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Motor trade sales
(Preliminary)

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Sales at current prices: results for September 2016

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

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
Year-on-year % change, unadjusted	7,6	6,8	0,2	-1,4	3,9	0,0
Month-on-month % change, seasonally adjusted	3,7	0,2	-2,9	2,1	-3,8	1,6
3-month % change, seasonally adjusted 1/	1,8	1,5	2,3	0,4	-1,5	-1,8

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 showed no growth between September 2015 and September 2016. Used vehicle sales grew by 12,2% while new vehicle sales declined by 10,0% – see Table 5.

Seasonally adjusted motor trade sales increased by 1,6% in September 2016 compared with August 2016. This followed month-on-month changes of -3,8% in August 2016 and 2,1% in July 2016.

Seasonally adjusted motor trade sales decreased by 1,8% in the third quarter of 2016 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	Jul – Sep 2015 (R million)	Weight	Jul – Sep 2016 (R million)	% change between Jul – Sep 2015 and Jul – Sep 2016	Contribution (% points) to the total % change
New vehicle sales	41 522	27,5	38 344	-7,7	-2,1
Used vehicle sales	27 293	18,1	29 809	9,2	1,7
Workshop income	8 810	5,8	9 301	5,6	0,3
Income from the sales of accessories	27 562	18,2	29 582	7,3	1,3
Income from fuel sales	40 506	26,8	39 520	-2,4	-0,6
Income from convenience store sales 1/	5 478	3,6	5 768	5,3	0,2
Total	151 169	100,0	152 323	0,8	0,8

1/ Includes 'other' sales and trading income.

Motor trade sales increased by 0,8% in the third quarter of 2016 compared with the third quarter of 2015. The main contributors were:

- used vehicle sales (9,2% and contributing 1,7 percentage points);
- sales of accessories (7,3% and contributing 1,3 percentage points); and
- new vehicle sales (-7,7% and contributing -2,1 percentage points) – see Table B.

Figure 1 – Motor trade sales at current prices

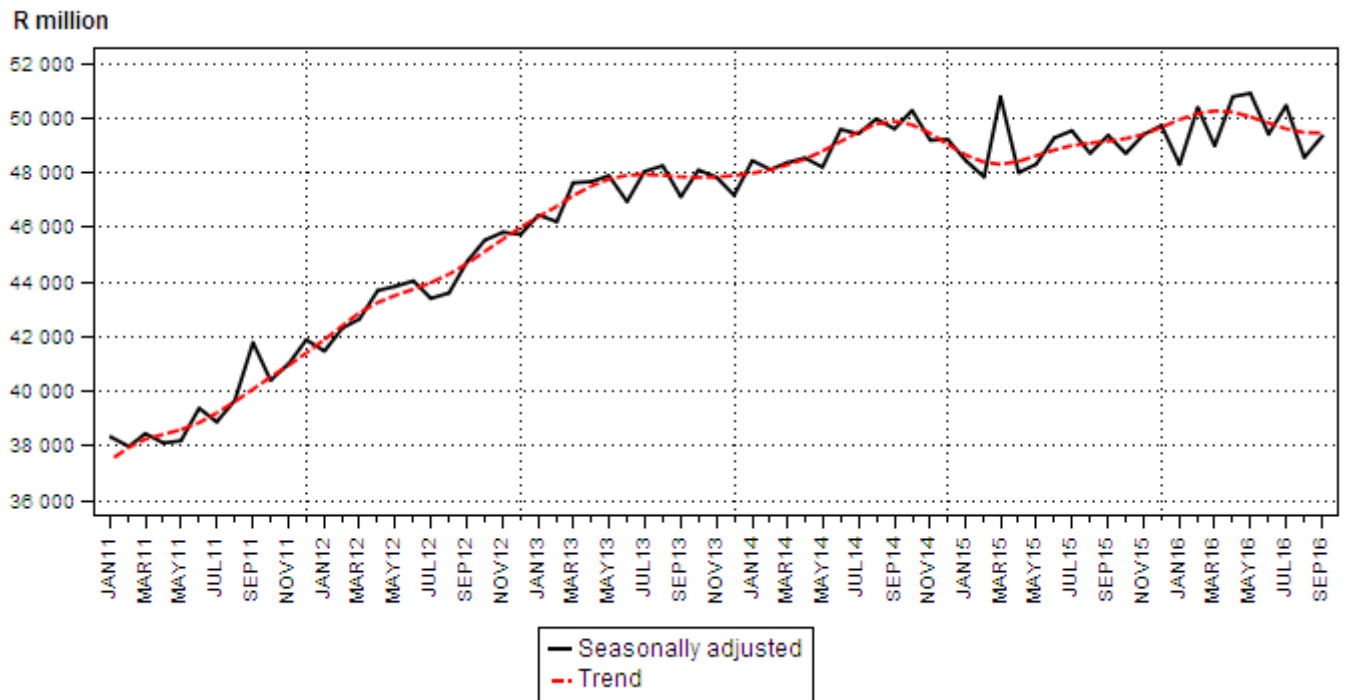
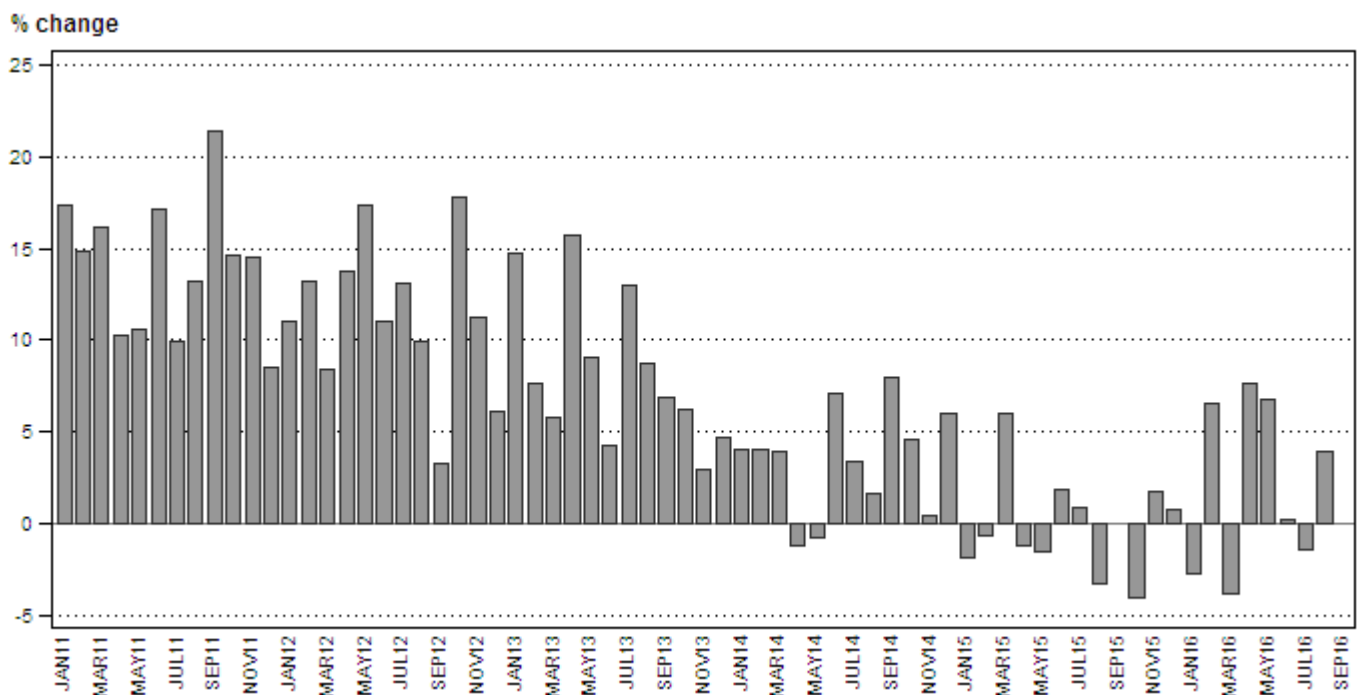


Figure 2 – Motor trade sales at current prices: year-on-year percentage change



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Tables

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

Month	2010	2011	2012	2013	2014	2015	2016 1/
Jan	30 521	35 823	39 755	45 582	47 413	46 530	45 212
Feb	32 123	36 909	41 765	44 919	46 721	46 392	49 391
Mar	35 135	40 829	44 272	46 861	48 680	51 611	49 595
Apr	32 316	35 634	40 549	46 929	46 378	45 825	49 328
May	34 448	38 097	44 709	48 778	48 403	47 629	50 867
Jun	33 579	39 308	43 632	45 478	48 720	49 618	49 734
Jul	35 827	39 383	44 557	50 351	52 065	52 544	51 798
Aug	36 534	41 369	45 446	49 402	50 172	48 537	50 428
Sep	34 599	42 000	43 386	46 398	50 097	50 088	50 097
Oct	35 305	40 456	47 638	50 575	52 910	50 719	
Nov	37 800	43 292	48 150	49 566	49 785	50 612	
Dec	37 386	40 552	43 018	45 041	47 751	48 092	
Total	415 573	473 652	526 877	569 880	589 095	588 197	

1/ Figures for latest month are preliminary.

Table 2 – Year-on-year percentage change in motor trade sales at current prices

Month	2011	2012	2013	2014	2015	2016	2016 year-to-date
Jan	17,4	11,0	14,7	4,0	-1,9	-2,8	-2,8
Feb	14,9	13,2	7,6	4,0	-0,7	6,5	1,8
Mar	16,2	8,4	5,8	3,9	6,0	-3,9	-0,2
Apr	10,3	13,8	15,7	-1,2	-1,2	7,6	1,7
May	10,6	17,4	9,1	-0,8	-1,6	6,8	2,7
Jun	17,1	11,0	4,2	7,1	1,8	0,2	2,3
Jul	9,9	13,1	13,0	3,4	0,9	-1,4	1,7
Aug	13,2	9,9	8,7	1,6	-3,3	3,9	2,0
Sep	21,4	3,3	6,9	8,0	0,0	0,0	1,7
Oct	14,6	17,8	6,2	4,6	-4,1		
Nov	14,5	11,2	2,9	0,4	1,7		
Dec	8,5	6,1	4,7	6,0	0,7		
Total	14,0	11,2	8,2	3,4	-0,2		

Table 3 – Seasonally adjusted motor trade sales at current prices

Month	R million				Month-on-month % change			
	2013	2014	2015	2016	2013	2014	2015	2016
Jan	46 447	48 440	48 435	48 298	1,5	2,7	-1,6	-2,9
Feb	46 205	48 111	47 840	50 380	-0,5	-0,7	-1,2	4,3
Mar	47 626	48 360	50 779	48 979	3,1	0,5	6,1	-2,8
Apr	47 670	48 536	48 001	50 778	0,1	0,4	-5,5	3,7
May	47 887	48 199	48 307	50 901	0,5	-0,7	0,6	0,2
Jun	46 940	49 582	49 272	49 402	-2,0	2,9	2,0	-2,9
Jul	48 045	49 419	49 535	50 454	2,4	-0,3	0,5	2,1
Aug	48 249	49 967	48 706	48 553	0,4	1,1	-1,7	-3,8
Sep	47 119	49 600	49 365	49 343	-2,3	-0,7	1,4	1,6
Oct	48 095	50 275	48 703		2,1	1,4	-1,3	
Nov	47 831	49 186	49 400		-0,5	-2,2	1,4	
Dec	47 171	49 212	49 722		-1,4	0,1	0,7	

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

Type of activity	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16 1/
New vehicle sales	13 042	13 044	12 363	12 929	12 722	12 693
Used vehicle sales	9 617	9 792	9 576	9 993	9 860	9 956
Workshop income	2 994	3 057	3 061	3 035	3 114	3 152
Income from the sales of accessories	9 820	10 203	9 965	9 746	9 925	9 911
Income from fuel sales	12 010	12 950	12 873	14 148	12 909	12 463
Income from convenience store sales 2/	1 844	1 821	1 897	1 948	1 898	1 922
Total	49 328	50 867	49 734	51 798	50 428	50 097

1/ Figures are 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	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
New vehicle sales	8,4	2,5	-9,7	-10,6	-1,9	-10,0
Used vehicle sales	18,2	16,8	13,1	2,4	13,8	12,2
Workshop income	13,2	9,8	5,2	0,4	11,1	5,6
Income from the sales of accessories	14,7	15,8	9,2	3,4	12,2	6,6
Income from fuel sales	-5,1	-1,5	-5,7	0,6	-4,0	-4,1
Income from convenience store sales 1/	2,7	2,4	7,2	7,3	4,5	4,2
Total	7,6	6,8	0,2	-1,4	3,9	0,0

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	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
New vehicle sales	2,2	0,7	-2,7	-2,9	-0,5	-2,8
Used vehicle sales	3,2	3,0	2,2	0,4	2,5	2,2
Workshop income	0,8	0,6	0,3	0,0	0,6	0,3
Income from the sales of accessories	2,7	2,9	1,7	0,6	2,2	1,2
Income from fuel sales	-1,4	-0,4	-1,6	0,2	-1,1	-1,1
Income from convenience store sales 1/	0,1	0,1	0,3	0,3	0,2	0,2
Total	7,6	6,8	0,2	-1,4	3,9	0,0

1/ Includes 'other' sales and trading income.

Survey information

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 Stats SA's 2016 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.
	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.
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: <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	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.
Collection rate	6	The preliminary collection rate for the survey on motor trade sales for September 2016 was 85,4%. The improved collection rate for August 2016 was 88,5%.
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 and service activities.
Revised figures	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.
Related publications	9	Users may also refer to the following publication available from Stats SA: <ul style="list-style-type: none">• <i>Stats in Brief</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 website. To access the data electronically, use the following link:
http://www.statssa.gov.za/?page_id=1849
- Past publications** 12 Past motor trade releases are available on the Stats SA website. To access the releases electronically, use the following link:
http://www.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 852 enterprises from a population of 10 788 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 2016 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.

$$n_h = n * (N_h * S_h) / [\sum (N_i * S_i)].$$

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 was 4,0%.

- 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	1 780 071	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. 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: Click to Download Seasonal adjustment Motor Trade Sales July 2016
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 Samplin 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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