



Motor trade sales

Preliminary: November 2005

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

Estimates	November 2005 R million	% change between November 2004 and November 2005	% change between September to November 2004 and September to November 2005	% change between January to November 2004 and January to November 2005
Motor trade sales	23 559	+17,0	+15,9	+16,6

Seasonally adjusted estimates	November 2005 R million	% change between October and November 2005	% change between June to August 2005 and September to November 2005
Motor trade sales	22 423	+2,1	+1,6

Key findings as at the end of November 2005

Motor trade sales increase

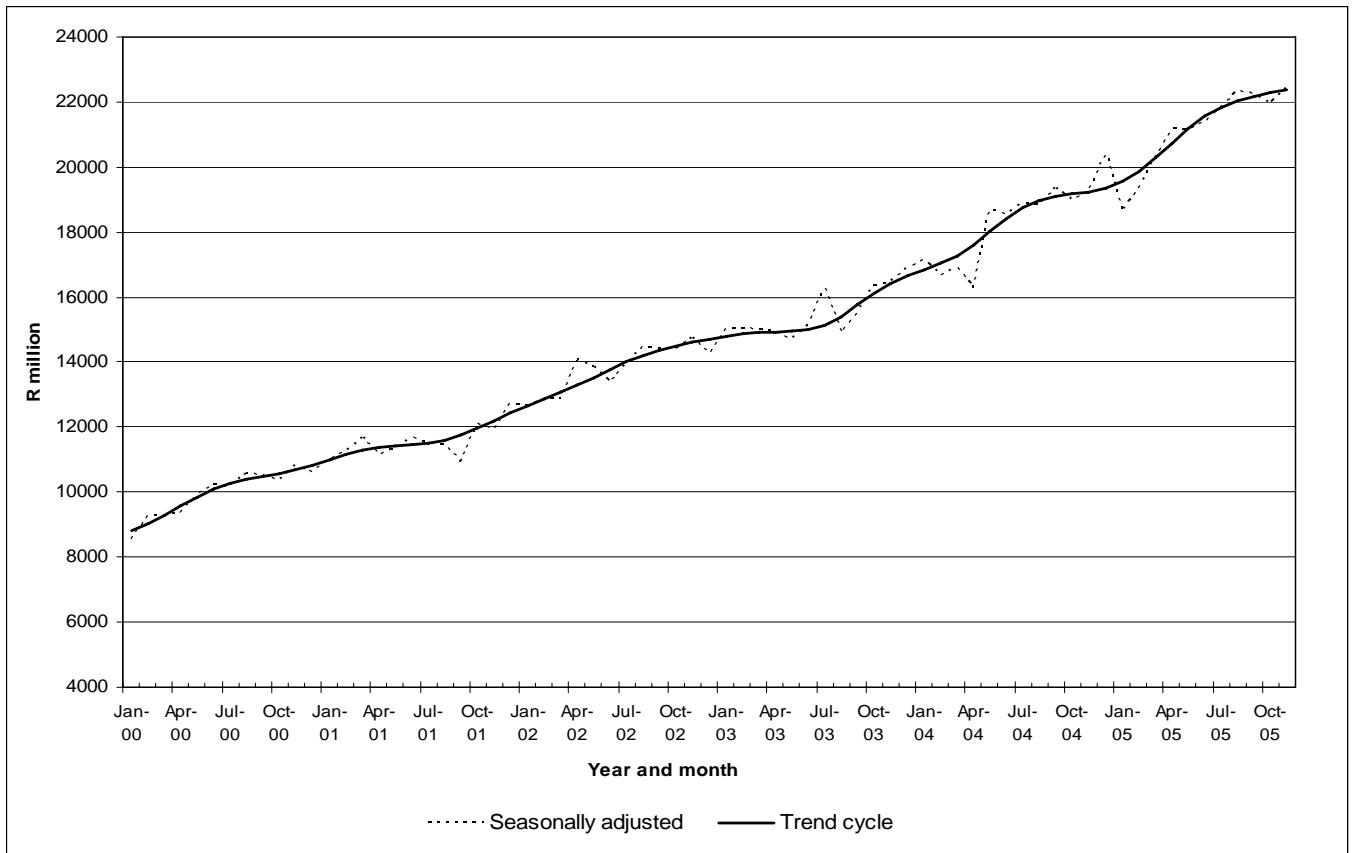
As indicated in table A, motor trade sales for the three months up to November 2005 increased by 15,9% compared with the three months up to November 2004. Furthermore, seasonally adjusted motor trade sales for the three months up to November 2005 increased by 1,6% compared with the three months up to August 2005.

Motor trade sales for November 2005 increased by 17,0% compared with motor trade sales for November 2004.

Motor trade sales for the first eleven months of 2005 increased by 16,6% compared with motor trade sales for the first eleven months of 2004.

Figure 1 below shows the seasonally adjusted and trend patterns for motor trade sales between January 2000 and November 2005. There has been an upward movement in the trend cycle through out the period shown.

Figure 1- Motor trade sales at current prices



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Notes

Forthcoming issue	Issue	Expected release date
	December 2005	09 March 2006

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.

Changes in the release as from September 2005 Statistics South Africa has introduced the estimate of motor trade sales by type of activities that include new vehicle sales, used vehicle sales, workshop, accessories and fuel income. As result of that please note that the breakdown of the estimate is only available from September 2005 onwards.

Detailed results

Tables 1 and 2 shows motor trade sales over the period of January 1998 to November 2005.

Table 3 shows 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	7 449	7 342	8 184	10 633	12 377	14 892	17 090	18 645
February	7 954	7 820	9 454	11 391	12 852	14 833	16 195	18 700
March	7 941	7 930	9 378	11 655	12 732	14 668	16 413	19 563
April	7 714	7 487	8 752	10 410	13 113	13 952	15 335	19 962
May	7 660	7 789	9 979	11 421	13 948	14 854	18 863	21 287
June	7 692	7 531	10 255	11 634	13 310	14 932	18 219	21 036
July	8 476	8 376	10 390	11 716	14 215	16 622	19 344	22 391
August	7 702	8 535	10 846	11 759	14 833	15 285	19 259	22 847
September	7 376	8 590	10 578	11 062	14 561	15 768	19 712	22 690
October	7 869	8 700	10 592	12 392	14 736	16 746	19 413	22 440
November	7 879	8 665	11 100	12 324	15 275	17 198	20 144	23 559
December	7 719	8 424	10 411	12 546	14 122	16 795	20 319	
Total	93 431	97 189	119 919	138 943	166 074	186 545	220 306	

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	12,9
June	-	-2,1	36,2	13,4	14,4	12,2	22,0	15,5
July	-	-1,2	24,0	12,8	21,3	16,9	16,4	15,8
August	-	10,8	27,1	8,4	26,1	3,0	26,0	18,6
September	-	16,5	23,1	4,6	31,6	8,3	25,0	15,1
October	-	10,6	21,7	17,0	18,9	13,6	15,9	15,6
November	-	10,0	28,1	11,0	23,9	12,6	17,1	17,0
December	-	9,1	23,6	20,5	12,6	18,9	21,0	
Total	-	4,0	23,4	15,9	19,5	12,3	18,1	

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	7 915	7 764	8 579	11 022	12 644	15 031	17 127	18 627
February	7 804	7 676	9 295	11 270	12 854	15 043	16 647	19 334
March	7 832	7 832	9 299	11 671	12 870	15 001	16 927	20 274
April	8 238	7 998	9 370	11 173	14 059	14 902	16 301	21 180
May	7 670	7 779	9 948	11 345	13 839	14 710	18 712	21 133
June	7 616	7 476	10 222	11 656	13 400	15 123	18 527	21 418
July	8 276	8 190	10 178	11 492	13 938	16 265	18 880	21 821
August	7 483	8 296	10 558	11 463	14 499	14 936	18 824	22 333
September	7 362	8 570	10 524	10 971	14 392	15 527	19 359	22 257
October	7 706	8 518	10 352	12 118	14 405	16 374	18 983	21 970
November	7 716	8 476	10 819	11 945	14 731	16 468	19 213	22 423
December	7 879	8 594	10 595	12 747	14 257	16 905	20 422	

Table 4 shows motor trade sales by type of activity. The main activities in the motor trade industry are sales of new cars followed by fuel sales.

Table 4 - Motor trade sales by type of activity (R million) , November 2005 1/

Month 2/	New vehicle sales	Used vehicle sales	Workshop income	Income from accessories	Income from fuel sales	Income from convenient store	Total 3/
September	8 456	4 005	1 808	2 763	4 447	1 210	22 690
October	7 913	3 979	1 808	3 020	4 677	1 043	22 440
November	8 833	4 191	1 551	3 136	4 599	1 249	23 559

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 the totals.

Table 5 – Estimates and percentage changes in total motor trade sales.

Tables 5.1 and 5.2 show the estimates and percentage changes in motor trade sales and seasonally adjusted estimates.

Table 5.1 - Quarterly and cumulative estimates and percentage changes

Estimates	September to November 2004 R million	September to November 2005 R million	% change between September to November 2004 and September to November 2005	January to November 2004 R million	January to November 2005 R million	% change between January to November 2004 and January to November 2005
Motor trade sales	59 269	68 689	+15,9	199 987	233 120	+16,6

Table 5.2 - Seasonally adjusted estimates with monthly and quarterly percentage changes.

Seasonally adjusted estimates	October 2005 R million	November 2005 R million	% change between October and November 2005	June to August 2005 R million	September to November 2005 R million	% change between June to August 2005 and September to November 2005
Motor trade sales	21 970	22 423	+2,1	65 572	66 650	+1,6

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 2005 Business Sampling Frame (BSF) that contains businesses registered for value-added tax (VAT) and income tax.
- 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. Publish motor trade sales estimates exclude value-added tax (VAT).
- 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 644 enterprises from a population of about 12 000 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 644 enterprises, which was drawn in August 2005 from a population then of about 12 000 motor trade enterprises. The motor industry is divided into four size groups. The sample is drawn at the SIC four-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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*	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.

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

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	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	

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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