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Wholesale trade sales Preliminary: October 2005

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Table A - Key figures as at the end of October 2005

Estimates	October 2005 R million	% change between October 2004 and October 2005	% change between August to October 2004 and August to October 2005	% change between January to October 2004 and January to October 2005	
Wholesale trade sales					
at current prices	54 005	+6,0	+7,8	+6,7	
at constant 2000 prices	40 484	+2,0	+3,5	+3,4	

Seasonally adjusted estimates	October 2005 R million	% change between September and October 2005	% change between May to July 2005 and August to October 2005	
Wholesale trade sales				
at current prices	49 992	-1,7	+5,4	
at constant 2000 prices	37 477	-1,6	+4,3	

Key findings as at the end of October 2005

Wholesale trade sales increase in real terms

As indicated in table A, wholesale trade sales, at constant (2000) prices, for the three months ended October 2005 increased by 3,5% compared with the same period in 2004. Furthermore seasonally adjusted wholesale trade sales, at constant (2000) prices, for the three months ended October 2005 increased by 4,3% compared with the three months ended July 2005.

Wholesale trade sales at constant (2000) prices increased by 2,0% for the month of October 2005 compared with October 2004.

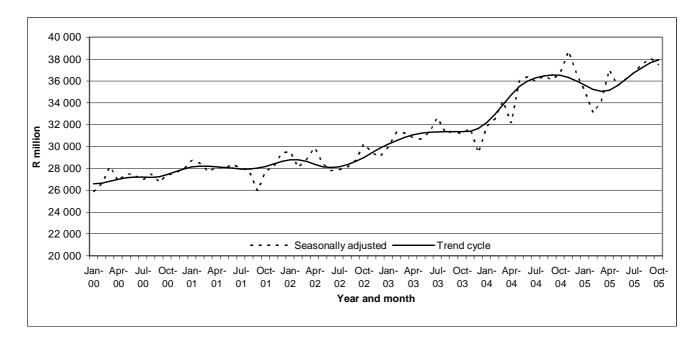
Wholesale trade sales at constant (2000) prices, for January to October 2005, increased by 3,4% compared with the same period in 2004.

Wholesale trade sales increase at current prices

Wholesale trade sales, at current prices, for the three months ended October 2005 increased by 7,8% compared with the same period in 2004.

Figure 1 below shows the seasonally adjusted and trend patterns for wholesale trade sales at constant (2000) prices between January 2000 and October 2005. The trend cycle showed a gradual upward trend from January 2000 until the beginning of 2004. Then it increased sharply until October 2004. It showed a slight decline at the beginning of 2005 but has assumed an upward trend since the middle of 2005.

Figure 1 – Wholesale trade sales (at constant 2000 prices)



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Notes

Forthcoming issue	Issue	Expected release date				
	November 2005	9 February 2006				
Purpose of the survey	Gross Domestic Product (GI	wholesale trade sales survey are used to compile estimates of the DP) and its components, which are used in monitoring the state of an of economic policy. These statistics are also used in the analysis industry performance.				

Detailed results

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

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

Month 1/	Type A	Type B	Type C	Type D	Type E	Type F	Type G	Type H	Type I	Type J	Type K	Type L	2/ Total
January	1 005	2 510	8 087	782	3 495	1 467	6 149	1 423	2 354	1 402	6 286	4 284	39 244
February	1 176	2 445	8 358	1 080	3 597	810	6 737	1 673	2 642	1 343	7 268	3 968	41 097
March	1 252	2 016	8 642	1 181	4 169	1 783	7 367	1 610	2 705	1 484	7 242	4 432	43 883
April	1 234	2 018	9 034	1 159	4 234	1 766	7 843	1 656	2 901	1 399	7 501	4 370	45 115
May	1 618	2 000	9 350	1 068	4 380	2 039	7 952	1 809	3 044	1 492	7 704	4 489	46 946
June	1 852	2 213	9 277	993	4 436	1 837	9 488	1 729	2 977	1 716	7 695	4 403	48 623
July	2 026	2 034	9 833	1 093	4 581	972	9 322	1 796	3 266	1 543	7 345	4 711	48 530
August	1 875	2 129	8 856	1 295	4 863	1 384	10 011	1 886	3 271	1 613	7 858	4 876	49 923
September	1 677	2 106	9 381	1 417	5 117	1 986	10 066	1 899	3 307	1 786	8 399	4 722	51 870
October	1 981	2 179	10 268	1 492	5 712	2 066	10 264	1 874	3 377	1 779	8 049	4 958	54 005
November													
December													

^{1/} Preliminary

Description of type of dealers included in indicated group types in table $^{1\prime}$

Group type	Type of dealers included in group type
Type A	Wholesale trade on a fee or contract basis
Type B	Wholesale trade in agricultural raw materials and livestock
Type C	Wholesale trade in food, beverages and tobacco
Type D	Wholesale trade in textiles, clothing and footwear
Type E	Wholesale trade in other household goods except precious stones
Type F	Wholesale trade in precious stones, jewellery and silverware
Type G	Wholesale trade in solid, liquid and gaseous fuels and related products
Туре Н	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

 $1/\,\text{See}$ note 3 on page 9

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

Tables 2 and 3 show wholesale trade sales at current prices over the period January 1998 to October 2005. Table 4 gives 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	18 777	19 818	22 440	27 046	30 828	33 506	35 074	39 244
February	20 360	21 588	25 155	29 117	32 484	38 329	39 615	41 097
March	21 272	22 006	27 377	29 161	34 550	39 429	42 886	43 883
April	20 609	21 597	25 264	28 324	34 422	36 551	38 300	45 115
May	20 923	22 380	27 145	30 066	35 064	38 634	46 230	46 946
June	21 447	22 518	27 220	30 596	34 449	39 913	47 606	48 623
July	22 074	22 860	26 339	29 621	33 911	40 674	45 604	48 530
August	22 370	25 097	27 858	30 184	34 951	39 039	46 515	49 923
September	23 259	25 594	27 877	28 865	36 672	39 886	47 056	51 870
October	23 678	24 635	30 104	33 059	41 151	42 004	50 934	54 005
November	23 330	27 583	31 014	34 233	40 608	42 887	54 290	
December	21 771	25 679	29 191	33 289	36 857	36 656	46 840	
Total	259 870	281 355	326 984	363 561	425 947	467 508	540 950	

^{1/} Preliminary

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	11,9
February	-	6,0	16,5	15,8	11,6	18,0	3,4	3,7
March	-	3,5	24,4	6,5	18,5	14,1	8,8	2,3
April	-	4,8	17,0	12,1	21,5	6,2	4,8	17,8
May	-	7,0	21,3	10,8	16,6	10,2	19,7	1,5
June	-	5,0	20,9	12,4	12,6	15,9	19,3	2,1
July	_	3,6	15,2	12,5	14,5	19,9	12,1	6,4
August	-	12,2	11,0	8,3	15,8	11,7	19,2	7,3
September	_	10,0	8,9	3,5	27,0	8,8	18,0	10,2
October	_	4,0	22,2	9,8	24,5	2,1	21,3	6,0
November	-	18,2	12,4	10,4	18,6		26,6	
December	_	18,0	13,7	14,0	10,7	-0,5	27,8	
Total	-	8,3	16,2	11,2	17,2	9,8	15,7	

^{1/} The percentage change is the difference between wholesale trade sales of the relevant year and those of the previous year expressed as a percentage

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

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	20 848	21 924	24 783	29 980	34 391	37 710	39 888	44 969
February	20 874	22 122	25 724	29 821	33 259	39 376	40 775	42 358
March	21 161	21 886	27 206	28 921	34 336	39 268	42 900	43 900
April	21 491	22 527	26 415	29 736	36 213	38 477	40 293	47 478
May	21 096	22 505	27 196	29 962	34 811	38 245	45 775	46 483
June	21 590	22 641	27 279	30 476	34 053	39 215	46 609	47 506
July	22 489	23 323	26 929	30 314	34 621	41 329	46 111	48 977
August	22 058	24 837	27 697	30 165	35 038	39 146	46 554	49 911
September	22 905	25 222	27 472	28 488	36 160	39 231	46 134	50 845
October	22 143	23 013	28 086	30 752	38 253	38 881	47 130	49 992
November	21 566	25 501	28 611	31 534	37 348	39 464	49 941	
December	21 595	25 516	29 029	33 202	36 790	36 710	47 038	

Tables 5 and 6 show wholesale trade sales at constant prices over the period January 1998 to October 2005. Table 7 gives 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	21 834	22 032	23 351	25 930	26 541	26 709	28 138	30 828
February	23 743	23 880	26 027	27 783	27 413	30 493	31 604	32 170
March	24 778	24 169	28 209	27 759	28 900	31 367	34 240	34 164
April	23 743	23 681	25 596	26 695	28 319	29 089	30 289	34 838
May	23 995	24 234	27 406	28 125	28 635	31 082	36 517	36 071
June	24 595	24 343	27 329	28 422	28 019	31 689	36 990	36 808
July	24 942	24 542	26 299	27 363	27 293	32 090	35 476	36 338
August	24 967	26 813	27 514	27 679	27 860	30 922	36 156	37 214
September	25 857	27 330	27 424	26 470	29 255	31 973	36 835	38 898
October	26 441	26 165	29 428	29 891	32 608	33 684	39 683	40 484
November	26 023	29 111	29 994	30 592	32 076	34 517	42 266	
December	24 352	26 973	28 123	29 590	29 228	29 466	36 637	
Total	295 270	303 273	326 700	336 299	346 147	373 081	424 831	

^{1/} Preliminary

Table 6 - Percentage change in total wholesale trade sales at constant 2000 prices 1/2

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

^{1/}The percentage change is the difference between wholesale trade sales of the relevant year and those of the previous year expressed as a percentage

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

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	24 307	24 434	25 828	28 754	29 555	29 948	31 813	35 079
February	24 316	24 462	26 623	28 469	28 071	31 318	32 497	33 099
March	24 798	24 167	28 174	27 652	28 784	31 227	34 160	34 071
April	24 803	24 747	26 814	28 090	29 918	30 826	32 157	37 030
May	24 260	24 436	27 518	28 058	28 409	30 696	36 015	35 542
June	24 752	24 470	27 405	28 362	27 790	31 265	36 390	36 155
July	25 467	25 089	26 916	28 011	27 875	32 650	35 948	36 758
August	24 777	26 694	27 505	27 802	28 084	31 204	36 461	37 512
September	25 085	26 563	26 733	25 936	28 732	31 382	36 064	38 095
October	24 694	24 409	27 407	27 759	30 270	31 163	36 714	37 477
November	24 048	26 903	27 643	28 135	29 421	31 658	38 740	
December	24 083	26 720	27 882	29 427	29 082	29 406	36 650	

Outlined below in tables 8.1 and 8.2 are the percentage changes in wholesale trade sales at current prices, constant (2000) 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	August to October 2004 R million	August to October 2005 R million	% change between August to October 2004 and August to October 2005	January to October 2004 R million	January to October 2005 R million	% change between January to October 2004 and January to October 2005
Wholesale trade sales						
at current prices	144 505	155 798	+7,8	439 820	469 236	+6,7
at constant 2000 prices	112 674	116 596	+3,5	345 928	357 813	+3,4

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

Seasonally adjusted estimates	September 2005 R million	October 2005 R million	% change between September and October 2005	May to July 2005 R million	August to October 2005 R million	% change between May to July 2005 and August to October 2005
Wholesale trade sales						
at current prices	50 845	49 992	-1,7	142 966	150 748	+5,4
at constant 2000 prices	38 095	37 477	-1,6	108 455	113 084	+4,3

Explanatory notes

1

Introduction

- Statistics South Africa (Stats SA) conducts a monthly survey of the wholesale trade industry, covering wholesale enterprises (see 4 below). This survey is based on a sample drawn from the 2005 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT) and income tax.
- As is usual, information for the latest month has had to be estimated for respondents who have not reported by the cut-off date for production of results. These estimates will be revised in future statistical releases when their reported information becomes available. Published wholesale trade sales estimates exclude VAT.

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
 - 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

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 (four 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.
- The value of sales is obtained monthly from the sample of 800 enterprises (which was drawn in August 2005 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

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

The constant prices for the 2005 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

- 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. Preliminary figures are indicated in the tables.
- 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

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 -
 - Bulletin of Statistics issued quarterly.
 - SA Statistics issued annually.

Rounding of figures

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	18	BSF
abbreviations		GDP

BSF Business sampling frame GDP Gross Domestic Product

ISIC International Standard Industrial Classification

SIC Standard Industrial Classification of all Economic Activities

SARS South African Revenue Service

Stats SA Statistics South Africa
VAT Value-added tax
Revised

- Figures not available

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	Size Group	Lower limits	Upper limits
Very small	4	0	6 000 000
Small	3	6 000 001	32 000 000
Medium	2	32 000 001	64 000 000
Large	1	64 000 001	

Glossary

Enterprise The enterprise is a legal entity or a combination of legal units that includes and directly

controls all functions necessary to carry out its sales activities.

Industry An industry is made up of enterprises engaged in the same or similar kinds of economic

activity. Industries are defined in the System of National Accounts (SNA) in the same way as in the Standard Industrial Classification of all Economic Activities, Fifth Edition, Report

No. 09-90-02 of January 1993 (SIC).

Statistical unit A statistical unit is a unit about which statistics are tabulated, compiled or published. The

statistical units are derived from and linked to the South African Revenue Service (SARS)

administrative data.

Wholesale trade Wholesale trade includes the resale (sale without transformation) of new and used goods and

products to other wholesalers, retailers, agricultural, industrial, commercial, institutional and

professional users either directly or through agents on a fee or contract basis.

Wholesaler A wholesaler is an enterprise deriving 50% or more of its turnover from sales of goods to

other businesses and institutions.

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