

STATISTICAL RELEASE

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Motor trade sales (Preliminary)

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ENQUIRIES:
Keshnee Naidoo
(012) 310 8423

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www.statssa.gov.za
info@statssa.gov.za
T +27 12 310 8911
F +27 12 310 8500

Private Bag X44, Pretoria, 0001, South Africa
ISibalo House, Koch Street, Salvokop, Pretoria, 0002

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Sales at current prices: results for March 2018

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

	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Year-on-year % change, unadjusted	8,3	7,6	5,1	6,2	3,9	4,3
Month-on-month % change, seasonally adjusted	2,0	1,7	0,0	-1,6	0,2	5,6
3-month % change, seasonally adjusted 1/	2,6	4,6	5,1	3,1	0,8	1,0

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 increased by 4,3% year-on-year in March 2018. The largest annual growth rates were recorded for:

- new vehicle sales (9,4%);
- convenience store sales (8,5%); and
- fuel sales (6,3%) – see Table 5.

Seasonally adjusted motor trade sales increased by 5,6% in March 2018 compared with February 2018. This followed month-on-month changes of 0,2% in February 2018 and -1,6% in January 2018.

In the first quarter of 2018, seasonally adjusted motor trade sales increased by 1,0% compared with the previous quarter.

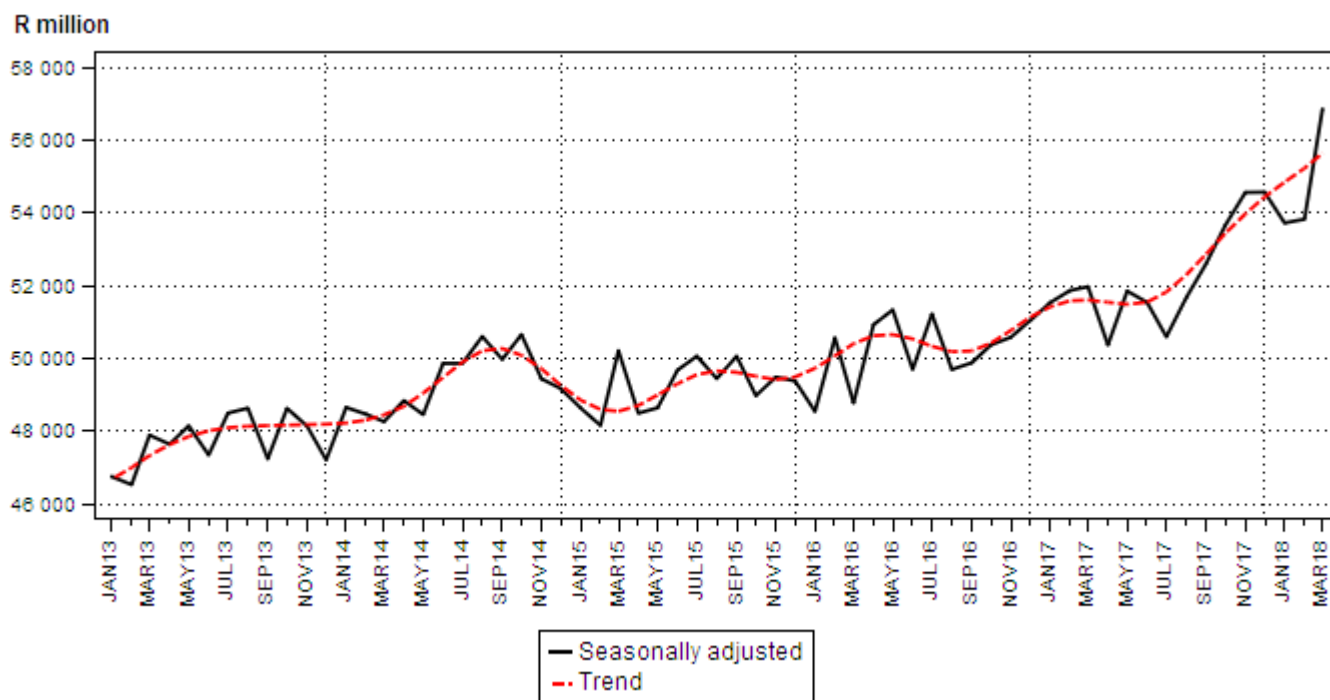
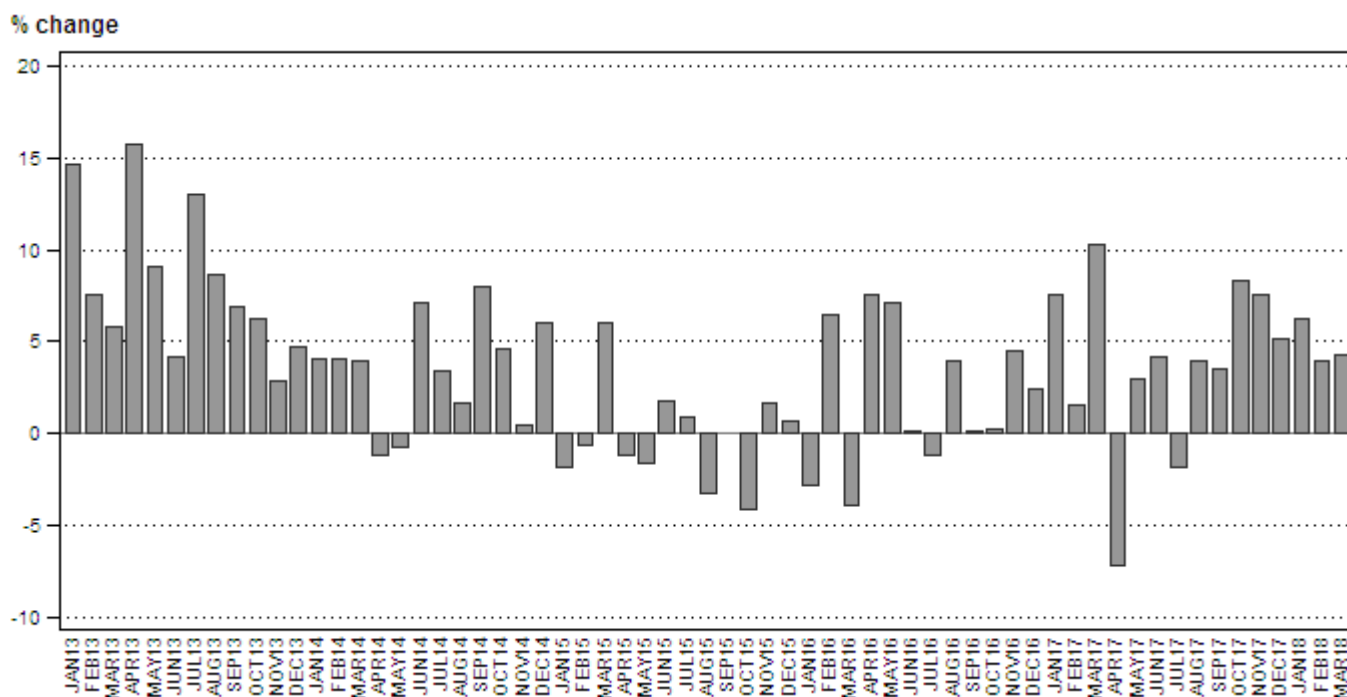
Table B – Motor trade sales at current prices for the latest three months by type of activity

Type of activity	Jan – Mar 2017 (R million)	Weight	Jan – Mar 2018 (R million)	% change between Jan – Mar 2017 and Jan – Mar 2018	Contribution (% points) to the total % change
New vehicle sales	42 038	27,2	44 636	6,2	1,7
Used vehicle sales	29 481	19,1	30 122	2,2	0,4
Workshop income	9 299	6,0	9 121	-1,9	-0,1
Income from the sales of accessories	28 246	18,3	28 631	1,4	0,3
Income from fuel sales	40 299	26,1	43 908	9,0	2,3
Income from convenience store sales 1/	5 010	3,2	5 381	7,4	0,2
Total	154 371	100,0	161 798	4,8	4,8

1/ Includes 'other' sales and trading income.

Motor trade sales increased by 4,8% in the first quarter of 2018 compared with the first quarter of 2017. The main contributors were:

- fuel sales (9,0% and contributing 2,3 percentage points); and
- new vehicle sales (6,2% and contributing 1,7 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	39 978	45 837	47 680	46 792	45 466	48 937	51 991
Feb	42 000	45 171	46 983	46 652	49 669	50 417	52 399
Mar	44 521	47 124	48 953	51 900	49 873	55 017	57 408
Apr	40 776	47 192	46 638	46 082	49 558	45 991	
May	44 960	49 053	48 675	47 897	51 275	52 833	
Jun	43 877	45 733	48 993	49 896	49 937	52 031	
Jul	44 808	50 634	52 357	52 839	52 218	51 274	
Aug	45 701	49 679	50 454	48 810	50 697	52 683	
Sep	43 630	46 659	50 378	50 369	50 421	52 187	
Oct	47 905	50 860	53 207	51 003	51 089	55 351	
Nov	48 420	49 844	50 064	50 896	53 202	57 230	
Dec	43 259	45 293	48 019	48 361	49 522	52 065	
Total	529 835	573 079	592 401	591 497	602 927	626 016	

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	6,2	6,2
Feb	7,6	4,0	-0,7	6,5	1,5	3,9	5,1
Mar	5,8	3,9	6,0	-3,9	10,3	4,3	4,8
Apr	15,7	-1,2	-1,2	7,5	-7,2		
May	9,1	-0,8	-1,6	7,1	3,0		
Jun	4,2	7,1	1,8	0,1	4,2		
Jul	13,0	3,4	0,9	-1,2	-1,8		
Aug	8,7	1,6	-3,3	3,9	3,9		
Sep	6,9	8,0	0,0	0,1	3,5		
Oct	6,2	4,6	-4,1	0,2	8,3		
Nov	2,9	0,4	1,7	4,5	7,6		
Dec	4,7	6,0	0,7	2,4	5,1		
Total	8,2	3,4	-0,2	1,9	3,8		

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	48 637	48 543	51 530	53 721	-1,1	-1,7	1,0	-1,6
Feb	48 157	50 564	51 865	53 824	-1,0	4,2	0,7	0,2
Mar	50 209	48 777	51 969	56 848	4,3	-3,5	0,2	5,6
Apr	48 494	50 924	50 368		-3,4	4,4	-3,1	
May	48 641	51 333	51 850		0,3	0,8	2,9	
Jun	49 678	49 696	51 537		2,1	-3,2	-0,6	
Jul	50 060	51 217	50 593		0,8	3,1	-1,8	
Aug	49 446	49 695	51 669		-1,2	-3,0	2,1	
Sep	50 057	49 879	52 605		1,2	0,4	1,8	
Oct	48 976	50 371	53 666		-2,2	1,0	2,0	
Nov	49 485	50 581	54 559		1,0	0,4	1,7	
Dec	49 380	51 042	54 567		-0,2	0,9	0,0	

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

Type of activity	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18 1/
New vehicle sales	14 857	15 639	13 633	13 458	14 231	16 947
Used vehicle sales	10 344	10 763	9 101	9 538	9 925	10 659
Workshop income	3 264	3 330	2 881	2 890	3 054	3 177
Income from the sales of accessories	10 071	10 470	8 456	9 285	9 433	9 913
Income from fuel sales	15 028	15 157	15 968	14 994	14 086	14 828
Income from convenience store sales 2/	1 787	1 871	2 024	1 826	1 670	1 885
Total	55 351	57 230	52 065	51 991	52 399	57 408

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	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
New vehicle sales	12,5	12,9	4,9	3,7	4,9	9,4
Used vehicle sales	7,3	5,3	1,3	4,3	-0,4	2,8
Workshop income	1,7	-0,5	1,8	3,7	-2,3	-6,2
Income from the sales of accessories	4,4	3,2	-0,2	5,3	1,0	-1,8
Income from fuel sales	10,1	9,2	11,0	10,8	9,9	6,3
Income from convenience store sales 1/	2,4	6,5	9,2	9,1	4,4	8,5
Total	8,3	7,6	5,1	6,2	3,9	4,3

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	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
New vehicle sales	3,2	3,4	1,3	1,0	1,3	2,6
Used vehicle sales	1,4	1,0	0,2	0,8	-0,1	0,5
Workshop income	0,1	0,0	0,1	0,2	-0,1	-0,4
Income from the sales of accessories	0,8	0,6	0,0	1,0	0,2	-0,3
Income from fuel sales	2,7	2,4	3,2	3,0	2,5	1,6
Income from convenience store sales 1/	0,1	0,2	0,3	0,3	0,1	0,3
Total	8,3	7,6	5,1	6,2	3,9	4,3

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 2017 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 March 2018 was 82,2%. The improved collection rate for February 2018 was 86,9%.</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 853 enterprises from a population of 10 798 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 2017 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	1 854 346	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

Technical enquiries

Peter Makota

Telephone number: (012) 310 4837
Email: petermak@statssa.gov.za

Keshnee Naidoo

Telephone number: (012) 310 8423
Email: keshneen@statssa.gov.za

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User information services	Telephone number: (012) 310 8600 Email address: info@statssa.gov.za
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Postal address	Private Bag X44, Pretoria, 0001
----------------	---------------------------------

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