

STATISTICAL RELEASE

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Motor trade sales (Preliminary)

December 2018

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Sales at current prices: results for December 2018

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

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Year-on-year % change, unadjusted	7,5	6,6	1,2	6,1	3,0	-4,5
Month-on-month % change, seasonally adjusted	-0,9	2,0	-0,7	1,5	-0,5	-4,2
3-month % change, seasonally adjusted 1/	0,2	0,9	2,3	1,9	1,1	0,0

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 decreased by 4,5% year-on-year in December 2018. Negative annual growth rates were recorded for:

- new vehicle sales (-13,7%);
- workshop income (-12,6%);
- used vehicle sales (-9,7%); and
- sales of accessories (-3,9%) – see Table 5.

Seasonally adjusted motor trade sales decreased by 4,2% in December 2018 compared with November 2018. This followed month-on-month changes of -0,5% in November 2018 and 1,5% in October 2018.

In 2018, motor trade sales increased by 4,1% compared with 2017. The largest contributor was fuel sales (14,7% and contributing 3,8 percentage points).

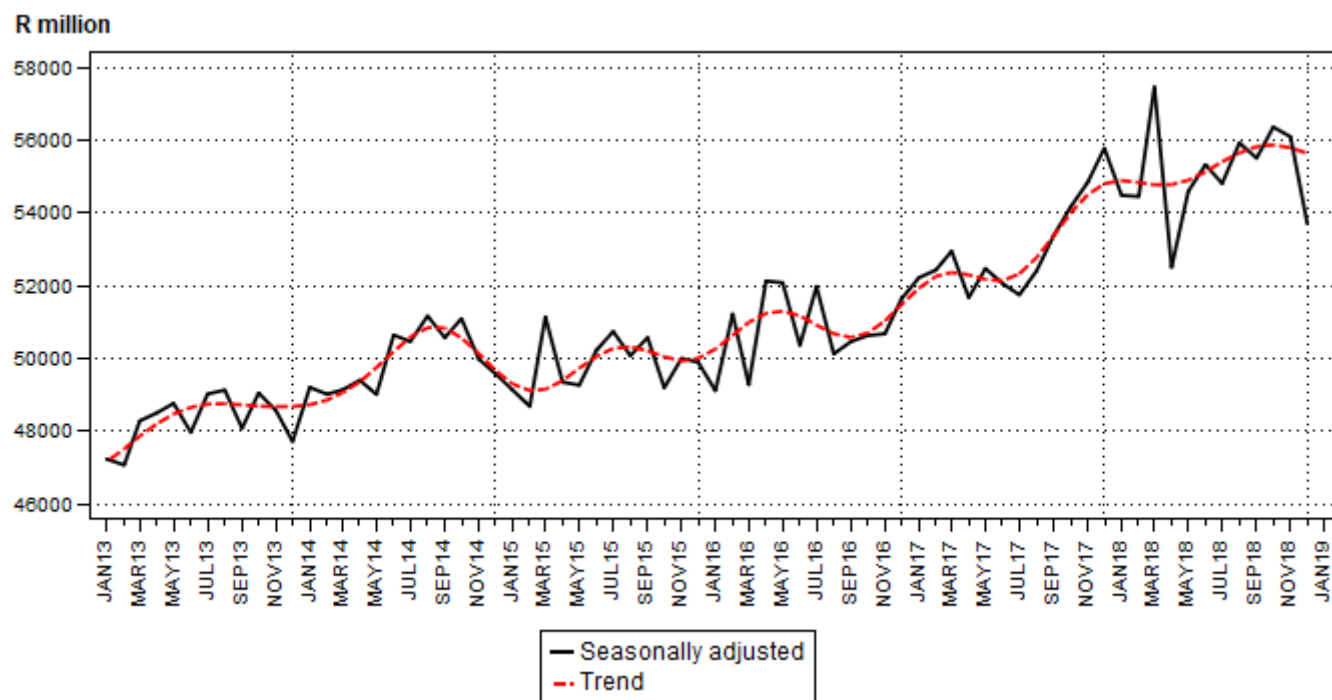
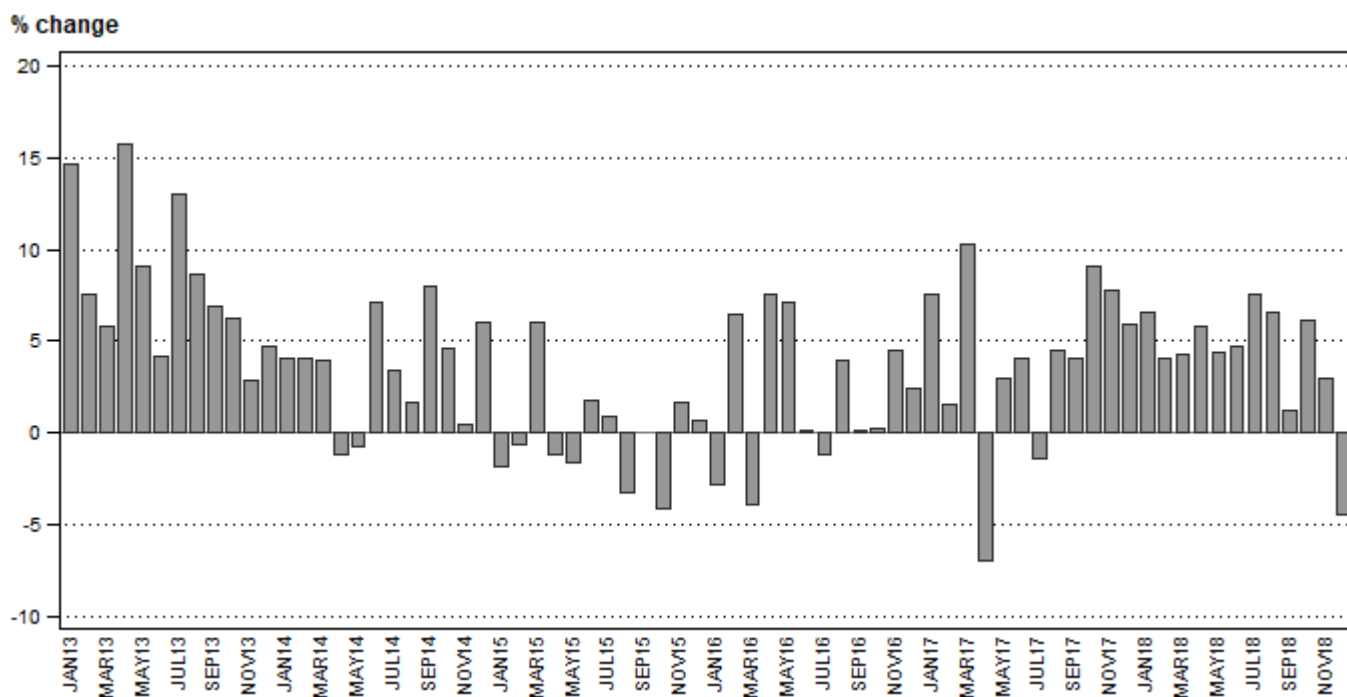
Seasonally adjusted motor trade sales showed no growth in the fourth quarter of 2018 compared with the previous quarter.

Table B – Motor trade sales at current prices for the latest three months by type of activity

Type of activity	Oct – Dec 2017 (R million)	Weight	Oct – Dec 2018 (R million)	% change between Oct – Dec 2017 and Oct – Dec 2018	Contribution (% points) to the total % change
New vehicle sales	44 750	26,7	42 113	-5,9	-1,6
Used vehicle sales	31 701	18,9	30 739	-3,0	-0,6
Workshop income	10 432	6,2	9 879	-5,3	-0,3
Income from the sales of accessories	29 744	17,8	29 742	0,0	0,0
Income from fuel sales	45 021	26,9	51 893	15,3	4,1
Income from convenience store sales 1/	5 861	3,5	5 924	1,1	0,0
Total	167 510	100,0	170 286	1,7	1,7

1/ Includes 'other' sales and trading income.

Motor trade sales increased by 1,7% in the fourth quarter of 2018 compared with the fourth quarter of 2017. The main contributor was fuel sales (15,3% and contributing 4,1 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**

Risenga Maluleke
Statistician-General

Tables

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

Month	2012	2013	2014	2015	2016	2017	2018 1/
Jan	40 459	46 389	48 254	47 356	46 014	49 527	52 789
Feb	42 506	45 715	47 549	47 214	50 267	51 025	53 065
Mar	45 057	47 692	49 543	52 526	50 474	55 680	58 072
Apr	41 266	47 761	47 200	46 637	50 155	46 625	49 316
May	45 502	49 644	49 262	48 474	51 893	53 465	55 832
Jun	44 405	46 284	49 584	50 497	50 538	52 583	55 039
Jul	45 347	51 244	52 988	53 475	52 846	52 124	56 036
Aug	46 252	50 278	51 063	49 397	51 308	53 619	57 149
Sep	44 155	47 221	50 985	50 975	51 029	53 127	53 776
Oct	48 482	51 473	53 848	51 618	51 704	56 411	59 841
Nov	49 003	50 445	50 668	51 509	53 843	58 029	59 766
Dec	43 780	45 839	48 597	48 944	50 119	53 070	50 679
Total	536 214	579 985	599 541	598 622	610 190	635 285	661 360

1/ Figures for latest month are preliminary.

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

Month	2013	2014	2015	2016	2017	2018	2018 year-to-date
Jan	14,7	4,0	-1,9	-2,8	7,6	6,6	6,6
Feb	7,5	4,0	-0,7	6,5	1,5	4,0	5,3
Mar	5,8	3,9	6,0	-3,9	10,3	4,3	4,9
Apr	15,7	-1,2	-1,2	7,5	-7,0	5,8	5,1
May	9,1	-0,8	-1,6	7,1	3,0	4,4	5,0
Jun	4,2	7,1	1,8	0,1	4,0	4,7	4,9
Jul	13,0	3,4	0,9	-1,2	-1,4	7,5	5,3
Aug	8,7	1,6	-3,3	3,9	4,5	6,6	5,5
Sep	6,9	8,0	0,0	0,1	4,1	1,2	5,0
Oct	6,2	4,6	-4,1	0,2	9,1	6,1	5,1
Nov	2,9	0,4	1,7	4,5	7,8	3,0	4,9
Dec	4,7	6,0	0,7	2,4	5,9	-4,5	4,1
Total	8,2	3,4	-0,2	1,9	4,1	4,1	

Table 3 – Seasonally adjusted motor trade sales at current prices

Month	R million				Month-on-month % change			
	2015	2016	2017	2018	2015	2016	2017	2018
Jan	49 130	49 112	52 213	54 478	-0,9	-1,6	1,1	-2,3
Feb	48 682	51 220	52 430	54 449	-0,9	4,3	0,4	-0,1
Mar	51 138	49 279	52 945	57 459	5,0	-3,8	1,0	5,5
Apr	49 347	52 125	51 671	52 501	-3,5	5,8	-2,4	-8,6
May	49 264	52 078	52 467	54 592	-0,2	-0,1	1,5	4,0
Jun	50 224	50 358	52 054	55 320	1,9	-3,3	-0,8	1,3
Jul	50 738	51 975	51 746	54 805	1,0	3,2	-0,6	-0,9
Aug	50 074	50 123	52 404	55 918	-1,3	-3,6	1,3	2,0
Sep	50 573	50 462	53 380	55 502	1,0	0,7	1,9	-0,7
Oct	49 194	50 628	54 153	56 355	-2,7	0,3	1,4	1,5
Nov	49 998	50 675	54 837	56 088	1,6	0,1	1,3	-0,5
Dec	49 894	51 638	55 772	53 714	-0,2	1,9	1,7	-4,2

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

Type of activity	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18 1/
New vehicle sales	14 012	14 138	13 353	14 938	15 190	11 985
Used vehicle sales	10 075	10 822	9 567	11 053	11 051	8 635
Workshop income	3 420	3 349	3 112	3 568	3 483	2 828
Income from the sales of accessories	10 011	10 268	9 351	10 702	10 632	8 408
Income from fuel sales	16 633	16 733	16 521	17 652	17 486	16 755
Income from convenience store sales 2/	1 885	1 837	1 872	1 929	1 926	2 069
Total	56 036	57 149	53 776	59 841	59 766	50 679

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	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
New vehicle sales	2,7	-0,3	-5,8	-0,9	-3,8	-13,7
Used vehicle sales	-2,5	2,7	-6,9	1,4	-1,7	-9,7
Workshop income	0,4	-3,9	-6,3	-1,2	-2,9	-12,6
Income from the sales of accessories	5,2	-0,1	-3,7	4,1	-0,7	-3,9
Income from fuel sales	23,4	24,9	19,3	20,3	18,4	7,6
Income from convenience store sales 1/	9,0	5,3	3,9	2,9	0,2	0,2
Total	7,5	6,6	1,2	6,1	3,0	-4,5

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	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
New vehicle sales	0,7	-0,1	-1,5	-0,2	-1,0	-3,6
Used vehicle sales	-0,5	0,5	-1,3	0,3	-0,3	-1,7
Workshop income	0,0	-0,3	-0,4	-0,1	-0,2	-0,8
Income from the sales of accessories	1,0	0,0	-0,7	0,7	-0,1	-0,6
Income from fuel sales	6,1	6,2	5,0	5,3	4,7	2,2
Income from convenience store sales 1/	0,3	0,2	0,1	0,1	0,0	0,0
Total	7,5	6,6	1,2	6,1	3,0	-4,5

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 2018 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: • 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 December 2018 was 81,8%. The improved collection rate for November 2018 was 81,9%.
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: • <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: [Click to download historical data](#)
- Past publications** **12** Past motor trade releases are available on the Stats SA website. To access the releases electronically, use the following link: [Click to download past releases](#)

Technical notes

- Survey methodology and design** **1** The survey is conducted monthly. Questionnaires are sent to a sample of 912 enterprises from a population of 11 104 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 2018 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 3,8%.

- 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	1 835 904	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 August 2017
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 sampling 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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