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Statistical release

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Motor trade sales (Preliminary)

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Sales at current prices: results for March 2014

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

	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
Year-on-year % change, unadjusted	4,6	1,3	2,8	3,4	3,5	2,9
Month-on-month % change, seasonally adjusted	1,0	-1,2	-3,7	4,8	0,1	-0,4
3-month % change, seasonally adjusted 1/	0,2	-0,6	-2,5	-2,0	-1,1	1,7

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 2,9% year-on-year in March 2014. The highest annual growth rates were recorded for used vehicle sales (7,5%), sales of accessories (5,7%) and fuel sales (4,5%) – see Table 5.

Seasonally adjusted motor trade sales decreased by 0,4% in March 2014 compared with February 2014. This followed month-on-month changes of 0,1% in February 2014 and 4,8% in January 2014.

Seasonally adjusted motor trade sales increased by 1,7% in the first quarter of 2014 compared with the previous quarter.

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

Type of activity	Jan – Mar 2013 (R million)	Weight	Jan – Mar 2014 (R million)	% change between Jan – Mar 2013 and Jan – Mar 2014	Contribution (% points) to the total % change
New vehicle sales	37 114	29,7	36 809	-0,8	-0,2
Used vehicle sales	21 049	16,8	21 248	0,9	0,2
Workshop income	7 556	6,0	7 843	3,8	0,2
Income from the sales of accessories	21 454	17,2	22 537	5,0	0,9
Income from fuel sales	32 539	26,0	35 266	8,4	2,2
Income from convenience store sales 1/	5 333	4,3	5 396	1,2	0,1
Total	125 045	100,0	129 100	3,2	3,2

1/ Includes 'other' sales and trading income.

Motor trade sales increased by 3,2% in the first quarter of 2014 compared with the first quarter of 2013. The major contributors to this increase were:

- fuel sales (8,4% and contributing 2,2 percentage points); and
- sales of accessories (5,0% and contributing 0,9 of a percentage point) – see Table B.

Figure 1 – Motor trade sales at current prices

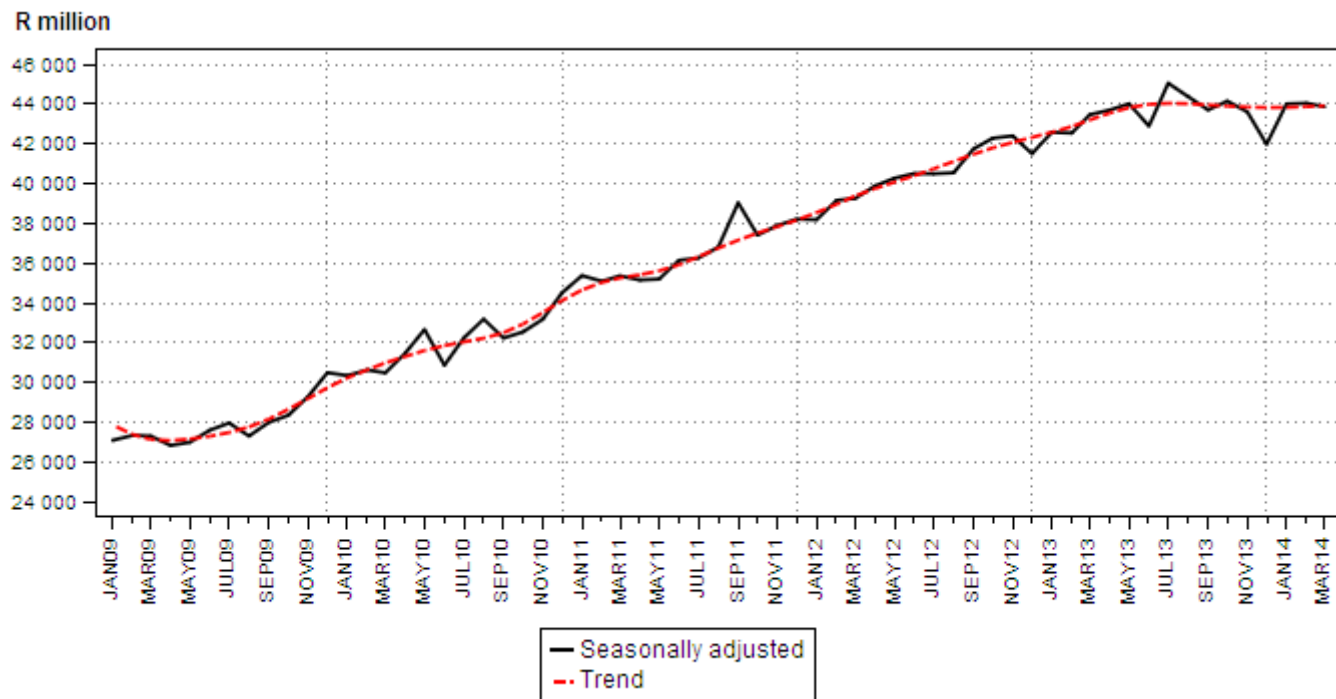
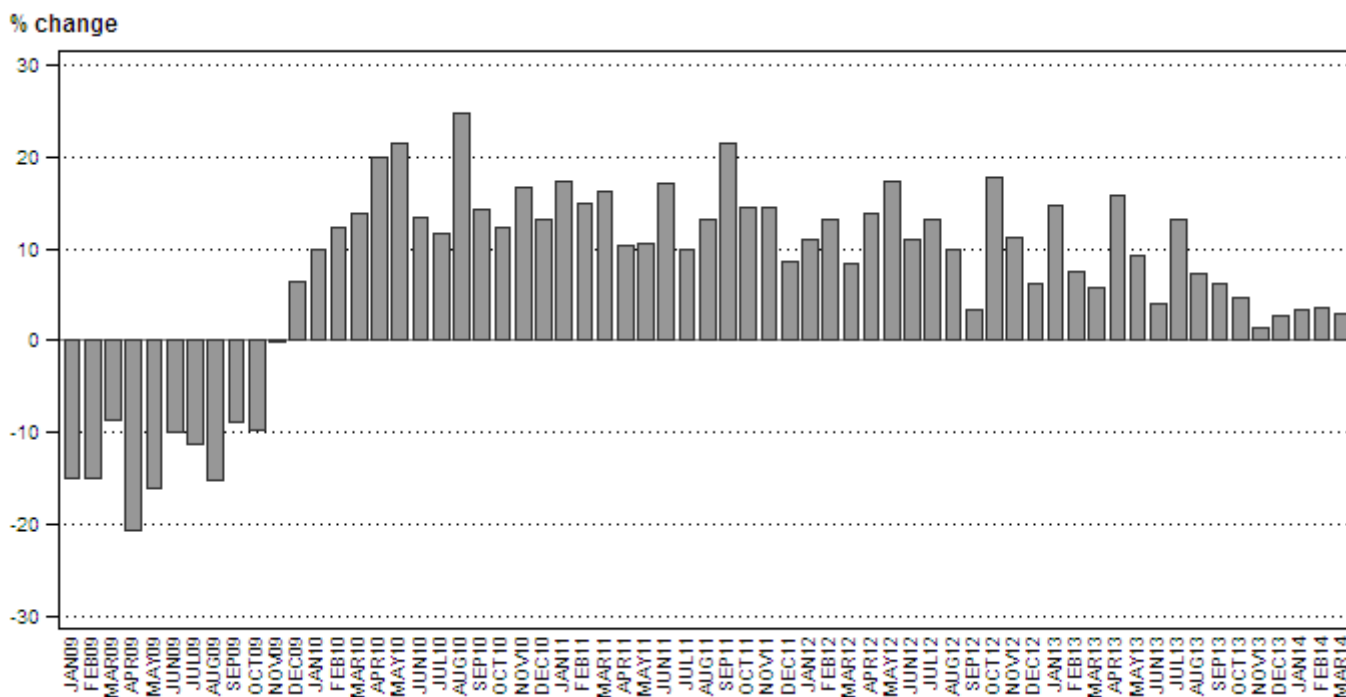


Figure 2 – Motor trade sales at current prices: year-on-year percentage change



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Tables

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

Month	2008	2009	2010	2011	2012	2013	2014 1/
Jan	29 715	25 250	27 784	32 611	36 190	41 495	42 890
Feb	30 630	26 039	29 243	33 599	38 021	40 891	42 316
Mar	30 790	28 114	31 984	37 168	40 302	42 659	43 894
Apr	30 912	24 528	29 418	32 438	36 913	42 738	
May	30 830	25 830	31 359	34 681	40 701	44 494	
Jun	29 920	26 962	30 567	35 783	39 719	41 293	
Jul	32 932	29 218	32 614	35 852	40 562	45 863	
Aug	31 459	26 648	33 257	37 660	41 370	44 442	
Sep	30 247	27 587	31 497	38 234	39 496	41 998	
Oct	31 701	28 600	32 138	36 829	43 367	45 362	
Nov	29 583	29 524	34 411	39 411	43 833	44 412	
Dec	28 299	30 104	34 034	36 916	39 160	40 259	
Total	367 018	328 404	378 306	431 182	479 634	515 906	

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	3,4	3,4
Feb	-15,0	12,3	14,9	13,2	7,5	3,5	3,4
Mar	-8,7	13,8	16,2	8,4	5,8	2,9	3,2
Apr	-20,7	19,9	10,3	13,8	15,8		
May	-16,2	21,4	10,6	17,4	9,3		
Jun	-9,9	13,4	17,1	11,0	4,0		
Jul	-11,3	11,6	9,9	13,1	13,1		
Aug	-15,3	24,8	13,2	9,9	7,4		
Sep	-8,8	14,2	21,4	3,3	6,3		
Oct	-9,8	12,4	14,6	17,8	4,6		
Nov	-0,2	16,6	14,5	11,2	1,3		
Dec	6,4	13,1	8,5	6,1	2,8		
Total	-10,5	15,2	14,0	11,2	7,6		

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	35 371	38 182	42 580	44 010	2,5	-0,1	2,6	4,8
Feb	35 084	39 154	42 543	44 040	-0,8	2,5	-0,1	0,1
Mar	35 358	39 255	43 465	43 869	0,8	0,3	2,2	-0,4
Apr	35 149	39 882	43 699		-0,6	1,6	0,5	
May	35 195	40 268	44 015		0,1	1,0	0,7	
Jun	36 141	40 505	42 895		2,7	0,6	-2,5	
Jul	36 251	40 496	45 049		0,3	0,0	5,0	
Aug	36 801	40 540	44 373		1,5	0,1	-1,5	
Sep	39 034	41 742	43 707		6,1	3,0	-1,5	
Oct	37 409	42 283	44 147		-4,2	1,3	1,0	
Nov	37 891	42 400	43 610		1,3	0,3	-1,2	
Dec	38 211	41 504	41 978		0,8	-2,1	-3,7	

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

Type of activity	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14 1/
New vehicle sales	12 603	12 236	10 598	12 135	12 016	12 658
Used vehicle sales	8 166	7 708	6 650	7 186	6 852	7 210
Workshop income	2 730	2 719	2 286	2 555	2 701	2 587
Income from the sales of accessories	7 819	7 679	6 236	7 456	7 589	7 492
Income from fuel sales	12 226	12 192	12 464	11 732	11 442	12 092
Income from convenience store sales 2/	1 817	1 878	2 026	1 826	1 715	1 855
Total	45 362	44 412	40 259	42 890	42 316	43 894

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	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
New vehicle sales	6,2	0,8	1,0	1,7	-2,1	-2,0
Used vehicle sales	1,4	-2,2	3,5	-3,5	-0,7	7,5
Workshop income	2,6	-1,2	4,9	3,9	5,3	2,2
Income from the sales of accessories	4,7	-0,6	2,9	3,4	6,1	5,7
Income from fuel sales	6,8	6,2	4,1	10,1	10,9	4,5
Income from convenience store sales 1/	-2,5	1,2	-0,5	1,8	1,4	0,3
Total	4,6	1,3	2,8	3,4	3,5	2,9

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	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
New vehicle sales	1,7	0,2	0,3	0,5	-0,6	-0,6
Used vehicle sales	0,3	-0,4	0,6	-0,6	-0,1	1,2
Workshop income	0,2	-0,1	0,3	0,2	0,3	0,1
Income from the sales of accessories	0,8	-0,1	0,4	0,6	1,1	0,9
Income from fuel sales	1,8	1,6	1,3	2,6	2,7	1,2
Income from convenience store sales 1/	-0,1	0,1	0,0	0,1	0,1	0,0
Total	4,6	1,3	2,8	3,4	3,5	2,9

1/ Includes 'other' sales and trading income.

Survey information

Introduction	<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 2013 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>
Purpose of the survey	<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>
Scope of the survey	<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"> • 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	<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>
Collection rate	<p>6 The preliminary collection rate for the survey on motor trade sales for March 2014 was 74,8%. The improved collection rate for February 2014 was 84,9%.</p>
Statistical unit	<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>
Revised figures	<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>
Related publications	<p>9 Users may also refer to the following publications available from Stats SA:</p> <ul style="list-style-type: none"> • <i>Bulletin of Statistics</i> issued quarterly; • <i>Stats in Brief</i> issued annually; and • <i>South African Statistics</i> issued annually.

- 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 webpage. To access the data electronically, use the following link:
http://beta2.statssa.gov.za/?page_id=1849
- Past publications** 12 Past motor trade releases are available on the Stats SA webpage. To access the releases electronically, use the following link:
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 about 850 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. Email, fax and telephone reminders are used to follow up on non-respondents.
- 2 A stratified random sample was drawn in April 2013 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.

$$n_h = \frac{N_h S_h}{\sum N_h S_h}$$

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 strata did not exceed 3,5%.

- 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	0	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.

Seasonal adjustment	5	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: http://www.statssa.gov.za/Publications/P63432/Seasonal_adjustment_motor_Jun13.pdf
Trend cycle	6	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.
Reliability of estimates	7	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.
	8	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.
Month-on-month percentage change	9	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.
Year-on-year percentage change	10	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.
Contribution (percentage points)	11	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.

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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