



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

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

STATISTICAL RELEASE

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Motor trade sales (Preliminary)

July 2021

The results published today are based on a new sample. This is an annual procedure which typically affects the level of sales at current prices. To avoid breaks in time series and to minimise revisions to historical growth rates, historical sales levels were revised (i.e. they were linked to the estimates based on the new sample).

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ENQUIRIES:
Keshnee Naidoo
(072) 310 3798

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Contents

Sales at current prices: results for July 2021	2
Table A – Key growth rates in motor trade sales at current prices.....	2
Table B – Motor trade sales at current prices for the latest three months by type of activity.....	2
Figure 1 – Motor trade sales at current prices	3
Figure 2 – Motor trade sales at current prices: year-on-year percentage change	3
Note: Changes to the survey and the impact on the statistical series	4
Tables.....	6
Table 1 – Motor trade sales at current prices (R million).....	6
Table 2 – Year-on-year percentage change in motor trade sales at current prices	6
Table 3 – Seasonally adjusted motor trade sales at current prices.....	6
Table 4 – Motor trade sales at current prices by type of activity (R million)	7
Table 5 – Year-on-year percentage change in motor trade sales at current prices by type of activity	7
Table 6 – Contribution of each type of activity to the year-on-year percentage change in motor trade sales at current prices	7
Survey information	8
Technical notes.....	9
Glossary.....	11
Technical enquiries	11
General information.....	12

Sales at current prices: results for July 2021

Table A – Key growth rates in motor trade sales at current prices

	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
Year-on-year % change, unadjusted	-4,7	24,6	492,1	100,3	16,7	0,6
Month-on-month % change, seasonally adjusted	3,1	2,6	1,2	2,3	-4,7	-9,1
3-month % change, seasonally adjusted 1/	0,7	2,1	4,3	5,7	3,9	-2,3

1/ Percentage change between the previous 3 months and the 3 months ending in the month indicated.

Measured in nominal terms (current prices), motor trade sales increased by 0,6% year-on-year in July 2021. Positive annual growth rates were recorded for:

- convenience store sales (7,8%);
- fuel sales (5,8%); and
- new vehicle sales (4,1%) – see Table 5.

Seasonally adjusted motor trade sales decreased by 9,1% in July 2021 compared with June 2021. This followed month-on-month changes of -4,7% in June 2021 and 2,3% in May 2021.

In the three months ended July 2021, seasonally adjusted motor trade sales decreased by 2,3% compared with the previous three months.

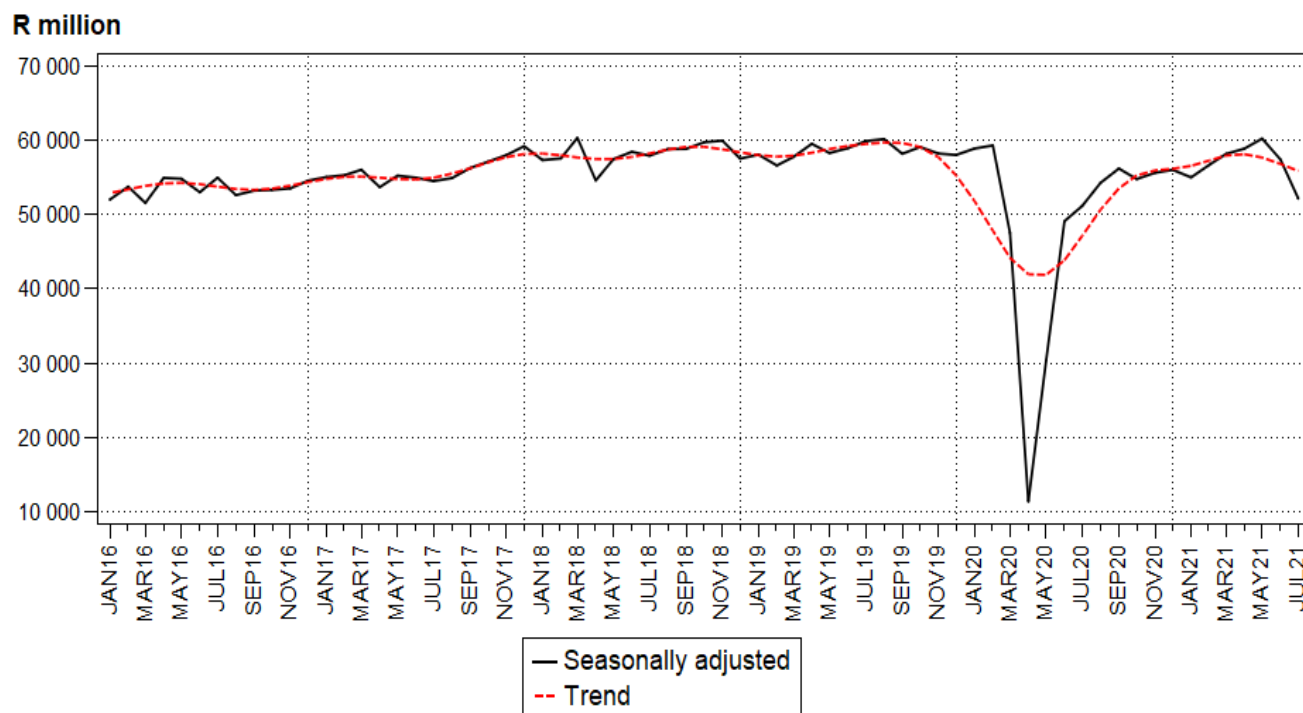
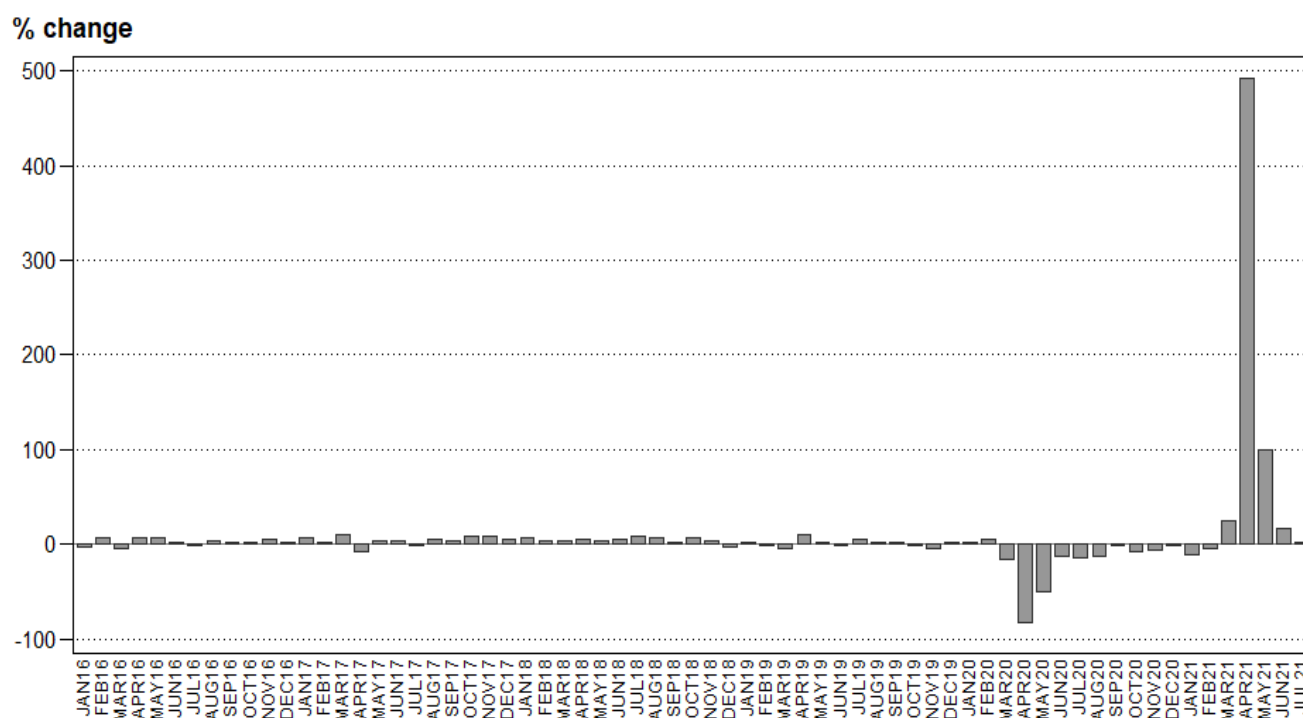
Table B – Motor trade sales at current prices for the latest three months by type of activity

Type of activity	May – Jul 2020 (R million)	Weight	May – Jul 2021 (R million)	% change between May – Jul 2020 and May – Jul 2021	Contribution (% points) to the total % change
New vehicle sales	27 552	20,8	37 318	35,4	7,4
Used vehicle sales	26 780	20,3	33 216	24,0	4,9
Workshop income	9 704	7,3	12 562	29,5	2,2
Income from the sales of accessories	27 318	20,7	31 483	15,2	3,1
Income from fuel sales	35 747	27,0	49 725	39,1	10,6
Income from convenience store sales 1/	5 128	3,9	6 224	21,4	0,8
Total	132 228	100,0	170 527	29,0	29,0

1/ Includes 'other' sales and trading income.

Motor trade sales increased by 29,0% in the three months ended July 2021 compared with the three months ended July 2020. The main contributors to this increase were:

- fuel sales (39,1% and contributing 10,6 percentage points);
- new vehicle sales (35,4% and contributing 7,4 percentage points); and
- used vehicle sales (24,0% and contributing 4,9 percentage points) – see Table B.

Figure 1 – Motor trade sales at current prices**Figure 2 – Motor trade sales at current prices: year-on-year percentage change**

Risenga Maluleke
Statistician-General

Note: Changes to the survey and the impact on the statistical series

Business register and samples

Today Statistics South Africa (Stats SA) publishes results for the monthly survey of motor trade sales from a new sample drawn in April 2021, which replaces the previous sample that was drawn in April 2019. The sample was drawn from a business register of enterprises with an annual turnover of at least R1 865 950 and that are required to register with the South African Revenue Service for value added tax.

Owing to the evolving nature of business, the business register is maintained on a continuous basis. The maintenance process is aimed, amongst other things, at capturing changes related to new businesses, ceased businesses, merged businesses and classification changes. In addition, Stats SA undertakes quality improvement surveys related to the business register, the primary objective of which is to capture up-to-date information about the structures and activities of large and complex businesses. This process enables Stats SA to review classification codes for these businesses. These changes are an essential part of the statistical architecture.

Comparison of sales between the previous (revised) and new samples for the motor trade industry

The reported level of total sales for the monthly survey of the motor trade industry for the months April to June 2021 based on the new sample was 5,0% (R8 271 million) higher than the level of total sales recorded for the previous sample (see Table C and Figure 3). The previous sample was drawn in April 2019 and was operational for the last half of 2019, 2020 and the first half of 2021.

Table C – Total sales for previous and new samples for the motor trade industry: April to June 2021

Motor trade industry	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (%)
	166 080	174 351	8 271	5,0

Figure 3 – Total value of motor trade sales: monthly levels of previous and new samples for April to June 2021

R million

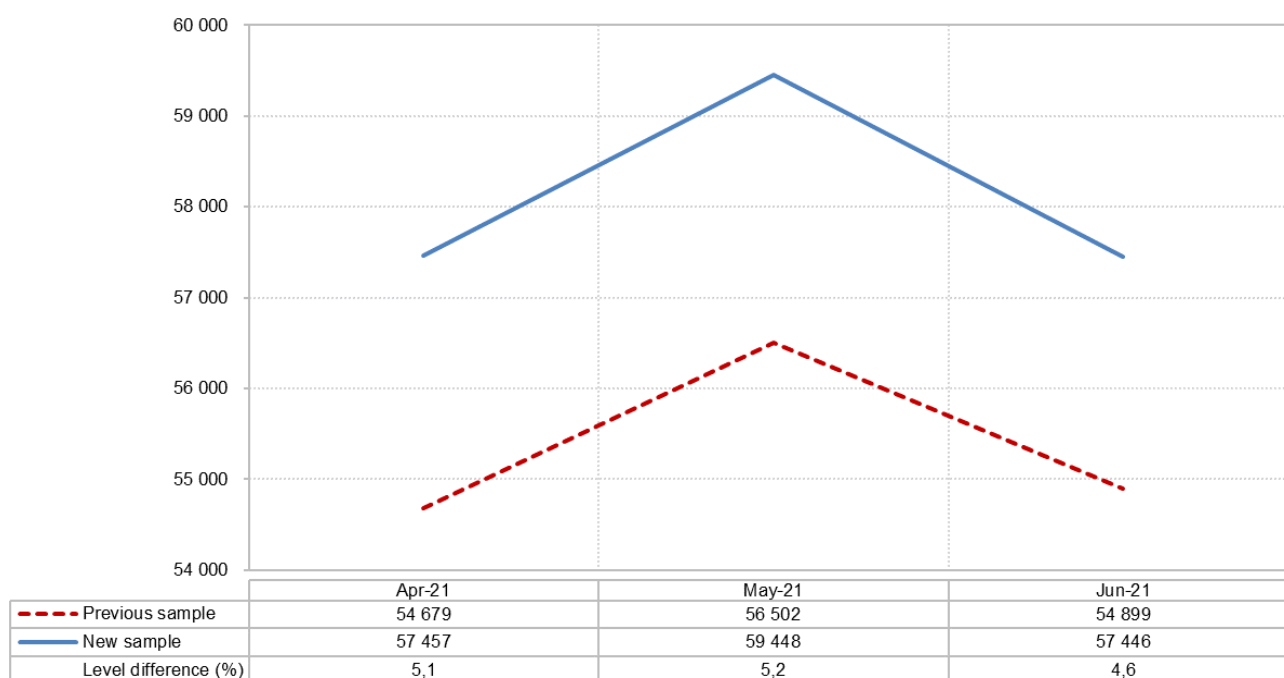


Table D – Motor trade sales for the previous and new samples by type of activity: April to June 2021

Type of activity	Previous sample (R million)	New sample (R million)	Difference (R million)	Difference (%) 1/
New vehicle sales	41 293	38 311	-2 982	-7,2
Used vehicle sales	32 647	33 444	797	2,4
Workshop income	11 239	12 656	1 417	12,6
Income from the sales of accessories	29 175	31 839	2 664	9,1
Income from fuel sales	46 068	51 759	5 691	12,4
Income from convenience store sales 2/	5 659	6 343	684	12,1
Total	166 080	174 351	8 271	5,0

1/ The percentage difference is the new sample minus the previous sample, divided by the previous sample, multiplied by 100.

2/ Includes 'other' sales and trading income.

The largest percentage differences were in the following types of activities:

- workshop income (12,6% or R1 417 million higher in the new sample);
- fuel sales (12,4% or R5 691 million higher in the new sample);
- convenience store sales (12,1% or R684 million higher in the new sample); and
- sales of accessories (9,1% or R2 664 million higher in the new sample).

Backcasting

To avoid breaks in the time series and to minimise revisions to historical growth rates, historical sales levels were revised (i.e. they were linked to the estimates based on the new sample).

Tables

Table 1 – Motor trade sales at current prices (R million)

Month	2015 *	2016 *	2017 *	2018 *	2019 *	2020 *	2021 1/ *
Jan	49 883	48 470	52 171	55 608	56 445	57 156	51 208
Feb	49 734	52 951	53 749	55 897	54 892	57 535	54 831
Mar	55 330	53 169	58 652	61 173	58 335	48 872	60 912
Apr	49 127	52 832	49 115	52 031	57 638	9 704	57 457
May	51 062	54 664	56 319	58 773	59 593	29 673	59 448
Jun	53 193	53 236	55 390	57 933	56 870	49 238	57 446
Jul	56 330	55 667	54 906	59 135	62 134	53 317	53 633
Aug	52 034	54 048	56 481	60 381	61 259	53 874	
Sep	53 697	53 754	55 962	57 067	57 099	56 614	
Oct	54 373	54 464	59 423	63 325	62 857	57 744	
Nov	54 260	56 717	61 126	63 336	60 714	57 277	
Dec	51 556	52 794	55 904	53 968	55 265	54 372	
Total	630 579	642 766	669 198	698 627	703 101	585 376	

1/ Figures for latest month are preliminary.

* Revised, see note on page 4.

Table 2 – Year-on-year percentage change in motor trade sales at current prices

Month	2016	2017	2018	2019	2020	2021	2021 year-to-date
Jan	-2,8	7,6	6,6	1,5	1,3	-10,4	-10,4
Feb	6,5	1,5	4,0	-1,8	4,8	-4,7	-7,5
Mar	-3,9	10,3	4,3	-4,6	-16,2	24,6	2,1
Apr	7,5	-7,0	5,9	10,8	-83,2	492,1	29,5
May	7,1	3,0	4,4	1,4	-50,2	100,3	39,9
Jun	0,1	4,0	4,6	-1,8	-13,4	16,7	35,3
Jul	-1,2	-1,4	7,7	5,1	-14,2	0,6	29,3
Aug	3,9	4,5	6,9	1,5	-12,1		
Sep	0,1	4,1	2,0	0,1	-0,8		
Oct	0,2	9,1	6,6	-0,7	-8,1		
Nov	4,5	7,8	3,6	-4,1	-5,7		
Dec	2,4	5,9	-3,5	2,4	-1,6		
Total	1,9	4,1	4,4	0,6	-16,7		

Table 3 – Seasonally adjusted motor trade sales at current prices

Month	R million				Month-on-month % change			
	2018	2019	2020	2021	2018	2019	2020	2021
Jan	57 336	58 069	58 888	55 003	-3,2	0,9	1,5	-1,8
Feb	57 555	56 606	59 310	56 707	0,4	-2,5	0,7	3,1
Mar	60 334	57 758	47 510	58 166	4,8	2,0	-19,9	2,6
Apr	54 586	59 526	11 343	58 873	-9,5	3,1	-76,1	1,2
May	57 468	58 286	30 327	60 232	5,3	-2,1	167,4	2,3
Jun	58 450	58 936	49 105	57 405	1,7	1,1	61,9	-4,7
Jul	57 931	59 886	51 160	52 172	-0,9	1,6	4,2	-9,1
Aug	58 815	60 169	54 275		1,5	0,5	6,1	
Sep	58 844	58 184	56 198		0,0	-3,3	3,5	
Oct	59 736	59 093	54 775		1,5	1,6	-2,5	
Nov	59 957	58 217	55 627		0,4	-1,5	1,6	
Dec	57 528	58 025	56 019		-4,1	-0,3	0,7	

Table 4 – Motor trade sales at current prices by type of activity (R million)

Type of activity	Feb-21 *	Mar-21 *	Apr-21 *	May-21 *	Jun-21 *	Jul-21 1/ *
New vehicle sales	12 011	13 889	12 474	13 087	12 750	11 481
Used vehicle sales	11 279	12 147	10 996	11 428	11 020	10 768
Workshop income	3 941	4 348	4 138	4 362	4 156	4 044
Income from the sales of accessories	10 250	11 270	10 483	10 790	10 566	10 127
Income from fuel sales	15 308	17 073	17 279	17 646	16 834	15 245
Income from convenience store sales 2/	2 042	2 186	2 087	2 136	2 120	1 968
Total	54 831	60 912	57 457	59 448	57 446	53 633

1/ Figures are preliminary.

2/ Includes 'other' sales and trading income.

* Revised, see note on page 4.

Table 5 – Year-on-year percentage change in motor trade sales at current prices by type of activity

Type of activity	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
New vehicle sales	1,3	49,8	1 345,4	160,1	11,0	4,1
Used vehicle sales	4,4	44,9	3 691,7	147,3	4,4	-7,2
Workshop income	-11,3	14,2	473,9	113,6	16,5	-1,3
Income from the sales of accessories	3,4	24,5	597,5	49,3	8,5	-2,2
Income from fuel sales	-16,0	5,2	222,4	91,4	38,9	5,8
Income from convenience store sales 1/	-11,6	2,6	115,6	39,3	19,8	7,8
Total	-4,7	24,6	492,1	100,3	16,7	0,6

1/ Includes 'other' sales and trading income.

Table 6 – Contribution of each type of activity to the year-on-year percentage change in motor trade sales at current prices

Type of activity	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
New vehicle sales	0,3	9,5	119,7	27,2	2,6	0,8
Used vehicle sales	0,8	7,7	110,3	23,0	0,9	-1,6
Workshop income	-0,9	1,1	35,2	7,8	1,2	-0,1
Income from the sales of accessories	0,6	4,5	92,5	12,0	1,7	-0,4
Income from fuel sales	-5,1	1,7	122,8	28,4	9,6	1,6
Income from convenience store sales 1/	-0,5	0,1	11,5	2,0	0,7	0,3
Total	-4,7	24,6	492,1	100,3	16,7	0,6

1/ Includes 'other' sales and trading income.

Survey information

Introduction	<p>1 Statistics South Africa (Stats SA) conducts a monthly survey covering enterprises in the motor trade industry (see 4 below). This survey is based on a sample drawn from Stats SA's 2021 business sampling frame (BSF) that contains businesses registered at the South African Revenue Service (SARS) for value added tax (VAT). Stats SA continuously updates its BSF, which is linked to the SARS administrative data.</p>
	<p>2 In order to improve timeliness, some information for the latest month had to be estimated due to late response. These estimates will be revised in future statistical releases as soon as information becomes available. Published motor trade sales estimates exclude VAT.</p>
Purpose of the survey	<p>3 The results of the monthly motor trade sales survey are used to compile estimates of the gross domestic product (GDP) and its components, which are used in monitoring the state of the economy and formulation of economic policy. These statistics are also used in the analysis of comparative business and industry performance.</p>
Scope of the survey	<p>4 The survey collects information from a sample of enterprises in South Africa that are predominantly involved in motor trade. These enterprises include:</p> <ul style="list-style-type: none"> • motor vehicle dealers, filling stations and workshops; • motor cycle dealers; • spares and accessories; • tyre dealers; • automotive electricians; • radiator repairs; • panel beaters and spray painters; • 'other' specialised motor repair services; and • 'other' motor trade.
Classification	<p>5 The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities</i> (SIC), Fifth Edition, Report No. 09-90-02, 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. Each enterprise is classified to the industry which reflects its predominant activity. Statistics in this publication are presented at SIC group (four digits) level.</p>
Collection rate	<p>6 The preliminary collection rate for the survey on motor trade sales for July 2021 was 64,5%. The collection rate for June 2021 for the new sample was 71,1%.</p>
Statistical unit	<p>7 The statistical unit for which information is compiled and published is the enterprise, defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its sales and service activities.</p>
Revised figures	<p>8 Revised figures are mainly due to late submission of data to Stats SA, or respondents reporting revisions or corrections to their figures. Preliminary figures, as indicated in the relevant tables, are subject to change and when revised will not be indicated as such.</p>
Related publications	<p>9 Users may also refer to the following publication available from Stats SA:</p> <ul style="list-style-type: none"> • <i>Stats in Brief</i> issued annually.

- Rounding-off of figures** 10 Where figures have been rounded off, discrepancies may occur between sums of the component items and the totals.
- Historical data** 11 Historical motor trade data are available on the Stats SA website. To access the data electronically, use the following link: [Click to download historical data](#)
- Past publications** 12 Past motor trade releases are available on the Stats SA website. To access the releases electronically, use the following link: [Click to download past releases](#)

Technical notes

- Survey methodology and design** 1 The survey is conducted monthly. Questionnaires are sent to a sample of 857 enterprises from a population of 10 670 enterprises. Completed questionnaires are required to be returned to Stats SA within 10 days after the end of the reference month. Email, fax and telephone reminders are used to follow up on non-respondents.
- 2 A stratified random sample was drawn in April 2021 from Stats SA's business sampling frame (BSF) at the SIC four-digit level. Strata were formed using a combination of Standard Industrial Classification and the measure of size classes for enterprises (see point 3 below).

The Neyman optimal allocation formula given below was used to allocate samples to each stratum.

$$n_h = n * (N_h * S_h) / [\sum (N_i * S_i)].$$

Neyman allocation formula not only allocates sample sizes to each stratum but also calculates the relative precision for each stratum as well as the relative precision for all strata. The relative precision for these strata was 3,8%.

- Class limits** 3 Each motor trade classification group (SIC at four digit level) is divided into four size groups. All large enterprises (size group one) are completely enumerated. Simple random sampling is applied to medium and small enterprises (size groups two, three and four). The total value of sales of the large enterprises (size group one) per classification group is added to the weighted totals of size groups two, three and four to reflect the total value of sales.

Measure of size classes (Rand)

Enterprise size	Size group	Lower limits	Upper limits
Very small	4	1 865 950	18 000 000
Small	3	18 000 001	85 500 000
Medium	2	85 500 001	175 500 000
Large	1	175 500 001	

- Sample weighting** 4 For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates are calculated and then aggregated with the completely enumerated stratum to form classification group estimates. These procedures are consistent with international best practice.

Seasonal adjustment	5	<p>Seasonally adjusted estimates are generated each month using the X-12-ARIMA Seasonal Adjustment Program developed by the US Bureau of the Census. Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences on the series can be recognised more clearly. Seasonal adjustment does not aim to remove irregular or non-seasonal influences which may be present in any particular month. Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variations. Therefore the month-to-month movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour. The X-12-ARIMA procedure for motor trade sales is described in more detail on the Stats SA website at: Click to download seasonal adjustment motor trade sales August 2017</p> <p>Note: Owing to the impact of the COVID 19 lockdown, a transitory change adjustment was applied to April 2020. Transitory (temporary) change describes a temporary effect on the level of a series after a certain point in time.</p>
Trend cycle	6	The trend is the long-term pattern or movement of a time series. The X-12-ARIMA Seasonal Adjustment Program is used for smoothing seasonally adjusted estimates to estimates of the underlying trend cycle.
Reliability of estimates	7	Data presented in this publication are based on information obtained from a sample and are, therefore, subject to sampling variability; that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the motor trade industry in South Africa. Estimates are subject to sampling and non-sampling errors.
	8	Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in 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 careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Fluctuations may occur in consecutive months as a result of seasonal and economic factors.
Month-on-month percentage change	9	The month-on-month percentage change in a variable for any given month is the change between that month and the previous month, expressed as a percentage of the latter.
Year-on-year percentage change	10	The year-on-year percentage change in a variable for any given period is the change between that period and the corresponding period of the previous year, expressed as a percentage of the latter.
Contribution (percentage points)	11	The contribution (percentage points) to the year-on-year percentage change is calculated by multiplying the percentage change of each type of activity by its corresponding weight, divided by 100. The weight is the percentage contribution of each type of activity to total motor trade sales in the corresponding period of the previous year.

Glossary

Enterprise

An enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its sales activities.

Industry

An industry is made up of enterprises engaged in the same or similar kinds of economic activity. Industries are defined in the *System of National Accounts* (SNA) in the same way as in the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth Edition, Report No. 09-90-02 of January 1993.

Symbols and abbreviations

BSF	Business sampling frame
GDP	Gross domestic product
ISIC	International Standard Industrial Classification
IT	Income tax
Rm	Rand million
SIC	Standard Industrial Classification of all Economic Activities
SARS	South African Revenue Service
Stats SA	Statistics South Africa
VAT	Value added tax

Technical enquiries

Peter Makota

Telephone number: (068) 048 4140
Email: petermak@statssa.gov.za

Keshnee Naidoo

Telephone number: (072) 310 3798
Email: keshneen@statssa.gov.za

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User information services	Telephone number: (012) 310 8600 Email address: info@statssa.gov.za
Orders/subscription services	Telephone number: (012) 310 8619 Email address: millies@statssa.gov.za
Postal address	Private Bag X44, Pretoria, 0001

Produced by Stats SA