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Quarterly financial statistics (QFS)

September 2019

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Contents

Key findings for the quarter ended September 2019

The total turnover of quarterly financial statistics (QFS) industries[1] in the third quarter of 2019 was estimated at R2 513 075 million (R2,51 trillion), an increase of 1,6% compared with the second quarter of 2019 (R2 473 320 million or R2,47 trillion).

Between the second and third quarters of 2019, turnover increased in six of the eight industries covered by the survey. The largest percentage increase in turnover was recorded in electricity, gas and water supply (+23,4%), followed by construction (+3,8%), transport, storage and communication (+2,6%), manufacturing (+2,4%), trade (+1,4%) and community, social and personal services (excluding government and educational institutions) (+0,8%). Decreases were recorded for real estate and other business services (excluding financial intermediation and insurance) (-3,7%) and mining and quarrying (-1,8%).

Total closing inventories at the end of the third quarter of 2019 were estimated at R943 853 million, an increase of 1,4% compared with R931 196 million at the end of the second quarter of 2019. Increases were recorded in electricity, gas and water supply (+9,7%), mining and quarrying (+7,2%), real estate and other business services (excluding financial intermediation and insurance) (+5,2%) and trade (+1,2%). Decreases were recorded for transport, storage and communication (-8,0%), community, social and personal services (excluding government and educational institutions) (-0,9%), manufacturing (-0,3%) and construction (-0,2%).

Total capital expenditure on property, plant and equipment was estimated at R81 419 million in the third quarter of 2019, an increase of 1,9% compared with R79 890 million in the second quarter of 2019. The largest percentage increase was recorded in community, social and personal services (excluding government and educational institutions) (+50,4%), followed by transport, storage and communication (+17,5%), construction (+13,6%), electricity, gas and water supply (+6,4%) and manufacturing (+3,8%). Decreases were recorded for real estate and other business services (excluding financial intermediation and insurance) (-11,3%), mining and quarrying (-9,2%) and trade (-8,5%).

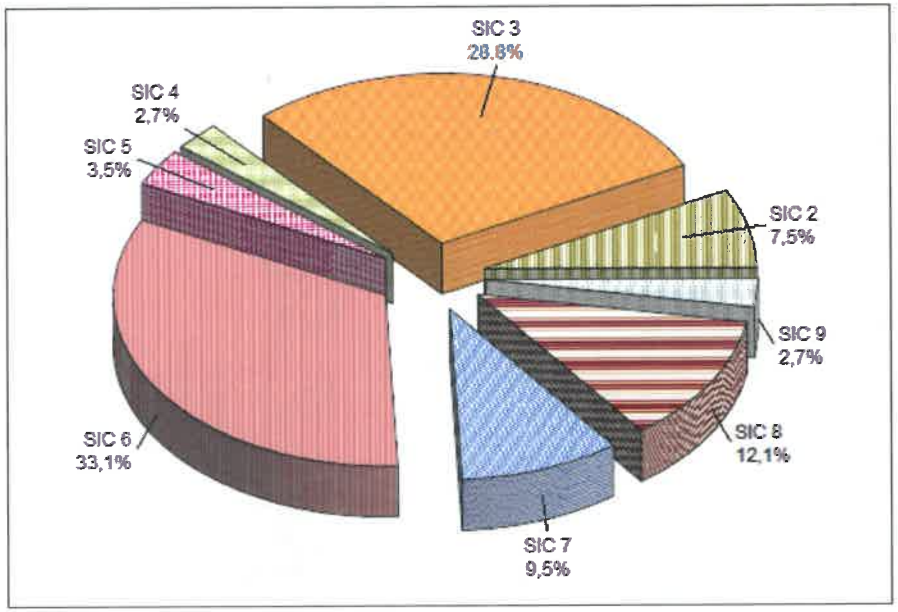
Turnover was estimated at R2 513 075 million in the third quarter of 2019, an increase of 3,1% compared with R2 437 112 million in the third quarter of 2018. All of the eight industries covered by the survey reflected annual increases. The largest percentage increase in turnover was recorded in electricity, gas and water supply (+13,0%), followed by community, social and personal services (excluding government and educational institutions) (+12,4%), real estate and other business services (excluding financial intermediation and insurance) (+7,0%), mining and quarrying (+6,1%), transport, storage and communication (+5,9%), trade (+1,3%), manufacturing (+0,6%) and construction (+0,6%).

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

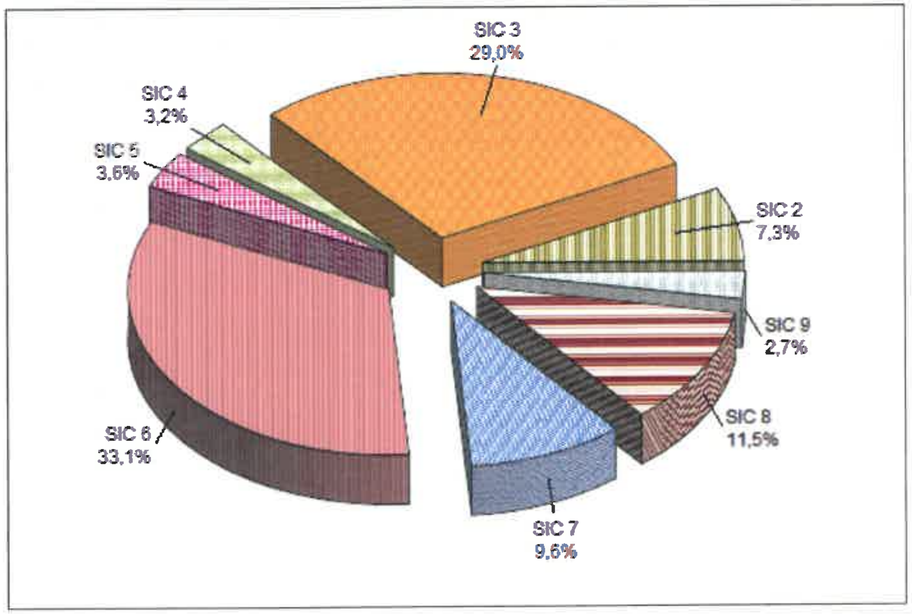
Risenga Maluleke
Statistician-General

Figure 1 – Percentage contribution to total turnover by industry in the quarters ended June 2019 and September 2019[1]

June 2019



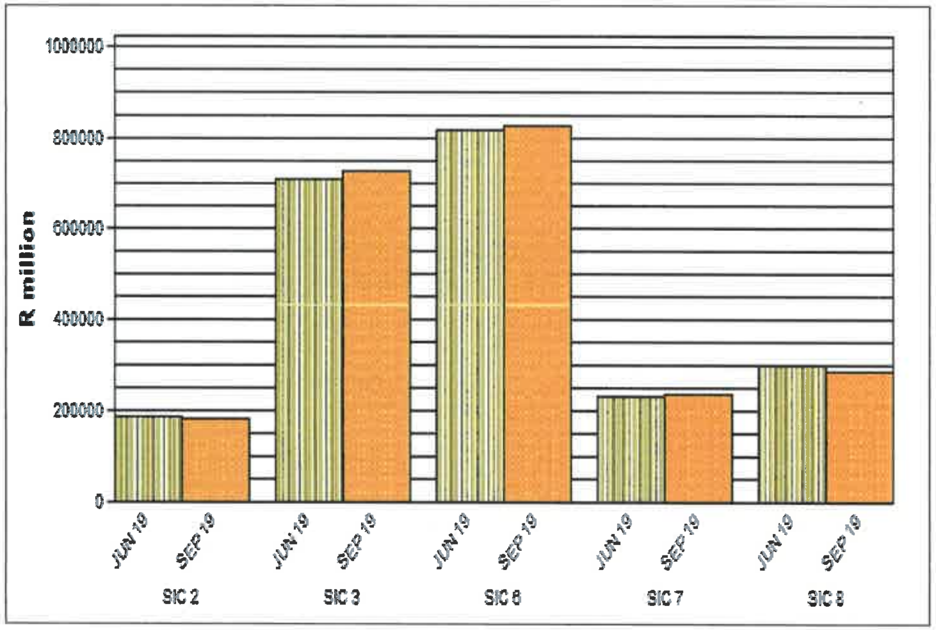
September 2019

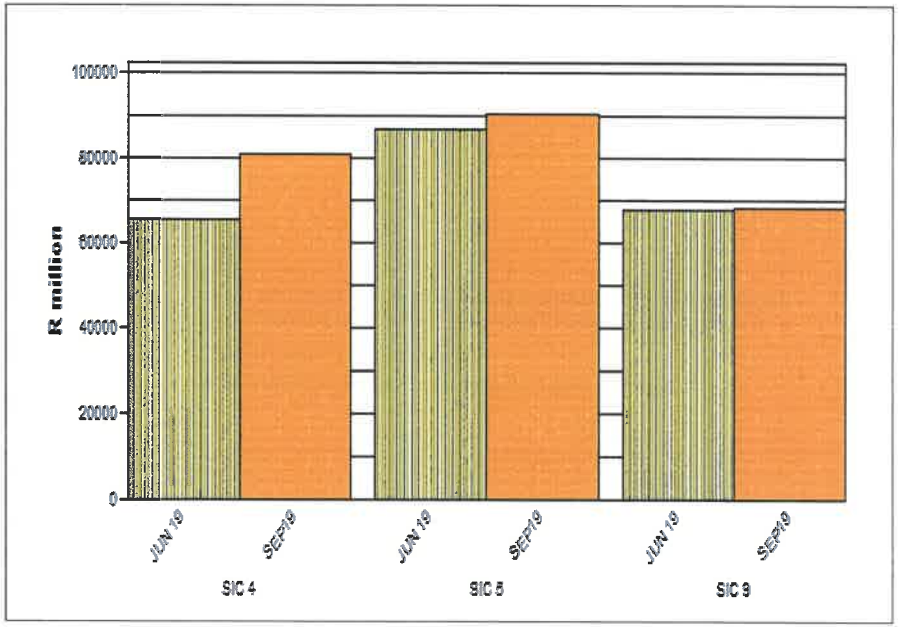


SIC 2 – Mining and quarrying industry
SIC 3 – Manufacturing industry
SIC 4 – Electricity, gas and water supply industry
SIC 5 – Construction industry
SIC 6 – Trade industry
SIC 7 – Transport, storage and communication industry
SIC 8 – Real estate and other business services industry (excluding financial intermediation and insurance)
SIC 9 – Community, social and personal services industry (excluding government and educational institutions)

[1]The 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 2019 and September 2019

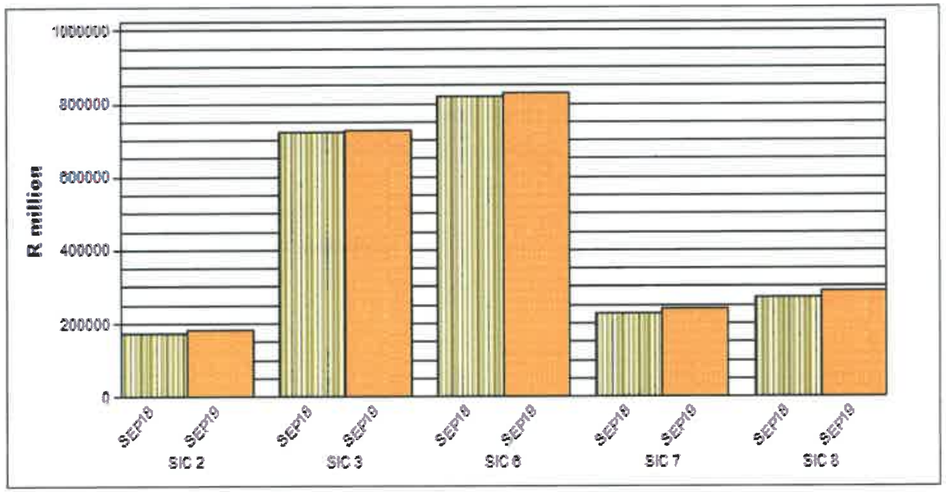


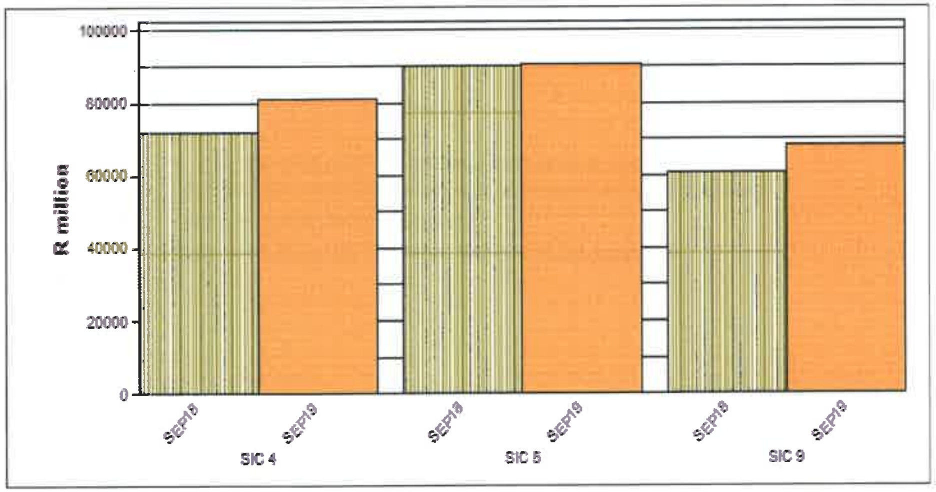


SIC 2 – Mining and quarrying industry
SIC 3 – Manufacturing industry
SIC 6 – Trade industry
SIC 7 – Transport, storage and communication industry
SIC 8 – Real estate and other business services industry (excluding financial intermediation and insurance)

SIC 4 – Electricity, gas and water supply industry
SIC 5 – Construction industry
SIC 9 – Community, social and personal services industry (excluding government and educational institutions)

Figure 3 – Comparison of turnover by industry in the quarters ended September 2018 and September 2019

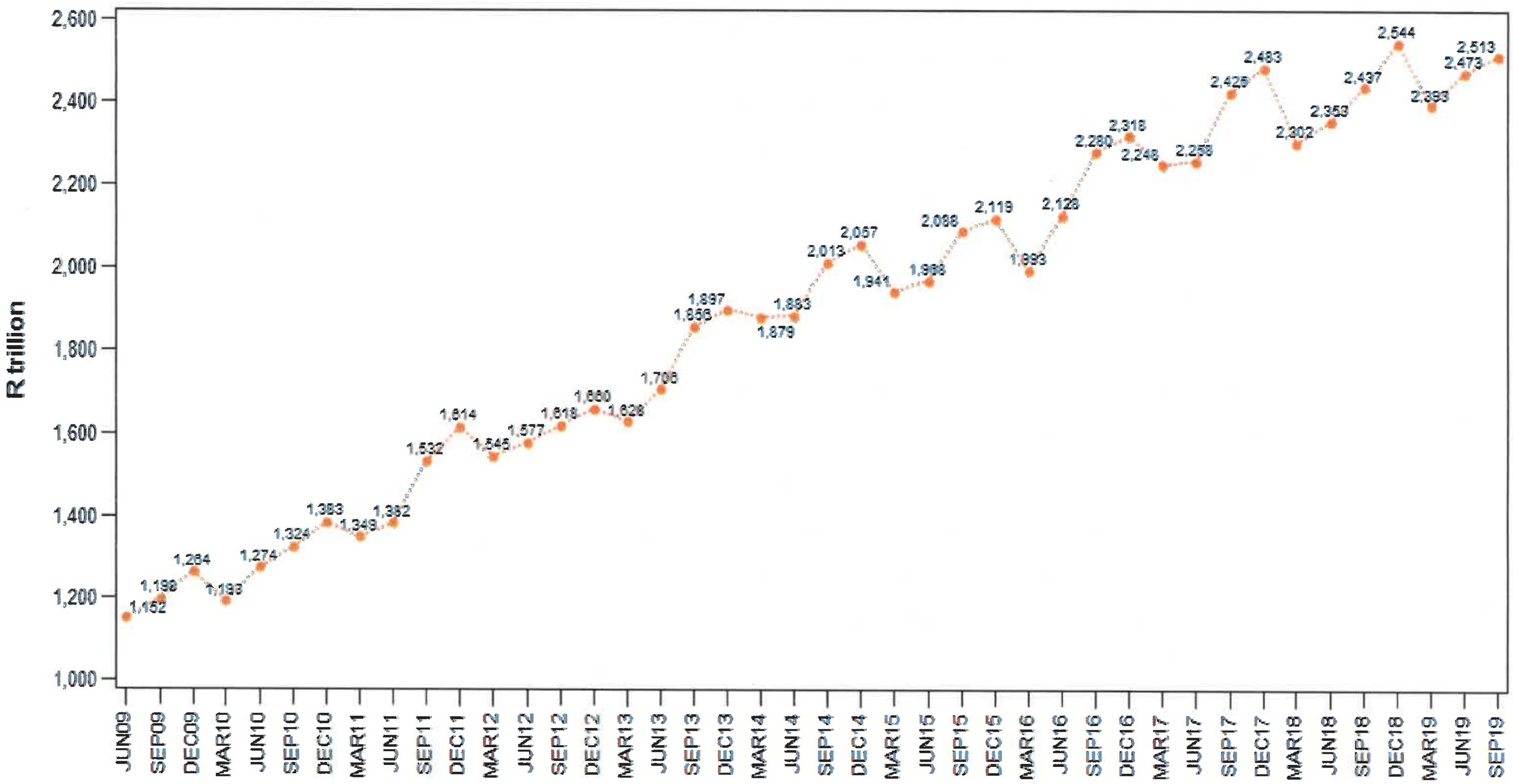




SIC 2 – Mining and quarrying industry
SIC 3 – Manufacturing industry
SIC 6 – Trade industry
SIC 7 – Transport, storage and communication industry
SIC 8 – Real estate and other business services industry (excluding financial intermediation and insurance)

SIC 4 – Electricity, gas and water supply industry
SIC 5 – Construction industry
SIC 9 – Community, social and personal services industry (excluding government and educational institutions)

Figure 4 – Quarterly turnover of all industries covered by the quarterly financial statistics (QFS) survey[1] from June 2009 to September 2019



[1]All 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) survey[1]

Item	Quarter ended					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	R million						
	September 2018	December 2018	March 2019	June 2019[2]	September 2019[3]		
Income items						R million	R million
Turnover received	2 437 112	2 544 057	2 392 753	2 473 320	2 513 075	39 755	75 963
Interest received	17 395	17 575	14 921	17 065	16 778	-287	-617
Dividends received	9 775	14 786	16 375	15 417	15 313	-104	5 538
Royalties, franchise fees, copyright, trade names and patent rights received	1 145	1 412	1 286	1 494	1 579	85	434
Rental/leasing of land, buildings and other structures received	4 404	4 871	5 140	4 684	4 725	41	321
Hiring/leasing of plant, machinery, vehicles and other equipment received	3 184	3 062	3 141	2 701	2 650	-51	-534
Profit on assets/investment sold or revalued	46 837	34 365	25 129	32 063	20 689	-11 374	-26 148
Other income	45 500	50 491	47 470	47 021	49 679	2 658	4 179
Total income (A)	**2 565 352**	**2 670 619**	**2 506 215**	**2 593 765**	**2 624 488**	**30 723**	**59 136**
Inventories							
Opening value of raw materials	219 626	222 271	208 598	223 227	224 554	1 327	4 928
Opening value of work in progress	102 849	110 332	110 556	115 425	113 808	-1 617	10 959
Opening value of finished goods	571 049	587 266	576 568	573 047	586 625	13 578	15 576
Total opening values (B)	**893 524**	**919 869**	**895 722**	**911 699**	**924 987**	**13 288**	**31 463**
Closing value of raw materials	225 138	209 236	223 367	225 122	232 118	6 996	6 980
Closing value of work in progress	111 892	114 522	115 898	119 081	112 873	-6 208	981
Closing value of finished goods	592 103	599 321	571 244	586 993	598 862	11 869	6 759
Total closing values (C)	**929 133**	**923 079**	**910 509**	**931 196**	**943 853**	**12 657**	**14 720**

[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) survey[1] (concluded)

Item	Quarter ended R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[2]	September 2019[3]		
Expenditure items						R million	R million
Purchases	1 460 386	1 536 279	1 439 418	1 463 157	1 509 524	46 367	49 138
Employment costs[4]	345 326	370 936	353 637	366 359	362 866	-3 493	17 540
Interest paid	60 024	64 867	60 899	65 580	65 055	-525	5 031
Royalties, franchise fees, copyright, trade names and patent rights paid	10 437	9 876	11 413	11 061	11 299	238	862
Rental/leasing of land, buildings and other structures paid	65 514	62 498	60 924	64 569	69 817	5 248	4 303
Hiring/leasing of plant, machinery, vehicles and other equipment paid	13 354	16 567	16 266	16 640	15 677	-963	2 323
Depreciation	59 939	66 248	67 028	65 428	66 379	951	6 440
Losses on assets/investments sold or revalued	31 167	40 875	25 377	35 327	37 128	1 801	5 961
Other expenditure	381 182	370 305	347 269	371 828	351 365	-20 463	-29 817
Total expenditure (D)	**2 427 329**	**2 538 451**	**2 382 231**	**2 459 949**	**2 489 110**	**29 161**	**61 781**
Net profit or loss before taxation (E)[5]	173 632	135 378	138 771	153 313	154 244	931	-19 388
Company tax	33 040	38 042	31 573	32 772	29 247	-3 525	-3 793
Dividends payable	42 270	38 558	31 479	32 461	41 926	9 465	-344
Carrying value of property, plant and equipment as at the end of quarter	3 043 058	3 057 840	3 097 007	3 138 518	3 163 520	25 002	120 462
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	11 758	12 910	10 077	11 642	11 557	-85	-201
Plant, machinery, furniture, fittings and other equipment	66 841	73 682	66 204	57 106	58 601	1 495	-8 240
Vehicles and transport equipment	12 020	10 087	8 989	11 142	11 261	119	-759
Total capital expenditure	**90 619**	**96 679**	**85 270**	**79 890**	**81 419**	**1 529**	**-9 200**

[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 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	R million						
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Income items						**R million**	**R million**
Turnover received	172 630	187 957	164 712	186 584	183 239	-3 345	10 609
Interest received	2 494	3 195	2 454	3 350	3 359	9	865
Dividends received	2 306	1 803	3 212	323	4 930	4 607	2 624
Royalties, franchise fees, copyright, trade names and patent rights received	19	77	145	320	273	-47	254
Rental/leasing of land, buildings and other structures received	70	86	83	112	86	-26	16
Hiring/leasing of plant, machinery, vehicles and other equipment received	159	171	140	189	154	-35	-5
Profit on assets/investment sold or revalued	15 776	6 596	5 472	7 524	3 729	-3 795	-12 047
Other income	1 366	2 197	2 426	2 833	4 222	1 389	2 856
Total income (A)	**194 820**	**202 082**	**178 644**	**201 235**	**199 992**	**-1 243**	**5 172**
Inventories							
Opening value of raw materials	20 022	19 964	22 552	23 048	22 365	-683	2 343
Opening value of work in progress	30 335	35 139	39 641	41 492	41 778	286	11 443
Opening value of finished goods	31 825	27 089	27 728	28 204	28 140	-64	-3 685
Total opening values (B)	**82 182**	**82 192**	**89 921**	**92 744**	**92 283**	**-461**	**10 101**
Closing value of raw materials	19 708	20 395	22 964	22 408	23 714	1 306	4 006
Closing value of work in progress	35 407	39 657	41 503	41 785	45 306	3 521	9 899
Closing value of finished goods	35 581	28 677	27 958	28 140	29 990	1 850	-5 591
Total closing values (C)	**90 696**	**88 729**	**92 425**	**92 333**	**99 010**	**6 677**	**8 314**

[1] Revised.
[2] Preliminary.

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

Item	Quarter ended R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	76 480	77 980	68 922	72 236	80 497	8 261	4 017
Employment costs[3]	34 957	37 263	34 015	36 185	36 667	482	1 710
Interest paid	4 002	6 893	4 560	5 958	5 891	-67	1 889
Royalties, franchise fees, copyright, trade names and patent rights paid	1 888	1 583	1 506	1 982	2 372	390	484
Rental/leasing of land, buildings and other structures paid	5 705	4 792	4 408	5 586	6 562	976	857
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 170	1 639	1 572	1 624	1 669	45	499
Depreciation	11 416	12 152	10 576	11 367	11 166	-201	-250
Losses on assets/investments sold or revalued	4 642	20 000	4 660	8 834	17 290	8 456	12 648
Other expenditure	39 014	37 381	29 841	35 467	31 174	-4 293	-7 840
Total expenditure (D)	**179 274**	**199 683**	**160 060**	**179 239**	**193 288**	**14 049**	**14 014**
Net profit or loss before taxation (E)[4]	24 060	8 936	21 088	21 585	13 431	-8 154	-10 629
Company tax	4 071	5 818	5 750	7 747	4 640	-3 107	569
Dividends payable	12 229	6 014	6 692	5 097	15 707	10 610	3 478
Carrying value of property, plant and equipment as at the end of quarter	470 023	479 401	476 754	481 587	477 844	-3 743	7 821
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	3 776	3 514	1 919	2 064	2 933	869	-843
Plant, machinery, furniture, fittings and other equipment	12 734	18 543	13 548	15 181	12 919	-2 262	185
Vehicles and transport equipment	475	786	498	877	596	-281	121
Total capital expenditure	**16 985**	**22 843**	**15 965**	**18 122**	**16 448**	**-1 674**	**-537**

[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 R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]	R million	R million
Income items							
Turnover received	724 568	748 492	687 849	711 909	729 149	17 240	4 581
Interest received	6 303	4 534	3 754	4 115	4 572	457	-1 731
Dividends received	2 632	4 952	1 746	1 755	1 624	-131	-1 008
Royalties, franchise fees, copyright, trade names and patent rights received	155	201	104	179	207	28	52
Rental/leasing of land, buildings and other structures received	1 051	1 425	1 010	1 083	1 191	108	140
Hiring/leasing of plant, machinery, vehicles and other equipment received	461	481	476	398	380	-18	-81
Profit on assets/investment sold or revalued	15 713	8 898	6 367	5 329	5 652	323	-10 061
Other income	14 386	14 843	8 888	9 083	10 795	1 712	-3 591
Total income (A)	**765 269**	**783 826**	**710 194**	**733 851**	**753 570**	**19 719**	**-11 699**
Inventories							
Opening value of raw materials	143 576	147 912	127 381	139 560	137 551	-2 009	-6 025
Opening value of work in progress	48 037	53 899	49 390	51 571	50 431	-1 140	2 394
Opening value of finished goods	203 750	208 714	193 432	192 493	207 301	14 808	3 551
Total opening values (B)	**395 363**	**410 525**	**370 203**	**383 624**	**395 283**	**11 659**	**-80**
Closing value of raw materials	149 982	132 809	139 819	138 095	138 917	822	-11 065
Closing value of work in progress	50 828	53 477	52 062	55 697	46 340	-9 357	-4 488
Closing value of finished goods	215 504	199 672	190 949	207 678	215 198	7 520	-306
Total closing values (C)	**416 314**	**385 958**	**382 830**	**401 470**	**400 455**	**-1 015**	**-15 859**

[1] Revised.
[2] Preliminary.

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

Item	Quarter ended R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	485 195	489 330	472 173	484 943	496 516	11 573	11 321
Employment costs[3]	79 930	87 190	79 684	83 145	83 889	744	3 959
Interest paid	11 049	10 553	10 372	11 212	11 409	197	360
Royalties, franchise fees, copyright, trade names and patent rights paid	3 828	3 907	3 678	3 594	4 176	582	348
Rental/leasing of land, buildings and other structures paid	13 386	12 313	12 256	13 114	12 331	-783	-1 055
Hiring/leasing of plant, machinery, vehicles and other equipment paid	2 208	2 285	1 805	1 913	1 840	-73	-368
Depreciation	13 919	16 577	16 230	16 975	17 742	767	3 823
Losses on assets/investments sold or revalued	9 347	4 784	3 989	5 409	5 006	-403	-4 341
Other expenditure	115 490	91 508	91 076	99 424	92 197	-7 227	-23 293
Total expenditure (D)	**734 352**	**718 447**	**691 263**	**719 729**	**725 106**	**5 377**	**-9 246**
Net profit or loss before taxation (E)[4]	51 868	40 812	31 558	31 968	33 636	1 668	-18 232
Company tax	9 552	9 939	6 938	7 016	7 661	645	-1 891
Dividends payable	6 900	5 334	3 353	5 419	5 732	313	-1 168
Carrying value of property, plant and equipment as at the end of quarter	487 061	486 457	489 248	491 393	496 020	4 627	8 959
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 570	3 082	1 900	2 466	3 028	562	458
Plant, machinery, furniture, fittings and other equipment	14 128	15 263	12 352	13 965	13 795	-170	-333
Vehicles and transport equipment	1 168	1 011	486	2 276	2 594	318	1 426
Total capital expenditure	**17 866**	**19 356**	**14 738**	**18 707**	**19 417**	**710**	**1 551**

[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 R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]	R million	R million
Income items							
Turnover received	71 843	60 545	59 893	65 788	81 203	15 415	9 360
Interest received	985	1 427	636	960	943	-17	-42
Dividends received	58	191	155	0	39	39	-19
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	11	10	9	9	0	0
Hiring/leasing of plant, machinery, vehicles and other equipment received	61	63	73	60	58	-2	-3
Profit on assets/investment sold or revalued	491	87	116	2 038	867	-1 171	376
Other income	1 224	361	646	843	298	-545	-926
Total income (A)	**74 671**	**62 685**	**61 529**	**69 698**	**83 417**	**13 719**	**8 746**
Inventories							
Opening value of raw materials	24 902	24 438	25 249	26 978	30 446	3 468	5 544
Opening value of work in progress	1	2	2	2	0	-2	-1
Opening value of finished goods	384	365	400	402	398	-4	14
Total opening values (B)	**25 287**	**24 805**	**25 651**	**27 382**	**30 844**	**3 462**	**5 557**
Closing value of raw materials	24 451	25 254	26 981	30 431	33 394	2 963	8 943
Closing value of work in progress	4	2	2	0	0	0	-4
Closing value of finished goods	440	400	402	396	415	19	-25
Total closing values (C)	**24 895**	**25 656**	**27 385**	**30 827**	**33 809**	**2 982**	**8 914**

[1] Revised.
[2] Preliminary.

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

Item	Quarter ended R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	33 072	34 434	33 813	34 173	34 565	392	1 493
Employment costs[3]	8 506	8 361	8 068	8 644	8 381	-263	-125
Interest paid	9 492	10 291	10 180	10 397	11 353	956	1 861
Royalties, franchise fees, copyright, trade names and patent rights paid	17	0	0	0	0	0	-17
Rental/leasing of land, buildings and other structures paid	66	102	108	86	89	3	23
Hiring/leasing of plant, machinery, vehicles and other equipment paid	171	177	350	292	245	-47	74
Depreciation	7 890	8 153	11 810	8 077	8 436	359	546
Losses on assets/investments sold or revalued	1 758	1 232	2 543	785	3 220	2 435	1 462
Other expenditure	6 318	10 085	9 687	12 122	11 057	-1 065	4 739
Total expenditure (D)	**67 290**	**72 835**	**76 559**	**74 576**	**77 346**	**2 770**	**10 056**
Net profit or loss before taxation (E)[4]	6 989	-9 299	-13 296	-1 433	9 036	10 469	2 047
Company tax	463	600	433	602	463	-139	0
Dividends payable	888	578	653	1 030	2 142	1 112	1 254
Carrying value of property, plant and equipment as at the end of quarter	728 969	771 500	773 665	766 512	777 862	11 350	48 893
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	619	1 041	576	1 059	498	-561	-121
Plant, machinery, furniture, fittings and other equipment	12 547	12 347	13 266	9 278	10 383	1 105	-2 164
Vehicles and transport equipment	35	100	96	7	130	123	95
Total capital expenditure	**13 201**	**13 488**	**13 938**	**10 344**	**11 011**	**667**	**-2 190**

[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 R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]	R million	R million
Income items							
Turnover received	89 861	84 677	85 433	87 153	90 445	3 292	584
Interest received	613	609	655	597	592	-5	-21
Dividends received	256	119	235	200	91	-109	-165
Royalties, franchise fees, copyright, trade names and patent rights received	0	7	0	0	0	0	0
Rental/leasing of land, buildings and other structures received	271	272	270	259	235	-24	-36
Hiring/leasing of plant, machinery, vehicles and other equipment received	528	112	129	102	93	-9	-435
Profit on assets/investment sold or revalued	836	707	664	629	1 116	487	280
Other income	1 409	1 439	1 448	2 104	1 207	-897	-202
Total income (A)	**93 774**	**87 942**	**88 834**	**91 044**	**93 779**	**2 735**	**5**
Inventories							
Opening value of raw materials	5 210	4 091	7 102	7 307	7 124	-183	1 914
Opening value of work in progress	9 979	9 202	9 274	10 010	8 958	-1 052	-1 021
Opening value of finished goods	4 494	4 918	5 600	6 280	6 321	41	1 827
Total opening values (B)	**19 683**	**18 211**	**21 976**	**23 597**	**22 403**	**-1 194**	**2 720**
Closing value of raw materials	4 474	4 113	7 307	7 124	7 332	208	2 858
Closing value of work in progress	9 804	9 161	9 982	8 958	8 826	-132	-978
Closing value of finished goods	5 308	4 518	6 280	6 321	6 203	-118	895
Total closing values (C)	**19 586**	**17 792**	**23 569**	**22 403**	**22 361**	**-42**	**2 775**

[1] Revised.
[2] Preliminary.

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

Item	Quarter ended R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	54 189	47 454	49 584	48 642	54 301	5 659	112
Employment costs[3]	17 465	17 076	16 864	18 219	18 062	-157	597
Interest paid	1 228	1 126	1 524	1 178	1 146	-32	-82
Royalties, franchise fees, copyright, trade names and patent rights paid	239	353	1 022	445	244	-201	5
Rental/leasing of land, buildings and other structures paid	695	1 015	919	1 294	1 374	80	679
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 935	4 530	4 518	4 799	3 914	-885	1 979
Depreciation	1 080	1 128	1 073	1 589	1 585	-4	505
Losses on assets/investments sold or revalued	1 216	896	834	484	414	-70	-802
Other expenditure	11 569	10 880	11 519	10 779	10 489	-290	-1 080
Total expenditure (D)	**89 616**	**84 458**	**87 857**	**87 429**	**91 529**	**4 100**	**1 913**
Net profit or loss before taxation (E)[4]	4 061	3 065	2 570	2 421	2 208	-213	-1 853
Company tax	775	551	917	630	600	-30	-175
Dividends payable	287	617	307	151	53	-98	-234
Carrying value of property, plant and equipment as at the end of quarter	39 889	28 169	29 192	30 424	30 801	377	-9 088
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	118	201	210	140	149	9	31
Plant, machinery, furniture, fittings and other equipment	818	490	690	780	850	70	32
Vehicles and transport equipment	34	353	51	55	109	54	75
Total capital expenditure	**970**	**1 044**	**951**	**975**	**1 108**	**133**	**138**

[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 R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Income items						R million	R million
Turnover received	820 081	867 110	808 826	819 412	831 016	11 604	10 935
Interest received	4 177	4 546	4 188	4 697	4 256	-441	79
Dividends received	530	1 009	571	1 211	705	-506	175
Royalties, franchise fees, copyright, trade names and patent rights received	269	308	291	215	231	16	-38
Rental/leasing of land, buildings and other structures received	1 143	1 171	1 805	1 364	1 307	-57	164
Hiring/leasing of plant, machinery, vehicles and other equipment received	1 540	1 802	1 909	1 532	1 564	32	24
Profit on assets/investment sold or revalued	4 821	5 127	7 053	3 896	3 598	-298	-1 223
Other income	8 255	9 197	8 949	8 152	8 600	448	345
Total income (A)	**840 816**	**890 270**	**833 592**	**840 479**	**851 277**	**10 798**	**10 461**
Inventories							
Opening value of raw materials	17 689	17 975	18 340	17 450	17 926	476	237
Opening value of work in progress	9 722	7 172	7 191	7 324	7 399	75	-2 323
Opening value of finished goods	298 139	319 228	322 049	319 694	316 215	-3 479	18 076
Total opening values (B)	**325 550**	**344 375**	**347 580**	**344 468**	**341 540**	**-2 928**	**15 990**
Closing value of raw materials	19 073	18 551	17 625	17 922	19 599	1 677	526
Closing value of work in progress	10 538	7 106	7 323	7 399	7 496	97	-3 042
Closing value of finished goods	301 519	338 943	319 571	316 208	318 393	2 185	16 874
Total closing values (C)	**331 130**	**364 600**	**344 519**	**341 529**	**345 488**	**3 959**	**14 358**

[1] Revised.
[2] Preliminary.

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

Item	Quarter ended R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	633 508	695 004	621 980	623 500	648 753	25 253	15 245
Employment costs[3]	62 376	64 257	62 983	65 907	63 986	-1 921	1 610
Interest paid	7 490	7 245	7 008	7 540	7 736	196	246
Royalties, franchise fees, copyright, trade names and patent rights paid	2 398	2 079	2 934	2 709	2 083	-626	-315
Rental/leasing of land, buildings and other structures paid	19 195	19 170	16 982	18 227	18 670	443	-525
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 330	1 319	1 222	1 132	1 205	73	-125
Depreciation	5 952	6 134	6 404	6 280	6 143	-137	191
Losses on assets/investments sold or revalued	5 345	6 180	4 694	4 890	4 478	-412	-867
Other expenditure	69 855	66 655	70 722	73 412	67 776	-5 636	-2 079
Total expenditure (D)	**807 449**	**868 043**	**794 929**	**803 597**	**820 830**	**17 233**	**13 381**
Net profit or loss before taxation (E)[4]	38 947	42 452	35 602	33 943	34 395	452	-4 552
Company tax	6 490	6 753	6 263	4 913	4 501	-412	-1 989
Dividends payable	2 839	3 750	4 096	4 105	2 842	-1 263	3
Carrying value of property, plant and equipment as at the end of quarter	243 135	243 098	249 975	255 016	256 642	1 626	13 507
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	875	772	1 085	1 833	1 126	-707	251
Plant, machinery, furniture, fittings and other equipment	6 359	7 607	5 210	5 096	4 774	-322	-1 585
Vehicles and transport equipment	2 695	2 376	2 659	2 588	2 810	222	115
Total capital expenditure	**9 929**	**10 755**	**8 954**	**9 517**	**8 710**	**-807**	**-1 219**

[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 R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Income items						R million	R million
Turnover received	227 325	238 194	225 606	234 622	240 654	6 032	13 329
Interest received	2 018	2 244	2 242	2 274	2 140	-134	122
Dividends received	218	283	194	258	288	30	70
Royalties, franchise fees, copyright, trade names and patent rights received	7	6	5	4	4	0	-3
Rental/leasing of land, buildings and other structures received	1 312	1 410	1 436	1 329	1 371	42	59
Hiring/leasing of plant, machinery, vehicles and other equipment received	286	304	283	271	258	-13	-28
Profit on assets/investment sold or revalued	1 732	1 993	1 366	1 800	1 441	-359	-291
Other income	5 395	6 309	6 987	5 429	5 410	-19	15
Total income (A)	**238 293**	**250 743**	**238 119**	**245 987**	**251 566**	**5 579**	**13 273**
Inventories							
Opening value of raw materials	4 368	3 304	3 344	4 357	4 333	-24	-35
Opening value of work in progress	1 218	1 060	1 017	1 084	1 299	215	81
Opening value of finished goods	8 236	8 478	9 157	7 828	9 609	1 781	1 373
Total opening values (B)	**13 822**	**12 842**	**13 518**	**13 269**	**15 241**	**1 972**	**1 419**
Closing value of raw materials	3 434	3 253	4 359	4 333	4 163	-170	729
Closing value of work in progress	1 314	1 024	1 084	1 299	934	-365	-380
Closing value of finished goods	8 605	8 660	7 905	9 609	8 923	-686	318
Total closing values (C)	**13 353**	**12 937**	**13 348**	**15 241**	**14 020**	**-1 221**	**667**

[1] Revised.
[2] Preliminary.

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

Item		Quarter ended R million				Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	97 577	106 308	105 687	111 804	111 670	-134	14 093
Employment costs[3]	37 475	38 496	37 704	39 325	39 169	-156	1 694
Interest paid	8 495	8 308	8 370	8 765	8 932	167	437
Royalties, franchise fees, copyright, trade names and patent rights paid	35	64	103	231	206	-25	171
Rental/leasing of land, buildings and other structures paid	4 869	5 298	6 065	6 548	6 468	-80	1 599
Hiring/leasing of plant, machinery, vehicles and other equipment paid	3 429	3 823	3 917	3 872	3 954	82	525
Depreciation	13 490	14 261	13 340	13 282	14 635	1 353	1 145
Losses on assets/investments sold or revalued	2 141	2 203	2 102	8 026	1 968	-6 058	-173
Other expenditure	56 966	61 188	45 994	54 761	52 462	-2 299	-4 504
Total expenditure (D)	**224 477**	**239 949**	**223 282**	**246 614**	**239 464**	**-7 150**	**14 987**
Net profit or loss before taxation (E)[4]	13 347	10 889	14 667	1 345	10 881	9 536	-2 466
Company tax	3 476	3 527	3 485	3 428	3 375	-53	-101
Dividends payable	5 976	6 366	855	646	1 121	475	-4 855
Carrying value of property, plant and equipment as at the end of quarter	642 007	629 366	631 298	657 854	667 569	9 715	25 562
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	561	691	1 000	796	839	43	278
Plant, machinery, furniture, fittings and other equipment	15 649	15 392	16 660	9 121	11 768	2 647	-3 881
Vehicles and transport equipment	5 123	3 298	3 510	3 876	3 605	-271	-1 518
Total capital expenditure	**21 333**	**19 381**	**21 170**	**13 793**	**16 212**	**2 419**	**-5 121**

[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 R million					Quarter-on-quarter difference between September 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]	R million	R million
Income items							
Turnover received[3]	270 037	293 021	292 130	300 094	289 061	-11 033	19 024
Interest received	0	0	0	0	0	0	0
Dividends received	3 042	6 361	10 140	11 503	7 550	-3 953	4 508
Royalties, franchise fees, copyright, trade names and patent rights received	491	598	510	522	607	85	116
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	7 223	10 625	3 895	9 175	4 103	-5 072	-3 120
Other income	8 652	13 888	15 562	16 673	16 949	276	8 297
Total income (A)	**289 445**	**324 493**	**322 237**	**337 967**	**318 270**	**-19 697**	**28 825**
Inventories							
Opening value of raw materials	2 451	3 606	3 593	3 771	4 037	266	1 586
Opening value of work in progress	3 505	3 807	3 993	3 901	3 903	2	398
Opening value of finished goods	23 172	17 530	17 218	17 158	17 606	448	-5 566
Total opening values (B)	**29 128**	**24 943**	**24 804**	**24 830**	**25 546**	**716**	**-3 582**
Closing value of raw materials	2 618	3 787	3 680	4 037	4 174	137	1 556
Closing value of work in progress	3 947	4 047	3 896	3 903	3 933	30	-14
Closing value of finished goods	24 105	17 463	17 192	17 606	18 773	1 167	-5 332
Total closing values (C)	**30 670**	**25 297**	**24 768**	**25 546**	**26 880**	**1 334**	**-3 790**

[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 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	R million						
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	64 966	68 000	68 094	69 458	64 351	-5 107	-615
Employment costs[3]	86 533	98 573	95 372	94 952	92 908	-2 044	6 375
Interest paid	17 029	19 051	17 499	19 079	17 311	-1 768	282
Royalties, franchise fees, copyright, trade names and patent rights paid	1 827	1 695	1 867	1 820	1 926	106	99
Rental/leasing of land, buildings and other structures paid	18 591	17 206	17 620	17 131	21 726	4 595	3 135
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 855	1 565	1 615	1 712	1 570	-142	-285
Depreciation	4 287	5 889	5 855	5 941	4 791	-1 150	504
Losses on assets/investments sold or revalued	6 298	5 020	5 839	6 255	4 146	-2 109	-2 152
Other expenditure	59 614	72 722	67 942	66 562	66 216	-346	6 602
Total expenditure (D)	**261 000**	**289 721**	**281 703**	**282 910**	**274 945**	**-7 965**	**13 945**
Net profit or loss before taxation (E)[4]	29 987	35 126	40 498	55 773	44 659	-11 114	14 672
Company tax	7 017	9 806	6 517	7 200	7 070	-130	53
Dividends payable	12 200	15 177	12 724	15 747	14 137	-1 610	1 937
Carrying value of property, plant and equipment as at the end of quarter	352 912	349 582	376 389	384 546	384 467	-79	31 555
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	2 638	3 037	2 780	2 782	2 110	-672	-528
Plant, machinery, furniture, fittings and other equipment	3 047	3 124	3 522	2 675	2 639	-36	-408
Vehicles and transport equipment	2 322	1 634	1 430	1 301	1 246	-55	-1 076
Total capital expenditure	**8 007**	**7 795**	**7 732**	**6 758**	**5 995**	**-763**	**-2 012**

[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 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	R million						
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Income items						R million	R million
Turnover received	60 767	64 061	68 304	67 758	68 308	550	7 541
Interest received	805	1 020	992	1 072	916	-156	111
Dividends received	733	68	122	167	86	-81	-647
Royalties, franchise fees, copyright, trade names and patent rights received	204	215	231	254	257	3	53
Rental/leasing of land, buildings and other structures received	548	496	526	528	526	-2	-22
Hiring/leasing of plant, machinery, vehicles and other equipment received	149	129	131	149	143	-6	-6
Profit on assets/investment sold or revalued	245	332	196	1 672	183	-1 489	-62
Other income	4 813	2 257	2 564	1 904	2 198	294	-2 615
Total income (A)	**68 264**	**68 578**	**73 066**	**73 504**	**72 617**	**-887**	**4 353**
Inventories							
Opening value of raw materials	1 408	981	1 037	756	772	16	-636
Opening value of work in progress	52	51	48	41	40	-1	-12
Opening value of finished goods	1 049	944	984	988	1 035	47	-14
Total opening values (B)	**2 509**	**1 976**	**2 069**	**1 785**	**1 847**	**62**	**-662**
Closing value of raw materials	1 398	1 074	632	772	825	53	-573
Closing value of work in progress	50	48	46	40	38	-2	-12
Closing value of finished goods	1 041	988	987	1 035	967	-68	-74
Total closing values (C)	**2 489**	**2 110**	**1 665**	**1 847**	**1 830**	**-17**	**-659**

[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 2019 and June 2019	Year-on-year difference between September 2019 and September 2018
	R million						
	September 2018	December 2018	March 2019	June 2019[1]	September 2019[2]		
Expenditure items						R million	R million
Purchases	15 399	17 769	19 165	18 401	18 871	470	3 472
Employment costs[3]	18 084	19 720	18 947	19 982	19 804	-178	1 720
Interest paid	1 239	1 400	1 386	1 451	1 277	-174	38
Royalties, franchise fees, copyright, trade names and patent rights paid	205	195	303	280	292	12	87
Rental/leasing of land, buildings and other structures paid	3 007	2 602	2 566	2 583	2 597	14	-410
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 256	1 229	1 267	1 296	1 280	-16	24
Depreciation	1 905	1 954	1 740	1 917	1 881	-36	-24
Losses on assets/investments sold or revalued	420	560	716	644	606	-38	186
Other expenditure	22 356	19 886	20 488	19 301	19 994	693	-2 362
Total expenditure (D)	**63 871**	**65 315**	**66 578**	**65 855**	**66 602**	**747**	**2 731**
Net profit or loss before taxation (E)[4]	4 373	3 397	6 084	7 711	5 998	-1 713	1 625
Company tax	1 196	1 048	1 270	1 236	937	-299	-259
Dividends payable	951	722	2 799	266	192	-74	-759
Carrying value of property, plant and equipment as at the end of quarter	79 062	70 267	70 486	71 186	72 315	1 129	-6 747
Capital expenditure on new property, plant and equipment							
Buildings, improvement and construction works	601	572	607	502	874	372	273
Plant, machinery, furniture, fittings and other equipment	1 559	916	956	1 010	1 473	463	-86
Vehicles and transport equipment	168	529	259	162	171	9	3
Total capital expenditure	**2 328**	**2 017**	**1 822**	**1 674**	**2 518**	**844**	**190**

[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 2019 and September 2019

Industry	Turnover / Fixed assets[3]		Net profit before tax / Turnover[4]		Turnover / Closing inventories[5]		Net profit before tax / Fixed assets[6]	
	June 2019[1]	September 2019[2]	June 2019[1]	September 2019[2]	June 2019[1]	September 2019[2]	June 2019[1]	September 2019[2]
Mining and quarrying	0,39	0,38	0,12	0,07	2,02	1,85	0,04	0,03
Manufacturing	1,45	1,47	0,04	0,05	1,77	1,82	0,07	0,07
Electricity, gas and water supply	0,09	0,10	-0,02	0,11	2,13	2,40	0,00	0,01
Construction	2,86	2,94	0,03	0,02	3,89	4,04	0,08	0,07
Trade	3,21	3,24	0,04	0,04	2,40	2,41	0,13	0,13
Transport, storage and communication	0,36	0,36	0,01	0,05	15,39	17,17	0,00	0,02
Real estate and other business services, excluding financial intermediation and insurance	0,78	0,75	0,19	0,15	11,75	10,75	0,15	0,12
Community, social and personal services, excluding government and educational institutions	0,95	0,94	0,11	0,09	36,69	37,33	0,11	0,08
All industries	**0,79**	**0,79**	**0,06**	**0,06**	**2,66**	**2,66**	**0,05**	**0,05**

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

Table 10 – Comparison of selected operating ratios between June 2019 and September 2019 (concluded)

Industry	Total capital expenditure / Fixed assets[3]		*Cost of Sales / Average inventories[4]		Net profit before interest and income tax expenses / Interest expense[5]		Cash dividends / Net income[6]	
	June 2019[1]	September 2019[2]	June 2019[1]	September 2019[2]	June 2019[1]	September 2019[2]	June 2019[1]	September 2019[2]
Mining and quarrying	0,04	0,03	0,79	0,77	4,62	3,28	0,37	1,79
Manufacturing	0,04	0,04	1,19	1,23	3,85	3,95	0,22	0,22
Electricity, gas and water supply	0,01	0,01	1,06	0,98	0,86	1,80	-0,51	0,25
Construction	0,03	0,04	2,17	2,43	3,06	2,93	0,08	0,03
Trade	0,04	0,03	1,83	1,88	5,50	5,45	0,14	0,10
Transport, storage and communication	0,02	0,02	7,70	7,72	1,15	2,22	-0,31	0,15
Real estate and other business services, excluding financial intermediation and insurance	0,02	0,02	2,73	2,40	3,92	3,58	0,32	0,38
Community, social and personal services, excluding government and educational institutions	0,02	0,03	10,10	10,27	6,31	5,70	0,04	0,04
All industries	**0,03**	**0,03**	**1,57**	**1,60**	**3,34**	**3,37**	**0,27**	**0,34**

[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)

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

Relative standard error (RSE)

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

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

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	181 764	186 584	191 404	1,3
Manufacturing	689 167	711 909	734 651	1,6
Electricity, gas and water supply	64 604	65 788	66 972	0,9
Construction	69 456	87 153	104 850	10,4
Trade	747 139	819 412	891 685	4,5
Transport, storage and communication	223 215	234 622	246 029	2,5
Real estate and other business services, excluding financial intermediation and insurance	263 217	300 094	336 971	6,3
Community, social and personal services, excluding government and educational institutions	61 653	67 758	73 863	4,6
All industries	**2 355 840**	**2 473 320**	**2 590 800**	**2,4**

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

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million	R million	R million	(RSE)
Mining and quarrying	178 368	183 239	188 110	1,4
Manufacturing	706 354	729 149	751 944	1,6
Electricity, gas and water supply	79 780	81 203	82 626	0,9
Construction	71 999	90 445	108 891	10,4
Trade	756 091	831 016	905 941	4,6
Transport, storage and communication	228 919	240 654	252 389	2,5
Real estate and other business services, excluding financial intermediation and insurance	252 629	289 061	325 493	6,4
Community, social and personal services, excluding government and educational institutions	62 648	68 308	73 968	4,2
All industries	**2 393 833**	**2 513 075**	**2 632 317**	**2,4**

Table C – Turnover by industry and percentage change

Industry	Turnover September 2018	Turnover June 2019	Turnover September 2019	Difference between September 2019 and June 2019	Difference between September 2019 and September 2018
	R million	R million	R million	%	%
Mining and quarrying	172 630	186 584	183 239	-1,8	6,1
Manufacturing	724 568	711 909	729 149	2,4	0,6
Electricity, gas and water supply	71 843	65 788	81 203	23,4	13,0
Construction	89 861	87 153	90 445	3,8	0,6
Trade	820 081	819 412	831 016	1,4	1,3
Transport, storage and communication	227 325	234 622	240 654	2,6	5,9
Real estate and other business services, excluding financial intermediation and insurance	270 037	300 094	289 061	-3,7	7,0
Community, social and personal services, excluding government and educational institutions	60 767	67 758	68 308	0,8	12,4
All industries	**2 437 112**	**2 473 320**	**2 513 075**	**1,6**	**3,1**

Table D – Turnover by industry and percentage contribution[1]

Industry	June 2019		September 2019	
	R million	% total turnover	R million	% total turnover
Mining and quarrying	186 584	7,5	183 239	7,3
Manufacturing	711 909	28,8	729 149	29,0
Electricity, gas and water supply	65 788	2,7	81 203	3,2
Construction	87 153	3,5	90 445	3,6
Trade	819 412	33,1	831 016	33,1
Transport, storage and communication	234 622	9,5	240 654	9,6
Real estate and other business services, excluding financial intermediation and insurance	300 094	12,1	289 061	11,5
Community, social and personal services, excluding government and educational institutions	67 758	2,7	68 308	2,7
All industries	**2 473 320**	**100,0**	**2 513 075**	**100,0**

[1]The 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 2019	Inventories September 2019	Difference Between September 2019 and June 2019
	R million	R million	%
Mining and quarrying	92 333	99 010	7,2
Manufacturing	401 470	400 455	-0,3
Electricity, gas and water supply	30 827	33 809	9,7
Construction	22 403	22 361	-0,2
Trade	341 529	345 488	1,2
Transport, storage and communication	15 241	14 020	-8,0
Real estate and other business services, excluding financial intermediation and insurance	25 546	26 880	5,2
Community, social and personal services, excluding government and educational institutions	1 847	1 830	-0,9
All industries	**931 196**	**943 853**	**1,4**

Table F – Capital expenditure by industry and percentage change

Industry	Capital expenditure June 2019	Capital expenditure September 2019	Difference between September 2019 and June 2019
	R million	R million	%
Mining and quarrying	18 122	16 448	-9,2
Manufacturing	18 707	19 417	3,8
Electricity, gas and water supply	10 344	11 011	6,4
Construction	975	1 108	13,6
Trade	9 517	8 710	-8,5
Transport, storage and communication	13 793	16 212	17,5
Real estate and other business services, excluding financial intermediation and insurance	6 758	5 995	-11,3
Community, social and personal services, excluding government and educational institutions	1 674	2 518	50,4
All industries	**79 890**	**81 419**	**1,9**

Neyman Optimal Allocation	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. $n_h = \frac{N_h S_h}{\sum N_h S_h}$ Where N_h and S_h are the stratum population size and the stratum variance, respectively.

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).
[1]Enterprises 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 2018 and March, June and September 2019 quarters which examines key variables as required by the Systems of National Accounts (SNA) 2008, and are mentioned below:

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

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

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

4 Additional information regarding estimates of small, medium and large enterprises by industry per variable for the quarters ended June 2019 and September 2019 is available on the Stats SA website and can also be made available on request.

Purpose of the survey

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

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

Scope of the survey

6 This survey covers financial statistics of the following industries according to the *Standard Industrial Classification of All Economic Activities* (SIC), Fifth edition, January 1993:

- 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

7 The 1993 edition of the *Standard Industrial Classification of All Economic Activities* (SIC), Fifth edition, January 1993, was used to classify the statistical units in the survey. The SIC is based on the 1990 *International Standard Industrial Classification of All Economic Activities* (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.

Collection rate

8 The preliminary collection rate for the survey on quarterly financial statistics for the September 2019 quarter was 82,0%. The improved collection rate for the June 2019 quarter was 85,0%.

Statistical unit

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.

Survey methodology and design

10 The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of approximately 4 500 enterprises. Questionnaires have to be returned to Stats SA within two weeks after the end of the quarter concerned. Fax, telephone and electronic reminders are used to follow up on non-responding enterprises.

11 Samples are normally drawn each year and the resulting level changes in estimates are indicated when the new sample is implemented. A new sample was drawn in 2018 and implemented from the December 2018 quarter onwards.

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

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 July 2019 to 30 September 2019.

Related publications

19 Users may also wish to refer to the following publications which are available from Stats SA:

- *Annual financial statistics* (P0021);
- *Gross domestic product* (P0441) – issued quarterly and annually;
- *Manufacturing: Production and sales* (P3041.2) – issued monthly;
- *Mining: Production and sales* (P2041) – issued monthly;
- *Motor trade sales* (P6343.2) – issued monthly;
- *Quarterly employment statistics* (P0277);
- *Retail trade sales* (P6242.1) – issued monthly;
- *Stats in brief* – issued annually; and
- *Wholesale trade sales* (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 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 *Quarterly employment statistics* (QES) survey produces estimates for employment and earnings from a payroll perspective.

The differences between the QFS employment costs and QES earnings can be attributed, but not limited, to the following factors:

- 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 *Standard Industrial Classification of All Economic Activities* (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

Inventories consist of:

- 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).

Raw materials consist of components for processing, packing materials, fuel, consumable and maintenance stores.

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.

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.

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 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
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