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Key findings for the quarter ended December 2018

The total turnover of quarterly financial statistics (QFS) industries¹ in the fourth quarter of 2018 was estimated at R2 571 935 million (R2,57 trillion), an increase of 5,5% compared with the third quarter of 2018 (R2 437 112 million or R2,44 trillion).

Between the third and fourth quarters of 2018, turnover increased in six of the eight industries covered by the survey. The largest percentage increase in turnover was recorded in manufacturing (+7,1%), followed by real estate and other business services (excluding financial intermediation and insurance) (+6,9%), trade (+6,3%), community, social and personal services (excluding government and educational institutions) (+6,3%), transport, storage and communication (+6,0%) and mining and quarrying (+4,9%). Decreases were recorded for electricity, gas and water supply (-17,1%) and construction (-0,9%).

Total closing inventories at the end of the fourth quarter of 2018 were estimated at R925 168 million, a decrease of 0,4% compared with R929 133 million at the end of the third quarter of 2018. Decreases were recorded for real estate and other business services (excluding financial intermediation and insurance) (-22,8%), community, social and personal services (excluding government and educational institutions) (-15,1%), mining and quarrying (-9,5%), construction (-7,9%), manufacturing (-5,9%) and transport, storage and communication (-1,5%). Increases were recorded in trade (+11,2%) and electricity, gas and water supply (+4,2%).

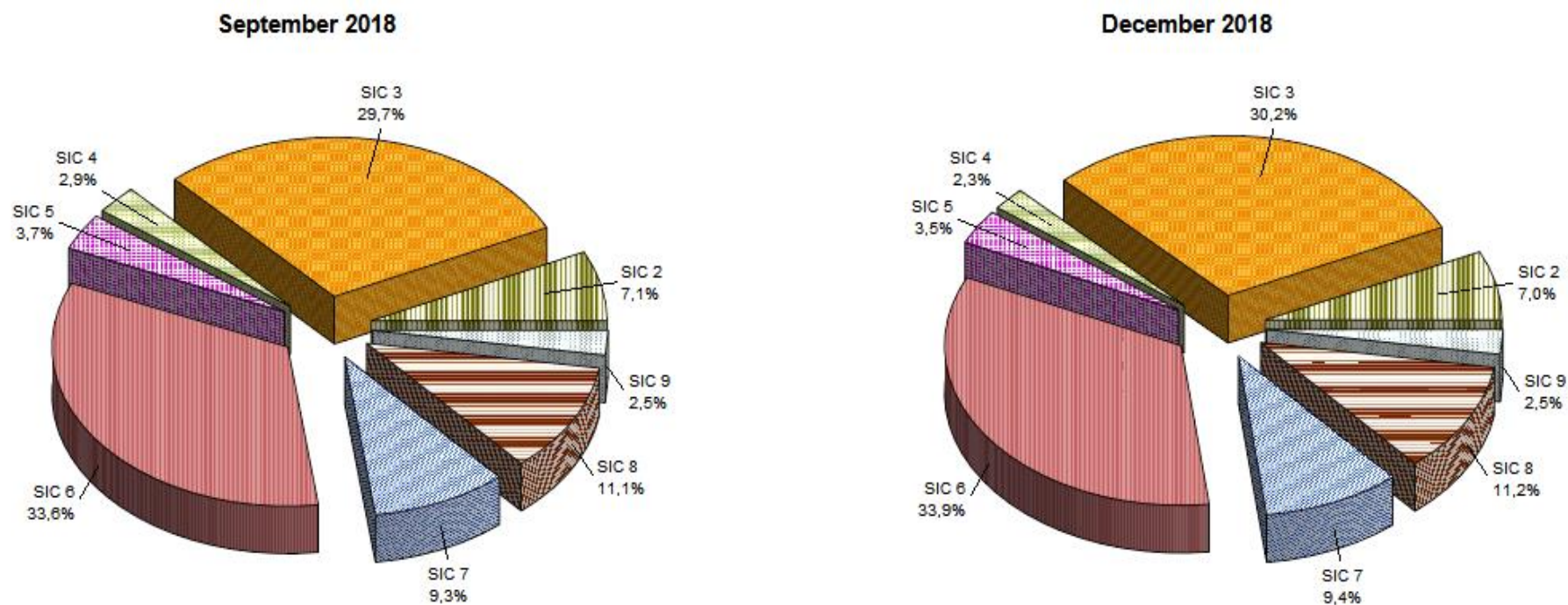
Total capital expenditure on property, plant and equipment was estimated at R96 141 million in the fourth quarter of 2018, an increase of 6,1% compared with R90 619 million in the third quarter of 2018. The largest percentage increase was recorded in mining and quarrying (+19,7%), followed by manufacturing (+6,7%), transport, storage and communication (+5,0%), real estate and other business services (excluding financial intermediation and insurance) (+3,7%) and electricity, gas and water supply (+1,0%). Decreases were recorded for construction (-14,1%), community, social and personal services (excluding government and educational institutions) (-11,6%) and trade (-1,0%).

Turnover was estimated at R2 571 935 million in the fourth quarter of 2018, an increase of 3,6% compared with R2 483 403 million in the fourth quarter of 2017. Five of the eight industries covered by the survey reflected an annual increase. The largest percentage increase in turnover was recorded in community, social and personal services (excluding government and educational institutions) (+12,2%), followed by transport, storage and communication (+9,5%), manufacturing (+8,5%), mining and quarrying (+6,1%) and real estate and other business services (excluding financial intermediation and insurance) (+0,4%). Decreases were recorded in construction (-8,6%), electricity, gas and water supply (-2,2%) and trade (-0,2%).

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



Risenga Maluleke
Statistician-General

Figure 1 – Percentage contribution to total turnover by industry in the quarters ended September 2018 and December 2018¹

SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 4 – Electricity, gas and water supply industry

SIC 5 – Construction industry

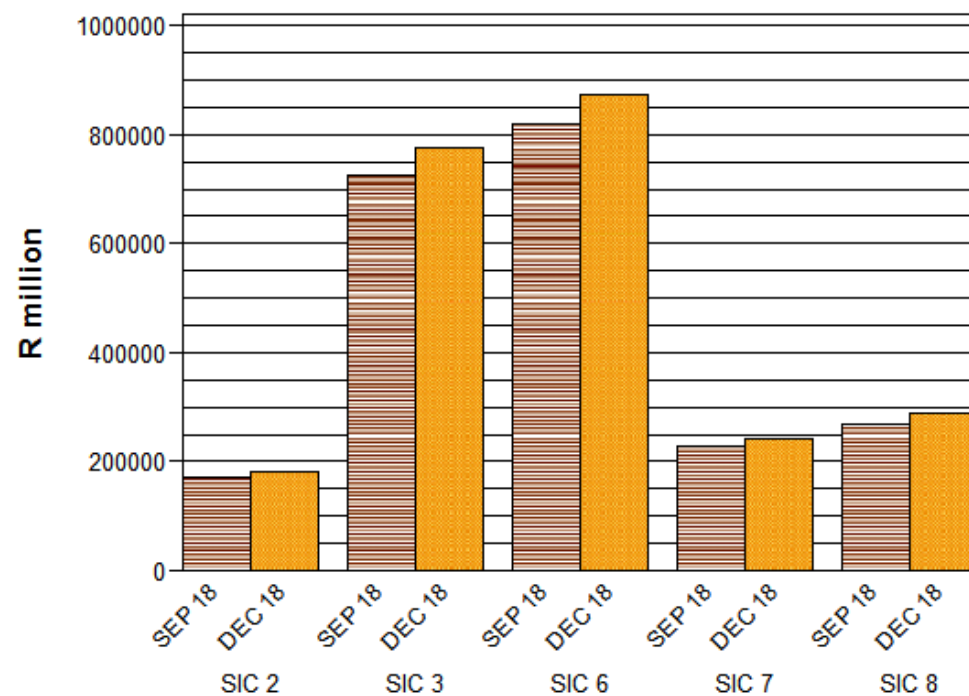
SIC 6 – Trade industry

SIC 7 – Transport, storage and communication industry

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

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

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

Figure 2 – Comparison of turnover by industry in the quarters ended September 2018 and December 2018

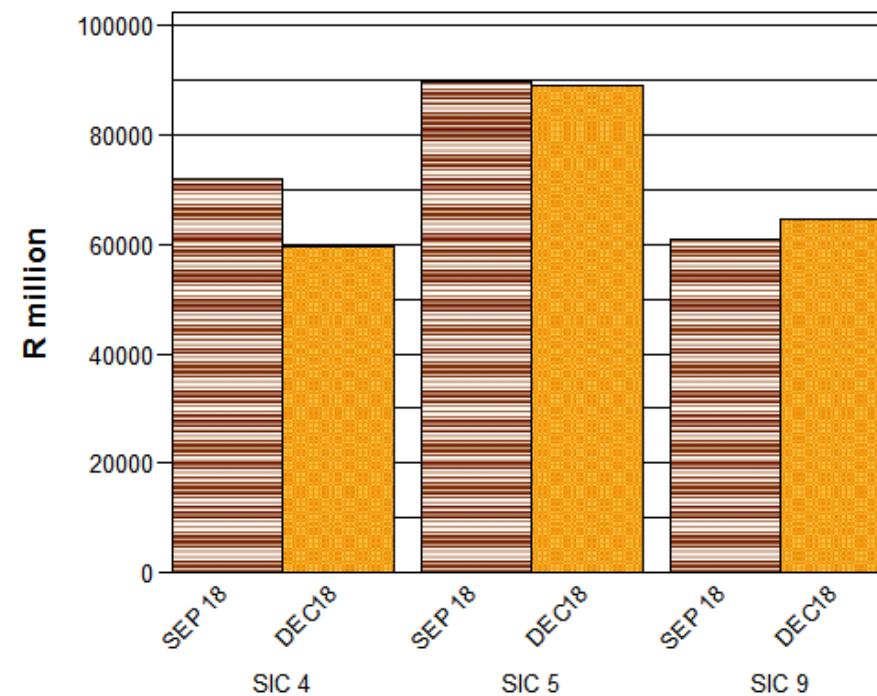
SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 6 – Trade industry

SIC 7 – Transport, storage and communication industry

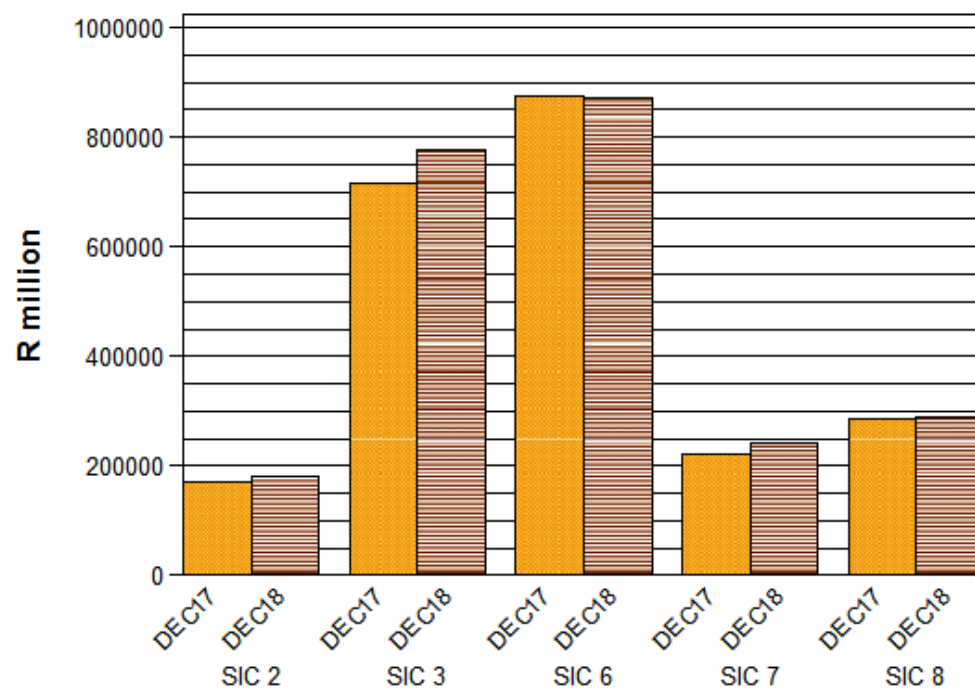
SIC 8 – Real estate and other business services industry (excluding financial intermediation and insurance)



SIC 4 – Electricity, gas and water supply industry

SIC 5 – Construction industry

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

Figure 3 – Comparison of turnover by industry in the quarters ended December 2017 and December 2018

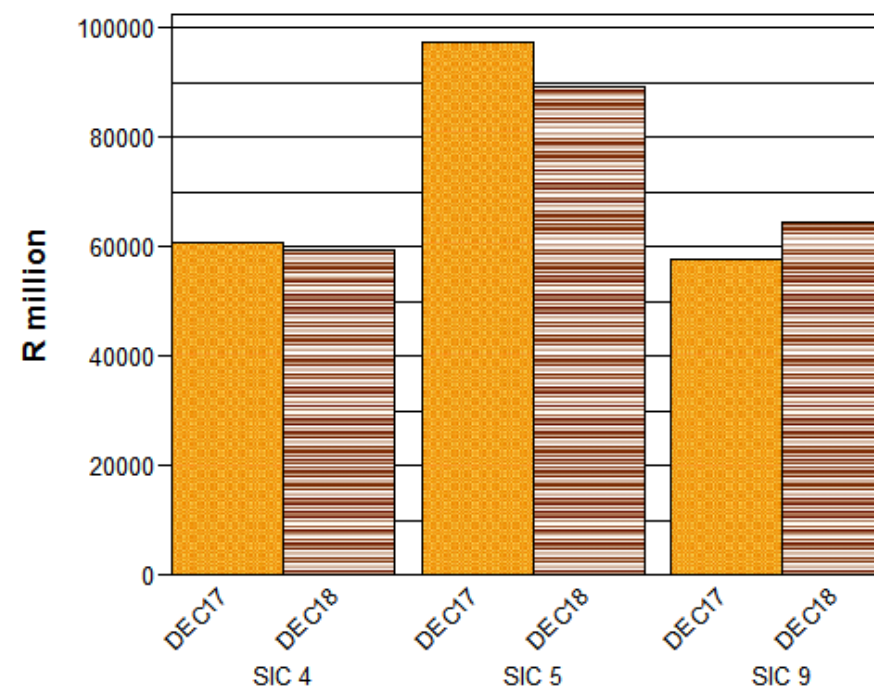
SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 6 – Trade industry

SIC 7 – Transport, storage and communication industry

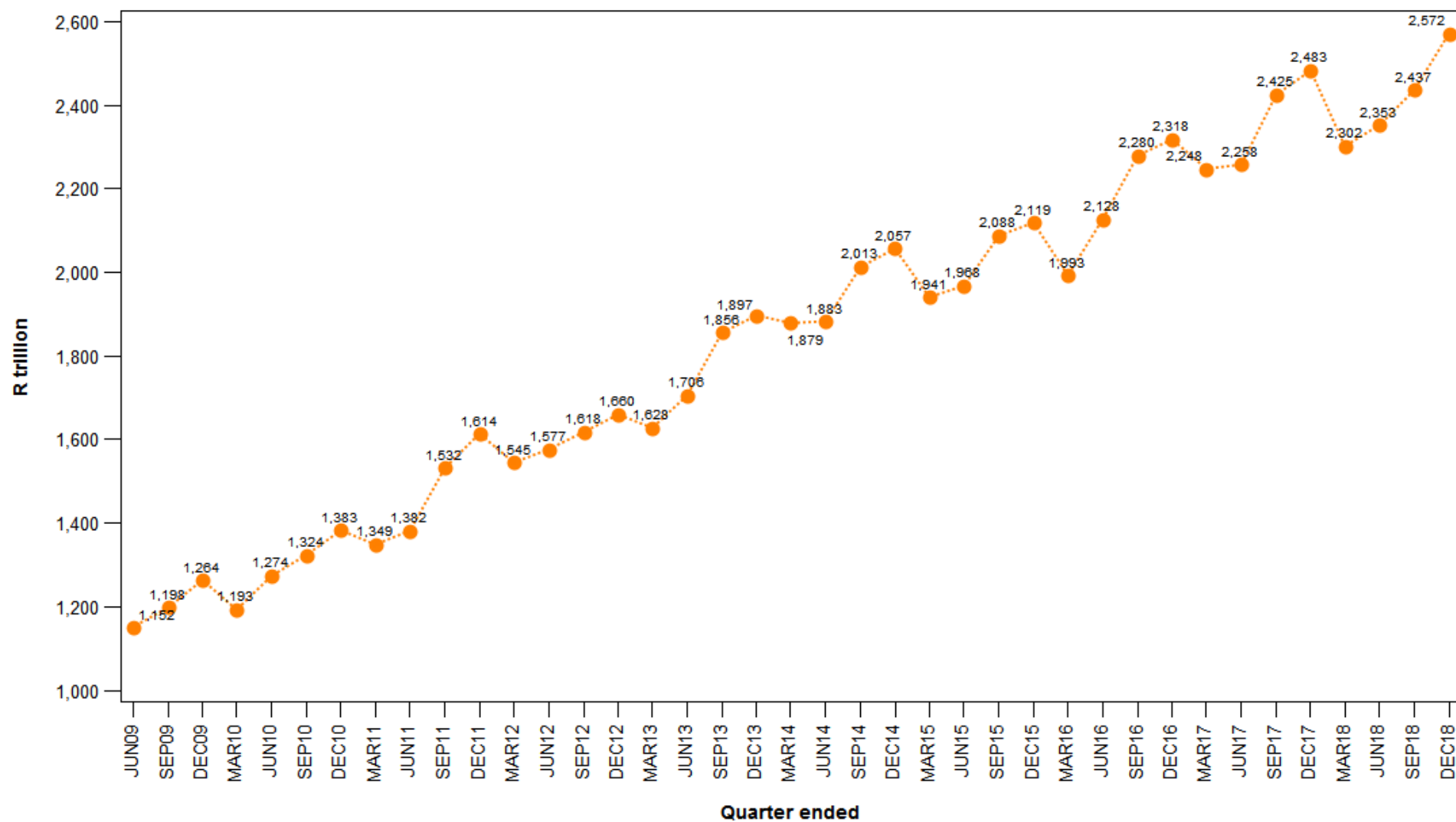
SIC 8 – Real estate and other business services industry (excluding financial intermediation and insurance)



SIC 4 – Electricity, gas and water supply industry

SIC 5 – Construction industry

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

Figure 4 – Quarterly turnover of all industries covered by the quarterly financial statistics (QFS) survey¹ from June 2009 to December 2018

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

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ²	December 2018 ³		
Income items						R million	R million
Turnover received	2 483 403	2 302 051	2 352 686	2 437 112	2 571 935	134 823	88 532
Interest received	14 527	14 527	15 538	17 395	17 663	268	3 136
Dividends received	48 117	15 725	12 190	9 775	14 744	4 969	-33 373
Royalties, franchise fees, copyright, trade names and patent rights received	1 286	1 201	1 113	1 145	1 446	301	160
Rental/leasing of land, buildings and other structures received	4 594	4 301	4 436	4 404	4 866	462	272
Hiring/leasing of plant, machinery, vehicles and other equipment received	3 816	3 606	3 366	3 184	3 692	508	-124
Profit on assets/investment sold or revalued	41 322	27 023	34 803	46 837	38 376	-8 461	-2 946
Other income	46 747	48 267	53 983	45 500	51 154	5 654	4 407
Total income (A)	2 643 812	2 416 701	2 478 115	2 565 352	2 703 876	138 524	60 064
Inventories							
Opening value of raw materials	206 187	215 519	218 787	219 626	222 674	3 048	16 487
Opening value of work in progress	101 966	95 384	100 986	102 849	112 097	9 248	10 131
Opening value of finished goods	584 304	566 657	552 024	571 049	599 863	28 814	15 559
Total opening values (B)	892 457	877 560	871 797	893 524	934 634	41 110	42 177
Closing value of raw materials	216 328	223 083	221 041	225 138	211 616	-13 522	-4 712
Closing value of work in progress	94 889	99 560	100 673	111 892	111 515	-377	16 626
Closing value of finished goods	596 220	560 147	586 739	592 103	602 037	9 934	5 817
Total closing values (C)	907 437	882 790	908 453	929 133	925 168	-3 965	17 731

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

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ²	December 2018 ³		
Expenditure items						R million	R million
Purchases	1 464 468	1 378 302	1 424 530	1 460 386	1 543 770	83 384	79 302
Employment costs ⁴	349 448	336 460	344 940	345 326	369 813	24 487	20 365
Interest paid	62 482	58 353	64 109	60 024	64 428	4 404	1 946
Royalties, franchise fees, copyright, trade names and patent rights paid	10 788	9 398	9 616	10 437	10 520	83	-268
Rental/leasing of land, buildings and other structures paid	63 651	60 889	65 416	65 514	62 699	-2 815	-952
Hiring/leasing for plant, machinery, vehicles and other equipment paid	14 182	13 608	13 878	13 354	15 213	1 859	1 031
Depreciation	61 109	60 451	64 219	59 939	63 355	3 416	2 246
Losses on assets/investments sold or revalued	30 183	23 529	62 346	31 167	35 129	3 962	4 946
Other expenditure	383 061	341 033	357 258	381 182	385 288	4 106	2 227
Total expenditure (D)	2 439 372	2 282 023	2 406 312	2 427 329	2 550 215	122 886	110 843
Net profit or loss before taxation (E) ⁵	219 420	139 908	108 459	173 632	144 195	-29 437	-75 225
Company tax	38 108	30 143	31 513	33 040	37 755	4 715	-353
Dividends payable	26 526	46 482	33 155	42 270	38 559	-3 711	12 033
Carrying value of property, plant and equipment as at the end of quarter	3 154 320	3 095 721	3 123 538	3 043 058	3 039 032	-4 026	-115 288
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	12 436	8 857	12 148	11 758	12 971	1 213	535
Plant, machinery, furniture, fittings and other equipment	78 991	72 285	66 037	66 841	71 909	5 068	-7 082
Vehicles and transport equipment	11 558	10 705	10 721	12 020	11 261	-759	-297
Total capital expenditure	102 985	91 847	88 906	90 619	96 141	5 522	-6 844

¹ All industries in the South African economy, excluding agriculture, financial intermediation, insurance, government and educational institutions.² Revised.³ Preliminary.⁴ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁵ E=A-B+C-D.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received	170 698	152 362	172 632	172 630	181 090	8 460	10 392
Interest received	2 185	1 862	2 523	2 494	3 172	678	987
Dividends received	662	4 578	890	2 306	1 492	-814	830
Royalties, franchise fees, copyright, trade names and patent rights received	51	31	50	19	77	58	26
Rental/leasing of land, buildings and other structures received	154	80	150	70	84	14	-70
Hiring/leasing of plant, machinery, vehicles and other equipment received	369	391	118	159	252	93	-117
Profit on assets/investment sold or revalued	7 807	2 080	4 768	15 776	6 062	-9 714	-1 745
Other income	6 465	4 296	1 533	1 366	2 016	650	-4 449
Total income (A)	188 391	165 680	182 664	194 820	194 245	-575	5 854
Inventories							
Opening value of raw materials	20 045	19 771	19 719	20 022	20 014	-8	-31
Opening value of work in progress	27 840	29 831	33 917	30 335	35 162	4 827	7 322
Opening value of finished goods	32 359	28 926	28 782	31 825	26 981	-4 844	-5 378
Total opening values (B)	80 244	78 528	82 418	82 182	82 157	-25	1 913
Closing value of raw materials	20 109	19 846	19 839	19 708	20 334	626	225
Closing value of work in progress	29 847	33 905	30 360	35 407	34 464	-943	4 617
Closing value of finished goods	28 923	28 025	31 834	35 581	27 307	-8 274	-1 616
Total closing values (C)	78 879	81 776	82 033	90 696	82 105	-8 591	3 226

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	68 121	67 909	69 451	76 480	68 600	-7 880	479
Employment costs ³	34 584	33 064	33 882	34 957	36 028	1 071	1 444
Interest paid	4 547	3 706	4 786	4 002	7 020	3 018	2 473
Royalties, franchise fees, copyright, trade names and patent rights paid	1 725	1 752	1 829	1 888	1 570	-318	-155
Rental/leasing of land, buildings and other structures paid	4 731	3 978	4 617	5 705	4 794	-911	63
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 193	1 290	1 155	1 170	1 493	323	300
Depreciation	13 933	11 667	15 305	11 416	12 395	979	-1 538
Losses on assets/investments sold or revalued	4 897	3 662	26 855	4 642	13 882	9 240	8 985
Other expenditure	42 882	24 671	30 879	39 014	35 520	-3 494	-7 362
Total expenditure (D)	176 613	151 699	188 759	179 274	181 302	2 028	4 689
Net profit or loss before taxation (E) ⁴	10 413	17 229	-6 480	24 060	12 891	-11 169	2 478
Company tax	4 635	4 177	6 077	4 071	5 407	1 336	772
Dividends payable	1 413	12 548	1 750	12 229	6 012	-6 217	4 599
Carrying value of property, plant and equipment as at the end of quarter	494 883	478 008	465 939	470 023	474 845	4 822	-20 038
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	5 132	2 052	4 158	3 776	3 713	-63	-1 419
Plant, machinery, furniture, fittings and other equipment	14 528	11 947	14 132	12 734	15 789	3 055	1 261
Vehicles and transport equipment	493	285	731	475	835	360	342
Total capital expenditure	20 153	14 284	19 021	16 985	20 337	3 352	184

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 3 – Selected income and expenditure items: Manufacturing industry

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received	715 232	656 032	675 343	724 568	775 969	51 401	60 737
Interest received	4 190	4 213	4 374	6 303	5 169	-1 134	979
Dividends received	1 164	2 201	712	2 632	4 929	2 297	3 765
Royalties, franchise fees, copyright, trade names and patent rights received	138	180	130	155	192	37	54
Rental/leasing of land, buildings and other structures received	1 464	1 016	1 006	1 051	1 430	379	-34
Hiring/leasing of plant, machinery, vehicles and other equipment received	452	453	490	461	458	-3	6
Profit on assets/investment sold or revalued	12 508	10 667	11 966	15 713	13 302	-2 411	794
Other income	7 300	7 746	13 543	14 386	15 803	1 417	8 503
Total income (A)	742 448	682 508	707 564	765 269	817 252	51 983	74 804
Inventories							
Opening value of raw materials	132 679	139 269	144 139	143 576	147 758	4 182	15 079
Opening value of work in progress	47 219	40 923	40 632	48 037	55 753	7 716	8 534
Opening value of finished goods	196 090	196 597	185 861	203 750	212 056	8 306	15 966
Total opening values (B)	375 988	376 789	370 632	395 363	415 567	20 204	39 579
Closing value of raw materials	140 150	148 021	145 575	149 982	134 084	-15 898	-6 066
Closing value of work in progress	40 374	41 275	42 946	50 828	55 150	4 322	14 776
Closing value of finished goods	199 514	191 123	204 787	215 504	202 684	-12 820	3 170
Total closing values (C)	380 038	380 419	393 308	416 314	391 918	-24 396	11 880

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	459 213	439 874	466 519	485 195	505 481	20 286	46 268
Employment costs ³	78 720	76 349	77 314	79 930	88 167	8 237	9 447
Interest paid	10 952	9 762	13 481	11 049	10 683	-366	-269
Royalties, franchise fees, copyright, trade names and patent rights paid	5 431	3 207	3 434	3 828	4 339	511	-1 092
Rental/leasing of land, buildings and other structures paid	12 608	11 653	12 028	13 386	12 543	-843	-65
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 800	1 690	2 276	2 208	2 341	133	-459
Depreciation	14 185	13 407	13 534	13 919	13 306	-613	-879
Losses on assets/investments sold or revalued	10 725	5 468	14 166	9 347	5 047	-4 300	-5 678
Other expenditure	98 838	93 836	98 968	115 490	108 569	-6 921	9 731
Total expenditure (D)	693 472	655 246	701 720	734 352	750 476	16 124	57 004
Net profit or loss before taxation (E) ⁴	53 026	30 892	28 520	51 868	43 127	-8 741	-9 899
Company tax	12 442	7 807	8 055	9 552	9 824	272	-2 618
Dividends payable	6 812	7 604	7 101	6 900	5 209	-1 691	-1 603
Carrying value of property, plant and equipment as at the end of quarter	467 446	450 476	480 527	487 061	489 890	2 829	22 444
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 688	1 485	1 858	2 570	2 978	408	1 290
Plant, machinery, furniture, fittings and other equipment	18 117	13 581	15 489	14 128	15 054	926	-3 063
Vehicles and transport equipment	1 723	1 080	1 072	1 168	1 026	-142	-697
Total capital expenditure	21 528	16 146	18 419	17 866	19 058	1 192	-2 470

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received	60 866	60 194	64 626	71 843	59 533	-12 310	-1 333
Interest received	588	735	821	985	1 014	29	426
Dividends received	77	223	47	58	0	-58	-77
Royalties, franchise fees, copyright, trade names and patent rights received	0	0	0	0	0	0	0
Rental/leasing of land, buildings and other structures received	6	11	7	9	9	0	3
Hiring/leasing of plant, machinery, vehicles and other equipment received	63	66	60	61	63	2	0
Profit on assets/investment sold or revalued	74	293	2 390	491	88	-403	14
Other income	234	778	885	1 224	362	-862	128
Total income (A)	61 908	62 300	68 836	74 671	61 069	-13 602	-839
Inventories							
Opening value of raw materials	23 518	24 008	24 808	24 902	24 601	-301	1 083
Opening value of work in progress	1	1	1	1	2	1	1
Opening value of finished goods	597	730	383	384	365	-19	-232
Total opening values (B)	24 116	24 739	25 192	25 287	24 968	-319	852
Closing value of raw materials	24 009	24 808	24 900	24 451	25 574	1 123	1 565
Closing value of work in progress	1	1	1	4	2	-2	1
Closing value of finished goods	730	671	383	440	367	-73	-363
Total closing values (C)	24 740	25 480	25 284	24 895	25 943	1 048	1 203

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	30 924	30 898	32 495	33 072	34 525	1 453	3 601
Employment costs ³	7 767	6 320	7 928	8 506	8 290	-216	523
Interest paid	8 921	9 583	9 426	9 492	9 684	192	763
Royalties, franchise fees, copyright, trade names and patent rights paid	8	8	8	17	149	132	141
Rental/leasing of land, buildings and other structures paid	78	86	71	66	94	28	16
Hiring/leasing for plant, machinery, vehicles and other equipment paid	109	111	200	171	179	8	70
Depreciation	7 396	7 549	7 874	7 890	8 054	164	658
Losses on assets/investments sold or revalued	1 695	845	1 313	1 758	1 232	-526	-463
Other expenditure	8 191	8 842	8 333	6 318	10 341	4 023	2 150
Total expenditure (D)	65 089	64 242	67 648	67 290	72 548	5 258	7 459
Net profit or loss before taxation (E) ⁴	-2 557	-1 201	1 280	6 989	-10 504	-17 493	-7 947
Company tax	472	451	565	463	531	68	59
Dividends payable	849	2 745	809	888	594	-294	-255
Carrying value of property, plant and equipment as at the end of quarter	712 207	723 102	723 639	728 969	745 277	16 308	33 070
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	857	789	797	619	887	268	30
Plant, machinery, furniture, fittings and other equipment	15 580	17 739	12 305	12 547	12 340	-207	-3 240
Vehicles and transport equipment	115	199	99	35	104	69	-11
Total capital expenditure	16 552	18 727	13 201	13 201	13 331	130	-3 221

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 5 – Selected income and expenditure items: Construction industry

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received	97 392	91 994	85 042	89 861	89 062	-799	-8 330
Interest received	698	862	693	613	597	-16	-101
Dividends received	144	90	290	256	345	89	201
Royalties, franchise fees, copyright, trade names and patent rights received	1	1	14	0	7	7	6
Rental/leasing of land, buildings and other structures received	357	320	260	271	245	-26	-112
Hiring/leasing of plant, machinery, vehicles and other equipment received	566	510	556	528	657	129	91
Profit on assets/investment sold or revalued	1 010	1 956	1 039	836	786	-50	-224
Other income	853	1 233	1 261	1 409	1 687	278	834
Total income (A)	101 021	96 966	89 155	93 774	93 386	-388	-7 635
Inventories							
Opening value of raw materials	5 405	5 602	5 128	5 210	4 230	-980	-1 175
Opening value of work in progress	8 111	6 932	8 959	9 979	9 156	-823	1 045
Opening value of finished goods	5 880	5 100	4 984	4 494	4 918	424	-962
Total opening values (B)	19 396	17 634	19 071	19 683	18 304	-1 379	-1 092
Closing value of raw materials	5 643	5 441	5 238	4 474	4 438	-36	-1 205
Closing value of work in progress	6 939	6 845	9 589	9 804	8 877	-927	1 938
Closing value of finished goods	6 621	4 548	4 474	5 308	4 717	-591	-1 904
Total closing values (C)	19 203	16 834	19 301	19 586	18 032	-1 554	-1 171

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	63 336	58 186	54 194	54 189	52 106	-2 083	-11 230
Employment costs ³	15 628	14 872	15 845	17 465	18 190	725	2 562
Interest paid	1 122	1 487	1 130	1 228	1 075	-153	-47
Royalties, franchise fees, copyright, trade names and patent rights paid	238	176	161	239	363	124	125
Rental/leasing of land, buildings and other structures paid	639	621	612	695	930	235	291
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 761	2 005	1 957	1 935	3 367	1 432	1 606
Depreciation	1 168	1 040	1 206	1 080	1 001	-79	-167
Losses on assets/investments sold or revalued	624	465	673	1 216	1 057	-159	433
Other expenditure	12 539	10 891	11 717	11 569	10 899	-670	-1 640
Total expenditure (D)	97 055	89 743	87 495	89 616	88 988	-628	-8 067
Net profit or loss before taxation (E) ⁴	3 773	6 423	1 890	4 061	4 126	65	353
Company tax	1 152	1 432	792	775	616	-159	-536
Dividends payable	114	382	597	287	73	-214	-41
Carrying value of property, plant and equipment as at the end of quarter	38 197	36 680	34 155	39 889	30 622	-9 267	-7 575
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	88	106	308	118	166	48	78
Plant, machinery, furniture, fittings and other equipment	785	821	1 094	818	621	-197	-164
Vehicles and transport equipment	263	200	48	34	46	12	-217
Total capital expenditure	1 136	1 127	1 450	970	833	-137	-303

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 6 – Selected income and expenditure items: Trade industry

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received	874 131	796 449	806 906	820 081	871 967	51 886	-2 164
Interest received	4 073	4 105	4 130	4 177	4 434	257	361
Dividends received	439	699	544	530	1 205	675	766
Royalties, franchise fees, copyright, trade names and patent rights received	276	260	256	269	351	82	75
Rental/leasing of land, buildings and other structures received	765	961	1 074	1 143	1 251	108	486
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 833	1 836	1 753	1 540	1 813	273	-20
Profit on assets/investment sold or revalued	5 190	4 408	5 516	4 821	5 264	443	74
Other income	8 005	8 512	9 048	8 255	8 994	739	989
Total income (A)	894 712	817 230	829 227	840 816	895 279	54 463	567
Inventories							
Opening value of raw materials	16 754	17 488	16 703	17 689	18 370	681	1 616
Opening value of work in progress	13 526	12 431	12 385	9 722	7 165	-2 557	-6 361
Opening value of finished goods	312 687	300 315	298 553	298 139	329 324	31 185	16 637
Total opening values (B)	342 967	330 234	327 641	325 550	354 859	29 309	11 892
Closing value of raw materials	17 656	16 616	17 508	19 073	19 381	308	1 725
Closing value of work in progress	12 703	12 391	12 417	10 538	7 991	-2 547	-4 712
Closing value of finished goods	324 513	302 196	311 470	301 519	340 858	39 339	16 345
Total closing values (C)	354 872	331 203	341 395	331 130	368 230	37 100	13 358

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	675 538	615 489	632 934	633 508	696 400	62 892	20 862
Employment costs ³	62 053	61 852	63 722	62 376	62 716	340	663
Interest paid	7 139	6 596	7 275	7 490	7 244	-246	105
Royalties, franchise fees, copyright, trade names and patent rights paid	1 902	2 358	2 229	2 398	2 164	-234	262
Rental/leasing of land, buildings and other structures paid	16 978	17 693	18 721	19 195	19 212	17	2 234
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 849	1 716	1 547	1 330	1 278	-52	-571
Depreciation	5 172	5 586	6 002	5 952	6 218	266	1 046
Losses on assets/investments sold or revalued	5 246	4 802	6 889	5 345	6 414	1 069	1 168
Other expenditure	75 911	65 466	65 718	69 855	65 541	-4 314	-10 370
Total expenditure (D)	851 788	781 558	805 037	807 449	867 187	59 738	15 399
Net profit or loss before taxation (E) ⁴	54 829	36 641	37 944	38 947	41 463	2 516	-13 366
Company tax	6 592	6 375	6 326	6 490	6 607	117	15
Dividends payable	3 345	3 525	2 844	2 839	4 940	2 101	1 595
Carrying value of property, plant and equipment as at the end of quarter	249 733	242 803	244 222	243 135	247 200	4 065	-2 533
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	818	682	906	875	843	-32	25
Plant, machinery, furniture, fittings and other equipment	6 819	5 779	5 729	6 359	6 361	2	-458
Vehicles and transport equipment	2 849	2 314	2 116	2 695	2 628	-67	-221
Total capital expenditure	10 486	8 775	8 751	9 929	9 832	-97	-654

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received	220 120	215 156	219 283	227 325	241 044	13 719	20 924
Interest received	1 977	1 981	1 955	2 018	2 200	182	223
Dividends received	201	273	273	218	246	28	45
Royalties, franchise fees, copyright, trade names and patent rights received	7	6	6	7	6	-1	-1
Rental/leasing of land, buildings and other structures received	1 267	1 363	1 367	1 312	1 367	55	100
Hiring/leasing of plant, machinery, vehicles and other equipment received	429	265	300	286	299	13	-130
Profit on assets/investment sold or revalued	2 492	1 612	2 443	1 732	1 855	123	-637
Other income	5 002	6 520	5 916	5 395	6 539	1 144	1 537
Total income (A)	231 495	227 176	231 543	238 293	253 556	15 263	22 061
Inventories							
Opening value of raw materials	4 209	5 300	4 454	4 368	3 404	-964	-805
Opening value of work in progress	1 598	1 368	1 114	1 218	1 051	-167	-547
Opening value of finished goods	9 478	9 027	7 762	8 236	8 768	532	-710
Total opening values (B)	15 285	15 695	13 330	13 822	13 223	-599	-2 062
Closing value of raw materials	4 960	4 454	4 142	3 434	3 299	-135	-1 661
Closing value of work in progress	1 283	1 114	1 218	1 314	1 040	-274	-243
Closing value of finished goods	8 582	7 753	8 126	8 605	8 810	205	228
Total closing values (C)	14 825	13 321	13 486	13 353	13 149	-204	-1 676

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	87 454	87 903	91 725	97 577	106 291	8 714	18 837
Employment costs ³	36 275	37 495	37 712	37 475	39 172	1 697	2 897
Interest paid	7 998	8 207	8 126	8 495	8 295	-200	297
Royalties, franchise fees, copyright, trade names and patent rights paid	67	45	63	35	65	30	-2
Rental/leasing of land, buildings and other structures paid	5 334	5 059	4 987	4 869	5 129	260	-205
Hiring/leasing for plant, machinery, vehicles and other equipment paid	3 330	3 321	3 474	3 429	3 901	472	571
Depreciation	12 613	14 754	14 213	13 490	14 498	1 008	1 885
Losses on assets/investments sold or revalued	2 407	1 856	2 842	2 141	2 189	48	-218
Other expenditure	60 491	54 938	57 336	56 966	62 757	5 791	2 266
Total expenditure (D)	215 969	213 578	220 478	224 477	242 297	17 820	26 328
Net profit or loss before taxation (E) ⁴	15 066	11 224	11 221	13 347	11 185	-2 162	-3 881
Company tax	3 563	3 213	2 808	3 476	3 540	64	-23
Dividends payable	368	5 240	2 457	5 976	6 330	354	5 962
Carrying value of property, plant and equipment as at the end of quarter	610 260	618 226	628 760	642 007	631 373	-10 634	21 113
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	687	962	621	561	735	174	48
Plant, machinery, furniture, fittings and other equipment	17 709	17 915	13 710	15 649	17 238	1 589	-471
Vehicles and transport equipment	3 936	4 427	4 615	5 123	4 419	-704	483
Total capital expenditure	22 332	23 304	18 946	21 333	22 392	1 059	60

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received ³	287 422	271 812	269 618	270 037	288 696	18 659	1 274
Interest received	0	0	0	0	0	0	0
Dividends received	45 328	7 475	9 372	3 042	6 430	3 388	-38 898
Royalties, franchise fees, copyright, trade names and patent rights received	628	515	454	491	598	107	-30
Rental/leasing of land, buildings and other structures received	0	0	0	0	0	0	0
Hiring/leasing of plant, machinery, vehicles and other equipment received	0	0	0	0	0	0	0
Profit on assets/investment sold or revalued	11 839	5 845	6 429	7 223	10 673	3 450	-1 166
Other income	10 201	10 590	12 906	8 652	13 570	4 918	3 369
Total income (A)	355 418	296 237	298 779	289 445	319 967	30 522	-35 451
Inventories							
Opening value of raw materials	2 437	2 465	2 396	2 451	3 281	830	844
Opening value of work in progress	3 630	3 764	3 842	3 505	3 757	252	127
Opening value of finished goods	25 883	24 679	24 530	23 172	16 534	-6 638	-9 349
Total opening values (B)	31 950	30 908	30 768	29 128	23 572	-5 556	-8 378
Closing value of raw materials	2 490	2 396	2 413	2 618	3 396	778	906
Closing value of work in progress	3 697	3 893	4 001	3 947	3 943	-4	246
Closing value of finished goods	26 040	24 580	24 556	24 105	16 339	-7 766	-9 701
Total closing values (C)	32 227	30 869	30 970	30 670	23 678	-6 992	-8 549

¹ Revised.² Preliminary.³ Turnover includes: interest, rent/leasing and hiring – refer to page 39 for more details.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	66 758	63 954	62 320	64 966	63 704	-1 262	-3 054
Employment costs ³	92 050	86 870	88 602	86 533	98 091	11 558	6 041
Interest paid	20 362	17 814	18 684	17 029	19 115	2 086	-1 247
Royalties, franchise fees, copyright, trade names and patent rights paid	1 192	1 625	1 701	1 827	1 669	-158	477
Rental/leasing of land, buildings and other structures paid	20 312	19 140	21 811	18 591	17 222	-1 369	-3 090
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 080	2 101	2 029	1 855	1 420	-435	-660
Depreciation	4 722	4 505	4 200	4 287	5 899	1 612	1 177
Losses on assets/investments sold or revalued	4 306	5 923	9 301	6 298	4 757	-1 541	451
Other expenditure	62 089	63 332	63 460	59 614	70 133	10 519	8 044
Total expenditure (D)	273 871	265 264	272 108	261 000	282 010	21 010	8 139
Net profit or loss before taxation (E) ⁴	81 824	30 934	26 873	29 987	38 063	8 076	-43 761
Company tax	8 034	5 762	6 107	7 017	10 148	3 131	2 114
Dividends payable	12 600	12 256	15 261	12 200	14 649	2 449	2 049
Carrying value of property, plant and equipment as at the end of quarter	499 641	467 260	467 906	352 912	352 363	-549	-147 278
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 432	2 301	2 843	2 638	3 022	384	590
Plant, machinery, furniture, fittings and other equipment	3 620	3 317	2 668	3 047	3 569	522	-51
Vehicles and transport equipment	1 984	2 003	1 875	2 322	1 710	-612	-274
Total capital expenditure	8 036	7 621	7 386	8 007	8 301	294	265

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with *the Quarterly employment statistics (QES)* (statistical release P0277) survey.⁴ E=A-B+C-D.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Income items						R million	R million
Turnover received	57 542	58 052	59 236	60 767	64 574	3 807	7 032
Interest received	816	769	1 042	805	1 077	272	261
Dividends received	102	186	62	733	97	-636	-5
Royalties, franchise fees, copyright, trade names and patent rights received	185	208	203	204	215	11	30
Rental/leasing of land, buildings and other structures received	581	550	572	548	480	-68	-101
Hiring/leasing of plant, machinery, vehicles and other equipment received	104	85	89	149	150	1	46
Profit on assets/investment sold or revalued	402	162	252	245	346	101	-56
Other income	8 687	8 592	8 891	4 813	2 183	-2 630	-6 504
Total income (A)	68 419	68 604	70 347	68 264	69 122	858	703
Inventories							
Opening value of raw materials	1 140	1 616	1 440	1 408	1 016	-392	-124
Opening value of work in progress	41	134	136	52	51	-1	10
Opening value of finished goods	1 330	1 283	1 169	1 049	917	-132	-413
Total opening values (B)	2 511	3 033	2 745	2 509	1 984	-525	-527
Closing value of raw materials	1 311	1 501	1 426	1 398	1 110	-288	-201
Closing value of work in progress	45	136	141	50	48	-2	3
Closing value of finished goods	1 297	1 251	1 109	1 041	955	-86	-342
Total closing values (C)	2 653	2 888	2 676	2 489	2 113	-376	-540

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between December 2018 and September 2018	Year-on-year difference between December 2018 and December 2017
	R million						
	December 2017	March 2018	June 2018	September 2018 ¹	December 2018 ²		
Expenditure items						R million	R million
Purchases	13 124	14 089	14 892	15 399	16 663	1 264	3 539
Employment costs ³	22 371	19 638	19 935	18 084	19 159	1 075	-3 212
Interest paid	1 441	1 198	1 201	1 239	1 312	73	-129
Royalties, franchise fees, copyright, trade names and patent rights paid	225	227	191	205	201	-4	-24
Rental/leasing of land, buildings and other structures paid	2 971	2 659	2 569	3 007	2 775	-232	-196
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 060	1 374	1 240	1 256	1 234	-22	174
Depreciation	1 920	1 943	1 885	1 905	1 984	79	64
Losses on assets/investments sold or revalued	283	508	307	420	551	131	268
Other expenditure	22 120	19 057	20 847	22 356	21 528	-828	-592
Total expenditure (D)	65 515	60 693	63 067	63 871	65 407	1 536	-108
Net profit or loss before taxation (E) ⁴	3 046	7 766	7 211	4 373	3 844	-529	798
Company tax	1 218	926	783	1 196	1 082	-114	-136
Dividends payable	1 025	2 182	2 336	951	752	-199	-273
Carrying value of property, plant and equipment as at the end of quarter	81 953	79 166	78 390	79 062	67 462	-11 600	-14 491
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	734	480	657	601	627	26	-107
Plant, machinery, furniture, fittings and other equipment	1 833	1 186	910	1 559	937	-622	-896
Vehicles and transport equipment	195	197	165	168	493	325	298
Total capital expenditure	2 762	1 863	1 732	2 328	2 057	-271	-705

¹ Revised.² Preliminary.³ Refer to page 35 for comparability with the *Quarterly employment statistics* (QES) (statistical release P0277) survey.⁴ E=A-B+C-D.

Table 10 – Comparison of selected operating ratios between September 2018 and December 2018

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	September 2018 ¹	December 2018 ²	September 2018 ¹	December 2018 ²	September 2018 ¹	December 2018 ²	September 2018 ¹	December 2018 ²
Mining and quarrying	0,37	0,38	0,14	0,07	1,90	2,21	0,05	0,03
Manufacturing	1,49	1,58	0,07	0,06	1,74	1,98	0,11	0,09
Electricity, gas and water supply	0,10	0,08	0,10	-0,18	2,89	2,29	0,01	-0,01
Construction	2,25	2,91	0,05	0,05	4,59	4,94	0,10	0,13
Trade	3,37	3,53	0,05	0,05	2,48	2,37	0,16	0,17
Transport, storage and communication	0,35	0,38	0,06	0,05	17,02	18,33	0,02	0,02
Real estate and other business services, excluding financial intermediation and insurance	0,77	0,82	0,11	0,13	8,80	12,19	0,08	0,11
Community, social and personal services, excluding government and educational institutions	0,77	0,96	0,07	0,06	24,41	30,56	0,06	0,06
All industries	0,80	0,85	0,07	0,06	2,62	2,78	0,06	0,05

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

Table 10 – Comparison of selected operating ratios between September 2018 and December 2018 (concluded)

Industry	Total capital expenditure / Fixed assets ³		*Cost of Sales / Average inventories ⁴		Net profit before interest and income tax expenses / Interest expense ⁵		Cash dividends / Net income ⁶	
	September 2018 ¹	December 2018 ²	September 2018 ¹	December 2018 ²	September 2018 ¹	December 2018 ²	September 2018 ¹	December 2018 ²
Mining and quarrying	0,04	0,04	0,79	0,84	7,01	2,84	0,61	0,80
Manufacturing	0,04	0,04	1,14	1,31	5,69	5,04	0,16	0,16
Electricity, gas and water supply	0,02	0,02	1,33	1,32	1,74	-0,08	0,14	-0,05
Construction	0,02	0,03	2,76	2,88	4,31	4,84	0,09	0,02
Trade	0,04	0,04	1,91	1,89	6,20	6,72	0,09	0,14
Transport, storage and communication	0,03	0,04	7,22	8,07	2,57	2,35	0,61	0,83
Real estate and other business services, excluding financial intermediation and insurance	0,02	0,02	2,12	2,69	2,76	2,99	0,53	0,52
Community, social and personal services, excluding government and educational institutions	0,03	0,03	6,17	8,07	4,53	3,93	0,30	0,27
All industries	0,03	0,03	1,56	1,67	3,89	3,24	0,30	0,36

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

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

Technical notes

Confidence intervals

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

Lower limit

= lower 95% confidence limit of a population parameter

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

and

Upper limit

= upper 95% confidence limit of a population parameter

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

Standard error (SE)

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

Relative standard error (RSE)

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

Table A – Estimates of turnover by industry within 95% confidence limits: September 2018

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	170 072	172 630	175 188	0,8
Manufacturing	702 104	724 568	747 032	1,6
Electricity, gas and water supply	70 669	71 843	73 017	0,8
Construction	69 246	89 861	110 476	11,7
Trade	742 928	820 081	897 234	4,8
Transport, storage and communication	215 943	227 325	238 707	2,6
Real estate and other business services, excluding financial intermediation and insurance	232 969	270 037	307 105	7,0
Community, social and personal services, excluding government and educational institutions	55 730	60 767	65 804	4,2
All industries	2 319 614	2 437 112	2 554 610	2,5

Table B – Estimates of turnover by industry within 95% confidence limits: December 2018

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	177 956	181 090	184 224	0,9
Manufacturing	752 212	775 969	799 726	1,6
Electricity, gas and water supply	58 463	59 533	60 603	0,9
Construction	68 496	89 062	109 628	11,8
Trade	795 059	871 967	948 875	4,5
Transport, storage and communication	231 191	241 044	250 897	2,1
Real estate and other business services, excluding financial intermediation and insurance	249 471	288 696	327 921	6,9
Community, social and personal services, excluding government and educational institutions	59 274	64 574	69 874	4,2
All industries	2 443 259	2 571 935	2 700 611	2,6

Table C – Turnover by industry and percentage change

Industry	Turnover December 2017	Turnover September 2018	Turnover December 2018	Difference between December 2018 and September 2018	Difference between December 2018 and December 2017
	R million	R million	R million	%	%
Mining and quarrying	170 698	172 630	181 090	4,9	6,1
Manufacturing	715 232	724 568	775 969	7,1	8,5
Electricity, gas and water supply	60 866	71 843	59 533	-17,1	-2,2
Construction	97 392	89 861	89 062	-0,9	-8,6
Trade	874 131	820 081	871 967	6,3	-0,2
Transport, storage and communication	220 120	227 325	241 044	6,0	9,5
Real estate and other business services, excluding financial intermediation and insurance	287 422	270 037	288 696	6,9	0,4
Community, social and personal services, excluding government and educational institutions	57 542	60 767	64 574	6,3	12,2
All industries	2 483 403	2 437 112	2 571 935	5,5	3,6

Table D – Turnover by industry and percentage contribution¹

Industry	September 2018		December 2018	
	R million	% total turnover	R million	% total turnover
Mining and quarrying	172 630	7,1	181 090	7,0
Manufacturing	724 568	29,7	775 969	30,2
Electricity, gas and water supply	71 843	2,9	59 533	2,3
Construction	89 861	3,7	89 062	3,5
Trade	820 081	33,6	871 967	33,9
Transport, storage and communication	227 325	9,3	241 044	9,4
Real estate and other business services, excluding financial intermediation and insurance	270 037	11,1	288 696	11,2
Community, social and personal services, excluding government and educational institutions	60 767	2,5	64 574	2,5
All industries	2 437 112	100,0	2 571 935	100,0

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

Table E – Closing inventories by industry and percentage change

Industry	Inventories September 2018	Inventories December 2018	Difference between December 2018 and September 2018
	R million	R million	%
Mining and quarrying	90 696	82 105	-9,5
Manufacturing	416 314	391 918	-5,9
Electricity, gas and water supply	24 895	25 943	4,2
Construction	19 586	18 032	-7,9
Trade	331 130	368 230	11,2
Transport, storage and communication	13 353	13 149	-1,5
Real estate and other business services, excluding financial intermediation and insurance	30 670	23 678	-22,8
Community, social and personal services, excluding government and educational institutions	2 489	2 113	-15,1
All industries	929 133	925 168	-0,4

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure September 2018	Capital expenditure December 2018	Difference between December 2018 and September 2018
	R million	R million	%
Mining and quarrying	16 985	20 337	19,7
Manufacturing	17 866	19 058	6,7
Electricity, gas and water supply	13 201	13 331	1,0
Construction	970	833	-14,1
Trade	9 929	9 832	-1,0
Transport, storage and communication	21 333	22 392	5,0
Real estate and other business services, excluding financial intermediation and insurance	8 007	8 301	3,7
Community, social and personal services, excluding government and educational institutions	2 328	2 057	-11,6
All industries	90 619	96 141	6,1

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

Industry	Enterprise size			
	Large (Size-group 1) Lower limits Rand	Medium (Size-group 2) Lower limits Rand	Small (Size-group 3) Lower limits Rand	Very small ¹ (Size-group 4) Lower limits Rand
Mining and quarrying	526 500 000	135 000 000	54 000 000	2 000 000
Manufacturing	688 500 000	175 500 000	67 500 000	2 000 000
Electricity, gas and water supply	688 500 000	175 500 000	68 850 000	2 000 000
Construction	351 000 000	81 000 000	40 500 000	2 000 000
Wholesale trade	864 000 000	432 000 000	81 000 000	2 000 000
Retail trade	526 500 000	256 500 000	54 000 000	2 000 000
Motor trade	526 500 000	256 500 000	54 000 000	2 000 000
Accommodation and catering	175 500 000	81 000 000	68 850 000	2 000 000
Transport, storage and communication	351 000 000	175 500 000	40 500 000	2 000 000
Real estate and other businesses services, excluding financial intermediation and insurance	351 000 000	175 500 000	40 500 000	2 000 000
Community, social and personal services, excluding government and educational institutions	175 500 000	81 000 000	13 500 000	2 000 000

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

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

Explanatory notes

Introduction

1 Stats SA conducts a quarterly sample survey to collect a range of financial statistics in respect of enterprises in the formal business sector of the South African economy, excluding agriculture, hunting, forestry and fishing and financial intermediation and insurance, government and educational institutions. This statistical release presents a selection of key findings and tables from Stats SA's *Quarterly financial statistics* (QFS) survey for the December 2017 and March, June, September and December 2018 quarters which examines key variables as required by the Systems of National Accounts (SNA) 2008, and are mentioned below:

- turnover;
- interest received and paid;
- dividends received and dividends payable;
- royalties, franchise fees, copyright, trade names and trade and patent rights received and paid;
- income and expenditure in respect of rental/leasing of land, buildings and other structures, including payments for water and electricity services;
- income and expenditure in respect of hiring/leasing of plant, machinery, vehicles and other equipment;
- employment costs;
- profit and loss on assets/investments sold or revalued;
- depreciation provided for;
- purchases;
- other income and other expenditure;
- total income and total expenditure;
- net profit or loss before providing for company tax and dividends;
- company tax;
- carrying value of property, plant and equipment at the end of the quarter;
- inventories as at the beginning and end of the quarter; and
- capital expenditure on new property, plant and equipment at the end of the quarter.

2 The statistical release also contains accounting ratios derived from estimates of selected key variables.

3 In order to improve timeliness of the publication, some information for the current quarter may have been estimated due to late or non-submission by respondents. These estimates are revised as soon as the actual information is available.

4 Additional information regarding estimates of small, medium and large enterprises by industry per variable for the quarters ended September and December 2018 is available on the Stats SA website and can also be made available on request.

Purpose of the survey

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

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

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|--------------------------------------|---|
| Scope of the survey | <p>6 This survey covers financial statistics of the following industries according to the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993:</p> <ul style="list-style-type: none"> • mining and quarrying industry; • manufacturing industry; • electricity, gas and water supply industry; • construction industry; • trade industry; • transport, storage and communication industry; • real estate and business services industry, excluding financial intermediation and insurance; and • community, social and personal services industry, excluding government and educational institutions. |
| Classification | <p>7 The 1993 edition of the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of All Economic Activities</i> (ISIC) with suitable adaptations for local conditions. Statistics in this publication are only presented at SIC major division (one digit) level. Each enterprise is classified to an industry which reflects the predominant activity of the enterprise. Estimates on lower digits SIC can be made available on request.</p> |
| Statistical unit | <p>8 For the purpose of this publication, the statistical unit in the quarterly financial statistics survey is the enterprise. An enterprise is defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities. The statistical units are derived from and linked to the South African Revenue Service (SARS) value added tax (VAT) administrative data.</p> |
| Survey methodology and design | <p>9 The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of approximately 4 500 enterprises. Questionnaires have to be returned to Stats SA within two weeks after the end of the quarter concerned. Fax, telephone and electronic reminders are used to follow up on non-responding enterprises.</p> <p>10 Samples are normally drawn each year and the resulting level changes in estimates are indicated when the new sample is implemented. A new sample was drawn in 2018 and implemented from the December 2018 quarter onwards.</p> <p>11 The sample was drawn from a population of enterprises that contributed approximately 95% to the total turnover per industry. Adjustments are made to the estimates to account for enterprises contributing less than 5% of the total turnover within each industry. All enterprises are stratified by type of enterprise according to size groups based on the National Small Business Amendment Bill, 2003, size group allocations for industries as defined in the SIC.</p> <p>All large enterprises, which comprise 54% of the number of enterprises in the</p> |

sample, are completely enumerated, while simple random sampling is applied for medium sized, small and very small enterprises. Enterprises with a VAT turnover of less than R2 000 000 are excluded from this survey. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.

Reliability of estimates	<p>12 Data presented in this publication are based on information obtained from a sample of enterprises and are, therefore, subject to sampling variability, that is, the data may differ from the figures that would have been produced if the data had been obtained from all enterprises in the different industries in South Africa, inaccuracies of this kind are referred to as sampling errors. See Tables A and B (page 28) to determine the extent that estimates may vary.</p> <p>13 Inaccuracies may occur because of imperfections in reporting by enterprises and errors made with the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by designing the questionnaire carefully, conducting pilot studies, editing of data and the implementation of efficient operating procedures. Preliminary figures are indicated in the relevant tables.</p>
Reasons for fluctuations in data	<p>14 The fluctuations in the data can be attributed to:</p> <ul style="list-style-type: none"> • revisions to previous quarters made in the event of new or revised information being furnished by the respondents; • restructuring of large businesses; • exchange rate fluctuations; • restating of previous estimates due to International Financial Reporting Standards (IFRS); • once-off items reflected in one or more quarters, but not reflected in other quarters; • year-end adjustments performed during the last quarter of the financial year; • seasonal factors; • items declared annually and not quarterly; • samples drawn annually (<i>see paragraph 10 on page 33</i>); and • response rates per industry and within sub sectors.
Standard error	<p>15 The estimates in this publication are based on a sample drawn from units in the surveyed population. The entire population is not surveyed. The published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic (<i>see Tables A and B on page 28</i>).</p>
Revised figures	<p>16 The revised figures are due to respondents reporting revisions or corrections in their figures and late submissions of their data to Stats SA. Editing of data occurs at individual enterprise level.</p>
Reference period	<p>17 The reference period for this publication is from 1 October 2018 to 31 December 2018.</p>

Related publications	18	<p>Users may also wish to refer to the following publications which are available from Stats SA:</p> <ul style="list-style-type: none"> • <i>Annual financial statistics</i> (P0021); • <i>Gross domestic product</i> (P0441) – issued quarterly and annually; • <i>Manufacturing: Production and sales</i> (P3041.2) – issued monthly; • <i>Mining: Production and sales</i> (P2041) – issued monthly; • <i>Motor trade sales</i> (P6343.2) – issued monthly; • <i>Quarterly employment statistics</i> (P0277); • <i>Retail trade sales</i> (P6242.1) – issued monthly; • <i>Stats in brief</i> – issued annually; and • <i>Wholesale trade sales</i> (P6141.2) – issued monthly.
Rounding-off of figures	19	<p>The figures in the tables have, where necessary, been rounded off to the nearest three digits shown.</p>
Comparison of results with Quarterly employment statistics (QES) survey	20	<p>Employment costs estimates produced in this publication are based on information as defined by the International Accounting Standards 19 (IAS19) from an accounting perspective. The <i>Quarterly employment statistics</i> (QES) survey produces estimates for employment and earnings from a payroll perspective.</p> <p>The differences between the QFS employment costs and QES earnings can be attributed, but not limited, to the following factors:</p> <ul style="list-style-type: none"> • accounting and payroll timing differences in the recognition of employment-related transactions. The QFS employment costs are recognised on an accrual basis while the QES earnings are recognised on a cash basis; • classification differences between surveys; • changes in accounting standards (International Financial Reporting Standards (IFRS) revisions in the QFS); • different sampling frames; • different sampling methodology and sampling specifications; • information sources (information from the payroll administrator vs. information from the accounting officer); and • restructuring of businesses.
Adjustment of DTI cut-off points	21	<p>The DTI cut-off points sourced from the National Small Business Amendment Bill 2003 have been raised by a factor of 13,5 to comply with sample specifications.</p>

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

Glossary

Capital expenditure on property, plant and equipment

Capital expenditure on property, plant and equipment includes:

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

Carrying value of property, plant and equipment

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

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

Company tax

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

Employment costs

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

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

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

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

Purchases

Purchases includes:

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

Purchases excludes:

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

Turnover

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

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

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

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

Turnover excludes:

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

Value-added tax

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

General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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