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Quarterly financial statistics (QFS)

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Key findings for the quarter ended June 2018

The total turnover of quarterly financial statistics (QFS) industries¹ in the second quarter of 2018 was estimated at R2 350 570 million (R2,35 trillion), an increase of 2,1% compared with the first quarter of 2018 (R2 302 051 million or R2,30 trillion).

Between the first and second quarters of 2018, turnover increased in six of the eight industries covered by the survey. The largest percentage increase in turnover was recorded in mining and quarrying (+10,3%), followed by electricity, gas and water supply (+9,4%), community, social and personal services (excluding government and educational institutions) (+3,1%), trade (+2,6%), manufacturing (+2,0%) and transport, storage and communication (+1,7%). Decreases were recorded for construction (-6,9%) and real estate and other business services (excluding financial intermediation and insurance) (-2,1%).

Total closing inventories at the end of the second quarter of 2018 were estimated at R910 361 million, an increase of 3,1% compared with R882 790 million at the end of the first quarter of 2018. Increases were recorded in mining and quarrying (+4,9%), followed by manufacturing (+3,7%), construction (+2,8%), trade (+2,8%), electricity, gas and water supply (+0,5%) and transport, storage and communication (+0,5%). Decreases were recorded for community, social and personal services (excluding government and educational institutions) (-2,3%) and real estate and other business services (excluding financial intermediation and insurance) (-1,1%).

Total capital expenditure on property, plant and equipment was estimated at R86 471 million in the second quarter of 2018, an decrease of 5,9% compared with R91 847 million in the first quarter of 2018. The largest percentage decrease was recorded in electricity, gas and water supply (-27,8%), followed by transport, storage and communication (-18,5%), trade (-6,9%), community, social and personal services (excluding government and educational institutions) (-5,7%), real estate and other business services (excluding financial intermediation and insurance) (-4,5%) and construction (-3,9%). Increases were recorded for mining and quarrying (+21,8%) and manufacturing (13,2%).

Turnover was estimated at R2 350 570 million in the second quarter of 2018, an increase of 4,1% compared with R2 258 314 million in the second quarter of 2017. Seven of the eight industries covered by the survey reflected an annual increase. The largest percentage increase in turnover was recorded in mining and quarrying (+15,3%), followed by electricity, gas and water supply (+9,0%), transport, storage and communication (+6,1%), manufacturing (+6,0%), trade (+4,1%), community, social and personal services (excluding government and educational institutions) (+3,5%) and real estate and other business services (excluding financial intermediation and insurance) (+0,2%). A decrease was recorded in construction (-19,2%).

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

Risenga Maluleke
Statistician-General

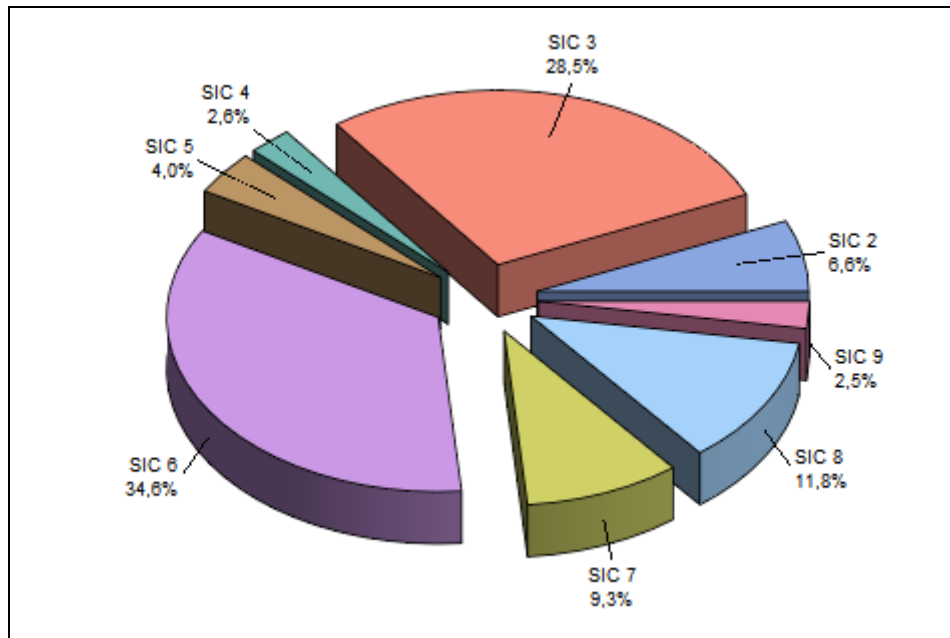
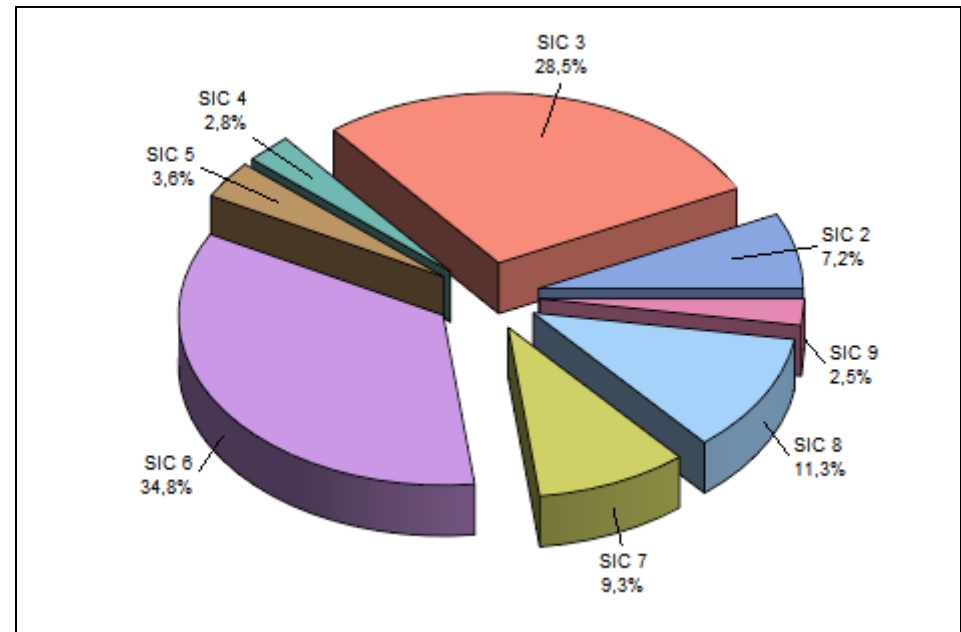
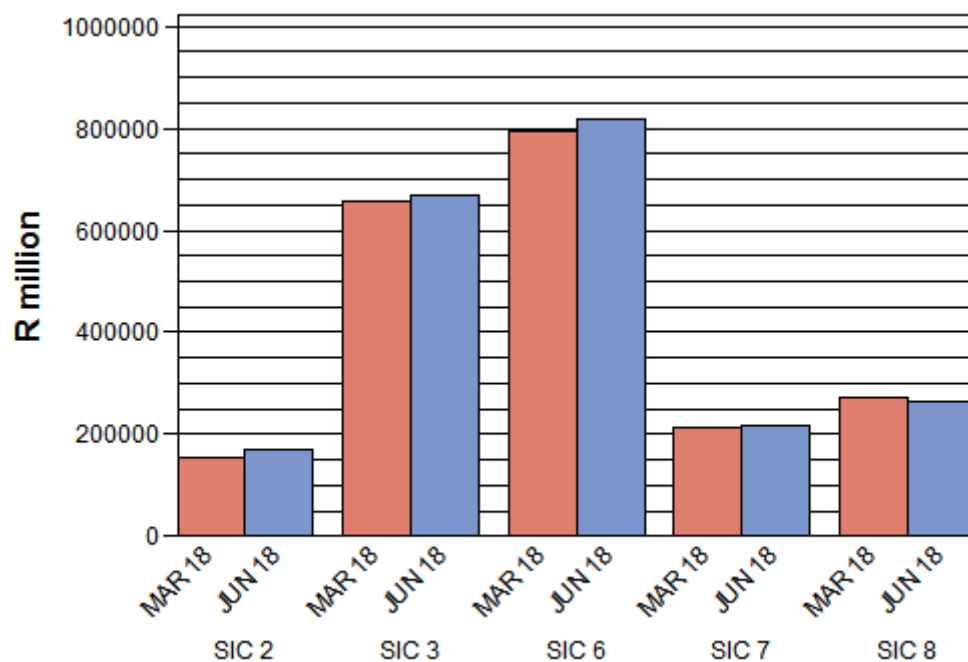
Figure 1 – Percentage contribution to total turnover by industry in the quarters ended March 2018 and June 2018¹**March 2018****June 2018****SIC 2 - Mining and quarrying industry****SIC 3 - Manufacturing industry****SIC 4 - Electricity, gas and water supply industry****SIC 5 - Construction industry****SIC 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 March 2018 and June 2018

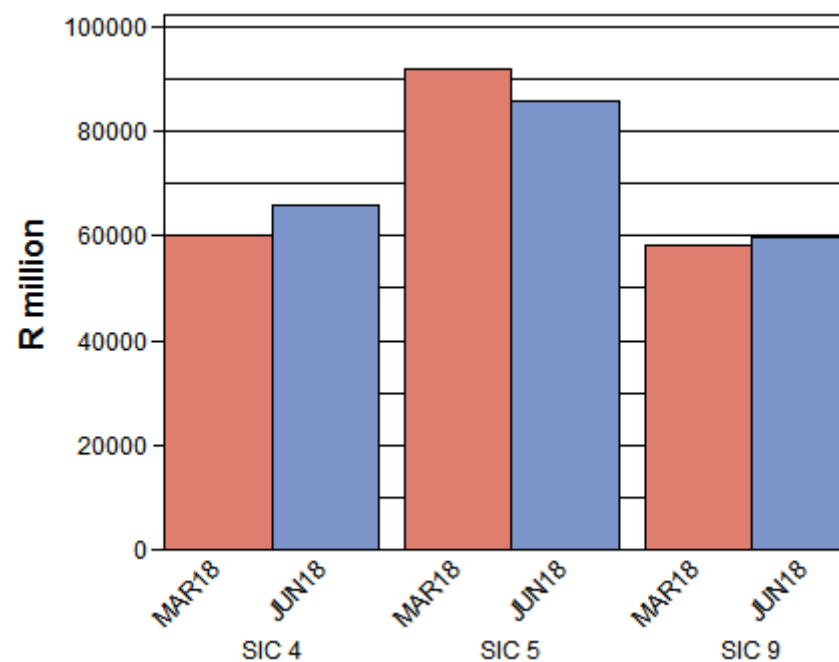
SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 6 - Trade industry

SIC 7 - Transport, storage and communication industry

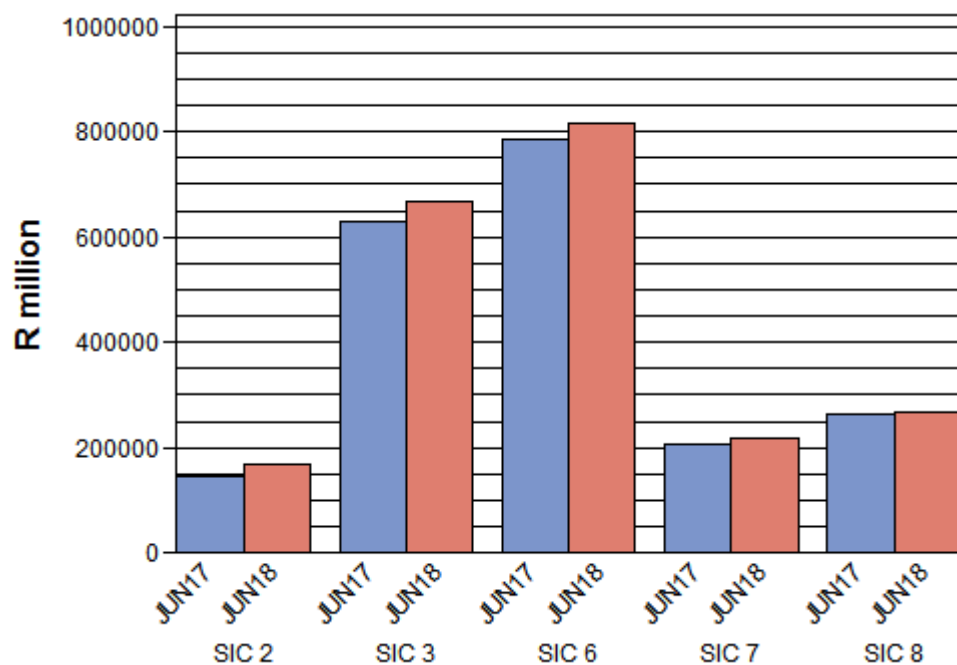
SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)



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 June 2017 and June 2018

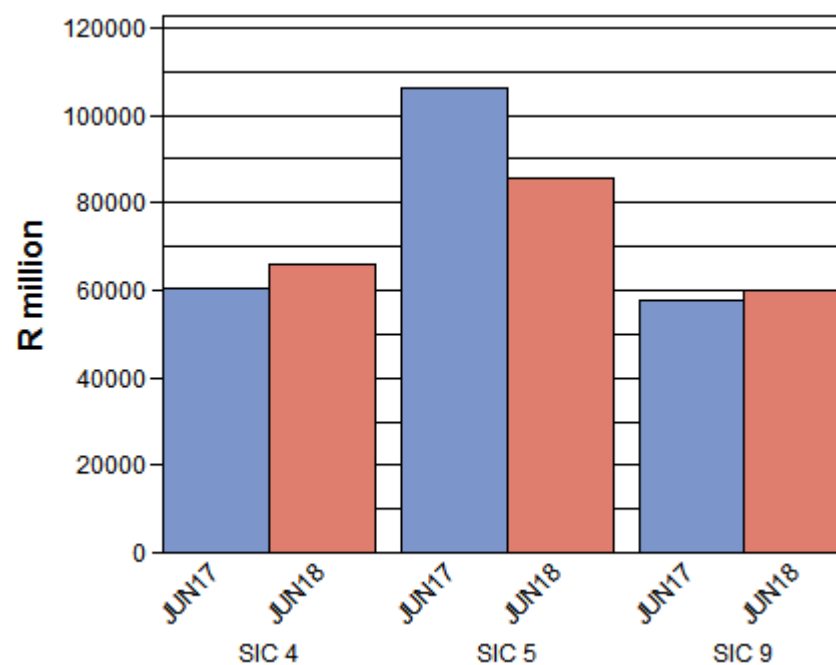
SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 6 - Trade industry

SIC 7 - Transport, storage and communication industry

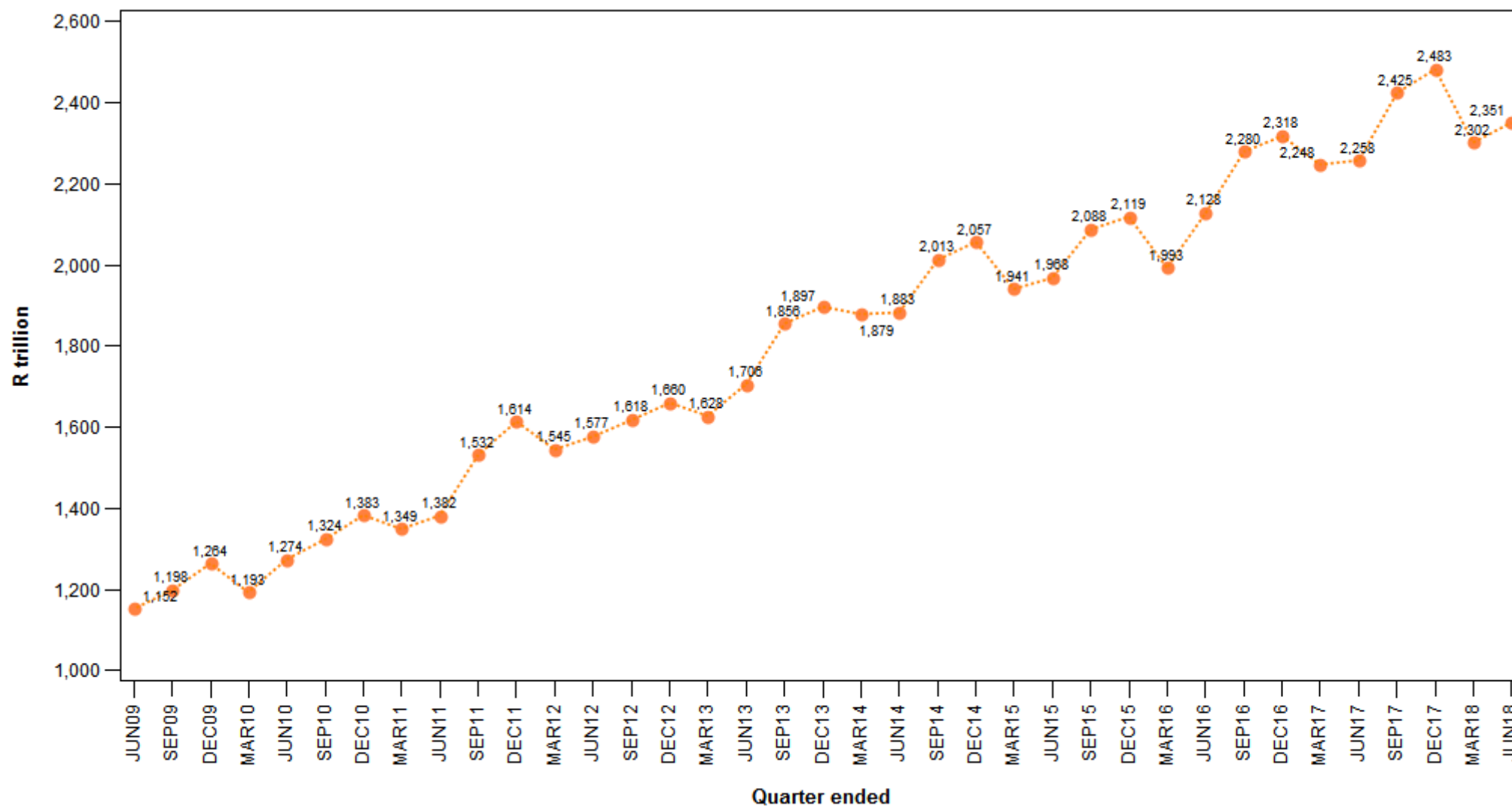
SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)



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 June 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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ²	June 2018 ³		
Income items						R million	R million
Turnover received	2 258 314	2 425 195	2 483 403	2 302 051	2 350 570	48 519	92 256
Interest received	14 965	14 294	14 527	14 527	14 820	293	-145
Dividends received	29 833	11 758	48 117	15 725	11 940	-3 785	-17 893
Royalties, franchise fees, copyright, trade names and patent rights received	1 196	985	1 286	1 201	1 124	-77	-72
Rental/leasing of land, buildings and other structures received	6 746	4 299	4 594	4 301	4 324	23	-2 422
Hiring/leasing of plant, machinery, vehicles and other equipment received	3 952	4 021	3 816	3 606	3 337	-269	-615
Profit on assets/investment sold or revalued	147 614	30 408	41 322	27 023	35 392	8 369	-112 222
Other income	31 618	43 922	46 747	48 267	53 360	5 093	21 742
Total income (A)	2 494 238	2 534 882	2 643 812	2 416 701	2 474 867	58 166	-19 371
Inventories							
Opening value of raw materials	201 470	206 321	206 187	215 519	219 718	4 199	18 248
Opening value of work in progress	89 596	93 634	101 966	95 384	98 836	3 452	9 240
Opening value of finished goods	509 088	583 824	584 304	566 657	553 788	-12 869	44 700
Total opening values (B)	800 154	883 779	892 457	877 560	872 342	-5 218	72 188
Closing value of raw materials	205 917	206 610	216 328	223 083	221 425	-1 658	15 508
Closing value of work in progress	93 825	99 350	94 889	99 560	102 522	2 962	8 697
Closing value of finished goods	523 864	591 960	596 220	560 147	586 414	26 267	62 550
Total closing values (C)	823 606	897 920	907 437	882 790	910 361	27 571	86 755

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ²	June 2018 ³		
Expenditure items						R million	R million
Purchases	1 349 678	1 426 257	1 464 468	1 378 302	1 428 330	50 028	78 652
Employment costs ⁴	324 277	336 897	349 448	336 460	339 847	3 387	15 570
Interest paid	59 875	62 113	62 482	58 353	64 210	5 857	4 335
Royalties, franchise fees, copyright, trade names and patent rights paid	8 654	8 439	10 788	9 398	9 561	163	907
Rental/leasing of land, buildings and other structures paid	57 831	66 836	63 651	60 889	64 602	3 713	6 771
Hiring/leasing for plant, machinery, vehicles and other equipment paid	12 908	14 246	14 182	13 608	13 932	324	1 024
Depreciation	58 343	59 007	61 109	60 451	64 050	3 599	5 707
Losses on assets/investments sold or revalued	35 126	25 154	30 183	23 529	45 212	21 683	10 086
Other expenditure	343 093	357 234	383 061	341 033	355 515	14 482	12 422
Total expenditure (D)	2 249 785	2 356 183	2 439 372	2 282 023	2 385 259	103 236	135 474
Net profit or loss before taxation (E) ⁵	267 905	192 840	219 420	139 908	127 627	-12 281	-140 278
Company tax	26 245	33 590	38 108	30 143	31 626	1 483	5 381
Dividends payable	28 713	34 395	26 526	46 482	31 856	-14 626	3 143
Carrying value of property, plant and equipment as at the end of quarter	3 087 390	3 172 180	3 154 320	3 095 721	3 126 924	31 203	39 534
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	9 495	9 056	12 436	8 857	12 052	3 195	2 557
Plant, machinery, furniture, fittings and other equipment	62 224	68 541	78 991	72 285	63 614	-8 671	1 390
Vehicles and transport equipment	8 888	10 652	11 558	10 705	10 805	100	1 917
Total capital expenditure	80 607	88 249	102 985	91 847	86 471	-5 376	5 864

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received	145 848	161 505	170 698	152 362	168 110	15 748	22 262
Interest received	2 193	1 999	2 185	1 862	2 099	237	-94
Dividends received	2 007	2 735	662	4 578	890	-3 688	-1 117
Royalties, franchise fees, copyright, trade names and patent rights received	28	30	51	31	50	19	22
Rental/leasing of land, buildings and other structures received	76	47	154	80	128	48	52
Hiring/leasing of plant, machinery, vehicles and other equipment received	193	360	369	391	131	-260	-62
Profit on assets/investment sold or revalued	1 184	3 120	7 807	2 080	4 515	2 435	3 331
Other income	725	791	6 465	4 296	1 489	-2 807	764
Total income (A)	152 254	170 587	188 391	165 680	177 412	11 732	25 158
Inventories							
Opening value of raw materials	17 758	19 044	20 045	19 771	19 816	45	2 058
Opening value of work in progress	25 643	26 544	27 840	29 831	33 972	4 141	8 329
Opening value of finished goods	23 447	33 177	32 359	28 926	27 995	-931	4 548
Total opening values (B)	66 848	78 765	80 244	78 528	81 783	3 255	14 935
Closing value of raw materials	17 468	20 602	20 109	19 846	20 169	323	2 701
Closing value of work in progress	27 099	27 209	29 847	33 905	34 725	820	7 626
Closing value of finished goods	23 735	33 201	28 923	28 025	30 912	2 887	7 177
Total closing values (C)	68 302	81 012	78 879	81 776	85 806	4 030	17 504

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	56 869	63 265	68 121	67 909	69 624	1 715	12 755
Employment costs ³	34 556	34 342	34 584	33 064	33 445	381	-1 111
Interest paid	4 466	4 264	4 547	3 706	4 372	666	-94
Royalties, franchise fees, copyright, trade names and patent rights paid	1 271	1 678	1 725	1 752	1 778	26	507
Rental/leasing of land, buildings and other structures paid	4 345	5 644	4 731	3 978	4 315	337	-30
Hiring/leasing for plant, machinery, vehicles and other equipment paid	913	1 099	1 193	1 290	1 129	-161	216
Depreciation	11 912	12 425	13 933	11 667	15 132	3 465	3 220
Losses on assets/investments sold or revalued	19 066	7 218	4 897	3 662	13 933	10 271	-5 133
Other expenditure	30 100	31 216	42 882	24 671	30 906	6 235	806
Total expenditure (D)	163 498	161 151	176 613	151 699	174 634	22 935	11 136
Net profit or loss before taxation (E) ⁴	-9 790	11 683	10 413	17 229	6 801	-10 428	16 591
Company tax	3 665	5 010	4 635	4 177	6 058	1 881	2 393
Dividends payable	2 098	5 020	1 413	12 548	1 660	-10 888	-438
Carrying value of property, plant and equipment as at the end of quarter	468 468	487 763	494 883	478 008	479 728	1 720	11 260
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 761	1 912	5 132	2 052	4 168	2 116	2 407
Plant, machinery, furniture, fittings and other equipment	12 959	12 540	14 528	11 947	12 508	561	-451
Vehicles and transport equipment	545	273	493	285	729	444	184
Total capital expenditure	15 265	14 725	20 153	14 284	17 405	3 121	2 140

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received	631 185	681 049	715 232	656 032	668 955	12 923	37 770
Interest received	3 829	4 145	4 190	4 213	4 258	45	429
Dividends received	10 339	5 181	1 164	2 201	713	-1 488	-9 626
Royalties, franchise fees, copyright, trade names and patent rights received	231	153	138	180	135	-45	-96
Rental/leasing of land, buildings and other structures received	2 868	1 440	1 464	1 016	1 006	-10	-1 862
Hiring/leasing of plant, machinery, vehicles and other equipment received	471	458	452	453	492	39	21
Profit on assets/investment sold or revalued	5 694	9 729	12 508	10 667	11 526	859	5 832
Other income	6 270	8 309	7 300	7 746	13 576	5 830	7 306
Total income (A)	660 887	710 464	742 448	682 508	700 661	18 153	39 774
Inventories							
Opening value of raw materials	123 781	129 569	132 679	139 269	144 896	5 627	21 115
Opening value of work in progress	42 046	44 249	47 219	40 923	40 492	-431	-1 554
Opening value of finished goods	175 289	191 976	196 090	196 597	187 830	-8 767	12 541
Total opening values (B)	341 116	365 794	375 988	376 789	373 218	-3 571	32 102
Closing value of raw materials	126 022	130 817	140 150	148 021	145 290	-2 731	19 268
Closing value of work in progress	44 635	46 976	40 374	41 275	42 657	1 382	-1 978
Closing value of finished goods	182 843	200 912	199 514	191 123	206 366	15 243	23 523
Total closing values (C)	353 500	378 705	380 038	380 419	394 313	13 894	40 813

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	433 121	448 990	459 213	439 874	461 653	21 779	28 532
Employment costs ³	73 860	78 335	78 720	76 349	76 091	-258	2 231
Interest paid	10 499	10 354	10 952	9 762	13 535	3 773	3 036
Royalties, franchise fees, copyright, trade names and patent rights paid	2 943	3 230	5 431	3 207	3 465	258	522
Rental/leasing of land, buildings and other structures paid	11 013	13 307	12 608	11 653	11 751	98	738
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 666	1 602	2 800	1 690	2 208	518	542
Depreciation	12 155	13 653	14 185	13 407	13 621	214	1 466
Losses on assets/investments sold or revalued	5 199	6 454	10 725	5 468	13 722	8 254	8 523
Other expenditure	76 503	90 855	98 838	93 836	98 463	4 627	21 960
Total expenditure (D)	626 959	666 780	693 472	655 246	694 509	39 263	67 550
Net profit or loss before taxation (E) ⁴	46 312	56 595	53 026	30 892	27 247	-3 645	-19 065
Company tax	7 384	9 660	12 442	7 807	8 134	327	750
Dividends payable	9 543	9 833	6 812	7 604	6 938	-666	-2 605
Carrying value of property, plant and equipment as at the end of quarter	469 678	456 387	467 446	450 476	458 411	7 935	-11 267
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 175	1 456	1 688	1 485	1 845	360	670
Plant, machinery, furniture, fittings and other equipment	12 201	14 148	18 117	13 581	15 339	1 758	3 138
Vehicles and transport equipment	1 208	1 272	1 723	1 080	1 094	14	-114
Total capital expenditure	14 584	16 876	21 528	16 146	18 278	2 132	3 694

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received	60 420	71 146	60 866	60 194	65 855	5 661	5 435
Interest received	1 276	831	588	735	829	94	-447
Dividends received	0	0	77	223	49	-174	49
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	5	6	6	11	8	-3	3
Hiring/leasing of plant, machinery, vehicles and other equipment received	55	61	63	66	60	-6	5
Profit on assets/investment sold or revalued	76	51	74	293	2 443	2 150	2 367
Other income	296	361	234	778	887	109	591
Total income (A)	62 128	72 456	61 908	62 300	70 131	7 831	8 003
Inventories							
Opening value of raw materials	22 695	22 817	23 518	24 008	24 816	808	2 121
Opening value of work in progress	1	1	1	1	1	0	0
Opening value of finished goods	340	522	597	730	695	-35	355
Total opening values (B)	23 036	23 340	24 116	24 739	25 512	773	2 476
Closing value of raw materials	22 920	23 529	24 009	24 808	24 908	100	1 988
Closing value of work in progress	1	1	1	1	1	0	0
Closing value of finished goods	331	546	730	671	699	28	368
Total closing values (C)	23 252	24 076	24 740	25 480	25 608	128	2 356

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	28 843	30 196	30 924	30 898	32 818	1 920	3 975
Employment costs ³	8 338	6 712	7 767	6 320	7 988	1 668	-350
Interest paid	7 271	8 768	8 921	9 583	9 576	-7	2 305
Royalties, franchise fees, copyright, trade names and patent rights paid	0	8	8	8	10	2	10
Rental/leasing of land, buildings and other structures paid	59	62	78	86	76	-10	17
Hiring/leasing for plant, machinery, vehicles and other equipment paid	99	93	109	111	201	90	102
Depreciation	6 321	6 997	7 396	7 549	7 834	285	1 513
Losses on assets/investments sold or revalued	137	182	1 695	845	1 311	466	1 174
Other expenditure	12 902	9 122	8 191	8 842	8 739	-103	-4 163
Total expenditure (D)	63 970	62 140	65 089	64 242	68 553	4 311	4 583
Net profit or loss before taxation (E) ⁴	-1 626	11 052	-2 557	-1 201	1 674	2 875	3 300
Company tax	473	523	472	451	569	118	96
Dividends payable	681	1 849	849	2 745	813	-1 932	132
Carrying value of property, plant and equipment as at the end of quarter	688 011	701 318	712 207	723 102	728 065	4 963	40 054
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 034	986	857	789	917	128	-1 117
Plant, machinery, furniture, fittings and other equipment	16 340	16 622	15 580	17 739	12 497	-5 242	-3 843
Vehicles and transport equipment	115	87	115	199	99	-100	-16
Total capital expenditure	18 489	17 695	16 552	18 727	13 513	-5 214	-4 976

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received	105 989	104 377	97 392	91 994	85 692	-6 302	-20 297
Interest received	668	857	698	862	654	-208	-14
Dividends received	331	110	144	90	286	196	-45
Royalties, franchise fees, copyright, trade names and patent rights received	1	1	1	1	15	14	14
Rental/leasing of land, buildings and other structures received	376	333	357	320	250	-70	-126
Hiring/leasing of plant, machinery, vehicles and other equipment received	718	596	566	510	533	23	-185
Profit on assets/investment sold or revalued	528	931	1 010	1 956	2 008	52	1 480
Other income	716	693	853	1 233	1 342	109	626
Total income (A)	109 327	107 898	101 021	96 966	90 780	-6 186	-18 547
Inventories							
Opening value of raw materials	5 350	5 574	5 405	5 602	5 441	-161	91
Opening value of work in progress	6 205	6 024	8 111	6 932	6 845	-87	640
Opening value of finished goods	4 998	4 573	5 880	5 100	4 548	-552	-450
Total opening values (B)	16 553	16 171	19 396	17 634	16 834	-800	281
Closing value of raw materials	5 193	5 406	5 643	5 441	5 787	346	594
Closing value of work in progress	6 381	6 417	6 939	6 845	7 549	704	1 168
Closing value of finished goods	4 612	4 441	6 621	4 548	3 972	-576	-640
Total closing values (C)	16 186	16 264	19 203	16 834	17 308	474	1 122

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	69 172	69 849	63 336	58 186	54 896	-3 290	-14 276
Employment costs ³	17 075	16 290	15 628	14 872	15 385	513	-1 690
Interest paid	981	1 041	1 122	1 487	1 134	-353	153
Royalties, franchise fees, copyright, trade names and patent rights paid	204	175	238	176	161	-15	-43
Rental/leasing of land, buildings and other structures paid	974	724	639	621	612	-9	-362
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 463	2 469	1 761	2 005	1 954	-51	-509
Depreciation	1 023	1 108	1 168	1 040	1 215	175	192
Losses on assets/investments sold or revalued	1 581	476	624	465	653	188	-928
Other expenditure	14 620	13 839	12 539	10 891	10 879	-12	-3 741
Total expenditure (D)	108 093	105 971	97 055	89 743	86 889	-2 854	-21 204
Net profit or loss before taxation (E) ⁴	867	2 020	3 773	6 423	4 365	-2 058	3 498
Company tax	589	658	1 152	1 432	1 035	-397	446
Dividends payable	182	99	114	382	597	215	415
Carrying value of property, plant and equipment as at the end of quarter	36 495	40 219	38 197	36 680	34 068	-2 612	-2 427
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	31	65	88	106	97	-9	66
Plant, machinery, furniture, fittings and other equipment	800	1 004	785	821	933	112	133
Vehicles and transport equipment	207	101	263	200	53	-147	-154
Total capital expenditure	1 038	1 170	1 136	1 127	1 083	-44	45

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received	785 272	836 387	874 131	796 449	817 147	20 698	31 875
Interest received	4 302	3 959	4 073	4 105	4 138	33	-164
Dividends received	438	692	439	699	484	-215	46
Royalties, franchise fees, copyright, trade names and patent rights received	293	231	276	260	261	1	-32
Rental/leasing of land, buildings and other structures received	2 074	741	765	961	967	6	-1 107
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 899	1 978	1 833	1 836	1 719	-117	-180
Profit on assets/investment sold or revalued	5 745	4 418	5 190	4 408	5 484	1 076	-261
Other income	7 342	8 080	8 005	8 512	9 225	713	1 883
Total income (A)	807 365	856 486	894 712	817 230	839 425	22 195	32 060
Inventories							
Opening value of raw materials	22 351	18 804	16 754	17 488	16 398	-1 090	-5 953
Opening value of work in progress	10 934	11 682	13 526	12 431	12 391	-40	1 457
Opening value of finished goods	273 129	310 499	312 687	300 315	299 262	-1 053	26 133
Total opening values (B)	306 414	340 985	342 967	330 234	328 051	-2 183	21 637
Closing value of raw materials	24 122	16 649	17 656	16 616	17 210	594	-6 912
Closing value of work in progress	11 010	13 532	12 703	12 391	12 347	-44	1 337
Closing value of finished goods	279 319	310 156	324 513	302 196	311 016	8 820	31 697
Total closing values (C)	314 451	340 337	354 872	331 203	340 573	9 370	26 122

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	610 876	643 257	675 538	615 489	640 810	25 321	29 934
Employment costs ³	62 608	61 134	62 053	61 852	63 791	1 939	1 183
Interest paid	7 652	7 251	7 139	6 596	7 154	558	-498
Royalties, franchise fees, copyright, trade names and patent rights paid	1 922	1 270	1 902	2 358	2 285	-73	363
Rental/leasing of land, buildings and other structures paid	17 051	16 260	16 978	17 693	18 566	873	1 515
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 584	2 045	1 849	1 716	1 665	-51	81
Depreciation	6 088	5 217	5 172	5 586	5 636	50	-452
Losses on assets/investments sold or revalued	5 296	4 378	5 246	4 802	6 636	1 834	1 340
Other expenditure	66 601	67 690	75 911	65 466	66 162	696	-439
Total expenditure (D)	779 678	808 502	851 788	781 558	812 705	31 147	33 027
Net profit or loss before taxation (E) ⁴	35 724	47 336	54 829	36 641	39 242	2 601	3 518
Company tax	4 453	5 928	6 592	6 375	6 611	236	2 158
Dividends payable	2 369	1 354	3 345	3 525	2 833	-692	464
Carrying value of property, plant and equipment as at the end of quarter	256 328	246 308	249 733	242 803	244 876	2 073	-11 452
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 382	812	818	682	721	39	-661
Plant, machinery, furniture, fittings and other equipment	3 725	5 960	6 819	5 779	5 349	-430	1 624
Vehicles and transport equipment	1 944	2 673	2 849	2 314	2 101	-213	157
Total capital expenditure	7 051	9 445	10 486	8 775	8 171	-604	1 120

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received	206 321	223 972	220 120	215 156	218 887	3 731	12 566
Interest received	1 693	1 712	1 977	1 981	1 954	-27	261
Dividends received	153	270	201	273	263	-10	110
Royalties, franchise fees, copyright, trade names and patent rights received	6	30	7	6	6	0	0
Rental/leasing of land, buildings and other structures received	1 097	1 281	1 267	1 363	1 404	41	307
Hiring/leasing of plant, machinery, vehicles and other equipment received	429	439	429	265	301	36	-128
Profit on assets/investment sold or revalued	1 529	6 526	2 492	1 612	2 445	833	916
Other income	3 148	4 475	5 002	6 520	5 916	-604	2 768
Total income (A)	214 376	238 705	231 495	227 176	231 176	4 000	16 800
Inventories							
Opening value of raw materials	3 371	4 929	4 209	5 300	4 454	-846	1 083
Opening value of work in progress	1 231	1 452	1 598	1 368	1 106	-262	-125
Opening value of finished goods	10 466	10 088	9 478	9 027	7 627	-1 400	-2 839
Total opening values (B)	15 068	16 469	15 285	15 695	13 187	-2 508	-1 881
Closing value of raw materials	4 399	4 036	4 960	4 454	4 175	-279	-224
Closing value of work in progress	1 308	1 597	1 283	1 114	1 232	118	-76
Closing value of finished goods	11 506	9 949	8 582	7 753	7 984	231	-3 522
Total closing values (C)	17 213	15 582	14 825	13 321	13 391	70	-3 822

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	83 989	92 457	87 454	87 903	90 943	3 040	6 954
Employment costs ³	33 371	35 420	36 275	37 495	37 866	371	4 495
Interest paid	7 035	8 182	7 998	8 207	8 189	-18	1 154
Royalties, franchise fees, copyright, trade names and patent rights paid	79	91	67	45	60	15	-19
Rental/leasing of land, buildings and other structures paid	5 241	5 400	5 334	5 059	4 985	-74	-256
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 288	3 184	3 330	3 321	3 467	146	1 179
Depreciation	12 303	12 348	12 613	14 754	14 241	-513	1 938
Losses on assets/investments sold or revalued	1 790	2 579	2 407	1 856	2 838	982	1 048
Other expenditure	58 077	56 933	60 491	54 938	57 377	2 439	-700
Total expenditure (D)	204 173	216 594	215 969	213 578	219 966	6 388	15 793
Net profit or loss before taxation (E) ⁴	12 348	21 224	15 066	11 224	11 414	190	-934
Company tax	3 424	3 719	3 563	3 213	2 834	-379	-590
Dividends payable	3 168	6 930	368	5 240	2 445	-2 795	-723
Carrying value of property, plant and equipment as at the end of quarter	648 392	578 069	610 260	618 226	628 406	10 180	-19 986
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	645	596	687	962	594	-368	-51
Plant, machinery, furniture, fittings and other equipment	11 803	13 122	17 709	17 915	13 706	-4 209	1 903
Vehicles and transport equipment	2 575	3 214	3 936	4 427	4 686	259	2 111
Total capital expenditure	15 023	16 932	22 332	23 304	18 986	-4 318	3 963

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received ³	265 425	287 223	287 422	271 812	266 049	-5 763	624
Interest received	0	0	0	0	0	0	0
Dividends received	16 382	2 617	45 328	7 475	9 189	1 714	-7 193
Royalties, franchise fees, copyright, trade names and patent rights received	545	426	628	515	468	-47	-77
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	132 738	4 983	11 839	5 845	6 756	911	-125 982
Other income	10 359	10 609	10 201	10 590	12 527	1 937	2 168
Total income (A)	425 449	305 858	355 418	296 237	294 989	-1 248	-130 460
Inventories							
Opening value of raw materials	5 250	4 436	2 437	2 465	2 396	-69	-2 854
Opening value of work in progress	3 438	3 640	3 630	3 764	3 893	129	455
Opening value of finished goods	20 223	31 722	25 883	24 679	24 580	-99	4 357
Total opening values (B)	28 911	39 798	31 950	30 908	30 869	-39	1 958
Closing value of raw materials	4 830	4 438	2 490	2 396	2 399	3	-2 431
Closing value of work in progress	3 352	3 576	3 697	3 893	3 875	-18	523
Closing value of finished goods	20 277	31 380	26 040	24 580	24 267	-313	3 990
Total closing values (C)	28 459	39 394	32 227	30 869	30 541	-328	2 082

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	54 634	65 807	66 758	63 954	62 563	-1 391	7 929
Employment costs ³	77 633	81 731	92 050	86 870	85 015	-1 855	7 382
Interest paid	20 880	20 928	20 362	17 814	18 985	1 171	-1 895
Royalties, franchise fees, copyright, trade names and patent rights paid	1 959	1 796	1 192	1 625	1 605	-20	-354
Rental/leasing of land, buildings and other structures paid	16 760	22 471	20 312	19 140	21 733	2 593	4 973
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 834	2 674	2 080	2 101	2 038	-63	-796
Depreciation	7 039	5 351	4 722	4 505	4 360	-145	-2 679
Losses on assets/investments sold or revalued	1 594	3 539	4 306	5 923	5 794	-129	4 200
Other expenditure	66 452	65 835	62 089	63 332	62 257	-1 075	-4 195
Total expenditure (D)	249 785	270 132	273 871	265 264	264 350	-914	14 565
Net profit or loss before taxation (E) ⁴	175 212	35 322	81 824	30 934	30 311	-623	-144 901
Company tax	5 074	6 866	8 034	5 762	5 585	-177	511
Dividends payable	10 130	8 497	12 600	12 256	14 086	1 830	3 956
Carrying value of property, plant and equipment as at the end of quarter	448 473	579 836	499 641	467 260	473 494	6 234	25 021
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 754	2 539	2 432	2 301	3 056	755	1 302
Plant, machinery, furniture, fittings and other equipment	2 914	3 628	3 620	3 317	2 366	-951	-548
Vehicles and transport equipment	1 913	2 651	1 984	2 003	1 857	-146	-56
Total capital expenditure	6 581	8 818	8 036	7 621	7 279	-342	698

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Income items						R million	R million
Turnover received	57 854	59 536	57 542	58 052	59 875	1 823	2 021
Interest received	1 004	791	816	769	888	119	-116
Dividends received	183	153	102	186	66	-120	-117
Royalties, franchise fees, copyright, trade names and patent rights received	92	114	185	208	189	-19	97
Rental/leasing of land, buildings and other structures received	250	451	581	550	561	11	311
Hiring/leasing of plant, machinery, vehicles and other equipment received	187	129	104	85	101	16	-86
Profit on assets/investment sold or revalued	120	650	402	162	215	53	95
Other income	2 762	10 604	8 687	8 592	8 398	-194	5 636
Total income (A)	62 452	72 428	68 419	68 604	70 293	1 689	7 841
Inventories							
Opening value of raw materials	914	1 148	1 140	1 616	1 501	-115	587
Opening value of work in progress	98	42	41	134	136	2	38
Opening value of finished goods	1 196	1 267	1 330	1 283	1 251	-32	55
Total opening values (B)	2 208	2 457	2 511	3 033	2 888	-145	680
Closing value of raw materials	963	1 133	1 311	1 501	1 487	-14	524
Closing value of work in progress	39	42	45	136	136	0	97
Closing value of finished goods	1 241	1 375	1 297	1 251	1 198	-53	-43
Total closing values (C)	2 243	2 550	2 653	2 888	2 821	-67	578

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 June 2018 and March 2018	Year-on-year difference between June 2018 and June 2017
	R million						
	June 2017	September 2017	December 2017	March 2018 ¹	June 2018 ²		
Expenditure items						R million	R million
Purchases	12 174	12 436	13 124	14 089	15 023	934	2 849
Employment costs ³	16 836	22 933	22 371	19 638	20 266	628	3 430
Interest paid	1 091	1 325	1 441	1 198	1 265	67	174
Royalties, franchise fees, copyright, trade names and patent rights paid	276	191	225	227	197	-30	-79
Rental/leasing of land, buildings and other structures paid	2 388	2 968	2 971	2 659	2 564	-95	176
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 061	1 080	1 060	1 374	1 270	-104	209
Depreciation	1 502	1 908	1 920	1 943	2 011	68	509
Losses on assets/investments sold or revalued	463	328	283	508	325	-183	-138
Other expenditure	17 838	21 744	22 120	19 057	20 732	1 675	2 894
Total expenditure (D)	53 629	64 913	65 515	60 693	63 653	2 960	10 024
Net profit or loss before taxation (E) ⁴	8 858	7 608	3 046	7 766	6 573	-1 193	-2 285
Company tax	1 183	1 226	1 218	926	800	-126	-383
Dividends payable	542	813	1 025	2 182	2 484	302	1 942
Carrying value of property, plant and equipment as at the end of quarter	71 545	82 280	81 953	79 166	79 876	710	8 331
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	713	690	734	480	654	174	-59
Plant, machinery, furniture, fittings and other equipment	1 482	1 517	1 833	1 186	916	-270	-566
Vehicles and transport equipment	381	381	195	197	186	-11	-195
Total capital expenditure	2 576	2 588	2 762	1 863	1 756	-107	-820

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 March 2018 and June 2018

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	March 2018 ¹	June 2018 ²	March 2018 ¹	June 2018 ²	March 2018 ¹	June 2018 ²	March 2018 ¹	June 2018 ²
Mining and quarrying	0,32	0,35	0,11	0,04	1,86	1,96	0,04	0,01
Manufacturing	1,46	1,46	0,05	0,04	1,72	1,70	0,07	0,06
Electricity, gas and water supply	0,08	0,09	-0,02	0,03	2,36	2,57	0,00~	0,00~
Construction	2,51	2,52	0,07	0,05	5,46	4,95	0,18	0,13
Trade	3,28	3,34	0,05	0,05	2,40	2,40	0,15	0,16
Transport, storage and communication	0,35	0,35	0,05	0,05	16,15	16,35	0,02	0,02
Real estate and other business services, excluding financial intermediation and insurance	0,58	0,56	0,11	0,11	8,81	8,71	0,07	0,06
Community, social and personal services, excluding government and educational institutions	0,73	0,75	0,13	0,11	20,10	21,22	0,10	0,08
All industries	0,74	0,75	0,06	0,05	2,61	2,58	0,05	0,04

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.

~ Due to rounding off to two decimal places, the ratio is expressed as zero.

Table 10 – Comparison of selected operating ratios between March 2018 and June 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	
	March 2018 ¹	June 2018 ²	March 2018 ¹	June 2018 ²	March 2018 ¹	June 2018 ²	March 2018 ¹	June 2018 ²
Mining and quarrying	0,03	0,04	0,81	0,78	5,65	2,56	0,96	2,23
Manufacturing	0,04	0,04	1,15	1,15	4,16	3,01	0,33	0,36
Electricity, gas and water supply	0,03	0,02	1,20	1,28	0,87	1,17	-1,66	0,74
Construction	0,03	0,03	3,42	3,19	5,32	4,85	0,08	0,18
Trade	0,04	0,03	1,86	1,88	6,56	6,49	0,12	0,09
Transport, storage and communication	0,04	0,03	6,22	6,83	2,37	2,39	0,65	0,28
Real estate and other business services, excluding financial intermediation and insurance	0,02	0,02	2,07	2,05	2,74	2,60	0,49	0,57
Community, social and personal services, excluding government and educational institutions	0,02	0,02	4,81	5,29	7,48	6,20	0,32	0,43
All industries	0,03	0,03	1,56	1,56	3,40	2,99	0,42	0,33

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: March 2018

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	149 963	152 362	154 761	0,8
Manufacturing	631 850	656 032	680 214	1,9
Electricity, gas and water supply	58 883	60 194	61 505	1,1
Construction	68 233	91 994	115 755	13,2
Trade	705 909	796 449	886 989	5,8
Transport, storage and communication	202 349	215 156	227 963	3,0
Real estate and other business services, excluding financial intermediation and insurance	234 251	271 812	309 373	7,1
Community, social and personal services, excluding government and educational institutions	53 419	58 052	62 685	4,1
All industries	2 194 376	2 302 051	2 409 726	2,4

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

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	165 731	168 110	170 489	0,7
Manufacturing	646 188	668 955	691 722	1,7
Electricity, gas and water supply	64 442	65 855	67 268	1,1
Construction	63 468	85 692	107 916	13,2
Trade	730 660	817 147	903 634	5,4
Transport, storage and communication	206 037	218 887	231 737	3,0
Real estate and other business services, excluding financial intermediation and insurance	229 818	266 049	302 280	6,9
Community, social and personal services, excluding government and educational institutions	55 332	59 875	64 418	3,9
All industries	2 240 324	2 350 570	2 460 816	2,4

Table C – Turnover by industry and percentage change

Industry	Turnover June 2017	Turnover March 2018	Turnover June 2018	Difference between June 2018 and March 2018	Difference between June 2018 And June 2017
	R million	R million	R million	%	%
Mining and quarrying	145 848	152 362	168 110	10,3	15,3
Manufacturing	631 185	656 032	668 955	2,0	6,0
Electricity, gas and water supply	60 420	60 194	65 855	9,4	9,0
Construction	105 989	91 994	85 692	-6,9	-19,2
Trade	785 272	796 449	817 147	2,6	4,1
Transport, storage and communication	206 321	215 156	218 887	1,7	6,1
Real estate and other business services, excluding financial intermediation and insurance	265 425	271 812	266 049	-2,1	0,2
Community, social and personal services, excluding government and educational institutions	57 854	58 052	59 875	3,1	3,5
All industries	2 258 314	2 302 051	2 350 570	2,1	4,1

Table D – Turnover by industry and percentage contribution¹

Industry	March 2018		June 2018	
	R million	% total turnover	R million	% total turnover
Mining and quarrying	152 362	6,6	168 110	7,2
Manufacturing	656 032	28,5	668 955	28,5
Electricity, gas and water supply	60 194	2,6	65 855	2,8
Construction	91 994	4,0	85 692	3,6
Trade	796 449	34,6	817 147	34,8
Transport, storage and communication	215 156	9,3	218 887	9,3
Real estate and other business services, excluding financial intermediation and insurance	271 812	11,8	266 049	11,3
Community, social and personal services, excluding government and educational institutions	58 052	2,5	59 875	2,5
All industries	2 302 051	100,0	2 350 570	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 March 2018	Inventories June 2018	Difference between June 2018 and March 2018
	R million	R million	%
Mining and quarrying	81 776	85 806	4,9
Manufacturing	380 419	394 313	3,7
Electricity, gas and water supply	25 480	25 608	0,5
Construction	16 834	17 308	2,8
Trade	331 203	340 573	2,8
Transport, storage and communication	13 321	13 391	0,5
Real estate and other business services, excluding financial intermediation and insurance	30 869	30 541	-1,1
Community, social and personal services, excluding government and educational institutions	2 888	2 821	-2,3
All industries	882 790	910 361	3,1

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure March 2018	Capital expenditure June 2018	Difference between June 2018 and March 2018
	R million	R million	%
Mining and quarrying	14 284	17 405	21,8
Manufacturing	16 146	18 278	13,2
Electricity, gas and water supply	18 727	13 513	-27,8
Construction	1 127	1 083	-3,9
Trade	8 775	8 171	-6,9
Transport, storage and communication	23 304	18 986	-18,5
Real estate and other business services, excluding financial intermediation and insurance	7 621	7 279	-4,5
Community, social and personal services, excluding government and educational institutions	1 863	1 756	-5,7
All industries	91 847	86 471	-5,9

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 June, September December 2017 and March and June 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 March and June 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 statistical release P0044: *Quarterly financial statistics*.

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 2017 and implemented from the September 2017 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 <i>Standard Industrial Classification</i></p>

of *All Economic Activities* (SIC), Fifth edition, January 1993. All large enterprises, which comprise 54% of the number of enterprises in the 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 page 28, Tables A and B</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 April 2018 to 30 June 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

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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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