## Statistical release

# Wholesale trade sales (Preliminary) 

## September 2008

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## Summary of findings: Wholesale trade sales

Table A - Key figures as at the end of September 2008

| Wholesale trade sales estimates | September 2008 (R million) | \% change between <br> September 2007 <br> and <br> September 2008 | \% change between July to September 2007 and July to September 2008 | ```% change between January to September 2007 and January to September 2008``` |
| :---: | :---: | :---: | :---: | :---: |
| At current prices | 94110 | +24,0 | +24,2 | +24,4 |
| At constant 2000 prices | 50407 | +6,0 | +4,2 | +7,0 |


| Seasonally adjusted estimates | September 2008 (R million) | \% change between August and September 2008 | \% change between April to <br> June 2008 <br> and <br> July <br> to <br> September 2008 |
| :---: | :---: | :---: | :---: |
| At current prices | 91786 | +2,1 | -0,8 |
| At constant 2000 prices | 49163 | +3,5 | -3,9 |

Key findings as at the end of September 2008
Wholesale trade sales increase in real terms
Wholesale trade sales, at constant (2000) prices, for the third quarter of 2008 increased by 4,2\% compared with the third quarter of 2007. The corresponding growth in 2007 was $4,5 \%$. However, seasonally adjusted wholesale trade sales, at constant (2000) prices, for the third quarter of 2008 decreased by 3,9\% compared with the second quarter of 2008.

Wholesale trade sales, at constant (2000) prices, for September 2008 increased by 6,0\% compared with September 2007. The $6,0 \%$ increase is higher than the $4,1 \%$ growth for September 2007 compared with September 2006.

In the first nine months of 2008, wholesale trade sales, at constant (2000) prices, increased by 7,0\% compared with the same period in 2007. The annual growth rate for the corresponding period in 2007 was $6,5 \%$.

Wholesale trade sales, at current prices, for the third quarter of 2008 increased by $24,2 \%$ compared with the same period in 2007.

Wholesale trade sales, at current prices, for September 2008 increased by 24,0\% compared with September 2007.

Table B - Contribution of each type of dealer to the percentage change in wholesale trade sales at current prices

| Type of wholesale dealer | ```SalesNone``` | Weight 1/ | Sales July to September 2008 (R million) | Difference in sales between July to September 2007 and July to September 2008 | Percentage change between July to September 2007 and July to September 2008 | Contribution (percentage points) to the percentage change in total sales $2 /$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Contract or fee basis | 10261 | 4,5 | 13826 | 3565 | 34,7 | 1,6 |
| Agricultural raw materials and livestock | 8143 | 3,6 | 12581 | 4438 | 54,5 | 2,0 |
| Food, beverages and tobacco | 37837 | 16,7 | 43587 | 5750 | 15,2 | 2,5 |
| Textiles, clothing and footwear | 7992 | 3,5 | 5745 | -2 247 | -28,1 | -1,0 |
| Other household goods except precious stones | 22528 | 9,9 | 26383 | 3855 | 17,1 | 1,7 |
| Precious stones, jewellery and silverware | 4520 | 2,0 | 3495 | -1 025 | -22,7 | -0,5 |
| Solid, liquid and gaseous fuels and related products | 39643 | 17,5 | 60022 | 20379 | 51,4 | 9,0 |
| Metals and metal ores | 9227 | 4,1 | 13750 | 4523 | 49,0 | 2,0 |
| Construction and building materials | 11963 | 5,3 | 13296 | 1333 | 11,1 | 0,6 |
| Other intermediate products, waste and scrap | 8795 | 3,9 | 12131 | 3336 | 37,9 | 1,5 |
| Machinery, equipment and supplies | 46215 | 20,4 | 54863 | 8648 | 18,7 | 3,8 |
| Other goods | 19765 | 8,7 | 22102 | 2337 | 11,8 | 1,0 |
| Total 3/ | 226890 | 100,0 | 281777 | 54887 | 24,2 | 24,2 |

1/ Weight is the percentage contribution of each type of dealer to the total wholesale trade sales for the three months up to the current month of the previous year.
$2 /$ The contribution to the percentage change is calculated by multiplying the percentage change of each type of dealer with its corresponding weight.
3 / The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and the totals.

Table B above shows that the major contributors to the $24,2 \%$ increase in wholesale trade sales at current prices for the third quarter of 2008 as compared with the third quarter of 2007 were dealers in solid, liquid and gaseous fuels and related products ( $+9,0$ percentage points), dealers in machinery, equipment and supplies ( $+3,8$ percentage points) and dealers in food, beverages and tobacco (+2,5 percentage points).

Figure 1 below shows the seasonally adjusted and trend patterns for wholesale trade sales at constant (2000) prices between January 2004 and September 2008.

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


## P J Lehohla Statistician-General

## Detailed results

Outlined below in table 1 are wholesale trade sales according to type of dealer.
Table 1 - Total wholesale trade sales according to the type of dealer at current prices ( R million)

| Year and 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 | Total 21 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2007 | January | 2679 | 2164 | 11629 | 1641 | 5688 | 739 | 10503 | 2388 | 2841 | 2431 | 12605 | 5498 | 60806 |
|  | February | 3124 | 2574 | 11486 | 2170 | 6727 | 1241 | 10473 | 2845 | 3562 | 2326 | 13011 | 5682 | 65220 |
|  | March | 3118 | 2249 | 11342 | 2523 | 6654 | 2005 | 11540 | 2875 | 3857 | 2334 | 14965 | 6370 | 69832 |
|  | April | 3388 | 2128 | 11029 | 2326 | 6971 | 1883 | 10946 | 2731 | 3359 | 2362 | 12063 | 4875 | 64062 |
|  | May | 3275 | 2820 | 11890 | 2442 | 7763 | 1899 | 12632 | 3144 | 4019 | 2633 | 13864 | 6161 | 72542 |
|  | June | 3343 | 2923 | 12341 | 1781 | 7159 | 1936 | 12840 | 3024 | 4066 | 2772 | 14343 | 6125 | 72651 |
|  | July | 3348 | 2786 | 12235 | 2097 | 7261 | 1242 | 13429 | 2972 | 3984 | 2897 | 15414 | 6587 | 74253 |
|  | August | 3648 | 2696 | 12263 | 2853 | 7738 | 1181 | 13530 | 3343 | 3999 | 3142 | 15816 | 6555 | 76764 |
|  | September | 3265 | 2661 | 13339 | 3042 | 7529 | 2097 | 12684 | 2912 | 3980 | 2756 | 14985 | 6623 | 75873 |
|  | October | 3438 | 2761 | 13586 | 3418 | 8559 | 2269 | 13919 | 3546 | 4473 | 3411 | 17081 | 7310 | 83769 |
|  | November | 3778 | 3262 | 14054 | 3090 | 9163 | 2422 | 14615 | 3353 | 4774 | 3524 | 16384 | 9182 | 87599 |
|  | December | 3266 | 3084 | 15392 | 2008 | 7362 | 1819 | 14023 | 1807 | 2453 | 2541 | 12609 | 7598 | 73962 |
|  | Total | 39670 | 32108 | 150586 | 29391 | 88574 | 20733 | 151134 | 34940 | 45367 | 33129 | 173140 | 78566 | 877333 |
| 2008 | January | 2986 | 3039 | 13263 | 1813 | 6918 | 573 | 13441 | 2845 | 3340 | 2577 | 15834 | 6073 | 72701 |
|  | February | 3647 | 3497 | 12838 | 2612 | 7771 | 1695 | 14631 | 3667 | 4465 | 3086 | 15611 | 6208 | 79728 |
|  | March | 3613 | 2860 | 13442 | 2463 | 6961 | 1979 | 17191 | 3839 | 4263 | 2862 | 17462 | 6253 | 83188 |
|  | April | 3851 | 3299 | 12836 | 3106 | 9663 | 2176 | 17105 | 4341 | 4294 | 3168 | 15731 | 7394 | 86963 |
|  | May | 3896 | 3878 | 13461 | 2827 | 8357 | 1995 | 19034 | 4350 | 4472 | 3556 | 16902 | 7639 | 90368 |
|  | June | 3465 | 3999 | 14309 | 1958 | 8273 | 2295 | 19524 | 4743 | 4100 | 3331 | 18212 | 7586 | 91795 |
|  | July | 4629 | 4502 | 13442 | 1799 | 8498 | 1770 | 21224 | 4873 | 4493 | 4144 | 18356 | 7521 | 95250 |
|  | August | 4686 | 4182 | 15291 | 1825 | 8497 | 647 | 20395 | 4583 | 4337 | 4285 | 16584 | 7107 | 92417 |
|  | September | 4511 | 3897 | 14854 | 2121 | 9388 | 1078 | 18403 | 4294 | 4466 | 3702 | 19923 | 7474 | 94110 |

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

## Description of type of dealers included in indicated group types in Table $1^{1 /}$

| 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 |
| 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 |

Tables 2 and 3 show wholesale trade sales (actual values and annual percentage changes) at current prices over the period January 2001 - September 2008. Table 4 shows seasonally adjusted wholesale trade sales at current prices over the same period.

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

| Month | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 /1 | $2008 / 1$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | 30551 | 34827 | 37849 | 39623 | 44336 | 49213 | 60806 | 72701 |
| February | 32890 | 36696 | 43299 | 44751 | 46408 | 53971 | 65220 | 79728 |
| March | 32940 | 39029 | 44542 | 48444 | 49559 | 58412 | 69832 | 83188 |
| April | 31997 | 38882 | 41288 | 43264 | 50966 | 52913 | 64062 | 86963 |
| May | 33962 | 39611 | 43644 | 52224 | 53006 | 61413 | 72542 | 90368 |
| June | 34562 | 38915 | 45089 | 53777 | 54961 | 62147 | 72651 | 91795 |
| July | 33460 | 38306 | 45948 | 51517 | 54806 | 64179 | 74253 | 95250 |
| August | 34098 | 39481 | 44102 | 52545 | 56457 | 66649 | 76764 | 92417 |
| September | 32608 | 41424 | 45056 | 53143 | 58642 | 66673 | 75873 | 94110 |
| October | 37346 | 46486 | 47450 | 57533 | 60608 | 71025 | 83769 |  |
| November | 38673 | 45874 | 48444 | 61307 | 64949 | 75651 | 87599 |  |
| December | 37605 | 41633 | 41407 | 52896 | 56198 | 65760 | 73962 |  |
| Total | 410692 | 481164 | 528118 | 611024 | 650896 | 748006 | 877333 |  |

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

| Month | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | - | 14,0 | 8,7 | 4,7 | 11,9 | 11,0 | 23,6 | 19,6 |
| February | - | 11,6 | 18,0 | 3,4 | 3,7 | 16,3 | 20,8 | 22,2 |
| March | - | 18,5 | 14,1 | 8,8 | 2,3 | 17,9 | 19,6 | 19,1 |
| April | - | 21,5 | 6,2 | 4,8 | 17,8 | 3,8 | 21,1 | 35,7 |
| May | - | 16,6 | 10,2 | 19,7 | 1,5 | 15,9 | 18,1 | 24,6 |
| June | - | 12,6 | 15,9 | 19,3 | 2,2 | 13,1 | 16,9 | 26,4 |
| July | - | 14,5 | 19,9 | 12,1 | 6,4 | 17,1 | 15,7 | 28,3 |
| August | - | 15,8 | 11,7 | 19,1 | 7,4 | 18,1 | 15,2 | 20,4 |
| September | - | 27,0 | 8,8 | 17,9 | 10,3 | 13,7 | 13,8 | 24,0 |
| October | - | 24,5 | 2,1 | 21,2 | 5,3 | 17,2 | 17,9 |  |
| November | - | 18,6 | 5,6 | 26,6 | 5,9 | 16,5 | 15,8 |  |
| December | - | 10,7 | -0,5 | 27,7 | 6,2 | 17,0 | 12,5 |  |
| Total | - | 17,2 | 9,8 | 15,7 | 6,5 | 14,9 | 17,3 |  |

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 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | 33821 | 38791 | 42589 | 45062 | 50799 | 56495 | 69669 | 83159 |
| February | 33694 | 37640 | 44745 | 46606 | 48784 | 57079 | 69288 | 84786 |
| March | 32725 | 38808 | 44343 | 48408 | 49746 | 59006 | 70866 | 84513 |
| April | 33737 | 41304 | 44300 | 46902 | 55763 | 58262 | 70790 | 96302 |
| May | 33885 | 39415 | 43331 | 51884 | 52587 | 60928 | 71902 | 89647 |
| June | 34467 | 38532 | 44437 | 52918 | 54102 | 61234 | 71796 | 90996 |
| July | 34180 | 38972 | 46432 | 51582 | 54446 | 63246 | 72799 | 93126 |
| August | 34099 | 39559 | 44053 | 52056 | 55518 | 65098 | 74777 | 89876 |
| September | 32122 | 40746 | 44201 | 51914 | 57264 | 64977 | 73958 | 91786 |
| October | 34649 | 43048 | 43792 | 53023 | 55770 | 65456 | 77192 |  |
| November | 35433 | 41637 | 43486 | 54521 | 57276 | 66543 | 76940 |  |
| December | 37568 | 41717 | 41719 | 53588 | 57143 | 67029 | 75477 |  |

Tables 5 and 6 show wholesale trade sales (actual values and annual percentage changes) at constant (2000) prices over the period January 2001 - September 2008. Table 7 shows 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 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 /1 | $2008 / 1$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | 29291 | 29985 | 30171 | 31787 | 34828 | 36699 | 41113 | 44088 |
| February | 31384 | 30967 | 34446 | 35701 | 36327 | 40187 | 43978 | 47684 |
| March | 31356 | 32647 | 35435 | 38678 | 38582 | 43284 | 46446 | 48762 |
| April | 30157 | 31988 | 32860 | 34214 | 39356 | 38821 | 41925 | 49950 |
| May | 31770 | 32349 | 35112 | 41251 | 40727 | 44567 | 46892 | 49463 |
| June | 32106 | 31651 | 35799 | 41785 | 41606 | 43827 | 45967 | 48957 |
| July | 30910 | 30830 | 36251 | 40075 | 41038 | 44492 | 46408 | 49481 |
| August | 31268 | 31472 | 34932 | 40843 | 42085 | 45370 | 47724 | 47761 |
| September | 29902 | 33047 | 36117 | 41599 | 43976 | 45713 | 47569 | 50407 |
| October | 33767 | 36835 | 38051 | 44825 | 45433 | 48267 | 52014 |  |
| November | 34560 | 36235 | 38989 | 47728 | 48433 | 51064 | 54224 |  |
| December | 33427 | 33016 | 33285 | 41373 | 41876 | 44583 | 45613 |  |
| Total | 379898 | 391022 | 421448 | 479859 | 494267 | 526874 | 559873 |  |

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

| Month | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | - | 2,4 | 0,6 | 5,4 | 9,6 | 5,4 | 12,0 | 7,2 |
| February | - | -1,3 | 11,2 | 3,6 | 1,8 | 10,6 | 9,4 | 8,4 |
| March | - | 4,1 | 8,5 | 9,2 | -0,2 | 12,2 | 7,3 | 5,0 |
| April | - | 6,1 | 2,7 | 4,1 | 15,0 | -1,4 | 8,0 | 19,1 |
| May | - | 1,8 | 8,5 | 17,5 | -1,3 | 9,4 | 5,2 | 5,5 |
| June | - | -1,4 | 13,1 | 16,7 | -0,4 | 5,3 | 4,9 | 6,5 |
| July | - | -0,3 | 17,6 | 10,5 | 2,4 | 8,4 | 4,3 | 6,6 |
| August | - | 0,7 | 11,0 | 16,9 | 3,0 | 7,8 | 5,2 | 0,1 |
| September | - | 10,5 | 9,3 | 15,2 | 5,7 | 3,9 | 4,1 | 6,0 |
| October | - | 9,1 | 3,3 | 17,8 | 1,4 | 6,2 | 7,8 |  |
| November | - | 4,8 | 7,6 | 22,4 | 1,5 | 5,4 | 6,2 |  |
| December | - | -1,2 | 0,8 | 24,3 | 1,2 | 6,5 | 2,3 |  |
| Total | - | 2,9 | 7,8 | 13,9 | 3,0 | 6,6 | 6,3 |  |

1/ The percentage change is the difference between wholesale trade 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 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | 32467 | 33379 | 33880 | 35997 | 39655 | 41784 | 46652 | 49902 |
| February | 32190 | 31800 | 35598 | 37081 | 37919 | 42015 | 46047 | 49918 |
| March | 31232 | 32464 | 35171 | 38393 | 38351 | 43167 | 46440 | 48776 |
| April | 31727 | 33802 | 34887 | 36528 | 42212 | 41794 | 45198 | 53926 |
| May | 31705 | 32146 | 34769 | 40830 | 40255 | 44083 | 46396 | 48989 |
| June | 32053 | 31432 | 35451 | 41406 | 41335 | 43658 | 45973 | 49130 |
| July | 31638 | 31486 | 36869 | 40528 | 41338 | 44618 | 46426 | 49416 |
| August | 31395 | 31705 | 35191 | 40963 | 42053 | 45165 | 47488 | 47499 |
| September | 29290 | 32421 | 35431 | 40719 | 43050 | 44638 | 46394 | 49163 |
| October | 31315 | 34125 | 35194 | 41455 | 41995 | 44690 | 48154 |  |
| November | 31650 | 32885 | 35042 | 42518 | 42808 | 44998 | 47711 |  |
| December | 33393 | 33093 | 33522 | 41901 | 42576 | 45494 | 46608 |  |

Table 8 - Estimates and percentage changes in total wholesale trade sales
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 8.1 - Quarterly and cumulative estimates and percentage changes

| Wholesale trade sales estimates | July to September 2007 (R million) | July <br> toSeptember2008(R million) | \% change between July to September 2007 and July to September 2008 | January to September 2007 (R million) | January to September 2008 (R million) | \% change between January to September 2007 and January to September 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| At current prices | 226890 | 281777 | +24,2 | 632003 | 786520 | +24,4 |
| At constant 2000 prices | 141701 | 147649 | +4,2 | 408022 | 436553 | +7,0 |

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

| Seasonally adjusted wholesale trade sales estimates | $\begin{gathered} \text { August } \\ 2008 \\ \text { (R million) } \end{gathered}$ | $\begin{aligned} & \text { September } \\ & 2008 \\ & \text { (R million) } \end{aligned}$ | \% change between August and September 2008 | ```April to June 2008 (R million)``` | July to September 2008 (R million) | \% change between April to June 2008 and July to September 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| At current prices | 89876 | 91786 | +2,1 | 276945 | 274788 | -0,8 |
| At constant 2000 prices | 47499 | 49163 | +3,5 | 152045 | 146078 | -3,9 |

## 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 survey is based on a sample drawn from the 2008 Business Sampling Frame (BSF) that contains businesses registered for 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. 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 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 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. Statistics in this publication are presented at SIC division (four digit) level. Each enterprise is classified to the industry which reflects its predominant activity.

## Response rate

6 The preliminary response rate for the survey on wholesale trade sales for September 2008 was $90,3 \%$.

## 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.
Survey
methodology and
design

8 The survey is conducted monthly. Questionnaires are sent to a sample of about 1000 enterprises from a population of about 21000 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.

Weighting
methodology

## Constant prices

11

Seasonal
adjustment

## Trend cycle

## Reliability of estimates

9 The value of sales is obtained monthly from the sample of about 1000 enterprises (which was drawn in April 2008 at the SIC four-digit level) from a population of about 21000 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.

10 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.

11 The total sales at constant prices are calculated using a combination of the Production Price Indices (PPI) for consumption in South Africa and for total output of South African industry groups to deflate the sales at current prices. However, with the discontinuation of the PPI for consumption in South Africa in January 2008, total sales at constant prices are calculated using the total output of South African industry groups from the PPI to deflate the sales at current prices.

12 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-tomonth movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour.

13 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.

14 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.

15 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 nonsampling 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 16 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.

17 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

## Symbols and

 abbreviations19 Stats SA's pre-release policy may be inspected at its Website, www.statssa.gov.za.

20 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

A stratified random sample was drawn from the population of enterprises on the business sampling frame (BSF). 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.

$$
\mathrm{n}_{\mathrm{h}}=\frac{\mathrm{N}_{\mathrm{h}} \mathrm{~S}_{\mathrm{h}}}{\sum \mathrm{~N}_{\mathrm{h}} \mathrm{~S}_{\mathrm{h}}}
$$

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 strata did not exceed $4,8 \%$.

## Class limits

| Enterprise size | Size Group | Lower limits | Upper limits |
| :--- | :--- | ---: | ---: |
| Very small | 4 | 0 | 6000000 |
| Small | 3 | 6000001 | 32000000 |
| Medium | 2 | 32000001 | 64000000 |
| Large | 1 | 64000001 |  |

## 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 March 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.

## General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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Central Regional Library, Polokwane
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