

Motor trade sales

March 2005

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Table A - Key figures as at the end of March 2005

Estimates	March 2005 R million	% change between March 2004 and March 2005	% change between January to March 2004 and January to March 2005
Motor trade sales	18 308	23,2	15,8

Seasonally adjusted estimates	March 2005 R million	% change between February and March 2005	% change between October to December 2004 and January to March 2005
Motor trade sales	18 756	5,9	-0,3

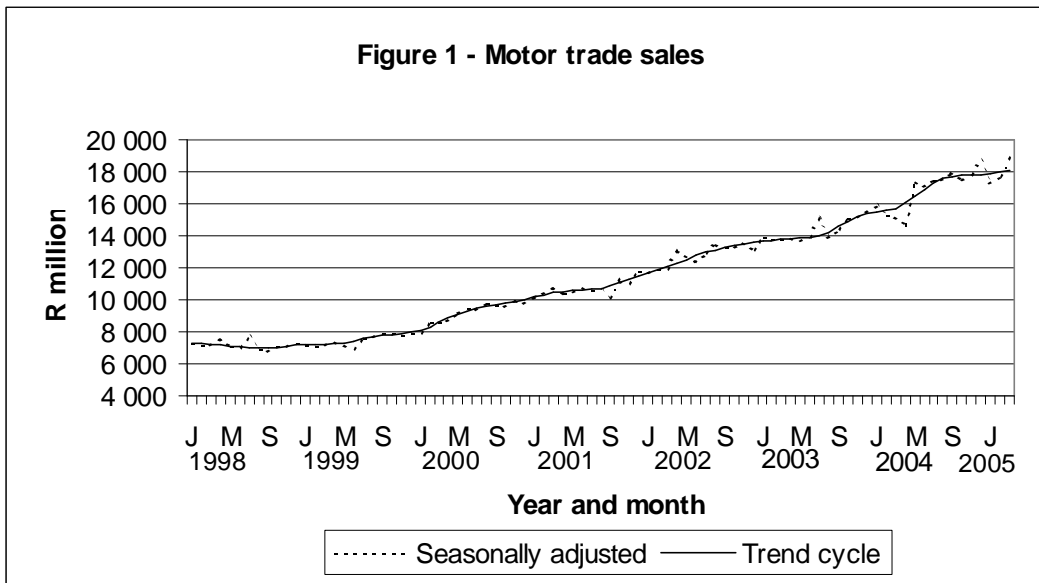
Key findings as at the end of March 2005

Motor trade sales increase

As indicated in table A, motor trade sales for the first quarter of 2005 increased by 15,8% compared with the first quarter of 2004. However, the seasonally adjusted motor trade sales for the first quarter of 2005 decreased by 0,3% compared with the previous quarter.

Motor trade sales for March 2005 increased by 23,2% compared with motor trade sales for March 2004.

Figure 1 below shows the seasonally adjusted and trend patterns for motor trade sales between January 1998 and March 2005. There was a steady upward movement until the end of 2004 and then it started levelling.



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Notes

Forthcoming issue	Issue	Expected release date
	April 2005	6 July 2005

Purpose of the survey 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.

Detailed results

Outlined below in tables 1 and 2 are details of the behaviour of motor trade sales over the period January 1998 to March 2005. Table 3 gives details of the behaviour of the seasonally adjusted motor trade sales over the same period.

Table 1 - Total motor trade sales (R million)

Month	1998	1999	2000	2001	2002	2003	2004	1/ 2005
January	6 890	6 791	7 569	9 835	11 447	13 774	15 806	17 245
February	7 357	7 233	8 744	10 536	11 886	13 719	14 979	17 296
March	7 345	7 335	8 674	10 780	11 775	13 566	14 865	18 308
April	7 135	6 925	8 095	9 628	12 128	12 904	13 586	
May	7 085	7 204	9 229	10 564	12 901	13 738	17 447	
June	7 114	6 965	9 485	10 760	12 310	13 811	16 850	
July	7 840	7 747	9 609	10 836	13 148	15 374	17 891	
August	7 123	7 894	10 031	10 876	13 719	14 137	17 813	
September	6 822	7 945	9 784	10 231	13 468	14 584	18 231	
October	7 278	8 046	9 797	11 461	13 630	15 488	17 955	
November	7 287	8 014	10 267	11 399	14 128	15 907	18 630	
December	7 139	7 791	9 629	11 603	13 061	15 533	18 792	
Total	86 415	89 890	110 913	128 509	153 601	172 535	202 845	

1/.Preliminary

Table 2 - Percentage change in total motor trade sales¹

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	-	-1,4	11,5	29,9	16,4	20,3	14,8	9,1
February	-	-1,7	20,9	20,5	12,8	15,4	9,2	15,5
March	-	-0,1	18,3	24,3	9,2	15,2	9,6	23,2
April	-	-2,9	16,9	18,9	26,0	6,4	5,3	
May	-	1,7	28,1	14,5	22,1	6,5	27,0	
June	-	-2,1	36,2	13,4	14,4	12,2	22,0	
July	-	-1,2	24,0	12,8	21,3	16,9	16,4	
August	-	10,8	27,1	8,4	26,1	3,0	26,0	
September	-	16,5	23,1	4,6	31,6	8,3	25,0	
October	-	10,6	21,8	17,0	18,9	13,6	15,9	
November	-	10,0	28,1	11,0	23,9	12,6	17,1	
December	-	9,1	23,6	20,5	12,6	18,9	21,0	
Total	-	4,0	23,4	15,9	19,5	12,3	17,6	

1/ The percentage change is the change in motor trade sales of the relevant year compared with motor trade sales of the previous year expressed as a percentage

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

Month	1998	1999	2000	2001	2002	2003	2004	2005
January	7 322	7 181	7 933	10 183	11 701	13 932	15 905	17 315
February	7 220	7 100	8 597	10 414	11 858	13 835	15 265	17 716
March	7 241	7 239	8 594	10 789	11 871	13 784	15 163	18 756
April	7 610	7 391	8 667	10 354	13 075	13 937	14 656	
May	7 097	7 198	9 205	10 513	12 838	13 681	17 388	
June	7 049	6 919	9 461	10 785	12 379	13 949	17 079	
July	7 656	7 577	9 415	10 628	12 887	15 051	17 491	
August	6 922	7 675	9 775	10 622	13 464	13 909	17 550	
September	6 809	7 927	9 735	10 150	13 322	14 401	17 981	
October	7 128	7 877	9 571	11 205	13 296	15 100	17 480	
November	7 136	7 837	9 999	11 035	13 606	15 247	17 820	
December	7 286	7 947	9 792	11 753	13 105	15 474	18 674	

Outlined below in tables 4.1 and 4.2 are the estimates and percentage changes in motor trade sales and seasonally adjusted estimates.

Table 4 - Estimates and percentage changes in total motor trade sales.

Table 4.1 - Quarterly estimates with percentage changes

Estimates	January to March 2004 R million	January to March 2005 R million	% change between January to March 2004 and January to March 2005
Motor trade sales	45 650	52 849	15,8

Table 4.2 - Seasonally adjusted estimates with monthly and quarterly percentage changes.

Seasonally adjusted estimates	February 2005 R million	March 2005 R million	% change between February and March 2005	October to December 2004 R million	January to March 2005 R million	% change between October to December 2004 and January to March 2005
Motor trade sales	17 716	18 756	5,9	53 974	53 787	-0,3

Explanatory notes

- | | | |
|--------------------------------------|---|--|
| Introduction | 1 | Statistics South Africa (Stats SA) conducts a monthly survey of the motor trade industry, covering motor enterprises (see 3 below). This survey is based on a sample drawn from the 2004 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT) and income tax. Motor trade sales exclude 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. |
| Scope of the survey | 3 | 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 | 4 | 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. |
| Statistical unit | 5 | 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 | 6 | The survey is conducted monthly. Questionnaires are sent to a sample of about 600 enterprises from a population of about 11 000 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. |
| | 7 | The value of sales is obtained monthly from the sample of about 600 enterprises, which was drawn in September 2004 from a population then of about 11 000 motor trade enterprises. The motor industry is divided into four size groups. The sample is drawn at the SIC two-digit level. All large enterprises (size group one), are completely enumerated. Simple random sampling is applied to size group two (medium sized) enterprises, and to size groups three and four (small) enterprises. The total value of sales of the large enterprises (size group one) in a division is added to the weighted totals of size groups two, three and four to reflect the total value of sales. |
| Weighting methodology | 8 | 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	9	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	10	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	11	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 industry in South Africa. Estimates are subject to sampling and non-sampling errors.																
	12	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	13	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	14	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	15	The figures in the tables have, where necessary, been rounded to the nearest digit shown.																
Symbols and abbreviations	16	<table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">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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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	Lower limits	Upper limits
Very small	0	4 000 000
Small	4 000 001	19 000 000
Medium	19 000 001	39 000 000
Large	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 January 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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