

Mbalo Brief



the missing piece of the puzzle

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THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND



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Editor's comment

As we were approaching the end of 2017, the Minister in the Presidency for Planning, Monitoring and Evaluation, Mr Jeff Radebe, announced the appointment of the new Statistician-General (SG) for Statistics South Africa (Stats SA), Mr Risenga Maluleke, on 20 October 2017. The appointment followed the retirement of Dr Pali Lehohla who served as SG from 2000 when he was appointed until his contract ended in October 2017, a period of 17 years. Although Mr Maluleke is the new SG for Stats SA, he is not a new employee to the organisation as he started working for the organisation in 1997 as head of the Limpopo provincial office. He then moved to the Head Office in 2000 and became the Deputy Director-General (DDG) for Statistical Collection and Outreach in 2008. During his tenure as the DDG, he held various responsibilities such as the coordination of provincial activities, communication, marketing and stakeholder relations, amongst others. On his first day as the SG, Mr Maluleke visited a school in Khayelitsha in the Western Cape province as part of the International Population Conference's outreach programme, which was held from 29 October to 3 November 2017 in Cape Town.

In this month's issue of *Mbalo Brief*, our educational article is based on living conditions of households in South Africa and outlines income and expenditure patterns in South African households. Also have a look at our monthly crossword puzzle and solutions for the November 2017 puzzle.

Articles published in this issue are based on results of industry surveys conducted for the months ranging from October to November 2017.

For more details on any of the surveys, visit our website at www.statssa.gov.za

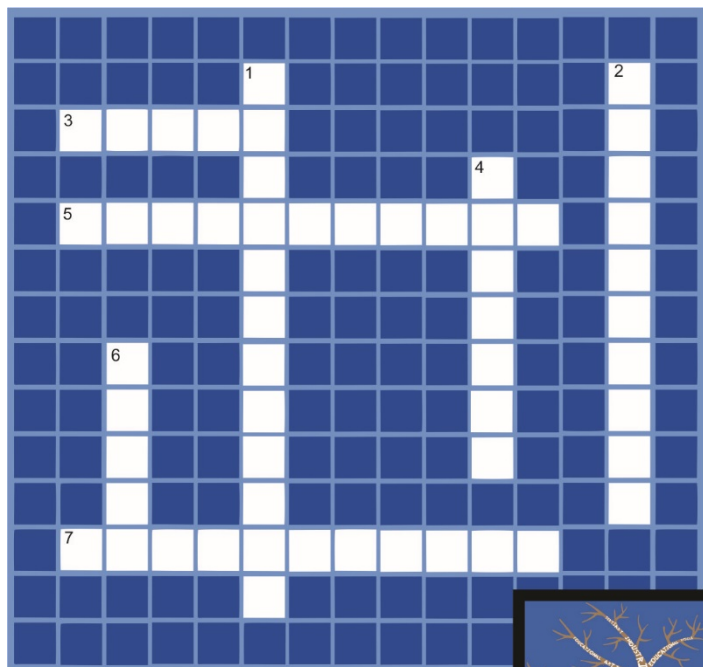




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Crossword puzzle





Across

3. Which population group had the highest average annual household consumption expenditure in 2014/2015? (read educational article for clue).
5. Which country in the world extracted the first world's largest gem-quality diamond?
7. Which disease is caused by the bacterium known as *listeria monocytogenes*?

Down

1. IIoT stands for Industrial Internet of (fill in the missing word).
2. A legal declaration of one's inability to pay off debts is called?
4. What is the name of the Statistician General of Statistics South Africa?
6. In which city in the United Arab Emirates is the world's tallest hotel located?

Solution for November 2017 puzzle

Across

5. City of Tshwane
6. Rugby
7. Fifteen

Down

1. Gauteng
2. November
3. IPC
4. Maluleke





Living conditions of households in South Africa

Many people have different circumstances that affect the way in which they live, especially with regard to their well-being. Some of those circumstances are the level of class disparity, material goods, provisions available to a certain socio-economic class, income, quality and availability of employment, poverty rate, and the cost of goods and services. Some of these circumstances cause inequalities to widen, resulting in either deterioration or improvement in the quality of life for some people.

This educational article outlines income and expenditure patterns in South African households, using findings from the Living Conditions Survey (LCS) 2014/2015, which were derived from *Living Conditions of Households in South Africa* (Statistical release P0310). The statistical release was published in January 2017. The article focuses on, among others, household income and expenditure from October 2014 to October 2015.

Household composition

Percentage distribution of households by population group and sex of household head

In 2014/2015, eight out of ten households in South Africa were headed by black Africans (80,41%), approximately a tenth of households were headed by whites (10,04%), less than one in ten households were headed by coloureds (7,23%), while Indian/Asian households accounted for 2,31% of household heads. On gender parity, there were more male-headed households (58,64%) compared to female-headed households (41,36%), who only accounted for two-fifths of household heads in 2014/2015. Indian/Asian households were predominantly headed by males (70,95%) compared to 29,05% of females, followed by white households who were headed by 67,14% of males compared to 32,86% females, while black African households were headed by 57,21% of males compared to 42,79% of females, and lastly, coloureds accounted for 58,88% of male-headed households compared to 41,12% of females.



Percentage distribution of households by settlement type and sex of household head

The majority of households in all settlement types (except traditional areas) were headed by males in 2014/2015. Male-headed households accounted for the highest proportion in rural formal (68,64%), urban formal (62,24%) and urban informal (60,35%) areas, whereas female-headed households accounted for 31,36%, 37,76% and 39,65%, respectively. The results further indicate that 52,02% of households in traditional areas were headed by females.

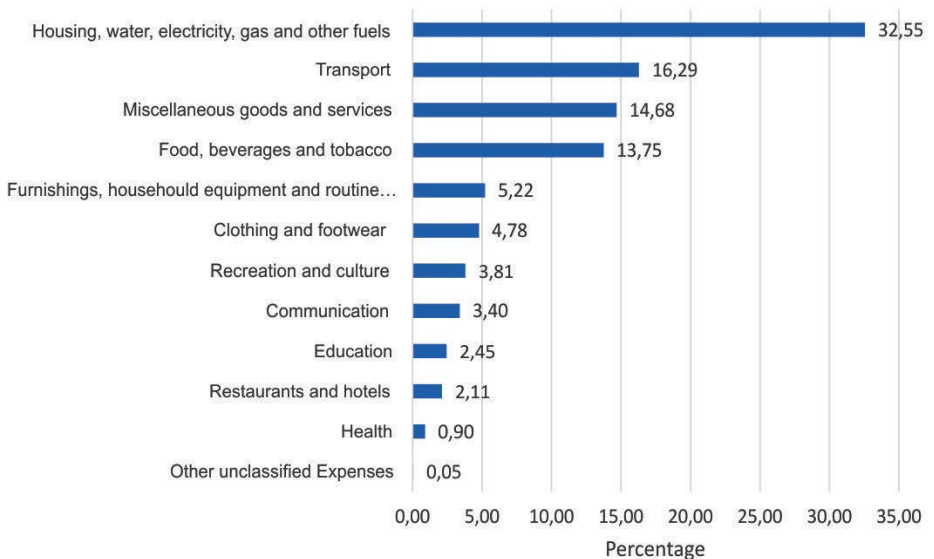
Household consumption expenditure

Total and average annual household consumption expenditure by main expenditure group for 2014/2015

In 2014/2015, expenditure on housing, water, electricity, gas and other fuels accounted for the largest contribution of the main expenditure groups, recording 32,55% of total annual household consumption expenditure in South Africa, followed by transport (16,29%), and miscellaneous goods and services (14,68%), while 13,75% of total household consumption expenditure was attributed to food, beverages and tobacco. Households spent 1% of their total budget on out-of-pocket health care expenses.



Figure 1: Percentage distribution of total annual household consumption expenditure by main expenditure group



Average annual household consumption expenditure by population group of household head

South Africans spent R103 293 on average in 2014/2015. The highest average annual household consumption expenditure across all the population groups was R350 937 for white-headed households, followed by Indian/Asian-headed households (R195 336), coloured-headed households (R124 445) and black African-headed households (R67 828).

Household income

Average annual household income by sex of the household head

On average, South African households had an annual income of R138 168 in 2014/2015. Male-headed households had the highest average income of R165 853 per annum compared to R98 911 for female-headed households. This indicates that men earned almost one and a half times more as women. About 72,6% of South African households received their income from work,



and the average income (earned by working) for all households was R100 246 per annum. The male-headed households earned 76,5% from work more than female-headed households with 63,3%. About 29% of female-headed households received more income from pensions, social insurance, family allowances and imputed rent on owned dwelling compared to the 19,7% of male-headed households earning an income from these two income categories.

Table 1: Average annual household income by sex of the household head

Source of income	Male		Female		South Africa	
	Average income	%	Average income	%	Average income	%
Income from work	126 817	76,5	62 568	63,3	100 246	72,6
Income from capital	2 963	1,8	1 725	1,7	2 451	1,8
Pensions, social insurance, family allowances	9 642	5,8	13 840	14,0	11 378	8,2
Income from individuals	1 260	0,8	4 360	4,4	2 542	1,8
Other income	2 125	1,3	1 549	1,6	1 886	1,4
Imputed rent on owned dwelling	23 047	13,9	14 871	15,0	19 665	14,2
Total	165 853	100,0	98 911	100,0	138 168	100,0

Average annual household income by population group of the household head

In 2014/2015, white-headed households on average earned the highest income at R444 446 per annum, followed by Indian/Asian-headed households with R271 621 and coloured-headed households earning R172 765. Black African-headed households earned the least at R92 983 per annum. White-headed households received 22,8% of their income from imputed rent on owned dwelling and capital.



Expenditure and income quintiles

Percentage distribution of households by expenditure per capita quintiles and population group of the household head

Almost half (46,58%) of black African-headed households fell within the lowest two expenditure quintiles combined. In other words, each household was spending approximately less than R12 781 per annum (approximately R1 065 per month or R36 per day). At the upper end of the scale, as few as 11,09% of black African-headed households were found in the upper quintile. More than a fifth (20,87%) of coloured- headed households fell in the upper expenditure quintile (earning R52 077 and above), whereas almost a third (32,32%) of coloured-headed households fell below the third quintile (spending less than R12 781). More than four in every five (80,46%) Indian/Asian-headed households fell into the upper two expenditure quintiles (spending R52 078 and above) while the majority of the white-headed households (84,60%) fell within the upper expenditure quintile (spending R52 078 and above).

Percentage distribution of households by income per capita quintiles and population group of the household head

In 2014/2015, the majority of white-headed households were earning more than all population groups in the upper quintile (earning R71 479 and above). About 74,87% of white-headed households were earning over R71 479 per annum, followed by Indian/Asian- (43,92%), coloured- (20,90%) and black African-headed households (12,39%). In contrast, the majority (23,81%) of black African-headed households were found to be in the lower income per capita quintile, earning up to R6 485 per annum, followed by coloured-headed households (9,63%), Indian/Asian-headed households (1,99%) and white-headed households (1,11%).

Conclusion

LCS 2014/2015 results indicate that on average, South African households had an income of R138 168. Male-headed households had a higher average income compared to their female-headed households. According to the findings, the white-headed households were on the upper income per capita quintile compared to the rest of the population groups.



Primary industries

Mining: Production and sales

Mining production and minerals sales increase

Globally, Africa is known for producing and supplying large quantities of mineral resources such as gold, coal and diamonds, amongst others. This is supported by the fact that the five largest gem-quality diamonds were discovered in Africa alone. Amongst all the countries in Africa, South Africa was the first country to extract the world's largest gem-quality diamond (3 106 carats) in Pretoria on 26 January 1905 at the Cullinan mine. The world's second-largest gem-quality diamond (1 111 carats) was discovered at the Karowe mine in Botswana on 16 November 2015. The Excelsior (995 carats) is the third-largest gem-quality diamond and it was discovered at the Jagersfontein mine in Kimberley, South Africa. The fourth-largest gem-quality diamond is the Star of Sierra Leone (969 carats) discovered in Sierra Leone. Just after stepping into the new year, it was announced that the world's fifth-largest gem-quality diamond (910 carats) was also extracted in Africa at the Letšeng mine in Maseru, Lesotho, on 15 January 2018. Presented in this article is a summary of the Mining: production and sales statistics for November 2017.

Mining production increased by 6,5% year-on-year in November 2017 (see **Table A**). The largest positive contributors were:

- PGMs (12,3%, contributing 2,8 percentage points);
- iron ore (20,7%, contributing 2,5 percentage points); and
- coal (8,5%, contributing 2,1 percentage points).

Gold (decreasing by 8,3%, contributing -1,3 percentage points) was a significant negative contributor.



Table A – Key growth rates in the volume of mining production for November 2017

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Year-on-year % change, unadjusted	1,7	2,8	8,7	-0,7	5,2	6,5
Month-on-month % change, seasonally adjusted	-1,8	2,0	5,8	-6,8	2,7	-0,7
3-month % change, seasonally adjusted ^{1/}	1,0	0,5	2,8	2,8	2,6	-1,1

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Mining: Production and sales* (Statistical release P2041) is available on the Stats SA website: www.statssa.gov.za

Mineral sales increased by 14,3% year-on-year in October 2017 (see Table B). The main positive contributors were:

- coal (14,0%, contributing 4,1 percentage points);
- manganese ore (84,6%, contributing 3,6 percentage points);
- iron ore (41,3%, contributing 3,5 percentage points); and
- gold (18,4%, contributing 3,1 percentage points).

Table B – Key growth rates in mineral sales at current prices for October 2017

	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17
Year-on-year % change, unadjusted	-5,4	-3,7	18,0	19,1	6,4	14,3
Month-on-month % change, seasonally adjusted	2,2	-0,9	2,7	5,2	0,3	5,2
3-month % change, seasonally adjusted ^{1/}	-2,1	-0,9	1,7	3,2	6,4	8,8

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Mining: Production and sales* (Statistical release P2041) is available on the Stats SA website: www.statssa.gov.za



Secondary industries

Manufacturing: Production and sales

Manufacturing production increases

Broken machinery during the manufacturing process is one of the biggest challenges in the manufacturing industry, causing a halt in production. However, since the introduction of the Industrial Internet of Technologies (IIoT) in recent years, manufacturers across the world are switching to automated processes. The IIoT is a network of data technologies that incorporates machine learning and big data technologies by connecting the sensor data, machine-to-machine communication and automated technologies that have been existing in the manufacturing industry. For example, the IIoT technologies enable sensors to collect data on machines, and then using data analytics and machine-learning systems to determine exactly when a machine will need maintenance. The use of these data technologies may enable manufacturers to pick up on inefficiencies and problems sooner, saving them time and money. Presented in this article is a summary of the Manufacturing: production and sales statistics for November 2017.

Manufacturing production increased by 1,7% in November 2017 compared with November 2016 (**see Table C**). This increase was mainly due to higher production in the following divisions:

- food and beverages (6,0%, contributing 1,5 percentage points); and
- basic iron and steel, non-ferrous metal products, metal products and machinery (4,6%, contributing 0,8 of a percentage point).

The largest contributions were made by the following divisions:

- petroleum, chemical products, rubber and plastic products (2,9%, contributing 0,7 of a percentage point);
- food and beverages (1,1%, contributing 0,3 of a percentage point); and
- motor vehicles, parts and accessories and other transport equipment (-4,5%, contributing -0,3 of a percentage point).



Table C – Key growth rates in the volume of manufacturing production for November 2017

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Year-on-year % change, unadjusted	-2,1	-1,3	1,8	-1,8	2,3	1,7
Month-on-month % change, seasonally adjusted	-0,1	1,4	0,4	-1,0	0,8	0,9
3-month % change, seasonally adjusted ^{1/}	0,8	1,0	1,2	1,0	0,9	0,5

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated.
A full release on *Manufacturing: Production and sales* (Statistical release P3041.2) is available on the Stats SA website: www.statssa.gov.za

Selected building statistics of the private sector

Value of recorded building plans passed decreased

Amid the current water crisis, Cape Town has something to celebrate. This comes after the Cape Town International Airport received final approval from the Department of Environmental Affairs (DEA) for the construction of the airport's new realigned runway. The realigned primary runway will be 3 500 m in length and will be built to international specifications. It will also facilitate greater air access into Cape Town and the Western Cape, and will enable growth of passenger and cargo traffic that is essential for tourism and economic activity. If all processes, such as detailed design, are concluded timeously, construction of the runway will start in 2019. Presented in this article is a summary of the Selected building statistics of the private sector for November 2017.

Total value of recorded building plans passed

The value of recorded building plans passed decreased by 2,8% (-R2 857,8 million) during January to November 2017 compared with January to November 2016 (**see Table D**). Non-residential buildings fell by 13,5% (-R3 735,6 million) and additions and alterations rose by 7,3% (R1 858,7 million).



The largest negative contribution to the total decrease of 2,8% (-R2 857,8 million) was made by Gauteng (contributing -4,6 percentage points or -R4 701,8 million).

Total value of buildings reported as completed

The value of buildings reported as completed increased by 22,2% (R12 199,4 million) during January to November 2017 compared with January to November 2016. The largest percentage increase was recorded for:

- non-residential buildings (47,4% or R7 089,6 million);
- residential buildings (13,5% or R4 100,6 million); and
- additions and alterations (10,5% or R1 009,2 million).

Five provinces reported year-on-year increases in the value of buildings completed during January to November 2017. The largest contributions were recorded for the following provinces:

- Gauteng (contributing 9,8 percentage points or R5 389,2 million);
- KwaZulu-Natal (contributing 7,4 percentage points or R4 068,5 million); and
- Western Cape (contributing 7,4 percentage points or R4 061,5 million).



**Table D – Recorded building plans passed by larger municipalities:
January to November 2016 versus January to November 2017**

Estimates at current prices	January to November 2016 ^{1/}	January to November 2017 ^{1/}	Difference in value between January to November 2016 and January to November 2017	% change between January to November 2016 and January to November 2017
	R'000	R'000	R'000	
Residential buildings	50 124 708	49 143 829	-980 879	-2,0
- Dwelling houses	30 973 918	31 104 302	130 384	0,4
- Flats and townhouses	16 926 379	17 269 724	343 345	2,0
- Other residential buildings	2 224 411	769 803	-1 454 608	-65,4
Non-residential buildings	27 607 429	23 871 801	-3 735 628	-13,5
Additions and alterations	25 385 513	27 244 259	1 858 746	7,3
Total	103 117 650	100 259 889	-2 857 761	-2,8

^{1/} 2016 and 2017 figures should be regarded as preliminary because of possible backlogs and incomplete reporting by municipalities.

A full release on *Selected building statistics of the private sector as reported by local government institutions* (Statistical release P5041.1) is available on the Stats SA website: www.statssa.gov.za

Electricity generated and available for distribution

Electricity generation and distribution increases

Electricity consumption fluctuates from time to time. This fluctuation can also be reflected on your electricity bill. Thus, if you want to cut your electricity bill, it is important to know which items, seasons and time increase the consumption in your home as this can help you decrease it and save you money. Several factors that cause a fluctuation in electricity consumption include the weather. The weather is one of the main contributors because when the temperature is too hot or too cold, most people will use more appliances such as air conditioners, heaters, electric blankets and pools to either keep cool or warm. Other factors include the number of people in your home at any given time. For example, if you have guests, the usage of



appliances, lights and hot water increases. This will result in a higher consumption of electricity than usual. Also, if you are mostly home in the evenings, it means you will use more electricity at that time. Then, when you suddenly spend a whole week at home (both during the day and evening), electricity consumption will increase during that week. Presented in this article is a summary of the electricity statistics for December 2017.

Electricity generation (production) increased by 1,4% year-on-year in December 2017 (**see Table E**). Total electricity generation was 1,0% higher in 2017 compared with 2016. The 1,0% increase in annual electricity production followed an increase of 1,0% in 2016 and a decrease of 1,9% in 2015.

Table E – Key growth rates in the volume of electricity generated for December 2017

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Year-on-year % change, unadjusted	-1,8	0,8	1,1	1,3	1,7	1,4
Month-on-month % change, seasonally adjusted	-1,3	1,3	-0,1	0,9	0,8	-0,6
3-month % change, seasonally adjusted ^{1/}	1,1	-1,5	-1,7	-0,4	1,2	1,6

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

A full release on *Electricity generated and available for distribution* (Statistical release P4141) is available on the Stats SA website: www.statssa.gov.za

Electricity distribution (consumption) increased by 1,0% year-on-year in December 2017 (**see Table F**). Total electricity consumption was 0,5% higher in 2017 compared with 2016. The 0,5% increase in annual electricity consumption followed a decrease of 1,0% in 2016 and a decrease of 1,3% in 2015.

**Table F – Key growth rates in the volume of electricity distributed for December 2017**

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Year-on-year % change, unadjusted	-1,5	1,6	0,2	0,0	0,9	1,0
Month-on-month % change, seasonally adjusted	-1,0	1,3	-0,8	0,8	0,5	0,2
3-month % change, seasonally adjusted ^{1/}	0,2	-2,0	-1,9	-0,7	0,4	1,0

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



Tertiary industries

Wholesale trade sales

Wholesale trade sales increase

One of the biggest challenges wholesalers face is how to set the right price for their products. This is because they supply their products to retailers, who also have to sell those same products to their customers for profit. Thus, if they set their prices too high, sales might drop. On the other hand, if they set them too low, they run the risk of making too little profit. Thus they have to come up with a mechanism that helps them set their pricing to benefit them and their customers. One of the strategies that can be employed is to research what their competitors charge for similar products and charge the same or a price that is just a little above or under their competitors' selling one. Secondly, they have to find out the direct material costs, labour costs and overhead costs for a product and add them together to determine the price of the product. Thirdly, they can use demand-oriented pricing; when the demand for a certain product is high, they charge a higher price and when the demand is low, they charge a lower price. Thus, setting the right wholesale price is important for wholesalers as the success of their business depends on it. Presented in this article is a summary of the wholesale trade sales for November 2017.

Wholesale trade sales increased by 7,1% in November 2017 compared with November 2016 (**see Table G**). The main contributors to this increase were dealers in: solid, liquid and gaseous fuels and related products (19,0%, contributing 3,3 percentage points) and precious stones, jewellery and silverware (79,4%, contributing 1,8 percentage points).

Wholesale trade sales increased by 3,0% in the three months ended November 2017 compared with the three months ended November 2016. The main contributor to this increase was dealers in solid, liquid and gaseous fuels and related products (11,6%, contributing 2,1 percentage points).



Table G – Key growth rates in wholesale trade sales at current prices for November 2017

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Year-on-year % change, unadjusted	1,7	0,8	1,7	-3,8	5,4	7,1
Month-on-month % change, seasonally adjusted	0,8	0,6	-0,3	-2,2	4,5	2,9
3-month % change, seasonally adjusted ^{1/}	1,8	0,2	-0,1	-0,8	0,5	1,8

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

A full release on *Wholesale trade sales* (P6141.2) is available on the Stats SA website: www.statssa.gov.za.

Retail trade sales

Retail trade sales for November 2017 increase

Retail trade sales for November 2017 recorded an increase of 8,2%, the highest growth recorded in 2017. One of the possible boosts to this increase was Black Friday, which took place on 24 November 2017. Retailers provided discounts to drive sales and consumers seized the opportunity of perceived savings. The timing of Black Friday also could not have been at a better time as it occurred when most consumers were starting to shop for clothes, gifts and food for the festive season. Thus, looking at the effect that Black Friday had on sales, one can assume that it is an important event for retailers. Presented in this article is a summary of the retail trade sales statistics for November 2017.

Retail trade sales increased by 8,2% year-on-year in November 2017 (**see Table H**). The highest annual growth rates were recorded for:

- all 'other' retailers (20,8%);
- retailers in household furniture, appliances and equipment (14,1%); and
- retailers in textiles, clothing, footwear and leather goods (12,4%).

The main contributors to the 8,2% increase were:

- general dealers (contributing 2,6 percentage points);
- retailers in textiles, clothing, footwear and leather goods (contributing 2,3 percentage points); and
- all 'other' retailers (contributing 2,2 percentage points).



Table H – Key growth rates in retail trade sales for November 2017 at constant 2015 prices

	Jun-17	Jul-17	Aug-7	Sep-17	Oct-17	Nov-17
Year-on-year % change, unadjusted	3,1	1,6	5,4	5,7	3,5	8,2
Month-on-month % change, seasonally adjusted	0,7	-0,7	2,6	-0,4	-0,1	4,0
3-month % change, seasonally adjusted ^{1/}	2,0	1,7	1,9	1,7	2,1	2,4

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated.
A full release on *Retail trade sales* (Statistical release P6242.1) is available on the Stats SA website: www.statssa.gov.za

Motor trade sales

Motor trade sales increase

The price of fuel is constantly changing, and some motorists may not be aware of the reasons behind the different prices they pay every month. Besides the fluctuating global price of crude oil (crude oil is used to produce petrol and diesel) as the main factor of fuel prices in South Africa, rand depreciation and transport/delivery of fuel costs are amongst the other factors. Rand depreciation influences the price that motorists pay when filling up their motor vehicles because crude oil is traded in dollars. This means the rand/dollar exchange rate affects how many rands are needed to pay for a barrel of oil, therefore determining an increase or decrease in the price of fuel. The transport and delivery of fuel also has an impact on the price, reason being that fuel is transported to depots and stations through pipelines, rail, sea and road and the costs are then added to the price that motorists pay. Hence, fuel costs are less expensive in coastal areas where there are ports nearby than inland areas where the fuel needs to be transported further via trucks. Presented in this article is a summary of the motor trade sales statistics for November 2017.

Motor trade sales increased by 7,4% year-on-year in November 2017 (see **Table I**). The largest annual growth rates were recorded for:

- new vehicle sales (12,8%); and
- fuel sales (8,9%).



Motor trade sales increased by 6,4% in the three months ended November 2017 compared with the three months ended November 2016. The main contributors were:

- new vehicle sales (11,1%, contributing 2,9 percentage points); and
- fuel sales (9,5%, contributing 2,5 percentage points).

Table I – Key growth rate figures in motor trade sales for November 2017

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Year-on-year % change, unadjusted,	4,2	-1,8	3,9	3,5	8,3	7,4
Month-on-month % change, seasonally adjusted	-0,4	-1,8	2,0	1,8	2,1	1,3
3-month % change, seasonally adjusted ^{1/}	-0,8	-0,1	-0,2	0,7	2,6	4,5

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

A full release on *Motor trade sales* (Statistical release P6343.2) is available on the Stats SA website: www.statssa.gov.za

Food and beverages

Total income generated by the food and beverages industry increased

Food is one of the basic needs for the human body to grow, develop, and function in order to sustain life. However, people need to be careful of the types of food they eat, and also how they store and prepare the food to prevent any contamination. Lately, there have been cases of listeriosis (a disease caused by the bacterium known as *Listeria monocytogenes*) reported in various parts of South Africa. The bacterium can be found in soil, water and vegetation. According to the Department of Health, animal products (meat, dairy, seafood) and fresh produce (fruits and vegetables) can all be contaminated with this bacterium. Anyone can be infected with listeriosis, however, the individuals that are at high risk of developing severe symptoms include newborns, the elderly, pregnant women and persons with weak immune systems. Therefore, as part of prevention methods from being infected with listeriosis, people are encouraged to wash their hands before handling food, separate raw and cooked food, cook food thoroughly,



keep them at prescribed temperatures and use clean water for consumption. Presented in this article is a summary on food and beverage statistics for November 2017.

Total income generated by the food and beverages industry increased by 2,1% in November 2017 compared with November 2016 (see **Table J**). The highest annual growth rates were recorded for 'other' income (17,9%) and bar sales (6,7%).

In November 2017, the highest annual growth rates were recorded for takeaway and fast-food outlets (2,8% and contributing 1,0 percentage point) and catering services (2,5%, contributing 0,4 of a percentage point).

Total income increased by 1,2% in the three months ended November 2017 compared with the three months ended November 2016. The main contributor to this increase was restaurants and coffee shops (2,9% and contributing 1,5 percentage points).

Table J – Year-on-year percentage change in food and beverages income at constant prices by type of income – November 2017

Type of income	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Food sales	0,4	1,8	2,8	4,7	-2,0	1,3
Bar sales	1,2	2,9	2,3	-1,0	-4,1	6,7
Other income	0,9	-8,8	-15,1	-12,1	-10,1	17,9
Total	0,4	1,7	2,4	3,9	-2,3	2,1

A full release on *Food and beverages* (Statistical release P6420) is available on the Stats SA website: www.statssa.gov.za

Tourist accommodation

Total income for tourist accommodation industry increases by 1,0%

For many years, the JW Marriott Marquis Hotel that is located in Dubai, a city in the United Arab Emirates, has been the world's tallest hotel since it was built in 2012 with a height of 355 metres. Six years later, the same city has opened the newly built Gevora Hotel on 12 February 2018 and it has a



height of 356 metres, which makes it the new tallest hotel in the world. This new hotel is only a metre higher than the JW Marriott Hotel and boasts restaurants, an open-air pool deck and a health club amongst its many other features. It is not surprising that the top two tallest hotels in the world are found in Dubai, as the city is well known to many tourists for its tall buildings, in particular the Burj Khalifa (Arabic for Khalifa Tower) which is the world's tallest building in the world. In Africa, the Carlton Centre located in the city of Johannesburg is the tallest building in the continent with a height of 223 metres. Presented in this article is a summary of the tourist accommodation statistics for November 2017.

Total income for the tourist accommodation industry increased by 1,0% in November 2017 compared with November 2016 (**see Table K**).

In November 2017, the types of accommodation that recorded positive year-on-year growth in income from accommodation were:

- caravan parks and camping sites (96,0%); and
- guest-houses and guest-farms (20,3%).

The main contributor to the 1,0% year-on-year increase in income from accommodation in November 2017 was guest-houses and guest-farms (contributing 1,8 percentage points).

Income from accommodation increased by 2,6% in the three months ended November 2017 compared with the three months ended November 2016.

The main contributors to this increase were:

- guest-houses and guest-farms (15,2%, contributing 1,3 percentage points); and
- 'other' accommodation (4,0%, contributing 1,0 percentage point).



Table K – Year-on-year percentage change in tourist accommodation statistics for November 2017

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Stay units available	0,0	0,0	0,0	0,0	0,0	0,0
Stay unit nights sold	-1,3	-1,4	-2,5	-1,7	-4,4	-1,2
Average income per stay unit nights sold	8,2	6,0	7,5	5,2	8,3	2,2
Income from accommodation	6,8	4,5	4,8	3,4	3,5	1,0
Total income ^{1/}	2,5	3,0	-0,4	1,6	1,5	1,0

A full release on *Tourist accommodation* (Statistical release P6410) is available on the Stats SA website: www.statssa.gov.za

Tourism and migration

More than three million travellers passed through South Africa's ports of entry in November 2017

Cape Town Tourism and the New York City (NYC) & Company has signed a first-ever city-to-city partnership to boost tourism between the two iconic cities. This is the first agreement of its kind NYC & Company has signed with a destination marketing organisation on the African continent. The partnership was signed in August 2017 and was activated in February 2018. The two-year partnership between the two destination marketing organisations includes the sharing of best practices in tourism marketing and the exchange of marketing assets to boost shared travel. As part of the agreement, advertisements will appear on bus stop shelters and kiosks to promote Cape Town in New York City, reaching an estimated 17,6 million in media impressions. In Cape Town, an equivalent value of New York City advertisements will be featured through digital and out-of-home media. NYC & Company is the official destination marketing organisation for the City of New York, dedicated to maximising travel and tourism opportunities and spreading the positive image of New York City worldwide. Presented in this article is a summary of the tourism and migration statistics for November 2017.



Number of travellers

The routine data collected by the Department of Home Affairs' (DHA) immigration officers at the ports of entry into South Africa show that a total of 3 441 487 travellers (arrivals, departures and transits) passed through South African ports of entry in November 2017 (see **Table L**). These travellers were made up of 830 885 South African residents and 2 610 602 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 409 446 arrivals, 420 665 departures and 774 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 329 025, 1 215 768 and 65 809, respectively.

A comparison between the movements in November 2016 and November 2017 indicates that the volume of arrivals and departures increased for both South African residents and foreign travellers, while the volume of transits increased for South African residents but decreased for foreign travellers. For South African residents, the volume of arrivals increased by 4,6% (from 391 557 in November 2016 to 409 446 in November 2017), departures increased by 4,4% (from 402 766 in November 2016 to 420 665 in November 2017), and transits increased by 5,2% (from 736 in November 2016 to 774 in November 2017). For foreign travellers, arrivals increased by 2,7% (from 1 294 020 in November 2016 to 1 329 025 in November 2017), departures increased by 2,2% (from 1 189 434 in November 2016 to 1 215 768 in November 2017), and transits decreased by 4,0% (from 68 552 in November 2016 to 65 809 in November 2017).

A comparison between the movements in October 2017 and November 2017 indicates that the volume of arrivals and transits decreased for both South African residents and foreign travellers. The volume of departures decreased for South African residents but increased for foreign travellers. For South African residents, the volume of arrivals decreased by 17,2% (from 494 392 in October 2017 to 409 446 in November 2017), departures decreased by 5,0% (from 442 838 in October 2017 to 420 665 in November 2017), and transits decreased by 6,9% (from 831 in October 2017 to 774 in November 2017). For foreign travellers, arrivals decreased by 1,7% (from 1 351 940 in October 2017 to 1 329 025 in November 2017), departures increased by 2,1% (from 1 191 059 in October 2017 to 1 215 768 in November 2017), and transits decreased by 9,9% (from 73 003 in October 2017 to 65 809 in November 2017).



In November 2017, 83 233 (6,3%) of foreign arrivals were classified as non-visitors while 1 245 792 (93,7%) were classified as visitors. The visitors were categorised into three groups:

- i. Arrivals only – comprising visitors who entered the country in November 2017 but did not depart in November 2017 [291 069 (23,4%)];
- ii. Single trips – visitors who came to South Africa once in November 2017 and left in November 2017 [457 920 (36,8%)];
- iii. Multiple trips – visitors who came to and left South Africa more than once in November 2017 [496 803 (39,9%)].

Visitors were further grouped as same-day visitors and overnight visitors (tourists). In November 2017, there were 396 826 (31,9%) same-day visitors and 848 966 (68,1%) tourists. Between November 2016 and November 2017, the volume of same-day visitors decreased by 1,5% (from 402 750 in November 2016 to 396 826 in November 2017) and that of tourists increased by 4,9% (from 809 349 in November 2016 to 848 966 in November 2017). Between October 2017 and November 2017, the volume of same-day visitors increased by 3,6% (from 382 965 in October 2017 to 396 826 in November 2017), while tourists decreased by 3,5% (from 880 168 in October 2017 to 848 966 in November 2017).

Mode of travel

In November 2017, road transport was the most common mode of travel used by 2 390 257 (69,5%) of the 3 441 487 travellers. The total number of travellers who used air transport was 1 033 663 (30,0%). Compared to use of air and land transport, a small number of travellers, 17 567 (0,5%) used sea transport. The arrivals data for South African residents show that 155 753 (38,0%) came by air, 249 486 (60,9%) came by road and 4 207 (1,0%) arrived by sea transport. For departures, 160 826 (38,2%) used air, 255 645 (60,8%) used road and 4 194 (1,0%) left by sea transport. All travellers in transit, 774 (100,0%) used air transport.

In the case of foreign travellers, 318 069 (23,9%) arrived by air, 1 005 873 (75,7%) came by road and 5 083 (0,4%) arrived by sea transport. When departing South Africa, 332 432 (27,3%) foreign travellers left by air, 879 253 (72,3%) left by road and 4 083 (0,3%) left by sea transport. All travellers in transit 65 809 (100,0%) used air transport.

In November 2017, 227 560 (87,6%) of the 259 805 overseas tourists arrived in the country by air, whilst 31 456 (12,1%) came in by road and 789



(0,3%) arrived by sea. Tourists from the Southern African Development Community (SADC) countries, on the other hand, came predominantly by road, 532 925 (93,0%), 39 939 (7,0%) arrived by air transport and 32 (less than 0,1%) arrived by sea transport. The number of tourists who came into South Africa by air from 'other' African countries was 13 815 (91,9%), with 1 199 (8,0%) using road transport and 21 (0,1%) using sea transport.

Purpose of visit

In November 2017, the majority of tourists, 817 319 (96,3%), were in South Africa for holiday compared to 28 421 (3,3%) and 3 226 (0,4%) who were in South Africa for business and for study purposes, respectively.

The majority of African tourists, 568 960 (96,8%) came to South Africa for holiday. However, the following differences in terms of reasons for travel were observed between tourists from the SADC countries and 'other' African countries, namely:

- Whereas 555 926 (97,0%) of tourists from the SADC countries were on holiday; 13 034 (86,7%) of tourists from 'other' African countries came for the same purpose. Data on the regions of 'other' African countries show that tourists on holiday constituted 89,6% (6 688); 84,8% (5 067); and 80,3% (1 279) for West Africa, East and Central Africa and North Africa, respectively.
- Business persons constituted 10,6% (1 587) of tourists from 'other' African countries and 2,6% (14 658) from the SADC countries. North Africa had the highest proportion, 16,2% (258) of its tourists who came to South Africa for business purposes.
- Students made up the highest proportion, 2,8% (414) of tourists from 'other' African countries compared with 0,4% (2 312) from the SADC countries. North Africa had the highest proportion of its tourists, 3,5% (55) who came to South Africa for study purposes.

Sex and age distribution

In November 2017, there were 476 471 (56,1%) male and 372 495 (43,9%) female tourists. Overseas tourists were made up of 140 613 (54,1%) male tourists and 119 192 (45,9%) female tourists. There were 325 036 (56,7%) male and 247 860 (43,3%) female tourists from the SADC countries. Tourists from 'other' African countries were made up of 10 069 (67,0%) male and 4 966 (33,0%) female tourists.

The ages of the tourists were categorised into three broad groups: Those



younger than 15 years, those that were 15 to 64 years old, and those that were 65 years and older. The overall results show that 29 649 (3,5%) tourists were aged less than 15 years; 758 119 (89,3%) were aged between 15 and 64 years; and 61 198 (7,2%) were aged 65 years and older.

Table L – Number of South African residents and foreign travellers by travel direction: November 2017

Travel direction	November 2016	October 2017	November 2017	% change between October and November 2017	% change between November 2016 and November 2017
Total	3 347 065	3 554 063	3 441 487	-3,2%	2,8%
South African residents	795 059	938 061	830 885	-11,4%	4,5%
Arrivals	391 557	494 392	409 446	-17,2%	4,6%
Departures	402 766	442 838	420 665	-5,0%	4,4%
Transit	736	831	774	-6,9%	5,2%
Foreign travellers	2 552 006	2 616 002	2 610 602	-0,2%	2,3%
Arrivals	1 294 020	1 351 940	1 329 025	-1,7%	2,7%
Departures	1 189 434	1 191 059	1 215 768	2,1%	2,2%
Transit	68 552	73 003	65 809	-9,9%	-4,0%
Foreign arrivals	1 294 020	1 351 940	1 329 025	-1,7%	2,7%
Non-visitors	81 921	88 807	83 233	-6,3%	1,6%
Visitors	1 212 099	1 263 133	1 245 792	-1,4%	2,8%
Visitors	1 212 099	1 263 133	1 245 792	-1,4%	2,8%
Arrivals only	272 590	311 404	291 069	-6,5%	6,8%
Single trips	444 547	445 015	457 920	2,9%	3,0%
Multiple trips	494 962	506 714	496 803	-2,0%	0,4%
Visitors	1 212 099	1 263 133	1 245 792	-1,4%	2,8%
Same-day	402 750	382 965	396 826	3,6%	-1,5%
Tourists	809 349	880 168	848 966	-3,5%	4,9%

A full release on *Tourism and migration* (Statistical release P0351) is available on the Stats SA website: www.statssa.gov.za



Statistics of civil cases for debt

Total number of civil summonses issued for debt decreases

Everyone with debt, even a little bit of it, has to learn to manage it so it doesn't get out of control. To better achieve this, a few things can be taken into consideration. Firstly, make a list of your debts, including the creditor, total amount of the debt, monthly payment, and due date. This will allow you to keep track and monitor your debts. Secondly, pay the debt on time. Late payments make it harder to pay off your debt since you'll have to pay interest for every payment you miss, which will only increase the outstanding amount instead of lowering it. Lastly, make a minimum payment. If you can't afford to pay anything more, making a minimum payment will help keep your debt from growing and keeps your account in good standing. Presented in this article is a summary of the statistics of civil cases for debt for November 2017.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt decreased by 10,6% in the three months ended November 2017 compared with the three months ended November 2016 (**see Table M**). The largest contributors to the 10,6% decrease were civil summonses relating to:

- money lent (contributing -6,2 percentage points);
- services (contributing -2,9 percentage points); and
- promissory notes (contributing -2,1 percentage points).

The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt decreased by 15,3% in the three months ended November 2017 compared with the three months ended November 2016. The largest negative contributors to the 15,3% decrease were civil judgements relating to:

- money lent (contributing -8,2 percentage points);
- services (contributing -3,9 percentage points); and
- 'other' debts (contributing -2,3 percentage points).

The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt decreased by 5,2% in the three months ended November 2017 compared with the three months



ended November 2016. The largest negative contributors to the 5,2% decrease were the value of judgements relating to:

- 'other' debts (contributing -4,7 percentage points); and
- money lent (contributing -4,5 percentage points).

The total number of civil judgements for debt granted in November 2017 was 20 687, amounting to R352,0 million. The largest contributors to the total value of judgements were:

- money lent (R85,8 million or 24,4%);
- services (R80,6 million or 22,9%); and
- 'other' debts (R64,5 million or 18,3%).

Table M – Key figures for civil summonses and judgements for November 2017

Actual estimates	November 2017	% change between November 2016 and November 2017	% change between September to November 2016 and September to November 2017
Number of civil summonses issued for debt	54 899	-7,1	-10,6
Number of civil judgements recorded for debt	20 687	-11,8	-15,3
Value of civil judgements recorded for debt (R million)	352,0	-5,0	-5,2

A full release on *Statistics of civil cases for debt* (Statistical release P0041) is available on the Stats SA website: www.statssa.gov.za

Statistics of liquidations and insolvencies

Number of liquidations increase while insolvencies decrease

Companies that are unable to honour their financial obligations or make payment to their creditors can file for bankruptcy, a legal declaration of one's inability to pay off debts. According to Section 3 (1) of the Insolvency Act, 1936 (Act No. 24 of 1936), an insolvent debtor or his agent may petition the court for the acceptance of the surrender of their estate for the benefit of their creditors. This process is commonly referred to as filing for bankruptcy. Once the application has been filed, a valuator will assess all assets belonging to the company, including physical assets and bank accounts. Thereafter, the High Court will only approve the application if they determine it's in the best interests of the creditors, and the trustees appointed by the



court will then become responsible for distributing the assets fairly amongst the creditors. Presented in this article is a summary of the statistics of liquidations and insolvencies for December 2017.

The total of liquidations decreased by 3,4% in 2017, compared with 2016. This followed annual changes of -1,4% in 2016 and -4,9% in 2015 (see **Table N**). Company liquidations decreased by 5,3% (from 1 012 to 958) and close corporation liquidations decreased by 1,3% (from 922 to 910) between 2016 and 2017.

The number of liquidations increased by 17,1% in the fourth quarter of 2017, compared with the fourth quarter of 2016. Compulsory liquidations increased by 43,5% (from 46 to 66) and voluntary liquidations increased by 14,3% (from 421 to 481).

The total number of liquidations showed a year-on-year increase of 11,4% in December 2017. Six out of the ten industries increased year-on-year with unclassified industries showing the largest increase (10 more liquidations, from 24 to 34), followed by construction (5 more liquidations, from 1 to 6) and manufacturing (3 more liquidations, from 4 to 7).

Table N – Total number of liquidations for December 2017

Number of liquidations December 2017	% change between December 2016 to December 2017	% change between October to December 2016 and October to December 2017	% change between January to December 2016 and January to December 2017
137	11,4	17,1	-3,4

A full release on *Statistics of liquidations and insolvencies* (Statistical release P0043) is available on the Stats SA website: www.statssa.gov.za

The estimated number of insolvencies estimated was 235 in November 2017 (see **Table O**), showing a year-on-year increase of 13,0%. An increase of 17,1% was estimated between the three months ended November 2016 and the three months ended November 2017. There was an increase of 1,1% in the first eleven months of 2017, compared with the first eleven months of 2016.



Table O – Total number of insolvencies for November 2017

Number of insolvencies June 2017	% change between June 2016 to June 2017	% change between April 2015 to June 2016 and April 2016 to June 2017	% change between January to June 2016 and January to June 2017
235	13,0	17,1	-1,1

A full release on *Statistics of liquidations and insolvencies* (Statistical release P0043) is available on the Stats SA website: www.statssa.gov.za

Land transport survey

Volume of goods transported increases

Traffic congestion has a huge effect on delays in land transport, and causes high fuel consumption and air pollution, among others. In order to alleviate congestion, the City of Tshwane Metropolitan Municipality has entered into a drop-off agreement with the Hammanskraal Taxi Organisation (HATO), Stinkwater Eersterus Taxi Association (SETA), and Ga-Mokone Hammanskraal Stinkwater Taxi Association (GHSTA). According to the agreement, taxis from these associations will no longer offload commuters in the inner city but will do so at the Wonderboom Junction, where an A Re Yeng bus would then transport commuters into the city. Presented in this article is a summary of the Land transport survey for November 2017.

The volume of goods transported (payload) increased by 6,5% in November 2017 compared with November 2016 (**see Table P**). The corresponding income increased by 11,1% over the same period.

Income from freight transportation increased by 11,7% in the three months ended November 2017 compared with the three months ended November 2016. The main contributors to this increase were:

- manufactured food, beverages and tobacco products (29,8%, contributing 4,0 percentage points);
- primary mining and quarrying products (10,3%, contributing 3,7 percentage points); and
- chemicals, coke, petroleum, rubber, plastic and other mineral products (17,4%, contributing 1,4 percentage points).



Table P – Year-on-year percentage change in freight transportation: November 2017

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Freight payload	11,9	9,3	7,7	4,8	11,4	6,5
Freight income	16,5	13,8	9,5	9,9	14,2	11,1

A full release on the *Land transport survey* (Statistical release P7162) is available on the Stats SA website: www.statssa.gov.za

The number of passenger journeys decreased by 12,0% in November 2017 compared with November 2016 (**see Table Q**). The corresponding income decreased by 0,7% over the same period.

Table Q – Year-on-year percentage change in passenger transportation: November 2017

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Passenger journeys	-5,6	-12,1	-4,2	-14,7	-10,7	-12,0
Passenger income	-0,5	1,1	0,0	-6,9	1,1	-0,7

A full release on the *Land transport survey* (Statistical release P7162) is available on the Stats SA website: www.statssa.gov.za



Prices

Producer price index (PPI)

PPI for December 2017 at 5,2%

The producer price index (PPI) is an important indicator of the state of a country's economy, as it measures the change in the prices of goods either as they leave their place of production or as they enter the production process. The monthly PPI with detailed product and industry data allows short-term price inflation to be monitored through different stages of production. When the PPI of an economy rises, it tends to result in future inflation in the prices of consumer goods, reflected in the consumer price index (CPI). Therefore, a rise in PPI reduces the purchasing power of money and in turn, has an impact on consumers' welfare. Presented in this article is a summary of the producer price index for December 2017.

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 5,2% in December 2017 (compared with 5,1% in November 2017) (**see Table R**). From November 2017 to December 2017 the PPI for final manufactured goods increased by 0,6%. The main contributor to the annual rate of 5,2% was coke, petroleum, chemical, rubber and plastic products (2,9 percentage points). The main contributor to the monthly increase of 0,6% was coke, petroleum, chemical, rubber and plastic products (0,5 of a percentage point).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 3,2% in December 2017 (compared with 4,2% in November 2017) (**see Table R**). From November 2017 to December 2017 the PPI for intermediate manufactured goods decreased by 0,4%. The main contributors to the annual rate of 3,2% were basic and fabricated metals (1,0 percentage point) and recycling and manufacturing n.e.c. (0,8 of a percentage point). The main contributors to the monthly decrease of 0,4% were basic and fabricated metals (-0,5 of a percentage point) and recycling and manufacturing n.e.c. (-0,3 of a percentage point).



Electricity and water

The annual percentage change in the PPI for electricity and water was 3,3% in December 2017 (compared with 4,0% in November 2017) **(see Table R)**. From November 2017 to December 2017 the PPI for electricity and water decreased by 1,8%. The contributors to the annual rate of 3,3% were electricity (1,8 percentage points) and water (1,6 percentage points). The contributor to the monthly decrease of 1,8% was electricity (-1,8 percentage points).

Mining

The annual percentage change in the PPI for mining was 6,1% in December 2017 (compared with 11,3% in November 2017) **(see Table R)**. From November 2017 to December 2017 the PPI for mining decreased by 2,7%. The main contributors to the annual rate of 6,1% were coal and gas (3,6 percentage points), stone quarrying, clay and diamonds (2,6 percentage points) and non-ferrous metal ores (1,5 percentage points). The main contributors to the monthly decrease of 2,7% were gold and other metal ores (-1,6 percentage points) and non-ferrous metal ores (-1,2 percentage points).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was 6,4% in December 2017 (compared with 6,9% in November 2017) **(see Table R)**. From November 2017 to December 2017 the PPI for agriculture, forestry and fishing increased by 1,2%. The main contributor to the annual rate of 6,4% was agriculture (5,0 percentage points). The contributor to the monthly increase of 1,2% was agriculture (1,2 percentage points).


Table R – Key PPI figures for December 2017

Product	Weight	Index (2016=100)			% change	
		December 2016	November 2017	December 2017	December 2017 vs November 2017	December 2017 vs December 2016
Final manufactured goods	100,00	100,00	104,6	105,2	0,6	5,2
Intermediate manufactured goods	100,00	100,00	103,6	103,2	-0,4	3,2
Electricity and water	100,00	100,00	105,2	103,3	-1,8	3,3
Mining	100,00	100,00	109,1	106,1	-2,7	6,1
Agriculture, forestry and fishing	100,00	100,00	105,1	106,4	1,2	6,4

A full release on the *Producer price index* (Statistical release P0142.1) is available on the Stats SA website: www.statssa.gov.za

Consumer price index (CPI)

CPI at 4,7% in December 2017

The prices of goods and services consumed by South Africans are used to calculate an inflation rate for the whole economy. The prices used are actual transaction prices including Value Added Tax (VAT) while money off coupons, loyalty cards, free gifts, trading stamps and free extra products are excluded. However, not all South Africans consume similar goods and services or equal quantities. There are different Consumer price index (CPI) baskets of goods and services for each province. The items that appear in the provincial baskets are also featured in the national basket. Presented in this article is a summary of the Consumer price index for December 2017.

Headline consumer price index (CPI for all urban areas)

Annual consumer price inflation was 4,7% in December 2017, up from 4,6% in November 2017. The consumer price index increased by 0,5% month-on-month in December 2017.

The following items contributed to the headline annual consumer price inflation:

- Food and non-alcoholic beverages decreased from 0,9 of a percentage



point in November 2017 to 0,8 of a percentage point in December 2017. The index increased by 4,8% year-on-year.

- Housing and utilities decreased from 1,2 percentage points in November to 1,1 percentage points in December 2017. The index increased by 4,4% year-on-year.
- Transport increased from 0,6 of a percentage point in November 2017 to 0,9 of a percentage point in December 2017. The index increased by 6,4% year-on-year.
- Recreation and culture decreased from 0,1 of a percentage point in November to zero in December 2017. The index increased by 0,4% year-on-year.

The following items contributed to the monthly consumer price inflation.

- Food and non-alcoholic beverages contributed 0,1 of a percentage point in December 2017. The index increased by 0,4% month-on-month.
- Housing and utilities contributed 0,1 of a percentage point in December 2017. The index increased by 0,4% month-on-month.
- Transport contributed 0,2 of a percentage point in December 2017. The index increased by 1,5% month-on-month.

In December 2017, the CPI for goods increased by 4,1% year-on-year (up from 3,7% in November 2017), and the CPI for services increased by 5,3% year-on-year (down from 5,5% in November 2017).



Table S – Consumer price index: Index numbers and year-on-year rates
Base year: Feb 2012 = 100

Year		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg ^{1/}
2010	Index	86,4	87,0	87,7	87,8	88,0	88,0	88,6	88,6	88,7	88,9	89,0	89,2	88,2
	Rate	6,2	5,7	5,1	4,8	4,6	4,2	3,7	3,5	3,2	3,4	3,6	3,5	4,3
2011	Index	89,6	90,2	91,3	91,6	92,0	92,4	93,2	93,4	93,8	94,2	94,5	94,6	92,6
	Rate	3,7	3,7	4,1	4,2	4,5	5,0	5,3	5,3	5,7	6,0	6,1	6,1	5,0
2012	Index	95,2	95,7	96,8	97,2	97,2	97,5	97,8	98,0	98,9	99,5	99,8	100,0	97,8
	Rate	6,3	6,1	6,0	6,1	5,7	5,5	4,9	5,0	5,5	5,6	5,6	5,7	5,6
2013	Index	100,3	101,3	102,5	102,9	102,6	102,9	104,0	104,3	104,8	105,0	105,1	105,4	103,4
	Rate	5,4	5,9	5,9	5,9	5,6	5,5	6,3	6,4	6,0	5,5	5,3	5,4	5,7
2014	Index	106,1	107,3	108,7	109,2	109,4	109,7	110,6	111,0	111,0	111,2	111,2	111,0	109,7
	Rate	5,8	5,9	6,0	6,1	6,6	6,6	6,3	6,4	5,9	5,9	5,8	5,3	6,1
2015	Index	110,8	111,5	113,1	114,1	114,4	114,9	116,1	116,1	116,1	116,4	116,5	116,8	114,7
	Rate	4,4	3,9	4,0	4,5	4,6	4,7	5,0	4,6	4,6	4,7	4,8	5,2	4,6
2016	Index	117,7	119,3	120,2	121,2	121,4	122,1	123,1	123,0	123,2	123,8	124,2	124,7	122,0
	Rate	6,2	7,0	6,3	6,2	6,1	6,3	6,0	5,9	6,1	6,4	6,6	6,8	6,4
2017	Index	100,6	101,7	102,3	102,4	102,7	102,9	103,2	103,3	103,8	104,1	104,2	104,7	103,0
	Rate	6,6	6,3	6,1	5,3	5,4	5,1	4,6	4,8	5,1	4,8	4,6	4,7	5,3

^{1/} Annual average.

A full release on the *Consumer price index* (Statistical release P0141) is available on the Stats SA website:
www.statssa.gov.za



Glossary

Primary industries

Gigawatt-hour (gWh): one gigawatt-hour of electricity is equal to one million kilowatt-hours. A kilowatt-hour is the basic unit of electrical energy equal to one kilowatt of power supplied to or taken from an electric circuit steadily for one hour. One kilowatt-hour equals one thousand watt-hours.

Index of physical volume of manufacturing production: also known as a production index, is a statistical measure of the change in the volume of production. The production index of a major group is the ratio between the volume of production of a major group in a given period and the volume of production of the same major group in the base period.

Index of physical volume of mining production: a statistical measure of the change in the volume of production. The production index of a mineral group is the ratio between the volume of production of a mineral group in a given period and the volume of production of the same mineral group in the base period.

Index of the physical volume of electricity production: a statistical measure of the change in the volume of production of electricity in a given period and the volume of production of electricity in the base period.

Industry: a group of establishments engaged in the same or similar kinds of economic activity.

PGMs – Platinum group metals: include platinum; iridium; osmiridium, palladium; rhodium; ruthenium and osmium.

Sales: total value of sales and transfers-out of goods mined by the mining establishments and the amounts received for installation, erection or assembly or other services.



Secondary industries

Additions and alterations: extensions to existing buildings as well as internal and external alterations of existing buildings.

Blocks of flats: a structure, usually multi-storey, consisting of a number of dwellings sharing the same residential address, and usually sharing a common entrance, foyer or staircase.

Dwelling houses: a free-standing, complete structure on a separate stand or a self-contained dwelling-unit, e.g. granny flat, on the same premises as existing residence. Out-buildings and garages are included.

Other residential buildings: include institutions for the disabled, boarding houses, old age homes, hostels, hotel, motels, guest houses, holiday chalets, bed and breakfast accommodation, entertainment centres and casinos.

Residential buildings: dwelling houses, flats, townhouses and other residential buildings.

Tertiary industries

Acknowledgements of debt: a statement by a person/debtor in which he admits that he owes money to an individual or a company or a bank.

Acting household head: any member of the household acting on behalf of the head of the household.

Average income per stay unit night sold: average rate per stay unit (i.e. rate per room in a hotel or powered site in a caravan park) is calculated by dividing the total income from accommodation by the number of stay unit nights sold in the survey period.

Catering services: enterprises involved in the sale and supply of meals and drinks prepared on the premises on a contract basis and brought to other premises chosen by the person ordering them, to be served for immediate consumption to guests or customers. Include bars, taverns, other drinking places, ice-cream parlours, etc.

Civil judgements: decisions taken in a civil matter or a dispute between two people or parties.



Civil summonses: notices to appear before the court of law where a dispute between two parties or people has to be heard, i.e. not for criminal offence.

Day trip: a trip outside of the respondent's usual environment, where they leave and return within the same day (i.e. do not stay overnight).

Domestic tourism: a trip within the boundaries of South Africa but outside of the respondent's usual environment.

Note: The following categories are excluded from the definition of domestic visitor:

- persons travelling to another place within the country with the intention of setting up their usual residence in that place.
- Persons who travel to another place within the country and are remunerated from within the place visited.
- Persons who travel regularly or frequently between neighbouring localities as defined by the 'usual environment' rule.

Dwelling unit: structure or part of a structure or group structures occupied or meant to be occupied by one or more than one household.

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

Expenditure: the total consumption expenditure made by a visitor or on behalf of a visitor during his/her trip and stay at a destination.

Foreign traveller: a person who resides outside South Africa and visits the country temporarily.

Household: a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

Household head: the main decision-maker, or the person who owns or rents the dwelling, or the person who is the main breadwinner.

Income from accommodation industry: income from amounts charged for rooms or equivalent. Other income is excluded (e.g. income from meals).

Income from bar sales: refers to income from liquor sales.



Income from food sales: refers to income from the sale of meals and non-alcoholic drinks.

Income from restaurant and bar sales: income from meals, banqueting and beverages and tobacco sales.

Insolvency: refers to an individual or partnership which is unable to pay its debt and is placed under final sequestration. The number of insolvencies does not refer to the number of persons involved, as a partnership which is unable to pay its debt is regarded as one insolvency, irrespective of the number of partners.

Liquidation: refers to the winding-up of the affairs of a company or close corporation when liabilities exceed assets and it can be resolved by voluntary action or by an order of the court.

Main purpose of trip: this is the purpose in the absence of which the trip would not have been made.

Microdata: data gathered on a small scale, such as data on an individual.

'Other' African countries: refers to all non SADC African countries.

Other income: includes all income not earned from food sales or bar sales.

Other SADC: refers to the thirteen countries, excluding South Africa, that belong to the Southern African Development Community.

Professional services: refer to medical doctors, dentists, advocates, attorney, auditors, accountants, architects, engineers, hospital services etc.

Promissory notes: written undertaking, signed by a person or party, to pay money to another person or to be the bearer of such a note on a specific date or on demand.

Restaurants and coffee shops: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for immediate consumption and with provided seating.

Retailer: a retailer is an enterprise deriving more than 50% of its turnover from sales of goods to the general public for household use.



Retail trade: includes the resale (sale without transformation) of new and used goods and products to the general public for household use.

Stay unit: unit accommodation available to be charged out to guests, for example, a powered site in a caravan park or a room in a hotel.

Stay unit night sold: total number of stay units occupied on each night during the survey period.

Takeaway and fast-food outlets: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for takeaway purposes in a packaged format, at a stand or in a location, with or without provided seating.

Total income: includes income from food sales, income from bar sales and other income.

Tourism: comprises the activities of persons travelling to, and staying in places outside their usual environment, for not more than one consecutive year, for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.

Tourist: a visitor who stays at least one night in the place visited.

Tourist accommodation: any facility that regularly (or occasionally) provides 'paid' or 'unpaid' overnight accommodation for tourists.

Traveller: any person on a trip between two or more countries or between two or more localities within his/her country of residence.

Voluntary liquidation: takes place when a company or close corporation, by own choice, resolves to wind-up its affairs.

Wholesale trade: Includes the resale (sale without transformation) of new and used goods and products to other wholesalers, retailers, agricultural, industrial, commercial, institutional and professional users either directly or through agents on a fee or contract basis.



Prices

Annual percentage change: change in the index of the relevant month of the current year compared with the index of the same month in the previous year expressed as a percentage.

Consumer price index (CPI): an index that measures the price of a fixed basket of consumer goods and services.

Inflation rate: annual percentage change in the CPI for all items of the relevant month of the current year compared with the CPI for all items of the same month in the previous year expressed as a percentage.

Monthly percentage change: change in the index of the relevant month compared to the index of the previous month expressed as a percentage.

Year-on-year: A term used frequently in investment research and other reports to mean 'compared with the same period in the previous fiscal year'.

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