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STATISTICAL RELEASE

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Motor trade sales (Preliminary)

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IMPROVING LIVES THROUGH DATA ECOSYSTEMS



Contents

Sales at current prices: results for July 2020	2
Table A – Key growth rates in motor trade sales at current prices.....	2
Table B – Motor trade sales at current prices for the latest three months by type of activity.....	2
Figure 1 – Motor trade sales at current prices	3
Figure 2 – Motor trade sales at current prices: year-on-year percentage change	3
Tables.....	4
Table 1 – Motor trade sales at current prices (R million).....	4
Table 2 – Year-on-year percentage change in motor trade sales at current prices	4
Table 3 – Seasonally adjusted motor trade sales at current prices.....	4
Table 4 – Motor trade sales at current prices by type of activity (R million)	5
Table 5 – Year-on-year percentage change in motor trade sales at current prices by type of activity	5
Table 6 – Contribution of each type of activity to the year-on-year percentage change in motor trade sales at current prices	5
Survey information	6
Technical notes.....	7
Glossary.....	9
Technical enquiries	9
General information.....	10

Sales at current prices: results for July 2020

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

	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Year-on-year % change, unadjusted	4,8	-16,2	-84,0	-50,1	-12,6	-12,5
Month-on-month % change, seasonally adjusted	0,8	-18,6	-75,6	165,7	59,3	4,4
3-month % change, seasonally adjusted 1/	0,0	-5,1	-31,8	-48,1	-44,1	11,7

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 12,5% year-on-year in July 2020. The largest negative annual growth rates were recorded for:

- fuel sales (-23,3%);
- new vehicle sales (-16,8%); and
- convenience store sales (-16,7%) – see Table 5.

Seasonally adjusted motor trade sales increased by 4,4% in July 2020 compared with June 2020. This followed month-on-month changes of 59,3% in June 2020 and 165,7% in May 2020.

In the three months ended July 2020, seasonally adjusted motor trade sales increased by 11,7% compared with the previous three months.

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

Type of activity	May – Jul 2019 (R million)	Weight	May – Jul 2020 (R million)	% change between May – Jul 2019 and May – Jul 2020	Contribution (% points) to the total % change
New vehicle sales	43 265	25,4	31 550	-27,1	-6,9
Used vehicle sales	30 601	18,0	25 530	-16,6	-3,0
Workshop income	11 328	6,6	8 432	-25,6	-1,7
Income from the sales of accessories	28 604	16,8	25 269	-11,7	-2,0
Income from fuel sales	50 535	29,7	32 250	-36,2	-10,8
Income from convenience store sales 1/	6 033	3,5	4 550	-24,6	-0,9
Total	170 365	100,0	127 580	-25,1	-25,1

1/ Includes 'other' sales and trading income.

Motor trade sales decreased by 25,1% in the three months ended July 2020 compared with the three months ended July 2019. The main contributors to this decrease were:

- fuel sales (-36,2% and contributing -10,8 percentage points);
- new vehicle sales (-27,1% and contributing -6,9 percentage points); and
- used vehicle sales (-16,6% and contributing -3,0 percentage points) – see Table B.

Figure 1 – Motor trade sales at current prices

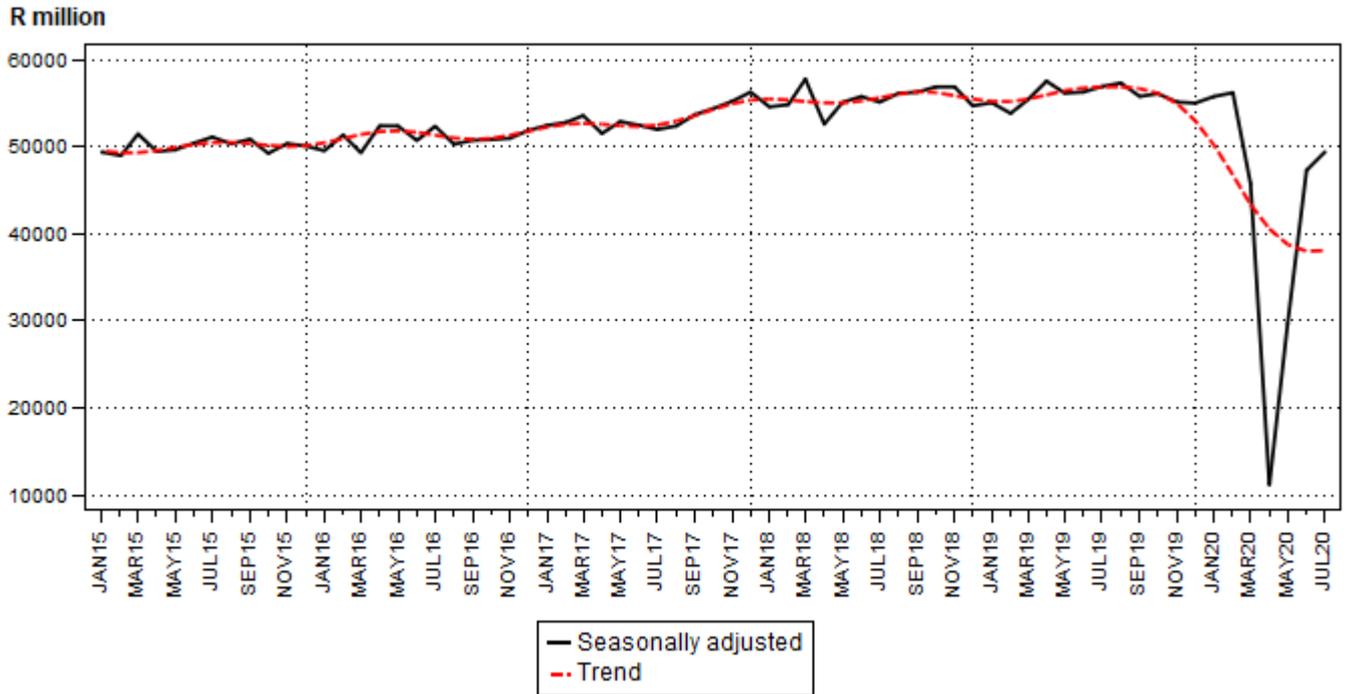
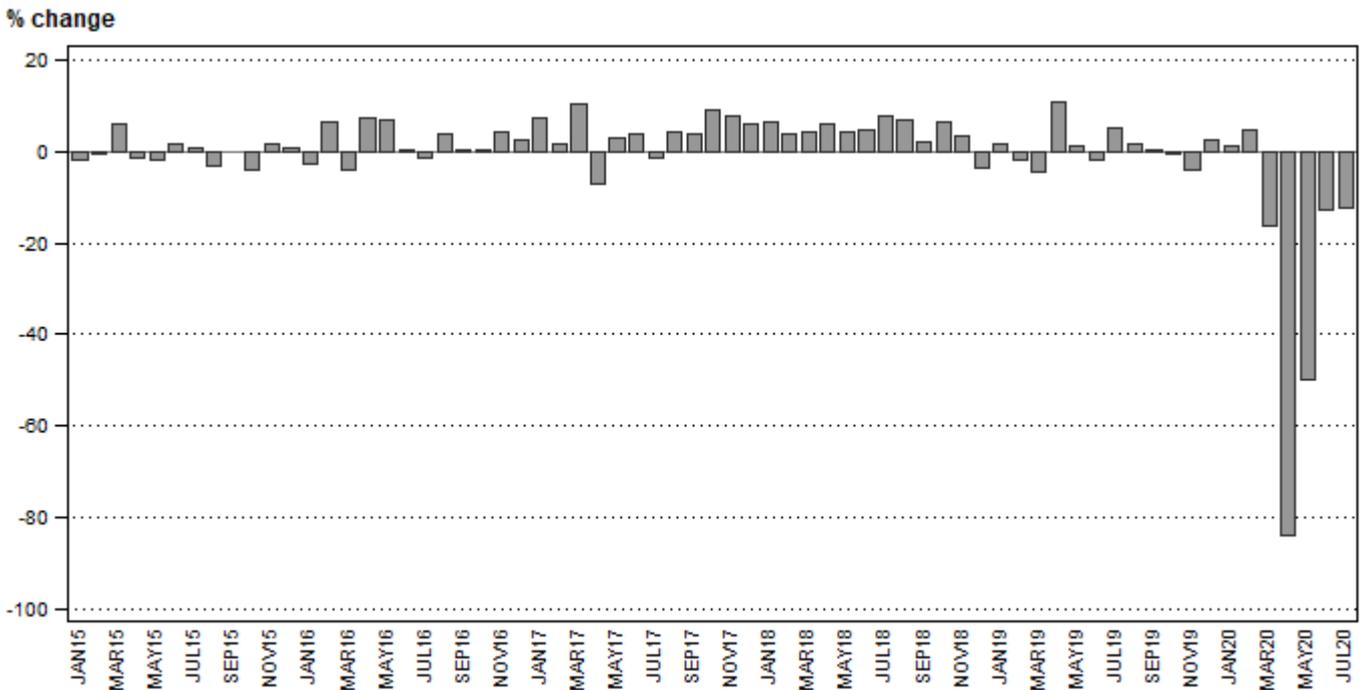


Figure 2 – Motor trade sales at current prices: year-on-year percentage change



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Tables

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

Month	2014	2015	2016	2017	2018	2019	2020 1/
Jan	48 487	47 584	46 236	49 766	53 044	53 844	54 522
Feb	47 779	47 442	50 510	51 272	53 321	52 361	54 883
Mar	49 783	52 780	50 718	55 949	58 353	55 646	46 619
Apr	47 428	46 863	50 397	46 851	49 633	54 981	8 790
May	49 500	48 708	52 144	53 723	56 064	56 846	28 349
Jun	49 823	50 741	50 782	52 837	55 263	54 249	47 392
Jul	53 245	53 733	53 102	52 376	56 409	59 270	51 839
Aug	51 309	49 636	51 556	53 878	57 598	58 435	
Sep	51 231	51 222	51 276	53 383	54 436	54 467	
Oct	54 108	51 867	51 954	56 684	60 406	59 960	
Nov	50 912	51 759	54 103	58 309	60 417	57 915	
Dec	48 832	49 180	50 361	53 327	51 480	52 718	
Total	602 437	601 515	613 139	638 355	666 424	670 692	

1/ Figures for latest month are preliminary.

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

Month	2015	2016	2017	2018	2019	2020	2020 year-to-date
Jan	-1,9	-2,8	7,6	6,6	1,5	1,3	1,3
Feb	-0,7	6,5	1,5	4,0	-1,8	4,8	3,0
Mar	6,0	-3,9	10,3	4,3	-4,6	-16,2	-3,6
Apr	-1,2	7,5	-7,0	5,9	10,8	-84,0	-24,0
May	-1,6	7,1	3,0	4,4	1,4	-50,1	-29,4
Jun	1,8	0,1	4,0	4,6	-1,8	-12,6	-26,6
Jul	0,9	-1,2	-1,4	7,7	5,1	-12,5	-24,5
Aug	-3,3	3,9	4,5	6,9	1,5		
Sep	0,0	0,1	4,1	2,0	0,1		
Oct	-4,1	0,2	9,1	6,6	-0,7		
Nov	1,7	4,5	7,8	3,6	-4,1		
Dec	0,7	2,4	5,9	-3,5	2,4		
Total	-0,2	1,9	4,1	4,4	0,6		

Table 3 – Seasonally adjusted motor trade sales at current prices

Month	R million				Month-on-month % change			
	2017	2018	2019	2020	2017	2018	2019	2020
Jan	52 426	54 558	55 034	55 749	1,1	-3,0	0,7	1,4
Feb	52 773	54 816	53 812	56 181	0,7	0,5	-2,2	0,8
Mar	53 556	57 744	55 359	45 749	1,5	5,3	2,9	-18,6
Apr	51 510	52 572	57 505	11 173	-3,8	-9,0	3,9	-75,6
May	52 867	55 074	56 126	29 684	2,6	4,8	-2,4	165,7
Jun	52 449	55 750	56 268	47 273	-0,8	1,2	0,3	59,3
Jul	51 959	55 094	56 888	49 367	-0,9	-1,2	1,1	4,4
Aug	52 364	56 113	57 297		0,8	1,8	0,7	
Sep	53 670	56 243	55 760		2,5	0,2	-2,7	
Oct	54 366	56 851	56 065		1,3	1,1	0,5	
Nov	55 200	56 852	55 112		1,5	0,0	-1,7	
Dec	56 252	54 674	54 987		1,9	-3,8	-0,2	

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

Type of activity	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20 1/
New vehicle sales	13 342	10 488	1 032	5 635	12 892	13 023
Used vehicle sales	10 286	8 018	267	4 415	10 013	11 102
Workshop income	3 879	3 342	601	1 850	3 093	3 489
Income from the sales of accessories	9 081	8 331	1 212	6 790	8 963	9 516
Income from fuel sales	16 292	14 590	4 858	8 350	10 861	13 039
Income from convenience store sales 2/	2 002	1 850	820	1 311	1 570	1 669
Total	54 883	46 619	8 790	28 349	47 392	51 839

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	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
New vehicle sales	-3,0	-26,6	-92,2	-59,8	-5,1	-16,8
Used vehicle sales	6,6	-17,5	-97,3	-56,8	6,3	1,4
Workshop income	7,4	-9,3	-83,8	-54,1	-10,6	-9,0
Income from the sales of accessories	1,7	-11,3	-86,9	-30,7	0,1	-3,3
Income from fuel sales	12,2	-11,2	-71,1	-50,1	-35,4	-23,3
Income from convenience store sales 1/	5,9	-12,6	-59,9	-34,8	-22,2	-16,7
Total	4,8	-16,2	-84,0	-50,1	-12,6	-12,5

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	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
New vehicle sales	-0,8	-6,8	-22,1	-14,8	-1,3	-4,4
Used vehicle sales	1,2	-3,1	-17,6	-10,2	1,1	0,3
Workshop income	0,5	-0,6	-5,6	-3,8	-0,7	-0,6
Income from the sales of accessories	0,3	-1,9	-14,7	-5,3	0,0	-0,5
Income from fuel sales	3,4	-3,3	-21,8	-14,7	-11,0	-6,7
Income from convenience store sales 1/	0,2	-0,5	-2,2	-1,2	-0,8	-0,6
Total	4,8	-16,2	-84,0	-50,1	-12,6	-12,5

1/ Includes 'other' sales and trading income.

Survey information

Introduction	<p>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 2019 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.</p> <p>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.</p>
Purpose of the survey	<p>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.</p>
Scope of the survey	<p>4 The survey collects information from a sample of enterprises in South Africa that are predominantly involved in motor trade. These enterprises include:</p> <ul style="list-style-type: none"> • motor vehicle dealers, filling stations and workshops; • motor cycle dealers; • spares and accessories; • tyre dealers; • automotive electricians; • radiator repairs; • panel beaters and spray painters; • 'other' specialised motor repair services; and • 'other' motor trade.
Classification	<p>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.</p>
Collection rate	<p>6 The preliminary collection rate for the survey on motor trade sales for July 2020 was 80,5%. The improved collection rate for June 2020 was 84,7%.</p>
Statistical unit	<p>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.</p>
Revised figures	<p>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.</p>
Related publications	<p>9 Users may also refer to the following publication available from Stats SA:</p> <ul style="list-style-type: none"> • <i>Stats in Brief</i> issued annually.

- Rounding-off of figures** 10 Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals.
- Historical data** 11 Historical motor trade data are available on the Stats SA website. To access the data electronically, use the following link: [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 908 enterprises from a population of 10 660 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 2019 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	2 011 467	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	<p>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</p> <p>Note: Owing to the impact of the COVID 19 lockdown, a transitory change adjustment was applied to April 2020. Transitory (temporary) change describes a temporary effect on the level of a series after a certain point in time. The methodology will be reviewed as more data points are added to the time series.</p>
Trend cycle	6	<p>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.</p>
Reliability of estimates	7	<p>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.</p>
	8	<p>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.</p>
Month-on-month percentage change	9	<p>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.</p>
Year-on-year percentage change	10	<p>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.</p>
Contribution (percentage points)	11	<p>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.</p>

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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