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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 November 2007

Retail trade sales estimates	November 2007 (R million)	% change between November 2006 and November 2007	% change between September to November 2006 and September to November 2007	% change between January to November 2006 and January to November 2007
At current prices	40 788	9,1	9,3	12,8
At constant 2000 prices	26 799	0,2	1,2	5,9

Key findings as at the end of November 2007

Retail trade sales for November remain virtually unchanged in real terms

Retail trade sales at constant (2000) prices remained virtually unchanged for November 2007 compared with November 2006. Retail trade sales for November 2007 recorded an annual growth of only 0,2%, a record low for a period of over four years.

However, as indicated in table A, retail trade sales at constant (2000) prices, for the three months up to November 2007, showed an increase of 1,2% compared with the three months up to November 2006. Similarly, retail trade sales at constant (2000) prices, for the first eleven months of 2007, increased by 5,9% compared with the first eleven months of 2006. This is lower than the 10,0% growth for the first eleven months of 2006 compared with the corresponding eleven months of 2005.

Retail trade sales at current prices, for the three months up to November 2007, increased by 9,3% compared with the three months up to November 2006. Furthermore, retail trade sales at current prices, for November 2007, increased by 9,1% compared with November 2006.

As indicated in table B below, the major contributors to the 9,3% increase in retail trade sales at current prices for the three months up to November 2007 compared with the three months up to November 2006 were general dealers (+4,9 percentage points), retailers in textiles, clothing, footwear and leather goods (+1,8 percentage points) and all other retailers (+1,8 percentage points). However, retailers in household furniture, appliances and equipment contributed negatively (-0,7 of a percentage point) to the increase in retail trade sales, a trend that started with the introduction of the new National Credit Act (Act No. 34 of 2005) in June 2007.

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

Type of retailer	September to November 2006 (R million)	Weight 1/	September to November 2007 (R million)	Difference between September to November 2006 and September to November 2007 (R million)	Percentage change between September to November 2006 and September to November 2007	Contribution (percentage points) to the percentage change in total sales 2/
General dealers	38 365	36,2	43 523	5 158	13,4	4,9
Retail trade in specialised food, beverages and tobacco stores	11 728	11,1	12 156	428	3,6	0,4
Retailers in pharmaceutical and medical goods, cosmetics and toiletries	4 358	4,1	4 853	495	11,4	0,5
Retailers in textiles, clothing, footwear and leather goods	18 929	17,9	20 793	1 864	9,8	1,8
Retailers in household furniture, appliances and equipment	8 369	7,9	7 588	-781	-9,3	-0,7
Retailers in hardware, paint and glass	8 231	7,8	8 968	737	9,0	0,7
All other retailers	15 952	15,1	17 897	1 945	12,2	1,8
Total 3/	105 931	100,0	115 777	9 846	9,3	9,3

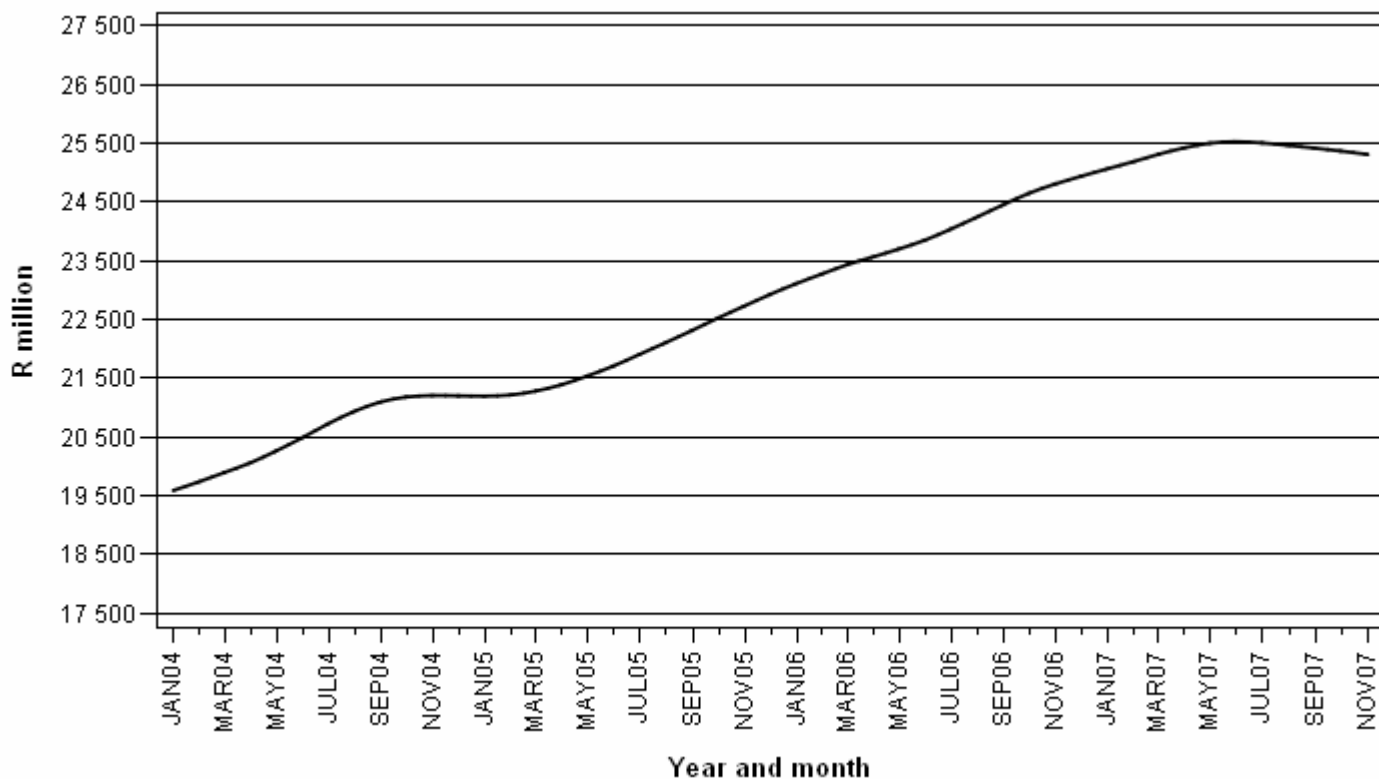
1/ Weight is the percentage contribution of each type of retailer to the total retail trade sales of September to November 2006.

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 2004 and November 2007. The series shows an upward trend for most of the period, with the exceptions of October 2004 to March 2005 and June 2007 to date.

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



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Detailed results

Tables 1 and 2 show retail trade sales at current prices and percentage changes over the period January 2000 - November 2007.

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

Month	2000	2001	2002	2003	2004	2005	2006 1/	2007 1/
January	15 615	16 472	18 338	20 884	23 628	25 027	28 033	32 526
February	14 987	15 933	17 867	20 017	22 969	24 759	28 712	32 486
March	16 461	17 697	19 946	22 186	24 253	26 454	30 533	35 545
April	16 346	17 563	19 368	21 504	23 802	26 866	30 844	35 250
May	16 527	17 890	20 372	22 646	25 121	27 569	31 845	36 779
June	16 252	17 826	20 144	21 950	25 015	27 012	31 160	35 614
July	16 377	18 162	20 106	22 277	25 412	27 395	31 886	35 759
August	16 200	17 923	20 440	22 129	24 563	27 867	32 272	36 469
September	16 425	17 778	20 398	22 591	25 874	28 449	34 075	37 040
October	17 084	18 859	21 311	23 283	27 007	30 153	34 457	37 949
November	18 265	19 877	22 753	25 079	28 501	31 801	37 399	40 788
December	24 046	26 094	29 394	32 695	37 361	42 107	47 237	
Total	204 585	222 074	250 437	277 241	313 506	345 459	398 453	

1/ Preliminary.

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

Month	2000	2001	2002	2003	2004	2005	2006	2007
January	-	5,5	11,3	13,9	13,1	5,9	12,0	16,0
February	-	6,3	12,1	12,0	14,7	7,8	16,0	13,1
March	-	7,5	12,7	11,2	9,3	9,1	15,4	16,4
April	-	7,4	10,3	11,0	10,7	12,9	14,8	14,3
May	-	8,2	13,9	11,2	10,9	9,7	15,5	15,5
June	-	9,7	13,0	9,0	14,0	8,0	15,4	14,3
July	-	10,9	10,7	10,8	14,1	7,8	16,4	12,1
August	-	10,6	14,0	8,3	11,0	13,5	15,8	13,0
September	-	8,2	14,7	10,8	14,5	10,0	19,8	8,7
October	-	10,4	13,0	9,3	16,0	11,6	14,3	10,1
November	-	8,8	14,5	10,2	13,6	11,6	17,6	9,1
December	-	8,5	12,6	11,2	14,3	12,7	12,2	
Total	-	8,5	12,8	10,7	13,1	10,2	15,3	

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 2000 - November 2007.

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

Month	2000	2001	2002	2003	2004	2005	2006 1/	2007 1/
January	16 199	16 039	16 656	17 132	18 948	19 644	20 999	23 068
February	15 514	15 484	16 155	16 448	18 302	19 403	21 411	23 122
March	16 883	17 065	17 746	18 081	19 248	20 523	22 701	25 085
April	16 528	16 806	17 004	17 454	18 830	20 682	22 797	24 428
May	16 643	17 022	17 699	18 486	19 859	21 141	23 295	25 243
June	16 252	16 849	17 336	18 051	19 666	20 811	22 613	24 211
July	16 199	17 069	17 199	18 111	19 993	20 849	22 857	24 048
August	15 976	16 876	17 352	17 890	19 418	21 096	22 953	24 476
September	16 134	16 693	17 070	18 233	20 373	21 390	24 270	24 693
October	16 716	17 608	17 612	18 837	21 132	22 620	24 594	25 065
November	17 855	18 421	18 727	20 225	22 145	23 893	26 752	26 799
December	23 483	24 028	24 193	26 367	29 188	31 659	33 789	
Total	204 382	209 960	214 749	225 315	247 102	263 711	289 031	

1/ Preliminary.

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

Month	2000	2001	2002	2003	2004	2005	2006	2007
January	-	-1,0	3,8	2,9	10,6	3,7	6,9	9,9
February	-	-0,2	4,3	1,8	11,3	6,0	10,3	8,0
March	-	1,1	4,0	1,9	6,5	6,6	10,6	10,5
April	-	1,7	1,2	2,6	7,9	9,8	10,2	7,2
May	-	2,3	4,0	4,4	7,4	6,5	10,2	8,4
June	-	3,7	2,9	4,1	8,9	5,8	8,7	7,1
July	-	5,4	0,8	5,3	10,4	4,3	9,6	5,2
August	-	5,6	2,8	3,1	8,5	8,6	8,8	6,6
September	-	3,5	2,3	6,8	11,7	5,0	13,5	1,7
October	-	5,3	-0,0	7,0	12,2	7,0	8,7	1,9
November	-	3,2	1,7	8,0	9,5	7,9	12,0	0,2
December	-	2,3	0,7	9,0	10,7	8,5	6,7	
Total	-	2,7	2,3	4,9	9,7	6,7	9,6	

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.

Outlined below in table 5 are retail trade sales according to type of retailer for January 2006 to November 2007.

Table 5 – Total retail trade sales according to 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	Total 2/	
2006	January	10 575	3 127	1 244	5 168	1 915	1 819	4 187	28 033
	February	10 838	3 191	1 258	4 855	1 949	2 096	4 525	28 712
	March	11 569	3 458	1 277	5 262	2 064	2 208	4 694	30 533
	April	11 352	3 416	1 268	6 412	2 076	2 068	4 252	30 844
	May	11 560	3 352	1 418	6 586	2 217	2 326	4 386	31 845
	June	11 883	3 485	1 479	5 413	2 304	2 390	4 206	31 160
	July	11 639	3 582	1 296	6 094	2 367	2 437	4 471	31 886
	August	12 100	3 618	1 412	5 448	2 496	2 478	4 721	32 272
	September	12 885	4 022	1 438	5 800	2 442	2 588	4 900	34 075
	October	12 365	3 772	1 461	6 194	2 657	2 707	5 300	34 457
	November	13 115	3 934	1 459	6 935	3 270	2 936	5 752	37 399
	December	17 079	5 116	1 379	10 746	4 338	2 375	6 205	47 237
Total	146 960	44 073	16 389	74 913	30 095	28 428	57 599	398 453	
2007	January	12 009	3 564	1 447	5 880	2 371	2 237	5 018	32 526
	February	12 257	3 485	1 463	5 446	2 158	2 545	5 132	32 486
	March	13 677	3 973	1 566	5 847	2 358	2 674	5 449	35 545
	April	13 208	3 975	1 453	6 913	2 311	2 358	5 031	35 250
	May	13 749	3 896	1 611	6 965	2 506	2 680	5 374	36 779
	June	14 100	3 864	1 542	6 239	2 026	2 668	5 175	35 614
	July	13 470	3 903	1 574	6 373	2 229	2 723	5 488	35 759
	August	14 011	3 981	1 615	6 172	2 302	2 853	5 536	36 469
	September	14 537	3 983	1 497	6 507	2 218	2 831	5 468	37 040
	October	13 897	4 076	1 657	6 807	2 475	2 974	6 062	37 949
	November	15 089	4 097	1 699	7 479	2 895	3 163	6 367	40 788

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	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, 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 and cumulative estimates and percentage changes in total retail trade sales

Retail trade sales estimates	September to November 2006 (R million)	September to November 2007 (R million)	% change between September to November 2006 and September to November 2007	January to November 2006 (R million)	January to November 2007 (R million)	% change between January to November 2006 and January to November 2007
At current prices	105 931	115 777	9,3	351 216	396 205	12,8
At constant 2000 prices	75 616	76 557	1,2	255 242	270 238	5,9

Explanatory notes

Introduction	<p>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 2007 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT).</p> <p>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).</p>
Purpose of the survey	<p>3 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	<p>4 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. • Retail trade in specialised food, beverages and tobacco 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.
Classification	<p>5 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	<p>6 The preliminary response rate for the survey on retail trade sales for November 2007 was 75,3%.</p>
Statistical unit	<p>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.</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 34 000 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 2 500 enterprises (which was drawn in April 2007 at the SIC four-digit level from a population then of about 34 000 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) 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	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.
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 - <ul style="list-style-type: none"> • <i>Bulletin of Statistics</i> issued quarterly. • <i>SA Statistics</i> 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

Before drawing in each of the surveys the population of enterprises on the business sampling frame (BSF) was stratified. Strata were formed using a combination of Standard Industrial Classification and the measure of size classes for enterprises. The Neyman optimal allocation formula given below was used to allocate samples to each stratum.

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

where N_h and S_h are the stratum population size and the stratum variance, respectively.

Neyman allocation formula not only allocates sample sizes to each stratum but also calculates the relative precision for each stratum as well as the relative precision for all strata. The relative precision for these surveys did not exceed 6,4%.

Class limits

Enterprise size	Size group	Lower limits	Upper limits
Very small	4	0	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 *System of National Accounts (SNA)* in the same way as in the *Standard Industrial Classification of all Economic Activities, Fifth Edition, Report No. 09-90-02 of January 1993 (SIC)*.

Statistical unit

A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.

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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