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Statistical release

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Quarterly financial statistics (QFS)

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Key findings for the quarter ended March 2016

The total turnover of quarterly financial statistics (QFS) industries¹ in the first quarter of 2016 was estimated at R2 011 947 million (R2,01 trillion), a decrease of 5,1% compared with the fourth quarter of 2015 (R2 119 065 million or R2,12 trillion).

Between the fourth quarter of 2015 and first quarter of 2016 turnover decreased in six of the eight industries covered by the survey. The largest percentage decrease in turnover was recorded in construction (-10,0%), followed by manufacturing (-6,9%), trade (-6,2%), mining and quarrying (-3,9%), transport, storage and communication (-1,9%) and real estate and other business services (excluding financial intermediation and insurance) (-0,7%). Increases were recorded in electricity, gas and water supply (+2,1%) and community, social and personal services (excluding government institutions) (+1,0%).

Total closing inventories at the end of the first quarter of 2016 were estimated at R779 138 million, an increase of 1,4% compared with R768 024 million at the end of the fourth quarter of 2015. Increases were recorded in manufacturing (+5,3%), construction (+1,8%), community, social and personal services (excluding government institutions) (+1,5%) and mining and quarrying (+1,4%). Decreases were recorded in real estate and other business services (excluding financial intermediation and insurance) (-6,1%), transport, storage and communication (-4,9%), electricity, gas and water supply (-1,4%) and trade (-1,3%).

Total capital expenditure on property, plant and equipment was estimated at R94 620 million in the first quarter of 2016, a decrease of 3,8% compared with R98 342 million in the fourth quarter of 2015. The largest percentage decrease was recorded in mining and quarrying (-25,7%), followed by transport, storage and communication (-16,4%), real estate and other business services (excluding financial intermediation and insurance) (-12,9%), manufacturing (-12,1%), trade (-11,1%) and community, social and personal services (excluding government institutions) (-4,3%). Increases were recorded in electricity, gas and water supply (+45,7%) and construction (+1,5%).

Turnover was estimated at R2 011 947 million in the first quarter of 2016, an increase of 3,6% compared with R1 941 165 million in the first quarter of 2015. The largest percentage increase in turnover was recorded in electricity, gas and water supply (+21,2%), followed by transport, storage and communication (+7,0%), real estate and other business services (excluding financial intermediation and insurance) (+6,6%), trade (+4,5%) and manufacturing (+3,3%). Decreases were recorded in community, social and personal services (excluding government institutions) (-16,5%), construction (-2,8%) and mining and quarrying (-1,4%).

¹All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

PJ Lehohla
Statistician-General

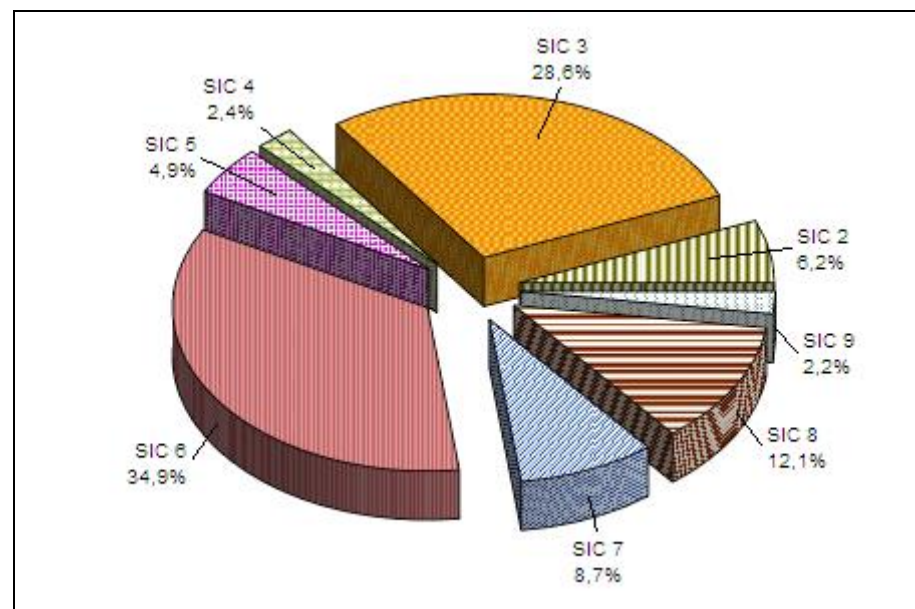
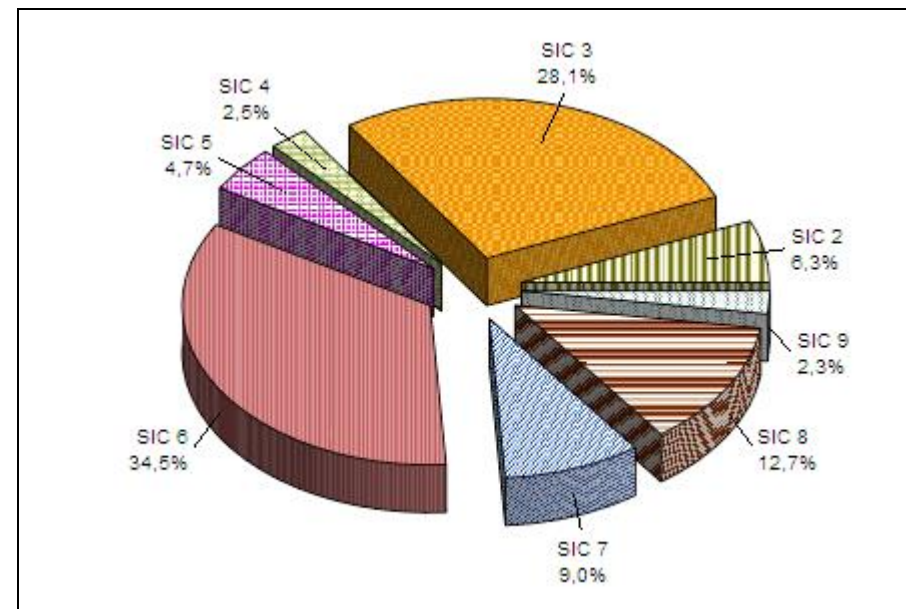
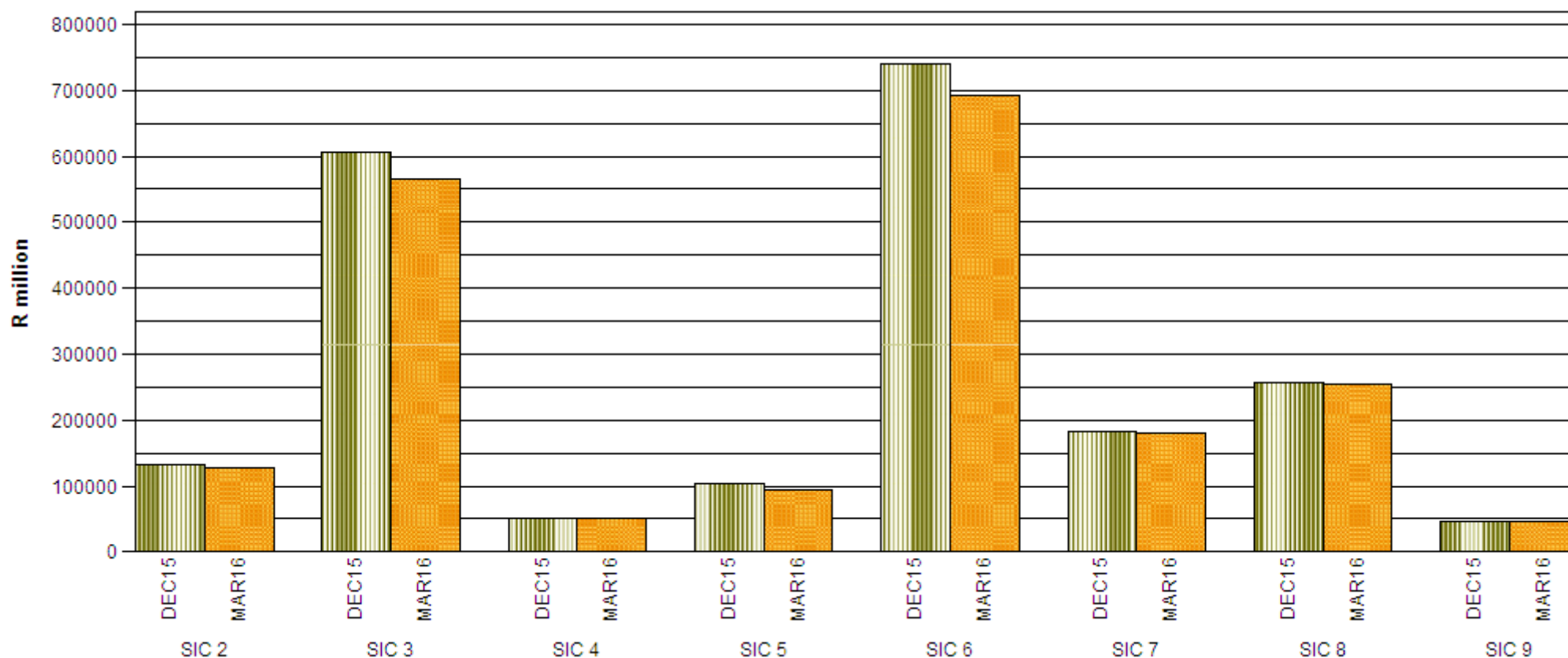
Figure 1 – Percentage contribution to total turnover by industry in the quarters ended December 2015 and March 2016¹**December 2015****March 2016****SIC 2 - Mining and quarrying industry****SIC 3 - Manufacturing industry****SIC 4 - Electricity, gas and water supply industry****SIC 5 - Construction industry****SIC 6 - Trade industry****SIC 7 - Transport, storage and communication industry****SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)****SIC 9 - Community, social and personal services industry (excluding government institutions)**¹The aggregates of the SIC contributions may not add up to totals due to rounding-off.

Figure 2 – Comparison of turnover by industry in the quarters ended December 2015 and March 2016

SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 4 - Electricity, gas and water supply industry

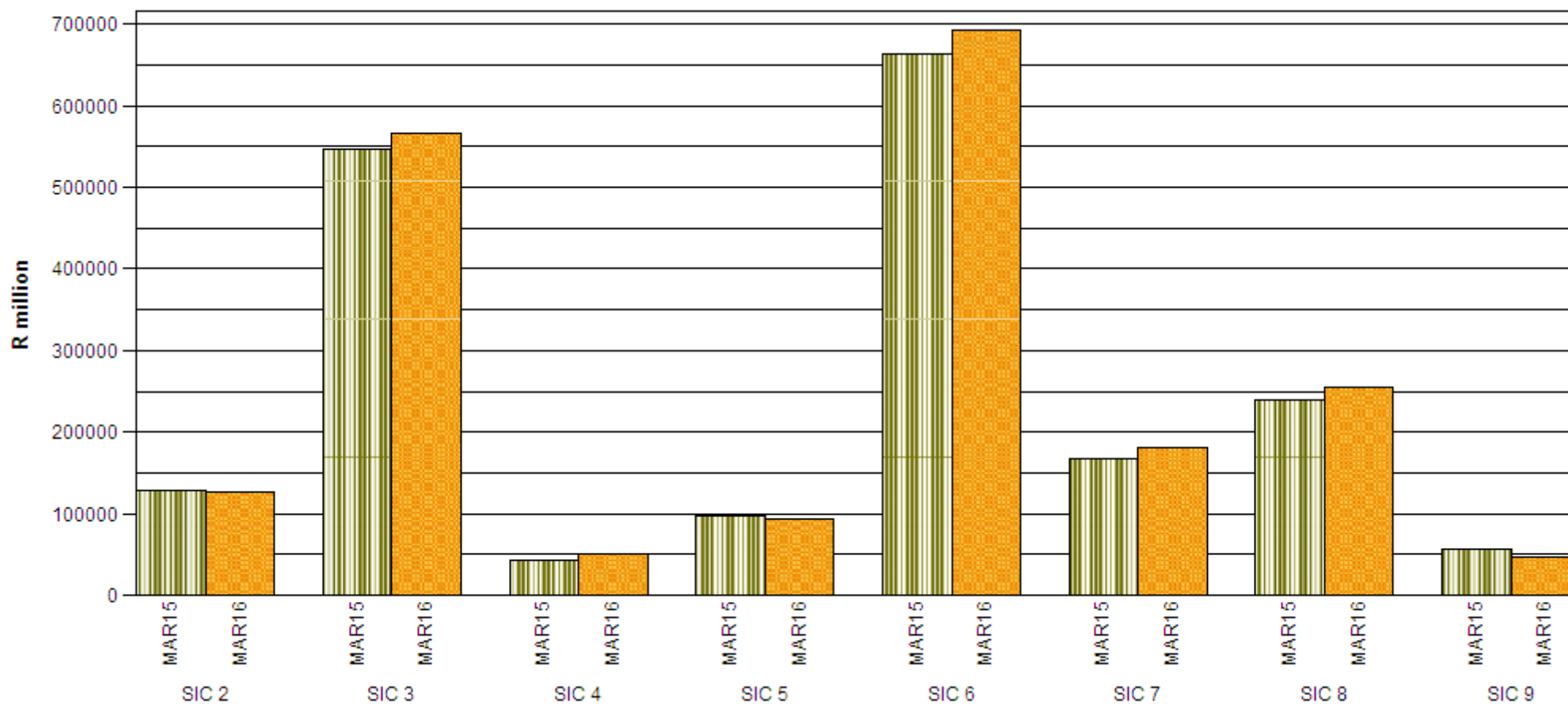
SIC 5 - Construction industry

SIC 6 - Trade industry

SIC 7 - Transport, storage and communication industry

SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)

SIC 9 - Community, social and personal services industry (excluding government institutions)

Figure 3 – Comparison of turnover by industry in the quarters ended March 2015 and March 2016

SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 4 - Electricity, gas and water supply industry

SIC 5 - Construction industry

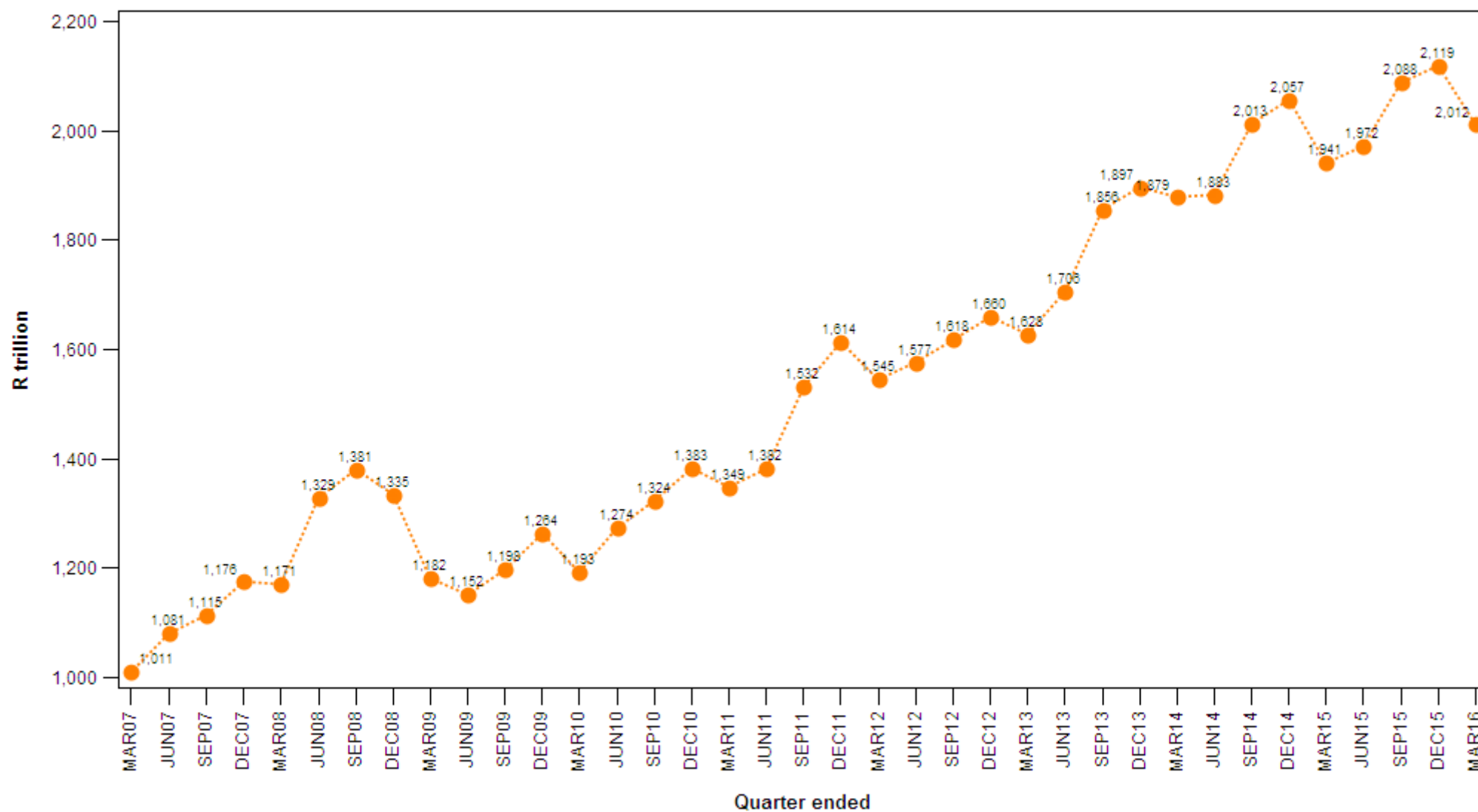
SIC 6 - Trade industry

SIC 7 - Transport, storage and communication industry

SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)

SIC 9 - Community, social and personal services industry (excluding government institutions)

Figure 4 – Quarterly turnover of all industries covered by the quarterly financial statistics (QFS) survey¹ from March 2007 to March 2016



¹All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.

Table 1 – Selected income and expenditure items: All industries covered by the quarterly financial statistics (QFS) survey¹

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ²	March 2016 ³		
Income items						R million	R million
Turnover received	1 941 165	1 972 425	2 087 851	2 119 065	2 011 947	-107 118	70 782
Interest received	10 730	11 342	12 227	13 596	13 715	119	2 985
Dividends received	8 719	6 347	6 218	10 145	8 382	-1 763	-337
Royalties, franchise fees, copyright, trade names and patent rights received	1 383	1 403	1 088	1 125	964	-161	-419
Rental/leasing of land, buildings and other structures received	2 649	2 796	4 277	4 206	4 684	478	2 035
Hiring/leasing of plant, machinery, vehicles and other equipment received	3 198	3 237	3 413	4 041	4 258	217	1 060
Profit on assets/investment sold or revalued	23 130	15 831	27 493	40 335	29 694	-10 641	6 564
Other income	36 176	28 779	37 384	36 762	35 259	-1 503	-917
Total income (A)	2 027 150	2 042 160	2 179 951	2 229 275	2 108 903	-120 372	81 753
Inventories							
Opening value of raw materials	170 927	171 935	179 219	176 083	177 593	1 510	6 666
Opening value of work in progress	78 523	82 481	91 352	93 805	86 737	-7 068	8 214
Opening value of finished goods	422 324	427 855	488 750	491 260	505 536	14 276	83 212
Total opening values (B)	671 774	682 271	759 321	761 148	769 866	8 718	98 092
Closing value of raw materials	172 258	178 155	181 077	176 637	182 970	6 333	10 712
Closing value of work in progress	83 512	84 624	94 096	87 270	94 436	7 166	10 924
Closing value of finished goods	429 159	449 523	499 612	504 117	501 732	-2 385	72 573
Total closing values (C)	684 929	712 302	774 785	768 024	779 138	11 114	94 209

¹ All industries in the South African economy, excluding agriculture, financial intermediation, insurance and government institutions.² Revised.³ Preliminary.

Table 1 – Selected income and expenditure items: All industries covered by the quarterly financial statistics (QFS) survey¹ (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ²	March 2016 ³		
Expenditure items						R million	R million
Purchases	1 144 401	1 189 410	1 236 843	1 230 105	1 165 784	-64 321	21 383
Employment costs ⁴	272 453	280 348	293 098	295 946	289 756	-6 190	17 303
Interest paid	40 198	41 072	50 711	53 507	53 000	-507	12 802
Royalties, franchise fees, copyright, trade names and patent rights paid	7 915	7 733	7 958	8 404	8 019	-385	104
Rental/leasing of land, buildings and other structures paid	43 268	42 459	47 338	47 202	47 714	512	4 446
Hiring/leasing for plant, machinery, vehicles and other equipment paid	9 319	9 460	9 801	9 811	10 336	525	1 017
Depreciation	50 926	49 388	53 713	55 053	55 907	854	4 981
Losses on assets/investments sold or revalued	23 325	20 622	26 587	52 779	26 722	-26 057	3 397
Other expenditure	312 947	313 933	322 724	361 032	349 927	-11 105	36 980
Total expenditure (D)	1 904 752	1 954 425	2 048 773	2 113 839	2 007 165	-106 674	102 413
Net profit or loss before taxation (E) ⁵	135 553	117 766	146 642	122 312	111 010	-11 302	-24 543
Company tax	34 693	26 660	27 876	29 810	25 883	-3 927	-8 810
Dividends payable	27 782	20 814	22 973	22 631	25 853	3 222	-1 929
Carrying value of property, plant and equipment as at the end of quarter	2 406 328	2 462 698	2 627 375	2 659 160	2 697 340	38 180	291 012
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	9 202	10 611	12 184	13 108	11 986	-1 122	2 784
Plant, machinery, furniture, fittings and other equipment	67 653	69 538	69 884	75 557	72 907	-2 650	5 254
Vehicles and transport equipment	8 294	7 860	8 657	9 677	9 727	50	1 433
Total capital expenditure	85 149	88 009	90 725	98 342	94 620	-3 722	9 471

¹ All industries in the South African economy, excluding agriculture, financial intermediation insurance and government institutions.

² Revised.

³ Preliminary.

⁴ Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.

⁵ E=A-B+C-D.

Table 2 – Selected income and expenditure items: Mining and quarrying industry

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received	128 411	134 480	130 644	131 713	126 558	-5 155	-1 853
Interest received	1 216	1 164	1 344	1 484	1 286	-198	70
Dividends received	1 639	948	1 269	1 090	511	-579	-1 128
Royalties, franchise fees, copyright, trade names and patent rights received	70	48	30	127	17	-110	-53
Rental/leasing of land, buildings and other structures received	70	54	85	77	105	28	35
Hiring/leasing of plant, machinery, vehicles and other equipment received	72	46	71	50	71	21	-1
Profit on assets/investment sold or revalued	2 339	1 225	4 021	5 469	1 463	-4 006	-876
Other income	1 419	1 048	877	4 067	928	-3 139	-491
Total income (A)	135 236	139 013	138 341	144 077	130 939	-13 138	-4 297
Inventories							
Opening value of raw materials	16 253	16 030	17 483	17 090	16 805	-285	552
Opening value of work in progress	22 661	23 059	23 576	23 931	23 527	-404	866
Opening value of finished goods	28 213	27 896	31 152	28 668	29 034	366	821
Total opening values (B)	67 127	66 985	72 211	69 689	69 366	-323	2 239
Closing value of raw materials	15 973	16 351	17 895	16 766	16 522	-244	549
Closing value of work in progress	23 363	23 547	23 936	23 513	25 956	2 443	2 593
Closing value of finished goods	27 968	26 882	30 614	28 943	27 686	-1 257	-282
Total closing values (C)	67 304	66 780	72 445	69 222	70 164	942	2 860

¹ Revised.

² Preliminary.

Table 2 – Selected income and expenditure items: Mining and quarrying industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	47 405	53 840	54 032	48 325	45 924	-2 401	-1 481
Employment costs ³	32 390	33 526	33 844	33 843	32 394	-1 449	4
Interest paid	3 809	3 892	4 414	4 540	3 918	-622	109
Royalties, franchise fees, copyright, trade names and patent rights paid	996	1 229	905	763	878	115	-118
Rental/leasing of land, buildings and other structures paid	3 589	4 232	4 852	3 757	3 693	-64	104
Hiring/leasing for plant, machinery, vehicles and other equipment paid	767	739	833	857	855	-2	88
Depreciation	12 149	11 534	11 804	11 901	12 838	937	689
Losses on assets/investments sold or revalued	10 254	6 995	3 922	21 093	5 307	-15 786	-4 947
Other expenditure	24 156	34 730	30 280	32 269	31 440	-829	7 284
Total expenditure (D)	135 515	150 717	144 886	157 348	137 247	-20 101	1 732
Net profit or loss before taxation (E) ⁴	-102	-11 909	-6 311	-13 738	-5 510	8 228	-5 408
Company tax	3 185	2 720	2 374	2 963	3 101	138	-84
Dividends payable	2 358	687	1 496	1 969	1 123	-846	-1 235
Carrying value of property, plant and equipment as at the end of quarter	533 938	514 617	512 098	489 992	481 320	-8 672	-52 618
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	3 219	2 960	4 464	2 670	2 181	-489	-1 038
Plant, machinery, furniture, fittings and other equipment	6 861	7 837	7 912	9 128	6 623	-2 505	-238
Vehicles and transport equipment	575	1 362	318	264	161	-103	-414
Total capital expenditure	10 655	12 159	12 694	12 062	8 965	-3 097	-1 690

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 3 – Selected income and expenditure items: Manufacturing industry

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received	546 944	556 482	603 222	607 015	565 153	-41 862	18 209
Interest received	3 594	3 317	3 090	3 625	3 572	-53	-22
Dividends received	1 111	1 093	1 079	1 470	2 419	949	1 308
Royalties, franchise fees, copyright, trade names and patent rights received	281	315	222	128	118	-10	-163
Rental/leasing of land, buildings and other structures received	742	1 174	1 116	1 155	1 299	144	557
Hiring/leasing of plant, machinery, vehicles and other equipment received	365	470	432	402	404	2	39
Profit on assets/investment sold or revalued	4 149	3 732	5 328	9 436	8 336	-1 100	4 187
Other income	8 363	6 312	8 454	6 692	7 198	506	-1 165
Total income (A)	565 549	572 895	622 943	629 923	588 499	-41 424	22 950
Inventories							
Opening value of raw materials	101 884	105 291	114 148	110 388	108 767	-1 621	6 883
Opening value of work in progress	39 554	41 003	46 681	47 548	40 845	-6 703	1 291
Opening value of finished goods	138 817	147 934	159 032	164 322	159 763	-4 559	20 946
Total opening values (B)	280 255	294 228	319 861	322 258	309 375	-12 883	29 120
Closing value of raw materials	104 171	109 652	115 632	107 866	114 120	6 254	9 949
Closing value of work in progress	41 747	41 300	47 299	41 458	46 132	4 674	4 385
Closing value of finished goods	147 908	155 513	163 795	157 926	163 160	5 234	15 252
Total closing values (C)	293 826	306 465	326 726	307 250	323 412	16 162	29 586

¹ Revised.

² Preliminary.

Table 3 – Selected income and expenditure items: Manufacturing industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	365 805	366 923	398 766	385 233	382 885	-2 348	17 080
Employment costs ³	63 503	65 089	65 345	66 664	64 436	-2 228	933
Interest paid	8 316	8 510	8 706	7 956	7 942	-14	-374
Royalties, franchise fees, copyright, trade names and patent rights paid	2 609	2 677	3 064	3 225	2 966	-259	357
Rental/leasing of land, buildings and other structures paid	9 215	9 498	11 839	10 742	10 516	-226	1 301
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 602	1 427	1 398	1 560	1 623	63	21
Depreciation	11 072	10 929	10 959	11 931	10 950	-981	-122
Losses on assets/investments sold or revalued	3 558	3 501	7 014	13 655	8 074	-5 581	4 516
Other expenditure	78 955	72 477	79 453	82 007	78 125	-3 882	-830
Total expenditure (D)	544 635	541 031	586 544	582 973	567 517	-15 456	22 882
Net profit or loss before taxation (E) ⁴	34 485	44 101	43 264	31 942	35 019	3 077	534
Company tax	12 695	8 095	8 813	10 187	8 764	-1 423	-3 931
Dividends payable	5 181	8 588	6 966	8 911	11 387	2 476	6 206
Carrying value of property, plant and equipment as at the end of quarter	426 229	431 919	447 383	476 033	480 199	4 166	53 970
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 482	4 523	2 649	5 294	5 055	-239	2 573
Plant, machinery, furniture, fittings and other equipment	15 532	16 893	13 792	19 181	16 081	-3 100	549
Vehicles and transport equipment	1 534	1 631	1 685	1 182	1 428	246	-106
Total capital expenditure	19 548	23 047	18 126	25 657	22 564	-3 093	3 016

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 4 – Selected income and expenditure items: Electricity, gas and water supply industry

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received	42 086	48 719	61 368	49 974	51 019	1 045	8 933
Interest received	693	711	869	929	1 005	76	312
Dividends received	0	31	0	0	0	0	0
Royalties, franchise fees, copyright, trade names and patent rights received	0	0	0	0	0	0	0
Rental/leasing of land, buildings and other structures received	2	3	2	3	1	-2	-1
Hiring/leasing of plant, machinery, vehicles and other equipment received	63	53	51	59	63	4	0
Profit on assets/investment sold or revalued	2 131	36	1 600	1 630	114	-1 516	-2 017
Other income	5 419	238	1 159	632	905	273	-4 514
Total income (A)	50 394	49 791	65 049	53 227	53 107	-120	2 713
Inventories							
Opening value of raw materials	16 630	16 236	16 615	17 468	18 258	790	1 628
Opening value of work in progress	162	122	111	160	123	-37	-39
Opening value of finished goods	129	127	135	164	184	20	55
Total opening values (B)	16 921	16 485	16 861	17 792	18 565	773	1 644
Closing value of raw materials	16 234	16 625	17 469	18 250	18 001	-249	1 767
Closing value of work in progress	122	111	160	123	135	12	13
Closing value of finished goods	128	126	162	183	159	-24	31
Total closing values (C)	16 484	16 862	17 791	18 556	18 295	-261	1 811

¹ Revised.² Preliminary.

Table 4 – Selected income and expenditure items: Electricity, gas and water supply industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	31 456	27 022	27 293	27 171	27 974	803	-3 482
Employment costs ³	5 932	7 081	6 515	6 673	8 316	1 643	2 384
Interest paid	2 390	2 355	3 762	4 034	4 230	196	1 840
Royalties, franchise fees, copyright, trade names and patent rights paid	1	1	0	0	0	0	-1
Rental/leasing of land, buildings and other structures paid	22	26	27	58	62	4	40
Hiring/leasing for plant, machinery, vehicles and other equipment paid	227	110	119	109	125	16	-102
Depreciation	4 112	3 993	4 526	4 879	5 429	550	1 317
Losses on assets/investments sold or revalued	177	2 458	155	101	1 569	1 468	1 392
Other expenditure	7 320	7 781	7 580	9 516	7 890	-1 626	570
Total expenditure (D)	51 637	50 827	49 977	52 541	55 595	3 054	3 958
Net profit or loss before taxation (E) ⁴	-1 680	-659	16 002	1 450	-2 758	-4 208	-1 078
Company tax	271	409	394	378	430	52	159
Dividends payable	6	402	535	1 458	197	-1 261	191
Carrying value of property, plant and equipment as at the end of quarter	493 519	505 151	542 023	557 938	580 049	22 111	86 530
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	467	269	925	618	596	-22	129
Plant, machinery, furniture, fittings and other equipment	19 154	17 312	19 635	17 043	24 974	7 931	5 820
Vehicles and transport equipment	274	86	116	30	210	180	-64
Total capital expenditure	19 895	17 667	20 676	17 691	25 780	8 089	5 885

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly employment statistics (QES)* (statistical release P0277) survey.

⁴ E=A-B+C-D.

Table 5 – Selected income and expenditure items: Construction industry

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received	96 956	92 994	109 036	104 620	94 199	-10 421	-2 757
Interest received	462	523	556	641	704	63	242
Dividends received	170	940	330	67	1 321	1 254	1 151
Royalties, franchise fees, copyright, trade names and patent rights received	1	2	2	1	1	0	0
Rental/leasing of land, buildings and other structures received	281	276	1 639	1 464	1 522	58	1 241
Hiring/leasing of plant, machinery, vehicles and other equipment received	804	883	966	1 243	1 279	36	475
Profit on assets/investment sold or revalued	1 358	485	1 261	1 085	780	-305	-578
Other income	783	1 007	1 192	1 105	1 111	6	328
Total income (A)	100 815	97 110	114 982	110 226	100 917	-9 309	102
Inventories							
Opening value of raw materials	6 672	5 663	5 211	4 856	6 398	1 542	-274
Opening value of work in progress	9 715	12 118	14 561	15 952	15 684	-268	5 969
Opening value of finished goods	6 600	6 292	6 850	6 061	5 256	-805	-1 344
Total opening values (B)	22 987	24 073	26 622	26 869	27 338	469	4 351
Closing value of raw materials	6 830	5 895	4 878	6 341	6 319	-22	-511
Closing value of work in progress	11 703	13 318	15 674	15 667	15 966	299	4 263
Closing value of finished goods	6 577	6 271	6 115	5 840	6 071	231	-506
Total closing values (C)	25 110	25 484	26 667	27 848	28 356	508	3 246

¹ Revised.

² Preliminary.

Table 5 – Selected income and expenditure items: Construction industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	60 328	53 882	63 912	62 286	55 468	-6 818	-4 860
Employment costs ³	15 859	15 039	18 044	19 250	16 796	-2 454	937
Interest paid	1 087	1 050	917	1 106	1 344	238	257
Royalties, franchise fees, copyright, trade names and patent rights paid	10	18	22	20	22	2	12
Rental/leasing of land, buildings and other structures paid	1 142	798	1 008	1 061	1 010	-51	-132
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 575	2 093	2 506	2 321	2 496	175	921
Depreciation	1 563	1 392	2 214	2 107	2 143	36	580
Losses on assets/investments sold or revalued	266	361	3 563	3 296	1 549	-1 747	1 283
Other expenditure	16 138	17 938	16 377	15 586	14 850	-736	-1 288
Total expenditure (D)	97 968	92 571	108 563	107 033	95 678	-11 355	-2 290
Net profit or loss before taxation (E) ⁴	4 970	5 950	6 464	4 172	6 257	2 085	1 287
Company tax	1 149	994	1 764	1 497	723	-774	-426
Dividends payable	1 521	353	178	132	441	309	-1 080
Carrying value of property, plant and equipment as at the end of quarter	40 427	44 919	45 475	43 833	45 128	1 295	4 701
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	60	92	139	137	140	3	80
Plant, machinery, furniture, fittings and other equipment	2 127	2 142	1 732	1 799	1 767	-32	-360
Vehicles and transport equipment	1 044	261	828	181	242	61	-802
Total capital expenditure	3 231	2 495	2 699	2 117	2 149	32	-1 082

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.

⁴ E=A-B+C-D.

Table 6 – Selected income and expenditure items: Trade industry

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received	663 499	676 360	711 089	739 339	693 275	-46 064	29 776
Interest received	3 110	3 909	4 085	4 211	4 472	261	1 362
Dividends received	1 248	661	936	954	1 154	200	-94
Royalties, franchise fees, copyright, trade names and patent rights received	196	212	242	257	237	-20	41
Rental/leasing of land, buildings and other structures received	621	586	504	516	469	-47	-152
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 567	1 391	1 280	1 443	1 574	131	7
Profit on assets/investment sold or revalued	2 079	1 594	3 030	6 422	6 359	-63	4 280
Other income	6 064	6 965	7 028	7 141	7 408	267	1 344
Total income (A)	678 384	691 678	728 194	760 283	714 948	-45 335	36 564
Inventories							
Opening value of raw materials	20 197	20 042	15 774	16 799	16 875	76	-3 322
Opening value of work in progress	3 114	2 911	2 520	2 580	2 406	-174	-708
Opening value of finished goods	227 526	225 558	263 882	264 234	283 548	19 314	56 022
Total opening values (B)	250 837	248 511	282 176	283 613	302 829	19 216	51 992
Closing value of raw materials	19 941	20 590	16 072	16 936	17 388	452	-2 553
Closing value of work in progress	3 149	3 075	2 741	2 403	2 057	-346	-1 092
Closing value of finished goods	226 274	240 000	271 475	282 237	278 116	-4 121	51 842
Total closing values (C)	249 364	263 665	290 288	301 576	297 561	-4 015	48 197

¹ Revised.² Preliminary.

Table 6 – Selected income and expenditure items: Trade industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	501 670	545 077	563 529	573 730	520 127	-53 603	18 457
Employment costs ³	49 298	52 985	55 677	56 886	57 815	929	8 517
Interest paid	5 312	6 002	6 265	6 854	6 568	-286	1 256
Royalties, franchise fees, copyright, trade names and patent rights paid	2 274	2 052	1 901	2 150	2 005	-145	-269
Rental/leasing of land, buildings and other structures paid	14 499	14 362	14 405	15 477	15 785	308	1 286
Hiring/leasing for plant, machinery, vehicles and other equipment paid	879	831	930	1 109	1 120	11	241
Depreciation	5 415	5 046	5 112	5 092	5 386	294	-29
Losses on assets/investments sold or revalued	4 100	3 054	3 873	6 404	5 614	-790	1 514
Other expenditure	55 108	53 919	52 103	68 866	69 264	398	14 156
Total expenditure (D)	638 555	683 328	703 795	736 568	683 684	-52 884	45 129
Net profit or loss before taxation (E) ⁴	38 356	23 504	32 511	41 678	25 996	-15 682	-12 360
Company tax	7 235	4 522	4 891	4 544	4 116	-428	-3 119
Dividends payable	3 690	2 093	3 158	2 196	2 338	142	-1 352
Carrying value of property, plant and equipment as at the end of quarter	167 981	168 174	173 975	192 696	199 392	6 696	31 411
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 212	1 143	980	1 715	1 268	-447	56
Plant, machinery, furniture, fittings and other equipment	6 233	6 713	4 422	5 592	4 596	-996	-1 637
Vehicles and transport equipment	1 773	1 581	1 438	2 926	3 235	309	1 462
Total capital expenditure	9 218	9 437	6 840	10 233	9 099	-1 134	-119

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 7 – Selected income and expenditure items: Transport, storage and communication industry

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received	168 288	172 322	178 367	183 577	180 144	-3 433	11 856
Interest received	1 106	1 190	1 677	1 836	1 746	-90	640
Dividends received	163	197	148	245	245	0	82
Royalties, franchise fees, copyright, trade names and patent rights received	7	7	8	13	13	0	6
Rental/leasing of land, buildings and other structures received	710	478	569	639	918	279	208
Hiring/leasing of plant, machinery, vehicles and other equipment received	288	349	487	642	662	20	374
Profit on assets/investment sold or revalued	1 421	596	1 470	1 596	1 705	109	284
Other income	2 395	2 437	5 778	5 857	6 153	296	3 758
Total income (A)	174 378	177 576	188 504	194 405	191 586	-2 819	17 208
Inventories							
Opening value of raw materials	3 178	3 058	3 574	2 825	3 630	805	452
Opening value of work in progress	667	677	828	911	1 235	324	568
Opening value of finished goods	9 562	8 855	8 204	7 744	8 576	832	-986
Total opening values (B)	13 407	12 590	12 606	11 480	13 441	1 961	34
Closing value of raw materials	3 064	3 561	2 803	3 633	3 589	-44	525
Closing value of work in progress	677	712	968	1 235	1 435	200	758
Closing value of finished goods	8 862	9 255	7 663	8 575	7 762	-813	-1 100
Total closing values (C)	12 603	13 528	11 434	13 443	12 786	-657	183

¹ Revised.

² Preliminary.

Table 7 – Selected income and expenditure items: Transport, storage and communication industry (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	63 640	68 124	63 746	70 589	69 606	-983	5 966
Employment costs ³	25 722	26 931	29 103	27 348	27 261	-87	1 539
Interest paid	5 026	5 086	5 649	6 724	6 721	-3	1 695
Royalties, franchise fees, copyright, trade names and patent rights paid	48	56	68	71	63	-8	15
Rental/leasing of land, buildings and other structures paid	4 609	4 220	4 281	4 422	4 512	90	-97
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 217	2 399	2 255	2 137	2 407	270	190
Depreciation	9 799	9 827	11 359	11 512	12 314	802	2 515
Losses on assets/investments sold or revalued	1 107	1 358	3 887	3 757	1 955	-1 802	848
Other expenditure	52 380	48 641	53 212	59 343	57 344	-1 999	4 964
Total expenditure (D)	164 548	166 642	173 560	185 903	182 183	-3 720	17 635
Net profit or loss before taxation (E) ⁴	9 026	11 872	13 772	10 465	8 748	-1 717	-278
Company tax	4 100	4 080	3 801	4 094	3 198	-896	-902
Dividends payable	4 007	2 544	5 615	769	5 216	4 447	1 209
Carrying value of property, plant and equipment as at the end of quarter	445 008	500 580	552 445	555 740	560 473	4 733	115 465
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	647	489	885	755	1 085	330	438
Plant, machinery, furniture, fittings and other equipment	15 059	15 345	18 639	17 912	14 724	-3 188	-335
Vehicles and transport equipment	1 499	1 293	2 418	3 282	2 532	-750	1 033
Total capital expenditure	17 205	17 127	21 942	21 949	18 341	-3 608	1 136

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.

⁴ E=A-B+C-D.

Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received ³	239 330	235 709	247 865	256 857	255 152	-1 705	15 822
Interest received	0	0	0	0	0	0	0
Dividends received	4 218	2 365	2 314	5 732	2 601	-3 131	-1 617
Royalties, franchise fees, copyright, trade names and patent rights received	656	646	425	467	409	-58	-247
Rental/leasing of land, buildings and other structures received	0	0	0	0	0	0	0
Hiring/leasing of plant, machinery, vehicles and other equipment received	0	0	0	0	0	0	0
Profit on assets/investment sold or revalued	8 095	6 909	9 220	13 179	9 430	-3 749	1 335
Other income	7 828	8 054	9 510	8 020	7 836	-184	8
Total income (A)	260 127	253 683	269 334	284 255	275 428	-8 827	15 301
Inventories							
Opening value of raw materials	3 265	3 222	3 742	4 026	4 184	158	919
Opening value of work in progress	2 609	2 551	2 986	2 639	2 827	188	218
Opening value of finished goods	10 639	10 320	18 578	19 147	18 268	-879	7 629
Total opening values (B)	16 513	16 093	25 306	25 812	25 279	-533	8 766
Closing value of raw materials	3 203	3 134	3 691	4 169	4 370	201	1 167
Closing value of work in progress	2 705	2 455	3 234	2 781	2 664	-117	-41
Closing value of finished goods	10 543	10 634	18 863	19 506	17 803	-1 703	7 260
Total closing values (C)	16 451	16 223	25 788	26 456	24 837	-1 619	8 386

¹ Revised.

² Preliminary.

³ Turnover includes: interest, rent/leasing and hiring – refer to page 38 for more details.

Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance) (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	63 450	65 080	57 482	55 017	56 164	1 147	-7 286
Employment costs ³	62 457	61 748	68 111	72 974	70 451	-2 523	7 994
Interest paid	13 422	13 300	20 127	21 334	21 326	-8	7 904
Royalties, franchise fees, copyright, trade names and patent rights paid	1 772	1 493	1 820	1 975	1 912	-63	140
Rental/leasing of land, buildings and other structures paid	7 836	6 965	8 668	9 286	9 713	427	1 877
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 573	1 401	1 102	1 120	1 115	-5	-458
Depreciation	5 457	5 391	6 353	6 238	5 401	-837	-56
Losses on assets/investments sold or revalued	3 490	2 513	3 935	3 995	2 181	-1 814	-1 309
Other expenditure	59 181	59 505	68 097	75 827	74 499	-1 328	15 318
Total expenditure (D)	218 638	217 396	235 695	247 766	242 762	-5 004	24 124
Net profit or loss before taxation (E) ⁴	41 427	36 417	34 121	37 133	32 224	-4 909	-9 203
Company tax	4 780	4 803	4 422	4 866	4 423	-443	-357
Dividends payable	10 470	5 604	4 807	6 164	4 319	-1 845	-6 151
Carrying value of property, plant and equipment as at the end of quarter	252 919	251 988	290 770	278 089	286 086	7 997	33 167
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	570	699	1 121	961	1 087	126	517
Plant, machinery, furniture, fittings and other equipment	1 933	2 469	2 481	3 711	2 701	-1 010	768
Vehicles and transport equipment	1 505	1 568	1 711	1 646	1 718	72	213
Total capital expenditure	4 008	4 736	5 313	6 318	5 506	-812	1 498

¹ Revised.² Preliminary.³ Refer to page 34 for comparability with *the Quarterly employment statistics (QES)* (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 9 – Selected income and expenditure items: Community, social and personal services industry (excluding government institutions)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Income items						R million	R million
Turnover received	55 651	55 359	46 260	45 970	46 447	477	-9 204
Interest received	549	528	606	870	930	60	381
Dividends received	170	112	142	587	131	-456	-39
Royalties, franchise fees, copyright, trade names and patent rights received	172	173	159	132	169	37	-3
Rental/leasing of land, buildings and other structures received	223	225	362	352	370	18	147
Hiring/leasing of plant, machinery, vehicles and other equipment received	39	45	126	202	205	3	166
Profit on assets/investment sold or revalued	1 558	1 254	1 563	1 518	1 507	-11	-51
Other income	3 905	2 718	3 386	3 248	3 720	472	-185
Total income (A)	62 267	60 414	52 604	52 879	53 479	600	-8 788
Inventories							
Opening value of raw materials	2 848	2 393	2 672	2 631	2 676	45	-172
Opening value of work in progress	41	40	89	84	90	6	49
Opening value of finished goods	838	873	917	920	907	-13	69
Total opening values (B)	3 727	3 306	3 678	3 635	3 673	38	-54
Closing value of raw materials	2 842	2 347	2 637	2 676	2 661	-15	-181
Closing value of work in progress	46	106	84	90	91	1	45
Closing value of finished goods	899	842	925	907	975	68	76
Total closing values (C)	3 787	3 295	3 646	3 673	3 727	54	-60

¹ Revised.

² Preliminary.

Table 9 – Selected income and expenditure items: Community, social and personal services industry (excluding government institutions) (concluded)

Item	Quarter ended					Quarter-on-quarter difference between March 2016 and December 2015	Year-on-year difference between March 2016 and March 2015
	R million						
	March 2015	June 2015	September 2015	December 2015 ¹	March 2016 ²		
Expenditure items						R million	R million
Purchases	10 647	9 462	8 083	7 754	7 636	-118	-3 011
Employment costs ³	17 292	17 949	16 459	12 308	12 287	-21	-5 005
Interest paid	836	877	871	959	951	-8	115
Royalties, franchise fees, copyright, trade names and patent rights paid	205	207	178	200	173	-27	-32
Rental/leasing of land, buildings and other structures paid	2 356	2 358	2 258	2 399	2 423	24	67
Hiring/leasing for plant, machinery, vehicles and other equipment paid	479	460	658	598	595	-3	116
Depreciation	1 359	1 276	1 386	1 393	1 446	53	87
Losses on assets/investments sold or revalued	373	382	238	478	473	-5	100
Other expenditure	19 709	18 942	15 622	17 618	16 515	-1 103	-3 194
Total expenditure (D)	53 256	51 913	45 753	43 707	42 499	-1 208	-10 757
Net profit or loss before taxation (E) ⁴	9 071	8 490	6 819	9 210	11 034	1 824	1 963
Company tax	1 278	1 037	1 417	1 281	1 128	-153	-150
Dividends payable	549	543	218	1 032	832	-200	283
Carrying value of property, plant and equipment as at the end of quarter	46 307	45 350	63 206	64 839	64 693	-146	18 386
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	545	436	1 021	958	574	-384	29
Plant, machinery, furniture, fittings and other equipment	754	827	1 271	1 191	1 441	250	687
Vehicles and transport equipment	90	78	143	166	201	35	111
Total capital expenditure	1 389	1 341	2 435	2 315	2 216	-99	827

¹ Revised.

² Preliminary.

³ Refer to page 34 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.

⁴ E=A-B+C-D.

Table 10 – Comparison of selected operating ratios between December 2015 and March 2016

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	December 2015 ¹	March 2016 ²	December 2015 ¹	March 2016 ²	December 2015 ¹	March 2016 ²	December 2015 ¹	March 2016 ²
Mining and quarrying	0,27	0,26	-0,10	-0,04	1,90	1,80	-0,03	-0,01
Manufacturing	1,28	1,18	0,05	0,06	1,98	1,75	0,07	0,07
Electricity, gas and water supply	0,09	0,09	0,03	-0,05	2,69	2,79	0,00	0,00
Construction	2,39	2,09	0,04	0,07	3,76	3,32	0,10	0,14
Trade	3,84	3,48	0,06	0,04	2,45	2,33	0,22	0,13
Transport, storage and communication	0,33	0,32	0,06	0,05	13,66	14,09	0,02	0,02
Real estate and other business services, excluding financial intermediation and insurance	0,92	0,89	0,14	0,13	9,71	10,27	0,13	0,11
Community, social and personal services, excluding government institutions	0,71	0,72	0,20	0,24	12,52	12,46	0,14	0,17
All industries	0,80	0,75	0,06	0,06	2,76	2,58	0,05	0,04

¹ Revised.² Preliminary.³ Turnover / Carrying value of property, plant and equipment at the end of the quarter.⁴ Net profit or loss before taxation / Turnover.⁵ Turnover / Closing value of inventories.⁶ Net profit or loss before taxation / Carrying value of property, plant and equipment at the end of the quarter.

Table 10 – Comparison of selected operating ratios between December 2015 and March 2016 (concluded)

Industry	Total capital expenditure / Fixed assets ³		*Cost of Sales / Average inventories ⁴		Net profit before interest and income tax expenses / Interest expense ⁵		Cash dividends / Net income ⁶	
	December 2015 ¹	March 2016 ²	December 2015 ¹	March 2016 ²	December 2015 ¹	March 2016 ²	December 2015 ¹	March 2016 ²
Mining and quarrying	0,02	0,02	0,70	0,65	-2,03	-0,41	-0,12	-0,13
Manufacturing	0,05	0,05	1,27	1,17	5,01	5,41	0,41	0,43
Electricity, gas and water supply	0,03	0,04	1,45	1,53	1,36	0,35	1,36	-0,06
Construction	0,05	0,05	2,24	1,96	4,77	5,66	0,05	0,08
Trade	0,05	0,05	1,90	1,75	7,08	4,96	0,06	0,11
Transport, storage and communication	0,04	0,03	5,51	5,36	2,56	2,30	0,12	0,94
Real estate and other business services, excluding financial intermediation and insurance	0,02	0,02	2,08	2,26	2,74	2,51	0,19	0,16
Community, social and personal services, excluding government institutions	0,04	0,03	2,11	2,05	10,60	12,60	0,13	0,08
All industries	0,04	0,04	1,60	1,49	3,29	3,09	0,24	0,30

¹ Revised.² Preliminary.³ Total capital expenditure on new property, plant and equipment / Carrying value of property, plant and equipment at the end of the quarter.⁴ Cost of sales / [(Opening inventories + Closing inventories) / 2].⁵ (Net profit or loss before taxation + Interest paid) / Interest paid.⁶ Dividends paid / (Net profit or loss before taxation – Company tax).

* Cost of sales = (Opening inventories + Purchases – Closing inventories).

Technical notes

Confidence intervals

The 95% confidence intervals of a population parameter (turnover) are obtained as follows:

Lower limit

= lower 95% confidence limit of a population parameter

= estimate – 1,96 * Standard error (estimate);

and

Upper limit

= upper 95% confidence limit of a population parameter

= estimate + 1,96 * Standard error (estimate)

Standard error (SE)

$$= \frac{\text{Upper limit (R million)} - \text{Lower limit (R million)}}{2 * 1,96}$$

Relative standard error (RSE)

$$= \frac{\text{SE of estimate} * 100}{\text{Estimated}}$$

Table A – Estimates of turnover by industry within 95% confidence limits: December 2015

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	130 227	131 713	133 199	0,6
Manufacturing	590 502	607 015	623 528	1,4
Electricity, gas and water supply	48 947	49 974	51 001	1,0
Construction	82 907	104 620	126 333	10,6
Trade	677 027	739 339	801 651	4,3
Transport, storage and communication	175 921	183 577	191 233	2,1
Real estate and other business services, excluding financial intermediation and insurance	232 541	256 857	281 173	4,8
Community, social and personal services, excluding government institutions	42 203	45 970	49 737	4,2
All industries	2 020 007	2 119 065	2 218 123	2,4

Table B – Estimates of turnover by industry within 95% confidence limits: March 2016

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	125 066	126 558	128 050	0,6
Manufacturing	548 244	565 153	582 062	1,5
Electricity, gas and water supply	50 025	51 019	52 013	1,0
Construction	74 515	94 199	113 883	10,7
Trade	632 129	693 275	754 421	4,5
Transport, storage and communication	173 100	180 144	187 188	2,0
Real estate and other business services, excluding financial intermediation and insurance	229 496	255 152	280 808	5,1
Community, social and personal services, excluding government institutions	42 725	46 447	50 169	4,1
All industries	1 919 511	2 011 947	2 104 383	2,3

Table C – Turnover by industry and percentage change

Industry	Turnover March 2015	Turnover December 2015	Turnover March 2016	Difference between March 2016 and December 2015	Difference between March 2016 and March 2015
	R million	R million	R million	%	%
Mining and quarrying	128 411	131 713	126 558	-3,9	-1,4
Manufacturing	546 944	607 015	565 153	-6,9	3,3
Electricity, gas and water supply	42 086	49 974	51 019	2,1	21,2
Construction	96 956	104 620	94 199	-10,0	-2,8
Trade	663 499	739 339	693 275	-6,2	4,5
Transport, storage and communication	168 288	183 577	180 144	-1,9	7,0
Real estate and other business services, excluding financial intermediation and insurance	239 330	256 857	255 152	-0,7	6,6
Community, social and personal services, excluding government institutions	55 651	45 970	46 447	1,0	-16,5
All industries	1 941 165	2 119 065	2 011 947	-5,1	3,6

Table D – Turnover by industry and percentage contribution¹

Industry	December 2015		March 2016	
	R million	% total turnover	R million	% total turnover
Mining and quarrying industry	131 713	6,2	126 558	6,3
Manufacturing industry	607 015	28,6	565 153	28,1
Electricity, gas and water supply industry	49 974	2,4	51 019	2,5
Construction industry	104 620	4,9	94 199	4,7
Trade industry	739 339	34,9	693 275	34,5
Transport, storage and communication industry	183 577	8,7	180 144	9,0
Real estate and other business services industry, excluding financial intermediation and insurance	256 857	12,1	255 152	12,7
Community, social and personal services industry, excluding government institutions	45 970	2,2	46 447	2,3
All industries	2 119 065	100,0	2 011 947	100,0

¹The aggregates of the SIC contributions may not add up to totals due to rounding-off.

Table E – Closing inventories by industry and percentage change

Industry	Inventories December 2015	Inventories March 2016	Difference between March 2016 and December 2015
	R million	R million	%
Mining and quarrying	69 222	70 164	1,4
Manufacturing	307 250	323 412	5,3
Electricity, gas and water supply	18 556	18 295	-1,4
Construction	27 848	28 356	1,8
Trade	301 576	297 561	-1,3
Transport, storage and communication	13 443	12 786	-4,9
Real estate and other business services, excluding financial intermediation and insurance	26 456	24 837	-6,1
Community, social and personal services, excluding government institutions	3 673	3 727	1,5
All industries	768 024	779 138	1,4

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure December 2015	Capital expenditure March 2016	Difference between March 2016 and December 2015
	R million	R million	%
Mining and quarrying	12 062	8 965	-25,7
Manufacturing	25 657	22 564	-12,1
Electricity, gas and water supply	17 691	25 780	45,7
Construction	2 117	2 149	1,5
Trade	10 233	9 099	-11,1
Transport, storage and communication	21 949	18 341	-16,4
Real estate and other business services, excluding financial intermediation and insurance	6 318	5 506	-12,9
Community, social and personal services, excluding government institutions	2 315	2 216	-4,3
All industries	98 342	94 620	-3,8

Neyman Optimal Allocation	<p>Before drawing samples in each of the surveys the population of enterprises on the Business Sampling Frame (BSF) was stratified. Strata were formed using a combination of the standard industrial classification variable and the measure of size variable for enterprises. The Neyman optimal allocation formula used to allocate samples to each stratum is given by a formula below.</p> $n_h = \frac{N_h S_h}{\sum N_h S_h}$ <p>Where N_h and S_h are the stratum population size and the stratum variance, respectively.</p>
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Table G – DTI cut-off points (adjusted by Statistics South Africa (Stats SA) for QFS)

Industry	Enterprise size			
	Large (Size-group 1) Lower limits Rand	Medium (Size-group 2) Lower limits Rand	Small (Size-group 3) Lower limits Rand	Very small ¹ (Size-group 4) Lower limits Rand
Mining and quarrying	409 500 000	105 000 000	42 000 000	2 000 000
Manufacturing	504 342 632	136 500 000	52 500 000	2 000 000
Electricity, gas and water supply	504 342 632	136 500 000	53 550 000	2 000 000
Construction	273 000 000	63 000 000	31 500 000	2 000 000
Wholesale trade	672 000 000	336 000 000	63 000 000	2 000 000
Retail trade	409 500 000	199 500 000	46 941 632	2 000 000
Motor trade	409 500 000	199 500 000	46 941 632	2 000 000
Accommodation and catering	136 500 000	63 000 000	53 550 000	2 000 000
Transport, storage and communication	273 000 000	136 500 000	31 500 000	2 000 000
Real estate and other businesses services, excluding financial intermediation and insurance	273 000 000	136 500 000	31 500 000	2 000 000
Community, social and personal services, excluding government institutions	136 500 000	63 000 000	9 394 737	2 000 000

Source: National Small Business Amendment Bill 2003, Department of Trade and Industry (DTI).

¹Enterprises with a turnover of less than R2 000 000 are excluded from this survey as from the 2009 sample.

Explanatory notes

Introduction

- 1 Stats SA conducts a quarterly sample survey to collect a range of financial statistics in respect of enterprises in the formal business sector of the South African economy, excluding agriculture, hunting, forestry and fishing and financial intermediation and insurance and government institutions. This statistical release presents a selection of key findings and tables from Stats SA's *Quarterly Financial Statistics* (QFS) survey for the March, June, September, December 2015 and March 2016 quarters which examines key variables as required by the Systems of National Accounts (SNA) 2008, and are mentioned below:
 - turnover;
 - interest received and paid;
 - dividends received and dividends payable;
 - royalties, franchise fees, copyright, trade names and trade and patent rights received and paid;
 - income and expenditure in respect of rental/leasing of land, buildings and other structures, including payments for water and electricity services;
 - income and expenditure in respect of hiring/leasing of plant, machinery, vehicles and other equipment;
 - employment costs;
 - profit and loss on assets/investments sold or revalued;
 - depreciation provided for;
 - purchases;
 - other income and other expenditure;
 - total income and total expenditure;
 - net profit or loss before providing for company tax and dividends;
 - company tax;
 - carrying value of property, plant and equipment at the end of the quarter;
 - inventories as at the beginning and end of the quarter; and
 - capital expenditure on new property, plant and equipment at the end of the quarter.
- 2 The statistical release also contains accounting ratios derived from estimates of selected key variables.
- 3 In order to improve timeliness of the publication, some information for the current quarter may have been estimated due to late or non-submission by respondents. These estimates are revised as soon as the actual information is available.
- 4 Additional information regarding estimates of small, medium and large enterprises by industry per variable for the quarters ended December 2015 and March 2016 is available on the Stats SA website and can also be made available on request.

Purpose of the survey

- 5 The QFS survey covers a sample of enterprises operating in the formal non-agricultural business sector of the South African economy, excluding financial intermediation, insurance and government institutions. Results of the survey are used in compiling estimates of the Gross Domestic Product (GDP) and its components, which in turn are used to develop and monitor government policy.

These statistics are also used by the private sector in analysis of comparative business and industry performance. The results are published quarterly in statistical release P0044: *Quarterly financial statistics*.

Scope of the survey	<p>6 This survey covers financial statistics of the following industries according to the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993:</p> <ul style="list-style-type: none"> • mining and quarrying industry; • manufacturing industry; • electricity, gas and water supply industry; • construction industry; • trade industry; • transport, storage and communication industry; • real estate and business services industry, excluding financial intermediation and insurance; and • community, social and personal services industry, excluding government institutions.
Classification	<p>7 The 1993 edition of the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993, 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. Statistics in this publication are only presented at SIC major division (one digit) level. Each enterprise is classified to an industry which reflects the predominant activity of the enterprise. Estimates on lower digits SIC can be made available on request.</p>
Statistical unit	<p>8 For the purpose of this publication, the statistical unit in the quarterly financial statistics survey is the enterprise. An enterprise is defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities. The statistical units are derived from and linked to the South African Revenue Service (SARS) value added tax (VAT) administrative data.</p>
Survey methodology and design	<p>9 The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of approximately 5 000 enterprises. Questionnaires have to be returned to Stats SA within two weeks after the end of the quarter concerned. Fax, telephone and electronic reminders are used to follow up on non-responding enterprises.</p> <p>10 Samples are normally drawn each year and the resulting level changes in estimates are indicated when the new sample is implemented. A new sample was drawn in 2015 and implemented from the September 2015 quarter onwards.</p> <p>11 The sample was drawn from a population of enterprises that contributed approximately 95% to the total turnover per industry. Adjustments are made to the estimates to account for enterprises contributing less than 5% of the total turnover within each industry. All enterprises are stratified by type of enterprise according to size groups based on the National Small Business Amendment Bill, 2003, size group allocations for industries as defined in the <i>Standard Industrial Classification</i></p>

of *All Economic Activities* (SIC), Fifth edition, January 1993. All large enterprises, which comprise 51% of the number of enterprises in the sample, are completely enumerated, while simple random sampling is applied for medium sized, small and very small enterprises. Enterprises with a VAT turnover of less than R2 000 000 are excluded from this survey. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.

Reliability of estimates

- 12** Data presented in this publication are based on information obtained from a sample of enterprises and are, therefore, subject to sampling variability, that is, the data may differ from the figures that would have been produced if the data had been obtained from all enterprises in the different industries in South Africa, inaccuracies of this kind are referred to as sampling errors. See Tables A and B (page 27) to determine the extent that estimates may vary.
- 13** Inaccuracies may occur because of imperfections in reporting by enterprises and errors made with 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 designing the questionnaire carefully, conducting pilot studies, editing of data and the implementation of efficient operating procedures. Preliminary figures are indicated in the relevant tables.

Reasons for fluctuations in data

- 14** The fluctuations in the data can be attributed to:
- revisions to previous quarters made in the event of new or revised information being furnished by the respondents;
 - restructuring of large businesses;
 - exchange rate fluctuations;
 - restating of previous estimates due to International Financial Reporting Standards (IFRS);
 - once-off items reflected in one or more quarters, but not reflected in other quarters;
 - year-end adjustments performed during the last quarter of the financial year;
 - seasonal factors;
 - items declared annually and not quarterly;
 - samples drawn annually (*see paragraph 10 on page 32*); and
 - response rates per industry and within sub sectors.

Standard error

- 15** The estimates in this publication are based on a sample drawn from units in the surveyed population. The entire population is not surveyed. The published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic (*see page 27, Tables A and B*).

Revised figures

- 16** The revised figures are due to respondents reporting revisions or corrections in their figures and late submissions of their data to Stats SA. Editing of data occurs at individual enterprise level.

Reference period

- 17** The reference period for this publication is from 1 January 2016 to 31 March 2016.

Related publications	<p>18 Users may also wish to refer to the following publications which are available from Stats SA:</p> <ul style="list-style-type: none"> • <i>Annual financial statistics</i> (P0021); • <i>Bulletin of Statistics</i> – issued quarterly; • <i>Gross domestic product</i> (P0441) – issued quarterly and annually; • <i>Manufacturing: Production and sales</i> (P3041.2) – issued monthly; • <i>Mining: Production and sales</i> (P2041) – issued monthly; • <i>Motor trade sales</i> (P6343.2) – issued monthly; • <i>Quarterly employment statistics</i> (P0277); • <i>Retail trade sales</i> (P6242.1) – issued monthly; • <i>South African Statistics</i> – issued annually; and • <i>Wholesale trade sales</i> (P6141.2) – issued monthly.
Rounding-off of figures	<p>19 The figures in the tables have, where necessary, been rounded off to the nearest three digits shown.</p>
Comparison of results with Quarterly Employment Statistics (QES) survey	<p>20 Employment costs estimates produced in this publication are based on information as defined by the International Accounting Standards 19 (IAS19) from an accounting perspective. The <i>Quarterly employment statistics</i> (QES) survey produces estimates for employment and earnings from a payroll perspective.</p> <p>The differences between the QFS employment costs and QES earnings can be attributed, but not limited, to the following factors:</p> <ul style="list-style-type: none"> • accounting and payroll timing differences in the recognition of employment-related transactions. The QFS employment costs are recognised on an accrual basis while the QES earnings are recognised on a cash basis; • classification differences between surveys; • changes in accounting standards (International Financial Reporting Standards (IFRS) revisions in the QFS); • different sampling frames; • different sampling methodology and sampling specifications; • information sources (information from the payroll administrator vs. information from the accounting officer); and • restructuring of businesses.
Adjustment of DTI cut-off points	<p>21 The DTI cut-off points sourced from the National Small Business Amendment Bill 2003 have been raised by a factor of 10,5 to comply with sample specifications.</p>

Symbols and abbreviations

22	AFS	Annual financial statistics
	BSF	Business Sampling Frame
	DTI	Department of Trade and Industry
	GDP	Gross domestic product
	IAS	International Accounting Standards
	IFRS	International Financial Reporting Standards
	ISIC	International Standard Industrial Classification
	QES	Quarterly employment statistics
	QFS	Quarterly financial statistics
	RSE	Relative Standard Error
	SARS	South African Revenue Service
	SE	Standard Error
	SIC	Standard Industrial Classification of All Economic Activities
	Stats SA	Statistics South Africa
	VAT	Value-added tax
	..	Not available

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Glossary

Capital expenditure on property, plant and equipment

Capital expenditure on property, plant and equipment includes:

- erection of new buildings and works, additions to and alterations of existing buildings and works, whether payments were made to outside contractors or concerns, or work done by the enterprise itself;
- work in progress capitalised; and
- new plant and machinery, vehicles and equipment.

Carrying value of property, plant and equipment

Carrying value of property, plant and equipment at the end of the quarter includes:

- land;
- residential buildings and non-residential buildings;
- construction works, roads and parking areas;
- computers and other IT equipment;
- motor vehicles and other transport equipment; and
- plant, machinery, furniture, fittings and other office equipment.

Company tax

Company tax brought into account consists of taxes on incomes, profits and capital gains, excluding value-added tax (VAT). They are assessed on the actual or presumed incomes of enterprises and exclude employees' taxes, deferred tax and compulsory loan levies.

Employment costs

Employment/staff costs according to IAS 19 are costs incurred in exchange for services rendered by employees. These costs are divided into four categories: short-term employee benefits, post-employment benefits, other long-term employee benefits and termination benefits.

Employment costs include (among other types of employment benefits):

- wages and salaries;
- compensated absences (paid vacation and sick leave);
- commissions paid;
- profit sharing plans;
- bonuses;
- medical and life insurance benefits during employment;
- housing benefits;
- free or subsidised goods or services given to employees;
- pension benefits;
- post-employment medical and life insurance benefits;
- long-service or sabbatical leave;
- jubilee' benefits;
- deferred compensation programmes;
- severance, termination and redundancy payments to staff; and
- other employee-related costs not mentioned above.

Enterprise	An enterprise is a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
Establishment	An establishment is defined as an enterprise or part of an enterprise that is situated at a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.
Industry	An industry consists of a group of enterprises engaged in the same or similar kinds of economic activity, and is classified according to the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993.
International Financial Reporting Standards (IFRS)	International Financial Reporting Standards (IFRS) are international accounting standards stating how particular types of transactions and other events should be reported in financial statements. IFRS are issued by the Accounting Standards Board. The purpose of IFRS is to improve transparency and comparability within financial reporting and introduce consistency in accounting.
Inventories	<p>Inventories consist of:</p> <ul style="list-style-type: none">• Outputs that are held by the enterprise that produced them prior to their being further processed, sold, delivered to other units or used in other ways.• Products acquired from other enterprises that are intended to be used for intermediate consumption or for resale without further processing (factored goods). <p>Raw materials consist of components for processing, packing materials, fuel, consumable and maintenance stores.</p> <p>Work in progress consists of goods in the process of manufacturing or work that has been partially done, but which has not yet been completed at the beginning and end of the quarter.</p> <p>Finished goods include manufactured goods by own manufacturers and goods not produced by the enterprise but purchased for resale, not sold at the beginning and end of the quarter.</p>
Net profit or loss	Net profit or loss before drawings by proprietors or partners, company tax paid or provided for and dividends paid or provided for are taken into account is calculated as total income minus opening inventories plus closing inventories less total expenditure.

Purchases

Purchases includes:

- raw materials, components, etc, used in production;
- fuels;
- spare parts and building materials; and
- purchases and transfers-in of factored goods, intermediate products and partially completed goods from related enterprises.

Purchases excludes:

- subcontract and commission expenses;
- motor vehicle running expenditure, including parts and fuel;
- purchases of materials capitalised for “capital work done” by own employees; and
- containers and packaging materials.

Turnover

Turnover refers to the following items for all industries, excluding real estate and other business services (excluding financial intermediation and insurance):

- value of sales;
- amounts received for work done; and
- amounts received for services rendered.

Turnover refers to the following items for the real estate and other business services industry (excluding financial intermediation and insurance):

- value of sales;
- amounts received for work done;
- amounts received for services rendered;
- interest received;
- rent and or lease payments received for land and buildings; and
- rent, leasing and hiring received for machinery, vehicles and other equipment.

Turnover excludes:

- value-added tax (VAT); and
- net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange).

Value-added tax

VAT is an indirect tax based on consumption of goods and services in the economy.

General information

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