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Contents

Key findings for the quarter ended June 2020	3
Figure 1 – Percentage contribution to total turnover by industry in the quarters ended March 2020 and June 2020	4
Figure 2 – Comparison of turnover by industry in the quarters ended March 2020 and June 2020	5
Figure 3 – Comparison of turnover by industry in the quarters ended June 2019 and June 2020	6
Figure 4 – Quarterly turnover of all industries covered by the quarterly financial statistics (QFS) survey from December 2011 to June 2020	7
Table 1 – Selected income and expenditure items: All industries covered by the quarterly financial statistics (QFS) survey	8
Table 2 – Selected income and expenditure items: Mining and quarrying industry	10
Table 3 – Selected income and expenditure items: Manufacturing industry	12
Table 4 – Selected income and expenditure items: Electricity, gas and water supply industry	14
Table 5 – Selected income and expenditure items: Construction industry	16
Table 6 – Selected income and expenditure items: Trade industry	18
Table 7 – Selected income and expenditure items: Transport, storage and communication industry	20
Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance)	22
Table 9 – Selected income and expenditure items: Community, social and personal services industry (excluding government and educational institutions)	24
Table 10 – Comparison of selected operating ratios between March 2020 and June 2020	26
Technical notes	28
Table A – Estimates of turnover by industry within 95% confidence limits: March 2020	28
Table B – Estimates of turnover by industry within 95% confidence limits: June 2020	28
Table C – Turnover by industry and percentage change	29
Table D – Turnover by industry and percentage contribution	29
Table E – Closing inventories by industry and percentage change	30
Table F – Capital expenditure by industry and percentage change	30
Table G – DTI cut-off points (adjusted by Statistics South Africa (Stats SA) for QFS)	31
Explanatory notes	32
Glossary	37
General information	40

Key findings for the quarter ended June 2020

The total turnover of quarterly financial statistics (QFS) industries¹ in the second quarter of 2020 was estimated at R2 068 298 million (R2,07 trillion), a decrease of 16,5% compared with the first quarter of 2020 (R2 475 787 million or R2,48 trillion).

Between the first and the second quarter of 2020, turnover decreased in seven of the eight industries covered by the survey. The largest percentage decrease in turnover was recorded in construction (-30,8%), followed by mining and quarrying (-28,3%), community, social and personal services (excluding government and educational institutions) (-21,7%), manufacturing (-19,8%), trade (-16,8%), transport, storage and communication (-11,9%) and real estate and other business services (excluding financial intermediation and insurance) (-0,9%). An increase was recorded for electricity, gas and water supply (+1,1%).

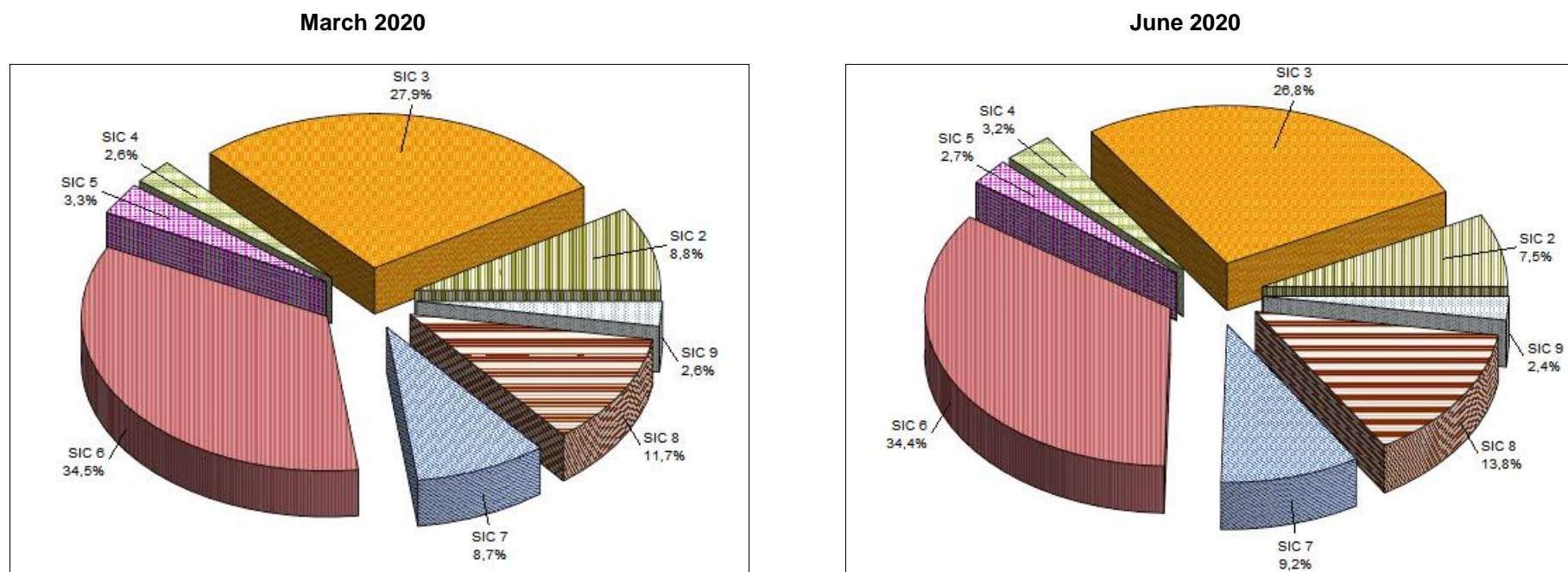
Total closing inventories at the end of the second quarter of 2020 were estimated at R1 008 128 million, an increase of 3,7% compared with R972 145 million at the end of the first quarter of 2020. Increases were recorded for community, social and personal services (excluding government and educational institutions) (+34,3%), electricity, gas and water supply (+7,5%), transport, storage and communication (+6,8%), manufacturing (+4,8%), mining and quarrying (+4,8%) and trade (+2,4%). Decreases were recorded in construction (-4,0%) and real estate and other business services (excluding financial intermediation and insurance) (-0,7%).

Total capital expenditure on property, plant and equipment was estimated at R62 431 million in the second quarter of 2020, a decrease of 22,2% compared with R80 240 million in the first quarter of 2020. The largest percentage decrease was recorded in trade (-42,5%), followed by transport, storage and communication (-40,1%), manufacturing (-19,9%), community, social and personal services (excluding government and educational institutions) (-16,9%), mining and quarrying (-14,0%) and construction (-10,3%). Increases were recorded for real estate and other business services (excluding financial intermediation and insurance) (+5,5%) and electricity, gas and water supply (+2,6%).

Turnover was estimated at R2 068 298 million in the second quarter of 2020, a decrease of 16,4% compared with R2 473 320 million in the second quarter of 2019. All of the eight industries covered by the survey reflected annual decreases. The largest percentage decrease in turnover was recorded in construction (-35,7%), followed by community, social and personal services (excluding government and educational institutions) (-26,9%), manufacturing (-22,1%), transport, storage and communication (-18,9%), mining and quarrying (-16,7%), trade (-13,2%), real estate and other business services (excluding financial intermediation and insurance) (-4,6%) and electricity, gas and water supply (-0,6%).

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 2020 and June 2020¹

SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 4 – Electricity, gas and water supply industry

SIC 5 – Construction industry

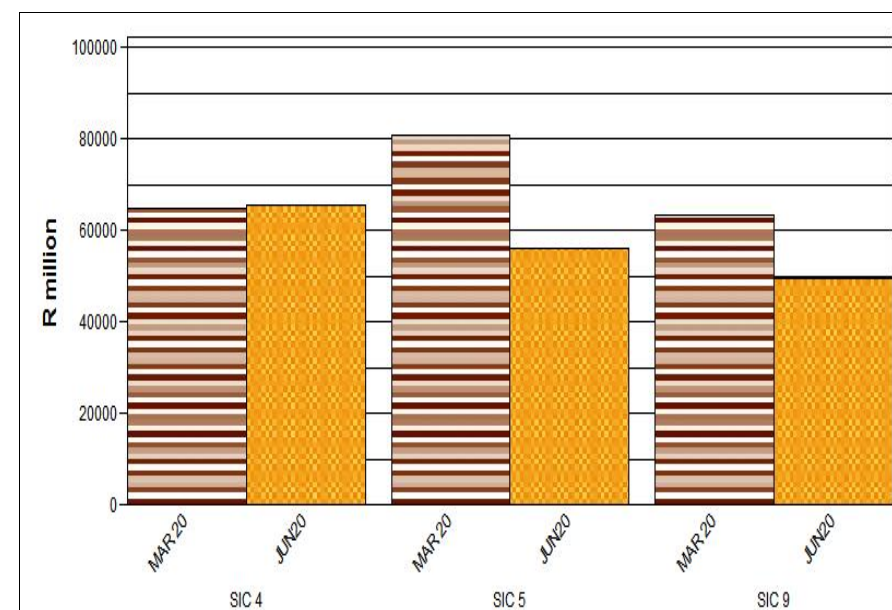
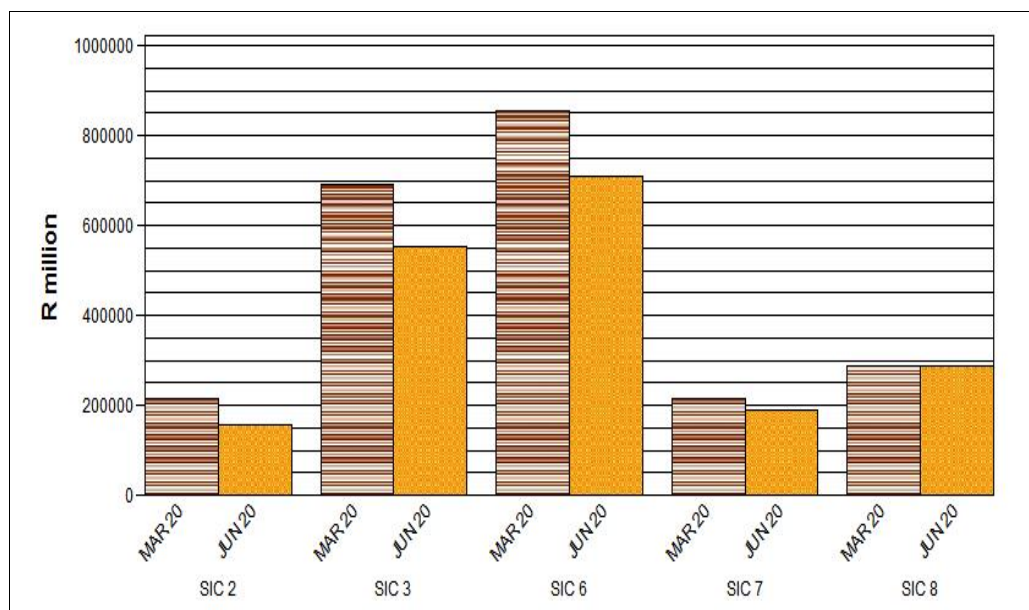
SIC 6 – Trade industry

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 2020 and June 2020

SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 6 – Trade industry

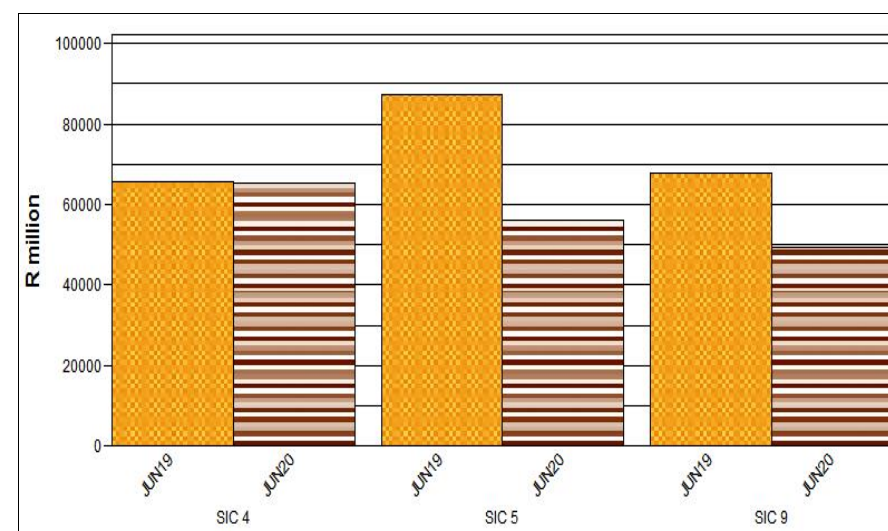
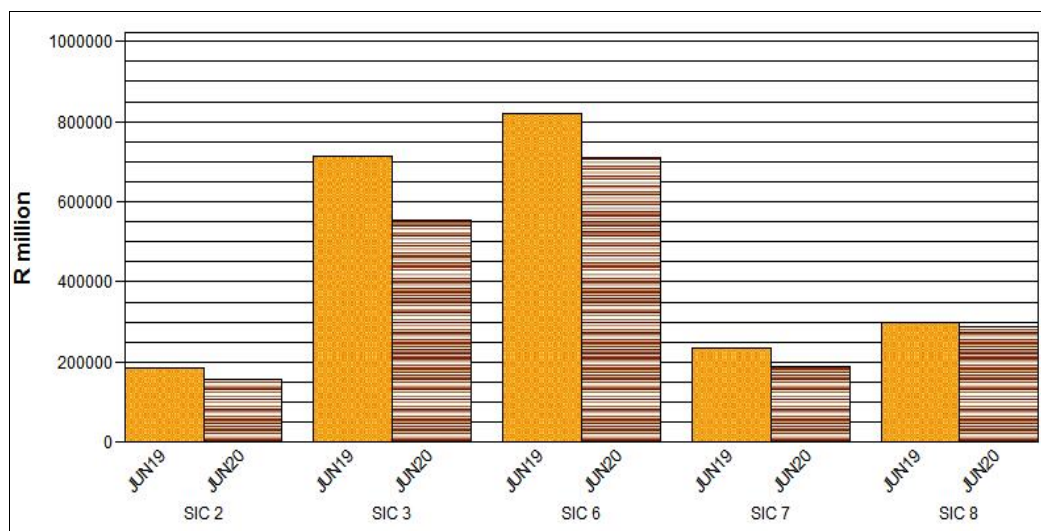
SIC 7 – Transport, storage and communication industry

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 2019 and June 2020

SIC 2 – Mining and quarrying industry

SIC 3 – Manufacturing industry

SIC 6 – Trade industry

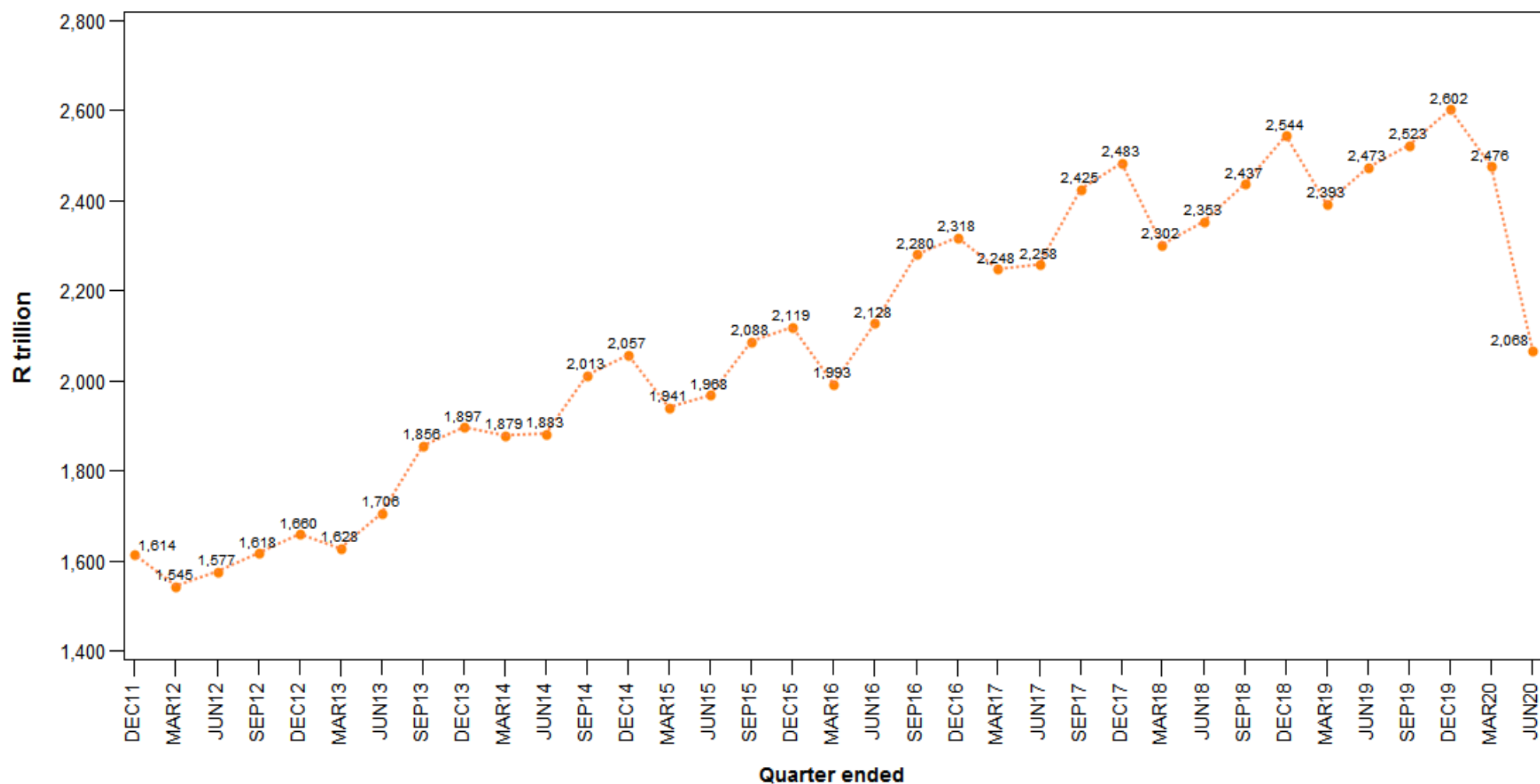
SIC 7 – Transport, storage and communication industry

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 December 2011 to June 2020

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ²	June 2020 ³		
Income items						R million	R million
Turnover received	2 473 320	2 523 371	2 601 911	2 475 787	2 068 298	-407 489	-405 022
Interest received	17 065	16 757	17 292	16 431	15 465	-966	-1 600
Dividends received	15 417	15 224	11 469	17 696	21 288	3 592	5 871
Royalties, franchise fees, copyright, trade names and patent rights received	1 494	1 603	2 122	1 989	3 519	1 530	2 025
Rental/leasing of land, buildings and other structures received	4 684	4 358	3 493	4 621	3 117	-1 504	-1 567
Hiring/leasing of plant, machinery, vehicles and other equipment received	2 701	3 070	3 356	3 217	2 149	-1 068	-552
Profit on assets/investment sold or revalued	32 063	20 380	31 259	47 122	90 845	43 723	58 782
Other income	47 021	50 073	50 954	53 662	47 455	-6 207	434
Total income (A)	2 593 765	2 634 836	2 721 856	2 620 525	2 252 136	-368 389	-341 629
Inventories							
Opening value of raw materials	223 227	221 033	239 460	230 339	240 014	9 675	16 787
Opening value of work in progress	115 425	117 843	114 881	112 379	111 146	-1 233	-4 279
Opening value of finished goods	573 047	586 195	595 359	590 405	624 681	34 276	51 634
Total opening values (B)	911 699	925 071	949 700	933 123	975 841	42 718	64 142
Closing value of raw materials	225 122	227 844	234 125	239 954	245 811	5 857	20 689
Closing value of work in progress	119 081	115 440	114 266	111 547	116 521	4 974	-2 560
Closing value of finished goods	586 993	601 871	578 870	620 644	645 796	25 152	58 803
Total closing values (C)	931 196	945 155	927 261	972 145	1 008 128	35 983	76 932

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ²	June 2020 ³		
Expenditure items						R million	R million
Purchases	1 463 157	1 524 682	1 558 658	1 534 731	1 259 721	-275 010	-203 436
Employment costs ⁴	366 359	362 408	379 502	367 783	329 093	-38 690	-37 266
Interest paid	65 580	64 270	64 896	64 762	63 852	-910	-1 728
Royalties, franchise fees, copyright, trade names and patent rights paid	11 061	12 221	13 627	12 751	9 350	-3 401	-1 711
Rental/leasing of land, buildings and other structures paid	64 569	69 538	63 651	61 455	56 817	-4 638	-7 752
Hiring/leasing of plant, machinery, vehicles and other equipment paid	16 640	15 042	12 821	12 729	10 786	-1 943	-5 854
Depreciation	65 428	67 105	75 855	77 698	75 495	-2 203	10 067
Losses on assets/investments sold or revalued	35 327	33 382	41 922	76 284	97 714	21 430	62 387
Other expenditure	371 828	349 742	367 313	367 200	336 149	-31 051	-35 679
Total expenditure (D)	2 459 949	2 498 390	2 578 245	2 575 393	2 238 977	-336 416	-220 972
Net profit or loss before taxation (E) ⁵	153 313	156 530	121 172	84 154	45 446	-38 708	-107 867
Company tax	32 772	29 106	31 772	32 333	26 289	-6 044	-6 483
Dividends payable	32 461	41 004	25 334	40 689	20 118	-20 571	-12 343
Carrying value of property, plant and equipment as at the end of quarter	3 138 518	3 162 031	3 178 460	3 546 797	3 580 674	33 877	442 156
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	11 642	11 474	17 920	13 911	8 500	-5 411	-3 142
Plant, machinery, furniture, fittings and other equipment	57 106	60 025	66 550	57 294	46 825	-10 469	-10 281
Vehicles and transport equipment	11 142	11 198	9 807	9 035	7 106	-1 929	-4 036
Total capital expenditure	79 890	82 697	94 277	80 240	62 431	-17 809	-17 459

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received	186 584	183 514	206 189	216 672	155 451	-61 221	-31 133
Interest received	3 350	3 235	4 051	3 052	3 063	11	-287
Dividends received	323	4 948	666	3 461	1 027	-2 434	704
Royalties, franchise fees, copyright, trade names and patent rights received	320	296	95	106	234	128	-86
Rental/leasing of land, buildings and other structures received	112	50	65	42	41	-1	-71
Hiring/leasing of plant, machinery, vehicles and other equipment received	189	213	169	159	139	-20	-50
Profit on assets/investment sold or revalued	7 524	3 537	7 444	10 708	6 505	-4 203	-1 019
Other income	2 833	4 410	4 892	7 002	7 825	823	4 992
Total income (A)	201 235	200 203	223 571	241 202	174 285	-66 917	-26 950
Inventories							
Opening value of raw materials	23 048	22 097	22 859	22 502	21 860	-642	-1 188
Opening value of work in progress	41 492	41 774	45 715	46 676	49 951	3 275	8 459
Opening value of finished goods	28 204	28 140	32 173	32 752	39 960	7 208	11 756
Total opening values (B)	92 744	92 011	100 747	101 930	111 771	9 841	19 027
Closing value of raw materials	22 408	22 874	22 564	21 860	22 287	427	-121
Closing value of work in progress	41 785	45 356	47 019	49 951	55 259	5 308	13 474
Closing value of finished goods	28 140	30 621	33 566	39 960	39 549	-411	11 409
Total closing values (C)	92 333	98 851	103 149	111 771	117 095	5 324	24 762

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	72 236	80 028	83 949	94 432	62 115	-32 317	-10 121
Employment costs ³	36 185	36 813	38 893	37 569	31 528	-6 041	-4 657
Interest paid	5 958	5 318	5 477	5 541	6 664	1 123	706
Royalties, franchise fees, copyright, trade names and patent rights paid	1 982	2 434	2 515	2 700	1 225	-1 475	-757
Rental/leasing of land, buildings and other structures paid	5 586	6 740	5 169	4 899	4 586	-313	-1 000
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 624	1 605	1 334	1 281	1 102	-179	-522
Depreciation	11 367	11 230	12 536	10 735	9 239	-1 496	-2 128
Losses on assets/investments sold or revalued	8 834	13 817	15 320	19 760	6 479	-13 281	-2 355
Other expenditure	35 467	31 106	40 480	39 386	37 396	-1 990	1 929
Total expenditure (D)	179 239	189 091	205 673	216 303	160 334	-55 969	-18 905
Net profit or loss before taxation (E) ⁴	21 585	17 952	20 300	34 740	19 275	-15 465	-2 310
Company tax	7 747	4 659	6 463	8 208	5 433	-2 775	-2 314
Dividends payable	5 097	15 759	2 093	13 334	3 187	-10 147	-1 910
Carrying value of property, plant and equipment as at the end of quarter	481 587	481 978	515 927	498 830	502 316	3 486	20 729
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 064	3 001	5 709	2 562	1 480	-1 082	-584
Plant, machinery, furniture, fittings and other equipment	15 181	13 924	15 697	12 692	11 396	-1 296	-3 785
Vehicles and transport equipment	877	632	820	784	919	135	42
Total capital expenditure	18 122	17 557	22 226	16 038	13 795	-2 243	-4 327

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received	711 909	738 521	727 582	690 831	554 391	-136 440	-157 518
Interest received	4 115	4 557	4 240	4 007	4 681	674	566
Dividends received	1 755	1 644	2 486	1 865	722	-1 143	-1 033
Royalties, franchise fees, copyright, trade names and patent rights received	179	207	129	113	219	106	40
Rental/leasing of land, buildings and other structures received	1 083	1 205	411	841	562	-279	-521
Hiring/leasing of plant, machinery, vehicles and other equipment received	398	381	461	396	328	-68	-70
Profit on assets/investment sold or revalued	5 329	5 787	6 255	12 795	8 369	-4 426	3 040
Other income	9 083	10 404	9 681	14 165	9 442	-4 723	359
Total income (A)	733 851	762 706	751 245	725 013	578 714	-146 299	-155 137
Inventories							
Opening value of raw materials	139 560	137 267	148 670	139 445	150 823	11 378	11 263
Opening value of work in progress	51 571	50 838	44 835	41 020	36 275	-4 745	-15 296
Opening value of finished goods	192 493	208 420	199 667	196 207	211 750	15 543	19 257
Total opening values (B)	383 624	396 525	393 172	376 672	398 848	22 176	15 224
Closing value of raw materials	138 095	139 036	144 693	150 747	154 843	4 096	16 748
Closing value of work in progress	55 697	45 297	41 619	36 398	37 036	638	-18 661
Closing value of finished goods	207 678	216 677	188 119	206 527	220 581	14 054	12 903
Total closing values (C)	401 470	401 010	374 431	393 672	412 460	18 788	10 990

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	484 943	505 314	471 505	489 421	378 912	-110 509	-106 031
Employment costs ³	83 145	84 272	90 283	86 023	74 771	-11 252	-8 374
Interest paid	11 212	11 305	10 760	10 744	9 858	-886	-1 354
Royalties, franchise fees, copyright, trade names and patent rights paid	3 594	4 405	4 047	3 514	2 374	-1 140	-1 220
Rental/leasing of land, buildings and other structures paid	13 114	12 327	13 231	13 234	11 963	-1 271	-1 151
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 913	1 911	1 558	1 503	1 541	38	-372
Depreciation	16 975	18 071	19 860	20 787	20 836	49	3 861
Losses on assets/investments sold or revalued	5 409	5 010	11 781	10 407	10 503	96	5 094
Other expenditure	99 424	93 592	85 974	93 144	77 910	-15 234	-21 514
Total expenditure (D)	719 729	736 207	708 999	728 777	588 668	-140 109	-131 061
Net profit or loss before taxation (E) ⁴	31 968	30 984	23 505	13 236	3 658	-9 578	-28 310
Company tax	7 016	7 413	6 989	6 700	5 177	-1 523	-1 839
Dividends payable	5 419	5 669	2 200	7 463	2 800	-4 663	-2 619
Carrying value of property, plant and equipment as at the end of quarter	491 393	495 019	494 041	508 214	510 690	2 476	19 297
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 466	2 991	5 408	3 661	1 937	-1 724	-529
Plant, machinery, furniture, fittings and other equipment	13 965	14 057	16 887	11 678	10 278	-1 400	-3 687
Vehicles and transport equipment	2 276	2 305	1 198	1 260	1 088	-172	-1 188
Total capital expenditure	18 707	19 353	23 493	16 599	13 303	-3 296	-5 404

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received	65 788	81 531	68 103	64 665	65 384	719	-404
Interest received	960	926	1 150	957	895	-62	-65
Dividends received	0	39	150	176	0	-176	0
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	9	9	15	18	17	-1	8
Hiring/leasing of plant, machinery, vehicles and other equipment received	60	58	62	49	49	0	-11
Profit on assets/investment sold or revalued	2 038	867	425	1 055	1 245	190	-793
Other income	843	317	555	657	538	-119	-305
Total income (A)	69 698	83 747	70 460	67 577	68 128	551	-1 570
Inventories							
Opening value of raw materials	26 978	30 449	33 365	32 916	34 214	1 298	7 236
Opening value of work in progress	2	0	13	13	14	1	12
Opening value of finished goods	402	398	275	292	221	-71	-181
Total opening values (B)	27 382	30 847	33 653	33 221	34 449	1 228	7 067
Closing value of raw materials	30 431	33 395	32 900	34 214	36 779	2 565	6 348
Closing value of work in progress	0	13	13	14	10	-4	10
Closing value of finished goods	396	436	292	221	241	20	-155
Total closing values (C)	30 827	33 844	33 205	34 449	37 030	2 581	6 203

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	34 173	34 659	38 945	37 160	32 170	-4 990	-2 003
Employment costs ³	8 644	8 387	8 790	8 366	8 589	223	-55
Interest paid	10 397	11 349	10 927	11 476	10 999	-477	602
Royalties, franchise fees, copyright, trade names and patent rights paid	0	0	1	1	1	0	1
Rental/leasing of land, buildings and other structures paid	86	97	87	73	60	-13	-26
Hiring/leasing of plant, machinery, vehicles and other equipment paid	292	245	48	94	118	24	-174
Depreciation	8 077	8 457	8 677	8 931	8 462	-469	385
Losses on assets/investments sold or revalued	785	3 172	1 203	6 232	1 225	-5 007	440
Other expenditure	12 122	10 933	6 875	6 991	12 209	5 218	87
Total expenditure (D)	74 576	77 299	75 553	79 324	73 833	-5 491	-743
Net profit or loss before taxation (E) ⁴	-1 433	9 445	-5 541	-10 519	-3 124	7 395	-1 691
Company tax	602	490	748	619	599	-20	-3
Dividends payable	1 030	1 282	622	1 332	1 521	189	491
Carrying value of property, plant and equipment as at the end of quarter	766 512	776 318	766 401	766 020	767 860	1 840	1 348
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 059	511	905	1 125	849	-276	-210
Plant, machinery, furniture, fittings and other equipment	9 278	10 384	9 851	7 520	8 064	544	-1 214
Vehicles and transport equipment	7	135	7	46	2	-44	-5
Total capital expenditure	10 344	11 030	10 763	8 691	8 915	224	-1 429

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received	87 153	90 862	90 711	80 976	56 060	-24 916	-31 093
Interest received	597	611	645	725	560	-165	-37
Dividends received	200	72	226	771	593	-178	393
Royalties, franchise fees, copyright, trade names and patent rights received	0	0	17	0	73	73	73
Rental/leasing of land, buildings and other structures received	259	255	294	302	265	-37	6
Hiring/leasing of plant, machinery, vehicles and other equipment received	102	92	101	97	78	-19	-24
Profit on assets/investment sold or revalued	629	1 079	935	2 111	944	-1 167	315
Other income	2 104	1 249	1 303	1 289	1 399	110	-705
Total income (A)	91 044	94 220	94 232	86 271	59 972	-26 299	-31 072
Inventories							
Opening value of raw materials	7 307	4 883	5 109	5 058	4 874	-184	-2 433
Opening value of work in progress	10 010	12 702	12 256	13 212	13 491	279	3 481
Opening value of finished goods	6 280	4 605	4 577	6 189	5 097	-1 092	-1 183
Total opening values (B)	23 597	22 190	21 942	24 459	23 462	-997	-135
Closing value of raw materials	7 124	5 051	5 067	4 916	4 939	23	-2 185
Closing value of work in progress	8 958	12 317	13 212	13 776	12 987	-789	4 029
Closing value of finished goods	6 321	4 354	6 189	5 673	5 472	-201	-849
Total closing values (C)	22 403	21 722	24 468	24 365	23 398	-967	995

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	48 642	53 997	47 916	39 826	26 114	-13 712	-22 528
Employment costs ³	18 219	18 412	23 520	23 019	16 175	-6 844	-2 044
Interest paid	1 178	1 151	1 347	1 568	1 267	-301	89
Royalties, franchise fees, copyright, trade names and patent rights paid	445	242	560	360	359	-1	-86
Rental/leasing of land, buildings and other structures paid	1 294	1 343	1 608	1 568	1 311	-257	17
Hiring/leasing of plant, machinery, vehicles and other equipment paid	4 799	3 694	3 373	3 383	2 189	-1 194	-2 610
Depreciation	1 589	1 475	1 540	1 566	1 608	42	19
Losses on assets/investments sold or revalued	484	370	384	819	304	-515	-180
Other expenditure	10 779	10 456	15 601	13 101	9 421	-3 680	-1 358
Total expenditure (D)	87 429	91 140	95 849	85 210	58 748	-26 462	-28 681
Net profit or loss before taxation (E) ⁴	2 421	2 612	909	967	1 160	193	-1 261
Company tax	630	588	711	542	554	12	-76
Dividends payable	151	186	119	1 023	85	-938	-66
Carrying value of property, plant and equipment as at the end of quarter	30 424	31 735	29 651	27 747	27 185	-562	-3 239
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	140	71	149	225	48	-177	-92
Plant, machinery, furniture, fittings and other equipment	780	995	858	849	913	64	133
Vehicles and transport equipment	55	499	55	47	44	-3	-11
Total capital expenditure	975	1 565	1 062	1 121	1 005	-116	30

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received	819 412	843 842	924 703	854 450	710 849	-143 601	-108 563
Interest received	4 697	4 410	4 345	4 612	3 947	-665	-750
Dividends received	1 211	672	893	816	564	-252	-647
Royalties, franchise fees, copyright, trade names and patent rights received	215	232	881	858	2 412	1 554	2 197
Rental/leasing of land, buildings and other structures received	1 364	873	778	1 537	492	-1 045	-872
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 532	1 896	2 092	1 952	1 075	-877	-457
Profit on assets/investment sold or revalued	3 896	3 359	3 062	6 681	3 711	-2 970	-185
Other income	8 152	8 920	9 364	9 213	8 947	-266	795
Total income (A)	840 479	864 204	946 118	880 119	731 997	-148 122	-108 482
Inventories							
Opening value of raw materials	17 450	18 028	21 601	22 832	20 939	-1 893	3 489
Opening value of work in progress	7 324	7 402	7 484	6 485	6 477	-8	-847
Opening value of finished goods	319 694	317 796	332 029	329 277	340 696	11 419	21 002
Total opening values (B)	344 468	343 226	361 114	358 594	368 112	9 518	23 644
Closing value of raw materials	17 922	19 078	21 293	20 939	18 654	-2 285	732
Closing value of work in progress	7 399	7 647	7 435	6 477	6 431	-46	-968
Closing value of finished goods	316 208	322 124	326 547	341 325	352 390	11 065	36 182
Total closing values (C)	341 529	348 849	355 275	368 741	377 475	8 734	35 946

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between June 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	623 500	660 008	720 052	685 496	583 235	-102 261	-40 265
Employment costs ³	65 907	64 341	68 479	67 885	58 726	-9 159	-7 181
Interest paid	7 540	7 814	8 649	9 397	8 110	-1 287	570
Royalties, franchise fees, copyright, trade names and patent rights paid	2 709	2 410	3 692	3 524	2 889	-635	180
Rental/leasing of land, buildings and other structures paid	18 227	18 268	19 044	17 878	15 367	-2 511	-2 860
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 132	1 096	960	1 008	893	-115	-239
Depreciation	6 280	6 393	7 708	9 259	9 095	-164	2 815
Losses on assets/investments sold or revalued	4 890	4 283	4 968	7 937	6 885	-1 052	1 995
Other expenditure	73 412	69 863	73 958	74 292	64 789	-9 503	-8 623
Total expenditure (D)	803 597	834 476	907 510	876 676	749 989	-126 687	-53 608
Net profit or loss before taxation (E) ⁴	33 943	35 351	32 769	13 590	-8 629	-22 219	-42 572
Company tax	4 913	4 825	6 056	5 071	3 778	-1 293	-1 135
Dividends payable	4 105	2 903	1 985	6 911	503	-6 408	-3 602
Carrying value of property, plant and equipment as at the end of quarter	255 016	266 288	237 919	263 638	258 219	-5 419	3 203
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 833	1 023	1 301	3 498	1 608	-1 890	-225
Plant, machinery, furniture, fittings and other equipment	5 096	4 989	6 354	6 860	4 215	-2 645	-881
Vehicles and transport equipment	2 588	2 941	3 514	3 399	2 084	-1 315	-504
Total capital expenditure	9 517	8 953	11 169	13 757	7 907	-5 850	-1 610

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received	234 622	236 372	228 721	216 002	190 231	-25 771	-44 391
Interest received	2 274	2 147	1 930	2 009	1 545	-464	-729
Dividends received	258	337	286	651	1 004	353	746
Royalties, franchise fees, copyright, trade names and patent rights received	4	14	14	17	10	-7	6
Rental/leasing of land, buildings and other structures received	1 329	1 435	1 448	1 335	1 342	7	13
Hiring/leasing of plant, machinery, vehicles and other equipment received	271	257	244	307	210	-97	-61
Profit on assets/investment sold or revalued	1 800	1 413	1 983	3 026	1 664	-1 362	-136
Other income	5 429	5 649	6 070	6 401	5 831	-570	402
Total income (A)	245 987	247 624	240 696	229 748	201 837	-27 911	-44 150
Inventories							
Opening value of raw materials	4 357	3 701	3 671	3 869	3 583	-286	-774
Opening value of work in progress	1 084	1 215	850	618	870	252	-214
Opening value of finished goods	7 828	8 884	8 982	8 948	8 924	-24	1 096
Total opening values (B)	13 269	13 800	13 503	13 435	13 377	-58	108
Closing value of raw materials	4 333	3 581	3 864	3 565	4 251	686	-82
Closing value of work in progress	1 299	852	618	870	776	-94	-523
Closing value of finished goods	9 609	8 402	7 842	8 923	9 243	320	-366
Total closing values (C)	15 241	12 835	12 324	13 358	14 270	912	-971

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	111 804	112 029	104 030	97 065	91 020	-6 045	-20 784
Employment costs ³	39 325	38 361	38 096	37 965	34 704	-3 261	-4 621
Interest paid	8 765	8 908	8 755	8 948	8 314	-634	-451
Royalties, franchise fees, copyright, trade names and patent rights paid	231	575	626	538	433	-105	202
Rental/leasing of land, buildings and other structures paid	6 548	6 648	6 676	5 612	6 127	515	-421
Hiring/leasing of plant, machinery, vehicles and other equipment paid	3 872	3 824	2 739	2 597	2 380	-217	-1 492
Depreciation	13 282	14 603	15 641	16 218	16 635	417	3 353
Losses on assets/investments sold or revalued	8 026	1 897	2 365	4 618	1 932	-2 686	-6 094
Other expenditure	54 761	48 798	47 013	44 991	48 235	3 244	-6 526
Total expenditure (D)	246 614	235 643	225 941	218 552	209 780	-8 772	-36 834
Net profit or loss before taxation (E) ⁴	1 345	11 016	13 576	11 119	-7 050	-18 169	-8 395
Company tax	3 428	3 336	3 284	3 024	2 766	-258	-662
Dividends payable	646	1 036	2 570	1 698	1 452	-246	806
Carrying value of property, plant and equipment as at the end of quarter	657 854	656 456	661 946	654 716	647 663	-7 053	-10 191
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	796	828	1 259	807	695	-112	-101
Plant, machinery, furniture, fittings and other equipment	9 121	11 419	11 946	13 752	7 542	-6 210	-1 579
Vehicles and transport equipment	3 876	3 318	3 144	1 780	1 553	-227	-2 323
Total capital expenditure	13 793	15 565	16 349	16 339	9 790	-6 549	-4 003

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received ³	300 094	281 935	291 313	288 977	286 428	-2 549	-13 666
Interest received	0	0	0	0	0	0	0
Dividends received	11 503	7 409	6 581	9 782	17 283	7 501	5 780
Royalties, franchise fees, copyright, trade names and patent rights received	522	605	727	625	361	-264	-161
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	9 175	4 161	10 945	10 575	68 257	57 682	59 082
Other income	16 673	16 917	16 139	11 904	11 823	-81	-4 850
Total income (A)	337 967	311 027	325 705	321 863	384 152	62 289	46 185
Inventories							
Opening value of raw materials	3 771	3 832	3 214	2 751	2 730	-21	-1 041
Opening value of work in progress	3 901	3 883	3 715	4 340	4 050	-290	149
Opening value of finished goods	17 158	16 978	16 631	15 628	16 801	1 173	-357
Total opening values (B)	24 830	24 693	23 560	22 719	23 581	862	-1 249
Closing value of raw materials	4 037	4 001	2 771	2 722	2 984	262	-1 053
Closing value of work in progress	3 903	3 932	4 335	4 043	4 003	-40	100
Closing value of finished goods	17 606	18 355	15 271	16 792	16 415	-377	-1 191
Total closing values (C)	25 546	26 288	22 377	23 557	23 402	-155	-2 144

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	69 458	60 752	77 031	76 411	73 452	-2 959	3 994
Employment costs ³	94 952	91 978	89 764	85 918	84 899	-1 019	-10 053
Interest paid	19 079	17 203	16 631	15 674	17 151	1 477	-1 928
Royalties, franchise fees, copyright, trade names and patent rights paid	1 820	1 878	1 932	1 948	1 796	-152	-24
Rental/leasing of land, buildings and other structures paid	17 131	21 470	15 278	15 809	15 377	-432	-1 754
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 712	1 536	1 554	1 712	1 704	-8	-8
Depreciation	5 941	4 979	7 335	6 934	7 079	145	1 138
Losses on assets/investments sold or revalued	6 255	4 189	5 073	25 371	69 487	44 116	63 232
Other expenditure	66 562	65 303	77 095	74 176	69 858	-4 318	3 296
Total expenditure (D)	282 910	269 288	291 693	303 953	340 803	36 850	57 893
Net profit or loss before taxation (E) ⁴	55 773	43 334	32 829	18 748	43 170	24 422	-12 603
Company tax	7 200	6 885	6 281	7 037	7 261	224	61
Dividends payable	15 747	13 978	15 535	7 805	9 666	1 861	-6 081
Carrying value of property, plant and equipment as at the end of quarter	384 546	383 484	395 767	750 252	787 900	37 648	403 354
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 782	2 176	2 146	1 546	1 556	10	-1 226
Plant, machinery, furniture, fittings and other equipment	2 675	2 807	3 641	2 798	3 393	595	718
Vehicles and transport equipment	1 301	1 207	921	1 560	1 279	-281	-22
Total capital expenditure	6 758	6 190	6 708	5 904	6 228	324	-530

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Income items						R million	R million
Turnover received	67 758	66 794	64 589	63 214	49 504	-13 710	-18 254
Interest received	1 072	871	931	1 069	774	-295	-298
Dividends received	167	103	181	174	95	-79	-72
Royalties, franchise fees, copyright, trade names and patent rights received	254	249	259	270	210	-60	-44
Rental/leasing of land, buildings and other structures received	528	531	482	546	398	-148	-130
Hiring/leasing of plant, machinery, vehicles and other equipment received	149	173	227	257	270	13	121
Profit on assets/investment sold or revalued	1 672	177	210	171	150	-21	-1 522
Other income	1 904	2 207	2 950	3 031	1 650	-1 381	-254
Total income (A)	73 504	71 105	69 829	68 732	53 051	-15 681	-20 453
Inventories							
Opening value of raw materials	756	776	971	966	991	25	235
Opening value of work in progress	41	29	13	15	18	3	-23
Opening value of finished goods	988	974	1 025	1 112	1 232	120	244
Total opening values (B)	1 785	1 779	2 009	2 093	2 241	148	456
Closing value of raw materials	772	828	973	991	1 074	83	302
Closing value of work in progress	40	26	15	18	19	1	-21
Closing value of finished goods	1 035	902	1 044	1 223	1 905	682	870
Total closing values (C)	1 847	1 756	2 032	2 232	2 998	766	1 151

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 2020 and March 2020	Year-on-year difference between June 2020 and June 2019
	R million						
	June 2019	September 2019	December 2019	March 2020 ¹	June 2020 ²		
Expenditure items						R million	R million
Purchases	18 401	17 895	15 230	14 920	12 703	-2 217	-5 698
Employment costs ³	19 982	19 844	21 677	21 038	19 701	-1 337	-281
Interest paid	1 451	1 222	2 350	1 414	1 489	75	38
Royalties, franchise fees, copyright, trade names and patent rights paid	280	277	254	166	273	107	-7
Rental/leasing of land, buildings and other structures paid	2 583	2 645	2 558	2 382	2 026	-356	-557
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 296	1 131	1 255	1 151	859	-292	-437
Depreciation	1 917	1 897	2 558	3 268	2 541	-727	624
Losses on assets/investments sold or revalued	644	644	828	1 140	899	-241	255
Other expenditure	19 301	19 691	20 317	21 119	16 331	-4 788	-2 970
Total expenditure (D)	65 855	65 246	67 027	66 598	56 822	-9 776	-9 033
Net profit or loss before taxation (E) ⁴	7 711	5 836	2 825	2 273	-3 014	-5 287	-10 725
Company tax	1 236	910	1 240	1 132	721	-411	-515
Dividends payable	266	191	210	1 123	904	-219	638
Carrying value of property, plant and equipment as at the end of quarter	71 186	70 753	76 808	77 380	78 841	1 461	7 655
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	502	873	1 043	487	327	-160	-175
Plant, machinery, furniture, fittings and other equipment	1 010	1 450	1 316	1 145	1 024	-121	14
Vehicles and transport equipment	162	161	148	159	137	-22	-25
Total capital expenditure	1 674	2 484	2 507	1 791	1 488	-303	-186

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 2020 and June 2020

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	March 2020 ¹	June 2020 ²	March 2020 ¹	June 2020 ²	March 2020 ¹	June 2020 ²	March 2020 ¹	June 2020 ²
Mining and quarrying	0,43	0,31	0,16	0,12	1,94	1,33	0,07	0,04
Manufacturing	1,36	1,09	0,02	0,01	1,75	1,34	0,03	0,01
Electricity, gas and water supply	0,08	0,09	-0,16	-0,05	1,88	1,77	-0,01	0,00
Construction	2,92	2,06	0,01	0,02	3,32	2,40	0,03	0,04
Trade	3,24	2,75	0,02	-0,01	2,32	1,88	0,05	-0,03
Transport, storage and communication	0,33	0,29	0,05	-0,04	16,17	13,33	0,02	-0,01
Real estate and other business services, excluding financial intermediation and insurance	0,39	0,36	0,06	0,15	12,27	12,24	0,02	0,05
Community, social and personal services, excluding government and educational institutions	0,82	0,63	0,04	-0,06	28,32	16,51	0,03	-0,04
All industries	0,70	0,58	0,03	0,02	2,55	2,05	0,02	0,01

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 2020 and June 2020 (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 2020 ¹	June 2020 ²	March 2020 ¹	June 2020 ²	March 2020 ¹	June 2020 ²	March 2020 ¹	June 2020 ²
Mining and quarrying	0,03	0,03	0,79	0,50	7,27	3,89	0,50	0,23
Manufacturing	0,03	0,03	1,23	0,90	2,23	1,37	1,14	-1,84
Electricity, gas and water supply	0,01	0,01	1,06	0,83	0,08	0,72	-0,12	-0,41
Construction	0,04	0,04	1,64	1,12	1,62	1,92	2,41	0,14
Trade	0,05	0,03	1,86	1,54	2,45	-0,06	0,81	-0,04
Transport, storage and communication	0,02	0,02	7,25	6,52	2,24	0,15	0,21	-0,15
Real estate and other business services, excluding financial intermediation and insurance	0,01	0,01	3,27	3,13	2,20	3,52	0,67	0,27
Community, social and personal services, excluding government and educational institutions	0,02	0,02	6,84	4,56	2,61	-1,02	0,98	-0,24
All industries	0,02	0,02	1,57	1,24	2,30	1,71	0,79	1,05

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 2020

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	214 040	216 672	219 304	0,6
Manufacturing	664 014	690 831	717 648	2,0
Electricity, gas and water supply	63 197	64 665	66 133	1,2
Construction	66 748	80 976	95 204	9,0
Trade	769 039	854 450	939 861	5,1
Transport, storage and communication	205 969	216 002	226 035	2,4
Real estate and other business services, excluding financial intermediation and insurance	252 546	288 977	325 408	6,4
Community, social and personal services, excluding government and educational institutions	58 390	63 214	68 038	3,9
All industries	2 357 636	2 475 787	2 593 938	2,4

Table B – Estimates of turnover by industry within 95% confidence limits: June 2020

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	153 068	155 451	157 834	0,8
Manufacturing	525 246	554 391	583 536	2,7
Electricity, gas and water supply	63 810	65 384	66 958	1,2
Construction	45 576	56 060	66 544	9,5
Trade	634 219	710 849	787 479	5,5
Transport, storage and communication	179 808	190 231	200 654	2,8
Real estate and other business services, excluding financial intermediation and insurance	253 923	286 428	318 933	5,8
Community, social and personal services, excluding government and educational institutions	44 226	49 504	54 782	5,4
All industries	1 968 585	2 068 298	2 168 011	2,5

Table C – Turnover by industry and percentage change

Industry	Turnover June 2019	Turnover March 2020	Turnover June 2020	Difference between June 2020 and March 2020	Difference between June 2020 and June 2019
	R million	R million	R million	%	%
Mining and quarrying	186 584	216 672	155 451	-28,3	-16,7
Manufacturing	711 909	690 831	554 391	-19,8	-22,1
Electricity, gas and water supply	65 788	64 665	65 384	1,1	-0,6
Construction	87 153	80 976	56 060	-30,8	-35,7
Trade	819 412	854 450	710 849	-16,8	-13,2
Transport, storage and communication	234 622	216 002	190 231	-11,9	-18,9
Real estate and other business services, excluding financial intermediation and insurance	300 094	288 977	286 428	-0,9	-4,6
Community, social and personal services, excluding government and educational institutions	67 758	63 214	49 504	-21,7	-26,9
All industries	2 473 320	2 475 787	2 068 298	-16,5	-16,4

Table D – Turnover by industry and percentage contribution¹

Industry	March 2020		June 2020	
	R million	% total turnover	R million	% total turnover
Mining and quarrying	216 672	8,8	155 451	7,5
Manufacturing	690 831	27,9	554 391	26,8
Electricity, gas and water supply	64 665	2,6	65 384	3,2
Construction	80 976	3,3	56 060	2,7
Trade	854 450	34,5	710 849	34,4
Transport, storage and communication	216 002	8,7	190 231	9,2
Real estate and other business services, excluding financial intermediation and insurance	288 977	11,7	286 428	13,8
Community, social and personal services, excluding government and educational institutions	63 214	2,6	49 504	2,4
All industries	2 475 787	100,0	2 068 298	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 2020	Inventories June 2020	Difference between June 2020 and March 2020
	R million	R million	%
Mining and quarrying	111 771	117 095	4,8
Manufacturing	393 672	412 460	4,8
Electricity, gas and water supply	34 449	37 030	7,5
Construction	24 365	23 398	-4,0
Trade	368 741	377 475	2,4
Transport, storage and communication	13 358	14 270	6,8
Real estate and other business services, excluding financial intermediation and insurance	23 557	23 402	-0,7
Community, social and personal services, excluding government and educational institutions	2 232	2 998	34,3
All industries	972 145	1 008 128	3,7

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure March 2020	Capital expenditure June 2020	Difference between June 2020 and March 2020
	R million	R million	%
Mining and quarrying	16 038	13 795	-14,0
Manufacturing	16 599	13 303	-19,9
Electricity, gas and water supply	8 691	8 915	2,6
Construction	1 121	1 005	-10,3
Trade	13 757	7 907	-42,5
Transport, storage and communication	16 339	9 790	-40,1
Real estate and other business services, excluding financial intermediation and insurance	5 904	6 228	5,5
Community, social and personal services, excluding government and educational institutions	1 791	1 488	-16,9
All industries	80 240	62 431	-22,2

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 2019 and March and June 2020 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 2020 and June 2020 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 2020 quarter was 73,1%. The improved collection rate for the March 2020 quarter was 74,7%.</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 4 766 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 2019 and implemented from the December 2019 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 2020 to 30 June 2020.

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	The figures in the tables have, where necessary, been rounded off to the nearest three digits shown.
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	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.

**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

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