

# Statistical release P6242.1

# Retail trade sales (Preliminary)

January 2013

This is the first statistical release presenting retail trade sales at constant prices with 2012 as the base year

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# Sales at constant 2012 prices: results for January 2013

Table A – Key growth rates in retail trade sales at constant 2012 prices

	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
Year-on-year % change, unadjusted	7,2	5,4	1,3	3,6	2,2	1,9
Month-on-month % change, seasonally adjusted	2,5	-0,7	-1,6	0,8	0,4	-1,2
3-month % change, seasonally adjusted 1/	2,2	1,7	1,7	-0,1	-0,6	-0,7

<sup>1/</sup> Percentage change between the previous 3 months and the 3 months ending in the month indicated.

Measured in real terms (constant 2012 prices), retail trade sales increased by 1,9% year-on-year in January 2013. The highest annual growth rates were recorded for:

- retailers in textiles, clothing, footwear and leather goods (5,6%);
- all 'other' retailers (4,0%); and
- general dealers (3,0%) see Table 5.

The main contributors to the 1,9% increase were general dealers (contributing 1,2 percentage points) and retailers in textiles, clothing, footwear and leather goods (contributing 1,1 percentage points) – see Table 6.

Seasonally adjusted retail trade sales decreased by 1,2% in January 2013 compared with December 2012. This followed month-on-month changes of 0,4% in December 2012 and 0,8% in November 2012.

Seasonally adjusted retail trade sales decreased by 0,7% in the three months ended January 2013 compared with the previous three months.

Table B - Retail trade sales at constant 2012 prices for the latest three months by type of retailer

Type of retailer	Nov 2011 – Jan 2012 (R million)	Weight	Nov 2012 – Jan 2013 (R million)	% change between Nov 2011 – Jan 2012 and Nov 2012 – Jan 2013	Contribution (% points) to the total % change
General dealers	68 259	37,6	69 437	1,7	0,6
Food, beverages and tobacco in specialised stores	19 950	11,0	20 263	1,6	0,2
Pharmaceuticals and medical goods, cosmetics and toiletries	11 781	6,5	11 729	-0,4	0,0
Textiles, clothing, footwear and leather goods	39 788	21,9	41 664	4,7	1,0
Household furniture, appliances and equipment	9 496	5,2	9 809	3,3	0,2
Hardware, paint and glass	12 608	6,9	12 649	0,3	0,0
All other retailers	19 728	10,9	20 662	4,7	0,5
Total	181 610	100,0	186 215	2,5	2,5

Retail trade sales increased by 2,5% in the three months ended January 2013 compared with the three months ended January 2012. The main contributors to this increase were:

- retailers in textiles, clothing, footwear and leather goods (4,7% and contributing 1,0 percentage point);
- general dealers (1,7% and contributing 0,6 of a percentage point); and
- all 'other' retailers (4,7% and contributing 0,5 of a percentage point) see Table B.

Figure 1 – Retail trade sales at constant 2012 prices

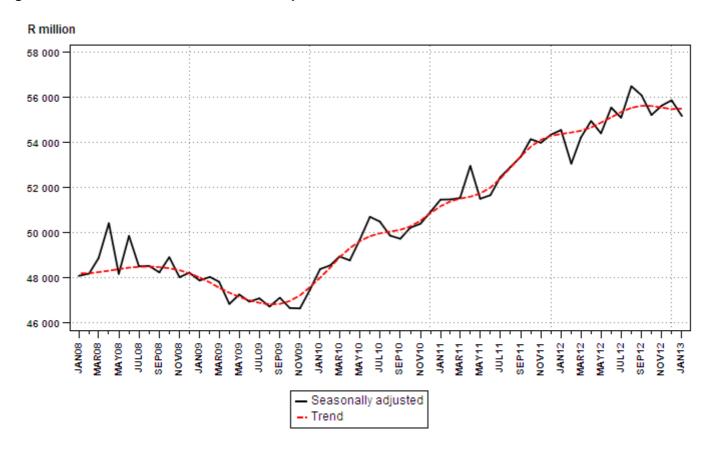
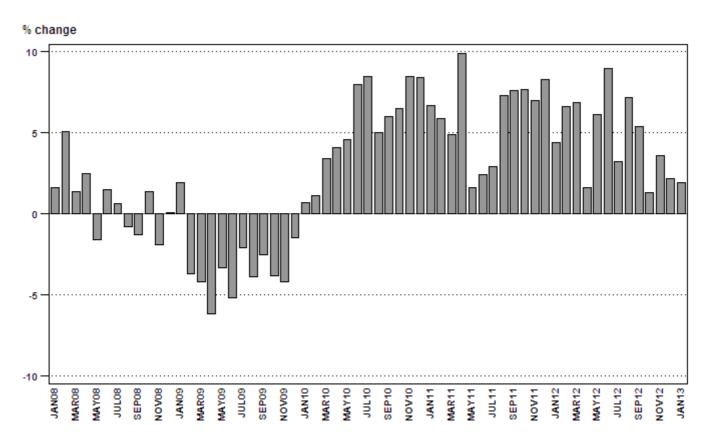


Figure 2 – Retail trade sales at constant 2012 prices: year-on-year percentage change



# Sales at current prices: results for January 2013

Table C - Key growth rates in retail trade sales at current prices

	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
Year-on-year % change, unadjusted	10,9	9,5	5,6	8,2	6,8	6,4
Month-on-month % change, seasonally adjusted	2,6	0,3	-1,2	1,4	1,1	-2,1
3-month % change, seasonally adjusted 1/	3,1	2,9	2,9	1,5	1,1	0,7

<sup>1/</sup> Percentage change between the previous 3 months and the 3 months ending in the month indicated.

Table D - Retail trade sales at current prices for the latest three months by type of retailer

Type of retailer	Nov 2011 – Jan 2012 (R million)	Weight	Nov 2012 – Jan 2013 (R million)	% change between Nov 2011 – Jan 2012 and Nov 2012 – Jan 2013	Contribution (% points) to the total % change
General dealers	66 422	37,4	71 294	7,3	2,7
Food, beverages and tobacco in specialised stores	19 396	10,9	20 970	8,1	0,9
Pharmaceuticals and medical goods, cosmetics and toiletries	11 536	6,5	11 911	3,3	0,2
Textiles, clothing, footwear and leather goods	39 204	22,1	42 320	7,9	1,7
Household furniture, appliances and equipment	9 512	5,4	9 801	3,0	0,2
Hardware, paint and glass	12 102	6,8	12 928	6,8	0,5
All other retailers	19 418	10,9	21 001	8,2	0,9
Total	177 591	100,0	190 226	7,1	7,1

PJ Lehohla Statistician-General

# Article: Construction of a new deflator for retail trade sales by adjusting the base period from 2008=100 to 2012=100 and updating the weights

Statistics South Africa (Stats SA) publishes monthly data for the retail trade industry. The publication contains estimated sales at both current and constant prices. As part of its improvement programme in economic statistics, Stats SA today introduces a change in the reference year for constant price estimates from 2008 prices to 2012 prices. Improvements in the structural income and product data for the retail trade industry through the 2009 retail large sample survey (LSS) as well as the reweighted and rebased consumer price index (CPI) have provided material for the new deflators. The previous set of retail deflators was based on the 2005 retail LSS.

A new deflator for each of type of retailer was compiled as follows (same method as before but using new information).

- (1) Using the 2009 retail large sample survey, identify the products sold by each type of retailer.
- (2) Calculate the weight of each product's sales within each type of retailer (sales of the product as a percentage of the sales of the type of retailer).
- (3) Match each product with a corresponding component of the CPI (December 2012 = 100).
- (4) Multiply each CPI component from (3) by its weight from (2) and sum the results to derive a deflator for each type of retailer.
- (5) Convert the results from (4) from December 2012 = 100 to 2012 = 100 (on average).

Retail trade sales at constant prices by type of retailer are obtained by deflating estimated sales at current prices by the relevant deflator (derived as described above). To obtain total retail trade sales at constant prices, estimates of the deflated sales for each type of retailer are aggregated. The new deflator has been applied with effect from January 2008, resulting in revised growth rates. The revisions in the annual growth rates for total sales are small, as shown in Figure 4.

To provide users with a historical time series for retail trade that is broadly consistent with the new series, retail trade sales at constant 2012 prices from January 2002 to December 2007 have been calculated. This was done by applying the CPI for goods, excluding petrol and purchases of vehicles, for all urban areas to total sales at current prices for the period 2002 to 2007.

The impact of the implementation of the new deflators on total sales is illustrated in Figures 3 and 4.

Figure 3 – Comparison of levels for retail trade sales at constant 2008 prices (2005 LSS weights) and constant 2012 prices (2009 LSS weights) from January 2008 to December 2012

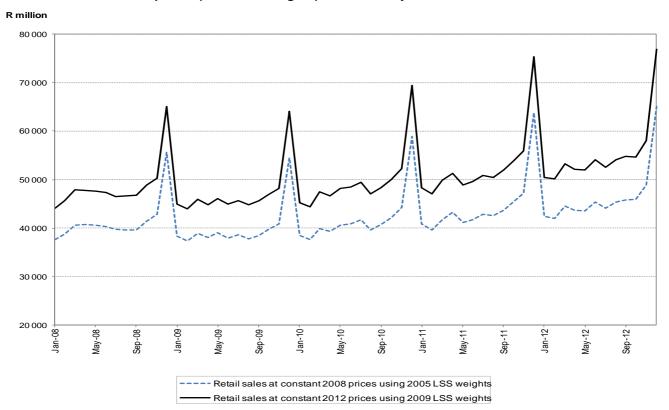
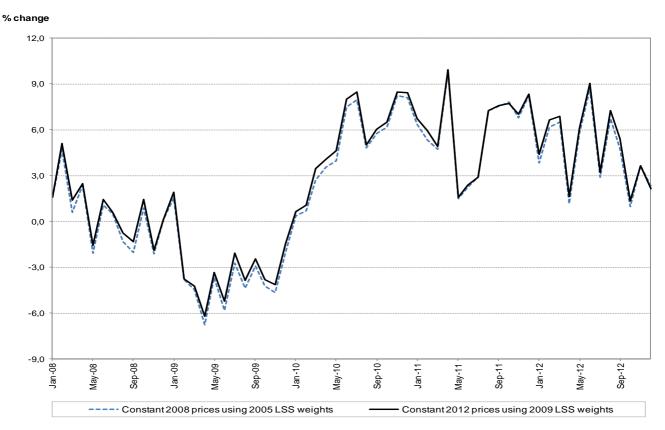


Figure 4 – Comparison of the year-on-year growth rates in total retail trade sales at constant 2005 prices (2005 LSS weights) and constant 2012 prices (2009 LSS weights), up to December 2012



# **Tables**

Table 1 – Retail trade sales at constant 2012 prices (R million)

Month	2007	2008	2009	2010	2011	2012	2013 1/
Jan	43 439	44 120	44 959	45 257	48 310	50 439	51 378
Feb	43 383	45 593	43 888	44 352	46 983	50 101	
Mar	47 278	47 930	45 901	47 484	49 803	53 233	
Apr	46 636	47 797	44 835	46 664	51 283	52 115	
May	48 402	47 641	46 051	48 177	48 931	51 930	
Jun	46 684	47 364	44 893	48 493	49 641	54 113	
Jul	46 264	46 546	45 583	49 447	50 886	52 522	
Aug	46 940	46 587	44 793	47 030	50 441	54 086	
Sep	47 368	46 734	45 582	48 331	52 004	54 817	
Oct	48 136	48 832	46 980	50 028	53 896	54 611	
Nov	51 243	50 277	48 186	52 261	55 922	57 960	
Dec	64 924	65 015	64 057	69 457	75 249	76 877	
Total	580 697	584 436	565 708	596 981	633 349	662 804	

<sup>1/</sup> Latest month is preliminary.

Table 2 – Year-on-year percentage change in retail trade sales at constant 2012 prices

Month	2008	2009	2010	2011	2012	2013	2013 year-to-date
Jan	1,6	1,9	0,7	6,7	4,4	1,9	1,9
Feb	5,1	-3,7	1,1	5,9	6,6		
Mar	1,4	-4,2	3,4	4,9	6,9		
Apr	2,5	-6,2	4,1	9,9	1,6		
May	-1,6	-3,3	4,6	1,6	6,1		
Jun	1,5	-5,2	8,0	2,4	9,0		
Jul	0,6	-2,1	8,5	2,9	3,2		
Aug	-0,8	-3,9	5,0	7,3	7,2		
Sep	-1,3	-2,5	6,0	7,6	5,4		
Oct	1,4	-3,8	6,5	7,7	1,3		
Nov	-1,9	-4,2	8,5	7,0	3,6		
Dec	0,1	-1,5	8,4	8,3	2,2		
Total	0,6	-3,2	5,5	6,1	4,7		

Table 3 – Seasonally adjusted retail trade sales at constant 2012 prices

Manth		R m	illion			Month-on-mo	onth % change	
Month	2010	2011	2012	2013	2010	2011	2012	2013
Jan	48 374	51 462	54 556	55 180	1,9	1,1	0,4	-1,2
Feb	48 541	51 470	53 058		0,3	0,0	-2,7	
Mar	48 935	51 534	54 219		0,8	0,1	2,2	
Apr	48 761	52 961	54 956		-0,4	2,8	1,4	
May	49 669	51 498	54 406		1,9	-2,8	-1,0	
Jun	50 697	51 659	55 549		2,1	0,3	2,1	
Jul	50 486	52 461	55 101		-0,4	1,6	-0,8	
Aug	49 863	52 916	56 501		-1,2	0,9	2,5	
Sep	49 722	53 365	56 095		-0,3	0,8	-0,7	
Oct	50 212	54 147	55 221		1,0	1,5	-1,6	
Nov	50 389	53 989	55 639		0,4	-0,3	0,8	
Dec	50 907	54 344	55 875		1,0	0,7	0,4	

Table 4 – Retail trade sales at constant 2012 prices by type of retailer (R million)

Type of retailer	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13 1/
General dealers	20 329	21 948	19 787	20 477	29 022	19 938
Food, beverages and tobacco in specialised stores	5 813	6 091	6 101	6 281	8 790	5 192
Pharmaceuticals and medical goods, cosmetics and toiletries	3 837	3 712	3 920	3 761	4 156	3 812
Textiles, clothing, footwear and leather goods	10 961	10 174	11 257	12 726	18 564	10 374
Household furniture, appliances and equipment	2 708	2 570	2 813	3 246	4 163	2 400
Hardware, paint and glass	4 434	4 295	4 318	4 874	4 249	3 526
All other retailers	6 005	6 029	6 415	6 594	7 932	6 136
Total	54 086	54 817	54 611	57 960	76 877	51 378

<sup>1/</sup> Preliminary.

Table 5 – Year-on-year percentage change in retail trade sales at constant 2012 prices by type of retailer

Type of retailer	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
General dealers	4,8	6,0	1,0	-0,8	2,7	3,0
Food, beverages and tobacco in specialised stores	4,3	8,8	1,6	6,4	2,5	-5,1
Pharmaceuticals and medical goods, cosmetics and toiletries	6,7	1,4	3,3	0,3	-1,0	-0,6
Textiles, clothing, footwear and leather goods	17,7	8,8	0,7	8,1	2,0	5,6
Household furniture, appliances and equipment	7,0	3,4	3,6	7,8	1,8	0,2
Hardware, paint and glass	10,3	3,6	-2,8	3,6	-0,1	-3,4
All other retailers	0,0	-0,6	4,2	7,4	3,2	4,0
Total	7,2	5,4	1,3	3,6	2,2	1,9

Table 6 – Contribution of each type of retailer to the year-on-year percentage change in retail trade sales at constant 2012 prices (percentage points)

Type of retailer	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
General dealers	1,8	2,4	0,4	-0,3	1,0	1,2
Food, beverages and tobacco in specialised stores	0,5	1,0	0,2	0,7	0,3	-0,6
Pharmaceuticals and medical goods, cosmetics and toiletries	0,5	0,1	0,2	0,0	-0,1	0,0
Textiles, clothing, footwear and leather goods	3,3	1,6	0,1	1,7	0,5	1,1
Household furniture, appliances and equipment	0,4	0,2	0,2	0,4	0,1	0,0
Hardware, paint and glass	0,8	0,3	-0,2	0,3	0,0	-0,2
All other retailers	0,0	-0,1	0,5	0,8	0,3	0,5
Total	7,2	5,4	1,3	3,6	2,2	1,9

Table 7 – Retail trade sales at current prices (R million)

Month	2007	2008	2009	2010	2011	2012	2013 1/
Jan	32 362	35 955	40 403	42 360	45 626	49 540	52 713
Feb	32 320	37 069	39 690	41 361	44 329	49 232	
Mar	35 364	39 190	41 949	44 385	47 376	52 675	
Apr	35 070	39 608	41 232	43 619	48 788	51 693	
May	36 592	39 855	42 586	45 049	46 934	51 605	
Jun	35 433	39 955	41 413	45 213	47 594	53 824	
Jul	35 577	39 638	42 199	46 141	48 930	52 327	
Aug	36 285	40 296	41 591	43 919	48 642	53 948	
Sep	36 852	40 686	42 311	45 130	50 291	55 059	
Oct	37 787	42 810	43 681	46 815	52 470	55 387	
Nov	40 431	44 579	44 920	49 106	54 580	59 030	
Dec	51 420	57 859	59 692	65 139	73 471	78 483	
Total	445 493	497 500	521 667	558 237	609 031	662 804	

<sup>1/</sup> Latest month is preliminary.

Table 8 – Year-on-year percentage change in retail trade sales at current prices

Month	2008	2009	2010	2011	2012	2013	2013 year-to-date
Jan	11,1	12,4	4,8	7,7	8,6	6,4	6,4
Feb	14,7	7,1	4,2	7,2	11,1		
Mar	10,8	7,0	5,8	6,7	11,2		
Apr	12,9	4,1	5,8	11,9	6,0		
May	8,9	6,9	5,8	4,2	10,0		
Jun	12,8	3,6	9,2	5,3	13,1		
Jul	11,4	6,5	9,3	6,0	6,9		
Aug	11,1	3,2	5,6	10,8	10,9		
Sep	10,4	4,0	6,7	11,4	9,5		
Oct	13,3	2,0	7,2	12,1	5,6		
Nov	10,3	0,8	9,3	11,1	8,2		
Dec	12,5	3,2	9,1	12,8	6,8		
Total	11,7	4,9	7,0	9,1	8,8		

Table 9 - Seasonally adjusted retail trade sales at current prices

Month		R mi	llion	Month-on-month % change				
	2010	2011	2012	2013	2010	2011	2012	2013
Jan	45 013	48 638	53 201	56 116	2,1	1,7	0,0	-2,1
Feb	45 229	48 527	52 149		0,5	-0,2	-2,0	
Mar	45 753	48 795	53 725		1,2	0,6	3,0	
Apr	45 306	50 092	54 257		-1,0	2,7	1,0	
May	46 592	49 208	53 814		2,8	-1,8	-0,8	
Jun	47 129	49 670	55 384		1,2	0,9	2,9	
Jul	47 481	50 710	55 041		0,7	2,1	-0,6	
Aug	46 472	51 084	56 455		-2,1	0,7	2,6	
Sep	46 672	51 804	56 622		0,4	1,4	0,3	
Oct	46 906	52 943	55 969		0,5	2,2	-1,2	
Nov	47 355	52 511	56 738		1,0	-0,8	1,4	
Dec	47 807	53 178	57 344		1,0	1,3	1,1	

Table 10 - Retail trade sales at current prices by type of retailer (R million)

Type of retailer	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13 1/
General dealers	20 245	22 033	20 101	20 965	29 773	20 556
Food, beverages and tobacco in specialised stores	5 737	6 108	6 234	6 481	9 079	5 410
Pharmaceuticals and medical goods, cosmetics and toiletries	3 844	3 741	3 962	3 813	4 221	3 877
Textiles, clothing, footwear and leather goods	10 944	10 220	11 386	12 898	18 851	10 571
Household furniture, appliances and equipment	2 709	2 570	2 825	3 244	4 152	2 405
Hardware, paint and glass	4 469	4 350	4 373	4 947	4 346	3 635
All other retailers	6 000	6 036	6 506	6 681	8 061	6 259
Total	53 948	55 059	55 387	59 030	78 483	52 713

<sup>1/</sup> Preliminary.

Table 11 - Year-on-year percentage change in retail trade sales at current prices by type of retailer

Type of retailer	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
General dealers	9,2	10,9	6,0	4,7	8,6	8,3
Food, beverages and tobacco in specialised stores	9,7	15,7	8,2	13,6	9,1	0,8
Pharmaceuticals and medical goods, cosmetics and toiletries	10,1	5,1	6,9	3,9	2,8	3,1
Textiles, clothing, footwear and leather goods	20,7	11,9	3,7	11,4	5,2	8,9
Household furniture, appliances and equipment	5,0	2,2	2,9	7,1	1,7	0,3
Hardware, paint and glass	16,9	10,0	2,8	9,6	6,5	3,6
All other retailers	1,4	1,0	7,5	10,2	6,8	7,7
Total	10,9	9,5	5,6	8,2	6,8	6,4

Table 12 – Contribution of each type of retailer to the year-on-year percentage change in retail trade sales at current prices (percentage points)

Type of retailer	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
General dealers	3,5	4,3	2,2	1,7	3,2	3,2
Food, beverages and tobacco in specialised stores	1,0	1,6	0,9	1,4	1,0	0,1
Pharmaceuticals and medical goods, cosmetics and toiletries	0,7	0,4	0,5	0,3	0,2	0,2
Textiles, clothing, footwear and leather goods	3,9	2,2	0,8	2,4	1,3	1,7
Household furniture, appliances and equipment	0,3	0,1	0,2	0,4	0,1	0,0
Hardware, paint and glass	1,3	0,8	0,2	0,8	0,4	0,3
All other retailers	0,2	0,1	0,9	1,1	0,7	0,9
Total	10,9	9,5	5,6	8,2	6,8	6,4

# **Survey information**

#### Introduction

- 1 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 Stats SA's 2012 business sampling frame (BSF) that contains businesses registered for value added tax (VAT).
- In order to improve timeliness, some information for the latest month had to be estimated due to late response. These estimates will be revised in future statistical releases as soon as information becomes available. Published retail trade sales estimates include value added tax (VAT).

# Purpose of the survey

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.

## Scope of the survey

- 4 This survey covers retail enterprises according to the following types of retailers:
  - General dealers:
    - Retail trade in non-specialised stores with food, beverages and tobacco predominating; and
    - > Other retail trade in non-specialised stores.
  - Retailers in food, beverages and tobacco in specialised stores:
    - > 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:
    - 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:
    - Retailers in reading matter and stationery;
    - Retailers in jewellery, watches and clocks;
    - > Retailers in sport 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

The 1993 edition of the Standard Industrial Classification of all Economic Activities (SIC), Fifth Edition, Report No. 09-90-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 International Standard Industrial Classification of all Economic Activities (ISIC) with suitable adaptations for local conditions. Each enterprise is classified to the industry which reflects its predominant activity. Statistics in this publication are presented at SIC group (four digit) level.

#### **Collection rate**

The preliminary collection rate for the survey on retail trade sales for January 2013 was 80,8%. The improved collection rate for the survey on retail trade sales for December 2012 was 84,3%.

## Statistical unit

7

The statistical unit for which information is compiled and published is the enterprise, defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its sales activities. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.

# **Revised figures**

**8** Revised figures are mainly due to late submission of data to Stats SA, or respondents reporting revisions or corrections to their figures. Preliminary figures, as indicated in the relevant tables, are subject to change and when revised will not be indicated as such.

# **Related publications**

- **9** Users may also refer to the following publications available from Stats SA:
  - Bulletin of Statistics, issued quarterly; and
  - SA Statistics, issued annually.

# Rounding-off of figures

Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals.

## **Historical data**

Historical retail trade sales data are available on the Stats SA webpage. To access the data electronically, use the following link: http://www.statssa.gov.za/timeseriesdata/timeseriesdata.asp

# Past publications

Past retail trade sales releases are available on the Stats SA webpage. To access the releases electronically, use the following link:

<a href="http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statssa.gov.za/publications/statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&SCH=5">http://www.statspastfuture.asp?PPN=P6242.1&

# **Technical notes**

# Survey methodology and design

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The survey is conducted on a monthly basis. Questionnaires are sent to a sample of about 2 500 enterprises from a population of about 28 000 enterprises. Completed questionnaires are required to be returned to Stats SA within 10 days after the end of the reference month. Fax, email and telephone reminders are used to follow up on non-respondents.

A stratified random sample was drawn at the SIC four-digit level in April 2012 from Stats SA's business sampling frame (BSF). Strata were formed using a combination of the Standard Industrial Classification and the measure of size classes for enterprises (see point 3 below).

The Neyman optimal allocation formula given below was used to allocate samples to each stratum:

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

 $N_h$  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 3.8%.

#### **Class limits**

The retail sampling frame is divided into four size groups. All large and medium enterprises (size group one and two) are completely enumerated. Simple random sampling is applied to size group three and four (small and very small) enterprises. The total value of sales of the large and medium enterprises (size group one and two) is added to the weighted totals of size group three and four to reflect the total value of sales.

#### Measure of size classes (Rand)

Enterprise size	Size group	Lower limits	Upper limits
Very small	4	0	8 000 000
Small	3	8 000 001	38 000 000
Medium	2	38 000 001	78 000 000
Large	1	78 000 001	

#### Sample weighting

For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates are calculated and then aggregated with the completely enumerated stratum to form group estimates. These procedures are consistent with international best practice.

# Seasonal adjustment

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Seasonally adjusted estimates are generated each month using the X-12 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 recognised more clearly. 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**

The trend is the long-term pattern or movement of a time series. The X-12 Seasonal Adjustment Program is used for smoothing seasonally adjusted estimates to estimate the underlying trend cycle.

#### **Constant prices**

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- For January 2002 to December 2007 retail trade sales at constant prices were calculated using the consumer price index (CPI) for goods, excluding petrol and purchases of vehicles, for all urban areas to deflate total sales at current prices. From January 2008 onwards total retail trade sales at constant prices are obtained by adding up the deflated sales by type of retailer.
- Retail trade sales at constant prices by type of retailer are obtained by deflating estimated sales at current prices by the relevant weighted price index. To obtain total retail trade sales at constant prices, estimates of the deflated sales for each type of retailer are aggregated.

# Reliability of estimates

- 9 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.
- 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.

# Month-on-month percentage change

The month-on-month percentage change in a variable for any given month is the change between that month and the previous month, expressed as a percentage of the latter.

# Year-on-year percentage change

The year-on-year percentage change in a variable for any given period is the change between that period and the corresponding period of the previous year, expressed as a percentage of the latter.

# Contribution (percentage points)

The contribution (percentage points) to the year-on-year percentage change for any given period is calculated by multiplying the percentage change of each type of retailer by its corresponding weight, divided by 100. The weight is the percentage contribution of each type of retailer to total retail trade sales in the corresponding period of the previous year.

**Glossary** 

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

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).

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.

Symbols and BSF Business sampling frame abbreviations CPI Consumer price index

CPI Consumer price index
GDP Gross domestic product

ISIC International Standard Industrial Classification

SARS South African Revenue Service

SIC Standard Industrial Classification of all Economic Activities

SNA System of National Accounts

Stats SA Statistics South Africa VAT Value added tax

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## **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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You can also visit us on the internet at: www.statssa.gov.za

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