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Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

Private Bag X44, Pretoria, 0001, South Africa, ISibalo House, Koch Street, Salvokop, Pretoria, 0002
www.statssa.gov.za, info@statssa.gov.za, Tel +27 12 310 8911

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The South Africa I know, the home I understand



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Key findings for the quarter ended June 2019

The total turnover of quarterly financial statistics (QFS) industries¹ in the second quarter of 2019 was estimated at R2 472 001 million (R2,47 trillion), an increase of 3,3% compared with the first quarter of 2019 (R2 392 753 million or R2,39 trillion).

Between the first and second quarters of 2019, turnover increased in six of the eight industries covered by the survey. The largest percentage increase in turnover was recorded in mining and quarrying (+10,5%), followed by electricity, gas and water supply (+10,1%), manufacturing (+4,1%), real estate and other business services (excluding financial intermediation and insurance) (+4,0%), transport, storage and communication (+1,7%) and trade (+1,5%). Decreases were recorded for community, social and personal services (excluding government and educational institutions) (-0,6%) and construction (-0,1%).

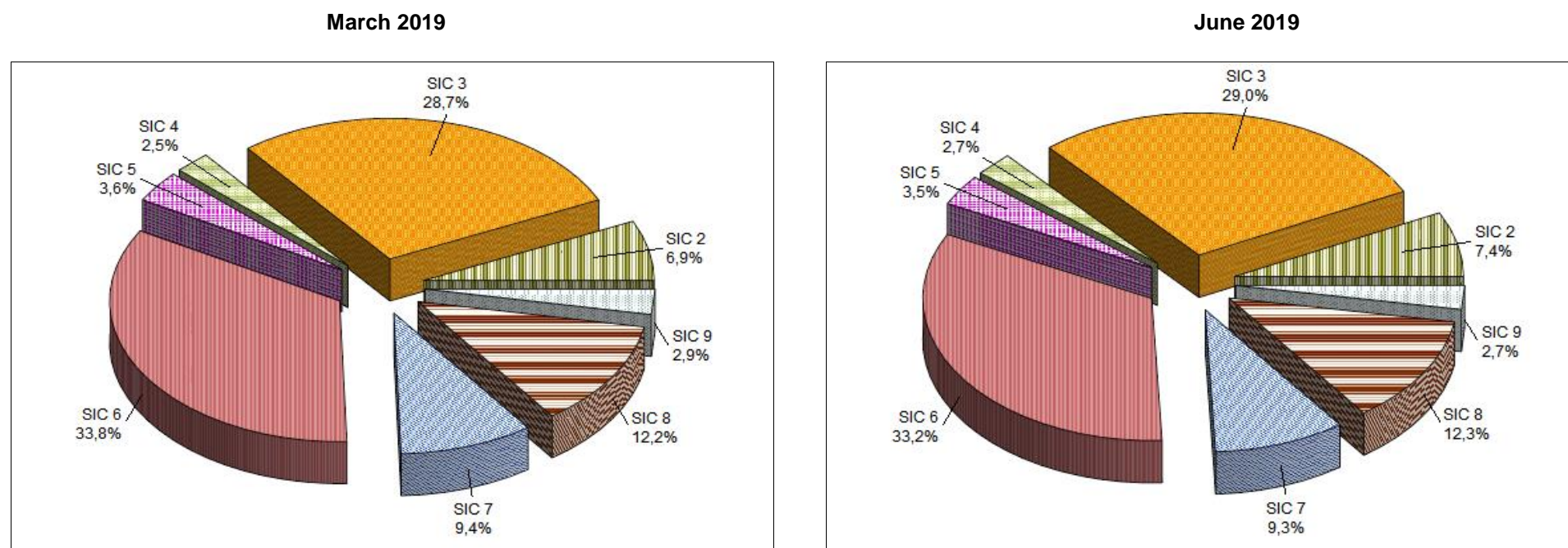
Total closing inventories at the end of the second quarter of 2019 were estimated at R923 338 million, an increase of 1,4% compared with R910 509 million at the end of the first quarter of 2019. Increases were recorded in electricity, gas and water supply (+12,4%), community, social and personal services (excluding government and educational institutions) (+4,0%), manufacturing (+1,8%), real estate and other business services (excluding financial intermediation and insurance) (+1,4%), trade (+1,3%) and transport, storage and communication (+0,4%). Decreases were recorded for construction (-5,8%) and mining and quarrying (-0,8%).

Total capital expenditure on property, plant and equipment was estimated at R81 687 million in the second quarter of 2019, a decrease of 4,2% compared with R85 270 million in the first quarter of 2019. The largest percentage decrease was recorded in electricity, gas and water supply (-28,1%), followed by construction (-18,5%), transport, storage and communication (-13,8%) and community, social and personal services (excluding government and educational institutions) (-5,4%). Increases were recorded for manufacturing (12,0%), mining and quarrying (+8,5%), trade (+3,5%) and real estate and other business services (excluding financial intermediation and insurance) (+1,4%).

Turnover was estimated at R2 472 001 million in the second quarter of 2019, an increase of 5,1% compared with R2 352 686 million in the second quarter of 2018. All 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) (+14,7%), followed by real estate and other business services (excluding financial intermediation and insurance) (+12,7%), manufacturing (+6,1%), mining and quarrying (+5,4%), transport, storage and communication (+4,6%), electricity, gas and water supply (+2,0%), trade (+1,8%) and construction (+0,4%).

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 2019 and June 2019¹

SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 4 – Electricity, gas and water supply industry

SIC 5 – Construction industry

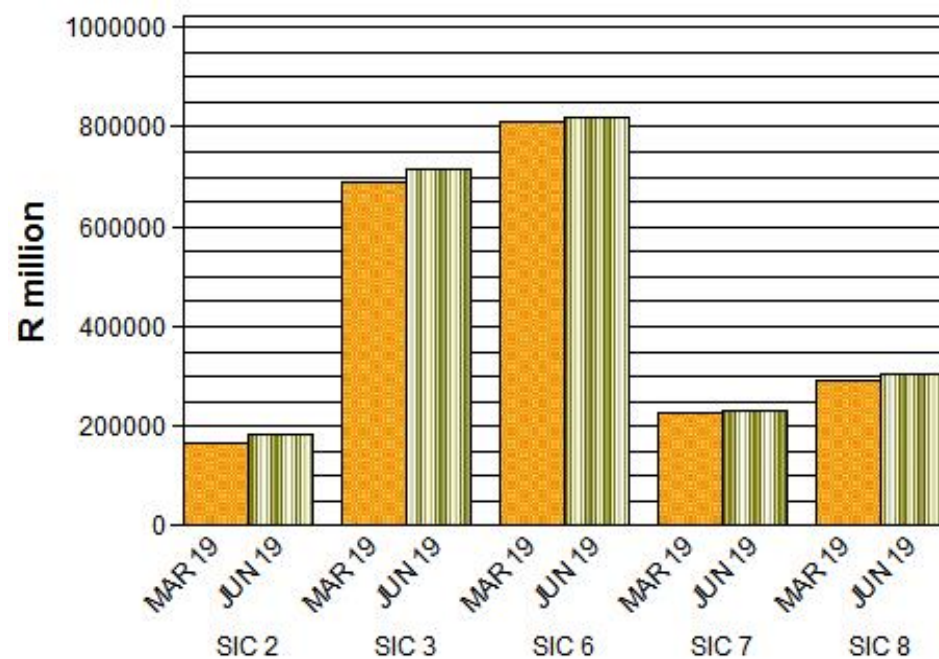
SIC 6 – Trade industry

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 2019 and June 2019

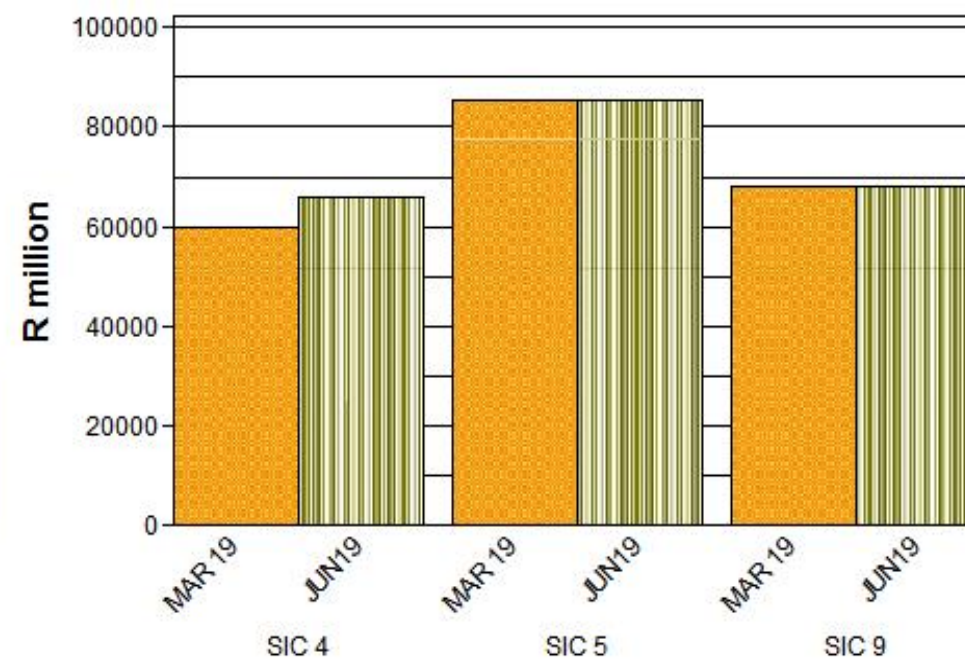
SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 6 – Trade industry

SIC 7 – Transport, storage and communication industry

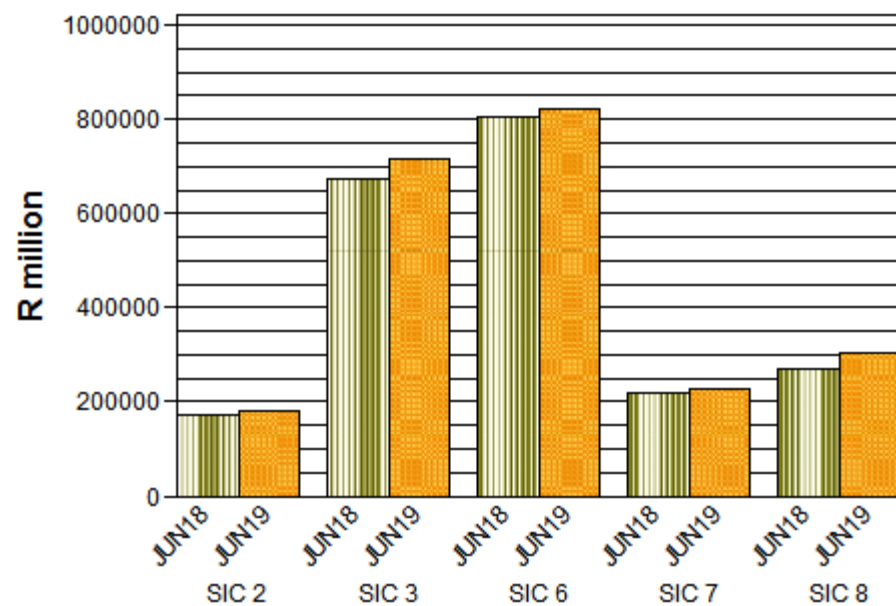
SIC 8 – Real estate and other business services industry (excluding financial intermediation and insurance)



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 2018 and June 2019

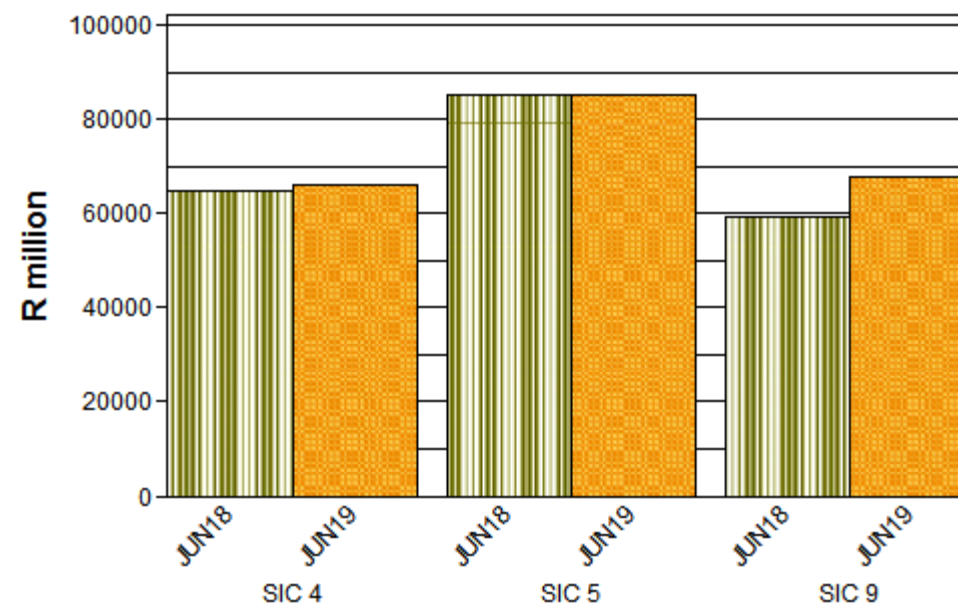
SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 6 – Trade industry

SIC 7 – Transport, storage and communication industry

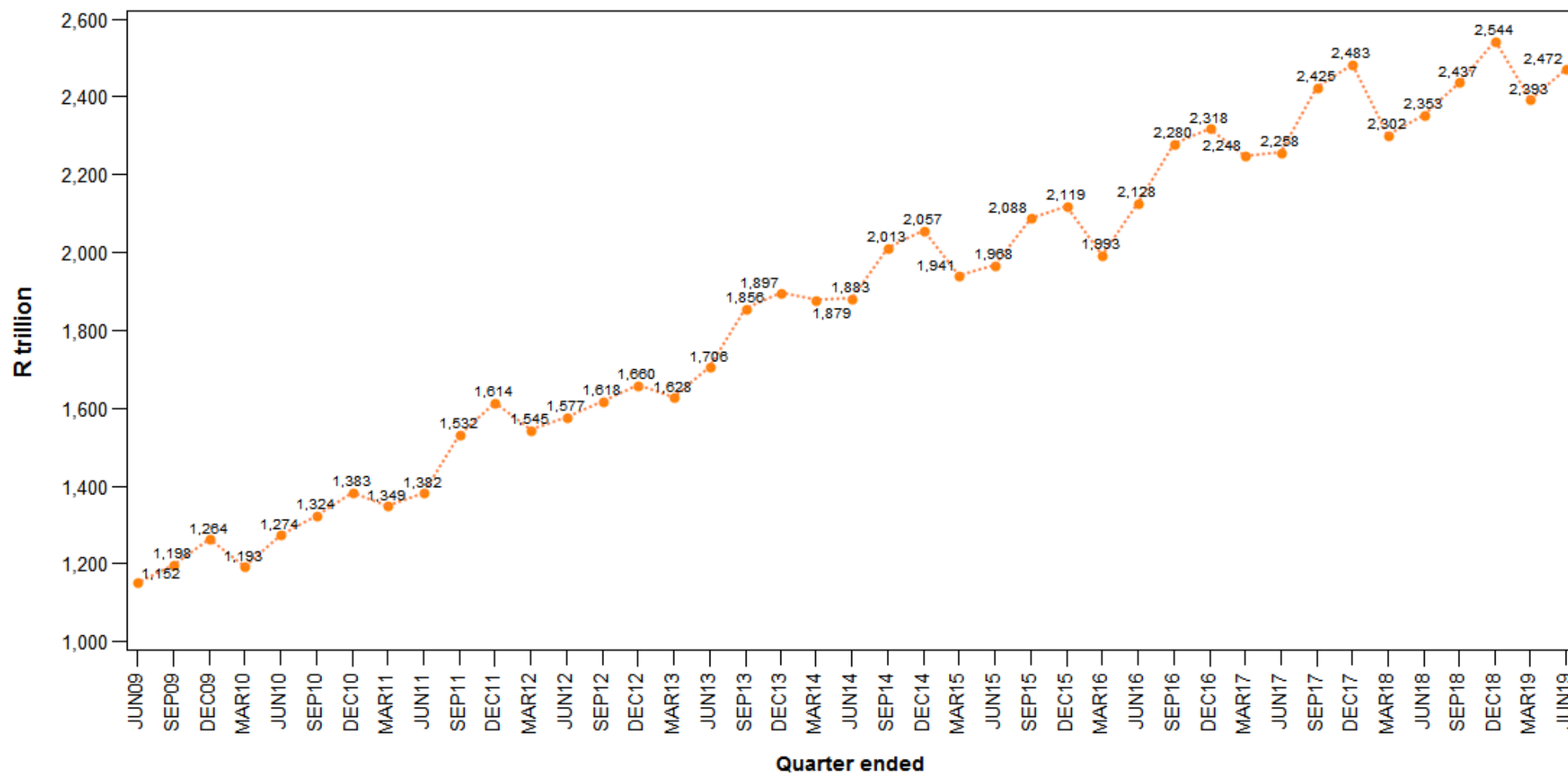
SIC 8 – Real estate and other business services industry (excluding financial intermediation and insurance)



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 2019

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ²	June 2019 ³		
Income items						R million	R million
Turnover received	2 352 686	2 437 112	2 544 057	2 392 753	2 472 001	79 248	119 315
Interest received	15 538	17 395	17 575	14 921	16 417	1 496	879
Dividends received	12 190	9 775	14 786	16 375	15 628	-747	3 438
Royalties, franchise fees, copyright, trade names and patent rights received	1 113	1 145	1 412	1 286	1 468	182	355
Rental/leasing of land, buildings and other structures received	4 436	4 404	4 871	5 140	4 779	-361	343
Hiring/leasing of plant, machinery, vehicles and other equipment received	3 366	3 184	3 062	3 141	2 730	-411	-636
Profit on assets/investment sold or revalued	34 803	46 837	34 365	25 129	35 301	10 172	498
Other income	53 983	45 500	50 491	47 470	45 552	-1 918	-8 431
Total income (A)	2 478 115	2 565 352	2 670 619	2 506 215	2 593 876	87 661	115 761
Inventories							
Opening value of raw materials	218 787	219 626	222 271	208 598	221 594	12 996	2 807
Opening value of work in progress	100 986	102 849	110 332	110 556	115 706	5 150	14 720
Opening value of finished goods	552 024	571 049	587 266	576 568	572 499	-4 069	20 475
Total opening values (B)	871 797	893 524	919 869	895 722	909 799	14 077	38 002
Closing value of raw materials	221 041	225 138	209 236	223 367	223 759	392	2 718
Closing value of work in progress	100 673	111 892	114 522	115 898	117 474	1 576	16 801
Closing value of finished goods	586 739	592 103	599 321	571 244	582 105	10 861	-4 634
Total closing values (C)	908 453	929 133	923 079	910 509	923 338	12 829	14 885

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ²	June 2019 ³		
Expenditure items						R million	R million
Purchases	1 424 530	1 460 386	1 536 279	1 439 418	1 470 464	31 046	45 934
Employment costs ⁴	344 940	345 326	370 936	353 637	363 771	10 134	18 831
Interest paid	64 109	60 024	64 867	60 899	64 202	3 303	93
Royalties, franchise fees, copyright, trade names and patent rights paid	9 616	10 437	9 876	11 413	11 140	-273	1 524
Rental/leasing of land, buildings and other structures paid	65 416	65 514	62 498	60 924	63 711	2 787	-1 705
Hiring/leasing for plant, machinery, vehicles and other equipment paid	13 878	13 354	16 567	16 266	16 633	367	2 755
Depreciation	64 219	59 939	66 248	67 028	64 684	-2 344	465
Losses on assets/investments sold or revalued	62 346	31 167	40 875	25 377	27 544	2 167	-34 802
Other expenditure	357 258	381 182	370 305	347 269	362 334	15 065	5 076
Total expenditure (D)	2 406 312	2 427 329	2 538 451	2 382 231	2 444 483	62 252	38 171
Net profit or loss before taxation (E) ⁵	108 459	173 632	135 378	138 771	162 932	24 161	54 473
Company tax	31 513	33 040	38 042	31 573	33 622	2 049	2 109
Dividends payable	33 155	42 270	38 558	31 479	33 228	1 749	73
Carrying value of property, plant and equipment as at the end of quarter	3 123 538	3 043 058	3 057 840	3 097 007	3 117 469	20 462	-6 069
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	12 148	11 758	12 910	10 077	11 219	1 142	-929
Plant, machinery, furniture, fittings and other equipment	66 037	66 841	73 682	66 204	60 943	-5 261	-5 094
Vehicles and transport equipment	10 721	12 020	10 087	8 989	9 525	536	-1 196
Total capital expenditure	88 906	90 619	96 679	85 270	81 687	-3 583	-7 219

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received	172 632	172 630	187 957	164 712	181 936	17 224	9 304
Interest received	2 523	2 494	3 195	2 454	3 349	895	826
Dividends received	890	2 306	1 803	3 212	391	-2 821	-499
Royalties, franchise fees, copyright, trade names and patent rights received	50	19	77	145	320	175	270
Rental/leasing of land, buildings and other structures received	150	70	86	83	76	-7	-74
Hiring/leasing of plant, machinery, vehicles and other equipment received	118	159	171	140	200	60	82
Profit on assets/investment sold or revalued	4 768	15 776	6 596	5 472	7 136	1 664	2 368
Other income	1 533	1 366	2 197	2 426	1 565	-861	32
Total income (A)	182 664	194 820	202 082	178 644	194 973	16 329	12 309
Inventories							
Opening value of raw materials	19 719	20 022	19 964	22 552	22 964	412	3 245
Opening value of work in progress	33 917	30 335	35 139	39 641	41 503	1 862	7 586
Opening value of finished goods	28 782	31 825	27 089	27 728	27 958	230	-824
Total opening values (B)	82 418	82 182	82 192	89 921	92 425	2 504	10 007
Closing value of raw materials	19 839	19 708	20 395	22 964	22 439	-525	2 600
Closing value of work in progress	30 360	35 407	39 657	41 503	40 598	-905	10 238
Closing value of finished goods	31 834	35 581	28 677	27 958	28 633	675	-3 201
Total closing values (C)	82 033	90 696	88 729	92 425	91 670	-755	9 637

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	69 451	76 480	77 980	68 922	71 628	2 706	2 177
Employment costs ³	33 882	34 957	37 263	34 015	35 277	1 262	1 395
Interest paid	4 786	4 002	6 893	4 560	5 452	892	666
Royalties, franchise fees, copyright, trade names and patent rights paid	1 829	1 888	1 583	1 506	1 862	356	33
Rental/leasing of land, buildings and other structures paid	4 617	5 705	4 792	4 408	5 287	879	670
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 155	1 170	1 639	1 572	1 595	23	440
Depreciation	15 305	11 416	12 152	10 576	11 470	894	-3 835
Losses on assets/investments sold or revalued	26 855	4 642	20 000	4 660	7 865	3 205	-18 990
Other expenditure	30 879	39 014	37 381	29 841	33 959	4 118	3 080
Total expenditure (D)	188 759	179 274	199 683	160 060	174 395	14 335	-14 364
Net profit or loss before taxation (E) ⁴	-6 480	24 060	8 936	21 088	19 823	-1 265	26 303
Company tax	6 077	4 071	5 818	5 750	7 638	1 888	1 561
Dividends payable	1 750	12 229	6 014	6 692	5 094	-1 598	3 344
Carrying value of property, plant and equipment as at the end of quarter	465 939	470 023	479 401	476 754	479 412	2 658	13 473
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	4 158	3 776	3 514	1 919	2 133	214	-2 025
Plant, machinery, furniture, fittings and other equipment	14 132	12 734	18 543	13 548	14 315	767	183
Vehicles and transport equipment	731	475	786	498	869	371	138
Total capital expenditure	19 021	16 985	22 843	15 965	17 317	1 352	-1 704

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received	675 343	724 568	748 492	687 849	716 234	28 385	40 891
Interest received	4 374	6 303	4 534	3 754	3 869	115	-505
Dividends received	712	2 632	4 952	1 746	1 728	-18	1 016
Royalties, franchise fees, copyright, trade names and patent rights received	130	155	201	104	139	35	9
Rental/leasing of land, buildings and other structures received	1 006	1 051	1 425	1 010	1 242	232	236
Hiring/leasing of plant, machinery, vehicles and other equipment received	490	461	481	476	427	-49	-63
Profit on assets/investment sold or revalued	11 966	15 713	8 898	6 367	4 845	-1 522	-7 121
Other income	13 543	14 386	14 843	8 888	9 066	178	-4 477
Total income (A)	707 564	765 269	783 826	710 194	737 550	27 356	29 986
Inventories							
Opening value of raw materials	144 139	143 576	147 912	127 381	137 943	10 562	-6 196
Opening value of work in progress	40 632	48 037	53 899	49 390	51 869	2 479	11 237
Opening value of finished goods	185 861	203 750	208 714	193 432	191 632	-1 800	5 771
Total opening values (B)	370 632	395 363	410 525	370 203	381 444	11 241	10 812
Closing value of raw materials	145 575	149 982	132 809	139 819	135 990	-3 829	-9 585
Closing value of work in progress	42 946	50 828	53 477	52 062	55 349	3 287	12 403
Closing value of finished goods	204 787	215 504	199 672	190 949	198 236	7 287	-6 551
Total closing values (C)	393 308	416 314	385 958	382 830	389 575	6 745	-3 733

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	466 519	485 195	489 330	472 173	484 607	12 434	18 088
Employment costs ³	77 314	79 930	87 190	79 684	82 844	3 160	5 530
Interest paid	13 481	11 049	10 553	10 372	10 965	593	-2 516
Royalties, franchise fees, copyright, trade names and patent rights paid	3 434	3 828	3 907	3 678	3 757	79	323
Rental/leasing of land, buildings and other structures paid	12 028	13 386	12 313	12 256	13 152	896	1 124
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 276	2 208	2 285	1 805	1 912	107	-364
Depreciation	13 534	13 919	16 577	16 230	16 599	369	3 065
Losses on assets/investments sold or revalued	14 166	9 347	4 784	3 989	4 442	453	-9 724
Other expenditure	98 968	115 490	91 508	91 076	97 340	6 264	-1 628
Total expenditure (D)	701 720	734 352	718 447	691 263	715 618	24 355	13 898
Net profit or loss before taxation (E) ⁴	28 520	51 868	40 812	31 558	30 063	-1 495	1 543
Company tax	8 055	9 552	9 939	6 938	6 825	-113	-1 230
Dividends payable	7 101	6 900	5 334	3 353	5 753	2 400	-1 348
Carrying value of property, plant and equipment as at the end of quarter	480 527	487 061	486 457	489 248	492 977	3 729	12 450
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 858	2 570	3 082	1 900	2 236	336	378
Plant, machinery, furniture, fittings and other equipment	15 489	14 128	15 263	12 352	13 647	1 295	-1 842
Vehicles and transport equipment	1 072	1 168	1 011	486	625	139	-447
Total capital expenditure	18 419	17 866	19 356	14 738	16 508	1 770	-1 911

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received	64 626	71 843	60 545	59 893	65 943	6 050	1 317
Interest received	821	985	1 427	636	986	350	165
Dividends received	47	58	191	155	0	-155	-47
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	7	9	11	10	9	-1	2
Hiring/leasing of plant, machinery, vehicles and other equipment received	60	61	63	73	60	-13	0
Profit on assets/investment sold or revalued	2 390	491	87	116	2 097	1 981	-293
Other income	885	1 224	361	646	616	-30	-269
Total income (A)	68 836	74 671	62 685	61 529	69 711	8 182	875
Inventories							
Opening value of raw materials	24 808	24 902	24 438	25 249	26 981	1 732	2 173
Opening value of work in progress	1	1	2	2	2	0	1
Opening value of finished goods	383	384	365	400	402	2	19
Total opening values (B)	25 192	25 287	24 805	25 651	27 385	1 734	2 193
Closing value of raw materials	24 900	24 451	25 254	26 981	30 397	3 416	5 497
Closing value of work in progress	1	4	2	2	0	-2	-1
Closing value of finished goods	383	440	400	402	396	-6	13
Total closing values (C)	25 284	24 895	25 656	27 385	30 793	3 408	5 509

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	32 495	33 072	34 434	33 813	34 112	299	1 617
Employment costs ³	7 928	8 506	8 361	8 068	8 741	673	813
Interest paid	9 426	9 492	10 291	10 180	10 379	199	953
Royalties, franchise fees, copyright, trade names and patent rights paid	8	17	0	0	0	0	-8
Rental/leasing of land, buildings and other structures paid	71	66	102	108	92	-16	21
Hiring/leasing for plant, machinery, vehicles and other equipment paid	200	171	177	350	297	-53	97
Depreciation	7 874	7 890	8 153	11 810	8 058	-3 752	184
Losses on assets/investments sold or revalued	1 313	1 758	1 232	2 543	817	-1 726	-496
Other expenditure	8 333	6 318	10 085	9 687	12 506	2 819	4 173
Total expenditure (D)	67 648	67 290	72 835	76 559	75 002	-1 557	7 354
Net profit or loss before taxation (E) ⁴	1 280	6 989	-9 299	-13 296	-1 883	11 413	-3 163
Company tax	565	463	600	433	602	169	37
Dividends payable	809	888	578	653	1 030	377	221
Carrying value of property, plant and equipment as at the end of quarter	723 639	728 969	771 500	773 665	767 968	-5 697	44 329
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	797	619	1 041	576	834	258	37
Plant, machinery, furniture, fittings and other equipment	12 305	12 547	12 347	13 266	9 180	-4 086	-3 125
Vehicles and transport equipment	99	35	100	96	7	-89	-92
Total capital expenditure	13 201	13 201	13 488	13 938	10 021	-3 917	-3 180

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received	85 042	89 861	84 677	85 433	85 372	-61	330
Interest received	693	613	609	655	581	-74	-112
Dividends received	290	256	119	235	194	-41	-96
Royalties, franchise fees, copyright, trade names and patent rights received	14	0	7	0	0	0	-14
Rental/leasing of land, buildings and other structures received	260	271	272	270	258	-12	-2
Hiring/leasing of plant, machinery, vehicles and other equipment received	556	528	112	129	102	-27	-454
Profit on assets/investment sold or revalued	1 039	836	707	664	613	-51	-426
Other income	1 261	1 409	1 439	1 448	2 086	638	825
Total income (A)	89 155	93 774	87 942	88 834	89 206	372	51
Inventories							
Opening value of raw materials	5 128	5 210	4 091	7 102	7 307	205	2 179
Opening value of work in progress	8 959	9 979	9 202	9 274	9 982	708	1 023
Opening value of finished goods	4 984	4 494	4 918	5 600	6 280	680	1 296
Total opening values (B)	19 071	19 683	18 211	21 976	23 569	1 593	4 498
Closing value of raw materials	5 238	4 474	4 113	7 307	6 925	-382	1 687
Closing value of work in progress	9 589	9 804	9 161	9 982	8 967	-1 015	-622
Closing value of finished goods	4 474	5 308	4 518	6 280	6 316	36	1 842
Total closing values (C)	19 301	19 586	17 792	23 569	22 208	-1 361	2 907

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	54 194	54 189	47 454	49 584	47 794	-1 790	-6 400
Employment costs ³	15 845	17 465	17 076	16 864	17 781	917	1 936
Interest paid	1 130	1 228	1 126	1 524	1 027	-497	-103
Royalties, franchise fees, copyright, trade names and patent rights paid	161	239	353	1 022	445	-577	284
Rental/leasing of land, buildings and other structures paid	612	695	1 015	919	945	26	333
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 957	1 935	4 530	4 518	4 797	279	2 840
Depreciation	1 206	1 080	1 128	1 073	1 236	163	30
Losses on assets/investments sold or revalued	673	1 216	896	834	484	-350	-189
Other expenditure	11 717	11 569	10 880	11 519	10 859	-660	-858
Total expenditure (D)	87 495	89 616	84 458	87 857	85 368	-2 489	-2 127
Net profit or loss before taxation (E) ⁴	1 890	4 061	3 065	2 570	2 477	-93	587
Company tax	792	775	551	917	567	-350	-225
Dividends payable	597	287	617	307	149	-158	-448
Carrying value of property, plant and equipment as at the end of quarter	34 155	39 889	28 169	29 192	28 775	-417	-5 380
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	308	118	201	210	170	-40	-138
Plant, machinery, furniture, fittings and other equipment	1 094	818	490	690	569	-121	-525
Vehicles and transport equipment	48	34	353	51	36	-15	-12
Total capital expenditure	1 450	970	1 044	951	775	-176	-675

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received	806 906	820 081	867 110	808 826	821 332	12 506	14 426
Interest received	4 130	4 177	4 546	4 188	4 295	107	165
Dividends received	544	530	1 009	571	1 349	778	805
Royalties, franchise fees, copyright, trade names and patent rights received	256	269	308	291	269	-22	13
Rental/leasing of land, buildings and other structures received	1 074	1 143	1 171	1 805	1 375	-430	301
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 753	1 540	1 802	1 909	1 531	-378	-222
Profit on assets/investment sold or revalued	5 516	4 821	5 127	7 053	6 452	-601	936
Other income	9 048	8 255	9 197	8 949	8 061	-888	-987
Total income (A)	829 227	840 816	890 270	833 592	844 664	11 072	15 437
Inventories							
Opening value of raw materials	16 703	17 689	17 975	18 340	17 686	-654	983
Opening value of work in progress	12 385	9 722	7 172	7 191	7 323	132	-5 062
Opening value of finished goods	298 553	298 139	319 228	322 049	320 334	-1 715	21 781
Total opening values (B)	327 641	325 550	344 375	347 580	345 343	-2 237	17 702
Closing value of raw materials	17 508	19 073	18 551	17 625	19 043	1 418	1 535
Closing value of work in progress	12 417	10 538	7 106	7 323	7 402	79	-5 015
Closing value of finished goods	311 470	301 519	338 943	319 571	322 405	2 834	10 935
Total closing values (C)	341 395	331 130	364 600	344 519	348 850	4 331	7 455

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	632 934	633 508	695 004	621 980	636 292	14 312	3 358
Employment costs ³	63 722	62 376	64 257	62 983	64 793	1 810	1 071
Interest paid	7 275	7 490	7 245	7 008	7 581	573	306
Royalties, franchise fees, copyright, trade names and patent rights paid	2 229	2 398	2 079	2 934	2 709	-225	480
Rental/leasing of land, buildings and other structures paid	18 721	19 195	19 170	16 982	18 163	1 181	-558
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 547	1 330	1 319	1 222	1 123	-99	-424
Depreciation	6 002	5 952	6 134	6 404	6 594	190	592
Losses on assets/investments sold or revalued	6 889	5 345	6 180	4 694	4 776	82	-2 113
Other expenditure	65 718	69 855	66 655	70 722	70 562	-160	4 844
Total expenditure (D)	805 037	807 449	868 043	794 929	812 593	17 664	7 556
Net profit or loss before taxation (E) ⁴	37 944	38 947	42 452	35 602	35 578	-24	-2 366
Company tax	6 326	6 490	6 753	6 263	5 422	-841	-904
Dividends payable	2 844	2 839	3 750	4 096	4 062	-34	1 218
Carrying value of property, plant and equipment as at the end of quarter	244 222	243 135	243 098	249 975	253 905	3 930	9 683
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	906	875	772	1 085	1 858	773	952
Plant, machinery, furniture, fittings and other equipment	5 729	6 359	7 607	5 210	4 857	-353	-872
Vehicles and transport equipment	2 116	2 695	2 376	2 659	2 548	-111	432
Total capital expenditure	8 751	9 929	10 755	8 954	9 263	309	512

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received	219 283	227 325	238 194	225 606	229 423	3 817	10 140
Interest received	1 955	2 018	2 244	2 242	2 271	29	316
Dividends received	273	218	283	194	126	-68	-147
Royalties, franchise fees, copyright, trade names and patent rights received	6	7	6	5	5	0	-1
Rental/leasing of land, buildings and other structures received	1 367	1 312	1 410	1 436	1 287	-149	-80
Hiring/leasing of plant, machinery, vehicles and other equipment received	300	286	304	283	271	-12	-29
Profit on assets/investment sold or revalued	2 443	1 732	1 993	1 366	1 947	581	-496
Other income	5 916	5 395	6 309	6 987	5 504	-1 483	-412
Total income (A)	231 543	238 293	250 743	238 119	240 834	2 715	9 291
Inventories							
Opening value of raw materials	4 454	4 368	3 304	3 344	4 357	1 013	-97
Opening value of work in progress	1 114	1 218	1 060	1 017	1 085	68	-29
Opening value of finished goods	7 762	8 236	8 478	9 157	7 855	-1 302	93
Total opening values (B)	13 330	13 822	12 842	13 518	13 297	-221	-33
Closing value of raw materials	4 142	3 434	3 253	4 359	4 404	45	262
Closing value of work in progress	1 218	1 314	1 024	1 084	1 249	165	31
Closing value of finished goods	8 126	8 605	8 660	7 905	7 752	-153	-374
Total closing values (C)	13 486	13 353	12 937	13 348	13 405	57	-81

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	91 725	97 577	106 308	105 687	106 847	1 160	15 122
Employment costs ³	37 712	37 475	38 496	37 704	38 692	988	980
Interest paid	8 126	8 495	8 308	8 370	7 985	-385	-141
Royalties, franchise fees, copyright, trade names and patent rights paid	63	35	64	103	103	0	40
Rental/leasing of land, buildings and other structures paid	4 987	4 869	5 298	6 065	6 132	67	1 145
Hiring/leasing for plant, machinery, vehicles and other equipment paid	3 474	3 429	3 823	3 917	3 889	-28	415
Depreciation	14 213	13 490	14 261	13 340	12 847	-493	-1 366
Losses on assets/investments sold or revalued	2 842	2 141	2 203	2 102	2 333	231	-509
Other expenditure	57 336	56 966	61 188	45 994	49 343	3 349	-7 993
Total expenditure (D)	220 478	224 477	239 949	223 282	228 171	4 889	7 693
Net profit or loss before taxation (E) ⁴	11 221	13 347	10 889	14 667	12 771	-1 896	1 550
Company tax	2 808	3 476	3 527	3 485	3 353	-132	545
Dividends payable	2 457	5 976	6 366	855	654	-201	-1 803
Carrying value of property, plant and equipment as at the end of quarter	628 760	642 007	629 366	631 298	639 948	8 650	11 188
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	621	561	691	1 000	768	-232	147
Plant, machinery, furniture, fittings and other equipment	13 710	15 649	15 392	16 660	13 514	-3 146	-196
Vehicles and transport equipment	4 615	5 123	3 298	3 510	3 958	448	-657
Total capital expenditure	18 946	21 333	19 381	21 170	18 240	-2 930	-706

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received ³	269 618	270 037	293 021	292 130	303 836	11 706	34 218
Interest received	0	0	0	0	0	0	0
Dividends received	9 372	3 042	6 361	10 140	11 706	1 566	2 334
Royalties, franchise fees, copyright, trade names and patent rights received	454	491	598	510	521	11	67
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	6 429	7 223	10 625	3 895	10 530	6 635	4 101
Other income	12 906	8 652	13 888	15 562	16 770	1 208	3 864
Total income (A)	298 779	289 445	324 493	322 237	343 363	21 126	44 584
Inventories							
Opening value of raw materials	2 396	2 451	3 606	3 593	3 724	131	1 328
Opening value of work in progress	3 842	3 505	3 807	3 993	3 896	-97	54
Opening value of finished goods	24 530	23 172	17 530	17 218	17 051	-167	-7 479
Total opening values (B)	30 768	29 128	24 943	24 804	24 671	-133	-6 097
Closing value of raw materials	2 413	2 618	3 787	3 680	3 911	231	1 498
Closing value of work in progress	4 001	3 947	4 047	3 896	3 863	-33	-138
Closing value of finished goods	24 556	24 105	17 463	17 192	17 331	139	-7 225
Total closing values (C)	30 970	30 670	25 297	24 768	25 105	337	-5 865

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	62 320	64 966	68 000	68 094	70 367	2 273	8 047
Employment costs ³	88 602	86 533	98 573	95 372	95 753	381	7 151
Interest paid	18 684	17 029	19 051	17 499	19 399	1 900	715
Royalties, franchise fees, copyright, trade names and patent rights paid	1 701	1 827	1 695	1 867	1 984	117	283
Rental/leasing of land, buildings and other structures paid	21 811	18 591	17 206	17 620	17 379	-241	-4 432
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 029	1 855	1 565	1 615	1 723	108	-306
Depreciation	4 200	4 287	5 889	5 855	5 981	126	1 781
Losses on assets/investments sold or revalued	9 301	6 298	5 020	5 839	6 188	349	-3 113
Other expenditure	63 460	59 614	72 722	67 942	68 939	997	5 479
Total expenditure (D)	272 108	261 000	289 721	281 703	287 713	6 010	15 605
Net profit or loss before taxation (E) ⁴	26 873	29 987	35 126	40 498	56 084	15 586	29 211
Company tax	6 107	7 017	9 806	6 517	6 996	479	889
Dividends payable	15 261	12 200	15 177	12 724	16 229	3 505	968
Carrying value of property, plant and equipment as at the end of quarter	467 906	352 912	349 582	376 389	383 968	7 579	-83 938
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 843	2 638	3 037	2 780	2 707	-73	-136
Plant, machinery, furniture, fittings and other equipment	2 668	3 047	3 124	3 522	3 824	302	1 156
Vehicles and transport equipment	1 875	2 322	1 634	1 430	1 309	-121	-566
Total capital expenditure	7 386	8 007	7 795	7 732	7 840	108	454

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Income items						R million	R million
Turnover received	59 236	60 767	64 061	68 304	67 925	-379	8 689
Interest received	1 042	805	1 020	992	1 066	74	24
Dividends received	62	733	68	122	134	12	72
Royalties, franchise fees, copyright, trade names and patent rights received	203	204	215	231	214	-17	11
Rental/leasing of land, buildings and other structures received	572	548	496	526	532	6	-40
Hiring/leasing of plant, machinery, vehicles and other equipment received	89	149	129	131	139	8	50
Profit on assets/investment sold or revalued	252	245	332	196	1 681	1 485	1 429
Other income	8 891	4 813	2 257	2 564	1 884	-680	-7 007
Total income (A)	70 347	68 264	68 578	73 066	73 575	509	3 228
Inventories							
Opening value of raw materials	1 440	1 408	981	1 037	632	-405	-808
Opening value of work in progress	136	52	51	48	46	-2	-90
Opening value of finished goods	1 169	1 049	944	984	987	3	-182
Total opening values (B)	2 745	2 509	1 976	2 069	1 665	-404	-1 080
Closing value of raw materials	1 426	1 398	1 074	632	650	18	-776
Closing value of work in progress	141	50	48	46	46	0	-95
Closing value of finished goods	1 109	1 041	988	987	1 036	49	-73
Total closing values (C)	2 676	2 489	2 110	1 665	1 732	67	-944

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 2019 and March 2019	Year-on-year difference between June 2019 and June 2018
	R million						
	June 2018	September 2018	December 2018	March 2019 ¹	June 2019 ²		
Expenditure items						R million	R million
Purchases	14 892	15 399	17 769	19 165	18 817	-348	3 925
Employment costs ³	19 935	18 084	19 720	18 947	19 890	943	-45
Interest paid	1 201	1 239	1 400	1 386	1 414	28	213
Royalties, franchise fees, copyright, trade names and patent rights paid	191	205	195	303	280	-23	89
Rental/leasing of land, buildings and other structures paid	2 569	3 007	2 602	2 566	2 561	-5	-8
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 240	1 256	1 229	1 267	1 297	30	57
Depreciation	1 885	1 905	1 954	1 740	1 899	159	14
Losses on assets/investments sold or revalued	307	420	560	716	639	-77	332
Other expenditure	20 847	22 356	19 886	20 488	18 826	-1 662	-2 021
Total expenditure (D)	63 067	63 871	65 315	66 578	65 623	-955	2 556
Net profit or loss before taxation (E) ⁴	7 211	4 373	3 397	6 084	8 019	1 935	808
Company tax	783	1 196	1 048	1 270	2 219	949	1 436
Dividends payable	2 336	951	722	2 799	257	-2 542	-2 079
Carrying value of property, plant and equipment as at the end of quarter	78 390	79 062	70 267	70 486	70 516	30	-7 874
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	657	601	572	607	513	-94	-144
Plant, machinery, furniture, fittings and other equipment	910	1 559	916	956	1 037	81	127
Vehicles and transport equipment	165	168	529	259	173	-86	8
Total capital expenditure	1 732	2 328	2 017	1 822	1 723	-99	-9

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 2019 and June 2019

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	March 2019 ¹	June 2019 ²	March 2019 ¹	June 2019 ²	March 2019 ¹	June 2019 ²	March 2019 ¹	June 2019 ²
Mining and quarrying	0,35	0,38	0,13	0,11	1,78	1,98	0,04	0,04
Manufacturing	1,41	1,45	0,05	0,04	1,80	1,84	0,06	0,06
Electricity, gas and water supply	0,08	0,09	-0,22	-0,03	2,19	2,14	-0,02	0,00
Construction	2,93	2,97	0,03	0,03	3,62	3,84	0,09	0,09
Trade	3,24	3,23	0,04	0,04	2,35	2,35	0,14	0,14
Transport, storage and communication	0,36	0,36	0,07	0,06	16,90	17,11	0,02	0,02
Real estate and other business services, excluding financial intermediation and insurance	0,78	0,79	0,14	0,18	11,79	12,10	0,11	0,15
Community, social and personal services, excluding government and educational institutions	0,97	0,96	0,09	0,12	41,02	39,22	0,09	0,11
All industries	0,77	0,79	0,06	0,07	2,63	2,68	0,04	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 March 2019 and June 2019 (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 2019 ¹	June 2019 ²	March 2019 ¹	June 2019 ²	March 2019 ¹	June 2019 ²	March 2019 ¹	June 2019 ²
Mining and quarrying	0,03	0,04	0,73	0,79	5,62	4,64	0,44	0,42
Manufacturing	0,03	0,03	1,22	1,24	4,04	3,74	0,14	0,25
Electricity, gas and water supply	0,02	0,01	1,21	1,06	-0,31	0,82	-0,05	-0,41
Construction	0,03	0,03	2,11	2,15	2,69	3,41	0,19	0,08
Trade	0,04	0,04	1,81	1,82	6,08	5,69	0,14	0,13
Transport, storage and communication	0,03	0,03	7,88	7,99	2,75	2,60	0,08	0,07
Real estate and other business services, excluding financial intermediation and insurance	0,02	0,02	2,75	2,81	3,31	3,89	0,37	0,33
Community, social and personal services, excluding government and educational institutions	0,03	0,02	10,48	11,04	5,39	6,67	0,58	0,04
All industries	0,03	0,03	1,58	1,59	3,28	3,54	0,29	0,26

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 2019

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	161 549	164 712	167 875	1,0
Manufacturing	665 066	687 849	710 632	1,7
Electricity, gas and water supply	58 162	59 893	61 624	1,5
Construction	67 916	85 433	102 950	10,5
Trade	737 488	808 826	880 164	4,5
Transport, storage and communication	215 994	225 606	235 218	2,2
Real estate and other business services, excluding financial intermediation and insurance	253 400	292 130	330 860	6,8
Community, social and personal services, excluding government and educational institutions	62 540	68 304	74 068	4,3
All industries	2 278 712	2 392 753	2 506 794	2,4

Table B – Estimates of turnover by industry within 95% confidence limits: June 2019

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	178 735	181 936	185 137	0,9
Manufacturing	691 957	716 234	740 511	1,7
Electricity, gas and water supply	64 577	65 943	67 309	1,1
Construction	67 740	85 372	103 004	10,5
Trade	750 500	821 332	892 164	4,4
Transport, storage and communication	219 958	229 423	238 888	2,1
Real estate and other business services, excluding financial intermediation and insurance	266 331	303 836	341 341	6,3
Community, social and personal services, excluding government and educational institutions	61 814	67 925	74 036	4,6
All industries	2 353 513	2 472 001	2 590 489	2,4

Table C – Turnover by industry and percentage change

Industry	Turnover June 2018	Turnover March 2019	Turnover June 2019	Difference between June 2019 and March 2019	Difference between June 2019 and June 2018
	R million	R million	R million	%	%
Mining and quarrying	172 632	164 712	181 936	10,5	5,4
Manufacturing	675 343	687 849	716 234	4,1	6,1
Electricity, gas and water supply	64 626	59 893	65 943	10,1	2,0
Construction	85 042	85 433	85 372	-0,1	0,4
Trade	806 906	808 826	821 332	1,5	1,8
Transport, storage and communication	219 283	225 606	229 423	1,7	4,6
Real estate and other business services, excluding financial intermediation and insurance	269 618	292 130	303 836	4,0	12,7
Community, social and personal services, excluding government and educational institutions	59 236	68 304	67 925	-0,6	14,7
All industries	2 352 686	2 392 753	2 472 001	3,3	5,1

Table D – Turnover by industry and percentage contribution¹

Industry	March 2019		June 2019	
	R million	% total turnover	R million	% total turnover
Mining and quarrying	164 712	6,9	181 936	7,4
Manufacturing	687 849	28,7	716 234	29,0
Electricity, gas and water supply	59 893	2,5	65 943	2,7
Construction	85 433	3,6	85 372	3,5
Trade	808 826	33,8	821 332	33,2
Transport, storage and communication	225 606	9,4	229 423	9,3
Real estate and other business services, excluding financial intermediation and insurance	292 130	12,2	303 836	12,3
Community, social and personal services, excluding government and educational institutions	68 304	2,9	67 925	2,7
All industries	2 392 753	100,0	2 472 001	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 2019	Inventories June 2019	Difference between June 2019 and March 2019
	R million	R million	%
Mining and quarrying	92 425	91 670	-0,8
Manufacturing	382 830	389 575	1,8
Electricity, gas and water supply	27 385	30 793	12,4
Construction	23 569	22 208	-5,8
Trade	344 519	348 850	1,3
Transport, storage and communication	13 348	13 405	0,4
Real estate and other business services, excluding financial intermediation and insurance	24 768	25 105	1,4
Community, social and personal services, excluding government and educational institutions	1 665	1 732	4,0
All industries	910 509	923 338	1,4

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure March 2019	Capital expenditure June 2019	Difference between June 2019 and March 2019
	R million	R million	%
Mining and quarrying	15 965	17 317	8,5
Manufacturing	14 738	16 508	12,0
Electricity, gas and water supply	13 938	10 021	-28,1
Construction	951	775	-18,5
Trade	8 954	9 263	3,5
Transport, storage and communication	21 170	18 240	-13,8
Real estate and other business services, excluding financial intermediation and insurance	7 732	7 840	1,4
Community, social and personal services, excluding government and educational institutions	1 822	1 723	-5,4
All industries	85 270	81 687	-4,2

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 and December 2018 and March and June 2019 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 2019 and June 2019 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.

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>
Collection rate	<p>8 The preliminary collection rate for the survey on quarterly financial statistics for the June 2019 quarter was 82,0%. The improved collection rate for the March 2019 quarter was 87,0%.</p>
Statistical unit	<p>9 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>10 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>11 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>12 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</p>

size groups based on the National Small Business Amendment Bill, 2003, size group allocations for industries as defined in the SIC.

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

- 13** 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.
- 14** 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.

Reasons for fluctuations in data

- 15** The fluctuations in the data can be attributed to:
- 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;
 - changes in reporting due to new 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 (*see paragraph 10 on page 33*); and
 - response rates per industry and within sub sectors.

Standard error

- 16** 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 (*see Tables A and B on page 28*).

Revised figures

- 17** 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.

Reference period

- 18** The reference period for this publication is from 1 April 2019 to 30 June 2019.

Related publications	19	<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	20	<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	21	<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	22	<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	23	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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Technical enquiries

Amukelani Ngobeni

Telephone number: (012) 310 2938
Email: amukelanin@statssa.gov.za

Khathutshelo Raluombe

Telephone number: (012) 310 8320
Email: khathutshelor@statssa.gov.za

Postal address:

Private Bag X44, Pretoria, 0001

Produced by Stats SA