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Motor trade sales (Preliminary)

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Summary of findings: Motor trade sales

Table A – Key figures as at the end of December 2008

Estimates	December 2008 (R million)	% change between December 2007 and December 2008	% change between October to December 2007 and October to December 2008	% change between January to December 2007 and January to December 2008
Motor trade sales	26 290	1,3	-1,7	4,0

Seasonally adjusted estimates	December 2008 (R million)	% change between November and December 2008	% change between July to September 2008 and October to December 2008
Motor trade sales	27 585	4,5	-2,2

Key findings as at the end of December 2008

Motor trade sales decrease

Table A indicates the motor trade sales for the fourth quarter of 2008 decreased by 1,7% compared with the fourth quarter of 2007, while the corresponding growth for the same period in 2007 was 7,4%. Seasonally adjusted motor trade sales for the fourth quarter of 2008 decreased by 2,2% compared with the third quarter of 2008.

This decrease was mainly the result of the general decrease in new vehicle sales (contributing -6,9 percentage points). However, the negative growth was counteracted by the positive growth experienced in the form of sales of fuel (contributing 3,3 percentage points) and sales of accessories (contributing 2,6 percentage points) – see Table B on page 3.

In 2008 motor trade sales increased by 4,0% compared with 2007, their lowest annual growth in a decade. The corresponding growth in motor trade sales for 2007 was 9,4%.

Motor trade sales for December 2008 increased by 1,3% compared with December 2007, while sales for the corresponding period of 2007 increased by 2,8%.

Table B – Contribution of the types of activity to the percentage change in motor trade sales

Type of activity	October to December 2007 (R million)	Weight 1/	October to December 2008 (R million)	Difference in sales between October to December 2007 and October to December 2008 (R million)	Percentage change between October to December 2007 and October to December 2008	Contribution (percentage points) to the percentage change in total sales 2/
New vehicle sales	26 352	31,2	20 533	-5 819	-22,1	-6,9
Used vehicle sales	14 769	17,5	14 931	162	1,1	0,2
Workshop income	5 965	7,1	5 695	-270	-4,5	-0,3
Income from the sales of accessories	11 220	13,3	13 453	2 233	19,9	2,6
Income from fuel sales	19 579	23,2	22 371	2 792	14,3	3,3
Income from convenience store sales	6 514	7,7	5 996	-518	-8,0	-0,6
Total 3/	84 400	100,0	82 979	-1 421	-1,7	-1,7

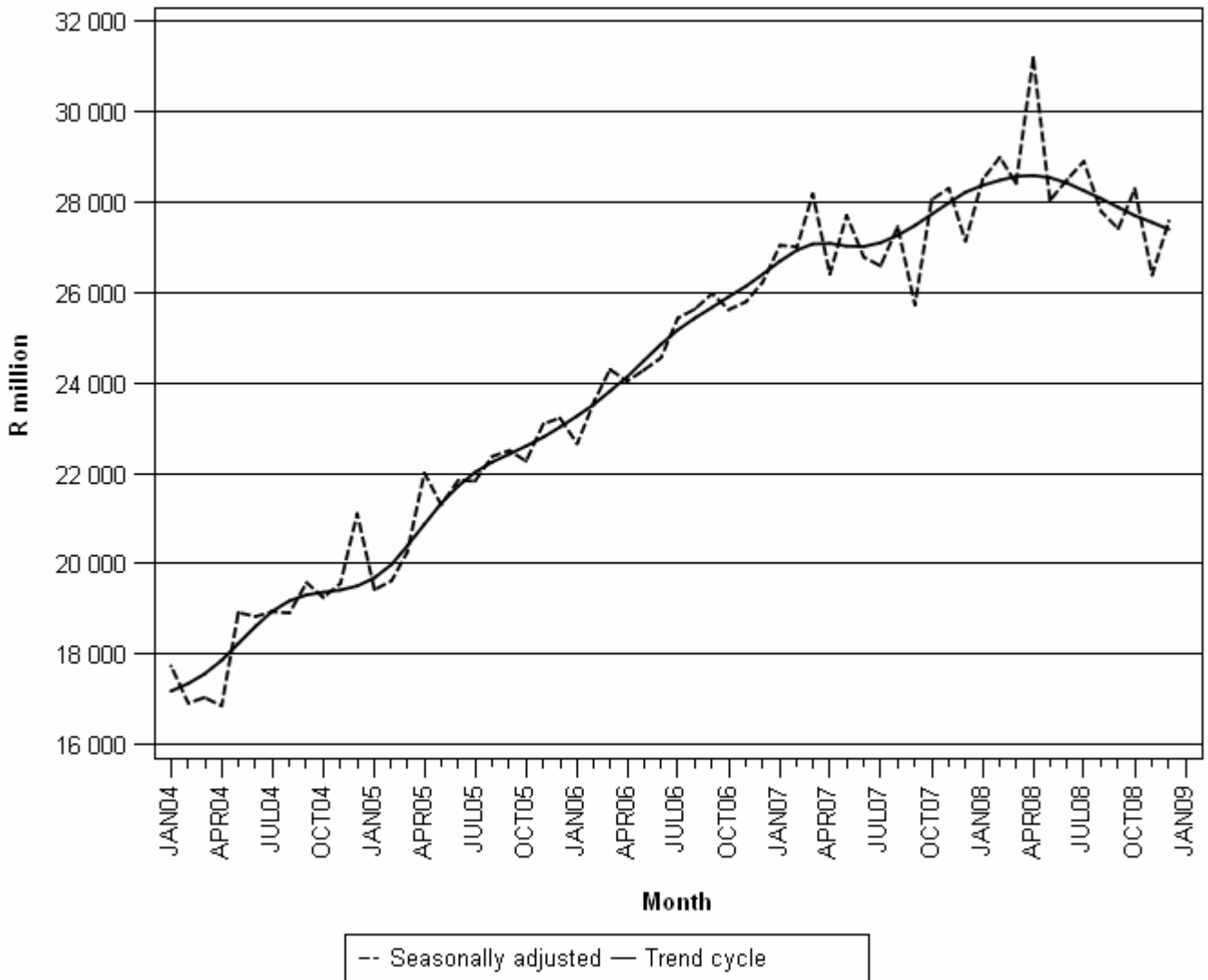
1/ Weight is the percentage contribution of each type of activity to the total motor trade sales for the three months up to the current month of the previous year.

2/ The contribution to the percentage change is calculated by multiplying the percentage change of each type of activity with the corresponding weight.

3/ The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and totals.

Figure 1 below shows the seasonally adjusted and trend patterns for motor trade sales between January 2004 and December 2008.

Figure 1 – Motor trade sales



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Detailed results

Tables 1 and 2 show motor trade sales and percentage changes over the period January 2001 – December 2008. Table 3 shows seasonally adjusted motor trade sales over the same period.

Table 1 – Total motor trade sales (R million)

Month	2001	2002	2003	2004	2005	2006	2007 1/	2008 1/
January	10 810	12 583	15 140	17 375	18 956	22 009	26 136	27 487
February	11 581	13 066	15 080	16 465	19 011	22 893	26 288	28 334
March	11 849	12 944	14 912	16 686	19 889	24 061	28 092	28 483
April	10 583	13 331	14 184	15 590	20 294	22 109	24 229	28 595
May	11 611	14 180	15 101	19 177	21 642	24 700	28 189	28 518
June	11 827	13 531	15 181	18 523	21 398	23 992	26 072	27 676
July	11 911	14 452	16 899	19 666	22 806	26 680	27 991	30 464
August	11 954	15 080	15 539	19 579	23 273	26 750	28 722	29 100
September	11 246	14 804	16 030	20 040	23 080	26 618	26 308	27 980
October	12 598	14 981	17 025	19 736	22 858	26 404	29 009	29 324
November	12 529	15 529	17 484	20 479	24 148	26 924	29 430	27 365
December	12 755	14 357	17 075	20 658	22 507	25 258	25 961	26 290
Total	141 254	168 838	189 650	223 974	259 862	298 398	326 427	339 616

1/ Preliminary.

Table 2 – Percentage change in total motor sales 1/

Month	2001	2002	2003	2004	2005	2006	2007	2008
January	-	16,4	20,3	14,8	9,1	16,1	18,8	5,2
February	-	12,8	15,4	9,2	15,5	20,4	14,8	7,8
March	-	9,2	15,2	11,9	19,2	21,0	16,8	1,4
April	-	26,0	6,4	9,9	30,2	8,9	9,6	18,0
May	-	22,1	6,5	27,0	12,9	14,1	14,1	1,2
June	-	14,4	12,2	22,0	15,5	12,1	8,7	6,2
July	-	21,3	16,9	16,4	16,0	17,0	4,9	8,8
August	-	26,2	3,0	26,0	18,9	14,9	7,4	1,3
September	-	31,6	8,3	25,0	15,2	15,3	-1,2	6,4
October	-	18,9	13,6	15,9	15,8	15,5	9,9	1,1
November	-	23,9	12,6	17,1	17,9	11,5	9,3	-7,0
December	-	12,6	18,9	21,0	9,0	12,2	2,8	1,3
Total	-	19,5	12,3	18,1	16,0	14,8	9,4	4,0

1/ The percentage change is the difference between motor trade sales of the relevant year and those of the previous year expressed as percentage.

Table 3 – Seasonally adjusted total motor trade sales (R million)

Month	2001	2002	2003	2004	2005	2006	2007	2008
January	11 219	12 913	15 461	17 731	19 422	22 654	27 049	28 507
February	11 467	13 077	15 304	16 909	19 622	23 605	27 015	28 998
March	11 872	13 088	15 208	17 036	20 251	24 299	28 189	28 415
April	11 394	14 383	15 317	16 850	22 007	24 040	26 408	31 205
May	11 531	14 050	14 914	18 916	21 304	24 285	27 713	28 042
June	11 847	13 606	15 349	18 828	21 846	24 558	26 785	28 503
July	11 643	14 083	16 372	18 938	21 824	25 435	26 592	28 908
August	11 621	14 663	15 061	18 906	22 374	25 637	27 463	27 800
September	11 139	14 594	15 722	19 580	22 504	25 980	25 725	27 415
October	12 311	14 621	16 626	19 249	22 269	25 623	28 058	28 302
November	12 138	14 956	16 749	19 564	23 094	25 800	28 313	26 387
December	12 989	14 577	17 366	21 110	23 225	26 233	27 139	27 585

Table 4 shows motor trade sales by type of activity. The main income in the motor trade industry is derived from the sales of vehicles and fuel sales.

Table 4 – Motor trade sales by type of activity (R million) 1/

Year and month 2/		New vehicle sales	Used vehicle sales	Workshop income	Income from the sales of accessories	Income from fuel sales	Income from convenience store sales	Total 3/
2006	January	8 113	3 715	1 487	2 777	4 639	1 279	22 009
	February	8 633	3 970	1 627	3 028	4 418	1 217	22 893
	March	8 980	4 220	1 717	2 952	4 678	1 514	24 061
	April	7 920	3 942	1 605	2 749	4 502	1 391	22 109
	May	9 037	4 340	1 834	3 115	4 961	1 413	24 700
	June	8 254	4 506	1 732	3 015	5 130	1 354	23 992
	July	10 062	4 734	1 808	3 073	5 397	1 607	26 680
	August	9 819	4 699	1 937	3 127	5 734	1 434	26 750
	September	9 677	4 848	2 030	3 094	5 358	1 612	26 618
	October	9 186	4 859	2 075	3 516	5 143	1 625	26 404
	November	9 513	5 172	2 090	3 609	5 005	1 535	26 924
	December	8 586	4 168	1 680	3 189	5 978	1 657	25 258
	Total	107 780	53 173	21 622	37 244	60 943	17 638	298 398
2007	January	9 563	4 533	1 770	3 531	5 220	1 518	26 136
	February	9 205	4 920	1 960	3 654	4 985	1 564	26 288
	March	10 139	5 059	1 925	3 886	5 321	1 762	28 092
	April	7 990	4 035	1 709	3 327	5 458	1 710	24 229
	May	9 341	5 212	2 033	3 841	6 023	1 740	28 189
	June	8 192	4 715	1 910	3 590	5 953	1 712	26 072
	July	9 335	5 030	1 944	3 741	6 122	1 820	27 991
	August	9 722	5 376	1 953	3 794	6 024	1 854	28 722
	September	8 701	4 519	1 742	3 508	5 982	1 856	26 308
	October	9 339	5 197	2 034	4 115	6 257	2 067	29 009
	November	9 419	5 448	2 120	3 970	6 295	2 178	29 430
	December	7 594	4 124	1 811	3 135	7 027	2 269	25 961
	Total	108 540	58 168	22 911	44 092	70 667	22 050	326 427
2008	January	8 949	4 629	1 801	3 866	6 552	1 691	27 487
	February	9 249	4 827	2 062	4 031	6 302	1 863	28 334
	March	8 920	4 813	1 885	3 790	6 901	2 175	28 483
	April	8 757	4 574	2 100	4 607	6 961	1 596	28 595
	May	8 263	4 712	2 083	4 037	7 566	1 857	28 518
	June	7 690	4 219	2 055	4 097	7 922	1 694	27 676
	July	8 582	4 922	2 277	4 554	8 204	1 925	30 464
	August	7 716	4 939	1 960	4 205	8 398	1 881	29 100
	September	7 423	4 630	2 063	4 379	7 513	1 972	27 980
	October	7 536	5 226	2 080	5 053	7 493	1 935	29 324
	November	6 810	4 960	1 853	4 525	7 371	1 846	27 365
	December	6 187	4 745	1 762	3 875	7 507	2 215	26 290
	Total	96 082	57 196	23 981	51 019	88 690	22 650	339 616

1/ The type of activity in motor trade refer to the enterprises classified within the motor trade industry and engaged in the activities mentioned above.

2/ 2007 and 2008 figures are preliminary.

3/ The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and totals.

Tables 5.1 and 5.2 show the estimates and percentage changes in motor trade sales and seasonally adjusted estimates.

Table 5 – Estimates and percentage changes in total motor trade sales

Table 5.1 – Quarterly estimates and percentages

Estimates	October to December 2007 (R million)	October to December 2008 (R million)	% change between October to December 2007 and October to December 2008	January to December 2007 (R million)	January to December 2008 (R million)	% change between January to December 2007 and January to December 2008
Motor trade sales	84 400	82 979	-1,7	326 427	339 616	+4,0

Table 5.2 – Seasonally adjusted estimates with monthly and quarterly percentage change

Seasonally adjusted estimates	November 2008 (R million)	December 2008 (R million)	% change between November and December 2008	July to September 2008 (R million)	October to December 2008 (R million)	% change between July to September 2008 and October to December 2008
Motor trade sales	26 387	27 585	+4,5	84 123	82 274	-2,2

Explanatory notes

Introduction	1	Statistics South Africa (Stats SA) conducts a monthly survey covering enterprises in the motor trade industry (see 3 below). This survey is based on a sample drawn from the 2008 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT).
	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. Motor trade sales estimates exclude value-added tax (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 - <ul style="list-style-type: none"> • 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 <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 division (two digits) level. Each enterprise is classified to the industry, which reflects its predominant activity.
Response rate	6	The preliminary response rate for the survey on motor trade sales for December 2008 was 92,8%.
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 activities.
Survey methodology and design	8	The survey is conducted monthly. Questionnaires are sent to a sample of about 900 enterprises from a population of about 12 000 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-responses.
	9	The value of sales is obtained monthly from the sample of 900 enterprises, which was drawn in April 2008 from a population then of about 12 000 motor trade enterprises. The motor trade industry is divided into four size groups. The sample is drawn at the SIC four-digit level. 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) enterprises. The total value of sales of the large and medium enterprises (size groups one and two) per classification group 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 http://www.statssa.gov.za/publications/publicationsearch.asp .																
Seasonal adjustment	11	Seasonally adjusted estimates are generated each month, using the X-11 Seasonal Adjustment Program developed by the US Bureau of the Census, 1968. 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 more clearly recognised. 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.																
Trend cycle	12	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	13	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.																
	14	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	15	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	16	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	17	The figures in the tables have, where necessary, been rounded to the nearest digit shown.																
Symbols and abbreviations	18	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">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>Revised</td> </tr> <tr> <td>-</td> <td>Figures not available</td> </tr> </table>	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	*	Revised	-	Figures not available
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Stats SA	Statistics South Africa																	
VAT	Value-added tax																	
*	Revised																	
-	Figures not available																	

Technical note

Neyman Optimal allocation

A stratified random sample was drawn from the population of enterprises on the business sampling frame (BSF). 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 strata did not exceed 5,6%.

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 May 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.

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