

STATISTICAL RELEASE
P0044

Quarterly financial statistics
(QFS)

September 2018

Embargoed until:
13 December 2018
09:00

ENQUIRIES:

Krisseelan Govinden
+27 12 310 4651

FORTHCOMING ISSUE:

December 2018

EXPECTED RELEASE DATE

March 2019

www.statssa.gov.za
info@statssa.gov.za
T +27 12 310 8911

Private Bag X44, Pretoria, 0001, South Africa
ISibalo House, Koch Street, Salvokop, Pretoria, 0002

Contents

Key findings for the quarter ended September 2018	3
Figure 1 – Percentage contribution to total turnover by industry in the quarters ended June 2018 and September 2018.....	4
Figure 2 – Comparison of turnover by industry in the quarters ended June 2018 and September 2018.....	5
Figure 3 – Comparison of turnover by industry in the quarters ended September 2017 and September 2018.....	6
Figure 4 – Quarterly turnover of all industries covered by the quarterly financial statistics (QFS) survey from June 2009 to September 2018	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 June 2018 and September 2018.....	26
Technical notes	28
Table A – Estimates of turnover by industry within 95% confidence limits: June 2018.....	28
Table B – Estimates of turnover by industry within 95% confidence limits: September 2018	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 September 2018

The total turnover of quarterly financial statistics (QFS) industries¹ in the third quarter of 2018 was estimated at R2 428 855 million (R2,43 trillion), an increase of 3,2% compared with the second quarter of 2018 (R2 352 686 million or R2,35 trillion).

Between the second and third quarters of 2018, turnover increased in seven of the eight industries covered by the survey. The largest percentage increase in turnover was recorded in electricity, gas and water supply (+11,6%), followed by manufacturing (+6,0%), transport, storage and communication (+3,5%), trade (+2,3%), mining and quarrying (+1,1%), real estate and other business services (excluding financial intermediation and insurance) (+0,5%) and construction (+0,1%). A decrease was recorded for community, social and personal services (excluding government and educational institutions) (-2,3%).

Total closing inventories at the end of the third quarter of 2018 were estimated at R935 400 million, an increase of 3,0% compared with R908 453 million at the end of the second quarter of 2018. Increases were recorded in mining and quarrying (+11,2%), manufacturing (+3,9%) and trade (+1,0%). Decreases were recorded for transport, storage and communication (-2,6%), electricity, gas and water supply (-1,5%), construction (-1,1%), community, social and personal services (excluding government and educational institutions) (-1,0%) and real estate and other business services (excluding financial intermediation and insurance) (-0,3%).

Total capital expenditure on property, plant and equipment was estimated at R88 012 million in the third quarter of 2018, a decrease of 1,0% compared with R88 906 million in the second quarter of 2018. The largest percentage decrease was recorded in construction (-34,1%), followed by mining and quarrying (-8,2%), manufacturing (-5,0%) and transport, storage and communication (-1,0%). Increases were recorded for community, social and personal services (excluding government and educational institutions) (+33,5%), trade (+13,8%), real estate and other business services (excluding financial intermediation and insurance) (+6,2%) and electricity, gas and water supply (+0,1%).

Turnover was estimated at R2 428 855 million in the third quarter of 2018, an increase of 0,2% compared with R2 425 195 million in the third quarter of 2017. Four of the eight industries covered by the survey reflected an annual increase. The largest percentage increase in turnover was recorded in mining and quarrying (+8,1%), followed by manufacturing (+5,1%), electricity, gas and water supply (+1,4%) and transport, storage and communication (+1,3%). Decreases were recorded in construction (-18,5%), real estate and other business services (excluding financial intermediation and insurance) (-5,7%), community, social and personal services (excluding government and educational institutions) (-2,8%) and trade (-1,3%).

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

Risenga Maluleke
Statistician-General

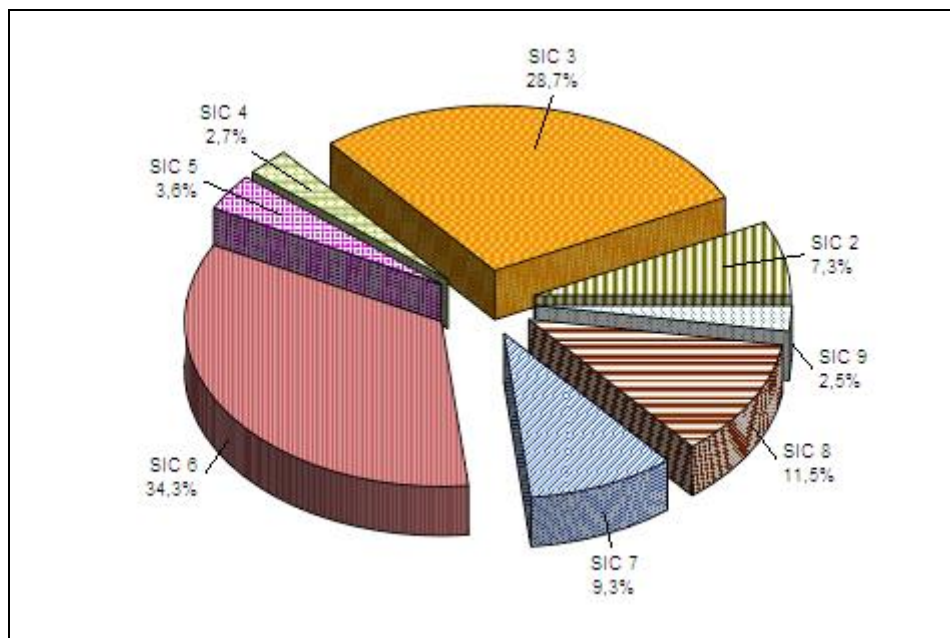
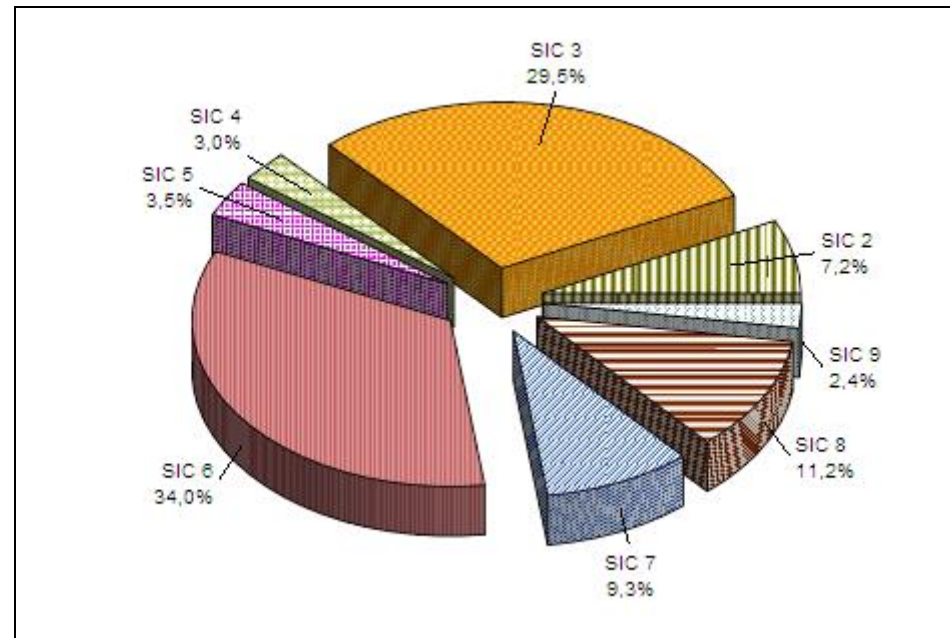
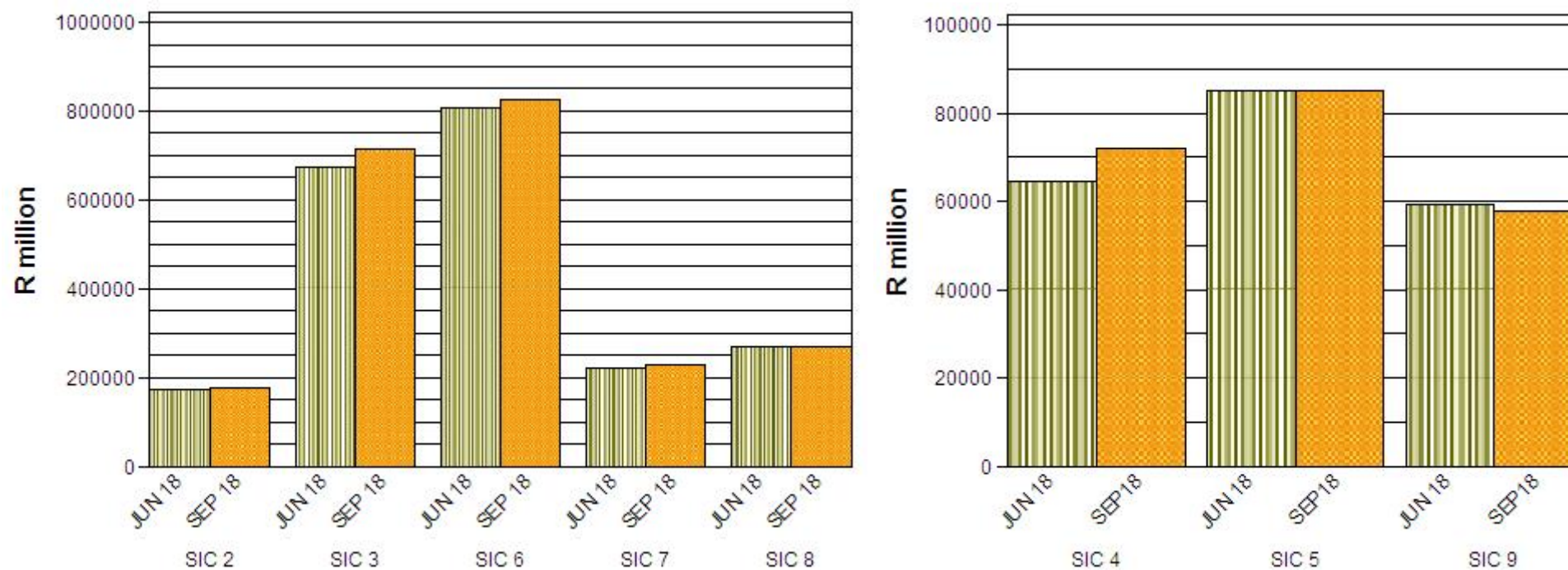
Figure 1 – Percentage contribution to total turnover by industry in the quarters ended June 2018 and September 2018¹**June 2018****September 2018****SIC 2 - Mining and quarrying industry****SIC 3 - Manufacturing industry****SIC 4 - Electricity, gas and water supply industry****SIC 5 - Construction industry****SIC 6 - Trade industry****SIC 7 - Transport, storage and communication industry****SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)****SIC 9 - Community, social and personal services industry (excluding government and educational institutions)**¹The aggregates of the SIC contributions may not add up to totals due to rounding-off.

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

SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 6 - Trade industry

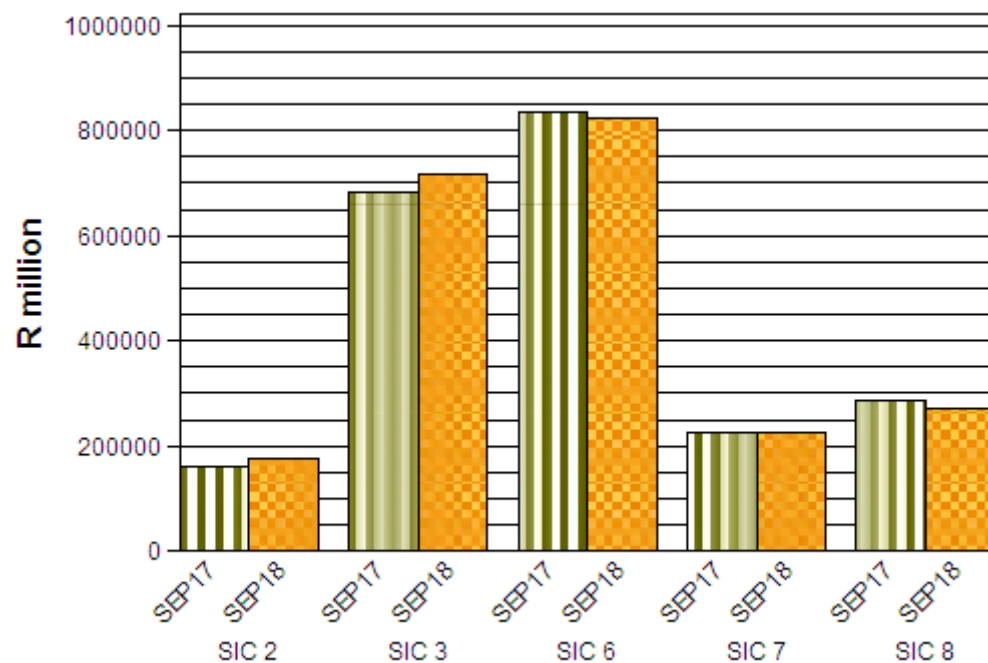
SIC 7 - Transport, storage and communication industry

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

SIC 4 - Electricity, gas and water supply industry

SIC 5 - Construction industry

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

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

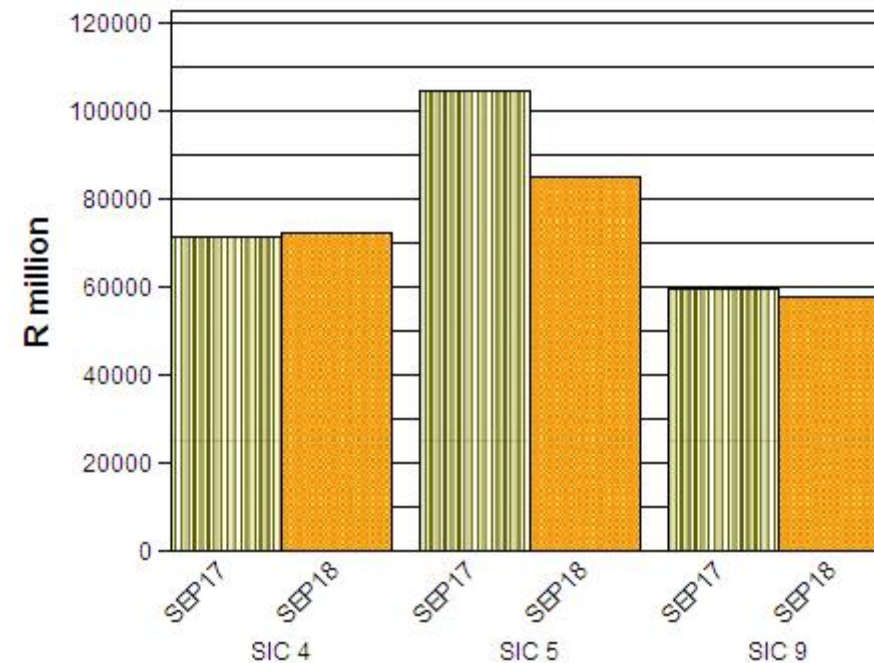
SIC 2 - Mining and quarrying industry

SIC 3 - Manufacturing industry

SIC 6 - Trade industry

SIC 7 - Transport, storage and communication industry

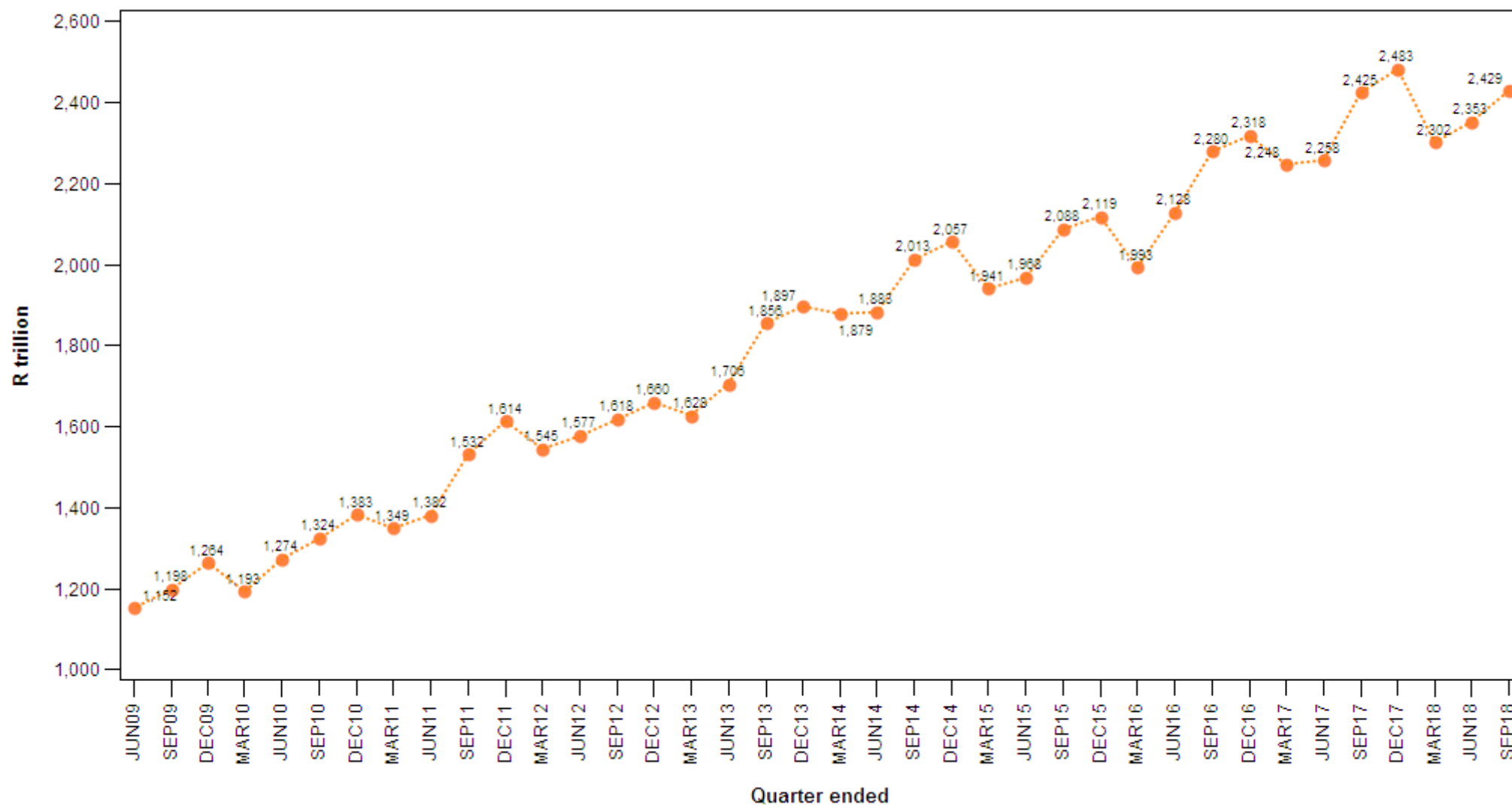
SIC 8 - Real estate and other business services industry (excluding financial intermediation and insurance)



SIC 4 - Electricity, gas and water supply industry

SIC 5 - Construction industry

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

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

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

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

Item	Quarter ended					Quarter-on-quarter difference between September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ²	June 2018 ²	September 2018 ³		
Income items						R million	R million
Turnover received	2 425 195	2 483 403	2 302 051	2 352 686	2 428 855	76 169	3 660
Interest received	14 294	14 527	14 527	15 538	17 509	1 971	3 215
Dividends received	11 758	48 117	15 725	12 190	9 386	-2 804	-2 372
Royalties, franchise fees, copyright, trade names and patent rights received	985	1 286	1 201	1 113	1 106	-7	121
Rental/leasing of land, buildings and other structures received	4 299	4 594	4 301	4 436	4 392	-44	93
Hiring/leasing of plant, machinery, vehicles and other equipment received	4 021	3 816	3 606	3 366	3 107	-259	-914
Profit on assets/investment sold or revalued	30 408	41 322	27 023	34 803	35 871	1 068	5 463
Other income	43 922	46 747	48 267	53 983	51 557	-2 426	7 635
Total income (A)	2 534 882	2 643 812	2 416 701	2 478 115	2 551 783	73 668	16 901
Inventories							
Opening value of raw materials	206 321	206 187	215 519	218 787	220 244	1 457	13 923
Opening value of work in progress	93 634	101 966	95 384	100 986	99 671	-1 315	6 037
Opening value of finished goods	583 824	584 304	566 657	552 024	582 149	30 125	-1 675
Total opening values (B)	883 779	892 457	877 560	871 797	902 064	30 267	18 285
Closing value of raw materials	206 610	216 328	223 083	221 041	226 843	5 802	20 233
Closing value of work in progress	99 350	94 889	99 560	100 673	117 225	16 552	17 875
Closing value of finished goods	591 960	596 220	560 147	586 739	591 332	4 593	-628
Total closing values (C)	897 920	907 437	882 790	908 453	935 400	26 947	37 480

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ²	June 2018 ²	September 2018 ³		
Expenditure items						R million	R million
Purchases	1 426 257	1 464 468	1 378 302	1 424 530	1 454 197	29 667	27 940
Employment costs ⁴	336 897	349 448	336 460	344 940	347 327	2 387	10 430
Interest paid	62 113	62 482	58 353	64 109	61 778	-2 331	-335
Royalties, franchise fees, copyright, trade names and patent rights paid	8 439	10 788	9 398	9 616	10 307	691	1 868
Rental/leasing of land, buildings and other structures paid	66 836	63 651	60 889	65 416	65 525	109	-1 311
Hiring/leasing for plant, machinery, vehicles and other equipment paid	14 246	14 182	13 608	13 878	13 701	-177	-545
Depreciation	59 007	61 109	60 451	64 219	61 193	-3 026	2 186
Losses on assets/investments sold or revalued	25 154	30 183	23 529	62 346	36 344	-26 002	11 190
Other expenditure	357 234	383 061	341 033	357 258	365 180	7 922	7 946
Total expenditure (D)	2 356 183	2 439 372	2 282 023	2 406 312	2 415 552	9 240	59 369
Net profit or loss before taxation (E) ⁵	192 840	219 420	139 908	108 459	169 567	61 108	-23 273
Company tax	33 590	38 108	30 143	31 513	32 324	811	-1 266
Dividends payable	34 395	26 526	46 482	33 155	38 793	5 638	4 398
Carrying value of property, plant and equipment as at the end of quarter	3 172 180	3 154 320	3 095 721	3 123 538	3 196 027	72 489	23 847
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	9 056	12 436	8 857	12 148	11 310	-838	2 254
Plant, machinery, furniture, fittings and other equipment	68 541	78 991	72 285	66 037	66 040	3	-2 501
Vehicles and transport equipment	10 652	11 558	10 705	10 721	10 662	-59	10
Total capital expenditure	88 249	102 985	91 847	88 906	88 012	-894	-237

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received	161 505	170 698	152 362	172 632	174 571	1 939	13 066
Interest received	1 999	2 185	1 862	2 523	2 443	-80	444
Dividends received	2 735	662	4 578	890	2 373	1 483	-362
Royalties, franchise fees, copyright, trade names and patent rights received	30	51	31	50	35	-15	5
Rental/leasing of land, buildings and other structures received	47	154	80	150	138	-12	91
Hiring/leasing of plant, machinery, vehicles and other equipment received	360	369	391	118	137	19	-223
Profit on assets/investment sold or revalued	3 120	7 807	2 080	4 768	2 626	-2 142	-494
Other income	791	6 465	4 296	1 533	1 726	193	935
Total income (A)	170 587	188 391	165 680	182 664	184 049	1 385	13 462
Inventories							
Opening value of raw materials	19 044	20 045	19 771	19 719	19 891	172	847
Opening value of work in progress	26 544	27 840	29 831	33 917	30 293	-3 624	3 749
Opening value of finished goods	33 177	32 359	28 926	28 782	31 852	3 070	-1 325
Total opening values (B)	78 765	80 244	78 528	82 418	82 036	-382	3 271
Closing value of raw materials	20 602	20 109	19 846	19 839	19 821	-18	-781
Closing value of work in progress	27 209	29 847	33 905	30 360	36 042	5 682	8 833
Closing value of finished goods	33 201	28 923	28 025	31 834	35 345	3 511	2 144
Total closing values (C)	81 012	78 879	81 776	82 033	91 208	9 175	10 196

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	63 265	68 121	67 909	69 451	73 322	3 871	10 057
Employment costs ³	34 342	34 584	33 064	33 882	34 935	1 053	593
Interest paid	4 264	4 547	3 706	4 786	3 974	-812	-290
Royalties, franchise fees, copyright, trade names and patent rights paid	1 678	1 725	1 752	1 829	1 986	157	308
Rental/leasing of land, buildings and other structures paid	5 644	4 731	3 978	4 617	5 326	709	-318
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 099	1 193	1 290	1 155	1 150	-5	51
Depreciation	12 425	13 933	11 667	15 305	11 719	-3 586	-706
Losses on assets/investments sold or revalued	7 218	4 897	3 662	26 855	12 991	-13 864	5 773
Other expenditure	31 216	42 882	24 671	30 879	29 206	-1 673	-2 010
Total expenditure (D)	161 151	176 613	151 699	188 759	174 609	-14 150	13 458
Net profit or loss before taxation (E) ⁴	11 683	10 413	17 229	-6 480	18 612	25 092	6 929
Company tax	5 010	4 635	4 177	6 077	4 077	-2 000	-933
Dividends payable	5 020	1 413	12 548	1 750	8 049	6 299	3 029
Carrying value of property, plant and equipment as at the end of quarter	487 763	494 883	478 008	465 939	469 588	3 649	-18 175
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 912	5 132	2 052	4 158	3 671	-487	1 759
Plant, machinery, furniture, fittings and other equipment	12 540	14 528	11 947	14 132	13 405	-727	865
Vehicles and transport equipment	273	493	285	731	393	-338	120
Total capital expenditure	14 725	20 153	14 284	19 021	17 469	-1 552	2 744

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received	681 049	715 232	656 032	675 343	716 043	40 700	34 994
Interest received	4 145	4 190	4 213	4 374	6 348	1 974	2 203
Dividends received	5 181	1 164	2 201	712	2 332	1 620	-2 849
Royalties, franchise fees, copyright, trade names and patent rights received	153	138	180	130	136	6	-17
Rental/leasing of land, buildings and other structures received	1 440	1 464	1 016	1 006	1 037	31	-403
Hiring/leasing of plant, machinery, vehicles and other equipment received	458	452	453	490	467	-23	9
Profit on assets/investment sold or revalued	9 729	12 508	10 667	11 966	16 450	4 484	6 721
Other income	8 309	7 300	7 746	13 543	14 145	602	5 836
Total income (A)	710 464	742 448	682 508	707 564	756 958	49 394	46 494
Inventories							
Opening value of raw materials	129 569	132 679	139 269	144 139	144 198	59	14 629
Opening value of work in progress	44 249	47 219	40 923	40 632	42 420	1 788	-1 829
Opening value of finished goods	191 976	196 090	196 597	185 861	203 163	17 302	11 187
Total opening values (B)	365 794	375 988	376 789	370 632	389 781	19 149	23 987
Closing value of raw materials	130 817	140 150	148 021	145 575	151 030	5 455	20 213
Closing value of work in progress	46 976	40 374	41 275	42 946	53 767	10 821	6 791
Closing value of finished goods	200 912	199 514	191 123	204 787	204 000	-787	3 088
Total closing values (C)	378 705	380 038	380 419	393 308	408 797	15 489	30 092

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	448 990	459 213	439 874	466 519	486 518	19 999	37 528
Employment costs ³	78 335	78 720	76 349	77 314	79 662	2 348	1 327
Interest paid	10 354	10 952	9 762	13 481	10 798	-2 683	444
Royalties, franchise fees, copyright, trade names and patent rights paid	3 230	5 431	3 207	3 434	3 663	229	433
Rental/leasing of land, buildings and other structures paid	13 307	12 608	11 653	12 028	13 352	1 324	45
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 602	2 800	1 690	2 276	2 218	-58	616
Depreciation	13 653	14 185	13 407	13 534	14 296	762	643
Losses on assets/investments sold or revalued	6 454	10 725	5 468	14 166	6 678	-7 488	224
Other expenditure	90 855	98 838	93 836	98 968	107 536	8 568	16 681
Total expenditure (D)	666 780	693 472	655 246	701 720	724 721	23 001	57 941
Net profit or loss before taxation (E) ⁴	56 595	53 026	30 892	28 520	51 253	22 733	-5 342
Company tax	9 660	12 442	7 807	8 055	9 812	1 757	152
Dividends payable	9 833	6 812	7 604	7 101	6 955	-146	-2 878
Carrying value of property, plant and equipment as at the end of quarter	456 387	467 446	450 476	480 527	486 279	5 752	29 892
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	1 456	1 688	1 485	1 858	2 069	211	613
Plant, machinery, furniture, fittings and other equipment	14 148	18 117	13 581	15 489	14 465	-1 024	317
Vehicles and transport equipment	1 272	1 723	1 080	1 072	962	-110	-310
Total capital expenditure	16 876	21 528	16 146	18 419	17 496	-923	620

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received	71 146	60 866	60 194	64 626	72 136	7 510	990
Interest received	831	588	735	821	1 004	183	173
Dividends received	0	77	223	47	115	68	115
Royalties, franchise fees, copyright, trade names and patent rights received	0	0	0	0	0	0	0
Rental/leasing of land, buildings and other structures received	6	6	11	7	8	1	2
Hiring/leasing of plant, machinery, vehicles and other equipment received	61	63	66	60	61	1	0
Profit on assets/investment sold or revalued	51	74	293	2 390	501	-1 889	450
Other income	361	234	778	885	1 237	352	876
Total income (A)	72 456	61 908	62 300	68 836	75 062	6 226	2 606
Inventories							
Opening value of raw materials	22 817	23 518	24 008	24 808	24 903	95	2 086
Opening value of work in progress	1	1	1	1	1	0	0
Opening value of finished goods	522	597	730	383	384	1	-138
Total opening values (B)	23 340	24 116	24 739	25 192	25 288	96	1 948
Closing value of raw materials	23 529	24 009	24 808	24 900	24 461	-439	932
Closing value of work in progress	1	1	1	1	1	0	0
Closing value of finished goods	546	730	671	383	440	57	-106
Total closing values (C)	24 076	24 740	25 480	25 284	24 902	-382	826

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	30 196	30 924	30 898	32 495	32 977	482	2 781
Employment costs ³	6 712	7 767	6 320	7 928	8 453	525	1 741
Interest paid	8 768	8 921	9 583	9 426	9 723	297	955
Royalties, franchise fees, copyright, trade names and patent rights paid	8	8	8	8	11	3	3
Rental/leasing of land, buildings and other structures paid	62	78	86	71	71	0	9
Hiring/leasing for plant, machinery, vehicles and other equipment paid	93	109	111	200	178	-22	85
Depreciation	6 997	7 396	7 549	7 874	8 006	132	1 009
Losses on assets/investments sold or revalued	182	1 695	845	1 313	1 754	441	1 572
Other expenditure	9 122	8 191	8 842	8 333	6 329	-2 004	-2 793
Total expenditure (D)	62 140	65 089	64 242	67 648	67 502	-146	5 362
Net profit or loss before taxation (E) ⁴	11 052	-2 557	-1 201	1 280	7 174	5 894	-3 878
Company tax	523	472	451	565	462	-103	-61
Dividends payable	1 849	849	2 745	809	1 186	377	-663
Carrying value of property, plant and equipment as at the end of quarter	701 318	712 207	723 102	723 639	728 931	5 292	27 613
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	986	857	789	797	617	-180	-369
Plant, machinery, furniture, fittings and other equipment	16 622	15 580	17 739	12 305	12 558	253	-4 064
Vehicles and transport equipment	87	115	199	99	33	-66	-54
Total capital expenditure	17 695	16 552	18 727	13 201	13 208	7	-4 487

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received	104 377	97 392	91 994	85 042	85 104	62	-19 273
Interest received	857	698	862	693	711	18	-146
Dividends received	110	144	90	290	260	-30	150
Royalties, franchise fees, copyright, trade names and patent rights received	1	1	1	14	0	-14	-1
Rental/leasing of land, buildings and other structures received	333	357	320	260	257	-3	-76
Hiring/leasing of plant, machinery, vehicles and other equipment received	596	566	510	556	541	-15	-55
Profit on assets/investment sold or revalued	931	1 010	1 956	1 039	818	-221	-113
Other income	693	853	1 233	1 261	1 262	1	569
Total income (A)	107 898	101 021	96 966	89 155	88 953	-202	-18 945
Inventories							
Opening value of raw materials	5 574	5 405	5 602	5 128	5 238	110	-336
Opening value of work in progress	6 024	8 111	6 932	8 959	9 589	630	3 565
Opening value of finished goods	4 573	5 880	5 100	4 984	4 474	-510	-99
Total opening values (B)	16 171	19 396	17 634	19 071	19 301	230	3 130
Closing value of raw materials	5 406	5 643	5 441	5 238	5 117	-121	-289
Closing value of work in progress	6 417	6 939	6 845	9 589	9 497	-92	3 080
Closing value of finished goods	4 441	6 621	4 548	4 474	4 473	-1	32
Total closing values (C)	16 264	19 203	16 834	19 301	19 087	-214	2 823

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	69 849	63 336	58 186	54 194	52 097	-2 097	-17 752
Employment costs ³	16 290	15 628	14 872	15 845	15 784	-61	-506
Interest paid	1 041	1 122	1 487	1 130	1 154	24	113
Royalties, franchise fees, copyright, trade names and patent rights paid	175	238	176	161	238	77	63
Rental/leasing of land, buildings and other structures paid	724	639	621	612	647	35	-77
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 469	1 761	2 005	1 957	2 052	95	-417
Depreciation	1 108	1 168	1 040	1 206	1 088	-118	-20
Losses on assets/investments sold or revalued	476	624	465	673	622	-51	146
Other expenditure	13 839	12 539	10 891	11 717	10 412	-1 305	-3 427
Total expenditure (D)	105 971	97 055	89 743	87 495	84 094	-3 401	-21 877
Net profit or loss before taxation (E) ⁴	2 020	3 773	6 423	1 890	4 645	2 755	2 625
Company tax	658	1 152	1 432	792	679	-113	21
Dividends payable	99	114	382	597	287	-310	188
Carrying value of property, plant and equipment as at the end of quarter	40 219	38 197	36 680	34 155	34 350	195	-5 869
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	65	88	106	308	139	-169	74
Plant, machinery, furniture, fittings and other equipment	1 004	785	821	1 094	782	-312	-222
Vehicles and transport equipment	101	263	200	48	34	-14	-67
Total capital expenditure	1 170	1 136	1 127	1 450	955	-495	-215

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received	836 387	874 131	796 449	806 906	825 351	18 445	-11 036
Interest received	3 959	4 073	4 105	4 130	4 198	68	239
Dividends received	692	439	699	544	367	-177	-325
Royalties, franchise fees, copyright, trade names and patent rights received	231	276	260	256	264	8	33
Rental/leasing of land, buildings and other structures received	741	765	961	1 074	1 080	6	339
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 978	1 833	1 836	1 753	1 540	-213	-438
Profit on assets/investment sold or revalued	4 418	5 190	4 408	5 516	5 074	-442	656
Other income	8 080	8 005	8 512	9 048	8 449	-599	369
Total income (A)	856 486	894 712	817 230	829 227	846 323	17 096	-10 163
Inventories							
Opening value of raw materials	18 804	16 754	17 488	16 703	17 819	1 116	-985
Opening value of work in progress	11 682	13 526	12 431	12 385	12 385	0	703
Opening value of finished goods	310 499	312 687	300 315	298 553	309 467	10 914	-1 032
Total opening values (B)	340 985	342 967	330 234	327 641	339 671	12 030	-1 314
Closing value of raw materials	16 649	17 656	16 616	17 508	19 045	1 537	2 396
Closing value of work in progress	13 532	12 703	12 391	12 417	12 387	-30	-1 145
Closing value of finished goods	310 156	324 513	302 196	311 470	313 316	1 846	3 160
Total closing values (C)	340 337	354 872	331 203	341 395	344 748	3 353	4 411

¹ Revised.² Preliminary.

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

Item	Quarter ended					Quarter-on-quarter difference between September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	643 257	675 538	615 489	632 934	634 711	1 777	-8 546
Employment costs ³	61 134	62 053	61 852	63 722	64 458	736	3 324
Interest paid	7 251	7 139	6 596	7 275	7 637	362	386
Royalties, franchise fees, copyright, trade names and patent rights paid	1 270	1 902	2 358	2 229	2 358	129	1 088
Rental/leasing of land, buildings and other structures paid	16 260	16 978	17 693	18 721	19 438	717	3 178
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 045	1 849	1 716	1 547	1 552	5	-493
Depreciation	5 217	5 172	5 586	6 002	6 162	160	945
Losses on assets/investments sold or revalued	4 378	5 246	4 802	6 889	5 453	-1 436	1 075
Other expenditure	67 690	75 911	65 466	65 718	70 648	4 930	2 958
Total expenditure (D)	808 502	851 788	781 558	805 037	812 417	7 380	3 915
Net profit or loss before taxation (E) ⁴	47 336	54 829	36 641	37 944	38 983	1 039	-8 353
Company tax	5 928	6 592	6 375	6 326	6 659	333	731
Dividends payable	1 354	3 345	3 525	2 844	2 856	12	1 502
Carrying value of property, plant and equipment as at the end of quarter	246 308	249 733	242 803	244 222	252 474	8 252	6 166
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	812	818	682	906	822	-84	10
Plant, machinery, furniture, fittings and other equipment	5 960	6 819	5 779	5 729	6 933	1 204	973
Vehicles and transport equipment	2 673	2 849	2 314	2 116	2 208	92	-465
Total capital expenditure	9 445	10 486	8 775	8 751	9 963	1 212	518

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received	223 972	220 120	215 156	219 283	226 883	7 600	2 911
Interest received	1 712	1 977	1 981	1 955	2 015	60	303
Dividends received	270	201	273	273	208	-65	-62
Royalties, franchise fees, copyright, trade names and patent rights received	30	7	6	6	6	0	-24
Rental/leasing of land, buildings and other structures received	1 281	1 267	1 363	1 367	1 324	-43	43
Hiring/leasing of plant, machinery, vehicles and other equipment received	439	429	265	300	283	-17	-156
Profit on assets/investment sold or revalued	6 526	2 492	1 612	2 443	1 752	-691	-4 774
Other income	4 475	5 002	6 520	5 916	6 128	212	1 653
Total income (A)	238 705	231 495	227 176	231 543	238 599	7 056	-106
Inventories							
Opening value of raw materials	4 929	4 209	5 300	4 454	4 362	-92	-567
Opening value of work in progress	1 452	1 598	1 368	1 114	1 218	104	-234
Opening value of finished goods	10 088	9 478	9 027	7 762	8 164	402	-1 924
Total opening values (B)	16 469	15 285	15 695	13 330	13 744	414	-2 725
Closing value of raw materials	4 036	4 960	4 454	4 142	3 433	-709	-603
Closing value of work in progress	1 597	1 283	1 114	1 218	1 318	100	-279
Closing value of finished goods	9 949	8 582	7 753	8 126	8 384	258	-1 565
Total closing values (C)	15 582	14 825	13 321	13 486	13 135	-351	-2 447

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	92 457	87 454	87 903	91 725	94 560	2 835	2 103
Employment costs ³	35 420	36 275	37 495	37 712	37 592	-120	2 172
Interest paid	8 182	7 998	8 207	8 126	8 399	273	217
Royalties, franchise fees, copyright, trade names and patent rights paid	91	67	45	63	39	-24	-52
Rental/leasing of land, buildings and other structures paid	5 400	5 334	5 059	4 987	4 794	-193	-606
Hiring/leasing for plant, machinery, vehicles and other equipment paid	3 184	3 330	3 321	3 474	3 432	-42	248
Depreciation	12 348	12 613	14 754	14 213	13 676	-537	1 328
Losses on assets/investments sold or revalued	2 579	2 407	1 856	2 842	2 124	-718	-455
Other expenditure	56 933	60 491	54 938	57 336	59 159	1 823	2 226
Total expenditure (D)	216 594	215 969	213 578	220 478	223 775	3 297	7 181
Net profit or loss before taxation (E) ⁴	21 224	15 066	11 224	11 221	14 215	2 994	-7 009
Company tax	3 719	3 563	3 213	2 808	3 402	594	-317
Dividends payable	6 930	368	5 240	2 457	5 924	3 467	-1 006
Carrying value of property, plant and equipment as at the end of quarter	578 069	610 260	618 226	628 760	638 673	9 913	60 604
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	596	687	962	621	751	130	155
Plant, machinery, furniture, fittings and other equipment	13 122	17 709	17 915	13 710	13 496	-214	374
Vehicles and transport equipment	3 214	3 936	4 427	4 615	4 517	-98	1 303
Total capital expenditure	16 932	22 332	23 304	18 946	18 764	-182	1 832

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received ³	287 223	287 422	271 812	269 618	270 882	1 264	-16 341
Interest received	0	0	0	0	0	0	0
Dividends received	2 617	45 328	7 475	9 372	2 998	-6 374	381
Royalties, franchise fees, copyright, trade names and patent rights received	426	628	515	454	461	7	35
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	4 983	11 839	5 845	6 429	8 374	1 945	3 391
Other income	10 609	10 201	10 590	12 906	10 739	-2 167	130
Total income (A)	305 858	355 418	296 237	298 779	293 454	-5 325	-12 404
Inventories							
Opening value of raw materials	4 436	2 437	2 465	2 396	2 407	11	-2 029
Opening value of work in progress	3 640	3 630	3 764	3 842	3 624	-218	-16
Opening value of finished goods	31 722	25 883	24 679	24 530	23 536	-994	-8 186
Total opening values (B)	39 798	31 950	30 908	30 768	29 567	-1 201	-10 231
Closing value of raw materials	4 438	2 490	2 396	2 413	2 519	106	-1 919
Closing value of work in progress	3 576	3 697	3 893	4 001	4 068	67	492
Closing value of finished goods	31 380	26 040	24 580	24 556	24 288	-268	-7 092
Total closing values (C)	39 394	32 227	30 869	30 970	30 875	-95	-8 519

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	65 807	66 758	63 954	62 320	65 722	3 402	-85
Employment costs ³	81 731	92 050	86 870	88 602	86 694	-1 908	4 963
Interest paid	20 928	20 362	17 814	18 684	18 852	168	-2 076
Royalties, franchise fees, copyright, trade names and patent rights paid	1 796	1 192	1 625	1 701	1 805	104	9
Rental/leasing of land, buildings and other structures paid	22 471	20 312	19 140	21 811	18 964	-2 847	-3 507
Hiring/leasing for plant, machinery, vehicles and other equipment paid	2 674	2 080	2 101	2 029	1 856	-173	-818
Depreciation	5 351	4 722	4 505	4 200	4 291	91	-1 060
Losses on assets/investments sold or revalued	3 539	4 306	5 923	9 301	6 297	-3 004	2 758
Other expenditure	65 835	62 089	63 332	63 460	60 537	-2 923	-5 298
Total expenditure (D)	270 132	273 871	265 264	272 108	265 018	-7 090	-5 114
Net profit or loss before taxation (E) ⁴	35 322	81 824	30 934	26 873	29 744	2 871	-5 578
Company tax	6 866	8 034	5 762	6 107	6 133	26	-733
Dividends payable	8 497	12 600	12 256	15 261	12 617	-2 644	4 120
Carrying value of property, plant and equipment as at the end of quarter	579 836	499 641	467 260	467 906	506 393	38 487	-73 443
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 539	2 432	2 301	2 843	2 638	-205	99
Plant, machinery, furniture, fittings and other equipment	3 628	3 620	3 317	2 668	2 861	193	-767
Vehicles and transport equipment	2 651	1 984	2 003	1 875	2 345	470	-306
Total capital expenditure	8 818	8 036	7 621	7 386	7 844	458	-974

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Income items						R million	R million
Turnover received	59 536	57 542	58 052	59 236	57 885	-1 351	-1 651
Interest received	791	816	769	1 042	790	-252	-1
Dividends received	153	102	186	62	733	671	580
Royalties, franchise fees, copyright, trade names and patent rights received	114	185	208	203	204	1	90
Rental/leasing of land, buildings and other structures received	451	581	550	572	548	-24	97
Hiring/leasing of plant, machinery, vehicles and other equipment received	129	104	85	89	78	-11	-51
Profit on assets/investment sold or revalued	650	402	162	252	276	24	-374
Other income	10 604	8 687	8 592	8 891	7 871	-1 020	-2 733
Total income (A)	72 428	68 419	68 604	70 347	68 385	-1 962	-4 043
Inventories							
Opening value of raw materials	1 148	1 140	1 616	1 440	1 426	-14	278
Opening value of work in progress	42	41	134	136	141	5	99
Opening value of finished goods	1 267	1 330	1 283	1 169	1 109	-60	-158
Total opening values (B)	2 457	2 511	3 033	2 745	2 676	-69	219
Closing value of raw materials	1 133	1 311	1 501	1 426	1 417	-9	284
Closing value of work in progress	42	45	136	141	145	4	103
Closing value of finished goods	1 375	1 297	1 251	1 109	1 086	-23	-289
Total closing values (C)	2 550	2 653	2 888	2 676	2 648	-28	98

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 September 2018 and June 2018	Year-on-year difference between September 2018 and September 2017
	R million						
	September 2017	December 2017	March 2018 ¹	June 2018 ¹	September 2018 ²		
Expenditure items						R million	R million
Purchases	12 436	13 124	14 089	14 892	14 290	-602	1 854
Employment costs ³	22 933	22 371	19 638	19 935	19 749	-186	-3 184
Interest paid	1 325	1 441	1 198	1 201	1 241	40	-84
Royalties, franchise fees, copyright, trade names and patent rights paid	191	225	227	191	207	16	16
Rental/leasing of land, buildings and other structures paid	2 968	2 971	2 659	2 569	2 933	364	-35
Hiring/leasing for plant, machinery, vehicles and other equipment paid	1 080	1 060	1 374	1 240	1 263	23	183
Depreciation	1 908	1 920	1 943	1 885	1 955	70	47
Losses on assets/investments sold or revalued	328	283	508	307	425	118	97
Other expenditure	21 744	22 120	19 057	20 847	21 353	506	-391
Total expenditure (D)	64 913	65 515	60 693	63 067	63 416	349	-1 497
Net profit or loss before taxation (E) ⁴	7 608	3 046	7 766	7 211	4 941	-2 270	-2 667
Company tax	1 226	1 218	926	783	1 100	317	-126
Dividends payable	813	1 025	2 182	2 336	919	-1 417	106
Carrying value of property, plant and equipment as at the end of quarter	82 280	81 953	79 166	78 390	79 339	949	-2 941
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	690	734	480	657	603	-54	-87
Plant, machinery, furniture, fittings and other equipment	1 517	1 833	1 186	910	1 540	630	23
Vehicles and transport equipment	381	195	197	165	170	5	-211
Total capital expenditure	2 588	2 762	1 863	1 732	2 313	581	-275

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 June 2018 and September 2018

Industry	Turnover / Fixed assets ³		Net profit before tax / Turnover ⁴		Turnover / Closing inventories ⁵		Net profit before tax / Fixed assets ⁶	
	June 2018 ¹	September 2018 ²	June 2018 ¹	September 2018 ²	June 2018 ¹	September 2018 ²	June 2018 ¹	September 2018 ²
Mining and quarrying	0,37	0,37	-0,04	0,11	2,10	1,91	-0,01	0,04
Manufacturing	1,41	1,47	0,04	0,07	1,72	1,75	0,06	0,11
Electricity, gas and water supply	0,09	0,10	0,02	0,10	2,56	2,90	0,00 ~	0,01
Construction	2,49	2,48	0,02	0,05	4,41	4,46	0,06	0,14
Trade	3,30	3,27	0,05	0,05	2,36	2,39	0,16	0,15
Transport, storage and communication	0,35	0,36	0,05	0,06	16,26	17,27	0,02	0,02
Real estate and other business services, excluding financial intermediation and insurance	0,58	0,53	0,10	0,11	8,71	8,77	0,06	0,06
Community, social and personal services, excluding government and educational institutions	0,76	0,73	0,12	0,09	22,14	21,86	0,09	0,06
All industries	0,75	0,76	0,05	0,07	2,59	2,60	0,03	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.

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

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

Industry	Total capital expenditure / Fixed assets ³		*Cost of Sales / Average inventories ⁴		Net profit before interest and income tax expenses / Interest expense ⁵		Cash dividends / Net income ⁶	
	June 2018 ¹	September 2018 ²	June 2018 ¹	September 2018 ²	June 2018 ¹	September 2018 ²	June 2018 ¹	September 2018 ²
Mining and quarrying	0,04	0,04	0,85	0,74	-0,35	5,68	-0,14	0,55
Manufacturing	0,04	0,04	1,16	1,17	3,12	5,75	0,35	0,17
Electricity, gas and water supply	0,02	0,02	1,28	1,33	1,14	1,74	1,13	0,18
Construction	0,04	0,03	2,81	2,73	2,67	5,03	0,54	0,07
Trade	0,04	0,04	1,85	1,84	6,22	6,10	0,09	0,09
Transport, storage and communication	0,03	0,03	6,83	7,08	2,38	2,69	0,29	0,55
Real estate and other business services, excluding financial intermediation and insurance	0,02	0,02	2,01	2,13	2,44	2,58	0,73	0,53
Community, social and personal services, excluding government and educational institutions	0,02	0,03	5,52	5,38	7,00	4,98	0,36	0,24
All industries	0,03	0,03	1,56	1,55	2,69	3,74	0,43	0,28

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: June 2018

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	170 376	172 632	174 888	0,7
Manufacturing	653 032	675 343	697 654	1,7
Electricity, gas and water supply	63 548	64 626	65 704	0,9
Construction	63 076	85 042	107 008	13,2
Trade	718 339	806 906	895 473	5,6
Transport, storage and communication	206 433	219 283	232 133	3,0
Real estate and other business services, excluding financial intermediation and insurance	232 939	269 618	306 297	6,9
Community, social and personal services, excluding government and educational institutions	54 728	59 236	63 744	3,9
All industries	2 242 001	2 352 686	2 463 371	2,4

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

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	172 192	174 571	176 950	0,7
Manufacturing	693 227	716 043	738 859	1,6
Electricity, gas and water supply	71 091	72 136	73 181	0,7
Construction	63 219	85 104	106 989	13,1
Trade	733 143	825 351	917 559	5,7
Transport, storage and communication	213 332	226 883	240 434	3,0
Real estate and other business services, excluding financial intermediation and insurance	234 046	270 882	307 718	6,9
Community, social and personal services, excluding government and educational institutions	53 355	57 885	62 415	4,0
All industries	2 312 072	2 428 855	2 545 638	2,4

Table C – Turnover by industry and percentage change

Industry	Turnover September 2017	Turnover June 2018	Turnover September 2018	Difference between September 2018 and June 2018	Difference between September 2018 and September 2017
	R million	R million	R million	%	%
Mining and quarrying	161 505	172 632	174 571	1,1	8,1
Manufacturing	681 049	675 343	716 043	6,0	5,1
Electricity, gas and water supply	71 146	64 626	72 136	11,6	1,4
Construction	104 377	85 042	85 104	0,1	-18,5
Trade	836 387	806 906	825 351	2,3	-1,3
Transport, storage and communication	223 972	219 283	226 883	3,5	1,3
Real estate and other business services, excluding financial intermediation and insurance	287 223	269 618	270 882	0,5	-5,7
Community, social and personal services, excluding government and educational institutions	59 536	59 236	57 885	-2,3	-2,8
All industries	2 425 195	2 352 686	2 428 855	3,2	0,2

Table D – Turnover by industry and percentage contribution¹

Industry	June 2018		September 2018	
	R million	% total turnover	R million	% total turnover
Mining and quarrying	172 632	7,3	174 571	7,2
Manufacturing	675 343	28,7	716 043	29,5
Electricity, gas and water supply	64 626	2,7	72 136	3,0
Construction	85 042	3,6	85 104	3,5
Trade	806 906	34,3	825 351	34,0
Transport, storage and communication	219 283	9,3	226 883	9,3
Real estate and other business services, excluding financial intermediation and insurance	269 618	11,5	270 882	11,2
Community, social and personal services, excluding government and educational institutions	59 236	2,5	57 885	2,4
All industries	2 352 686	100,0	2 428 855	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 June 2018	Inventories September 2018	Difference between September 2018 and June 2018
	R million	R million	%
Mining and quarrying	82 033	91 208	11,2
Manufacturing	393 308	408 797	3,9
Electricity, gas and water supply	25 284	24 902	-1,5
Construction	19 301	19 087	-1,1
Trade	341 395	344 748	1,0
Transport, storage and communication	13 486	13 135	-2,6
Real estate and other business services, excluding financial intermediation and insurance	30 970	30 875	-0,3
Community, social and personal services, excluding government and educational institutions	2 676	2 648	-1,0
All industries	908 453	935 400	3,0

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure June 2018	Capital expenditure September 2018	Difference between September 2018 and June 2018
	R million	R million	%
Mining and quarrying	19 021	17 469	-8,2
Manufacturing	18 419	17 496	-5,0
Electricity, gas and water supply	13 201	13 208	0,1
Construction	1 450	955	-34,1
Trade	8 751	9 963	13,8
Transport, storage and communication	18 946	18 764	-1,0
Real estate and other business services, excluding financial intermediation and insurance	7 386	7 844	6,2
Community, social and personal services, excluding government and educational institutions	1 732	2 313	33,5
All industries	88 906	88 012	-1,0

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>
----------------------------------	---

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 September and December 2017 and March, June 2018 and September 2018 quarters which examines key variables as required by the Systems of National Accounts (SNA) 2008, and are mentioned below:

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

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

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

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

Purpose of the survey

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

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

Scope of the survey	<p>6 This survey covers financial statistics of the following industries according to the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993:</p> <ul style="list-style-type: none"> • mining and quarrying industry; • manufacturing industry; • electricity, gas and water supply industry; • construction industry; • trade industry; • transport, storage and communication industry; • real estate and business services industry, excluding financial intermediation and insurance; and • community, social and personal services industry, excluding government and educational institutions.
Classification	<p>7 The 1993 edition of the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth edition, January 1993, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of All Economic Activities</i> (ISIC) with suitable adaptations for local conditions. Statistics in this publication are only presented at SIC major division (one digit) level. Each enterprise is classified to an industry which reflects the predominant activity of the enterprise. Estimates on lower digits SIC can be made available on request.</p>
Statistical unit	<p>8 For the purpose of this publication, the statistical unit in the quarterly financial statistics survey is the enterprise. An enterprise is defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities. The statistical units are derived from and linked to the South African Revenue Service (SARS) value added tax (VAT) administrative data.</p>
Survey methodology and design	<p>9 The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of approximately 4 500 enterprises. Questionnaires have to be returned to Stats SA within two weeks after the end of the quarter concerned. Fax, telephone and electronic reminders are used to follow up on non-responding enterprises.</p> <p>10 Samples are normally drawn each year and the resulting level changes in estimates are indicated when the new sample is implemented. A new sample was drawn in 2017 and implemented from the September 2017 quarter onwards.</p> <p>11 The sample was drawn from a population of enterprises that contributed approximately 95% to the total turnover per industry. Adjustments are made to the estimates to account for enterprises contributing less than 5% of the total turnover within each industry. All enterprises are stratified by type of enterprise according to size groups based on the National Small Business Amendment Bill, 2003, size group allocations for industries as defined in the <i>Standard Industrial Classification</i></p>

of *All Economic Activities* (SIC), Fifth edition, January 1993. All large enterprises, which comprise 54% of the number of enterprises in the sample, are completely enumerated, while simple random sampling is applied for medium sized, small and very small enterprises. Enterprises with a VAT turnover of less than R2 000 000 are excluded from this survey. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.

Reliability of estimates	<p>12 Data presented in this publication are based on information obtained from a sample of enterprises and are, therefore, subject to sampling variability, that is, the data may differ from the figures that would have been produced if the data had been obtained from all enterprises in the different industries in South Africa, inaccuracies of this kind are referred to as sampling errors. See Tables A and B (page 28) to determine the extent that estimates may vary.</p> <p>13 Inaccuracies may occur because of imperfections in reporting by enterprises and errors made with the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by designing the questionnaire carefully, conducting pilot studies, editing of data and the implementation of efficient operating procedures. Preliminary figures are indicated in the relevant tables.</p>
Reasons for fluctuations in data	<p>14 The fluctuations in the data can be attributed to:</p> <ul style="list-style-type: none"> • revisions to previous quarters made in the event of new or revised information being furnished by the respondents; • restructuring of large businesses; • exchange rate fluctuations; • restating of previous estimates due to International Financial Reporting Standards (IFRS); • once-off items reflected in one or more quarters, but not reflected in other quarters; • year-end adjustments performed during the last quarter of the financial year; • seasonal factors; • items declared annually and not quarterly; • samples drawn annually (<i>see paragraph 10 on page 33</i>); and • response rates per industry and within sub sectors.
Standard error	<p>15 The estimates in this publication are based on a sample drawn from units in the surveyed population. The entire population is not surveyed. The published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic (<i>see page 28, Tables A and B</i>).</p>
Revised figures	<p>16 The revised figures are due to respondents reporting revisions or corrections in their figures and late submissions of their data to Stats SA. Editing of data occurs at individual enterprise level.</p>
Reference period	<p>17 The reference period for this publication is from 1 July 2018 to 30 September 2018.</p>

Related publications	<p>18 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	<p>19 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	<p>20 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	<p>21 The DTI cut-off points sourced from the National Small Business Amendment Bill 2003 have been raised by a factor of 13,5 to comply with sample specifications.</p>

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

Technical enquiries

Krisseelan Govinden

Tel: (012) 310 4651

Email: krisseelang@statssa.gov.za

Khathutshelo Raluombe

Tel: (012) 310 8320

Email: khathutshelor@statssa.gov.za

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.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data, and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division
National Library of South Africa, Cape Town Division
Natal Society Library, Pietermaritzburg
Library of Parliament, Cape Town
Bloemfontein Public Library
Johannesburg Public Library
Eastern Cape Library Services, King William's Town
Central Regional Library, Polokwane
Central Reference Library, Mbombela
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

Electronic services

A large range of data is available via online services. For more details about our electronic services, contact Stats SA's user information service at (012) 310 8600.

You can visit us on the Internet at: www.statssa.gov.za

Enquiries

User information services

Telephone number: (012) 310 8600
Email address: info@statssa.gov.za

Postal address:

Private Bag X44, Pretoria, 0001

Produced by Stats SA