Statistical release

P6343.2

Motor trade sales
(Preliminary)

November 2009

**Embargoed until:
20 January 2010
14:30**

Enquiries:	Forthcoming issue:	Expected release date
User Information Services (012) 310 8600	December 2009	17 February 2010

Contents

Summary of findings: Motor trade sales

Table A – Key figures as at the end of November 2009

Actual estimates	November 2009 (R million)	% change between November 2008 and November 2009	% change between September to November 2008 and September to November 2009	% change between January to November 2008 and January to November 2009
Motor trade sales	28 224	-2,8	-7,2	-12,2

Seasonally adjusted estimates	November 2009 (R million)	% change between October and November 2009	% change between June to August 2009 and September to November 2009
Motor trade sales	27 163	1,6	1,7

Key findings as at the end of November 2009

Actual motor trade sales estimates decrease

Table A indicates that the actual motor trade sales estimates for the three months ended November 2009 decreased by 7,2% compared with the three months ended November 2008. Sales for the corresponding period in 2008 decreased by 0,1%.

The major contributors to the decrease of 7,2% were new vehicle sales (-11,7% and contributing -3,0 percentage points) and fuel sales (-11,5% and also contributing -3,0 percentage points) - see Table B on page 3.

Motor trade sales for November 2009 decreased by 2,8% compared with November 2008, while sales for the corresponding period in 2008 decreased by 7,0% (see Table 2).

Seasonally adjusted motor trade sales increase

Seasonally adjusted motor trade sales for the three months ended November 2009 increased by 1,7% compared with the three months ended August 2009, while sales between October and November 2009 increased by 1,6% (see Table A).

Table B – Contribution of each type of activity to the percentage change in motor trade sales

Type of activity	September to November 2008 (R million)	Weight 1/	September to November 2009 (R million)	Difference in sales between September to November 2008 and September to November 2009 (R million)	Percentage change between September to November 2008 and September to November 2009	Contribution (percentage points) to the percentage change in total sales 2/
New vehicle sales	23 110	25,7	20 397	-2 713	-11,7	-3,0
Used vehicle sales	15 725	17,5	15 328	-397	-2,5	-0,4
Workshop income	6 800	7,6	6 554	-246	-3,6	-0,3
Income from the sales of accessories	15 175	16,9	15 610	435	2,9	0,5
Income from fuel sales	23 742	26,4	21 001	-2 741	-11,5	-3,0
Income from convenience store sales	5 281	5,9	4 483	-798	-15,1	-0,9
Total 3/	**89 834**	**100,0**	**83 370**	**-6 464**	**-7,2**	**-7,2**

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, divided by 100.
3/ The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and totals.

Figure 1 below shows the seasonally adjusted and trend patterns for motor trade sales between January 2005 and November 2009.

Figure 1 – Total motor trade sales
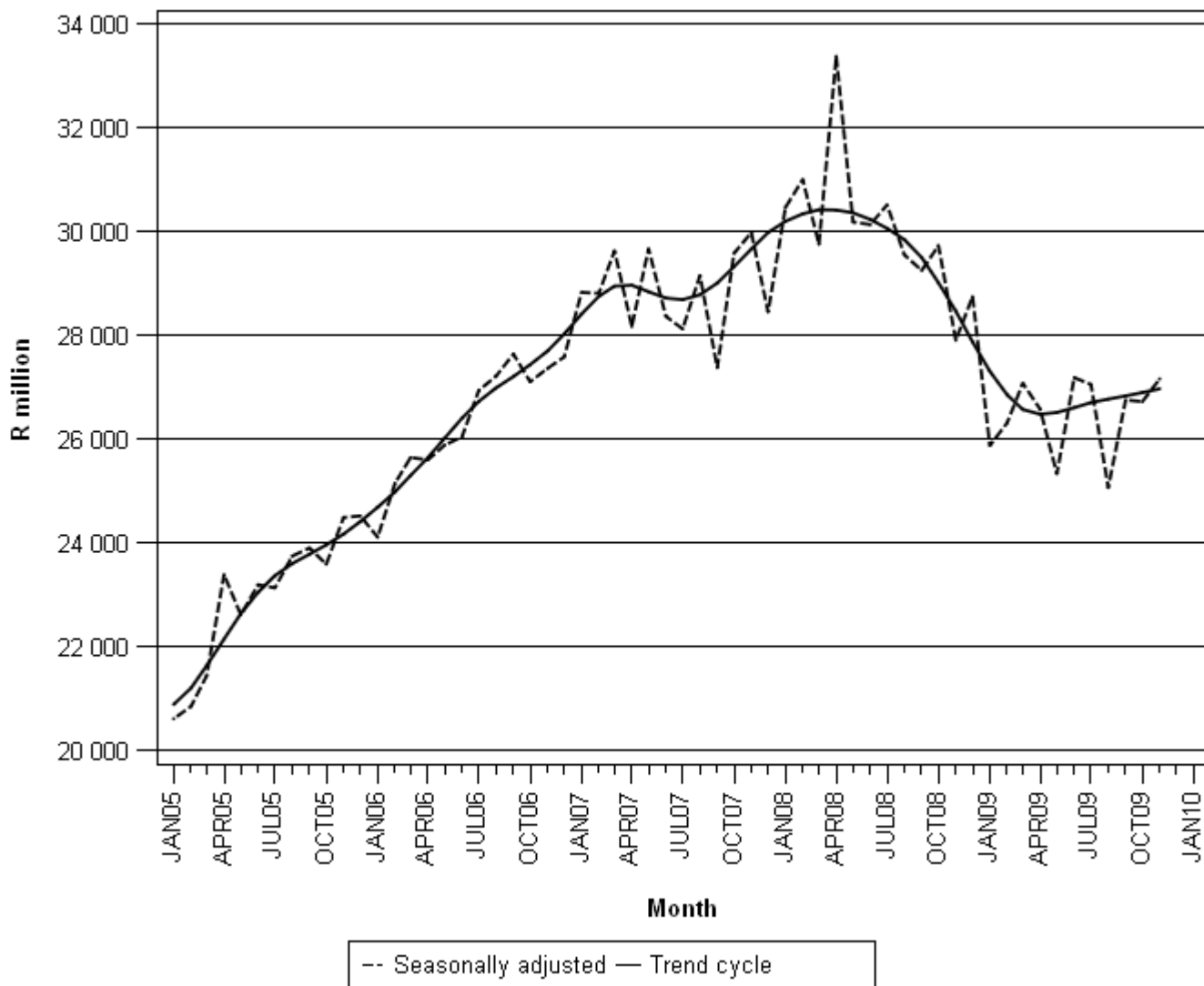
P J Lehohla
Statistician-General

Detailed results
Tables 1 and 2 show total motor trade sales and percentage changes over the period January 2002 –
November 2009. Table 3 shows seasonally adjusted total motor trade sales over the same period.

Table 1 – Total motor trade sales (R million)

Month	2002	2003	2004	2005	2006	2007	2008 [1]	2009 [1]
January	13 351	16 063	18 435	20 112	23 351	27 730	29 164	24 783
February	13 863	16 000	17 469	20 171	24 289	27 891	30 062	25 556
March	13 734	15 822	17 704	21 102	25 529	29 806	30 220	27 593
April	14 144	15 049	16 541	21 532	23 458	25 707	30 339	24 074
May	15 045	16 022	20 347	22 962	26 207	29 908	30 258	25 351
June	14 356	16 107	19 653	22 703	25 455	27 662	29 364	26 461
July	15 334	17 930	20 866	24 197	28 307	29 698	32 322	28 677
August	16 000	16 487	20 773	24 693	28 382	30 474	30 875	26 154
September	15 707	17 008	21 262	24 488	28 242	27 913	29 687	27 076
October	15 895	18 063	20 940	24 252	28 015	30 778	31 113	28 070
November	16 476	18 550	21 728	25 621	28 566	31 225	29 034	28 224
December	15 233	18 117	21 918	23 880	26 799	27 545	27 775	
Total	**179 138**	**201 218**	**237 636**	**275 713**	**316 600**	**346 337**	**360 213**	

1/ Preliminary.

Table 2 – Percentage change in total motor trade sales 1/

Month	2002	2003	2004	2005	2006	2007	2008	2009
January	-	20,3	14,8	9,1	16,1	18,8	5,2	-15,0
February	-	15,4	9,2	15,5	20,4	14,8	7,8	-15,0
March	-	15,2	11,9	19,2	21,0	16,8	1,4	-8,7
April	-	6,4	9,9	30,2	8,9	9,6	18,0	-20,6
May	-	6,5	27,0	12,9	14,1	14,1	1,2	-16,2
June	-	12,2	22,0	15,5	12,1	8,7	6,2	-9,9
July	-	16,9	16,4	16,0	17,0	4,9	8,8	-11,3
August	-	3,0	26,0	18,9	14,9	7,4	1,3	-15,3
September	-	8,3	25,0	15,2	15,3	-1,2	6,4	-8,8
October	-	13,6	15,9	15,8	15,5	9,9	1,1	-9,8
November	-	12,6	17,1	17,9	11,5	9,3	-7,0	-2,8
December	-	18,9	21,0	9,0	12,2	2,8	0,8	
Total	**-**	**12,3**	**18,1**	**16,0**	**14,8**	**9,4**	**4,0**	

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	2002	2003	2004	2005	2006	2007	2008	2009
January	13 695	16 391	18 803	20 606	24 109	28 832	30 469	25 877
February	13 877	16 239	17 948	20 845	25 148	28 814	31 010	26 317
March	13 890	16 138	18 053	21 439	25 646	29 633	29 762	27 079
April	15 259	16 252	17 888	23 387	25 601	28 174	33 385	26 579
May	14 901	15 814	20 064	22 610	25 885	29 673	30 190	25 332
June	14 437	16 288	19 982	23 192	26 045	28 370	30 141	27 187
July	14 919	17 344	20 061	23 131	26 940	28 127	30 520	27 056
August	15 582	16 005	20 083	23 744	27 216	29 156	29 556	25 066
September	15 487	16 685	20 793	23 902	27 643	27 381	29 256	26 756
October	15 516	17 645	20 421	23 587	27 108	29 585	29 734	26 725
November	15 871	17 775	20 760	24 489	27 365	29 986	27 909	27 163
December	15 468	18 429	22 377	24 520	27 587	28 456	28 748	

Table 4 shows motor trade sales by type of activity. The main income in the motor trade industry is derived from vehicle sales and 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 convenience store sales	Total 3/
2007	January	10 141	4 806	2 005	3 835	5 532	1 410	27 730
	February	9 759	5 215	2 220	3 967	5 282	1 449	27 891
	March	10 756	5 366	2 182	4 222	5 642	1 638	29 806
	April	8 485	4 284	1 939	3 619	5 793	1 588	25 707
	May	9 911	5 528	2 304	4 174	6 387	1 605	29 908
	June	8 695	5 003	2 166	3 903	6 315	1 581	27 662
	July	9 914	5 340	2 205	4 069	6 498	1 672	29 698
	August	10 325	5 708	2 216	4 127	6 394	1 704	30 474
	September	9 248	4 802	1 978	3 819	6 354	1 712	27 913
	October	9 926	5 522	2 309	4 479	6 646	1 897	30 778
	November	10 015	5 791	2 408	4 323	6 689	2 000	31 225
	December	8 089	4 391	2 061	3 420	7 480	2 103	27 545
	Total	**115 264**	**61 756**	**25 993**	**47 957**	**75 012**	**20 359**	**346 337**
2008	January	9 496	4 910	2 041	4 201	6 948	1 567	29 164
	February	9 819	5 123	2 339	4 383	6 687	1 711	30 062
	March	9 492	5 120	2 143	4 131	7 339	1 996	30 220
	April	9 269	4 840	2 374	4 994	7 363	1 499	30 339
	May	8 771	5 000	2 362	4 389	8 026	1 709	30 258
	June	8 156	4 474	2 328	4 450	8 397	1 558	29 364
	July	9 107	5 222	2 581	4 950	8 701	1 761	32 322
	August	8 193	5 243	2 223	4 573	8 912	1 732	30 875
	September	7 883	4 916	2 340	4 763	7 974	1 810	29 687
	October	7 997	5 544	2 358	5 492	7 947	1 774	31 113
	November	7 230	5 265	2 102	4 920	7 821	1 697	29 034
	December	6 530	5 007	2 084	4 329	7 807	2 018	27 775
	Total	**101 943**	**60 664**	**27 275**	**55 575**	**93 922**	**20 832**	**360 213**
2009	January	5 981	4 376	2 008	4 926	6 105	1 386	24 783
	February	6 328	4 843	2 310	4 916	5 952	1 208	25 556
	March	6 925	5 079	2 346	5 122	6 663	1 458	27 593
	April	4 801	4 296	2 283	4 679	6 579	1 435	24 074
	May	5 184	4 935	2 205	5 015	6 684	1 329	25 351
	June	6 145	4 857	2 263	5 153	6 738	1 306	26 461
	July	6 773	5 218	2 480	5 398	7 394	1 414	28 677
	August	6 044	4 454	2 285	4 943	7 068	1 360	26 154
	September	6 218	4 943	2 309	5 015	7 226	1 367	27 076
	October	6 779	5 213	2 290	5 357	6 959	1 473	28 070
	November	7 400	5 172	1 955	5 238	6 816	1 643	28 224

1/ The types of activities in motor trade refer to the enterprises classified within the motor trade industry and engaged in the activities mentioned above.
2/ 2008 and 2009 figures are preliminary.
3/ The figures have been rounded off. Therefore, discrepancies may occur between the sums of the component items and totals.

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

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

Table 5.1 – Quarterly and cumulative estimates and percentage changes

Actual estimates	September to November 2008 (R million)	September to November 2009 (R million)	% change between September to November 2008 and September to November 2009	January to November 2008 (R million)	January to November 2009 (R million)	% change between January to November 2008 and January to November 2009
Motor trade sales	89 834	83 370	-7,2	332 438	292 019	-12,2

Table 5.2 – Seasonally adjusted estimates with monthly and quarterly percentage changes

Seasonally adjusted estimates	October 2009 (R million)	November 2009 (R million)	% change between October and November 2009	June to August 2009 (R million)	September to November 2009 (R million)	% change between June to August 2009 and September to November 2009
Motor trade sales	26 725	27 163	1,6	79 309	80 644	1,7

Explanatory notes

Introduction **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 2009 Business Sampling Frame (BSF), that contains businesses registered for value added tax (VAT).

2 Information for the latest month is 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. Motor trade sales estimates exclude value added tax (VAT).

Purpose of the survey **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.

Scope of the survey **4** 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 **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. Each enterprise is classified to the industry which reflects its predominant activity. Statistics in this publication are presented at SIC group (four digits) level.

Response rate **6** The preliminary response rate for the survey on motor trade sales for November 2009 was 75,3%. The improved response rate for the survey on motor trade sales for October 2009 was 91,6%.

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 methodology and Design **8** The survey is conducted monthly. Questionnaires are sent to a sample of about 900 enterprises from a population of about 19 000 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.

9 The value of sales is obtained monthly from the sample of about 900 enterprises, which was drawn in April 2009 from a population then of about 19 000 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 small enterprises (size groups three and four). The total value of sales of the large and medium enterprises (size groups one and two) per classification group is added to the weighted totals of size groups three and four to reflect the total value of sales.

Weighting methodology	10	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 group 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	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.
Trend cycle	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.
Reliability of estimates	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 non-sampling 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.
Revised figures	15	Normally 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	16	Users may also wish to refer to the following publications available from Stats SA -
		• *Bulletin of Statistics* issued quarterly.
		• *SA Statistics issued annually.*
Rounding of figures	17	The figures in the tables have, where necessary, been rounded to the nearest digit shown.
Symbols and abbreviations	18	BR Business Register BSF Business Sampling Frame 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

A stratified random sample was drawn from the population of enterprises on Stats SA's business sampling frame (BSF). 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 strata did not exceed 5,6%.

Class limits

Enterprise size	Size group	Lower limits	Upper limits
Very small	4	0	4 000 000
Small	3	4 000 001	19 000 000
Medium	2	19 000 001	39 000 000
Large	1	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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