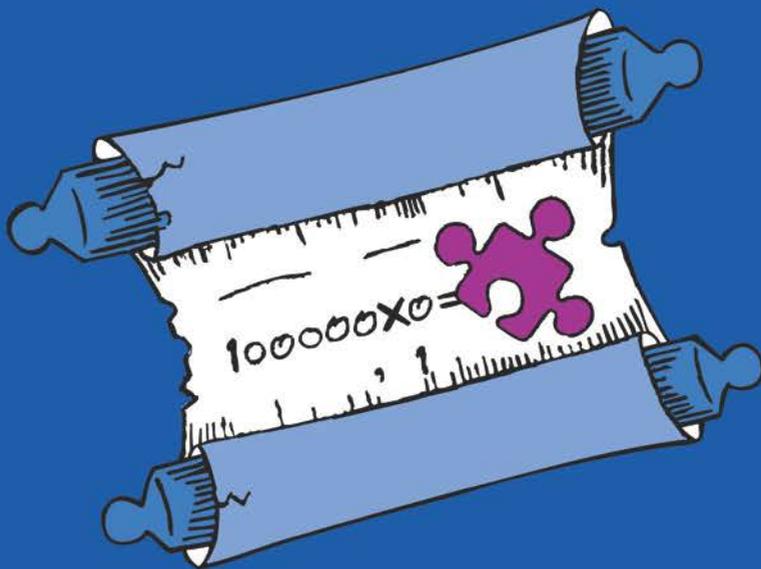


Mbalo Brief



the missing piece of the puzzle

April 2018



Issue 03/2018

THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND



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Editor's comment

On 2 April 2018, South Africa and the world at large received news of the passing of Winnie Madikizela-Mandela. She passed away at the age of 81 after a long illness. Dubbed 'Mother of the Nation', Winnie Madikizela-Mandela became a potent symbol of South Africa's anti-apartheid struggle when she was banished and jailed for campaigning for the rights of black South Africans and the release of Nelson Mandela. The nation united to pay tribute to Mama Winnie, applauding her strength and fierce nature. In tribute to her, President Cyril Ramaphosa said, "In the face of exploitation, she was a champion of justice and equality. Throughout her life she made an everlasting contribution to the struggle through sacrifice and her unyielding determination. Her dedication to the plight of her people gained her the love and the respect of the nation.

Her death almost coincided with the anniversary of the death of Chris Hani, who was assassinated on 10 April 1993. Hani was the leader of the South African Communist Party and chief of staff of Umkhonto weSizwe, the armed wing of the African National Congress (ANC). He was a fierce opponent of the apartheid government. It is also interesting to note that both these individuals passed on in April, a month that is used to commemorate the freedom of South Africans from Apartheid. They had the courage to confront the apartheid regime in pursuit of freedom, which did not come free for them as they paid with their lives, whether through death or sacrifices made. So in celebration of Freedom Day on 27 April, let us remember what it took for our country to be liberated and also continue to fight for freedom from other factors such as poverty, unemployment, sexism and other forms of discrimination.

In this month's issue of Mbalo Brief, our educational article is based on A Comparative analysis of emerging socioeconomic issues in selected SADC countries, Report No: 03-01-24 (2007-2012), published on 29 March 2018.

Articles published in this issue are based on results of industry surveys conducted for the months ranging from January to February 2018.

For more details on any of the surveys, visit our website at:
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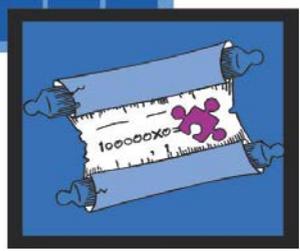
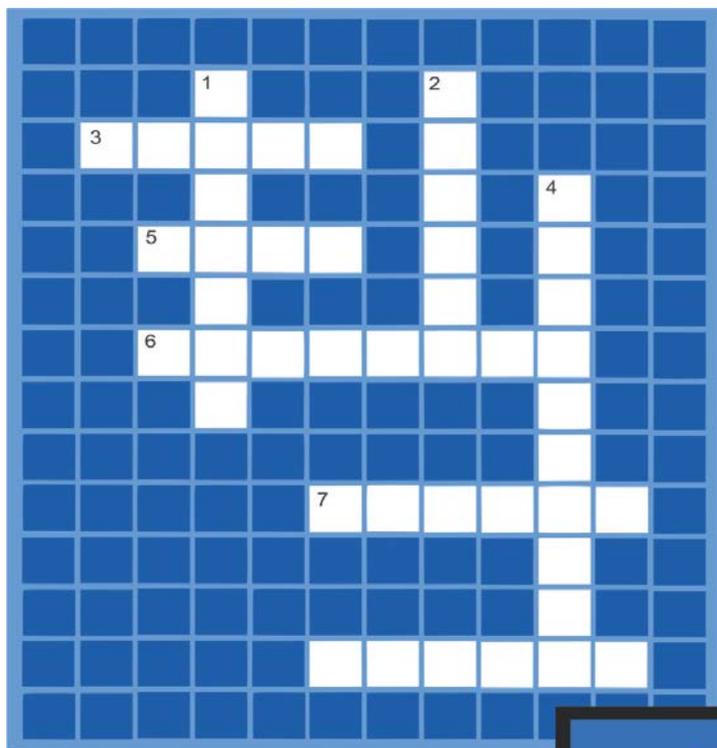
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Crossword puzzle





Across

3. In which month did Winnie Madikizela-Mandela die?
5. Who is South Africa's Minister of Finance? Fill in surname only.
6. Out of the six SADC countries, which country had a higher percentage of females, than males, who had completed primary level of education? Read the educational article for clues.
7. According to the educational article, which country had the highest sex ratio of males for every 100 females?
8. What is abbreviation for United Nations Children's Fund?

Down

1. Which day (or holiday) is commemorated on the 27th of April in South Africa?
2. Who is the Deputy President of South Africa? Fill in surname only.
4. According to the educational article, which country had the lowest percentage of persons aged 20 and older with university education attainment?

Solution for March 2018 puzzle

Across

3. Bheki Cele
5. Mpumalanga
6. South Africa

Down

1. Six
2. Venda Burial Society
4. Dumping





Educational article: Comparative analysis of emerging socioeconomic issues in selected SADC countries

1. Introduction

The Southern African Development Community (SADC) is an inter-governmental organization that was formed by the head of states from Southern African countries in 1992 at a summit held in Windhoek, Namibia. The total number of countries that constitute SADC are fifteen and they are; Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zimbabwe and Zambia. These countries are members of SADC because they share the main objectives which are part of SADC agenda to achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the people of Southern Africa and support the socially disadvantaged through regional integration, built on democratic principles, and equitable and sustainable development.

The information in this educational article is derived from the *Comparative analysis of emerging socioeconomic issues in selected SADC countries* report (Report No. 03-01-24). The report was published on 28 March 2018 by Statistics South Africa (Stats SA). It covers the years (2007 to 2012) and focuses on the demographic, education and labour force participation of only six out of the fifteen SADC countries namely; Mozambique, Malawi, Zambia, Botswana, South Africa and Tanzania. One of the reasons for the exclusion of other SADC countries was the lack of comparative data.

2. Demographic profile of the selected countries

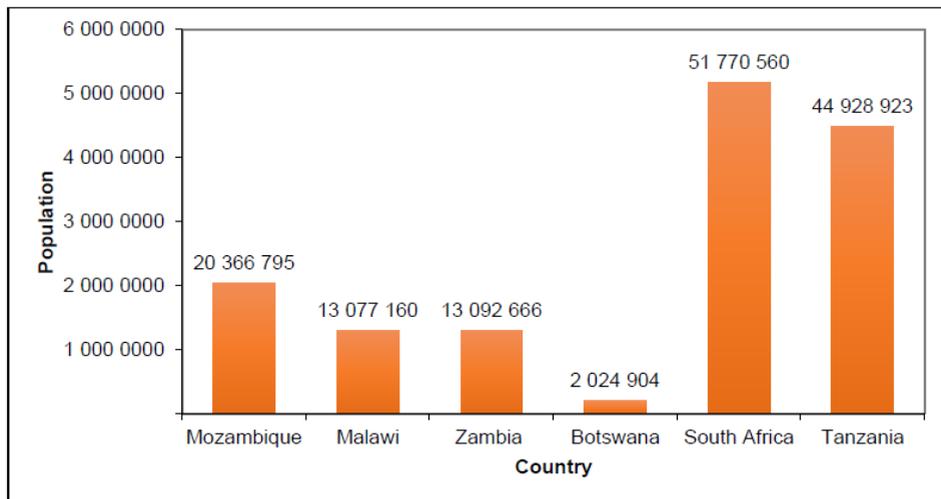
The official statistical information of a country plays an important role in the governance of that country. This information allows government to do proper planning and develop policies that address the challenges such as poverty, education and access to basic services. This section focuses on the growth rates based on population size for the six countries from the latest two census datasets. The datasets were taken for each country from Integrated Public Use Microdata Series, International (IPUMS International). The data





points were 2001 and 2011 for Botswana; 1998 and 2008 for Malawi; 1997 and 2007 for Mozambique; 2001 and 2011 for South Africa; 2002 and 2012 for Tanzania; 2000 and 2010 for Zambia. The data represented in this article is from the latest census of each country.

Figure 1: Population of the sampled country



According to the latest Censuses, as presented in Figure 1, South Africa is the most populous country (51 770 560), followed by Tanzania (44 928 923). The least populous country was Botswana with a population of 2 024 904.

2.1 Intercensal population growth rate

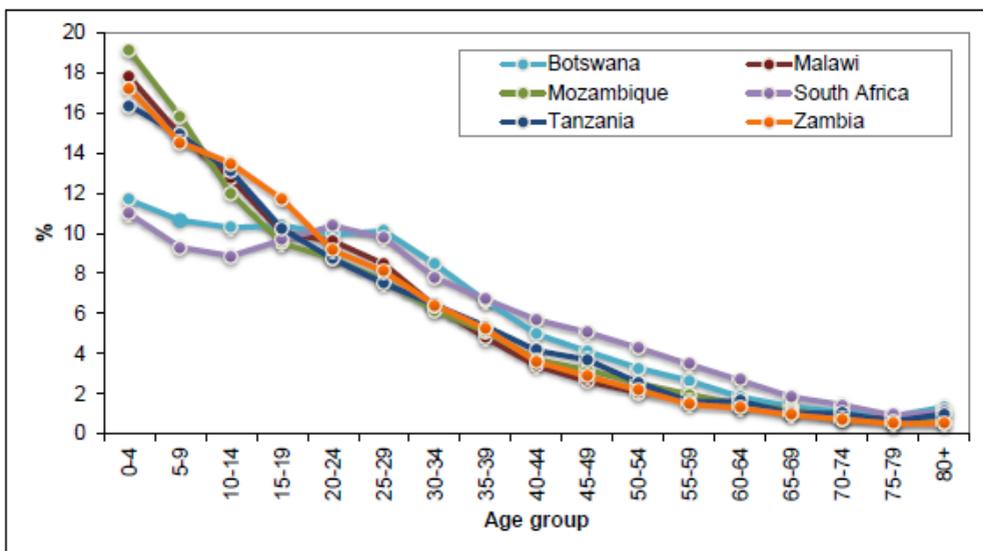
The official definition of intercensal growth rate is the average annual rate of growth in terms of the population size, specified between two periods. The country with the highest average annual population growth rate was Malawi with 3,0%, followed by Mozambique and Zambia both at 2,8%. Although South Africa had the highest population, it is the country with the lowest population growth rate of 1,5% in 2011, followed by Botswana with 1,7%.



2.2 Population distribution by age

The distribution of the population by age is one of the most important demographic groupings as it gives a visual representation of the population across different ages or age groups. The age structure of a country also helps in understanding, whether the country has a younger population that can possibly take part in economic activities or whether is composed of mostly an older age group that could be more dependent on pension grants . Figure 2 shows the population distribution of the six selected countries by age. Mozambique was the country with the largest proportion of persons aged 0 to 4 with almost 20%, followed by Malawi with 18%. On the other hand, South Africa and Botswana both had a lower percentage of persons aged 0 to 4 year olds of just below 12%. As observed in the figure below, all six countries have a steady decline in the population from 25 years and older.

Figure 2: Percentage distribution of population in selected countries by age group

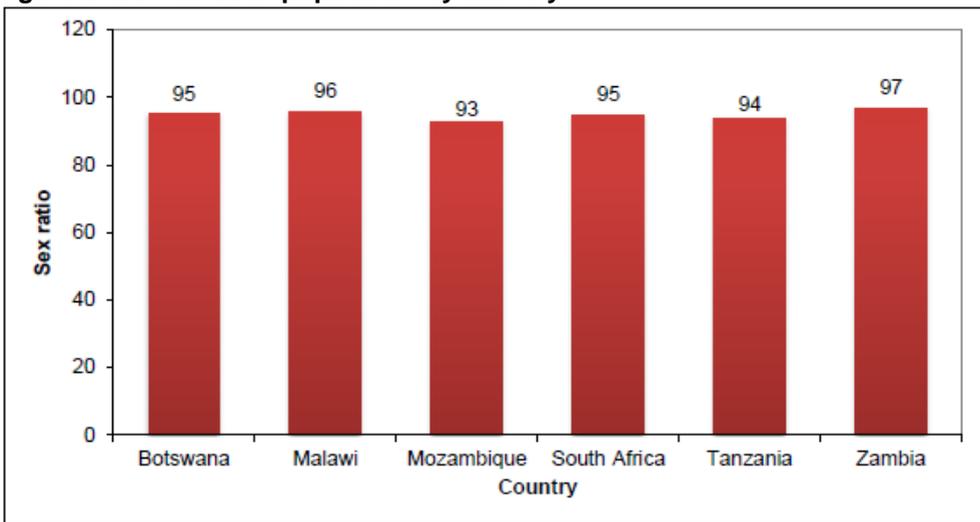




2.2 Population distribution by sex

There is a popular notion that there are more females than males in the world. Is this factual in the SADC countries? Well, according to Figure 3, there is a higher percentage of female than the male population in the selected countries. Figure 3, further illustrates that Zambia had the highest sex ratio of 97 males for every 100 females out of all the six countries profiled, followed by Malawi (96 males for every 100 females). Botswana and South Africa had similar sex ratios (95 males for every 100 females). The countries with the lower sex ratios were Mozambique (93 males for every 100 females) and Tanzania (94 males for every 100 females).

Figure 3: Sex ratios of population by country



3. Education attendance and attainment

Education is one of the basic human rights that should be respected and each country should strive to offer this to its citizens. The right to education should be legally guaranteed for all without any discrimination. This is also in-line with the United Nation Sustainable Goals (SDGs), Goal 4, that seeks to promote quality education and ensure an inclusive education for all and promote lifelong learning. The SADC region also recognises that education is important to achieving the goals as set out in their agenda. Through its Regional Indicative Strategic Development Plan (RISDP) and the Protocol



on Education and Training 2000, SADC was able to make progress in its aim to commit to global and regional protocols to improve the level of education in the region. Although the SADC countries have different education structures, curriculum and assessment methods, the SADC Protocol on Education and Training has seven areas of cooperation specified which include policy, basic education, intermediate education, higher education, research and development and life-long learning.

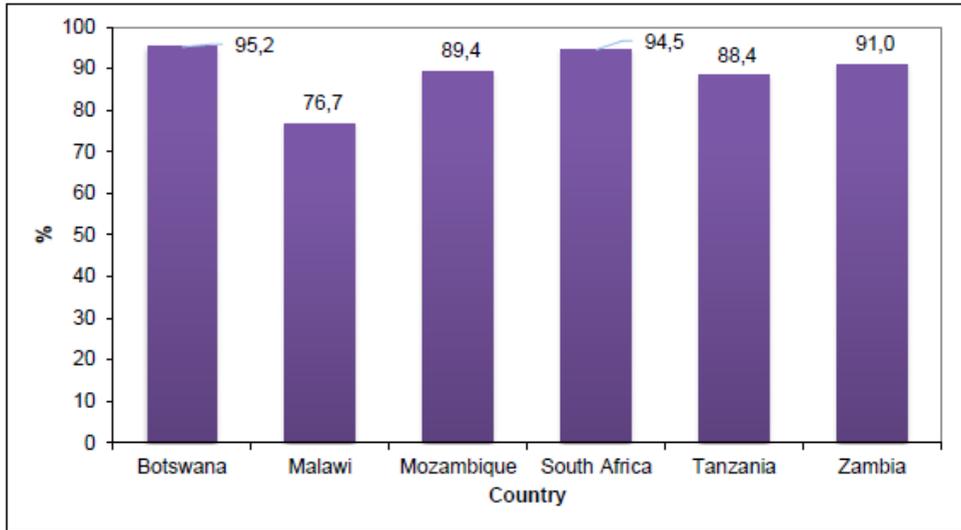
3.1 School attendance

The UNESCO's Education for All Status Report (2012), states that 84% of school-going age children in the region had completed their primary level of education. The percentage of those out-of-school at primary level was found to be only 6%. The progression to complete primary school and the enrolment at secondary and tertiary levels of education however, remains a challenge (SADC, 2015). High poverty levels that result in the lack of access to basic services, orphanhood and gender disparities are amongst the challenges that many countries in the SADC region are facing.

School attendance refers to primary or secondary school that the child is attending at the time of Census. Figure 4 presents the percentages of children aged 7-17 old attending school by selected country. Overall, about three quarters and above of the 7-17 age group was found to be attending school for all selected countries. The highest percentage (95,2%) of school attendance was recorded in Botswana whilst the lowest percentage (76,7%) was found in Malawi.



Figure 4: Percentage of children aged 7 to 17 years old attending school



3.2 Educational attainment

Educational attainment is the highest level of education obtained by an individual and it is seen as an important standard to measure the educational status of the population in a country. The country with the highest percentage of individuals aged 20 and older that completed primary schooling was Tanzania (51,9%), followed by Botswana (48,2%) and Zambia (45,0%). In South Africa, only 41,6% of individuals had completed primary schooling. The countries with the lowest percentage of persons of those aged 20 and older who attained primary education were Malawi (22,3%) and Mozambique (13,2%).

In the cases of those that have completed tertiary education, Botswana had the highest percentage (7,3%) of those aged 20 and older who had completed university, followed by South Africa (6,8%). In contrast, less than 1% of the population of the same age in Malawi (0,5%) and Mozambique (0,4%) had completed university education. It should be noted though that Malawi and Mozambique are the only SADC countries that provide free higher education. In contrast, Tanzania and Zambia recorded lower



proportions of those aged 20 and older who had completed some university degree.

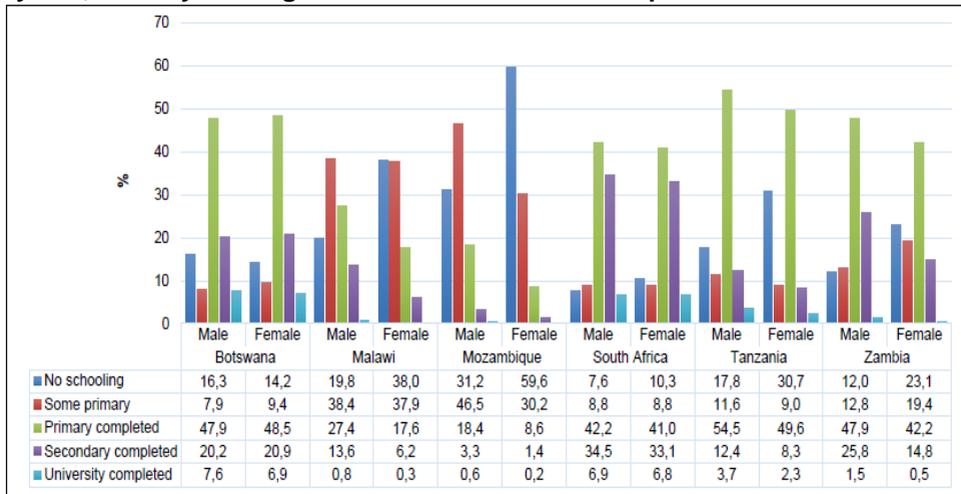
3.2.1 Educational attainment by sex

For many years, the right to education has been denied to many girls across the world, including the Southern African countries. According to the United Nations Children's Fund (UNICEF), the lack of sanitary facilities and social norms such as child marriage and female genital mutilation/cutting, have all been preventing girls from going to school and attaining education qualifications. Policies that address gender differences in education and employment opportunities are important in closing the gap between male and female in educational attainment.

Figure 5 shows the percentage distribution of both males and females aged 20 and older by the highest level of education completed. With the exception of Botswana, all countries had a higher percentage of males who had completed primary and secondary levels of education, Mozambique had only 8,6% of females aged 20 and older who had completed primary education, compared to 18,4% of males. Similar patterns can be observed in Malawi with regard to secondary education attainment, where the likelihood of 13,6% males completed secondary school education compared to 6,2% of their female counterparts in 2008. In Zambia, only 14,8% of females aged 20 and older completed secondary school in contrast to 25,8% of the male population in the same age group in 2010.



Figure 5: Percentage distribution of persons aged 20 years and older by sex, country and highest level of education completed



4. Labour dynamics profile

The labour market is at the cornerstone of sustainable development with Goal 8 of the (SDGs) that aims to achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, by 2030. In addition, the SADC Regional Indicative Strategic Development Plan (RISDP) as a regional development blue print, was approved for all its various sectors to implement as a way to eradicate challenges such as poverty, inequalities and unemployment amongst others.

4.1 Labour force participation by country

With regards to labour force participation, Tanzania had the highest labour participation at 73,2%, followed by Malawi at 71,4% and Mozambique at 70,3% . South Africa's labour force participation sat at 66,2%. The countries with the lowest labour participation rate were Zambia (58,5%) and Botswana (64,9%).

4.1.2 Labour force participation by age

In the three countries, Tanzania (81,1%), Malawi (77,3%) and Mozambique (76,9%), the labour participation rates were highest among the age group



60–64 with above 70% indicating that older persons were economically active despite their advanced age. At 34,9%, South Africa had the least labour participation rate in the same age group. The highest labour participation rates for Botswana (83,6%) and South Africa (82,3%) were in the age group 30–34, whilst the highest labour participation rates for Tanzania (87,6%) and Zambia (77,1%) were found in the age groups 40–44. However, the highest participation rates of Malawi (86%) and Mozambique (84,7%) were found in the age groups 35–39 and 45–49, respectively.

4.1.3 Labour force participation by sex

Despite the education attainment disparities between males and females in the SADC countries, there is an increased participation of females globally in the labour force. In all the six selected SADC countries, the labour force participation rates of males were higher than those of females. The female labour force participation rate was lowest in Zambia at 48,5% and males 69,4% , followed by Botswana with 58,0% females and 72,2% males and South Africa with 62,5% females and 70,0% males.

5. Conclusion

This comparative analysis in the six SADC countries shows that with regards to the intercensal population growth rate, South Africa and Botswana showed a decline whilst the other countries had a higher intercensal population growth rate. Botswana had the highest percentage of persons aged 20 and older with university education attainment whereas Mozambique had the lowest amongst the six countries. Labour force participation rate was higher in Tanzania and lowest in Zambia amongst the six countries. In all six countries, the labour participation rate is highest amongst age group 15-19.



Primary industries

Mining: production and sales

Mining production increases

In recent years, the mining industry has been faced with a number of challenges such as job losses, loss of production due to industrial actions, illegal mining and safety and health of the miners, amongst others. Following his appointment as the Minister of Mineral Resources, Mr Gwede Mantashe has identified key aspects that need to be addressed with urgency in the mining industry in order to enable the industry to operate optimally and make a meaningful contribution to the growth and development of our economy. One of these key aspects is increased vigilance on health and safety issues. This follows three fatalities which have been reported in mines in the last week of March 2018 (the latest one was reported at De Beers Venetia Mine in Limpopo). In this regard the Minister urges employers and labour to continue to work with the Department in finding solutions to health and safety matters at the mines, through established structures including the Mine Health and Safety Council (MHSC). Presented in this article is a summary of the Mining: Production and sales statistics for January 2018.

Mining production increased by 2,4% year-on-year in January 2018 (**see Table A**). The main positive contributors were iron ore (25,1%, contributing 3,4 percentage points) and 'other' non-metallic minerals (27,1%, contributing 1,3 percentage points). PGMs (-13,6%, contributing -2,9 percentage points) and gold (-7,7%, contributing -1,1 percentage points) were negative contributors.



Table A – Key growth rates in the volume of mining production for January 2018

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

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Mining: Production and sales* (Statistical release P2041) is available on the Stats SA website: www.statssa.gov.za

Mineral sales increased by 4,5% year-on-year in January 2018 (see **Table B**). The main positive contributors were gold (40,2%, contributing 5,4 percentage points) and coal (15,4%, contributing 4,6 percentage points). Iron ore (-28,4%, contributing -3,8 percentage points) and PGMs (-15,4%, contributing -3,3 percentage points) were significant negative contributors.

Table B – Key growth rates in mineral sales at current prices for January 2018

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Year-on-year % change, unadjusted	19,4	6,9	14,3	7,1	-1,7	4,5
Month-on-month % change, seasonally adjusted	4,9	0,4	4,8	-3,1	-1,7	-0,2
3-month % change, seasonally adjusted ^{1/}	3,2	6,4	8,5	6,8	4,0	-1,1

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Mining: Production and sales* (Statistical release P2041) is available on the Stats SA website: www.statssa.gov.za



Secondary industries

Manufacturing: Production and sales

Manufacturing production increases

South Africa's manufacturing sector was one of the sectors affected by the 2008 financial crisis that occurred in several countries around the world. Since then, the sector has been looking for various means to enhance its growth and development. South Africa, through the collaboration of manufacturing associations facilitated by Trade and Industrial Policy Strategies (TIPS), initiated among others the Manufacturing Circle's 'Map to a million jobs in a decade plan' which aims to boost the manufacturing sector. The programme focuses on creating between 800 000 and 1,1 million jobs (with five to eight times as many secondary jobs in the process) and increasing manufacturing's input in South Africa's economy by 30%. Another means is to acquire machine learning capabilities that are on par with other nations as well as the upskilling of a high-performance workforce capable of tackling the complexities associated with the development of innovative capacity. Hopefully, this initiative will enhance the South African manufacturing sector to a level that is competitive with other nations. Presented in this article is a summary of the manufacturing industry for January 2018.

Manufacturing production increased by 2,5% in January 2018 compared with January 2017 (**see Table C**). The largest contributions were made by the following divisions:

- food and beverages (10,1% and contributing 2,5 percentage points);
- petroleum, chemical products, rubber and plastic products (-3,2% and contributing -0,9 of a percentage point);
- basic iron and steel, non-ferrous metal products, metal products and machinery (4,3% and contributing 0,8 of a percentage point);
- wood and wood products, paper, publishing and printing (-3,2% and contributing -0,4 of a percentage point); and
- motor vehicles, parts and accessories and other transport equipment (5,5% and contributing 0,3 of a percentage point).



Table C – Key growth rates in the volume of manufacturing production for January 2018

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Year-on-year % change, unadjusted	1,5	-2,0	2,1	1,6	1,8	2,5
Month-on-month % change, seasonally adjusted	0,2	-1,1	1,1	1,2	1,1	-1,6
3-month % change, seasonally adjusted ^{1/}	1,0	0,8	0,6	0,6	1,6	1,8

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated.

A full release on *Manufacturing: Production and sales* (Statistical release P3041.2) is available on the Stats SA website: www.statssa.gov.za

Selected building statistics of the private sector

Value of recorded building plans passed decreases

The prevalence of poor workmanship on some buildings calls for homeowners to be vigilant on the material used when building their houses. Homeowners should ensure materials used for building have been tested and certified. Material testing and certification is to ensure products are fit for building purposes and of the highest quality. If the materials have not been tested or do not comply with building regulations, the municipality may prohibit the homeowners and builders to use such material in building. Builders and homeowners are encouraged to use the South African Bureau of Standards (SABS) certified products which are tested and are of the highest quality and standard. Presented in this article is a summary of the selected building statistics for January 2018.

The value of recorded building plans passed decreased by 0,1% (-R5,6 million) in January 2018 compared to January 2017 (**see Table D**). Non-residential buildings fell by 28,9% (-R546,5 million) and additions and alterations rose by 20,2% (R343,9 million).

The value of buildings reported as completed (at current prices) decreased by 12,4% (-R551,9 million) in January 2018 compared with January 2017. Non-residential buildings fell by 40,8% (-R540,6 million).



**Table D – Recorded building plans passed by larger municipalities:
January 2017 versus January 2018**

Estimates at current prices	January 2017 ^{1/}	January 2018 ^{1/}	Difference in value between January 2017 and January 2018	% change between January 2017 and January 2018
	R'000	R'000	R'000	
Residential buildings	3 161 447	3 358 348	196 901	6,2
- Dwelling houses	1 859 519	2 182 564	323 045	17,4
- Flats and townhouses	1 288 602	1 146 107	-142 495	-11,1
- Other residential buildings	13 326	29 677	16 351	122,7
Non-residential buildings	1 894 083	1 347 593	-546 490	-28,9
Additions and alterations	1 703 058	2 047 000	343 942	20,2
Total	6 758 588	6 752 941	-5 647	-0,1

^{1/} 2015 and 2016 figures should be regarded as preliminary because of possible backlogs and incomplete reporting by municipalities.

A full release on *Selected building statistics of the private sector as reported by local government institutions* (Statistical release P5041.1) is available on the Stats SA website: www.statssa.gov.za

Electricity generated and available for distribution

Electricity produced and consumed increases

Electricity infrastructure is one of the most critical components for every country. In order to meet the increasing demand of electricity in South Africa, the Department of Energy (DoE) is striving to introduce various energy options with which the generation and supply of electricity can be met. On 4 April 2018, the DoE signed the agreements for the 27 projects procured under the Renewable Energy Independent Power Producer Procurement Programme Bid Windows 3.5 and 4. The signing of the agreements, will contribute to the diversification of the supply and energy production and assist in the capital investment into the electricity industry. The procurement of the 27 new projects represents a total of R56 billions of investment, and projects are expected to generate 2300 megawatts to the electricity grid over the next five years. The Northern Cape will receive the majority of the



investment with 15 new wind, solar Photovoltaic (PV) and Concentrated Solar Power (CSP) projects, Eastern Cape to add another four new wind projects, North West to have four new solar PV projects, Western Cape to add another two wind projects. Mpumalanga will have its first biomass project while Free State will add one hydro project to their portfolio. Presented in this article is a summary of the electricity generated and distributed in January 2018.

Electricity generation (production) increased by 2,4% year-on-year in January 2018 (see Table E).

Table E – Key growth rates in the volume of electricity generated for January 2018

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

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated.

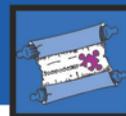
Electricity distribution (consumption) increased by 1,2% year-on-year in January 2018 (see Table F).

Table F – Key growth rates in the volume of electricity distributed for January 2018

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

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated.

A full release on *Electricity generated and available for distribution* (Statistical release P4141) is available on the Stats SA website: www.statssa.gov.za



Tertiary industries

Wholesale trade sales

Wholesale trade sales increase

Wholesalers who have registered for value added tax (VAT) will be generating more revenue by charging customers 15% for goods and services rendered. This has been prompted by the increase of VAT from 14% to 15% with effect from 1 April 2018 by the then Minister of Finance, Malusi Gigaba, during the Budget Speech 2018. VAT is a consumption tax that is placed on a product whenever value is added at a stage of production and at the point of sale. However, VAT registration and application is related to wholesalers who are making more than R1 million per annum, but those making the minimum of R50 000 may choose to apply to register for voluntarily registration. Wholesalers who are not VAT registered are not entitled to reclaim or charge VAT. Presented in this article is a summary of the wholesale trade sales statistics for January 2018.

Wholesale trade sales increased by 4,3% in January 2018 compared with January 2017 (**see Table G**). The main contributors to this increase were dealers in:

- food, beverages and tobacco (9,7%, contributing 1,5 percentage points);
- precious stones, jewellery and silverware (102,2%, contributing 1,4 percentage points); and
- machinery, equipment and supplies (9,4%, contributing 1,3 percentage points).

Wholesale trade sales increased by 4,0% in the three months ended January 2018 compared with the three months ended January 2017. The main contributors to this increase were dealers in:

- solid, liquid and gaseous fuels and related products (9,4%, contributing 1,8 percentage points);
- food, beverages and tobacco (7,6%, contributing 1,3 percentage point); and
- precious stones, jewellery and silverware (61,3%, contributing 1,1 percentage point).



Table G – Key growth rates in wholesale trade sales at current prices for January 2018

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Year-on-year % change, unadjusted	-2,2	-9,1	-0,7	0,8	-5,5	-1,9
Month-on-month % change, seasonally adjusted	-1,9	-4,8	5,3	1,7	-2,0	-0,9
3-month % change, seasonally adjusted ^{1/}	-0,3	-2,5	-2,5	-1,8	1,8	1,9

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated.

A full release on *Wholesale trade sales* (P6141.2) is available on the Stats SA website: www.statssa.gov.za

Retail trade sales

Retail trade sales increase

Retailers are important to the economy of the country, and their sustainability is also crucial. One of the profit-making strategies used to ensure sustainability of retailers is the markdown system. Markdown is the reduction of a price by the retailer. Some of the reasons for markdowns are overbuying of goods, poor pricing, business closure and meeting price competition by retailers. Discounting goods may help stimulate sales, permitting the retailers to buy new stock and making profit. Presented in this article is a summary of the retail trade sales for January 2018.

Retail trade sales increased by 3,1% year-on-year in January 2018 (see **Table H**). The highest annual growth rates were recorded for:

- retailers in household furniture, appliances and equipment (9,2%);
- retailers in textiles, clothing, footwear and leather goods (6,5%); and
- all 'other' retailers (5,8%).

The main contributors to the 3,1% increase were:

- retailers in textiles, clothing, footwear and leather goods (contributing 1,1 percentage points);
- all 'other' retailers (contributing 0,7 of a percentage point); and
- general dealers (contributing 0,5 of a percentage point).



Table H – Key growth rates in retail trade sales for January 2018 at constant 2015 prices

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

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Retail trade sales* (Statistical release P6242.1) is available on the Stats SA website: www.statssa.gov.za

Motor trade sales

Motor trade sales increase

The 1st of April 2018 was a day that most South Africans were not looking forward to; the motor industry was no exception. In addition to the 1% VAT hike announced by the then Minister of Finance, Malusi Gigaba, during his delivery of the budget speech, motorists will have to spend more money on fuel taxes and cost of new vehicles. New vehicle buyers are going to experience a hike in emissions taxes (R10 per gram of CO2 above 120 g/km) and a 5% hike in the maximum ad valorem excise duty for imported vehicles – although the latter is only expected to affect more expensive cars costing upwards of R750 000. Even those not planning to buy a new vehicle any time soon will still be hit by increased fuel taxes in addition to the increased Road Accident Fund and General Fuel levies, adding up to an increase of 52 cents a litre. The National Association of Automobile Manufacturers of South Africa (NAAMSA) cautions that this combination of tax hikes would compromise vehicle affordability in South Africa to the extent that it could have an impact on the local market. Presented in this article is a summary of the Motor trade sales statistics for January 2018.

The motor trade sales increased by 6,0% year-on-year in January 2018 (**see Table I**). The largest annual growth rates were recorded for fuel sales (9,9%) and convenience store sales (6,2%).

Motor trade sales increased by 6,3% in the three months ended January 2018 compared with the three months ended January 2017. The main



contributors were fuel sales (10,1%, contributing 2,8 percentage points) and new vehicle sales (7,2%, contributing 1,9 percentage points).

Table I – Key growth rate figures in motor trade sales for January 2018

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

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Motor trade sales* (Statistical release P6343.2) is available on the Stats SA website: www.statssa.gov.za

Food and beverages

Total income generated decreases

The pork industry is already feeling the effects of a nationwide recall of certain cold meat products such as polony, Russian and Vienna sausages, etc. linked to the listeriosis outbreak that has led to the deaths of 183 people in South Africa, so far. According to the Red Meat Industry Forum, since the announcement that listeriosis was found in polony and viennas produced by Enterprise, meat processing and manufacturing have slowed and jobs are already being lost. If this challenge is not resolved soon, it could lead to greater financial losses and possibly even company closures. Presented in this article is a summary of the food and beverages statistics for January 2018.

The total income generated by the food and beverages industry decreased by 2,6% in January 2018 compared with January 2017 (**see Table J**). The largest negative annual growth rates were recorded for bar sales (-15,8%) and 'other' income (-12,8%).

In January 2018, restaurants and coffee shops decreased by 5,9% (contributing -3,2 percentage points) year-on-year.

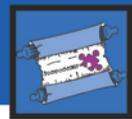


Table J – Year-on-year percentage change in food and beverages income at constant prices by type of income – January 2018

Type of income	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Food sales	2,8	4,7	-2,0	1,3	-2,3	-1,2
Bar sales	2,3	-1,0	-4,1	6,2	1,5	-15,8
Other income	-15,1	-12,1	-10,1	9,4	-8,3	-12,8
Total	2,4	3,9	-2,3	1,8	-2,0	-2,6

A full release on *Food and beverages* (Statistical release P6420) is available on the Stats SA website: www.statssa.gov.za

Tourist accommodation

Total income for tourist accommodation increases

According to the findings of the latest annual Tourism Satellite Account, 2016 (TSA) report, the tourism sector directly contributed 2,9% (an estimated R125,1 billion) to the South African gross domestic product (GDP) in 2016. The TSA covers economic activities, employment and spending in the tourism sector. The TSA shows that 1 in 23 persons is employed or worked in the tourism sector in South Africa in 2016, which is about 4,4% (686 596 people) of the total workforce in the country per year. The tourism sector added more than 40 000 net new jobs to the economy over the five-year period from 2012 to 2016. Presented in this article is a summary of the Tourist accommodation statistics for January 2018.

The total income for the tourist accommodation industry increased by 1,6% in January 2018 compared with January 2017 (**see Table K**). Income from accommodation increased by 2,5% year-on-year in January 2018, the result of a 0,4% increase in the number of stay unit nights sold and a 2,1% increase in the average income per stay unit nights sold.

In January 2018, the types of accommodation that recorded positive year-on-year growth in income from accommodation were:

- caravan parks and camping sites (61,3%);
- ‘other’ accommodation (10,3%); and



- hotels (0,6%).

The main contributor to the 2,5% year-on-year increase in income from accommodation in January 2018 was 'other' accommodation (contributing 2,8 percentage points).

Table K – Year-on-year percentage change in tourist accommodation statistics for January 2018

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Stay units available	0,0	0,0	0,0	0,0	0,0	0,0
Stay unit nights sold	-2,5	-1,7	-4,4	-1,9	1,1	0,4
Average income per stay unit nights sold	7,5	5,2	8,3	0,8	6,6	2,1
Income from accommodation	4,8	3,4	3,5	-1,1	7,7	2,5
Total income ^{1/}	-0,4	1,6	1,5	-0,2	5,9	1,6

^{1/} Includes restaurant and bar sales and 'other' income.

A full release on *Tourist accommodation* (Statistical release P6410) is available on the Stats SA website: www.statssa.gov.za

Tourism and migration

More than three million travellers passed through South Africa's ports of entry in January 2018

The visa requirements for international travels differs from country to country. Some countries are visa-free, meaning that one does not require a visa to enter the country while others do in order to control migration processes. A visa is an endorsement on a passport indicating that the holder is allowed to enter, leave, or stay for a specified period of time in a country. The United States of America (USA) is one of the countries that require a visa for foreign travellers entering the country, including South Africans traveller. For South Africans who wish to travel to the USA, they should apply for a USA visa which will be placed in their passport. Application for a USA visa is done through the U.S. Embassy and Consulates website by completing a Nonimmigrant/Immigrant Visa Application online. A nonimmigrant visa application is for those travelling to the USA for temporary reasons such as tourism, temporary employment, and study, amongst others. The immigrant visa is for foreign citizens who want to live permanently in the United States. The consular sections at the U.S.



Consulates General offices in South Africa will process the application and, depending on whether the applicant meets the requirements, a visa will either be granted or denied. Presented in this article is a summary of the tourism and migration statistics for January 2018.

Number of travellers

The routine data collected by the Department of Home Affairs' (DHA) immigration officers at the ports of entry into South Africa shows that a total of 3 917 911 travellers (arrivals, departures and transits) passed through South African ports of entry in January 2018 (**see Table L**). These travellers were made up of 1 055 268 South African residents and 2 862 643 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 638 928 arrivals, 415 543 departures and 797 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 598 893, 1 209 841 and 53 909, respectively.

A comparison between the movements in January 2017 and January 2018 indicates that the volume of arrivals and departures increased for both South African residents and foreign travellers, while the volume of transits increased for South African residents but decreased for foreign travellers. For South African residents, the volume of arrivals increased by 6,2% (from 601 521 in January 2017 to 638 928 in January 2018), departures increased by 5,6% (from 393 508 in January 2017 to 415 543 in January 2018), and transits increased by 14,2% (from 698 in January 2017 to 797 in January 2018). For foreign travellers, arrivals increased by 2,5% (from 1 559 295 in January 2017 to 1 598 893 in January 2018), departures increased by 0,4% (from 1 204 768 in January 2017 to 1 209 841 in January 2018), and transits decreased by 3,1% (from 55 612 in January 2017 to 53 909 in January 2018).

A comparison between the movements in December 2017 and January 2018 indicates that the volume of arrivals increased for both South African residents and foreign travellers. The volume of departures and transits decreased for both South African residents and foreign travellers. For South African residents, the volume of arrivals increased by 8,1% (from 590 949 in December 2017 to 638 928 in January 2018), departures decreased by 48,4% (from 805 778 in December 2017 to 415 543 in January 2018), and transits decreased by 11,8% (from 904 in December 2017 to 797 in January 2018). For foreign travellers, arrivals increased by 2,4% (from 1 561 724 in December 2017 to 1 598 893 in January 2018), departures decreased by



25,4 (from 1 621 875 in December 2017 to 1 209 841 in January 2018), and transits decreased by 8,0% (from 58 618 in December 2017 to 53 909 in January 2018).

Mode of travel

In January 2018, road transport was the most common mode of travel used by 2 766 018 (70,6%) of the 3 917 911 travellers. The total number of travellers who used air transport was 1 113 669 (28,4%). Compared to use of air and land transport, a small number of travellers, 38 224 (1,0%) used sea transport. The arrivals data for South African residents show that 240 688 (37,7%) came by air, 388 670 (60,8%) came by road and 9 570 (1,5%) arrived by sea transport. For departures, 165 323 (39,8%) used air, 241 324 (58,1%) used road and 8 896 (2,1%) left by sea transport. All travellers in transit (797) used air transport.

In the case of foreign travellers, 316 778 (19,8%) arrived by air, 1 271 794 (79,5%) came by road and 10 321 (0,6%) arrived by sea transport. When departing South Africa, 336 174 (27,8%) foreign travellers left by air, 864 230 (71,4%) left by road and 9 437 (0,8%) left by sea transport. All travellers in transit (53 909) used air transport. Of the 399 049 same-day visitors, an overwhelming majority (381 333 [95,6%]) arrived in the country by road, 17 267 (4,3%) flew into the country, and 449 (0,1%) arrived by sea transport. Data on tourists show that 823 872 (74,6%) used road transport, 276 404 (25,0%) came by air transport and 3 664 (0,3%) arrived by sea transport.

Purpose of visit

In January 2018, the majority of tourists (1 068 229 [96,8%]) were in South Africa for holiday compared to 21 115 (1,9%), 13 994 (1,3%) and 602 (0,1%) who were in South Africa for business, study and for other purposes, respectively. The 'other' visit category includes those tourists who came for medical treatment or exchange programmes.



Sex and age distribution

There were 620 644 (56,2%) male and 483 296 (43,8%) female tourists in January 2018. Overseas tourists were made up of 129 566 (53,0%) male tourists and 115 091 (47,0%) female tourists. There were 482 013 (57,0%) male and 363 150 (43,0%) female tourists from the SADC countries. Tourists from 'other' African countries were made up of 8 595 (64,4%) male and 4 747 (35,6%) female tourists.

Table L – Number of South African residents and foreign travellers by travel direction: January 2018

Travel direction				% change between December 2017 and January 2018	% change between January 2017 and January 2018
	January 2017	December 2017	January 2018		
Total	3 815 402	4 639 848	3 917 911	-15,6%	2,7%
South African residents	995 727	1 397 631	1 055 268	-24,5%	6,0%
Arrivals	601 521	590 949	638 928	8,1%	6,2%
Departures	393 508	805 778	415 543	-48,4%	5,6%
Transit	698	904	797	-11,8%	14,2%
Foreign travellers	2 819 675	3 242 217	2 460 641	-11,7%	1,5%
Arrivals	1 559 295	1 561 724	1 598 893	2,4%	2,5%
Departures	1 204 768	1 621 875	1 209 841	-25,4%	0,4%
Transit	55 612	58 618	53 909	-8,0%	-3,1
Foreign arrivals	1 559 295	1 561 724	1 598 893	2,4%	2,5%
Non-visitors	120 373	82 894	95 904	15,7%	-20,3%
Visitors	1 438 922	1 478 830	1 502 989	1,6%	4,5%
Visitors	1 438 922	1 478 830	1 502 989	1,6%	4,5%
Arrivals only	531 481	368 060	586 277	59,3%	10,3%
Single trips	410 265	543 146	424 946	-21,8%	3,6%
Multiple trips	497 176	567 624	491 766	-13,4%	-1,1%
Visitors	1 438 922	1 478 830	1 502 989	1,6%	4,5%
Same-day	398 388	487 251	399 049	-18,1%	0,2%
Tourists	1 040 534	991 579	1 103 940	11,3%	6,1%

A full release on *Tourism and migration* (Statistical release P0351) is available on the Stats SA website: www.statssa.gov.za



Statistics of civil cases for debt

Number of civil judgements for debt decreases

Indebted consumers who fell into arrears on debt repayments should make payment arrangements with their creditors to settle their debts and avoid default judgement. However, when debtors have been issued with default judgment even though they have the standing arrangement with the creditor to pay, they should apply for withdrawing of judgment at a court. According to the Magistrate's Court Act, 1944 (Act No. 32 of 1944), a judgement may be withdrawn when obtained by mistake or fraud of either parties involved. Even if the indebted consumer applies for withdrawal of a judgement, sufficient cause of withdrawal must be supplied. Presented in this article is a summary of the statistics of civil cases for debt for January 2018.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt decreased by 2,8% in the three months ended January 2018 compared with the three months ended January 2017 (**see Table M**). There were two negative contributions to the 2,8% decrease for civil summonses issued:

- money lent (contributing -4,2 percentage points); and
- promissory notes (contributing -1,9 percentage points).

The number of civil judgements recorded for debt

The total number of civil judgments recorded for debt decreased by 7,8% in the three months ended in January 2018 compared to the three months ended in January 2017. The largest negative contributions to the 7,8% decrease were civil judgements relating to:

- money lent (contributing -5,0 percentage points);
- services (contributing -2,4 percentage points); and
- 'other' debts (contributing -0,6 of a percentage point).

The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt increased by 4,1% in the three months ended January 2018 compared with the three months



ended January 2017. The largest contribution to the 4,1% increase were the value of judgments relating to:

- promissory notes (contributing 2,1 percentage points);
- services (contributing 1,9 percentage points); and
- rent (contributing 1,3 percentage points).

In January 2018, 15 099 civil judgements for debt amounting to R268,0 million were recorded. The largest contributors to the total value of judgments were:

- money lent (R71,6 million or 26,7%);
- 'other' debts (R63,9 million or 23,9%); and
- services (R51,4 million or 19,2%).

Table M – Key figures for civil summonses and judgements for January 2018

Actual estimates	January 2018	% change between January 2017 and January 2018	% change between November 2016 to January 2017 and November 2017 to January 2018
Number of civil summonses issued for debt	39 656	-3,7	-2,8
Number of civil judgements recorded for debt	15 099	-1,6	-7,8
Value of civil judgements recorded for debt (R million)	268,0	11,3	4,1

A full release on *Statistics of civil cases for debt* (Statistical release P0041) is available on the Stats SA website: www.statssa.gov.za

Liquidations and insolvencies

Since the implementation of the 1% value-added tax (VAT) increase, some business owners have been concerned about whether it will affect their businesses positively or not. The South African Value-added Tax Act, 1991 (Act No. 89 of 1991) contains a number of rules which cater for complications that might ensue with an increase in the VAT rate. According to KPMG, should goods have been provided or services performed before 1 April, the previous VAT rate (14%) and not the current VAT rate of 15% will apply. However, should goods be provided on a periodic basis or services be performed over a period which falls before and after the effective date of 1 April, then an apportionment must be made on a fair and reasonable basis and the 14% VAT



rate will apply to the portion before 1 April, and the VAT rate of 15% will apply on the portion of the supply of goods or services from 1 April. Presented in this article is a summary of the Liquidations and insolvencies statistics for February 2018.

The total number of liquidations increased by 14,4% (21 more liquidations) year-on-year in February 2018 (**see Table N**). Compulsory liquidations increased by 13 cases and voluntary liquidations increased by 8 cases during this period. The largest year-on-year increase in total liquidations in February 2018 related to businesses in trade, catering and accommodation (14 more liquidations, from 23 to 37). There was an increase of 12,5% in the three months ended February 2018 compared with the three months ended February 2017.

Table N – Total number of liquidations for February 2018

Number of liquidations February 2018	% change between February 2017 to February 2018	% change between December 2016 to February 2017 and December 2017 to February 2018	% change between January to February 2017 and January to February 2018
167	14,4	12,5	13,1

A full release on *Statistics of liquidations and insolvencies* (Statistical release P0043) is available on the Stats SA website: www.statssa.gov.za

The number of insolvencies estimated was 138 in January 2018, showing a year-on-year decrease of 11,5% (**see Table O**). A 12,0% decrease was estimated in the three months ended January 2018 compared with the three months ended January 2017.

Table O – Total number of insolvencies for January 2018

Number of insolvencies January 2018	% change between January 2017 to January 2018	% change between November 2016 to January 2017 and November 2017 to January 2018
138	-11,5	-12,0

A full release on *Statistics of liquidations and insolvencies* (Statistical release P0043) is available on the Stats SA website: www.statssa.gov.za



Land transport survey

Volume of goods transported increases

The taxi industry is the heartbeat of the South African economy as it ensures that many people, including the vast majority of the country's workforce, get to and from their workplaces. To ensure that there are little disturbances that could put a halt to the smooth operations within the industry and also to enhance safety measures for commuters, SA Taxi has embarked on a new project called 'Refentse' for the industry. Project Refentse is aimed at providing a training programme for informal mechanics without qualified skills currently repairing taxis at taxi ranks across the country. SA Taxi is the country's only independent financing company of minibus taxis. On 5 April 2018, SA Taxi announced that the training programme will be offered to ten candidates who were identified and nominated by the South African National Taxi Council (SANTACO) and the National Taxi Alliance (NTA). After the completion and assessment of the pilot training with the ten candidates, Project Refentse will be offered on a broader basis. Presented in this article is a summary of the land transport survey results for January 2018.

The volume of goods transported (payload) increased by 6,4% in January 2018 compared with January 2017. The corresponding income increased by 9,2% over the same period.

Income from freight transportation increased by 8,6% in the three months ended January 2018 compared with the three months ended January 2017. The main contributors to this increase were:

- primary mining and quarrying products (8,4% and contributing 3,0 percentage points);
- 'other' freight (16,7% and contributing 1,9 percentage points); and
- manufactured food, beverages and tobacco products (7,7% and contributing 1,1 percentage points).

Table P – Year-on-year percentage change in freight transportation: January 2018

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Freight payload	7,7	4,8	11,4	8,0	3,4	6,4
Freight income	9,5	9,9	14,2	11,9	4,4	9,2

A full release on the *Land transport survey* (Statistical release P7162) is available on the Stats SA website: www.statssa.gov.za



The number of passenger journeys decreased by 7,0% in January 2018 compared with January 2017. The corresponding income decreased by 0,7% over the same period.

Table Q – Year-on-year percentage change in passenger transportation: January 2018

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Passenger journeys	-4,2	-14,7	-10,7	11,7	-9,7	-7,0
Passenger income	0,0	-6,9	1,1	0,6	3,1	-0,7

A full release on the *Land transport survey* (Statistical release P7162) is available on the Stats SA website: www.statssa.gov.za



Prices

Producer price index (PPI)

PPI at 4,2%

South Africa's macadamia nuts industry received a boost after the world's largest factory was opened in Mpumalanga on 6 March 2018. The 10 000 m² facility has a long-term capacity of producing up to 25 000 tonnes. Macadamia nuts are widely used in the confectionery industry, baking, ice cream and snack food industries and its oil used for soap, sunscreen and shampoo. In South Africa, macadamia nuts are produced only in Mpumalanga, KwaZulu-Natal and Limpopo. The newly-opened factory will assist the producers to increase the supply of macadamia nuts to South Africa's top export destinations such as the United States (US), Europe, Australia and China, among others – thus contributing to the generation of more profit for the industry; and ultimately contributing to the growth of the economy of South Africa. Presented in this article is a summary of the PPI statistics for January 2018.

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 4,2% in February 2018 (compared with 5,1% in January 2018) (**see Table R**). From January 2018 to February 2018 the PPI for final manufactured goods decreased by 0,3%. The main contributor to the annual rate of 4,2% was coke, petroleum, chemical, rubber and plastic products (1,6 percentage points). The main contributor to the monthly decrease of 0,3% was coke, petroleum, chemical, rubber and plastic products (-0,2 of a percentage point).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 0,4% in February 2018 (compared with 1,5% in January 2018) (**see Table R**). From January 2018 to February 2018 the PPI for intermediate manufactured goods decreased by 0,4%. The main contributors to the annual rate of 0,4% were recycling and manufacturing n.e.c. (0,8 of a percentage point) and sawmilling and wood (0,7 of a percentage point). The



main contributor to the monthly decrease of 0,4% was sawmilling and wood (-0,3 of a percentage point).

Electricity and water

The annual percentage change in the PPI for electricity and water was 3,5% in February 2018 (compared with 3,0% in January 2018). From January 2018 to February 2018 the PPI for electricity and water increased by 1,3%. The contributors to the annual rate of 3,5% were water (1,5 percentage points) and electricity (2,1 percentage points). The contributor to the monthly increase of 1,3% was electricity (1,4 percentage points).

Mining

The annual percentage change in the PPI for mining was -4,3% in February 2018 (compared with -0,1% in January 2018) (**see Table R**). From January 2018 to February 2018 the PPI for mining decreased by 1,1%. The main contributors to the annual rate of -4,3% were stone quarrying, clay and diamonds (-3,5 percentage points) and gold and other metal ores (-3,1 percentage points). The main contributors to the monthly decrease of 1,1% were coal and gas (-0,8 of a percentage point) and gold and other metal ores (-0,4 of a percentage point).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was 5,7% in February 2018 (compared with 8,7% in January 2018) (**see Table R**). From January 2018 to February 2018 the PPI for agriculture, forestry and fishing decreased by 1,5%. The main contributor to the annual rate of 5,7% was agriculture (4,3 percentage points). The main contributor to the monthly decrease of 1,5% was agriculture (-1,5 percentage points).



Table R – Key PPI figures for February 2018

Product	Weight	Index (2016=100)			% change	
		February 2017	January 2018	February 2018	February 2018 vs January 2018	February 2018 vs February 2017
Final manufactured goods	100,00	101,0	105,5	105,2	-0,3	4,2
Intermediate manufactured goods	100,00	102,1	102,9	102,5	-0,4	0,4
Electricity and water	100,00	102,4	104,6	106,0	1,3	3,5
Mining	100,00	107,9	104,4	103,3	-1,1	-4,3
Agriculture, forestry and fishing	100,00	98,1	105,3	103,7	-1,5	5,7

A full release on the *Producer price index* (Statistical release P0142.1) is available on the Stats SA website: www.statssa.gov.za

Consumer price index (CPI)

CPI at 4,0% in February 2018

The consumer price index (CPI) measures changes in the price level of a market basket of consumer goods and services purchased by households. Statistics South Africa (Stats SA) publishes these changes in their CPI statistical release on a monthly basis. Since the announcement of the value added tax (VAT) increase from 14% to 15% which became effective on 1 April 2018, the prices of some of the items in the CPI basket have changed. However, not all products in the CPI basket are surveyed every month by Stats SA because prices for many products and services do not usually change every month. Therefore, Stats SA will undertake additional surveys in April and May 2018 and make automatic adjustments to selected prices to capture as much of the impact of the VAT increase as possible. These additional surveys will include the following:

- Short-term insurance will be surveyed in April and May 2018 and then according to the regular schedule.
- Private medical practitioners and hospital costs will be surveyed between April and October 2018 and then in February 2019 according to the normal schedule.
- Toll fees will be surveyed in April or May 2018 (instead of March) depending on the timing of implementation of new tariffs.



Presented in this article is a summary of the Consumer price index for February 2018.

Headline consumer price index (CPI for all urban areas)

Annual consumer price inflation was 4,0% in February 2018, down from 4,4% in January 2018. The consumer price index increased by 0,8% month-on-month in February 2018.

The following items contributed to headline annual consumer price inflation:

- Food and non-alcoholic beverages decreased from 0,8 of a percentage point in January to 0,7 of a percentage point in February. The index increased by 3,9% year-on-year.
- Alcoholic beverages and tobacco increased from 0,3 of a percentage point in January to 0,4 of a percentage point in February. The index increased by 6,1% year-on-year.
- Transport decreased from 0,6 of a percentage point in January to 0,5 of a percentage point in February. The index increased by 3,2% year-on-year.
- Miscellaneous goods and services decreased from 1,1 percentage points in January to 1,0 percentage point in February. The index increased by 6,2% year-on-year.

The following item contributed to the monthly consumer price inflation:

- Miscellaneous goods and services contributed 0,6 of a percentage point in February. The index increased by 4,2% month-on-month.

In February the CPI for goods increased by 3,2% year-on-year (down from 3,7% in January), and the CPI for services increased by 4,9% year-on-year (down from 5,1% in January).



Table S – Consumer price index: Index numbers and year-on-year rates
Base year: Dec 2016 = 100

Year		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg ^{1/}
2010	Index	86,4	87,0	87,7	87,8	88,0	88,0	88,6	88,6	88,7	88,9	89,0	89,2	88,2
	Rate	6,2	5,7	5,1	4,8	4,6	4,2	3,7	3,5	3,2	3,4	3,6	3,5	4,3
2011	Index	89,6	90,2	91,3	91,6	92,0	92,4	93,2	93,4	93,8	94,2	94,5	94,6	92,6
	Rate	3,7	3,7	4,1	4,2	4,5	5,0	5,3	5,3	5,7	6,0	6,1	6,1	5,0
2012	Index	95,2	95,7	96,8	97,2	97,2	97,5	97,8	98,0	98,9	99,5	99,8	100,0	97,8
	Rate	6,3	6,1	6,0	6,1	5,7	5,5	4,9	5,0	5,5	5,6	5,6	5,7	5,6
2013	Index	100,3	101,3	102,5	102,9	102,6	102,9	104,0	104,3	104,8	105,0	105,1	105,4	103,4
	Rate	5,4	5,9	5,9	5,9	5,6	5,5	6,3	6,4	6,0	5,5	5,3	5,4	5,7
2014	Index	106,1	107,3	108,7	109,2	109,4	109,7	110,6	111,0	111,0	111,2	111,2	111,0	109,7
	Rate	5,8	5,9	6,0	6,1	6,6	6,6	6,3	6,4	5,9	5,9	5,8	5,3	6,1
2015	Index	110,8	111,5	113,1	114,1	114,4	114,9	116,1	116,1	116,1	116,4	116,5	116,8	114,7
	Rate	4,4	3,9	4,0	4,5	4,6	4,7	5,0	4,6	4,6	4,7	4,8	5,2	4,6
2016	Index	117,7	119,3	120,2	121,2	121,4	122,1	123,1	123,0	123,2	123,8	124,2	124,7	122,0
	Rate	6,2	7,0	6,3	6,2	6,1	6,3	6,0	5,9	6,1	6,4	6,6	6,8	6,4
2017	Index	100,6	101,7	102,3	102,4	102,7	102,9	103,2	103,3	103,8	104,1	104,2	104,7	103,0
	Rate	6,6	6,3	6,1	5,3	5,4	5,1	4,6	4,8	5,1	4,8	4,6	4,7	5,3
2018	Index	105,0	105,8											
	Rate	4,4	4,0											

^{1/} Annual average.

A full release on the *Consumer price index* (Statistical release P0141) is available on the Stats SA website: www.statssa.gov.za



Glossary

Primary industries

Gigawatt-hour (gWh): one gigawatt-hour of electricity is equal to one million kilowatt-hours. A kilowatt-hour is the basic unit of electrical energy equal to one kilowatt of power supplied to or taken from an electric circuit steadily for one hour. One kilowatt-hour equals one thousand watt-hours.

Index of physical volume of manufacturing production: also known as a production index, is a statistical measure of the change in the volume of production. The production index of a major group is the ratio between the volume of production of a major group in a given period and the volume of production of the same major group in the base period.

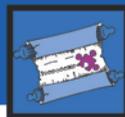
Index of physical volume of mining production: a statistical measure of the change in the volume of production. The production index of a mineral group is the ratio between the volume of production of a mineral group in a given period and the volume of production of the same mineral group in the base period.

Index of the physical volume of electricity production: a statistical measure of the change in the volume of production of electricity in a given period and the volume of production of electricity in the base period.

Industry: a group of establishments engaged in the same or similar kinds of economic activity.

PGMs – Platinum group metals: include platinum; iridium; osmiridium, palladium; rhodium; ruthenium and osmium.

Sales: total value of sales and transfers-out of goods mined by the mining establishments and the amounts received for installation, erection or assembly or other services.



Secondary industries

Additions and alterations: extensions to existing buildings as well as internal and external alterations of existing buildings.

Blocks of flats: a structure, usually multi-storey, consisting of a number of dwellings sharing the same residential address, and usually sharing a common entrance, foyer or staircase.

Dwelling houses: a free-standing, complete structure on a separate stand or a self-contained dwelling-unit, e.g. granny flat, on the same premises as existing residence. Out-buildings and garages are included.

Other residential buildings: include institutions for the disabled, boarding houses, old age homes, hostels, hotel, motels, guest houses, holiday chalets, bed and breakfast accommodation, entertainment centres and casinos.

Residential buildings: dwelling houses, flats, townhouses and other residential buildings.

Tertiary industries

Acknowledgements of debt: a statement by a person/debtor in which he admits that he owes money to an individual or a company or a bank.

Average income per stay unit night sold: average rate per stay unit (i.e. rate per room in a hotel or powered site in a caravan park) is calculated by dividing the total income from accommodation by the number of stay unit nights sold in the survey period.

Catering services: enterprises involved in the sale and supply of meals and drinks prepared on the premises on a contract basis and brought to other premises chosen by the person ordering them, to be served for immediate consumption to guests or customers. Include bars, taverns, other drinking places, ice-cream parlours, etc.

Civil judgements: decisions taken in a civil matter or a dispute between two people or parties.



Civil summonses: notices to appear before the court of law where a dispute between two parties or people has to be heard, i.e. not for criminal offence.

Enterprise: a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its sales activities.

Foreign traveller: a person who resides outside South Africa and visits the country temporarily.

Income from accommodation industry: income from amounts charged for rooms or equivalent. Other income is excluded (e.g. income from meals).

Income from bar sales: refers to income from liquor sales.

Income from food sales: refers to income from the sale of meals and non-alcoholic drinks.

Income from restaurant and bar sales: income from meals, banqueting and beverages and tobacco sales.

Insolvency: refers to an individual or partnership which is unable to pay its debt and is placed under final sequestration. The number of insolvencies does not refer to the number of persons involved, as a partnership which is unable to pay its debt is regarded as one insolvency, irrespective of the number of partners.

Liquidation: refers to the winding-up of the affairs of a company or close corporation when liabilities exceed assets and it can be resolved by voluntary action or by an order of the court.

Microdata: data gathered on a small scale, such as data on an individual.

'Other' African countries: refers to all non SADC African countries.

Other income: includes all income not earned from food sales or bar sales.

Other SADC: refers to the thirteen countries, excluding South Africa, that belong to the Southern African Development Community.

Professional services: refer to medical doctors, dentists, advocates, attorney, auditors, accountants, architects, engineers, hospital services etc.



Promissory notes: written undertaking, signed by a person or party, to pay money to another person or to be the bearer of such a note on a specific date or on demand.

Restaurants and coffee shops: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for immediate consumption and with provided seating.

Retailer: a retailer is an enterprise deriving more than 50% of its turnover from sales of goods to the general public for household use.

Retail trade: includes the resale (sale without transformation) of new and used goods and products to the general public for household use.

Stay unit: unit accommodation available to be charged out to guests, for example, a powered site in a caravan park or a room in a hotel.

Stay unit night sold: total number of stay units occupied on each night during the survey period.

Takeaway and fast-food outlets: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for takeaway purposes in a packaged format, at a stand or in a location, with or without provided seating.

Total income: includes income from food sales, income from bar sales and other income.

Tourism: comprises the activities of persons travelling to, and staying in places outside their usual environment, for not more than one consecutive year, for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.

Tourist: a visitor who stays at least one night in the place visited.

Traveller: any person on a trip between two or more countries or between two or more localities within his/her country of residence.

Voluntary liquidation: takes place when a company or close corporation, by own choice, resolves to wind-up its affairs.

Wholesale trade: Includes the resale (sale without transformation) of new and used goods and products to other wholesalers, retailers, agricultural,



industrial, commercial, institutional and professional users either directly or through agents on a fee or contract basis.

Prices

Annual percentage change: change in the index of the relevant month of the current year compared with the index of the same month in the previous year expressed as a percentage.

Consumer price index (CPI): an index that measures the price of a fixed basket of consumer goods and services.

Inflation rate: annual percentage change in the CPI for all items of the relevant month of the current year compared with the CPI for all items of the same month in the previous year expressed as a percentage.

Monthly percentage change: change in the index of the relevant month compared to the index of the previous month expressed as a percentage.

Year-on-year: A term used frequently in investment research and other reports to mean 'compared with the same period in the previous fiscal year'.



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