	+3,5	-9,6

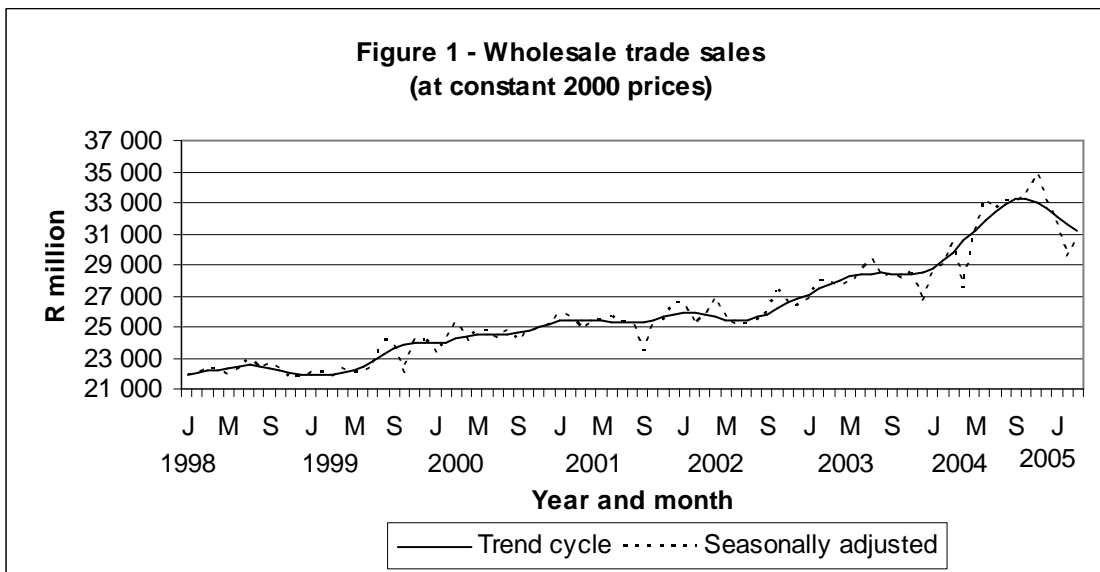
Key findings as at the end of March 2005

Wholesale trade sales increase

As indicated in table A, wholesale trade sales, at constant (2000) prices, for the first quarter of 2005 increased by 4,0% compared with the first quarter of 2004. Seasonally adjusted wholesale trade sales, at constant (2000) prices, for the first quarter of 2005 showed a decrease of 9,6% compared with the previous quarter.

Wholesale trade sales, at constant (2000) prices, for March 2005 increased by 0,7% compared with March 2004.

Figure 1 below shows the seasonally adjusted and trend patterns for wholesale trade sales at constant (2000) prices between January 1998 and March 2005. The trend cycle, after a brief decline towards the end of 2003, assumed an upward movement for most of 2004 and starts showing a decline from October 2004.



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Notes**Forthcoming issue****Issue****Expected release date**

April 2005

6 July 2005

Purpose of the survey

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.

Detailed results

Outlined below in table 1 are wholesale trade sales according to type of dealer for March 2005.

Table 1 - Total wholesale trade sales according to type of dealer at current prices (R million) for 2005

Month	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/
January 1/	1 409	2 320	6 859	808	3 011	1 659	4 093	1 142	2 463	1 326	5 662	4 874	35 632
February 1/	1 650	2 260	7 089	1 116	3 099	916	4 485	1 343	2 764	1 271	6 547	4 514	37 058
March 1/	1 776	1 821	7 289	1 249	3 628	2 096	4 904	1 292	2 827	1 376	6 558	5 078	39 898
April													
May													
June													
July													
August													
September													
October													
November													
December													

1/ Preliminary

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

Description of type of dealer included in indicated group types in Table 1 1/

Group type	Type of dealer 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 3 on page 9

Outlined below in tables 2 and 3 are details of the behaviour of wholesale trade sales at current prices over the period January 1998 to March 2005. Table 4 gives details of the behaviour of the seasonally adjusted wholesale trade sales at current prices over the same period.

Table 2 - Total wholesale trade sales at current prices (R million)

Month	1998	1999	2000	2001	2002	2003	2004	1/ 2005
January	16 924	17 862	20 225	24 376	27 785	30 199	31 612	35 632
February	18 350	19 457	22 672	26 243	29 278	34 546	35 705	37 059
March	19 172	19 834	24 675	26 283	31 140	35 537	38 653	39 898
April	18 575	19 465	22 770	25 528	31 024	32 943	32 831	
May	18 858	20 171	24 466	27 098	31 603	34 821	39 687	
June	19 330	20 295	24 533	27 576	31 049	35 973	42 907	
July	19 895	20 604	23 739	26 697	30 564	36 659	41 103	
August	20 162	22 620	25 108	27 205	31 501	35 186	41 924	
September	20 963	23 068	25 125	26 016	33 052	35 949	43 020	
October	21 341	22 203	27 133	29 796	37 089	37 858	46 353	
November	21 027	24 860	27 953	30 854	36 600	38 654	48 989	
December	19 622	23 144	26 310	30 003	33 219	33 038	42 116	
Total	234 219	253 583	294 709	327 675	383 904	421 363	484 900	

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

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	-	5,5	13,2	20,5	14,0	8,7	4,7	12,7
February	-	6,0	16,5	15,8	11,6	18,0	3,4	3,8
March	-	3,5	24,4	6,5	18,5	14,1	8,8	3,2
April	-	4,8	17,0	12,1	21,5	6,2	-0,3	
May	-	7,0	21,3	10,8	16,6	10,2	14,0	
June	-	5,0	20,9	12,4	12,6	15,9	19,3	
July	-	3,6	15,2	12,5	14,5	19,9	12,1	
August	-	12,2	11,0	8,4	15,8	11,7	19,1	
September	-	10,0	8,9	3,5	27,0	8,8	19,7	
October	-	4,0	22,2	9,8	24,5	2,1	22,4	
November	-	18,2	12,4	10,4	18,6	5,6	26,7	
December	-	17,9	13,7	14,0	10,7	-0,5	27,5	
Total	-	8,3	16,2	11,2	17,2	9,8	15,1	

1/ The percentage change is the change in wholesale trade sales of the relevant year compared with wholesale trade sales of the previous year expressed as a percentage

Table 4 - Seasonally adjusted total wholesale trade sales at current prices (R million)

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	18 854	19 820	22 386	27 036	30 935	33 801	35 626	40 403
February	18 837	19 962	23 200	26 844	29 869	35 233	36 376	37 757
March	19 142	19 789	24 584	26 076	30 824	35 026	38 059	39 215
April	19 381	20 316	23 820	26 810	32 667	34 785	34 673	
May	19 022	20 292	24 524	27 064	31 478	34 677	39 518	
June	19 470	20 417	24 603	27 564	30 898	35 767	42 655	
July	20 288	21 040	24 291	27 322	31 201	37 299	41 731	
August	19 921	22 429	25 007	27 229	31 654	35 454	42 284	
September	20 325	22 420	24 522	25 542	32 567	35 467	42 401	
October	19 985	20 769	25 345	27 754	34 488	35 080	42 860	
November	19 463	23 010	25 806	28 427	33 647	35 493	44 938	
December	19 483	23 014	26 166	29 925	33 143	33 042	42 218	

Outlined below in tables 5 and 6 are details of the behaviour of wholesale trade sales at constant prices over the period January 1998 to March 2005. Table 7 gives details of the behaviour of the 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	1998	1999	2000	2001	2002	2003	2004	1/ 2005
January	19 680	19 858	21 046	23 371	23 922	24 073	25 361	27 991
February	21 400	21 523	23 458	25 041	24 707	27 483	28 484	29 009
March	22 333	21 783	25 425	25 019	26 048	28 271	30 860	31 061
April	21 400	21 343	23 069	24 060	25 523	26 218	25 963	
May	21 626	21 842	24 700	25 349	25 809	28 014	31 348	
June	22 167	21 941	24 631	25 616	25 253	28 562	33 339	
July	22 481	22 119	23 704	24 662	24 599	28 922	31 974	
August	22 502	24 167	24 798	24 947	25 111	27 870	32 588	
September	23 305	24 633	24 717	23 857	26 368	28 817	33 675	
October	23 831	23 583	26 523	26 940	29 389	30 360	36 114	
November	23 454	26 238	27 034	27 573	28 910	31 110	38 139	
December	21 948	24 311	25 347	26 669	26 343	26 558	32 942	
Total	266 127	273 341	294 452	303 104	311 982	336 258	380 787	

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

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	-	0,9	6,0	11,0	2,4	0,6	5,4	10,4
February	-	0,6	9,0	6,7	-1,3	11,2	3,6	1,8
March	-	-2,5	16,7	-1,6	4,1	8,5	9,2	0,7
April	-	-0,3	8,1	4,3	6,1	2,7	-1,0	
May	-	1,0	13,1	2,6	1,8	8,5	11,9	
June	-	-1,0	12,3	4,0	-1,4	13,1	16,7	
July	-	-1,6	7,2	4,0	-0,3	17,6	10,6	
August	-	7,4	2,6	0,6	0,7	11,0	16,9	
September	-	5,7	0,3	-3,5	10,5	9,3	16,9	
October	-	-1,0	12,5	1,6	9,1	3,3	19,0	
November	-	11,9	3,0	2,0	4,8	7,6	22,6	
December	-	10,8	4,3	5,2	-1,2	0,8	24,0	
Total	-	2,7	7,7	2,9	2,9	7,8	13,2	

1/ The percentage change is the change in wholesale trade sales of the relevant year compared with wholesale trade sales of the previous year expressed as a percentage

Table 7 - Seasonally adjusted total wholesale trade sales at constant 2000 prices (R million)

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	21 920	22 031	23 280	25 888	26 578	26 868	28 476	31 601
February	21 914	22 036	23 966	25 583	25 175	27 992	28 970	29 495
March	22 354	21 786	25 396	24 884	25 825	27 884	30 386	30 530
April	22 349	22 296	24 155	25 296	26 912	27 730	27 467	
May	21 858	22 021	24 804	25 339	25 703	27 873	31 182	
June	22 303	22 051	24 703	25 627	25 181	28 461	33 225	
July	22 950	22 609	24 258	25 228	25 090	29 411	32 446	
August	22 328	24 058	24 796	25 074	25 354	28 235	33 065	
September	22 613	23 948	24 112	23 394	25 938	28 384	33 137	
October	22 257	22 008	24 728	25 070	27 321	28 151	33 436	
November	21 672	24 244	24 914	25 365	26 528	28 513	34 919	
December	21 721	24 101	25 153	26 563	26 268	26 550	33 004	

Outlined below in tables 8.1 and 8.2 are the percentage changes in wholesale trade sales at current prices, constant prices and seasonally adjusted estimates.

Table 8 Estimates and percentage changes in total wholesale trade sales

Table 8.1 - Quarterly and cumulative estimates and percentage changes

Estimates	January to March 2004 R million	January to March 2005 R million	% change between January to March 2004 and January to March 2005
Wholesale trade sales at current prices	105 970	112 589	+6,2
at constant 2000 prices	84 705	88 061	+4,0

Table 8.2 - Seasonally adjusted estimates with monthly and quarterly percentage changes.

Seasonally adjusted estimates	February 2005 R million	March 2005 R million	% change between February and March 2005	October to December 2004 R million	January to March 2005 R million	% change between October to December 2004 and January to March 2005
Wholesale trade sales at current prices	37 757	39 215	+3,9	130 016	117 375	-9,7
at constant 2000 prices	29 495	30 530	+3,5	101 359	91 626	-9,6

Explanatory notes

- Introduction** 1 Statistics South Africa (Stats SA) conducts a monthly survey of the wholesale trade industry, covering wholesale enterprises (see 4 below). This statistical release provides information on the March 2005 survey. This survey is based on a sample drawn from the 2004 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT) and income tax. Wholesale trade sales exclude value-added tax (VAT).
- 2 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.
- Scope of the survey** 3 This survey covers wholesale enterprises according to the following types of dealer:
- Wholesale trade on a fee or contract basis (not covered in previous survey)
 - 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** 4 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. Statistics in this publication are presented at SIC division (two digit) level. Each enterprise is classified to the industry, which reflects its predominant activity.
- Statistical unit** 5 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.
- Survey methodology and design** 6 The survey is conducted monthly. Questionnaires are sent to a sample of about 800 enterprises from a population of about 19 000 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.
- 7 The value of sales is obtained monthly from the sample of 800 enterprises (which was drawn in September 2004 at the SIC four-digit level) from a population then of about 19 000 wholesale enterprises. The wholesale industry is divided into four size groups. All large enterprises (size group one) are completely enumerated. Simple random sampling is applied to size groups two (medium sized), three and four (small) enterprises. The total value of sales of the large enterprises (size group one) is added to the weighted totals of size groups two, three and four to reflect the total value of sales.

Weighting methodology	8	For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates are calculated and then aggregated with the completely enumerated stratum to form division estimates. These procedures, which are in line with international best practice, are described in more detail on the Stats SA website at http://www.statssa.gov.za/publications/publicationsearch.asp .														
Constant prices	9	The constant prices for the 2004 series are calculated using a combination of the production price indices for consumption in South Africa and total output of South African industry groups from the Production Price Index (PPI) to deflate the current prices. From January 2005 onwards, only the total sales will be deflated and not the type of dealer.														
Seasonal adjustment	10	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	11	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	12	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.														
	13	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	14	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	15	Users may also wish to refer to the following publications available from Stats SA - <ul style="list-style-type: none"> • <i>Bulletin of Statistics</i> issued quarterly. • <i>SA Statistics</i> issued annually. 														
Rounding of figures	16	Where figures have been rounded-off discrepancies may occur between sums of the component items and the totals.														
Pre-release policy	17	Stats SA's pre-release policy may be inspected at its Website, www.statssa.gov.za .														
Symbols and abbreviations	18	<table border="0"> <tr> <td>GDP</td> <td>Gross Domestic Product</td> </tr> <tr> <td>ISIC</td> <td>International Standard Industrial Classification</td> </tr> <tr> <td>SIC</td> <td>Standard Industrial Classification of all Economic Activities</td> </tr> <tr> <td>SARS</td> <td>South African Revenue Service</td> </tr> <tr> <td>Stats SA</td> <td>Statistics South Africa</td> </tr> <tr> <td>VAT</td> <td>Value-added tax</td> </tr> <tr> <td>*</td> <td>Revised</td> </tr> </table>	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
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SARS	South African Revenue Service															
Stats SA	Statistics South Africa															
VAT	Value-added tax															
*	Revised															

- Figures not available

Technical note

Neyman optimal allocation

Before drawing in each of the surveys the population of enterprises on the Business Sampling Frame (BSF) was stratified. Strata were formed using a combination of Standard Industrial Classification and the measure of size classes for enterprises. The Neyman optimal allocation formula given below was used to allocate samples to each stratum.

$$n_h = \frac{N_h S_h}{\sum N_h S_h}$$

where N_h and S_h are the stratum population size and the stratum variance, respectively.

Neyman allocation formula not only allocates sample sizes to each stratum but also calculates the relative precision for each stratum as well as the relative precision for all strata. The relative precision for these surveys did not exceed 6.4%.

Class limits

Enterprise size	Lower limits	Upper limits
Very small	0	6 000 000
Small	6 000 001	32 000 000
Medium	32 000 001	64 000 000
Large	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 <i>System of National Accounts (SNA)</i> in the same way as in the <i>Standard Industrial Classification of all Economic Activities, Fifth Edition, Report No. 09-90-02 of January 1993 (SIC)</i> .
Statistical unit	A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.
Wholesale trade	Wholesale trade includes the resale (sale without transformation) of new and used goods and products to other wholesalers, retailers, agricultural, industrial, commercial, institutional and professional users either directly or through agents on a fee or contract basis.
Wholesaler	A wholesaler is an enterprise deriving 50% or more of its turnover from sales of goods to other businesses and institutions.

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