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# Statistical release

## P6343.2

# Motor trade sales (Preliminary)

## July 2014

The results published today are based on a new sample. This is an annual procedure which typically affects the level of sales at current prices. To avoid breaks in time series and to preserve historical growth rates, historical sales levels were revised (i.e. they were linked to the estimates based on the new sample).

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## Sales at current prices: results for July 2014

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

	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
Year-on-year % change, unadjusted	4,0	3,9	-0,9	-0,8	6,8	3,3
Month-on-month % change, seasonally adjusted	-0,1	-0,5	1,1	-0,7	2,6	0,9
3-month % change, seasonally adjusted 1/	-0,5	0,4	0,9	0,7	1,1	1,9

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 3,3% year-on-year in July 2014. The highest annual growth rates were recorded for fuel sales (7,3%), convenience store sales (6,0%) and workshop income (5,1%) – see Table 5.

Seasonally adjusted motor trade sales increased by 0,9% in July 2014 compared with June 2014. This followed month-on-month changes of 2,6% in June 2014 and -0,7% in May 2014.

Seasonally adjusted motor trade sales increased by 1,9% in the three months ended July 2014 compared with the previous three months.

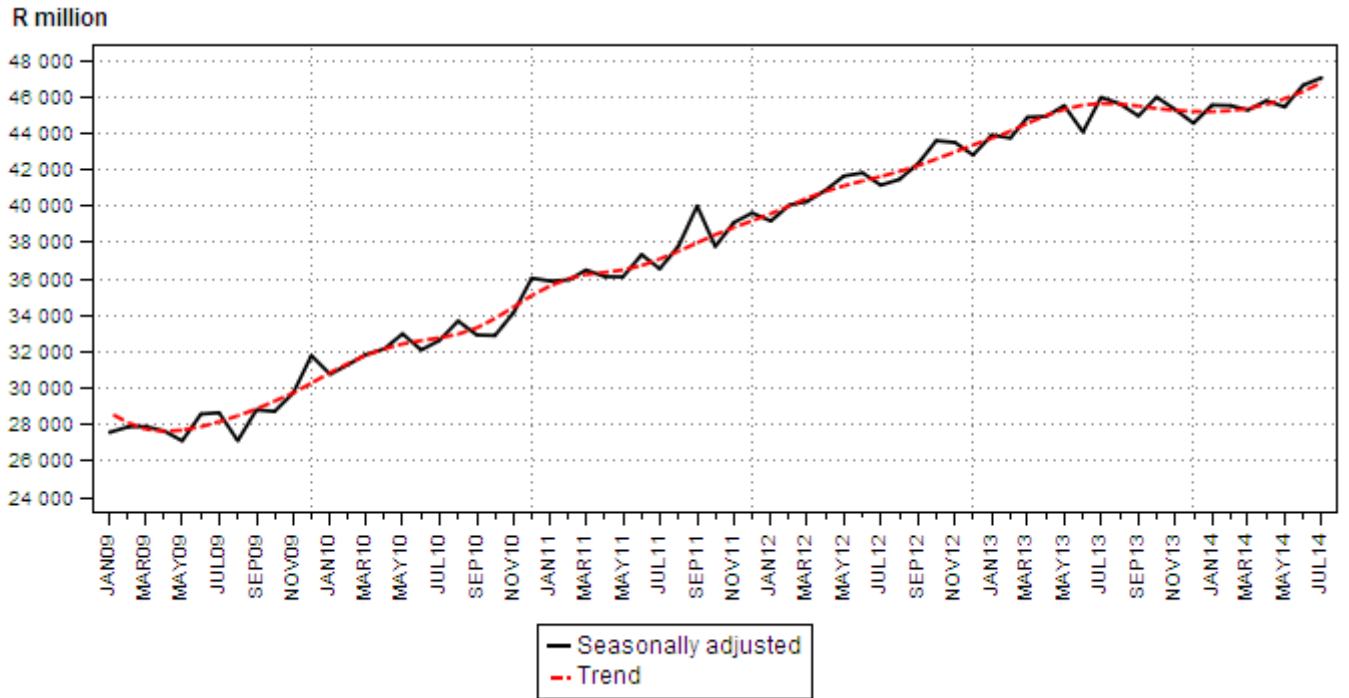
**Table B – Motor trade sales at current prices for the latest three months by type of activity**

Type of activity	May – Jul 2013 (R million)	Weight	May – Jul 2014 (R million)	% change between May – Jul 2013 and May – Jul 2014	Contribution (% points) to the total % change
New vehicle sales	40 979	30,0	39 698	-3,1	-0,9
Used vehicle sales	23 121	16,9	23 899	3,4	0,6
Workshop income	8 737	6,4	9 126	4,5	0,3
Income from the sales of accessories	22 941	16,8	23 825	3,9	0,7
Income from fuel sales	35 949	26,3	39 171	9,0	2,4
Income from convenience store sales 1/	4 820	3,5	4 943	2,6	0,1
<b>Total</b>	<b>136 546</b>	<b>100,0</b>	<b>140 662</b>	<b>3,0</b>	<b>3,0</b>

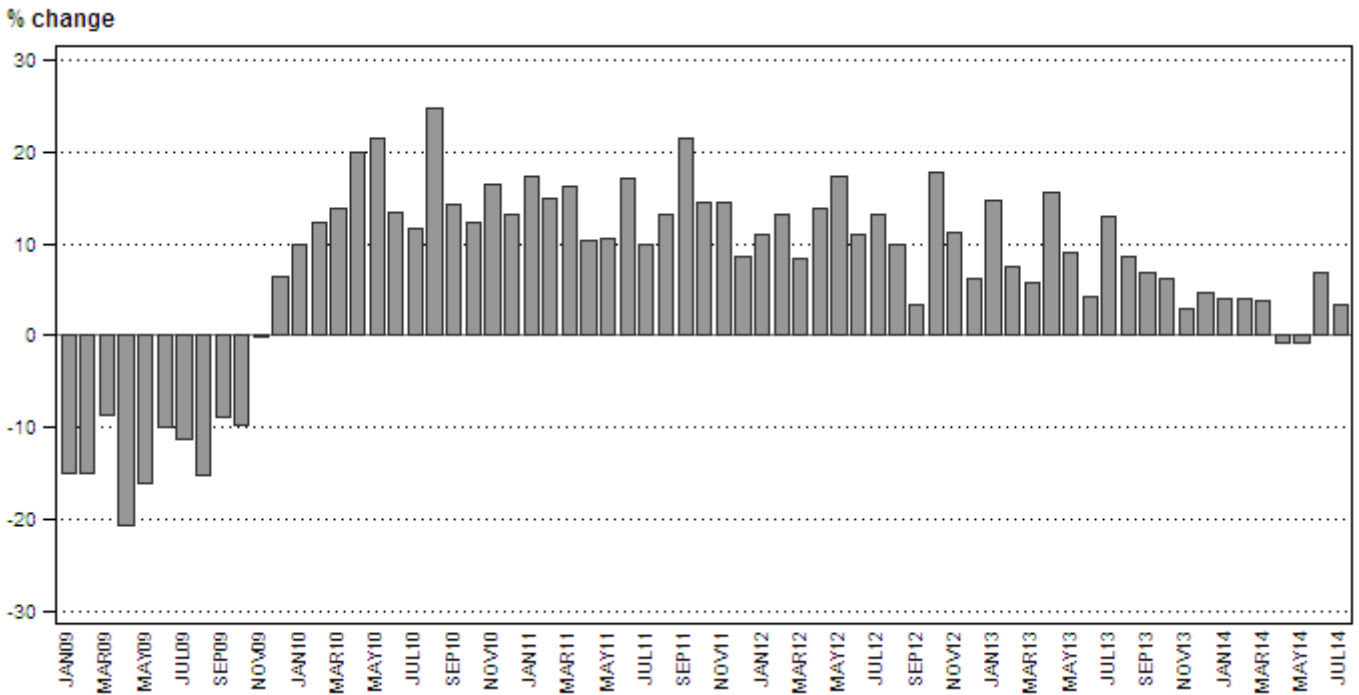
1/ Includes 'other' sales and trading income.

Motor trade sales increased by 3,0% in the three months ended July 2014 compared with the three months ended July 2013. The main contributor to this increase was fuel sales (9,0% and contributing 2,4 percentage points) – see Table B.

**Figure 1 – Motor trade sales at current prices**



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



**PJ Lehohla**  
**Statistician-General**

**Note: Changes to the monthly current indicator survey and the impact on the statistical series**

**Business register and samples**

Today Statistics South Africa (Stats SA) publishes results for the monthly survey of motor trade sales from a new sample drawn in April 2014, which replaces the previous sample that was drawn in April 2013. The sample was drawn from a business register of enterprises with an annual turnover of at least R1 626 197 and that are required to register with the South African Revenue Service (SARS) for value added tax.

Owing to the evolving nature of business, the business register is maintained on a continuous basis. The maintenance process is aimed, amongst other things, at capturing changes related to new businesses, ceased businesses, merged businesses and classification changes. In addition, Stats SA undertakes quality improvement surveys related to the business register, the primary objective of which is to capture up-to-date information about the structures and activities of large and complex businesses. This process enables Stats SA to review classification codes for these businesses. These changes are an essential part of the statistical architecture.

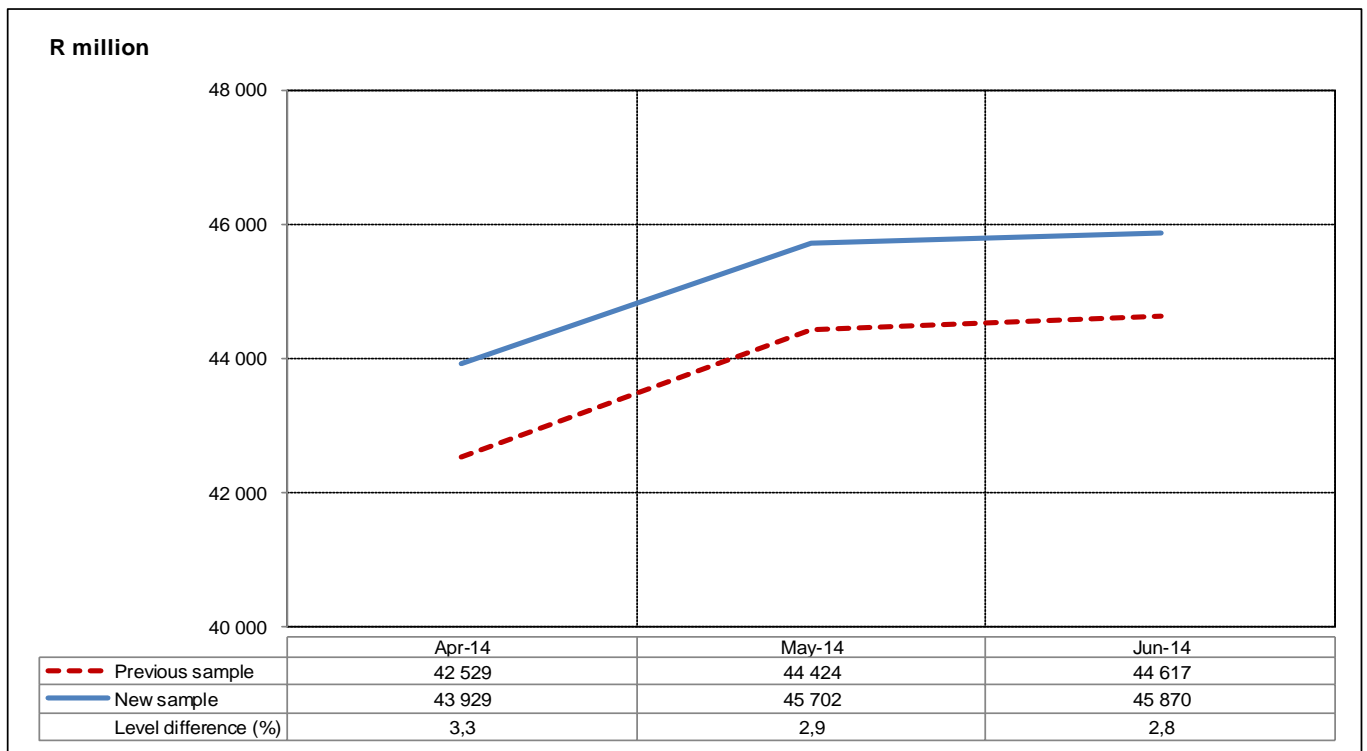
**Comparison of sales between the previous and new samples for the motor trade industry**

The reported level of total sales for the monthly survey of the motor trade industry for the months April to June 2014 based on the new sample was 3,0% higher than the level of total sales recorded for the previous sample (see Table C and Figure 3). The previous sample was drawn in April 2013 and was operational for the last half of 2013 and the first half of 2014.

**Table C – Total sales for previous and new samples for the motor trade sales industry: April to June 2014**

Motor trade industry	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (%)
	131 570	135 501	3 931	3,0

**Figure 3 – Total value of motor trade sales: monthly levels of previous and new samples for April to June 2014**



**Table D – Motor trade sales for the previous and new samples by type of activity: April to June 2014**

Type of activity	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (%) 1/
New vehicle sales	34 993	37 432	2 439	7,0
Used vehicle sales	23 307	23 078	-229	-1,0
Workshop income	8 028	8 779	751	9,4
Income from the sales of accessories	22 667	22 903	236	1,0
Income from fuel sales	37 317	38 385	1 068	2,9
Income from convenience store sales 1/	5 258	4 924	-334	-6,4
<b>Total</b>	<b>131 570</b>	<b>135 501</b>	<b>3 931</b>	<b>3,0</b>

1/ The percentage difference is the difference between the April to June 2014 sales as recorded in the new sample divided by the April to June 2014 sales as recorded in the previous sample, expressed as a percentage.

2/ Includes 'other' sales and trading income.

The largest percentage differences between the previous and new samples were in the following types of activities:

- workshop income (9,4% or R751 million);
- new vehicle sales (7,0% or R2 439 million); and
- convenience store sales (-6,4% or -R334 million).

**Backcasting**

In order to assist users of time series, the levels of the previous sample have been adjusted from January 1998 up to March 2014, using the ratio between the new and previous sample estimates for April to June 2014.

**Tables**

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

Month	2008	2009	2010	2011	2012	2013	2014 1/
Jan	30 822	26 191	28 819	33 826	37 539	43 041	44 770
Feb	31 772	27 009	30 332	34 851	39 437	42 414	44 117
Mar	31 937	29 162	33 176	38 553	41 804	44 249	45 965
Apr	32 064	25 442	30 514	33 647	38 288	44 312	43 929
May	31 979	26 792	32 528	35 974	42 217	46 059	45 702
Jun	31 034	27 966	31 707	37 117	41 199	42 943	45 870
Jul	34 159	30 306	33 829	37 188	42 073	47 544	49 090
Aug	32 631	27 640	34 497	39 063	42 912	46 647	
Sep	31 374	28 615	32 671	39 658	40 967	43 812	
Oct	32 882	29 666	33 336	38 201	44 982	47 756	
Nov	30 685	30 624	35 692	40 879	45 466	46 803	
Dec	29 353	31 226	35 302	38 291	40 619	42 530	
<b>Total</b>	<b>380 692</b>	<b>340 639</b>	<b>392 403</b>	<b>447 248</b>	<b>497 503</b>	<b>538 110</b>	

1/ Latest month is preliminary.

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

Month	2009	2010	2011	2012	2013	2014	2014 year-to-date
Jan	-15,0	10,0	17,4	11,0	14,7	4,0	4,0
Feb	-15,0	12,3	14,9	13,2	7,5	4,0	4,0
Mar	-8,7	13,8	16,2	8,4	5,8	3,9	4,0
Apr	-20,7	19,9	10,3	13,8	15,7	-0,9	2,7
May	-16,2	21,4	10,6	17,4	9,1	-0,8	2,0
Jun	-9,9	13,4	17,1	11,0	4,2	6,8	2,8
Jul	-11,3	11,6	9,9	13,1	13,0	3,3	2,9
Aug	-15,3	24,8	13,2	9,9	8,7		
Sep	-8,8	14,2	21,4	3,3	6,9		
Oct	-9,8	12,4	14,6	17,8	6,2		
Nov	-0,2	16,5	14,5	11,2	2,9		
Dec	6,4	13,1	8,5	6,1	4,7		
<b>Total</b>	<b>-10,5</b>	<b>15,2</b>	<b>14,0</b>	<b>11,2</b>	<b>8,2</b>		

**Table 3 – Seasonally adjusted motor trade sales at current prices**

Month	R million				Month-on-month % change			
	2011	2012	2013	2014	2011	2012	2013	2014
Jan	35 883	39 182	43 898	45 542	-0,4	-1,1	2,6	2,2
Feb	35 955	40 060	43 735	45 511	0,2	2,2	-0,4	-0,1
Mar	36 491	40 248	44 874	45 269	1,5	0,5	2,6	-0,5
Apr	36 129	40 877	44 925	45 782	-1,0	1,6	0,1	1,1
May	36 115	41 650	45 508	45 443	0,0	1,9	1,3	-0,7
Jun	37 335	41 821	44 067	46 636	3,4	0,4	-3,2	2,6
Jul	36 558	41 147	45 970	47 039	-2,1	-1,6	4,3	0,9
Aug	37 801	41 462	45 614		3,4	0,8	-0,8	
Sep	40 003	42 334	44 945		5,8	2,1	-1,5	
Oct	37 781	43 587	45 981		-5,6	3,0	2,3	
Nov	39 103	43 490	45 292		3,5	-0,2	-1,5	
Dec	39 619	42 800	44 548		1,3	-1,6	-1,6	

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

Type of activity	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14 1/
New vehicle sales	12 751	13 671	12 036	12 650	12 746	14 302
Used vehicle sales	7 078	7 467	7 436	7 814	7 828	8 257
Workshop income	2 945	2 914	2 853	2 998	2 928	3 200
Income from the sales of accessories	7 773	7 515	7 289	7 867	7 747	8 211
Income from fuel sales	12 000	12 744	12 649	12 780	12 956	13 435
Income from convenience store sales 2/	1 570	1 654	1 666	1 592	1 666	1 685
<b>Total</b>	<b>44 117</b>	<b>45 965</b>	<b>43 929</b>	<b>45 702</b>	<b>45 870</b>	<b>49 090</b>

1/ 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	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
New vehicle sales	-2,1	-0,3	-7,2	-8,7	1,2	-1,6
Used vehicle sales	-0,4	8,1	-0,8	-0,9	7,1	4,2
Workshop income	6,0	6,3	1,6	2,5	5,9	5,1
Income from the sales of accessories	7,5	4,9	-4,1	-0,4	9,0	3,5
Income from fuel sales	11,7	5,7	7,0	7,5	12,2	7,3
Income from convenience store sales 1/	3,2	-0,9	3,4	-1,0	2,7	6,0
<b>Total</b>	<b>4,0</b>	<b>3,9</b>	<b>-0,9</b>	<b>-0,8</b>	<b>6,8</b>	<b>3,3</b>

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	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
New vehicle sales	-0,6	-0,1	-2,1	-2,6	0,4	-0,5
Used vehicle sales	-0,1	1,3	-0,1	-0,2	1,2	0,7
Workshop income	0,4	0,4	0,1	0,2	0,4	0,3
Income from the sales of accessories	1,3	0,8	-0,7	-0,1	1,5	0,6
Income from fuel sales	3,0	1,6	1,9	1,9	3,3	1,9
Income from convenience store sales 1/	0,1	0,0	0,1	0,0	0,1	0,2
<b>Total</b>	<b>4,0</b>	<b>3,9</b>	<b>-0,9</b>	<b>-0,8</b>	<b>6,8</b>	<b>3,3</b>

1/ Includes 'other' sales and trading income.



## Survey information

<b>Introduction</b>	<p>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 2014 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.</p> <p>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.</p>
<b>Purpose of the survey</b>	<p>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.</p>
<b>Scope of the survey</b>	<p>4 The survey collects information from a sample of enterprises in South Africa that are predominantly involved in motor trade. These enterprises include:</p> <ul style="list-style-type: none"> <li>• motor vehicle dealers, filling stations and workshops;</li> <li>• motor cycle dealers;</li> <li>• spares and accessories;</li> <li>• tyre dealers;</li> <li>• automotive electricians;</li> <li>• radiator repairs;</li> <li>• panel beaters and spray painters;</li> <li>• 'other' specialised motor repair services; and</li> <li>• 'other' motor trade.</li> </ul>
<b>Classification</b>	<p>5 The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities</i> (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 <i>International Standard Industrial Classification of all Economic Activities</i> (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.</p>
<b>Collection rate</b>	<p>6 The preliminary collection rate for the survey on motor trade sales for July 2014 was 80,4%. The collection rate for June 2014 for the new sample was 84,3%.</p>
<b>Statistical unit</b>	<p>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.</p>
<b>Revised figures</b>	<p>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.</p>
<b>Related publications</b>	<p>9 Users may also refer to the following publications available from Stats SA:</p> <ul style="list-style-type: none"> <li>• <i>Bulletin of Statistics</i> issued quarterly;</li> <li>• <i>Stats in Brief</i> issued annually; and</li> <li>• <i>South African Statistics</i> issued annually.</li> </ul>

- 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:  
[http://beta2.statssa.gov.za/?page\\_id=1849](http://beta2.statssa.gov.za/?page_id=1849)
- Past publications**        12      Past motor trade releases are available on the Stats SA website. To access the releases electronically, use the following link:  
[http://beta2.statssa.gov.za/?page\\_id=1866&PPN=P6343.2&SCH=5722](http://beta2.statssa.gov.za/?page_id=1866&PPN=P6343.2&SCH=5722)

**Technical notes**

**Survey methodology and design**

- 1      The survey is conducted monthly. Questionnaires are sent to a sample of 853 enterprises from a population of 10 583 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 2014 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.

$$n_h = n * ( N_h * S_h ) / [ \sum ( N_i * S_i ) ].$$

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 4,0%.

**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	1 626 197	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.

<b>Seasonal adjustment</b>	<b>5</b>	<p>Seasonally adjusted estimates are generated each month using the X-12-ARIMA 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 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:</p> <p><a href="#">Click to Download Seasonal adjustment Motor Trade Sales June 2014</a></p>
<b>Trend cycle</b>	<b>6</b>	<p>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.</p>
<b>Reliability of estimates</b>	<b>7</b>	<p>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.</p>
	<b>8</b>	<p>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.</p>
<b>Month-on-month percentage change</b>	<b>9</b>	<p>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.</p>
<b>Year-on-year percentage change</b>	<b>10</b>	<p>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.</p>
<b>Contribution (percentage points)</b>	<b>11</b>	<p>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.</p>

## 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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Central Reference Library, Mbombela  
Central Reference Collection, Kimberley  
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

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