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Retail trade sales (Preliminary)

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

Estimates	September 2006 (R million)	% change between September 2005 and September 2006	% change between July to September 2005 and July to September 2006	% change between January to September 2005 and January to September 2006
Retail trade sales				
at current prices	35 820	+19,9	+17,4	+15,7
at constant 2000 prices	25 513	+13,6	+10,7	+9,9

Key findings as at the end of September 2006

Retail trade sales show a record increase in real terms

As indicated in table A, retail trade sales at constant (2000) prices, for the third quarter of 2006, showed an increase of 10,7% compared with the third quarter of 2005. The corresponding growth rate for the third quarter of 2005 compared with the third quarter of 2004 was 5,9%.

Similarly, retail trade sales at constant (2000) prices, for September 2006, increased by 13,6% compared with September 2005.

Retail trade sales at constant (2000) prices, for the first nine months of 2006, increased by 9,9% compared with the first nine months of 2005. The 9,9% growth is the highest growth ever reported for the first nine months of any year since 2000.

Retail trade sales at current prices, for the third quarter of 2006, increased by 17,4% compared with the third quarter of 2005. Furthermore, retail trade sales at current prices, for September 2006, increased by 19,9% compared with a relatively low September 2005 sales estimate. The corresponding growth rate for September 2005 compared with September 2004 was 10,0%.

As indicated in table B below, the major contributors to the 17,4% increase in retail trade sales at current prices for the third quarter of 2006 compared with the third quarter of 2005 were general dealers (contributing +6,7 percentage points), all other retailers (contributing +2,5 percentage points), retailers in textiles, clothing, footwear and leather goods (contributing +2,4 percentage points) and retail trade in specialised food, beverages and tobacco stores (contributing +2,2 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 July to September 2005 (R million)	Weight 1/	Sales July to September 2006 (R million)	Difference in sales between July to September 2005 and July to September 2006 (R million)	Percentage change between July to September 2005 and July to September 2006	Contribution (percentage points) to the percentage change in total sales 2/
General dealers	31 683	36,0	37 562	5 879	18,6	6,7
Retail trade in specialised food, beverages and tobacco stores	10 817	12,3	12 750	1 933	17,9	2,2
Retailers in pharmaceutical and medical goods, cosmetics and toiletries	4 155	4,7	4 667	512	12,3	0,6
Retailers in textiles, clothing, footwear and leather goods	15 577	17,7	17 652	2 075	13,3	2,4
Retailers in household furniture, appliances and equipment	7 391	8,4	8 570	1 179	16,0	1,3
Retailers in hardware, paint and glass	6 132	7,0	7 682	1 550	25,3	1,8
All other retailers	12 157	13,8	14 324	2 167	17,8	2,5
Total 3/	87 913	100,0	103 207	15 294	17,4	17,4

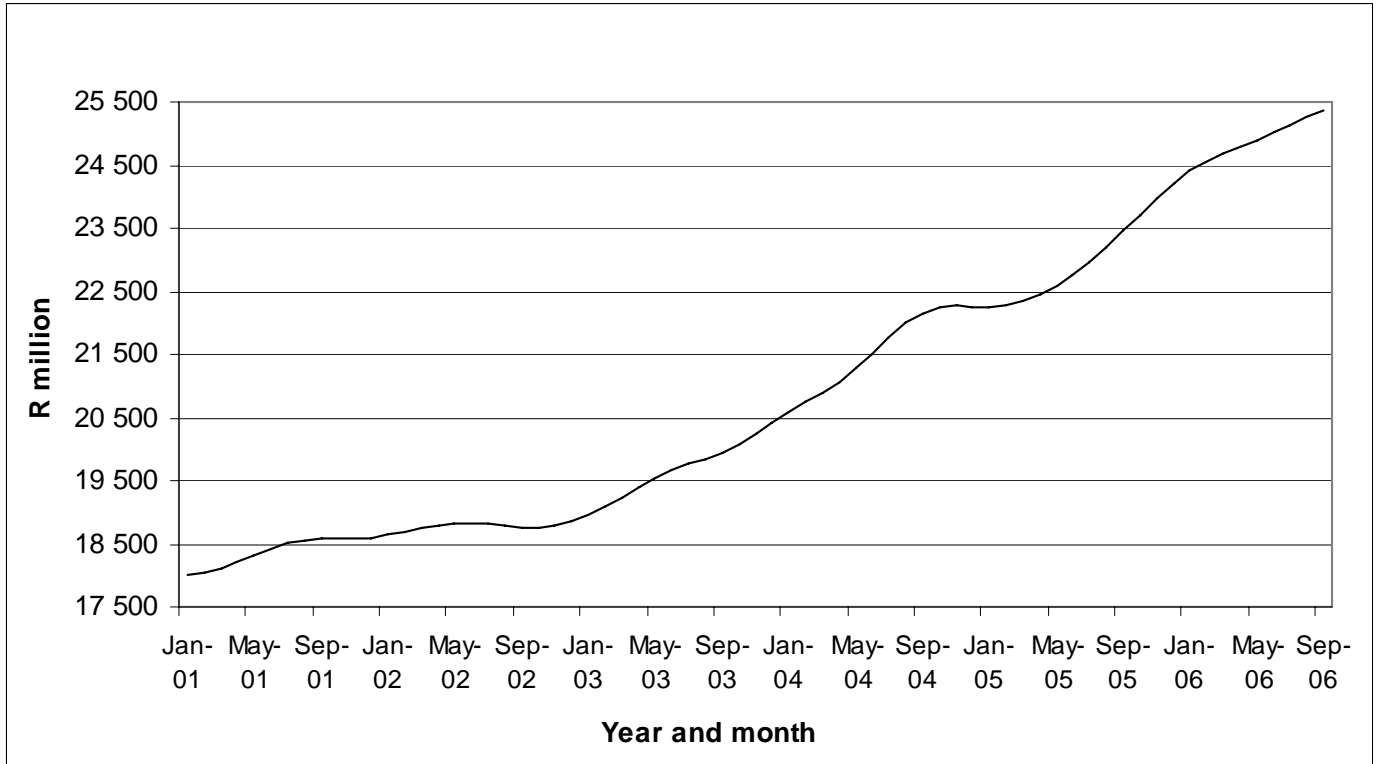
1/ Weight is the percentage contribution of each type of retailer to the total retail trade sales of July to September 2005.

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 September 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 September 2006.

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



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Notes

Forthcoming issue	Issue	Expected release date
	October 2006	13 December 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 September 2006 was 85,5%.	
Changes in the forthcoming publications	<p>Statistics South Africa is proud to announce that the reference period for the retail trade sales statistical release will be reduced from the current ten weeks to seven weeks reference period publication schedule.</p> <p>The next publication will be on the 13th December 2006</p> <p>Statistics South Africa will continuously be looking at other ways to improve our processes and products in order meet the need of our users.</p>	

Detailed results

Tables 1 and 2 show retail trade sales at current prices and percentage changes over the period January 1999 to September 2006.

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

Month	1999	2000	2001	2002	2003	2004	2005 1/	2006 1/
January	15 214	16 399	17 299	19 258	21 932	24 814	26 283	29 440
February	14 458	15 739	16 733	18 764	21 022	24 122	26 001	30 153
March	16 123	17 287	18 585	20 947	23 299	25 470	27 782	32 065
April	15 782	17 166	18 444	20 340	22 583	24 996	28 214	32 392
May	16 271	17 356	18 788	21 394	23 782	26 382	28 952	33 443
June	15 256	17 068	18 721	21 155	23 052	26 270	28 368	32 724
July	16 209	17 199	19 073	21 115	23 395	26 687	28 770	33 486
August	15 779	17 013	18 822	21 466	23 240	25 796	29 266	33 901
September	15 764	17 249	18 670	21 422	23 725	27 172	29 877	35 820
October	16 892	17 941	19 805	22 380	24 451	28 362	31 666	
November	17 418	19 182	20 874	23 895	26 338	29 931	33 397	
December	23 273	25 253	27 404	30 869	34 336	39 236	44 220	
Total	198 439	214 852	233 218	263 005	291 155	329 238	362 796	

1/ Preliminary.

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

Month	1999	2000	2001	2002	2003	2004	2005	2006
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	15,4
July	-	6,1	10,9	10,7	10,8	14,1	7,8	16,4
August	-	7,8	10,6	14,0	8,3	11,0	13,5	15,8
September	-	9,4	8,2	14,7	10,8	14,5	10,0	19,9
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	-	8,3	8,5	12,8	10,7	13,1	10,2	

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.

Tables 3 and 4 show retail trade sales at constant (2000) prices and percentage changes over the period January 1999 to September 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	16 867	17 011	16 844	17 491	17 992	19 899	20 630	22 052
February	15 993	16 293	16 261	16 966	17 274	19 221	20 377	22 485
March	17 776	17 730	17 922	18 636	18 989	20 214	21 553	23 840
April	17 305	17 357	17 650	17 858	18 330	19 775	21 720	23 941
May	17 744	17 478	17 876	18 587	19 414	20 855	22 202	24 465
June	16 511	17 068	17 695	18 206	18 957	20 653	21 855	23 747
July	17 410	17 012	17 926	18 062	19 020	20 997	21 895	24 004
August	16 912	16 778	17 723	18 222	18 787	20 392	22 154	24 112
September	16 770	16 944	17 531	17 926	19 149	21 395	22 464	25 513
October	17 875	17 555	18 492	18 496	19 782	22 192	23 755	
November	18 296	18 751	19 346	19 667	21 240	23 256	25 092	
December	24 395	24 661	25 234	25 407	27 690	30 653	33 248	
Total	213 854	214 638	220 500	225 524	236 624	259 502	276 945	

1/ Preliminary.

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

Month	1999	2000	2001	2002	2003	2004	2005	2006
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	8,7
July	-	-2,3	5,4	0,8	5,3	10,4	4,3	9,6
August	-	-0,8	5,6	2,8	3,1	8,5	8,6	8,8
September	-	1,0	3,5	2,3	6,8	11,7	5,0	13,6
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	-	0,4	2,7	2,3	4,9	9,7	6,7	

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 2005 to September 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	9 857	3 316	1 264	4 731	1 944	1 487	3 684	26 283
	February	9 774	3 348	1 321	4 277	1 900	1 642	3 739	26 001
	March	10 489	3 653	1 328	4 572	2 019	1 567	4 155	27 782
	April	9 748	3 569	1 491	5 689	2 080	1 669	3 968	28 214
	May	9 996	3 360	1 556	5 967	2 133	1 823	4 117	28 952
	June	10 225	3 471	1 480	4 828	2 357	1 913	4 093	28 368
	July	10 230	3 644	1 344	5 176	2 419	1 905	4 051	28 770
	August	10 337	3 509	1 460	5 169	2 413	2 031	4 346	29 266
	September	11 116	3 664	1 351	5 232	2 559	2 196	3 760	29 877
	October	11 130	3 669	1 410	5 892	2 709	2 337	4 519	31 666
	November	11 662	3 835	1 380	6 000	3 246	2 481	4 793	33 397
	December	15 351	5 390	1 351	10 157	4 693	1 978	5 300	44 220
	Total	129 915	44 428	16 736	67 690	30 472	23 029	50 525	362 796
2006	January	10 856	3 568	1 396	5 267	2 245	1 854	4 254	29 440
	February	11 128	3 642	1 412	4 949	2 286	2 137	4 598	30 153
	March	11 879	3 947	1 433	5 364	2 421	2 251	4 770	32 065
	April	11 661	3 901	1 424	6 539	2 436	2 109	4 323	32 392
	May	11 875	3 827	1 592	6 717	2 601	2 373	4 459	33 443
	June	12 184	3 972	1 658	5 510	2 698	2 433	4 268	32 724
	July	11 943	4 085	1 454	6 208	2 774	2 483	4 540	33 486
	August	12 409	4 106	1 582	5 546	2 923	2 542	4 792	33 901
	September	13 210	4 559	1 631	5 898	2 873	2 657	4 992	35 820

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 10.

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

Estimates	July to September 2005 (R million)	July to September 2006 (R million)	% change between July to September 2005 and July to September 2006	January to September 2005 (R million)	January to September 2006 (R million)	% change between January to September 2005 and January to September 2006
Retail trade sales at current prices	87 913	103 207	+17,4	253 513	293 424	+15,7
at constant 2000 prices	66 513	73 629	+10,7	194 850	214 159	+9,9

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 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).
- Scope of the survey** 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.
- 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 2 600 enterprises from a population of about 52 000 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 2 600 enterprises (which was drawn in April 2006 at the SIC four-digit level from a population then of about 52 000 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 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	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"> <tr> <td>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																			
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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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