

# Motor trade sales

## May 2005

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**Table A - Key figures as at the end of May 2005**

Estimates	May 2005 R million	% change between May 2004 and May 2005	% change between March to May 2004 and March to May 2005	% change between January to May 2004 and January to May 2005
Motor trade sales	19 716	+13,0	+20,2	+17,0

Seasonally adjusted estimates	May 2005 R million	% change between April and May 2005	% change between December 2004 to February 2005 and March to May 2005
Motor trade sales	19 383	-1,5	+7,3

**Key findings as at the end of May 2005**

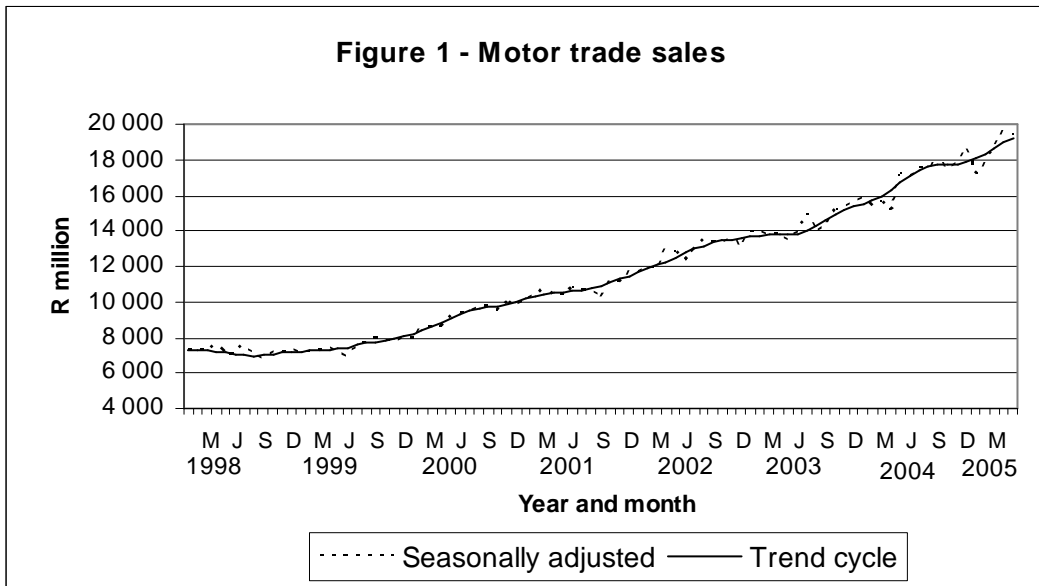
**Motor trade sales increase**

*As indicated in table A, motor trade sales for the three months up to May 2005 increased by 20,2% compared with the three months up to May 2004. Furthermore, seasonally adjusted motor trade sales for the three months up to May 2005 increased by 7,3% compared with the previous three months.*

Motor trade sales for May 2005 increased by 13,0% compared with motor trade sales for May 2004.

Motor trade sales for first five months of 2005 increased by 17,0% compared with motor trade sales for the first five months of 2004.

Figure 1 below shows the seasonally adjusted and trend patterns for motor trade sales between January 1998 and May 2005. There was an upward movement in the trend cycle from 1999 to date.



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**Notes**

<b>Forthcoming issue</b>	<b>Issue</b>	<b>Expected release date</b>
	June 2005	08 September 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 May 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	15 180	18 094
April	7 135	6 925	8 095	9 628	12 128	12 904	14 183	18 463
May	7 085	7 204	9 229	10 564	12 901	13 738	17 447	19 716
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	18 631	
December	7 139	7 791	9 629	11 603	13 061	15 533	18 793	
<b>Total</b>	<b>86 415</b>	<b>89 890</b>	<b>110 913</b>	<b>128 509</b>	<b>153 601</b>	<b>172 535</b>	<b>203 759</b>	

1/ Preliminary

**Table 2 - Percentage change in total motor trade sales 1/**

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	11,9	19,2
April	-	-2,9	16,9	18,9	26,0	6,4	9,9	30,2
May	-	1,7	28,1	14,5	22,1	6,5	27,0	13,0
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	
<b>Total</b>	-	<b>4,0</b>	<b>23,4</b>	<b>15,9</b>	<b>19,5</b>	<b>12,3</b>	<b>18,1</b>	

1/ The percentage change is the difference between motor trade sales of the relevant year and those 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	7 321	7 181	7 934	10 190	11 686	13 888	15 804	17 185
February	7 219	7 100	8 596	10 418	11 879	13 892	15 354	17 829
March	7 243	7 242	8 596	10 786	11 890	13 846	15 606	18 694
April	7 612	7 394	8 668	10 349	13 043	13 835	15 136	19 679
May	7 096	7 196	9 200	10 477	12 758	13 512	17 151	19 383
June	7 047	6 915	9 453	10 779	12 378	13 967	17 103	
July	7 655	7 576	9 416	10 636	12 906	15 092	17 544	
August	6 921	7 674	9 774	10 626	13 470	13 928	17 574	
September	6 810	7 929	9 738	10 155	13 331	14 420	18 008	
October	7 127	7 878	9 575	11 211	13 306	15 119	17 503	
November	7 136	7 839	10 005	11 045	13 625	15 270	17 844	
December	7 287	7 947	9 795	11 774	13 161	15 573	18 801	

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 and cumulative estimates and percentage changes**

Estimates	March to May 2004 R million	March to May 2005 R million	% change between March to May 2004 and March to May 2005	January to May 2004 R million	January to May 2005 R million	% change between January to May 2004 and January to May 2005
Motor trade sales	46 810	56 273	+20,2	77 595	90 814	+17,0

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

Seasonally adjusted estimates	April 2005 R million	May 2005 R million	% change between April and May 2005	December 2004 to February 2005 R million	March to May 2005 R million	% change between December 2004 to February 2005 and March to May 2005
Motor trade sales	19 679	19 383	-1,5	53 815	57 756	+7,3

**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 -
    - 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 *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.
- 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>.



<b>Seasonal adjustment</b>	<b>9</b>	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.																
<b>Trend cycle</b>	<b>10</b>	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.																
<b>Reliability of estimates</b>	<b>11</b>	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.																
	<b>12</b>	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.																
<b>Revised figures</b>	<b>13</b>	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.																
<b>Related publications</b>	<b>14</b>	Users may also wish to refer to the following publications available from Stats SA - <ul style="list-style-type: none"> <li>• <i>Bulletin of Statistics</i> issued quarterly.</li> <li>• <i>SA Statistics</i> issued annually.</li> </ul>																
<b>Rounding of figures</b>	<b>15</b>	The figures in the tables have, where necessary, been rounded to the nearest digit shown.																
<b>Symbols and abbreviations</b>	<b>16</b>	<table border="0"> <tr> <td>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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