



Retail trade sales

Preliminary: October 2005

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Table A - Key figures as at the end of October 2005

| Estimates | October 2005 R million | % change between October 2004 and October 2005 | % change between August to October 2004 and August to October 2005 | % change between January to October 2004 and January to October 2005 |
|-------------------------|---------------------------|--|--|--|
| Retail trade sales | | | | |
| at current prices | 33 719 | +12,4 | +11,8 | +9,5 |
| at constant 2000 prices | 25 296 | +7,7 | +7,0 | +6,1 |

Key findings as at the end of October 2005

Retail trade sales increase in real terms

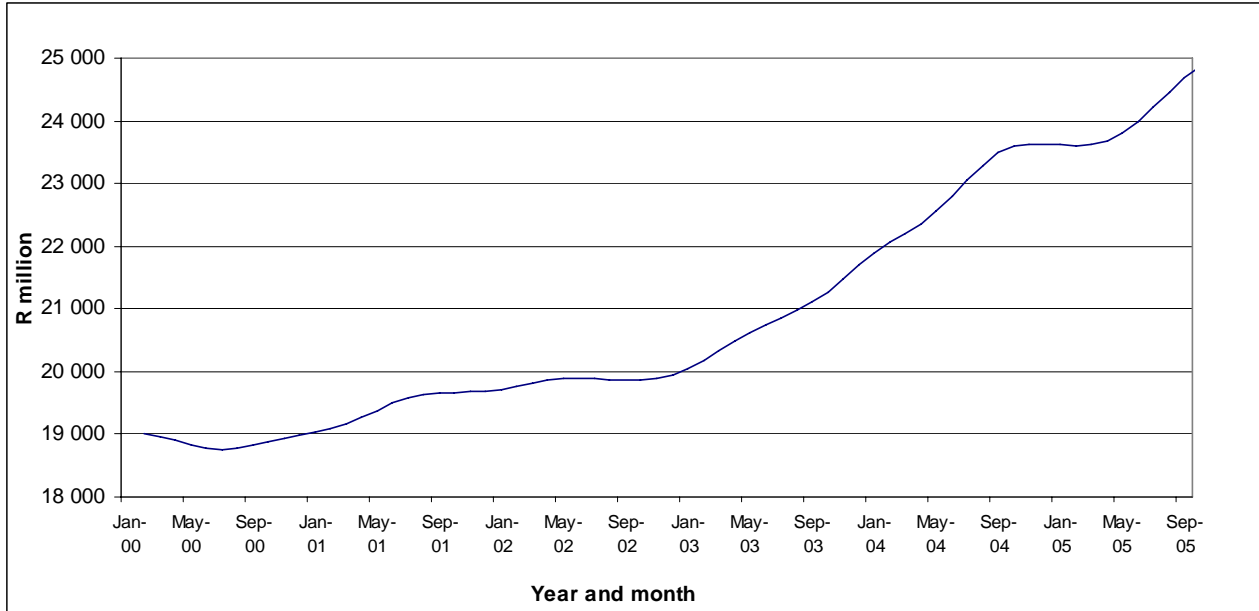
As indicated in table A, retail trade sales at constant (2000) prices, for the three months up to October 2005, increased by 7,0% compared with the three months up to October 2004.

Similarly, retail trade sales at constant (2000) prices, for the period January to October 2005, increased by 6,1% compared with the period January to October 2004. Retail trade sales at constant (2000) prices, for October 2005, increased by 7,7% compared with October 2004.

As indicated in table A, retail trade sales at current prices, for the three months up to October 2005, increased by 11,8% compared with the three months up to October 2004.

Figure 1 below shows the trend cycle for the retail trade sales, at constant (2000) prices between January 2000 and October 2005. There was a slightly downward trend until mid-2000 and an upward trend thereafter up to the end of 2004. There was a levelling of the trend cycle for the first half of 2005, but it has now resumed an upward trend.

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



P J Lehohla
Statistician-General

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Notes

| Forthcoming issue | Issue | Expected release date |
|------------------------------|---|------------------------------|
| | November 2005 | 8 February 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. | |

Detailed results

Tables 1 and 2 show retail trade sales at current prices over the period January 1998 to October 2005.

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

| Month | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 1/ 2005 |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------|
| January | 15 773 | 16 095 | 17 348 | 18 300 | 20 373 | 23 202 | 26 250 | 27 804 |
| February | 14 584 | 15 295 | 16 650 | 17 702 | 19 850 | 22 239 | 25 518 | 27 506 |
| March | 16 244 | 17 056 | 18 288 | 19 661 | 22 160 | 24 648 | 26 944 | 29 390 |
| April | 16 026 | 16 695 | 18 160 | 19 512 | 21 517 | 23 890 | 26 579 | 29 847 |
| May | 16 441 | 17 213 | 18 361 | 19 876 | 22 632 | 25 159 | 28 107 | 30 628 |
| June | 15 689 | 16 139 | 18 056 | 19 805 | 22 379 | 24 386 | 27 848 | 30 010 |
| July | 16 013 | 17 147 | 18 195 | 20 177 | 22 337 | 24 749 | 28 408 | 30 435 |
| August | 15 741 | 16 692 | 17 998 | 19 912 | 22 709 | 24 585 | 27 404 | 30 960 |
| September | 16 045 | 16 677 | 18 247 | 19 751 | 22 662 | 25 098 | 28 745 | 31 606 |
| October | 16 816 | 17 870 | 18 980 | 20 951 | 23 675 | 25 866 | 30 004 | 33 719 |
| November | 17 394 | 18 426 | 20 292 | 22 082 | 25 278 | 27 863 | 31 664 | |
| December | 23 186 | 24 620 | 26 715 | 28 990 | 32 656 | 36 323 | 41 507 | |
| Total | 199 952 | 209 925 | 227 290 | 246 719 | 278 228 | 308 008 | 348 978 | |

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

| Month | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|--------------|------|------------|------------|------------|-------------|-------------|-------------|------|
| January | - | 2,0 | 7,8 | 5,5 | 11,3 | 13,9 | 13,1 | 5,9 |
| February | - | 4,9 | 8,9 | 6,3 | 12,1 | 12,0 | 14,7 | 7,8 |
| March | - | 5,0 | 7,2 | 7,5 | 12,7 | 11,2 | 9,3 | 9,1 |
| April | - | 4,2 | 8,8 | 7,4 | 10,3 | 11,0 | 11,3 | 12,3 |
| May | - | 4,7 | 6,7 | 8,3 | 13,9 | 11,2 | 11,7 | 9,0 |
| June | - | 2,9 | 11,9 | 9,7 | 13,0 | 9,0 | 14,2 | 7,8 |
| July | - | 7,1 | 6,1 | 10,9 | 10,7 | 10,8 | 14,8 | 7,1 |
| August | - | 6,0 | 7,8 | 10,6 | 14,0 | 8,3 | 11,5 | 13,0 |
| September | - | 3,9 | 9,4 | 8,2 | 14,7 | 10,7 | 14,5 | 10,0 |
| October | - | 6,3 | 6,2 | 10,4 | 13,0 | 9,3 | 16,0 | 12,4 |
| November | - | 5,9 | 10,1 | 8,8 | 14,5 | 10,2 | 13,6 | |
| December | - | 6,2 | 8,5 | 8,5 | 12,6 | 11,2 | 14,3 | |
| Total | - | 5,0 | 8,3 | 8,5 | 12,8 | 10,7 | 13,3 | |

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 over the period January 1998 to October 2005.

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

| Month | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 1/ 2005 |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------|
| January | 18 623 | 17 844 | 17 996 | 17 819 | 18 504 | 19 033 | 21 050 | 21 825 |
| February | 17 178 | 16 919 | 17 236 | 17 203 | 17 947 | 18 274 | 20 333 | 21 556 |
| March | 19 021 | 18 805 | 18 757 | 18 959 | 19 715 | 20 088 | 21 384 | 22 800 |
| April | 18 570 | 18 306 | 18 362 | 18 672 | 18 891 | 19 391 | 21 027 | 22 977 |
| May | 18 985 | 18 771 | 18 491 | 18 911 | 19 663 | 20 538 | 22 219 | 23 488 |
| June | 18 013 | 17 467 | 18 056 | 18 719 | 19 259 | 20 054 | 21 893 | 23 120 |
| July | 18 238 | 18 418 | 17 997 | 18 963 | 19 108 | 20 121 | 22 351 | 23 162 |
| August | 17 847 | 17 891 | 17 749 | 18 750 | 19 278 | 19 874 | 21 663 | 23 437 |
| September | 18 048 | 17 741 | 17 925 | 18 546 | 18 964 | 20 257 | 22 634 | 23 764 |
| October | 18 852 | 18 910 | 18 572 | 19 563 | 19 566 | 20 927 | 23 478 | 25 296 |
| November | 19 478 | 19 355 | 19 836 | 20 465 | 20 805 | 22 470 | 24 603 | |
| December | 25 848 | 25 808 | 26 088 | 26 694 | 26 877 | 29 292 | 32 427 | |
| Total | 228 701 | 226 235 | 227 065 | 233 264 | 238 577 | 250 319 | 275 062 | |

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

| Month | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|--------------|------|-------------|------------|------------|------------|------------|------------|------|
| January | - | -4,2 | 0,9 | -1,0 | 3,8 | 2,9 | 10,6 | 3,7 |
| February | - | -1,5 | 1,9 | -0,2 | 4,3 | 1,8 | 11,3 | 6,0 |
| March | - | -1,1 | -0,3 | 1,1 | 4,0 | 1,9 | 6,5 | 6,6 |
| April | - | -1,4 | 0,3 | 1,7 | 1,2 | 2,6 | 8,4 | 9,3 |
| May | - | -1,1 | -1,5 | 2,3 | 4,0 | 4,4 | 8,2 | 5,7 |
| June | - | -3,0 | 3,4 | 3,7 | 2,9 | 4,1 | 9,2 | 5,6 |
| July | - | 1,0 | -2,3 | 5,4 | 0,8 | 5,3 | 11,1 | 3,6 |
| August | - | 0,2 | -0,8 | 5,6 | 2,8 | 3,1 | 9,0 | 8,2 |
| September | - | -1,7 | 1,0 | 3,5 | 2,3 | 6,8 | 11,7 | 5,0 |
| October | - | 0,3 | -1,8 | 5,3 | -0,0 | 7,0 | 12,2 | 7,7 |
| November | - | -0,6 | 2,5 | 3,2 | 1,7 | 8,0 | 9,5 | |
| December | - | -0,2 | 1,1 | 2,3 | 0,7 | 9,0 | 10,7 | |
| Total | - | -1,1 | 0,4 | 2,7 | 2,3 | 4,9 | 9,9 | |

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 dealer for January to October 2005.

Table 5 - Total retail trade sales according to type of dealer at current prices (R million) for 2005

| Month 1/ | Type A | Type B | Type C | Type D | Type E | Type F | Type G | 2/ Total |
|-----------|--------|--------|--------|--------|--------|--------|--------|----------|
| January | 10 638 | 2 872 | 1 274 | 4 745 | 1 711 | 1 689 | 4 872 | 27 804 |
| February | 10 528 | 2 895 | 1 329 | 4 282 | 1 668 | 1 863 | 4 937 | 27 506 |
| March | 11 292 | 3 157 | 1 335 | 4 575 | 1 771 | 1 775 | 5 481 | 29 390 |
| April | 10 537 | 3 097 | 1 504 | 5 715 | 1 832 | 1 900 | 5 258 | 29 847 |
| May | 10 780 | 2 908 | 1 567 | 5 982 | 1 876 | 2 071 | 5 441 | 30 628 |
| June | 11 023 | 3 003 | 1 490 | 4 838 | 2 072 | 2 172 | 5 408 | 30 010 |
| July | 11 055 | 3 160 | 1 355 | 5 198 | 2 131 | 2 168 | 5 365 | 30 435 |
| August | 11 129 | 3 033 | 1 467 | 5 173 | 2 118 | 2 303 | 5 735 | 30 960 |
| September | 12 036 | 3 184 | 1 365 | 5 266 | 2 259 | 2 503 | 4 989 | 31 606 |
| October | 11 988 | 3 233 | 1 444 | 5 899 | 2 383 | 2 669 | 6 099 | 33 719 |
| November | | | | | | | | |
| December | | | | | | | | |

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 dealers included in indicated group types in table 5 1/

| Group type | Type of dealer 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 |

1/ See note 3 on page 8

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 | August to October 2004 R million | August to October 2005 R million | % change between August to October 2004 and August to October 2005 | January to October 2004 R million | January to October 2005 R million | % change between January to October 2004 and January to October 2005 |
|--------------------------------------|-------------------------------------|-------------------------------------|--|--------------------------------------|--------------------------------------|--|
| Retail trade sales at current prices | 86 153 | 96 285 | +11,8 | 275 807 | 301 905 | +9,5 |
| at constant 2000 prices | 67 775 | 72 497 | +7,0 | 218 032 | 231 425 | +6,1 |

Explanatory notes

- 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 the 2005 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).
- Scope of the survey**
- 3 This survey covers retail enterprises according to the following types of dealer:
- 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. including repair of personal and household goods.
- Classification**
- 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.
- Statistical unit**
- 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.
- Survey methodology and design**
- 6 The survey is conducted on a monthly basis. Questionnaires are sent to a sample of about 2 500 enterprises from a population of about 49 000 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.
- 7 The value of sales is obtained monthly from the sample of 2 500 enterprises (which was drawn in August 2005 at the SIC four-digit level from a population then of about 49 000 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 | 8 | 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 | 9 | The constant prices for the 2004 series 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 dealer. | | | | | | | | | | | | | | | | | | |
| Seasonal adjustment | 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. | | | | | | | | | | | | | | | | | | |
| Trend cycle | 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. | | | | | | | | | | | | | | | | | | |
| Reliability of estimates | 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. | | | | | | | | | | | | | | | | | | |
| Revised figures | 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. | | | | | | | | | | | | | | | | | | |
| Related publications | 15 | 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 | 16 | Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals. | | | | | | | | | | | | | | | | | | |
| Pre-release policy | 17 | Stats SA's pre-release policy may be inspected at its Website, www.statssa.gov.za . | | | | | | | | | | | | | | | | | | |
| Symbols and abbreviations | 18 | <table border="0" style="width: 100%;"> <tr> <td style="width: 100px;">BSF</td> <td>Business sampling frame</td> </tr> <tr> <td>GDP</td> <td>Gross Domestic Product</td> </tr> <tr> <td>ISIC</td> <td>International Standard Industrial Classification</td> </tr> <tr> <td>SIC</td> <td>Standard Industrial Classification of all Economic Activities</td> </tr> <tr> <td>SARS</td> <td>South African Revenue Service</td> </tr> <tr> <td>Stats SA</td> <td>Statistics South Africa</td> </tr> <tr> <td>VAT</td> <td>Value added tax</td> </tr> <tr> <td>-</td> <td>Figures not available</td> </tr> <tr> <td>*</td> <td>Revised figures</td> </tr> </table> | 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 |
| 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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Fax number: (012) 310 8332 (technical enquiries)

Email address: elisel@statssa.gov.za
henriettef@statssa.gov.za

Postal address: Private Bag X44, Pretoria, 0001

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