Statistics
South Africa

# Retail trade sales <br> Preliminary: June 2006 

## Embargoed until: 21 September 2006 11:00

Table A - Key figures as at the end of June 2006

| Estimates | June 2006 R million | \% change between June 2005 and June 2006 | \% change <br> between <br> April <br> to <br> June 2005 <br> and <br> April <br> to <br> June 2006 | \% change <br> between <br> January <br> to <br> June 2005 <br> and <br> January <br> to <br> June 2006 |
| :---: | :---: | :---: | :---: | :---: |
| Retail trade sales |  |  |  |  |
| at current prices | 32864 | +15,8 | +15,4 | +14,9 |
| at constant 2000 prices | 23849 | +9,1 | +9,8 | +9,6 |

## Key findings as at the end of June 2006

## Retail trade sales show a record increase in real terms

Retail trade sales at constant (2000) prices, for the second quarter of 2006, increased by a record 9,8\% compared with the second quarter of 2005. Similarly, retail trade sales at constant (2000) prices, for June 2006, increased by 9,1\% compared with June 2005.

The $9,1 \%$ growth is the highest growth ever reported for the June month since 1999, the closest being a growth of $8,9 \%$ reported for the same period in 2004.

Retail trade sales at constant (2000) prices, for the period January to June 2006, increased by 9,6\% compared with January to June 2005.

Retail trade sales at current prices, for the second quarter of 2006, increased by $15,4 \%$ compared with the second quarter of 2005. Retail trade sales at current prices, for June 2006, increased by $15,8 \%$ compared with June 2005. The corresponding growth rate for June 2005 compared with June 2004 was 8,0\%.

As indicated in table B, the major contributors to the $15,4 \%$ increase in retail trade sales at current prices for the second quarter of 2006 compared with the second quarter of 2005 were general dealers (contributing $+6,7$ percentage points), retailers in textiles, clothing, footwear and leather goods (contributing $+2,8$ percentage points), retailers in hardware, paint and glass (contributing $+1,8$ percentage points), retail trade in specialised food, beverages and tobacco stores (contributing $+1,5$ percentage points) and retailers in household furniture, appliances and equipment (contributing $+1,3$ percentage points).

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

| Type of retailer | Sales <br> April <br> to <br> June 2005 <br> (R million) | Weight 1/ | Sales <br> April <br> to <br> June 2006 <br> ( R million) | Difference <br> in sales <br> between <br> April <br> to <br> June 2005 <br> and <br> April <br> to <br> June 2006 <br> (R million) | Percentage change between April to June 2005 and April to June 2006 | Contribution (percentage points) to the percentage change in total sales 2/ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| General dealers | 29969 | 35,0 | 35727 | 5758 | 19,2 | 6,7 |
| Retail trade in specialised food, beverages and tobacco stores | 10400 | 12,2 | 11715 | 1315 | 12,6 | 1,5 |
| Retailers in pharmaceutical and medical goods, cosmetics and toilletries | 4527 | 5,3 | 4677 | 150 | 3,3 | 0,2 |
| Retailers in textiles, clothing, footwear and leather goods | 16484 | 19,3 | 18856 | 2372 | 14,4 | 2,8 |
| Retailers in household furniture, appliances and equipment | 6570 | 7,7 | 7721 | 1151 | 17,5 | 1,3 |
| Retailers in hardware, paint and glass | 5405 | 6,3 | 6913 | 1508 | 27,9 | 1,8 |
| All other retailers | 12178 | 14,2 | 13092 | 914 | 7,5 | 1,1 |
| Total 3/ | 85534 | 100,0 | 98699 | 13165 | 15,4 | 15,4 |

$1 /$ Weight is the percentage contribution of each type of retailer to the total retail trade sales of April to June 2005.
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 cycle for the retail trade sales, at constant (2000) prices between January 2001 and June 2006. There was an upward trend from the beginning of 2001 until the end of 2004. The beginning of 2005 saw a brief levelling of the trend, but that began to rise from mid 2005 up to the middle of 2006.

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


## P J Lehohla <br> Statistician-General

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## Notes

| Forthcoming issue | Issue | Expected release date |
| :--- | :--- | :--- |
|  | July 2006 | 11 October 2006 |

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.

Response rate
The preliminary response rate for the survey on retail trade sales for June 2006 was 87,1\%.

Changes in this publication The results published today are based on a new sample drawn in April 2006. The periodic introduction of a new sample is part of Stats SA's strategic approach in improving the basis from which surveys are conducted.

The new sample was conducted in parallel with the previous sample from March to May 2006. Comparison of estimates from the new and old (revised) samples shows a $1,6 \%$ higher level of sales from the new sample.

# Article: Changes to the monthly current indicator survey and the impact on the statistical series 

## Business register and samples

Today Statistics South Africa (Stats SA) publishes results for the retail trade sales based on the new sample drawn in 2006 thus replacing the previous sample that was drawn in 2005. The sample is drawn from a business register that primarily contains enterprises with an annual turnover of at least R300 000 and are required to register with the South African Revenue Services (SARS) for either value added tax and/or income tax.

Due to the evolving nature of business, the business register has to be maintained on a continuous basis. The maintenance process is aimed amongst other things, to capture changes related to new businesses, ceased businesses, merged businesses and classification changes. In addition to these changes as a result of the business register maintenance, Stats SA continuously undertakes "Quality Improvement Surveys" (QIS) related to the business register. The primary objective of the QIS is to capture up to date information about the structures and activities of the large businesses with complex structures. This process enables Stats SA to review industry codes stored for these businesses, which are often those first assigned to them by the SARS. These changes are an essential part of the statistical architecture and future changes should be expected as the economy evolves and improvements are implemented.

## New samples reflect a rise in reported level of sales

The reported level of sales for the retail trade survey for the months March to May 2006 based on the new sample was $1,6 \%$ higher than the level of sales from the previous (revised) sample (table C below). This is a result of the replacement of the sample that was drawn in 2005 that has been in operation for the last half of 2005 and the first half of 2006. The movements in sales over the three overlapping months (March to May 2006) are very similar between the previous and new samples. As a result, the series for the survey move largely in parallel for those months in which the survey was conducted based on the old and new samples (see figure 2 below).

Figure 2: Figure showing retail trade monthly levels for the old and new samples from March to May 2006


The level of sales in the retail trade based on the 2005 sample has been revised downward by approximately 7\%, owing to misclassifications and incorrect reporting by some enterprises in the sample. More importantly, the main users of the retail trade sales statistical survey will not be affected negatively by this revision as it only affects the level and doesn't affect the growth trends in the industry. The trend in time series is not affected because it has been backcasted to the beginning of the time series.

Table C: Total sales for revised (2005) and new 2006 samples, by industry - March to May 2006

| Industry | Revised 2005 sample <br> R million | 2006 sample <br> R million | Difference (2005 sample <br> and 2006 sample) <br> percent |
| :--- | :--- | :--- | :--- |
| Retail | 96339 |  | 97905 |
| $\mathbf{+ 1 , 6}$ |  |  |  |

## Comparing the results of the old and new samples in retail

While in total there was very little difference between the levels of sales from the old and new samples for the overlap period, there were differences within the types of retailer. The major reason for the change in the types of retailer's data is mainly due to better classification.

Table D below shows the effect of these reclassifications on the sales by type of retailer. From the table, the types of retailer most affected by the implementation of the new sample were:

- Retail trade in specialised food, beverages and tobacco stores
- Retailers in household furniture, appliances and equipment
- All other retailers
- Retailers in hardware, paint and glass
- General dealers

Table D: Total retail trade sales, old and new samples by type of retailer - March to May 2006

| Type of retailer | Sales March to May 2006 Old sample revised (R million) | Sales <br> March <br> to <br> May 2006 <br> New sample <br> (R million) | Difference in sales between March to <br> May 2006 <br> Old sample revised and <br> New sample ( R million) | Percentage <br> change <br> between <br> March <br> to <br> May 2006 <br> Old s ample <br> revised and <br> New sample |
| :---: | :---: | :---: | :---: | :---: |
| General dealers | 36803 | 35415 | -1 388 | -3,8 |
| Retail trade in specialised food, beverages and tobacco stores | 10117 | 11675 | 1558 | 15,4 |
| Retailers in pharmaceutical and medical goods, cosmetics and toilletries | 4498 | 4449 | -49 | -1,1 |
| Retailers in textiles, clothing, footwear and leather goods | 18661 | 18620 | -41 | -0,2 |
| Retailers in household furniture, appliances and equipment | 6510 | 7458 | 948 | 14,6 |
| Retailers in hardware, paint and glass | 7677 | 6733 | -944 | -12,3 |
| All other retailers | 12073 | 13552 | 1479 | 12,2 |
| Total 1/ | 96339 | 97900 | 1561 | 1,6 |

[^0]
## Back-casting

Under ideal conditions growth in series should reflect the actual birth of new businesses, as well as the performance of existing businesses.

Since information about the birth of businesses was not available from SARS on a monthly basis from August 2005, when the old sample was drawn, to April 2006 when the previous sample was revised based on updating of the business register for business births, deaths, changes of activity etc., it was decided that it would be more beneficial to users to adjust the levels of the series rather than attempt to adjust their month to month movements. Accordingly, to assist users of time series, the levels from the new sample for the survey have been adjusted back to the start of 1998, using the level for March 2006 as the end point of the back-cast series. Taking the series back to then (as was done when the previous samples for these surveys were introduced from January 2003) prevents a break in series at July 2001 when the sample frames from the new business register were first created.

## Detailed results

Tables 1 and 2 show retail trade sales at current prices over the period January 1999 to June 2006.
Table 1 - Total retail trade sales at current prices ( R million)

| Month | $\mathbf{1 9 9 9}$ | $\mathbf{2 0 0 0}$ | $\mathbf{2 0 0 1}$ | $\mathbf{2 0 0 2}$ | $\mathbf{2 0 0 3}$ | $\mathbf{2 0 0 4}$ | $\mathbf{2 0 0 5} \mathbf{1 /}$ | $\mathbf{2 0 0 6} \mathbf{1 /}$ |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| January | 15214 | 16399 | 17299 | 19258 | 21932 | 24814 | 26283 | 29440 |
| February | 14458 | 15739 | 16733 | 18764 | 21022 | 24122 | 26001 | 30153 |
| March | 16123 | 17287 | 18585 | 20947 | 23299 | 25470 | 27782 | 32065 |
| April | 15782 | 17166 | 18444 | 20340 | 22583 | 24996 | 28214 | 32392 |
| May | 16271 | 17356 | 18788 | 21394 | 23782 | 26382 | 28952 | 33443 |
| June | 15256 | 17068 | 18721 | 21155 | 23052 | 26270 | 28368 | 32864 |
| July | 16209 | 17199 | 19073 | 21115 | 23395 | 26687 | 28770 |  |
| August | 15779 | 17013 | 18822 | 21466 | 23240 | 25796 | 29266 |  |
| September | 15764 | 17249 | 18670 | 21422 | 23725 | 27172 | 29877 |  |
| October | 16892 | 17941 | 19805 | 22380 | 24451 | 28362 | 31666 |  |
| November | 17418 | 19182 | 20874 | 23895 | 26338 | 29931 | 33397 |  |
| December | 23273 | 25253 | 27404 | 30869 | 34336 | 39236 | 44220 |  |
| Total | $\mathbf{1 9 8 4 3 9}$ | $\mathbf{2 1 4 8 5 2}$ | $\mathbf{2 3 3 2 1 8}$ | $\mathbf{2 6 3 0 0 5}$ | $\mathbf{2 9 1 1 5 5}$ | $\mathbf{3 2 9} 238$ | $\mathbf{3 6 2} \mathbf{7 9 6}$ |  |

1/ Preliminary.

Table 2 - Percentage change in total retail trade sales at current prices ${ }_{1 /}$

| Month | $\mathbf{1 9 9 9}$ | $\mathbf{2 0 0 0}$ | $\mathbf{2 0 0 1}$ | $\mathbf{2 0 0 2}$ | $\mathbf{2 0 0 3}$ | $\mathbf{2 0 0 4}$ | $\mathbf{2 0 0 5}$ | $\mathbf{2 0 0 6}$ |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| January | - | 7,8 | 5,5 | 11,3 | 13,9 | 13,1 | 5,9 | 12,0 |
| February | - | 8,9 | 6,3 | 12,1 | 12,0 | 14,7 | 7,8 | 16,0 |
| March | - | 7,2 | 7,5 | 12,7 | 11,2 | 9,3 | 9,1 | 15,4 |
| April | - | 8,8 | 7,4 | 10,3 | 11,0 | 10,7 | 12,9 | 14,8 |
| May | - | 6,7 | 8,3 | 13,9 | 11,2 | 10,9 | 9,7 | 15,5 |
| June | - | 11,9 | 9,7 | 13,0 | 9,0 | 14,0 | 8,0 | 15,8 |
| July | - | 6,1 | 10,9 | 10,7 | 10,8 | 14,1 | 7,8 |  |
| August | - | 7,8 | 10,6 | 14,0 | 8,3 | 11,0 | 13,5 |  |
| September | - | 9,4 | 8,2 | 14,7 | 10,8 | 14,5 | 10,0 |  |
| October | - | 6,2 | 10,4 | 13,0 | 9,3 | 16,0 | 11,6 |  |
| November | - | 10,1 | 8,8 | 14,5 | 10,2 | 13,6 | 11,6 |  |
| December | - | 8,5 | 8,5 | 12,6 | 11,2 | 14,3 | 12,7 |  |
| Total | - | $\mathbf{8 , 3}$ | $\mathbf{8 , 5}$ | $\mathbf{1 2 , 8}$ | $\mathbf{1 0 , 7}$ | $\mathbf{1 3 , 1}$ | $\mathbf{1 0 , 2}$ |  |

[^1]Tables 3 and 4 show retail trade sales at constant (2000) prices over the period January 1999 to June 2006.
Table 3 - Total retail trade sales at constant 2000 prices ( R million)

| Month | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 1/ | 2006 1/ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | 16867 | 17011 | 16844 | 17491 | 17992 | 19899 | 20630 | 22052 |
| February | 15993 | 16293 | 16261 | 16966 | 17274 | 19221 | 20377 | 22485 |
| March | 17776 | 17730 | 17922 | 18636 | 18989 | 20214 | 21553 | 23840 |
| April | 17305 | 17357 | 17650 | 17858 | 18330 | 19775 | 21720 | 23941 |
| May | 17744 | 17478 | 17876 | 18587 | 19414 | 20855 | 22202 | 24465 |
| June | 16511 | 17068 | 17695 | 18206 | 18957 | 20653 | 21855 | 23849 |
| July | 17410 | 17012 | 17926 | 18062 | 19020 | 20997 | 21895 |  |
| August | 16912 | 16778 | 17723 | 18222 | 18787 | 20392 | 22154 |  |
| September | 16770 | 16944 | 17531 | 17926 | 19149 | 21395 | 22464 |  |
| October | 17875 | 17555 | 18492 | 18496 | 19782 | 22192 | 23755 |  |
| November | 18296 | 18751 | 19346 | 19667 | 21240 | 23256 | 25092 |  |
| December | 24395 | 24661 | 25234 | 25407 | 27690 | 30653 | 33248 |  |
| Total | 213854 | 214638 | 220500 | 225524 | 236624 | 259502 | 276945 |  |

1/ Preliminary.

Table 4 - Percentage change in total retail trade sales at constant 2000 prices ${ }_{1 /}$

| Month | $\mathbf{1 9 9 9}$ | $\mathbf{2 0 0 0}$ | $\mathbf{2 0 0 1}$ | $\mathbf{2 0 0 2}$ | $\mathbf{2 0 0 3}$ | $\mathbf{2 0 0 4}$ | $\mathbf{2 0 0 5}$ | $\mathbf{2 0 0 6}$ |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| January | - | 0,9 | $-1,0$ | 3,8 | 2,9 | 10,6 | 3,7 | 6,9 |
| February | - | 1,9 | $-0,2$ | 4,3 | 1,8 | 11,3 | 6,0 | 10,3 |
| March | - | $-0,3$ | 1,1 | 4,0 | 1,9 | 6,5 | 6,6 | 10,6 |
| April | - | 0,3 | 1,7 | 1,2 | 2,6 | 7,9 | 9,8 | 10,2 |
| May | - | $-1,5$ | 2,3 | 4,0 | 4,4 | 7,4 | 6,5 | 10,2 |
| June | - | 3,4 | 3,7 | 2,9 | 4,1 | 8,9 | 5,8 | 9,1 |
| July | - | $-2,3$ | 5,4 | 0,8 | 5,3 | 10,4 | 4,3 |  |
| August | - | $-0,8$ | 5,6 | 2,8 | 3,1 | 8,5 | 8,6 |  |
| September | - | 1,0 | 3,5 | 2,3 | 6,8 | 11,7 | 5,0 |  |
| October | - | $-1,8$ | 5,3 | $-0,0$ | 7,0 | 12,2 | 7,0 |  |
| November | - | 2,5 | 3,2 | 1,7 | 8,0 | 9,5 | 7,9 |  |
| December | - | 1,1 | 2,3 | 0,7 | 9,0 | 10,7 | 8,5 |  |
| Total | - | $\mathbf{0 , 4}$ | $\mathbf{2 , 7}$ | $\mathbf{2 , 3}$ | $\mathbf{4 , 9}$ | $\mathbf{9 , 7}$ | $\mathbf{6 , 7}$ |  |

[^2]Outlined below in table 5 are retail trade sales according to type of retailer for January 2005 to June 2006.
Table 5 - Total retail trade sales according to type of dealer at current prices ( R million)

| Year 1/ | Month | Type A | Type B | Type C | Type D | Type E | Type F | Type G | Total 2/ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2005 | January | 9857 | 3316 | 1264 | 4731 | 1944 | 1487 | 3684 | 26283 |
|  | February | 9774 | 3348 | 1321 | 4277 | 1900 | 1642 | 3739 | 26001 |
|  | March | 10489 | 3653 | 1328 | 4572 | 2019 | 1567 | 4155 | 27782 |
|  | April | 9748 | 3569 | 1491 | 5689 | 2080 | 1669 | 3968 | 28214 |
|  | May | 9996 | 3360 | 1556 | 5967 | 2133 | 1823 | 4117 | 28952 |
|  | June | 10225 | 3471 | 1480 | 4828 | 2357 | 1913 | 4093 | 28368 |
|  | July | 10230 | 3644 | 1344 | 5176 | 2419 | 1905 | 4051 | 28770 |
|  | August | 10337 | 3509 | 1460 | 5169 | 2413 | 2031 | 4346 | 29266 |
|  | September | 11116 | 3664 | 1351 | 5232 | 2559 | 2196 | 3760 | 29877 |
|  | October | 11130 | 3669 | 1410 | 5892 | 2709 | 2337 | 4519 | 31666 |
|  | November | 11662 | 3835 | 1380 | 6000 | 3246 | 2481 | 4793 | 33397 |
|  | December | 15351 | 5390 | 1351 | 10157 | 4693 | 1978 | 5300 | 44220 |
|  | Total | 129915 | 44428 | 16736 | 67690 | 30472 | 23029 | 50525 | 362796 |
| 2006 | January | 10856 | 3568 | 1396 | 5267 | 2245 | 1854 | 4254 | 29440 |
|  | February | 11128 | 3642 | 1412 | 4949 | 2286 | 2137 | 4598 | 30153 |
|  | March | 11879 | 3947 | 1433 | 5364 | 2421 | 2251 | 4770 | 32065 |
|  | April | 11661 | 3901 | 1424 | 6539 | 2436 | 2109 | 4323 | 32392 |
|  | May | 11875 | 3827 | 1592 | 6717 | 2601 | 2373 | 4459 | 33443 |
|  | June | 12191 | 3987 | 1661 | 5600 | 2684 | 2431 | 4310 | 32864 |

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 retailer included |
| :--- | :--- |
| Type A | General dealers |
| Type B | Retail trade in specialised food, beverages and tobacco 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, appliance and equipment |
| Type F | Retailers in hardware, paint and glass |
| Type G | All other retailers |

[^3]Outlined below in table 6 are percentage changes in retail trade sales at current and at constant (2000) prices.
Table 6 - Quarterly and cumulative estimates and percentage changes in total retail trade sales

| Estimates | April to <br> June 2005 <br> R million | April to <br> June 2006 <br> R million | \% change between April to June 2005 and April to <br> June 2006 | ```January to June 2005 R million``` | ```January to June 2006 R million``` | \% change between January to June 2005 and January to June 2006 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Retail trade sales at current prices at constant 2000 prices | $\begin{aligned} & 85534 \\ & 65777 \end{aligned}$ | $\begin{aligned} & 98699 \\ & 72255 \end{aligned}$ | $\begin{array}{r} +15,4 \\ +9,8 \end{array}$ | $\begin{aligned} & 165600 \\ & 128337 \end{aligned}$ | $\begin{aligned} & 190357 \\ & 140632 \end{aligned}$ | $\begin{array}{r} +14,9 \\ +9,6 \end{array}$ |

## Explanatory notes

## Introduction

## Scope of the survey

## Classification

## Statistical unit

## Survey methodology and design

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 the 2006 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT) and income tax.

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 retail trade sales estimates include value-added tax (VAT).

3 This survey covers retail enterprises according to the following types of retailer:

- General dealers
> Retail trade in non-specialised stores with food, beverages and tobacco predominating; and
$>$ other retail trade in non-specialised stores.
- Retail trade in specialised food, beverages and tobacco 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 sports goods and entertainment requisites;
> Retailers in other specialised stores;
$>$ Repair of personal and household goods.
4 The 1993 edition of the Standard Industrial Classification of all Economic Activities (SIC), Fifth Edition, Report No. 09-90-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 International Standard Industrial Classification of all Economic Activities (ISIC) with suitable adaptations for local conditions. Statistics in this publication are presented at SIC group (four digit) level. Each enterprise is classified to the industry, which reflects its predominant activity.

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.

The survey is conducted on a monthly basis. Questionnaires are sent to a sample of about 2500 enterprises from a population of about 52000 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 nonrespondents.

7 The value of sales is obtained monthly from the sample of 2500 enterprises (which was drawn in April 2006 at the SIC four-digit level from a population then of about 52000 retail enterprises. The retail industry 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)

## Constant prices

## Seasonal adjustment

## Trend cycle

## Reliability of estimates

## Revised figures

## Related publications

## Rounding of figures

## Pre-release policy

Symbols and
abbreviations

9 The sales at constant prices are calculated using the price index for commodities for the metropolitan areas from the Consumer Price Index (CPI) to deflate sales at current prices. From January 2005 onwards, only the total sales will be deflated and not the type of retailer.

10 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.

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.

12 Data presented in this publication are based on information obtained from a sample and are, therefore, subject to sampling variability; that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the retail industry in South Africa. Estimates are subject to sampling and non-sampling errors.

13 Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Fluctuations may occur in consecutive months as a result of seasonal and economic factors.

14 Revised figures are due to respondents reporting revisions or corrections to their figures and late submission of their data to Stats SA. Preliminary figures are indicated in the relevant tables. Data are edited at the enterprise level.

15 Users may also wish to refer to the following publications available from Stats SA -

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

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

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

| 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 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.

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

where $\mathrm{N}_{\mathrm{h}}$ and $\mathrm{S}_{\mathrm{h}}$ are the stratum population size and me 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 | 4000000 |
| Small | 3 | 4000001 | 19000000 |
| Medium | 2 | 19000001 | 39000000 |
| Large | 1 | 39000001 |  |

## Glossary

## Enterprise

## Industry

## Statistical unit

## Retail trade

## Retailer

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.

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).

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 includes the resale (sale without transformation) of new and used goods and products to the general public for household use.

A retailer is an enterprise deriving more than $50 \%$ of its turnover from sales of goods to the general public for household use.

## 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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[^0]:    1/ Figures have been rounded off. Therefore, discrepancies may occur between sums of the component items and the totals.

[^1]:    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.

[^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.

[^3]:    1 / See note 3 on page 13

