

STATISTICAL RELEASE
P0043

**Statistics of liquidations and insolvencies
(Preliminary)**

March 2019

**Embargoed until:
23 April 2019
14:30**

ENQUIRIES:
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FORTHCOMING ISSUE:
April 2019

EXPECTED RELEASE DATE:
27 May 2019

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Liquidations: results for March 2019

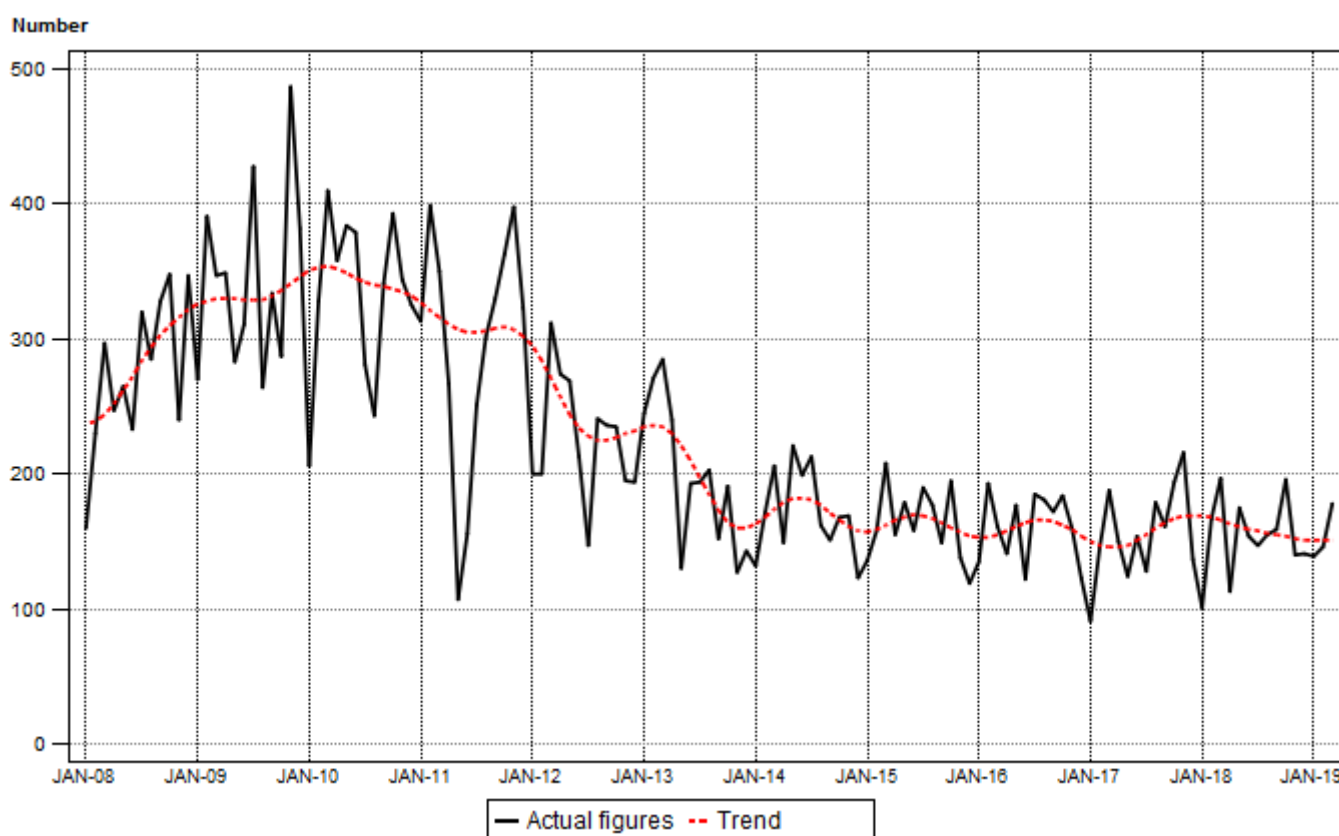
Table A – Number of liquidations

Number of liquidations March 2019	% change between March 2018 and March 2019	% change between January to March 2018 and January to March 2019
178	-9,6	-0,4

The total number of liquidations recorded decreased by 9,6% (19 fewer cases) in March 2019 compared with March 2018. Voluntary liquidations decreased by 14 cases, while compulsory liquidations decreased by 5 cases.

The total number of liquidations decreased by 0,4% in the first quarter of 2019 compared with the first quarter of 2018.

Figure 1 – Number of liquidations



Insolvencies: results for February 2019

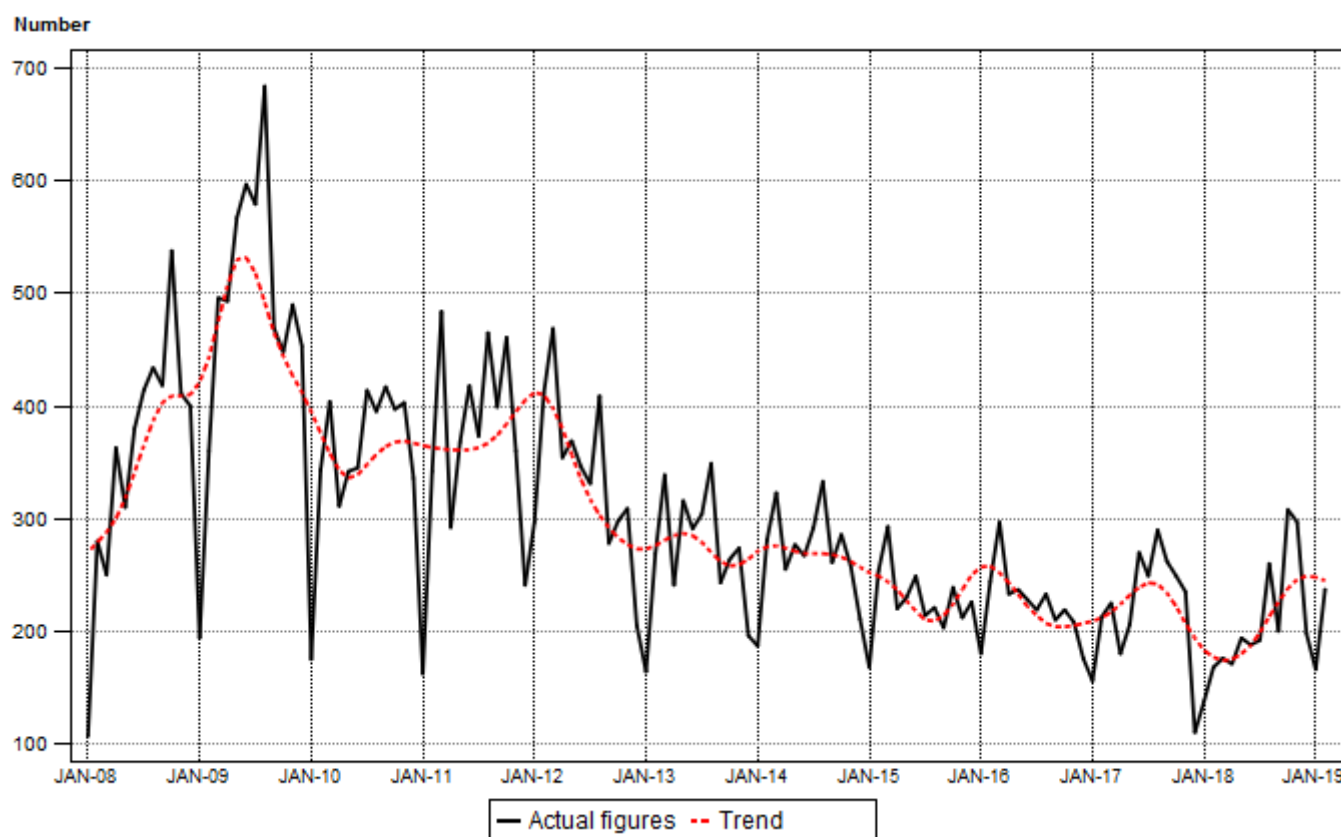
Table B – Number of insolvencies

Number of insolvencies February 2019	% change between February 2018 and February 2019	% change between December 2017 to February 2018 and December 2018 to February 2019	% change between January to February 2018 and January to February 2019
237	41,1	44,5	31,7

The estimated number of insolvencies increased by 41,1% in February 2019 compared with February 2018. A 44,5% increase was estimated in the three months ended February 2019 compared with the three months ended February 2018.

Seasonally adjusted insolvencies increased by 10,5% in February 2019 compared with January 2019. This followed month-on-month changes of -12,4% in January 2019 and -3,1% in December 2018 – see Table 6.

Figure 2 – Number of insolvencies



Risenga Maluleke
Statistician-General

Tables

Table 1 – Total liquidations according to industry (number)

Industry	January - March 2019			March 2018			February 2019			March 2019		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	2	1	3	0	1	1	0	0	0	0	0	0
2.Mining and quarrying	1	3	4	1	2	3	1	1	2	0	2	2
3.Manufacturing	1	22	23	0	10	10	0	4	4	0	13	13
4.Electricity, gas and water	0	4	4	0	0	0	0	1	1	0	3	3
5.Construction	3	18	21	0	9	9	0	3	3	0	6	6
6.Trade, catering and accommodation	10	101	111	5	45	50	5	32	37	2	38	40
7.Transport, storage, communication	0	7	7	0	7	7	0	4	4	0	2	2
8.Financing, insurance, real estate, business services	11	143	154	8	54	62	5	51	56	3	50	53
9.Community, social, personal services	3	25	28	1	13	14	0	9	9	3	10	13
10.Unclassified	10	98	108	0	41	41	3	27	30	2	44	46
Total number of liquidations	41	422	463	15	182	197	14	132	146	10	168	178

Table 1.1 – Liquidations of companies according to industry (number)

Industry	January - March 2019			March 2018			February 2019			March 2019		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	0	0	0	0	1	1	0	0	0	0	0	0
2.Mining and quarrying	0	3	3	0	2	2	0	1	1	0	2	2
3.Manufacturing	1	5	6	0	2	2	0	2	2	0	3	3
4.Electricity, gas and water	0	0	0	0	0	0	0	0	0	0	0	0
5.Construction	0	6	6	0	2	2	0	1	1	0	1	1
6.Trade, catering and accommodation	2	40	42	3	19	22	0	12	12	1	20	21
7.Transport, storage, communication	0	4	4	0	3	3	0	2	2	0	2	2
8.Financing, insurance, real estate, business services	8	78	86	2	26	28	4	29	33	3	26	29
9.Community, social, personal services	0	4	4	0	2	2	0	1	1	0	3	3
10.Unclassified	9	78	87	0	30	30	3	23	26	1	34	35
Total number of liquidations	20	218	238	5	87	92	7	71	78	5	91	96

Table 1.2 – Liquidations of close corporations according to industry (number)

Industry	January - March 2019			March 2018			February 2019			March 2019		
	C	V	Total	C	V	Total	C	V	Total	C	V	Total
1.Agriculture, hunting, forestry and fishing	2	1	3	0	0	0	0	0	0	0	0	0
2.Mining and quarrying	1	0	1	1	0	1	1	0	1	0	0	0
3.Manufacturing	0	17	17	0	8	8	0	2	2	0	10	10
4.Electricity, gas and water	0	4	4	0	0	0	0	1	1	0	3	3
5.Construction	3	12	15	0	7	7	0	2	2	0	5	5
6.Trade, catering and accommodation	8	61	69	2	26	28	5	20	25	1	18	19
7.Transport, storage, communication	0	3	3	0	4	4	0	2	2	0	0	0
8.Financing, insurance, real estate, business services	3	65	68	6	28	34	1	22	23	0	24	24
9.Community, social, personal services	3	21	24	1	11	12	0	8	8	3	7	10
10.Unclassified	1	20	21	0	11	11	0	4	4	1	10	11
Total number of liquidations	21	204	225	10	95	105	7	61	68	5	77	82

C = Compulsory.

V = Voluntary.

Table 2 – Total liquidations (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	245	132	136	135	91	101	139
February	271	171	158	193	146	167	146
March	285	206	208	161	188	197	178
April	240	149	155	141	150	113	
May	130	221	179	177	124	175	
June	193	199	158	122	154	154	
July	194	213	190	185	128	147	
August	203	162	177	181	179	155	
September	152	151	149	172	161	159	
October	191	168	195	184	194	196	
November	127	169	138	160	216	140	
December	143	123	119	123	137	141	
Total	2 374	2 064	1 962	1 934	1 868	1 845	

Table 2.1 – Compulsory liquidations (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	3	22	13	16	6	11	17
February	26	12	22	13	13	26	14
March	53	18	39	14	14	15	10
April	17	35	7	24	4	16	
May	9	29	20	14	15	8	
June	16	89	29	10	17	11	
July	18	47	34	25	10	17	
August	19	25	23	9	21	23	
September	13	20	15	29	45	39	
October	9	33	14	20	32	17	
November	4	23	12	14	23	9	
December	24	13	10	12	11	7	
Total	211	366	238	200	211	199	

Table 2.2 – Voluntary liquidations (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	242	110	123	119	85	90	122
February	245	159	136	180	133	141	132
March	232	188	169	147	174	182	168
April	223	114	148	117	146	97	
May	121	192	159	163	109	167	
June	177	110	129	112	137	143	
July	176	166	156	160	118	130	
August	184	137	154	172	158	132	
September	139	131	134	143	116	120	
October	182	135	181	164	162	179	
November	123	146	126	146	193	131	
December	119	110	109	111	126	134	
Total	2 163	1 698	1 724	1 734	1 657	1 646	

Table 3 – Total liquidations of companies (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	121	74	79	66	42	67	64
February	123	87	80	100	81	94	78
March	147	89	101	78	80	92	96
April	104	78	70	80	73	64	
May	56	108	87	96	56	109	
June	96	104	90	65	84	74	
July	92	109	93	108	62	77	
August	97	86	87	97	94	68	
September	82	75	79	85	85	65	
October	100	78	88	98	106	102	
November	55	75	59	72	107	71	
December	75	65	56	67	88	89	
Total	1 148	1 028	969	1 012	958	972	

Table 3.1 – Compulsory liquidations of companies (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	3	16	9	9	3	5	8
February	5	7	16	9	12	22	7
March	32	6	18	6	6	5	5
April	10	24	5	17	3	14	
May	7	20	16	9	5	5	
June	11	54	22	4	11	8	
July	9	26	21	9	4	9	
August	11	20	12	6	14	15	
September	9	13	3	17	25	22	
October	4	22	8	13	23	11	
November	2	6	7	6	9	8	
December	14	8	3	8	8	4	
Total	117	222	140	113	123	128	

Table 3.2 – Voluntary liquidations of companies (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	118	58	70	57	39	62	56
February	118	80	64	91	69	72	71
March	115	83	83	72	74	87	91
April	94	54	65	63	70	50	
May	49	88	71	87	51	104	
June	85	50	68	61	73	66	
July	83	83	72	99	58	68	
August	86	66	75	91	80	53	
September	73	62	76	68	60	43	
October	96	56	80	85	83	91	
November	53	69	52	66	98	63	
December	61	57	53	59	80	85	
Total	1 031	806	829	899	835	844	

Table 4 – Total liquidations of close corporations (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	124	58	57	69	49	34	75
February	148	84	78	93	65	73	68
March	138	117	107	83	108	105	82
April	136	71	85	61	77	49	
May	74	113	92	81	68	66	
June	97	95	68	57	70	80	
July	102	104	97	77	66	70	
August	106	76	90	84	85	87	
September	70	76	70	87	76	94	
October	91	90	107	86	88	94	
November	72	94	79	88	109	69	
December	68	58	63	56	49	52	
Total	1 226	1 036	993	922	910	873	

Table 4.1 – Compulsory liquidations of close corporations (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	0	6	4	7	3	6	9
February	21	5	6	4	1	4	7
March	21	12	21	8	8	10	5
April	7	11	2	7	1	2	
May	2	9	4	5	10	3	
June	5	35	7	6	6	3	
July	9	21	13	16	6	8	
August	8	5	11	3	7	8	
September	4	7	12	12	20	17	
October	5	11	6	7	9	6	
November	2	17	5	8	14	1	
December	10	5	7	4	3	3	
Total	94	144	98	87	88	71	

Table 4.2 – Voluntary liquidations of close corporations (number)

Month	2013	2014	2015	2016	2017	2018	2019
January	124	52	53	62	46	28	66
February	127	79	72	89	64	69	61
March	117	105	86	75	100	95	77
April	129	60	83	54	76	47	
May	72	104	88	76	58	63	
June	92	60	61	51	64	77	
July	93	83	84	61	60	62	
August	98	71	79	81	78	79	
September	66	69	58	75	56	77	
October	86	79	101	79	79	88	
November	70	77	74	80	95	68	
December	58	53	56	52	46	49	
Total	1 132	892	895	835	822	802	

Table 5 – Insolvencies of individuals and partnerships (number)

Month	1/ 2013	1/ 2014	1/ 2015	1/ 2016	1/ 2017	1/ 2018	1/ 2019
January	164	187	168	180	156	138	166
February	269	281	254	244	213	168	237
March	339	323	293	297	225	176	
April	241	255	220	233	180	171	
May	316	277	230	237	206	194	
June	291	267	249	228	270	188	
July	304	292	214	219	249	192	
August	349	333	221	233	290	260	
September	243	261	203	210	262	200	
October	264	286	239	219	249	308	
November	274	258	212	208	235	297	
December	196	211	226	176	110	198	
Total	3 250	3 231	2 729	2 684	2 645	2 490	

1/ Preliminary.

Table 6 – Seasonally adjusted number of insolvencies

Month	Number				Month-on-month % change			
	2016	2017	2018	2019	2016	2017	2018	2019
January	268	216	187	219	2,3	2,4	35,5	-12,4
February	243	216	171	242	-9,3	0,0	-8,6	10,5
March	259	184	168		6,6	-14,8	-1,8	
April	250	214	178		-3,5	16,3	6,0	
May	232	200	185		-7,2	-6,5	3,9	
June	207	247	188		-10,8	23,5	1,6	
July	225	256	188		8,7	3,6	0,0	
August	198	242	215		-12,0	-5,5	14,4	
September	208	281	217		5,1	16,1	0,9	
October	208	219	262		0,0	-22,1	20,7	
November	193	207	258		-7,2	-5,5	-1,5	
December	211	138	250		9,3	-33,3	-3,1	

Explanatory notes

- | | | |
|----------------------------------|---|--|
| Introduction | 1 | Statistics South Africa (Stats SA) collects administrative information on liquidations from Companies and Intellectual Property Commission, Department of Trade and Industry, while information on insolvencies is gathered from Notices of the Master of the High Court that appear in the Government Gazette. |
| | 2 | This statistical release reflects voluntary and compulsory liquidations of companies and close corporations and insolvencies of individuals and partnerships. |
| Purpose of the survey | 3 | The aggregated data in this release are used by the private and public sectors to measure economic performance and are also an important indicator of the scope of unpaid debt in South Africa. |
| | 4 | Due to insolvencies figures being available late, the data on insolvencies are published a month later than liquidations. |
| Scope of the survey | 5 | <p>This survey covers the total number of:</p> <ul style="list-style-type: none"> • companies and close corporations which were liquidated; and • individuals and partnerships placed under final sequestration. |
| Symbols and abbreviations | 6 | Stats SA – Statistics South Africa |
| Seasonal adjustment | 7 | 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. |
| | 8 | <p>Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variations. This means the month-to-month movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour. The X-12-ARIMA procedure for liquidations and insolvencies is described in more detail on the Stats SA website:</p> <p>click to download seasonal adjustment P0043 April 2018</p> |
| Trend cycle | 9 | 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 estimate the underlying trend cycle. |

Glossary

- | | |
|-------------------------------|---|
| Compulsory liquidation | A compulsory liquidation takes place when the affairs of a company or close corporation are wound up by order of the court. |
| Insolvency | Insolvency refers to an individual or partnership which is unable to pay its debt and is placed under final sequestration. The number of insolvencies does not refer to the number of persons involved, as a partnership which is unable to pay its debt is regarded as one insolvency, irrespective of the number of partners. |
| Liquidation | Liquidation refers to the winding-up of the affairs of a company or close corporation when liabilities exceed assets and it can be resolved by voluntary action or by an order of the court. |
| Voluntary liquidation | A voluntary liquidation takes place when a company or close corporation, by own choice, resolves to wind-up its affairs. |

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