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Retail trade sales (Preliminary)

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Summary of findings: Retail trade sales

Table A – Key figures as at the end of January 2009

Retail trade sales estimates	January 2009 (R million)	% change between January 2008 and January 2009	% change between November 2007 to January 2008 and November 2008 to January 2009
At current prices	41 361	12,7	11,7
At constant 2000 prices	23 991	1,7	-1,0

Key findings as at the end of January 2009

Retail trade sales increase in real terms

Retail trade sales, at constant (2000) prices^{1/}, for January 2009 increased by 1,7% compared with January 2008. This is the first year-on-year increase in nine months. However, retail trade sales, at constant (2000) prices, for the three months ending January 2009 reflected a decrease of 1,0% compared with the three months ending January 2008, while sales for the same period in 2008 decreased by 0,1%.

Retail trade sales, at current prices, for the three months ending January 2009, increased by 11,7% compared with the three months ending January 2008. The major contributors to this increase were general dealers (5,4 percentage points), retailers in textiles, clothing, footwear and leather goods (2,6 percentage points) and retailers of food, beverages and tobacco in specialised stores (1,8 percentage points). Retailers in household furniture, appliances and equipment contributed negatively (-0,6 of a percentage point) to the change in retail trade sales (see Table B on page 3).

Retail trade sales, at current prices, for January 2009 increased by 12,7% compared with January 2008, while sales for the corresponding period in 2008 increased by 11,1%.

^{1/} See Note 11 on Page 10 in connection with deflator.

Table B – Contribution of the types of retailer to the percentage change in retail trade sales at current prices

Type of retailer	November 2007 to January 2008 (R million)	Weight 1/	November 2008 to January 2009 (R million)	Difference between November 2007 to January 2008 and November 2008 to January 2009 (R million)	Percentage change between November 2007 to January 2008 and November 2008 to January 2009	Contribution (percentage points) to the percentage change in total sales 2/
General dealers	51 435	39,4	58 491	7 056	13,7	5,4
Retailers of food, beverages and tobacco in specialised stores	13 534	10,4	15 876	2 342	17,3	1,8
Retailers in pharmaceutical and medical goods, cosmetics and toiletries	4 984	3,8	5 698	714	14,3	0,5
Retailers in textiles, clothing, footwear and leather goods	26 749	20,5	30 094	3 345	12,5	2,6
Retailers in household furniture, appliances and equipment	10 101	7,7	9 367	-734	-7,3	-0,6
Retailers in hardware, paint and glass	7 838	6,0	8 587	749	9,6	0,6
All other retailers	15 844	12,1	17 620	1 776	11,2	1,4
Total 3/	130 486	100,0	145 735	15 249	11,7	11,7

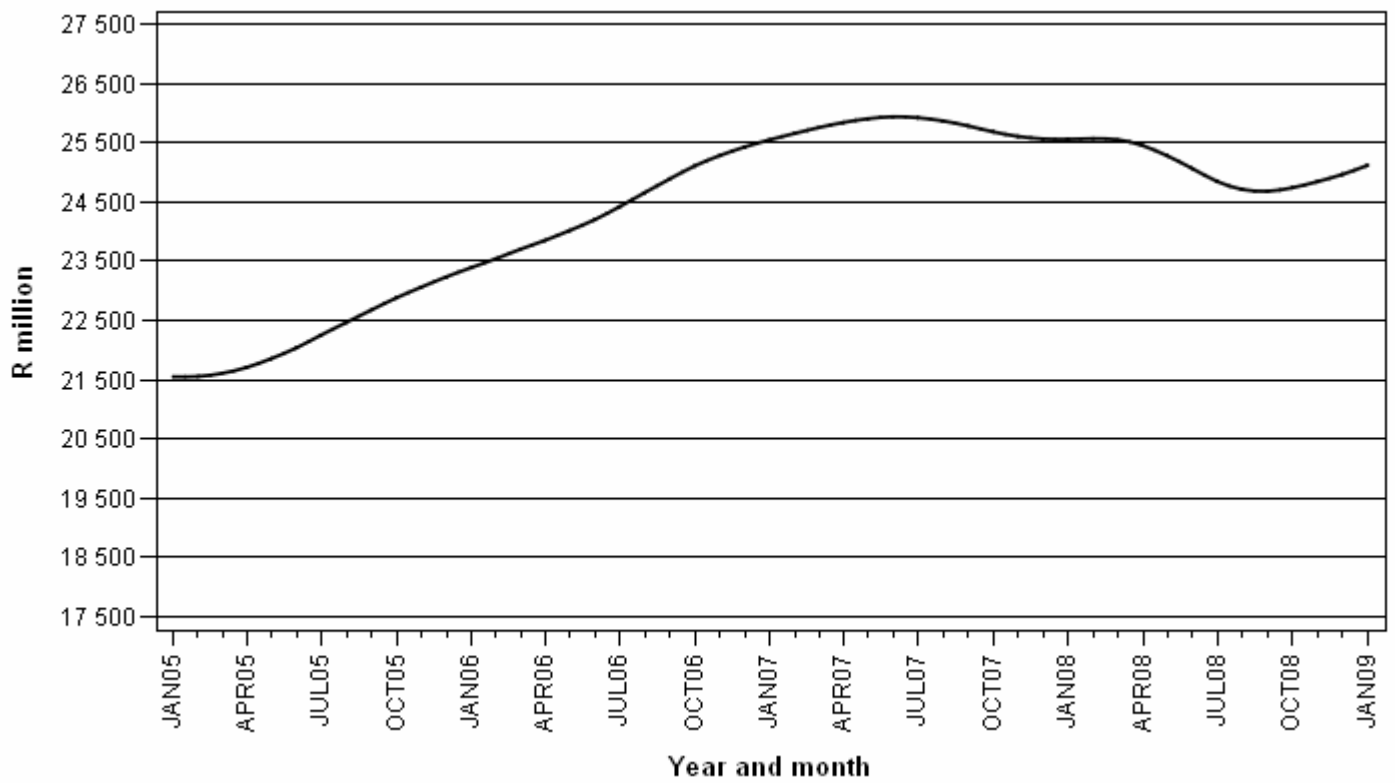
1/ Weight is the percentage contribution of each type of retailer to the total retail trade sales for the three months up to the current month of the previous year.

2/ The contribution to the percentage change is calculated by multiplying the percentage change of each type of retailer with its corresponding weight.

3/ Figures have been rounded off. Therefore, discrepancies may occur between sums of the component items and the totals.

Figure 1 below shows the trend in retail trade sales at constant (2000) prices between January 2005 and January 2009.

Figure 1 – Trend cycle of retail trade sales (at constant 2000 prices)



P J Lehohla
 Statistician-General

Detailed results

Tables 1 and 2 show retail trade sales at current prices and percentage changes over the period January 2002 – January 2009.

Table 1 – Total retail trade sales at current prices (R million)

Month	2002	2003	2004	2005	2006	2007	2008 1/	2009 1/
January	18 627	21 213	24 000	25 421	28 475	33 039	36 709	41 361
February	18 148	20 332	23 331	25 149	29 165	32 998	37 846	
March	20 260	22 536	24 635	26 871	31 014	36 105	40 012	
April	19 673	21 843	24 177	27 289	31 330	35 806	40 438	
May	20 693	23 003	25 517	28 004	32 347	37 359	40 690	
June	20 461	22 296	25 409	27 438	31 651	36 176	40 793	
July	20 423	22 628	25 813	27 827	32 389	36 323	40 470	
August	20 762	22 478	24 950	28 306	32 781	37 044	41 140	
September	20 719	22 947	26 282	28 897	34 612	37 624	41 539	
October	21 647	23 650	27 433	30 628	35 000	38 579	43 708	
November	23 112	25 474	28 950	32 302	37 989	41 279	45 513	
December	29 857	33 210	37 950	42 771	47 982	52 498	58 861	
Total	254 382	281 610	318 447	350 903	404 735	454 830	507 719	

1/ Preliminary.

Table 2 – Percentage change in total retail trade sales at current prices 1/

Month	2002	2003	2004	2005	2006	2007	2008	2009
January	-	13,9	13,1	5,9	12,0	16,0	11,1	12,7
February	-	12,0	14,8	7,8	16,0	13,1	14,7	
March	-	11,2	9,3	9,1	15,4	16,4	10,8	
April	-	11,0	10,7	12,9	14,8	14,3	12,9	
May	-	11,2	10,9	9,7	15,5	15,5	8,9	
June	-	9,0	14,0	8,0	15,4	14,3	12,8	
July	-	10,8	14,1	7,8	16,4	12,1	11,4	
August	-	8,3	11,0	13,5	15,8	13,0	11,1	
September	-	10,8	14,5	9,9	19,8	8,7	10,4	
October	-	9,3	16,0	11,6	14,3	10,2	13,3	
November	-	10,2	13,6	11,6	17,6	8,7	10,3	
December	-	11,2	14,3	12,7	12,2	9,4	12,1	
Total	-	10,7	13,1	10,2	15,3	12,4	11,6	

1/ The percentage change is the difference between retail trade sales of the relevant year and those of the previous year expressed as a percentage.

Tables 3 and 4 show retail trade sales at constant (2000) prices and percentage changes over the period January 2002 – January 2009.

Table 3 – Total retail trade sales at constant 2000 prices (R million)

Month	2002	2003	2004	2005	2006	2007	2008 1/	2009 1/
January	16 918	17 402	19 246	19 954	21 330	23 432	23 592	23 991
February	16 409	16 707	18 590	19 709	21 749	23 486	24 167	
March	18 025	18 367	19 552	20 846	23 059	25 480	25 086	
April	17 272	17 730	19 127	21 008	23 156	24 814	24 870	
May	17 978	18 778	20 172	21 475	23 663	25 641	24 556	
June	17 608	18 336	19 976	21 139	22 969	24 593	24 224	
July	17 470	18 397	20 309	21 177	23 218	24 427	23 312	
August	17 625	18 171	19 723	21 428	23 315	24 862	23 468	
September	17 338	18 521	20 694	21 727	24 652	25 083	23 669	
October	17 890	19 134	21 466	22 977	24 982	25 482	24 919	
November	19 022	20 544	22 494	24 269	27 174	27 122	25 933	
December	24 574	26 782	29 648	32 159	34 322	34 156	34 103	
Total	218 129	228 869	250 997	267 868	293 589	308 578	301 899	

1/ Preliminary.

Table 4 – Percentage change in total retail trade sales at constant 2000 prices 1/

Month	2002	2003	2004	2005	2006	2007	2008 1/	2009 1/
January	-	2,9	10,6	3,7	6,9	9,9	0,7	1,7
February	-	1,8	11,3	6,0	10,4	8,0	2,9	
March	-	1,9	6,5	6,6	10,6	10,5	-1,5	
April	-	2,7	7,9	9,8	10,2	7,2	0,2	
May	-	4,4	7,4	6,5	10,2	8,4	-4,2	
June	-	4,1	8,9	5,8	8,7	7,1	-1,5	
July	-	5,3	10,4	4,3	9,6	5,2	-4,6	
August	-	3,1	8,5	8,6	8,8	6,6	-5,6	
September	-	6,8	11,7	5,0	13,5	1,7	-5,6	
October	-	7,0	12,2	7,0	8,7	2,0	-2,2	
November	-	8,0	9,5	7,9	12,0	-0,2	-4,4	
December	-	9,0	10,7	8,5	6,7	-0,5	-0,2	
Total	-	4,9	9,7	6,7	9,6	5,1	-2,2	

1/ The percentage change is the difference between retail trade sales of the relevant year and those of the previous year expressed as a percentage.

Outlined below in table 5 are retail trade sales according to type of retailer for January 2007 to January 2009.

Table 5 – Total retail trade sales according to type of retailer at current prices (R million)

Year and month 1/	Type A	Type B	Type C	Type D	Type E	Type F	Type G	Total 2/	
2007	January	12 739	3 611	1 429	6 025	2 742	2 220	4 273	33 039
	February	13 022	3 537	1 447	5 588	2 500	2 529	4 376	32 998
	March	14 514	4 027	1 547	5 993	2 728	2 655	4 641	36 105
	April	13 993	4 022	1 433	7 074	2 669	2 337	4 278	35 806
	May	14 572	3 944	1 589	7 130	2 896	2 657	4 572	37 359
	June	14 953	3 914	1 522	6 391	2 343	2 647	4 405	36 176
	July	14 306	3 959	1 556	6 537	2 581	2 705	4 678	36 323
	August	14 872	4 036	1 596	6 327	2 664	2 833	4 716	37 044
	September	15 417	4 035	1 478	6 666	2 565	2 809	4 655	37 624
	October	14 796	4 097	1 643	6 995	2 875	3 001	5 173	38 579
	November	15 848	4 143	1 699	7 802	3 294	3 131	5 362	41 279
	December	20 748	5 670	1 620	12 199	4 231	2 366	5 663	52 498
Total	179 780	48 995	18 559	84 727	34 088	31 890	56 792	454 830	
2008	January	14 839	3 721	1 665	6 748	2 576	2 341	4 819	36 709
	February	15 238	3 942	1 784	6 505	2 353	2 879	5 146	37 846
	March	16 901	4 395	1 765	6 851	2 399	2 845	4 857	40 012
	April	15 754	4 182	1 750	8 136	2 431	2 960	5 225	40 438
	May	16 204	4 296	1 760	8 025	2 482	3 008	4 915	40 690
	June	17 077	4 088	1 750	7 463	2 602	3 036	4 777	40 793
	July	15 926	4 208	1 922	7 499	2 590	2 986	5 338	40 470
	August	16 566	4 448	1 829	7 401	2 541	3 071	5 283	41 140
	September	17 639	4 536	1 841	6 946	2 354	3 023	5 200	41 539
	October	17 226	4 965	1 866	8 001	2 689	3 254	5 707	43 708
	November	17 801	4 901	1 883	9 109	2 961	3 260	5 597	45 513
	December	23 537	6 588	1 928	13 348	3 917	2 827	6 716	58 861
Total	204 708	54 270	21 743	96 032	31 895	35 490	63 580	507 719	
2009	January	17 153	4 387	1 887	7 637	2 489	2 500	5 307	41 361

1/ Preliminary.

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

Description of type of retailer included in indicated group types in table 5 ^{1/}

Group type	Type of dealer included in group type
Type A	General dealers
Type B	Retailers of food, beverages and tobacco in specialised stores
Type C	Retailers in pharmaceutical and medical goods, cosmetics and toiletries
Type D	Retailers in textiles, clothing, footwear and leather goods
Type E	Retailers in household furniture, appliances and equipment
Type F	Retailers in hardware, paint and glass
Type G	All other retailers

^{1/} See note 4 on page 9.

Outlined below in table 6 are values and percentage changes in retail trade sales at current and at constant (2000) prices.

Table 6 – Quarterly estimates and percentage changes in total retail trade sales

Retail trade sales estimates	November 2007 to January 2008 (R million)	November 2008 to January 2009 (R million)	% change between November 2007 to January 2008 and November 2008 to January 2009
At current prices	130 486	145 735	11,7
At constant 2000 prices	84 870	84 027	-1,0

Explanatory notes

Introduction	1	<p>Statistics South Africa (Stats SA) conducts a monthly survey of the retail trade industry, covering retail 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).</p> <p>2 As is usual, information for the latest month 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 retail trade sales estimates include value-added tax (VAT).</p>
Purpose of the survey	3	<p>The results of the monthly retail 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.</p>
Scope of the survey	4	<p>This survey covers retail enterprises according to the following types of retailer:</p> <ul style="list-style-type: none"> • General dealers <ul style="list-style-type: none"> ➢ Retail trade in non-specialised stores with food, beverages and tobacco predominating; and ➢ Other retail trade in non-specialised stores. • Retailers of food, beverages and tobacco in specialised stores <ul style="list-style-type: none"> ➢ Retailers in fresh fruit and vegetables; ➢ Retailers in meat and meat products; ➢ Retailers in bakery products; ➢ Retailers in beverages; ➢ Retailers in tobacco; and ➢ Retailers in other food in specialised stores. • Retailers in pharmaceutical and medical goods, cosmetic and toiletries; • Retailers in textiles, clothing, footwear and leather goods <ul style="list-style-type: none"> ➢ Retailers in men's and boys' clothing; ➢ Retailers in ladies', girls' and infants' clothing; ➢ General outfitters; and ➢ Retailers in footwear. • Retailers in household furniture, appliances and equipment; • Retailers in hardware, paint and glass; and • All other retailers <ul style="list-style-type: none"> ➢ Retailers in reading matter and stationery; ➢ Retailers in jewellery, watches and clocks; ➢ Retailers in sports goods and entertainment requisites; ➢ Retailers in other specialised stores; ➢ Repair of personal and household goods; ➢ Retail trade in second-hand goods in stores; and ➢ Retail trade not in stores
Classification	5	<p>The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities (SIC)</i>, Fifth Edition, Report No. 09-90-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of all Economic Activities (ISIC)</i> with suitable adaptations for local conditions. Statistics in this publication are presented at SIC group (four digit) level. Each enterprise is classified to the industry, which reflects its predominant activity.</p>
Response rate	6	<p>The preliminary response rate for the survey on retail trade sales for January 2009 was 91,5%. The final response rate for the survey on retail trade sales for December 2008 was 95,8%.</p>
Statistical unit	7	<p>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.</p>

- Survey methodology and design**
- 8 The survey is conducted on a monthly basis. Questionnaires are sent to a sample of about 2 500 enterprises from a population of about 35 000 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.
 - 9 The value of sales is obtained monthly from the sample of about 2 500 enterprises (which was drawn in April 2008 at the SIC four-digit level from a population then of about 35 000 retail enterprises. The retail sampling frame is divided into four size groups. All large and medium enterprises (size groups one and two), are completely enumerated. Simple random sampling is applied to size groups three and four (small and very small) enterprises. The total value of sales of the large and medium enterprises (size groups one and two) is added to the weighted totals of size groups three and four to reflect the total value of sales.
- Weighting methodology**
- 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 www.statssa.gov.za/publications/publicationsearch.asp.
- Constant prices**
- 11 Retail trade at constant prices has historically been calculated using the price index for commodities for the metropolitan areas from the Consumer Price Index (CPI) to deflate total sales at current prices. As part of an overall improvement programme in economic statistics, Stats SA will introduce a more nuanced approach to deflating retail sales. Improvements in the collection of product data to estimate expenditure proportions through a large sample survey in retail, as well as the newly revamped CPI, have provided a unique opportunity to introduce a new deflator.

Stats SA plans to introduce the new deflation method with effect from April 2009. To provide users with a consistent time series, the new deflation method will be applied to the historical figures with effect from January 2002.

In the interim, total retail trade sales at current prices will be deflated using a deflator derived by applying the month on month growth rates of the new “all goods price index for all urban areas” to the old price index for “commodities for the metropolitan areas”. This avoids any sudden discontinuity in the deflated series during the interim period arising from the changes in the CPI.

In addition to a new approach to deflators, Stats SA will soon announce a date for the introduction of seasonally adjusted retail sales.
- Seasonal adjustment**
- 12 Seasonally adjusted estimates will not be published until there are sufficient data points for the new survey. As soon as sufficient data points are available, Stats SA will consider publishing seasonally adjusted estimates.
- Trend cycle**
- 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.
- Reliability of estimates**
- 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 retail industry in South Africa. Estimates are subject to sampling and non-sampling errors.
 - 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 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** **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.

- Related publications** **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** **18** Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals.

- Pre-release policy** **19** Stats SA's pre-release policy may be inspected at its Website, www.statssa.gov.za.

- Symbols and abbreviations** **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
-	Figures not available
*	Revised figures

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.

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

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 strata did not exceed 3,2%.

Class limits

Enterprise size	Size group	Lower limits	Upper limits
Very small	4	0	4 000 000
Small	3	4 000 001	19 000 000
Medium	2	19 000 001	39 000 000
Large	1	39 000 001	

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.
Retail trade	Retail trade includes the resale (sale without transformation) of new and used goods and products to the general public for household use.
Retailer	A retailer is an enterprise deriving more than 50% of its turnover from sales of goods to the general public for household use.

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Email address: elisel@statssa.gov.za
henriettef@statssa.gov.za
distribution@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA