



**Statistics
South Africa**

Preferred supplier of quality statistics



Statistical release

P6343.2

Motor trade sales (Preliminary)

February 2008

**Embargoed until:
17 April 2008
13:00**

Enquiries:

User Information Services
(012) 310 8600

Forthcoming issue:

March 2008

Expected release date

15 May 2008

Statistics South Africa • Mbalo-mbalo dza Afrika Tshipembe • Tihlayo-tiko ta Afrika-Dzonga • Dipalopalo tsa Aforika Borwa • Ezezibalo zaseNingizimu Afrika
Dipalopalo tša Afrika Borwa • Dipalopalo tsa Afrika Borwa • Ubalo lwaseMzantsi Afrika • Telubalo eNingizimu Afrika • iNanimbalo leSewula Afrika • Statistiek Suid-Afrika

Contents

Summary findings: Motor trade sales	2
Table A . Key figures as at the end of February 2008.....	2
Table B . Contribution of the types of activity to the percentage change in motor trade sales.....	3
Detailed results	5
Table 1 . Total motor trade sales (R million).....	5
Table 2 . Percentage change in total motor sales.....	5
Table 3 . Seasonally adjusted total motor trade sales (R million).....	5
Table 4 . Motor trade sales by type of activity (R million).....	6
Table 5 . Estimates and percentage changes in total motor trade sales	7
Table 5.1 . Quarterly estimates and percentages	7
Table 5.2 . Seasonally adjusted estimates with monthly and quarterly percentage change	7
Explanatory notes	8
Technical note	10
Glossary	10
General information	11

Summary findings: Motor trade sales

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

Estimates	February 2008 (R million)	% change between February 2007 and February 2008	% change between December to February 2007 and December to February 2008	% change between January to February 2007 and January to February 2008
Motor trade sales	28 682	8,3	5,5	6,8

Seasonally adjusted estimates	February 2008 (R million)	% change between January and February 2008	% change between September to November 2007 and December 2007 to February 2008
Motor trade sales	29 446	2,3	3,8

Key findings as at the end of February 2008

Motor trade sales continue to slow down

Table A indicates that motor trade sales for the three months ended February 2008 increased by 5,5% compared with the three months ended February 2007. This is lower than the 15,2% increase reported for the three months ended February 2007 compared with the three months ended February 2006, mainly as a result of weak vehicle sales. *The 5,5% increase for the three months ended February 2008 compared with the three months ended February 2007 was positively influenced by the high fuel sales which contributed 4,7 percentage points – see Table B below.*

Motor trade sales for February 2008 increased by 8,3% compared with February 2007, while sales for the corresponding period of 2007 increased by 14,8%.

Seasonally adjusted motor trade sales for the three months ended February 2008 increased by 3,8% compared with the three months ended November 2007.

As indicated in table B below, the major contributors to the 5,5% increase in motor trade sales for the three months ended February 2008 compared with the three months ended February 2007 were income from fuel sales (4,7 percentage points), income from convenience store sales (1,1 percentage points) and income from the sales of accessories (1,0 percentage point). New vehicle sales in February 2008 contributed negatively (-1,8 percentage points) to the 5,5% increase in motor trade sales.

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

Type of activity	December 2006 to February 2007 (R million)	Weight 1/	December 2007 to February 2008 (R million)	Difference in sales between December 2006 to February 2007 and December 2007 to February 2008 (R million)	Percentage change between December 2006 to February 2007 and December 2007 to February 2008	Contribution (percentage points) to the percentage change in total sales 2/
New vehicle sales	27 461	35,1	26 046	-1 415	-5,2	-1,8
Used vehicle sales	14 209	18,2	14 289	80	0,6	0,1
Workshop income	6 616	8,5	6 941	325	4,9	0,4
Income from the sales of accessories	10 785	13,8	11 563	778	7,2	1,0
Income from fuel sales	15 355	19,6	19 034	3 679	24,0	4,7
Income from convenience store sales	3 797	4,9	4 632	835	22,0	1,1
Total 3/	78 225	100,0	82 503	4 278	5,5	5,5

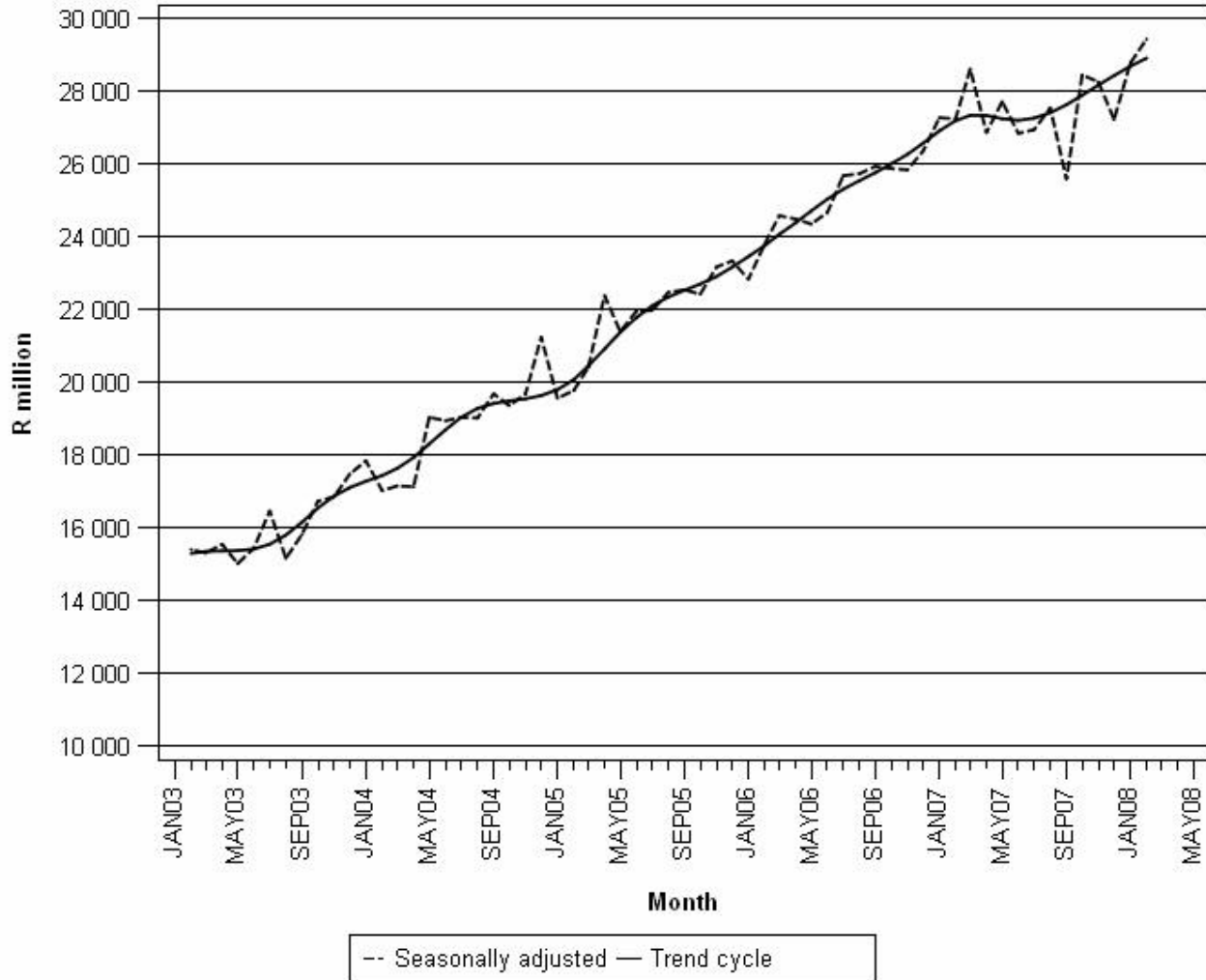
1/ Weight is the percentage contribution of each type of activity to the total motor trade sales for the three months up to the current month of the previous year.

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 2003 and February 2008. An upward movement can be identified in the trend cycle over the period with the exception of a slowdown during part of 2007.

Figure 1 – Motor trade sales



P J Lehohla
Statistician-General

Detailed results

Tables 1 and 2 show motor trade sales and percentage changes over the period January 2001 . February 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	10 886	12 671	15 246	17 496	19 088	22 163	26 319	27 679
February	11 662	13 157	15 185	16 580	19 144	23 053	26 472	28 682
March	11 932	13 034	15 016	16 803	20 028	24 229	28 288	
April	10 657	13 424	14 283	15 699	20 436	22 263	24 398	
May	11 692	14 279	15 207	19 311	21 793	24 873	28 386	
June	11 910	13 626	15 287	18 652	21 548	24 160	26 254	
July	11 994	14 553	17 017	19 803	22 965	26 866	28 187	
August	12 038	15 185	15 648	19 716	23 436	26 937	28 923	
September	11 325	14 907	16 142	20 180	23 241	26 804	26 492	
October	12 686	15 086	17 144	19 874	23 018	26 589	29 212	
November	12 617	15 638	17 606	20 622	24 317	27 112	29 636	
December	12 844	14 457	17 194	20 802	22 664	25 434	26 142	
Total	142 243	170 017	190 975	225 538	261 678	300 483	328 709	

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	8,3
March	-	9,2	15,2	11,9	19,2	21,0	16,8	
April	-	26,0	6,4	9,9	30,2	8,9	9,6	
May	-	22,1	6,5	27,0	12,9	14,1	14,1	
June	-	14,4	12,2	22,0	15,5	12,1	8,7	
July	-	21,3	16,9	16,4	16,0	17,0	4,9	
August	-	26,1	3,0	26,0	18,9	14,9	7,4	
September	-	31,6	8,3	25,0	15,2	15,3	-1,2	
October	-	18,9	13,6	15,9	15,8	15,5	9,9	
November	-	23,9	12,6	17,1	17,9	11,5	9,3	
December	-	12,6	18,9	21,0	9,0	12,2	2,8	
Total	-	19,5	12,3	18,1	16,0	14,8	9,4	

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	11 295	12 995	15 557	17 841	19 564	22 841	27 284	28 787
February	11 546	13 163	15 402	17 018	19 774	23 801	27 255	29 446
March	11 953	13 172	15 304	17 151	20 413	24 589	28 625	
April	11 496	14 553	15 543	17 129	22 389	24 496	26 874	
May	11 613	14 145	15 012	19 038	21 398	24 358	27 728	
June	11 931	13 699	15 448	18 946	21 963	24 675	26 853	
July	11 716	14 164	16 460	19 035	21 977	25 688	26 954	
August	11 702	14 762	15 159	19 019	22 479	25 743	27 554	
September	11 216	14 692	15 821	19 684	22 547	25 943	25 595	
October	12 393	14 716	16 729	19 360	22 428	25 885	28 461	
November	12 218	15 051	16 851	19 685	23 176	25 850	28 269	
December	13 074	14 669	17 475	21 244	23 343	26 370	27 235	

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.

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 convenient store sales	Total ^{3/}
2006	January	8 149	3 878	1 819	2 888	4 402	1 027	22 163
	February	8 640	4 129	1 984	3 138	4 178	984	23 053
	March	9 018	4 404	2 100	3 070	4 439	1 198	24 229
	April	7 948	4 111	1 962	2 857	4 269	1 116	22 263
	May	9 059	4 521	2 240	3 234	4 699	1 122	24 873
	June	8 278	4 696	2 116	3 131	4 861	1 079	24 160
	July	10 116	4 946	2 214	3 199	5 127	1 263	26 866
	August	9 851	4 899	2 367	3 249	5 436	1 135	26 937
	September	9 710	5 055	2 481	3 215	5 080	1 263	26 804
	October	9 199	5 057	2 531	3 646	4 866	1 289	26 589
	November	9 520	5 379	2 548	3 740	4 732	1 192	27 112
	December	8 649	4 363	2 061	3 327	5 690	1 344	25 434
	Total	108 137	55 438	26 423	38 694	57 779	14 012	300 483
2007	January	9 595	4 727	2 164	3 669	4 949	1 214	26 319
	February	9 217	5 119	2 391	3 789	4 716	1 239	26 472
	March	10 172	5 274	2 353	4 037	5 044	1 409	28 288
	April	8 048	4 224	2 097	3 470	5 195	1 365	24 398
	May	9 383	5 441	2 487	3 995	5 716	1 365	28 386
	June	8 240	4 929	2 340	3 739	5 658	1 348	26 254
	July	9 399	5 263	2 385	3 901	5 824	1 415	28 187
	August	9 784	5 622	2 394	3 954	5 728	1 442	28 923
	September	8 782	4 740	2 142	3 667	5 705	1 456	26 492
	October	9 415	5 444	2 498	4 296	5 960	1 600	29 212
	November	9 495	5 708	2 603	4 145	5 996	1 687	29 636
	December	7 710	4 351	2 240	3 296	6 741	1 805	26 142
	Total	109 240	60 842	28 094	45 958	67 232	17 345	328 709
2008	January	9 013	4 845	2 209	4 032	6 235	1 346	27 679
	February	9 323	5 093	2 492	4 235	6 058	1 481	28 682

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

^{2/} 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	December 2006 to February 2007 (R million)	December 2007 to February 2008 (R million)	% change between December 2006 to February 2007 and December 2007 to February 2008	January to February 2007 (R million)	January to February 2008 (R million)	% change between January to February 2007 and January to February 2008
Motor trade sales	78 225	82 503	+5,5	52 791	56 361	+6,8

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

Seasonally adjusted estimates	January 2008 (R million)	February 2008 (R million)	% change between January and February 2008	September to November 2007 (R million)	December 2007 to February 2008 (R million)	% change between September to November 2007 and December 2007 to February 2008
Motor trade sales	28 787	29 446	+2,3	82 327	85 470	+3,8

Explanatory notes

- Introduction** **1** Statistics South Africa (Stats SA) conducts a monthly survey covering enterprises of the motor trade industry (see 3 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).
- 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 become 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 -
- 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. Statistics in this publication are presented at SIC division (two digit) 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 February 2008 was 79,3%.
- 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 856 enterprises from a population of about 10 900 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 856 enterprises, which was drawn in April 2007 from a population then of about 10 900 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)

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	16	<table border="0"> <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>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
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																	

Technical note

Neyman Optimal allocation

Before drawing in each of the surveys the population of enterprises on the 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 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.

General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data; and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

Advance release calendar

An advance release calendar is disseminated on www.statssa.gov.za

Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division
National Library of South Africa, Cape Town Division
Natal Society Library, Pietermaritzburg
Library of Parliament, Cape Town
Bloemfontein Public Library
Johannesburg Public Library
Eastern Cape Library Services, King William's Town
Central Regional Library, Polokwane
Central Reference Library, Nelspruit
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

Electronic services

A large range of data are available via on-line services, diskette and computer printouts. For more details about our electronic data services, contact (012) 310 8600/8390/8351/4892/8496/8095.

You can visit us on the internet at: www.statssa.gov.za

Enquiries

Telephone number: (012) 310 8600/8390/8351/4892/8496/8095 (user information services)
(012) 310 6977/4837 (technical enquiries)
(012) 310 8161 (orders)
(012) 310 4883/4885/8018 (library)

Fax number: (012) 310 8332 (technical enquiries)

Email address: phaswanem@statssa.gov.za (technical enquiries)
villentm@statssa.gov.za (technical enquiries)
info@statssa.gov.za (user information services)
distribution@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA