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Statistical release

P6343.2

Motor trade sales (Preliminary)

January 2008

**Embargoed until:
20 March 2008
13:00**

Enquiries:

User Information Services
(012) 310 8600

Forthcoming issue:

February 2008

Expected release date

17 April 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

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Summary findings: Motor trade sales

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

Estimates	January 2008 (R million)	% change between January 2007 and January 2008	% change between November 2006 to January 2007 and November 2007 to January 2008
Motor trade sales	27 520	4,6	5,6

Seasonally adjusted estimates	January 2008 (R million)	% change between December 2007 and January 2008	% change between August to October 2007 and November 2007 to January 2008
Motor trade sales	28 524	4,6	3,0

Key findings as at the end of January 2008

Motor trade sales continue to slow down

Table A indicates that motor trade sales for the three months ended January 2008 increased by 5,6% compared with the three months ended January 2007. This is substantially lower than the 14,1% increase reported for the three months ended January 2007 compared with the three months ended January 2006, mainly as a result of weak vehicle sales. *The 5,6% increase for the three months ended January 2008 compared with the three months ended January 2007 is mainly supported by the high fuel sales (resulting from increasing fuel prices), which contributed 4,5 percentage points – see Table B below.*

Motor trade sales for January 2008 increased by 4,6% compared with January 2007, while sales for the corresponding period of 2007 increased by 18,8%.

Seasonally adjusted motor trade sales for the three months ended January 2008 increased by 3,0% compared with the three months ended October 2007.

As indicated in table B below, the major contributors to the 5,6% increase in motor trade sales for the three months ended January 2008 compared with the three months ended January 2007 were income from fuel sales (4,5 percentage points), income from convenience store sales (1,4 percentage points) and income from the sales of accessories (1,0 percentage point). Sales of the new vehicles contributed negatively to the 5,6% increase (-1,8 percentage points).

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

Type of activity	November 2006 to January 2007 (R million)	Weight 1/	November 2007 to January 2008 (R million)	Difference in sales between November 2006 to January 2007 and November 2007 to January 2008 (R million)	% change between November 2006 to January 2007 and November 2007 to January 2008	Contribution (percentage points) to the percentage change in total sales 2/
New vehicle sales	27 764	35,2	26 379	-1 385	-5,0	-1,8
Used vehicle sales	14 469	18,3	14 716	247	1,7	0,3
Workshop income	6 773	8,6	6 888	115	1,7	0,1
Income from the sales of accessories	10 736	13,6	11 566	830	7,7	1,0
Income from fuel sales	15 371	19,5	18 906	3 535	23,0	4,5
Income from convenience store sales	3 750	4,8	4 844	1 094	29,2	1,4
Total 3/	78 865	100,0	83 298	4 433	5,6	5,6

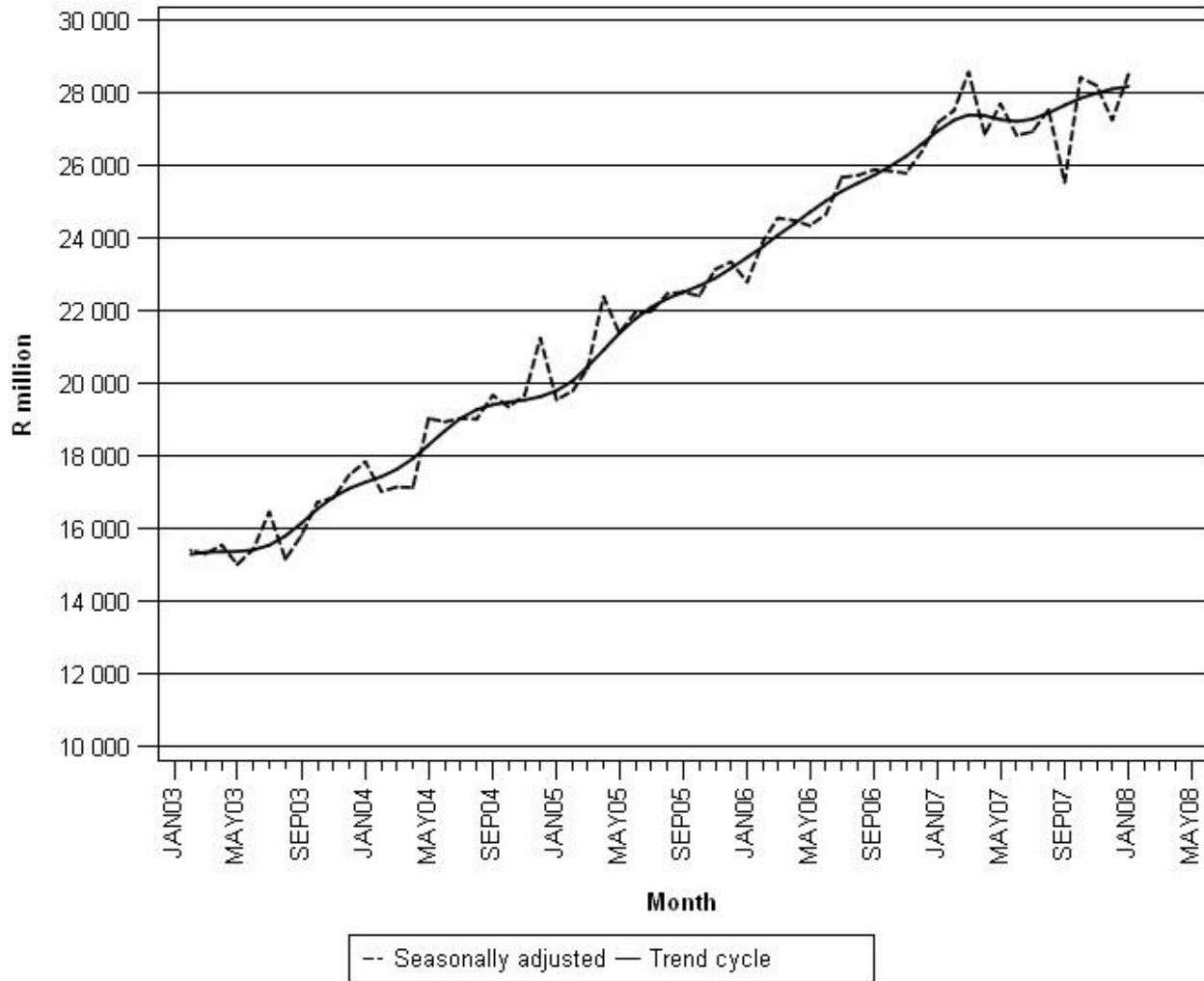
1/ Weight is the percentage contribution of each type of activity to the total motor trade sales of November to January 2007.

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 January 2008. An upward movement can be identified in the trend cycle with exception of the year 2007 where it slowed down.

Figure 1 – Motor trade sales at current prices



P J Lehohla
Statistician-General

Detailed results

Tables 1 and 2 show motor trade sales and percentage changes over the period January 2001 . January 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	27 520
February	11 662	13 157	15 185	16 580	19 144	23 053	26 472	
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	4,6
February	-	12,8	15,4	9,2	15,5	20,4	14,8	
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	15 556	17 842	19 551	22 799	27 198	28 524
February	11 546	13 163	15 402	17 020	19 799	23 942	27 530	
March	11 953	13 172	15 304	17 149	20 405	24 566	28 589	
April	11 497	14 555	15 546	17 134	22 396	24 499	26 870	
May	11 613	14 145	15 011	19 038	21 399	24 354	27 717	
June	11 931	13 699	15 447	18 946	21 965	24 671	26 842	
July	11 716	14 164	16 460	19 036	21 979	25 685	26 944	
August	11 701	14 761	15 157	19 019	22 479	25 741	27 551	
September	11 216	14 692	15 821	19 676	22 522	25 895	25 547	
October	12 393	14 716	16 729	19 359	22 418	25 865	28 442	
November	12 218	15 051	16 851	19 678	23 152	25 803	28 216	
December	13 073	14 669	17 475	21 252	23 356	26 394	27 269	

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 convenience 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
	Totals	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
	Totals	109 240	60 842	28 094	45 958	67 232	17 345	328 709
2008	January	9 174	4 657	2 045	4 125	6 169	1 352	27 520

^{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	November 2006 to January 2007 (R million)	November 2007 to January 2008 (R million)	% change between November 2006 to January 2007 and November 2007 to January 2008
Motor trade sales	78 865	83 298	+5,6

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

Seasonally adjusted estimates	December 2007 (R million)	January 2008 (R million)	% change between December 2007 and January 2008	August to October 2007 (R million)	November 2007 to January 2008 (R million)	% change between August to October 2007 and November 2007 to January 2008
Motor trade sales	27 269	28 524	+4,6	81 541	84 010	+3,0

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 - <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 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 January 2008 was 82,1%. |
| 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 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 -
- *Bulletin of Statistics* issued quarterly.
 - *SA Statistics* 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
- | | |
|----------|---|
| 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.

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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