## Statistical release

# Motor trade sales (Preliminary) 

March 2008

## Embargoed until: <br> 15 May 2008 <br> 13:00

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| Forthcoming issue: | Expected release date |
| :--- | :--- |
| April 2008 | 19 June 2008 |

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## Summary findings: Motor trade sales

Table A - Key figures as at the end of March 2008

| Estimates | March 2008 (R million) | \% change <br> between <br> March 2007 and <br> March 2008 | \% change between January to March 2007 and January to March 2008 |  |
| :---: | :---: | :---: | :---: | :---: |
| Motor trade sales | 28651 | 1,3 |  | 4,7 |


| Seasonally adjusted estimates | March 2008 (R million) | \% change <br> between <br> February and <br> March 2008 | \% change between October to December 2007 and January to March 2008 |
| :---: | :---: | :---: | :---: |
| Motor trade sales | 28475 | -2,8 |  |

## Key findings as at the end of March 2008

Motor trade sales continue to slow down
Table A indicates that motor trade sales for the first quarter of 2008 increased by 4,7\% compared with the first quarter of 2007 mainly as a result of weak vehicle sales. This is lower than the $\mathbf{1 6 , 8 \%}$ increase reported for the first quarter of 2007 compared with the first quarter of 2006. The 4,7\% increase for the first quarter of 2008 compared with the first quarter of 2007 was positively influenced by the high fuel sales which contributed 4,9 percentage points - see table B below.

Motor trade sales for March 2008 increased by $1,3 \%$ compared with March 2007, while sales for the corresponding period of 2007 increased by $16,8 \%$.

Seasonally adjusted motor trade sales for the first quarter of 2008 increased by $2,9 \%$ compared with the fourth quarter of 2007.

As indicated in table B below, the major contributors to the $4,7 \%$ increase in motor trade sales for the three months ended March 2008 compared with the three months ended March 2007 were income from fuel sales (4,9 percentage points), and income from the sales of accessories ( 1,0 percentage point). New vehicle sales contributed negatively ( $-1,7$ percentage points) to the $4,7 \%$ increase in motor trade sales.

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

| Type of activity | January to March 2007 (R million) | Weight 1/ | January to March 2008 (R million) | Difference in sales between January to <br> March 2007 and January to <br> March 2008 (R million) | Percentage change between January to March 2007 and January to March 2008 | Contribution (percentage points) to the percentage change in total sales $2 /$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| New vehicle sales | 28984 | 35,7 | 27551 | -1433 | -4,9 | -1,7 |
| Used vehicle sales | 15120 | 18,6 | 14842 | -278 | -1,8 | -0,3 |
| Workshop income | 6908 | 8,5 | 7015 | 107 | 1,5 | 0,1 |
| Income from the sales of accessories | 11495 | 14,2 | 12269 | 774 | 6,7 | 1,0 |
| Income from fuel sales | 14709 | 18,1 | 18715 | 4006 | 27,2 | 4,9 |
| Income from convenience store sales | 3862 | 4,8 | 4471 | 609 | 15,8 | 0,8 |
| Total 3/ | 81079 | 100,0 | 84862 | 3783 | 4,7 | 4,7 |

[^0]Figure 1 below shows the seasonally adjusted and trend patterns for motor trade sales between January 2004 and March 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 <br> Statistician-General

Detailed results
Tables 1 and 2 show motor trade sales and percentage changes over the period January 2001 ï March 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 | 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| January | 10886 | 12671 | 15246 | 17496 | 19088 | 22163 | 26319 | 27679 |
| February | 11662 | 13157 | 15185 | 16580 | 19144 | 23053 | 26472 | 28532 |
| March | 11932 | 13034 | 15016 | 16803 | 20028 | 24229 | 28288 | 28651 |
| April | 10657 | 13424 | 14283 | 15699 | 20436 | 22263 | 24398 |  |
| May | 11692 | 14279 | 15207 | 19311 | 21793 | 24873 | 28386 |  |
| June | 11910 | 13626 | 15287 | 18652 | 21548 | 24160 | 26254 |  |
| July | 11994 | 14553 | 17017 | 19803 | 22965 | 26866 | 28187 |  |
| August | 12038 | 15185 | 15648 | 19716 | 23436 | 26937 | 28923 |  |
| September | 11325 | 14907 | 16142 | 20180 | 23241 | 26804 | 26492 |  |
| October | 12686 | 15086 | 17144 | 19874 | 23018 | 26589 | 29212 |  |
| November | 12617 | 15638 | 17606 | 20622 | 24317 | 27112 | 29636 |  |
| December | 12844 | 14457 | 17194 | 20802 | 22664 | 25434 | 26142 |  |
| Total | 142243 | 170017 | 190975 | 225538 | 261678 | 300483 | 328709 |  |

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 | 1,3 |
| 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 | 11295 | 12996 | 15556 | 17843 | 19562 | 22838 | 27274 | 28779 |
| February | 11546 | 13163 | 15399 | 17019 | 19770 | 23801 | 27251 | 29293 |
| March | 11954 | 13172 | 15301 | 17116 | 20338 | 24363 | 28259 | 28475 |
| April | 11498 | 14556 | 15546 | 17135 | 22401 | 24524 | 26914 |  |
| May | 11613 | 14144 | 15009 | 19035 | 21397 | 24371 | 27753 |  |
| June | 11931 | 13698 | 15446 | 18945 | 21966 | 24690 | 26880 |  |
| July | 11715 | 14161 | 16458 | 19035 | 21982 | 25709 | 26989 |  |
| August | 11704 | 14767 | 15165 | 19032 | 22498 | 25777 | 27599 |  |
| September | 11216 | 14692 | 15824 | 19694 | 22570 | 25984 | 25650 |  |
| October | 12393 | 14718 | 16734 | 19373 | 22457 | 25934 | 28525 |  |
| November | 12218 | 15052 | 16856 | 19695 | 23200 | 25887 | 28319 |  |
| December | 13074 | 14671 | 17480 | 21257 | 23374 | 26421 | 27298 |  |

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 income from 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 convenient store sales | Total 3/ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2006 | January | 8149 | 3878 | 1819 | 2888 | 4402 | 1027 | 22163 |
|  | February | 8640 | 4129 | 1984 | 3138 | 4178 | 984 | 23053 |
|  | March | 9018 | 4404 | 2100 | 3070 | 4439 | 1198 | 24229 |
|  | April | 7948 | 4111 | 1962 | 2857 | 4269 | 1116 | 22263 |
|  | May | 9059 | 4521 | 2240 | 3234 | 4699 | 1122 | 24873 |
|  | June | 8278 | 4696 | 2116 | 3131 | 4861 | 1079 | 24160 |
|  | July | 10116 | 4946 | 2214 | 3199 | 5127 | 1263 | 26866 |
|  | August | 9851 | 4899 | 2367 | 3249 | 5436 | 1135 | 26937 |
|  | September | 9710 | 5055 | 2481 | 3215 | 5080 | 1263 | 26804 |
|  | October | 9199 | 5057 | 2531 | 3646 | 4866 | 1289 | 26589 |
|  | November | 9520 | 5379 | 2548 | 3740 | 4732 | 1192 | 27112 |
|  | December | 8649 | 4363 | 2061 | 3327 | 5690 | 1344 | 25434 |
|  | Total | 108137 | 55438 | 26423 | 38694 | 57779 | 14012 | 300483 |
| 2007 | January | 9595 | 4727 | 2164 | 3669 | 4949 | 1214 | 26319 |
|  | February | 9217 | 5119 | 2391 | 3789 | 4716 | 1239 | 26472 |
|  | March | 10172 | 5274 | 2353 | 4037 | 5044 | 1409 | 28288 |
|  | April | 8048 | 4224 | 2097 | 3470 | 5195 | 1365 | 24398 |
|  | May | 9383 | 5441 | 2487 | 3995 | 5716 | 1365 | 28386 |
|  | June | 8240 | 4929 | 2340 | 3739 | 5658 | 1348 | 26254 |
|  | July | 9399 | 5263 | 2385 | 3901 | 5824 | 1415 | 28187 |
|  | August | 9784 | 5622 | 2394 | 3954 | 5728 | 1442 | 28923 |
|  | September | 8782 | 4740 | 2142 | 3667 | 5705 | 1456 | 26492 |
|  | October | 9415 | 5444 | 2498 | 4296 | 5960 | 1600 | 29212 |
|  | November | 9495 | 5708 | 2603 | 4145 | 5996 | 1687 | 29636 |
|  | December | 7710 | 4351 | 2240 | 3296 | 6741 | 1805 | 26142 |
|  | Total | 109240 | 60842 | 28094 | 45958 | 67232 | 17345 | 328709 |
| 2008 | January | 9013 | 4845 | 2209 | 4032 | 6235 | 1346 | 27679 |
|  | February | 9310 | 5049 | 2529 | 4202 | 5994 | 1448 | 28532 |
|  | March | 9228 | 4948 | 2277 | 4035 | 6486 | 1677 | 28651 |

[^1]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 | January to March 2007 (R million) | January to March 2008 (R million) | \% change between January to March 2007 and January to March 2008 |
| :---: | :---: | :---: | :---: |
| Motor trade sales | 81079 | 84862 | 4,7 |

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

| Seasonally adjusted estimates | February 2008 (R million) | March 2008 (R million) | \% change <br> between <br> February and <br> March 2008 | October to December 2007 (R million) | January to March 2008 (R million) | \% change between October to December 2007 and January to March 2008 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Motor trade sales | 29293 | 28475 | -2,8 | 84142 | 86547 | 2,9 |

## Explanatory notes

| Introduction 1 | Statistics South Africa (Stats SA) conducts a monthly survey covering enterprises of the <br> motor trade industry (see 3 below). This survey is based on a sample drawn from the <br> 2007 Business Sampling Frame (BSF) that contains businesses registered for value- <br> added tax (VAT). |
| :--- | :--- | :--- |
| 2 $\quad$As is usual, information for the latest month has had to be estimated for respondents <br> who have not reported by the cut-off date for production of results. These estimates will <br> be revised in future statistical releases when their reported information become <br> available. Motor trade sales estimates exclude value-added tax (VAT). |  |
| Purpose of the <br> survey | The results of the monthly motor trade sales survey are used to compile estimates of the <br> Gross Domestic Product (GDP) and its components, which are used in monitoring the <br> state of the economy and formulation of economic policy. These statistics are also used <br> in the analysis of comparative business and industry performance. |

Scope of the $4 \quad$| The survey collects information from a sample of enterprises in South Africa that are |
| :--- |
| predominantly involved in motor trade. These enterprises include - |

survey

- 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 March 2008 was 76,4\%.

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 | 8 | The survey is conducted monthly. Questionnaires are sent to a sample of 856 <br> enterprises from a population of about 10900 enterprises. Completed questionnaires |
| :--- | :--- | :--- |
| methodology | are required to be returned to Stats SA within 10 days after the end of the reference <br> month. Fax and telephone reminders are used to follow up non-responses. |  |
| and |  |  |
| design |  |  |

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 10900 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

Seasonal adjustment

## Reliability of estimates

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.

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.

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.

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 nonsampling 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.

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

## Rounding of figures

Symbols and abbreviations

16 Users may also wish to refer to the following publications available from Stats SA -

- Bulletin of Statistics issued quarterly.
- SA Statistics issued annually.

17 The figures in the tables have, where necessary, been rounded to the nearest digit shown.

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.

$$
\mathrm{n}_{\mathrm{h}}=\frac{\mathrm{N}_{\mathrm{h}} \mathrm{~S}_{\mathrm{h}}}{\sum \mathrm{~N}_{\mathrm{h}} \mathrm{~S}_{\mathrm{h}}}
$$

where $\mathrm{N}_{\mathrm{h}}$ and $\mathrm{S}_{\mathrm{h}}$ are the stratum population Sice ariu ue 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 <br> size | Size <br> group | Lower limits | Upper limits |
| :--- | :--- | :--- | :--- |
| Very small | 4 | 0 | 4000000 |
| Small | 3 | 4000001 | 19000000 |
| Medium | 2 | 19000001 | 39000000 |
| Large | 1 | 39000001 |  |

## Glossary

## Enterprise

Industry

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.

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).

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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Central Regional Library, Polokwane
Central Reference Library, Nelspruit
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho
Stats SA also provides a subscription service.

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| :--- | :--- |
| (012) $3104883 / 4885 / 8018$ (library) |  |

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[^0]:    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.

[^1]:    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.

