STATISTICAL RELEASE
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Motor trade sales
(Preliminary)

August 2019

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Contents

Sales at current prices: results for August 2019

Table A – Key growth rates in motor trade sales at current prices

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Year-on-year % change, unadjusted	-4,6	10,8	1,4	-1,8	5,1	1,3
Month-on-month % change, seasonally adjusted	2,4	4,4	-3,2	0,8	1,1	1,0
3-month % change, seasonally adjusted 1/	-2,1	0,5	3,3	3,4	1,3	1,2

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

Measured in nominal terms (current prices), motor trade sales increased by 1,3% year-on-year in August 2019. The largest positive annual growth rates were recorded for:
- new vehicle sales (7,3%); and
- convenience store sales (3,1%) – see Table 5.

Seasonally adjusted motor trade sales increased by 1,0% in August 2019 compared with July 2019. This followed month-on-month changes of 1,1% in July 2019 and 0,8% in June 2019.

In the three months ended August 2019, seasonally adjusted motor trade sales increased by 1,2% compared with the previous three months.

Table B – Motor trade sales at current prices for the latest three months by type of activity

Type of activity	Jun – Aug 2018 (R million)	Weight	Jun – Aug 2019 (R million)	% change between Jun – Aug 2018 and Jun – Aug 2019	Contribution (% points) to the total % change
New vehicle sales	42 529	25,1	44 563	4,8	1,2
Used vehicle sales	30 027	17,7	30 971	3,1	0,5
Workshop income	11 322	6,7	11 038	-2,5	-0,2
Income from the sales of accessories	27 510	16,3	28 352	3,1	0,5
Income from fuel sales	51 894	30,7	50 877	-2,0	-0,6
Income from convenience store sales 1/	5 987	3,5	6 088	1,7	0,1
Total	**169 270**	**100,0**	**171 888**	**1,5**	**1,5**

1/ Includes 'other' sales and trading income.

Motor trade sales increased by 1,5% in the three months ended August 2019 compared with the three months ended August 2018. The main contributor was new vehicle sales (4,8% and contributing 1,2 percentage points) – see Table B.
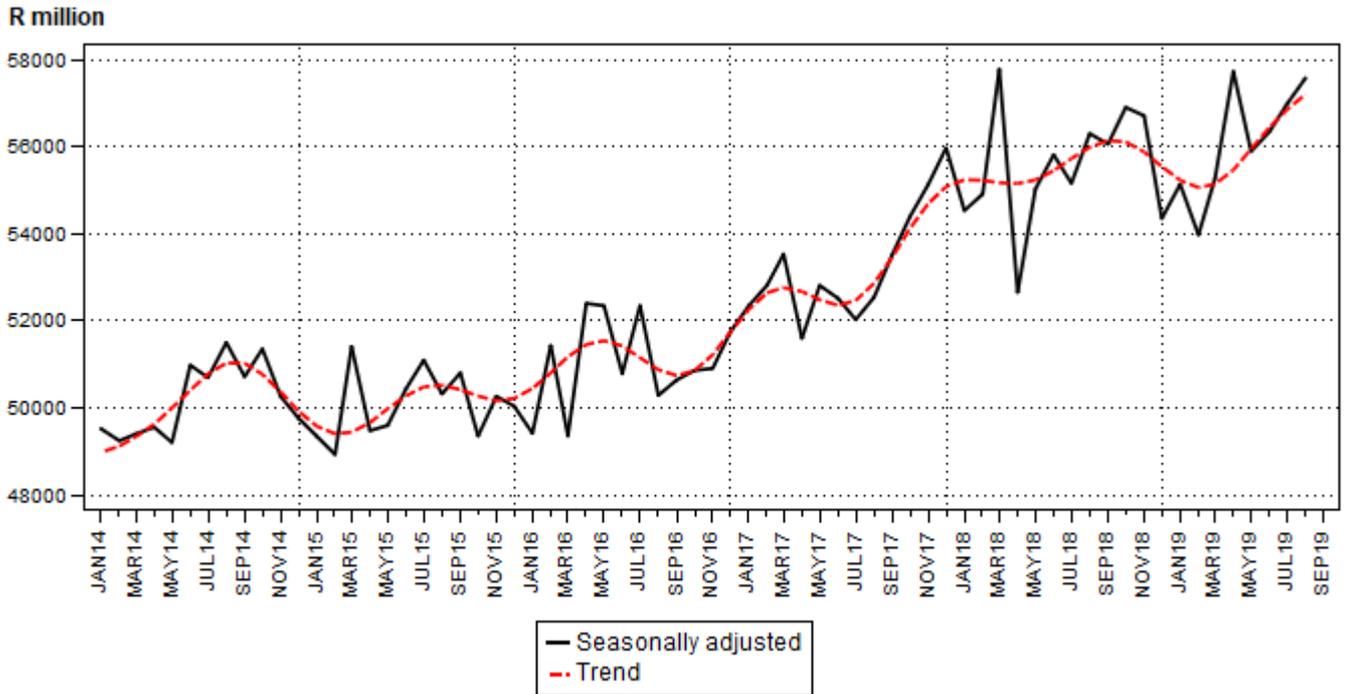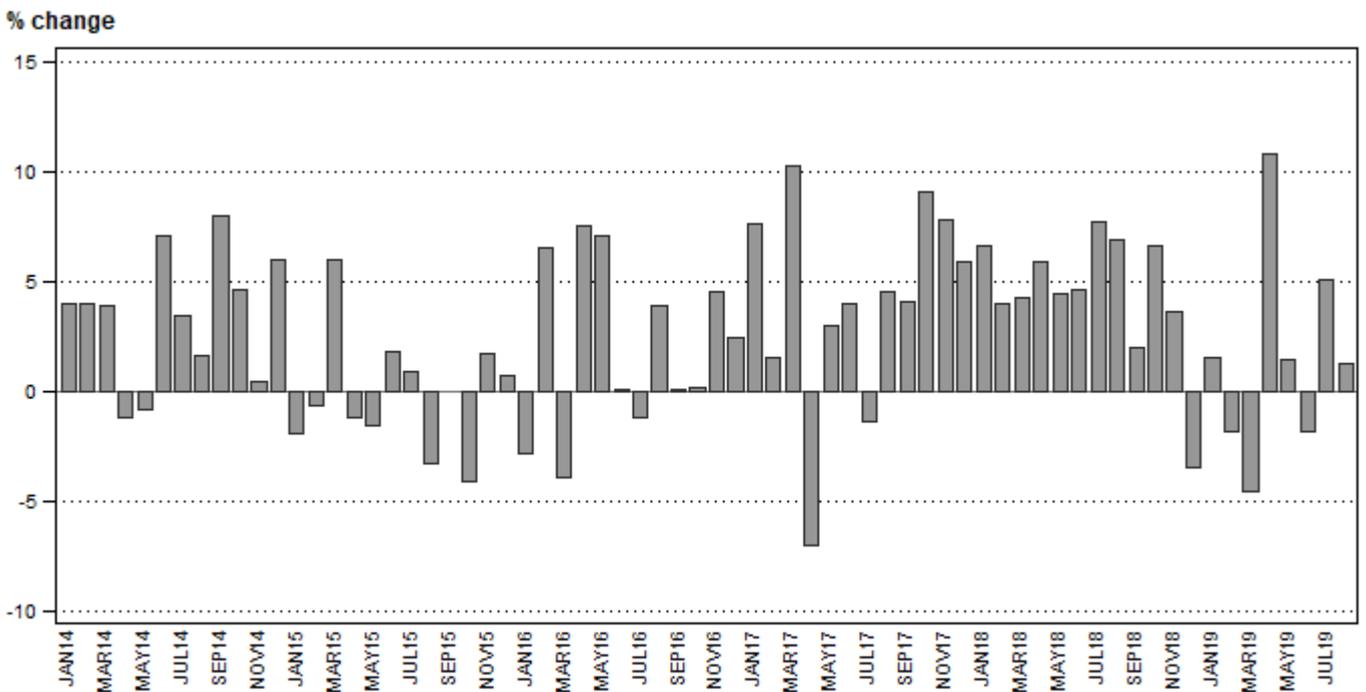
Figure 1 – Motor trade sales at current prices

R million

Figure 2 – Motor trade sales at current prices: year-on-year percentage change

% change

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Statistician-General

Tables

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

Month	2013	2014	2015	2016	2017	2018	2019 1/
Jan	46 613	48 487	47 584	46 236	49 766	53 044	53 844
Feb	45 936	47 779	47 442	50 510	51 272	53 321	52 361
Mar	47 922	49 783	52 780	50 718	55 949	58 353	55 646
Apr	47 992	47 428	46 863	50 397	46 851	49 633	54 981
May	49 884	49 500	48 708	52 144	53 723	56 064	56 846
Jun	46 508	49 823	50 741	50 782	52 837	55 263	54 249
Jul	51 491	53 245	53 733	53 102	52 376	56 409	59 270
Aug	50 521	51 309	49 636	51 556	53 878	57 598	58 369
Sep	47 449	51 231	51 222	51 276	53 383	54 436	
Oct	51 721	54 108	51 867	51 954	56 684	60 406	
Nov	50 689	50 912	51 759	54 103	58 309	60 417	
Dec	46 061	48 832	49 180	50 361	53 327	51 480	
Total	**582 787**	**602 437**	**601 515**	**613 139**	**638 355**	**666 424**	

1/ Figures for latest month are preliminary.

Table 2 – Year-on-year percentage change in motor trade sales at current prices

Month	2014	2015	2016	2017	2018	2019	*2019 year-to-date*
Jan	4,0	-1,9	-2,8	7,6	6,6	1,5	*1,5*
Feb	4,0	-0,7	6,5	1,5	4,0	-1,8	*-0,2*
Mar	3,9	6,0	-3,9	10,3	4,3	-4,6	*-1,7*
Apr	-1,2	-1,2	7,5	-7,0	5,9	10,8	*1,2*
May	-0,8	-1,6	7,1	3,0	4,4	1,4	*1,2*
Jun	7,1	1,8	0,1	4,0	4,6	-1,8	*0,7*
Jul	3,4	0,9	-1,2	-1,4	7,7	5,1	*1,3*
Aug	1,6	-3,3	3,9	4,5	6,9	1,3	*1,3*
Sep	8,0	0,0	0,1	4,1	2,0		
Oct	4,6	-4,1	0,2	9,1	6,6		
Nov	0,4	1,7	4,5	7,8	3,6		
Dec	6,0	0,7	2,4	5,9	-3,5		
Total	**3,4**	**-0,2**	**1,9**	**4,1**	**4,4**		

Table 3 – Seasonally adjusted motor trade sales at current prices

Month	R million				Month-on-month % change			
	2016	2017	2018	2019	2016	2017	2018	2019
Jan	49 419	52 345	54 530	55 135	-1,2	1,2	-2,6	1,4
Feb	51 434	52 814	54 913	53 973	4,1	0,9	0,7	-2,1
Mar	49 357	53 532	57 776	55 272	-4,0	1,4	5,2	2,4
Apr	52 400	51 598	52 655	57 728	6,2	-3,6	-8,9	4,4
May	52 345	52 812	55 024	55 893	-0,1	2,4	4,5	-3,2
Jun	50 786	52 517	55 811	56 337	-3,0	-0,6	1,4	0,8
Jul	52 351	52 027	55 158	56 981	3,1	-0,9	-1,2	1,1
Aug	50 289	52 539	56 297	57 570	-3,9	1,0	2,1	1,0
Sep	50 640	53 524	56 057		0,7	1,9	-0,4	
Oct	50 860	54 397	56 900		0,4	1,6	1,5	
Nov	50 907	55 136	56 707		0,1	1,4	-0,3	
Dec	51 747	55 970	54 350		1,7	1,5	-4,2	

Table 4 – Motor trade sales at current prices by type of activity (R million)

Type of activity	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19 1/
New vehicle sales	14 297	13 168	14 032	13 585	15 648	15 330
Used vehicle sales	9 720	9 946	10 229	9 423	10 949	10 599
Workshop income	3 683	3 711	4 034	3 461	3 833	3 744
Income from the sales of accessories	9 394	9 283	9 805	8 958	9 841	9 553
Income from fuel sales	16 434	16 830	16 735	16 803	16 997	17 077
Income from convenience store sales 2/	2 117	2 043	2 011	2 019	2 003	2 066
Total	**55 646**	**54 981**	**56 846**	**54 249**	**59 270**	**58 369**

1/ Figures are preliminary.
2/ Includes 'other' sales and trading income.

Table 5 – Year-on-year percentage change in motor trade sales at current prices by type of activity

Type of activity	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
New vehicle sales	-17,7	10,9	-3,2	-3,8	10,9	7,3
Used vehicle sales	-9,2	10,5	-2,2	-4,3	12,8	1,2
Workshop income	-3,4	10,3	1,1	-7,1	-0,1	-0,4
Income from the sales of accessories	1,5	11,8	4,3	0,1	7,4	1,7
Income from fuel sales	8,9	11,5	6,1	0,8	-3,1	-3,4
Income from convenience store sales 1/	0,3	1,7	2,9	4,0	-1,9	3,1
Total	**-4,6**	**10,8**	**1,4**	**-1,8**	**5,1**	**1,3**

1/ Includes 'other' sales and trading income.

Table 6 – Contribution of each type of activity to the year-on-year percentage change in motor trade sales at current prices

Type of activity	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
New vehicle sales	-5,3	2,6	-0,8	-1,0	2,7	1,8
Used vehicle sales	-1,7	1,9	-0,4	-0,8	2,2	0,2
Workshop income	-0,2	0,7	0,1	-0,5	0,0	0,0
Income from the sales of accessories	0,2	2,0	0,7	0,0	1,2	0,3
Income from fuel sales	2,3	3,5	1,7	0,2	-1,0	-1,0
Income from convenience store sales 1/	0,0	0,1	0,1	0,1	-0,1	0,1
Total	**-4,6**	**10,8**	**1,4**	**-1,8**	**5,1**	**1,3**

1/ Includes 'other' sales and trading income.

Survey information

Introduction	1	Statistics South Africa (Stats SA) conducts a monthly survey covering enterprises in the motor trade industry (see 4 below). This survey is based on a sample drawn from Stats SA's 2019 business sampling frame (BSF) that contains businesses registered at the South African Revenue Service (SARS) for value added tax (VAT). Stats SA continuously updates its BSF, which is linked to the SARS administrative data.
	2	In order to improve timeliness, some information for the latest month had to be estimated due to late response. These estimates will be revised in future statistical releases as soon as information becomes available. Published motor trade sales estimates exclude VAT.
Purpose of the survey	3	The results of the monthly motor trade sales survey are used to compile estimates of the gross domestic product (GDP) and its components, which are used in monitoring the state of the economy and formulation of economic policy. These statistics are also used in the analysis of comparative business and industry performance.
Scope of the survey	4	The survey collects information from a sample of enterprises in South Africa that are predominantly involved in motor trade. These enterprises include:

- motor vehicle dealers, filling stations and workshops;
- motor cycle dealers;
- spares and accessories;
- tyre dealers;
- automotive electricians;
- radiator repairs;
- panel beaters and spray painters;
- 'other' specialised motor repair services; and
- 'other' motor trade.

Classification	5	The 1993 edition of the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth Edition, Report No. 09-90-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 *International Standard Industrial Classification of all Economic Activities* (ISIC) with suitable adaptations for local conditions. Each enterprise is classified to the industry which reflects its predominant activity. Statistics in this publication are presented at SIC group (four digits) level.
Collection rate	6	The preliminary collection rate for the survey on motor trade sales for August 2019 was 83,4%. The improved collection rate for July 2019 was 87,1%.
Statistical unit	7	The statistical unit for which information is compiled and published is the enterprise, defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its sales and service activities.
Revised figures	8	Revised figures are mainly due to late submission of data to Stats SA, or respondents reporting revisions or corrections to their figures. Preliminary figures, as indicated in the relevant tables, are subject to change and when revised will not be indicated as such.
Related publications	9	Users may also refer to the following publication available from Stats SA:

- *Stats in Brief* issued annually.

Rounding-off of figures	**10**	Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals.
Historical data	**11**	Historical motor trade data are available on the Stats SA website. To access the data electronically, use the following link: Click to download historical data
Past publications	**12**	Past motor trade releases are available on the Stats SA website. To access the releases electronically, use the following link: Click to download past releases

Technical notes

Survey methodology and design	**1**	The survey is conducted monthly. Questionnaires are sent to a sample of 908 enterprises from a population of 10 660 enterprises. Completed questionnaires are required to be returned to Stats SA within 10 days after the end of the reference month. Email, fax and telephone reminders are used to follow up on non-respondents.
	2	A stratified random sample was drawn in April 2019 from Stats SA's business sampling frame (BSF) at the SIC four-digit level. Strata were formed using a combination of Standard Industrial Classification and the measure of size classes for enterprises (see point 3 below).

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

$$nh = n * (Nh * Sh) / [\Sigma (Ni * Si)].$$

Neyman allocation formula not only allocates sample sizes to each stratum but also calculates the relative precision for each stratum as well as the relative precision for all strata. The relative precision for these strata was 3,8%.

Class limits	**3**	Each motor trade classification group (SIC at four digit level) is divided into four size groups. All large enterprises (size group one) are completely enumerated. Simple random sampling is applied to medium and small enterprises (size groups two, three and four). The total value of sales of the large enterprises (size group one) per classification group is added to the weighted totals of size groups two, three and four to reflect the total value of sales.

Measure of size classes (Rand)

Enterprise size	Size group	Lower limits	Upper limits
Very small	4	2 011 467	18 000 000
Small	3	18 000 001	85 500 000
Medium	2	85 500 001	175 500 000
Large	1	175 500 001	

Sample weighting	**4**	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 classification group estimates. These procedures are consistent with international best practice.

Seasonal adjustment	**5**	Seasonally adjusted estimates are generated each month using the X-12-ARIMA Seasonal Adjustment Program developed by the US Bureau of the Census. Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences on the series can be recognised more clearly. Seasonal adjustment does not aim to remove irregular or non-seasonal influences which may be present in any particular month. Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variations. Therefore the month-to-month movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour. The X-12-ARIMA procedure for motor trade sales is described in more detail on the Stats SA website at: Click to download seasonal adjustment motor trade sales August 2017
Trend cycle	**6**	The trend is the long-term pattern or movement of a time series. The X-12-ARIMA Seasonal Adjustment Program is used for smoothing seasonally adjusted estimates to estimates of the underlying trend cycle.
Reliability of estimates	**7**	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 motor trade industry in South Africa. Estimates are subject to sampling and non-sampling errors.
	8	Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Fluctuations may occur in consecutive months as a result of seasonal and economic factors.
Month-on-month percentage change	**9**	The month-on-month percentage change in a variable for any given month is the change between that month and the previous month, expressed as a percentage of the latter.
Year-on-year percentage change	**10**	The year-on-year percentage change in a variable for any given period is the change between that period and the corresponding period of the previous year, expressed as a percentage of the latter.
Contribution (percentage points)	**11**	The contribution (percentage points) to the year-on-year percentage change is calculated by multiplying the percentage change of each type of activity by its corresponding weight, divided by 100. The weight is the percentage contribution of each type of activity to total motor trade sales in the corresponding period of the previous year.

Glossary

Enterprise An enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its sales activities.

Industry An industry is made up of enterprises engaged in the same or similar kinds of economic activity. Industries are defined in the *System of National Accounts* (SNA) in the same way as in the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth Edition, Report No. 09-90-02 of January 1993.

Symbols and abbreviations

BSF	Business sampling frame
GDP	Gross domestic product
ISIC	International Standard Industrial Classification
IT	Income tax
Rm	Rand million
SIC	Standard Industrial Classification of all Economic Activities
SARS	South African Revenue Service
Stats SA	Statistics South Africa
VAT	Value added tax

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