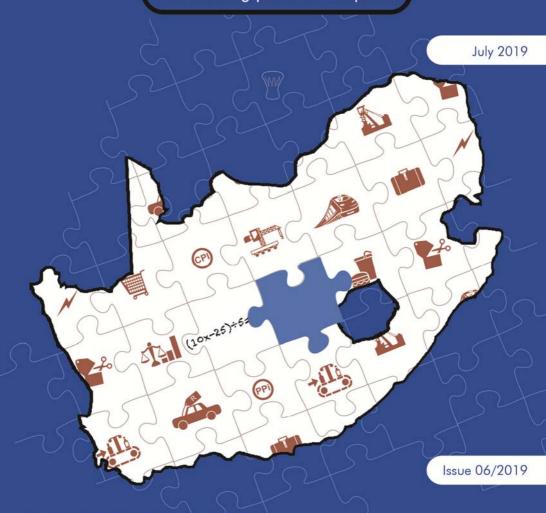
Mbalo Brief

the missing piece of the puzzle



THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND









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Editor's comment

South Africa was one of the 19 countries participating in the 14th G20 (Group of 20) Summit which was held from 28 to 29 June 2019 in Osaka, Japan. The participants of the G20 Summit were leaders from 19 countries including Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Republic of Korea, Russia, Saudi Arabia, Turkey, United Kingdom, United States of America and the European Union (EU). During the 2019 G20 Summit, eight themes were discussed to ensure Global Sustainable Development set by the United Nations General Assembly in 2015 for the year 2030. The eight themes were Global Economy, Trade and Investment, Innovation, Environment and Energy, Employment, Women's Empowerment, Development, and Health. These themes are in line with South Africa's focus areas as outlined in President Cyril Ramaphosa's State of the Nation Address (SONA) that was delivered on 20 June 2019.

In this month's issue of *Mbalo Brief*, our educational article is based on the Survey of Employers and the Self-employed (SESE) 2017 published by Statistics South Africa (Stats SA) on 19 March 2019. The aim of the SESE is to provide information about the characteristics of businesses in the informal sector in South Africa and furnish an understanding of their operation and access to services. Also have a look at our monthly crossword puzzle and solutions for the June 2019 puzzle.

Articles published in this issue are based on results of industry surveys conducted for the months ranging from March to April 2019, such as Manufacturing and the Wholesale trade, to name a few.

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





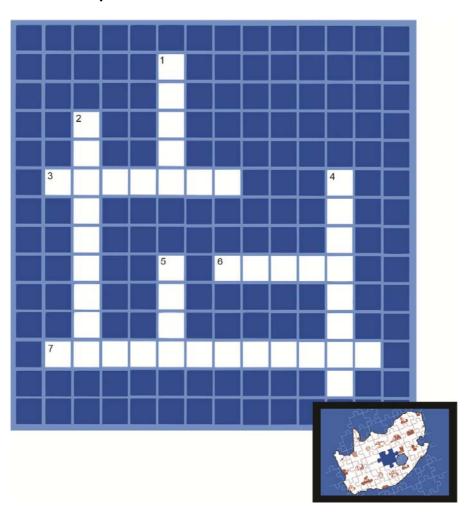
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Crossword puzzle





Across

- What is the name of the Governor of the South African Reserve Bank that was re-appointed on 10 July 2019?
- 6. Which country hosted the 2019 G20 (group of 20)?
- Which car brand won the 2019 car of the year? Read Motor trade sales article for clue.

Down

- 1. Which country is hosting the 2019 African Cup of nations (AFCON)?
- 2. Name the biggest art museum in the world located in Paris, France.
- 4. Give the name and surname of South Africa's actor who will take on the role of the legendary Rafiki in the Disney's Lion King movie remake to be showed in cinemas from 19 July 2019.
- 5. Kentucky Fried Chicken (KFC) is replacing plastic straws with biodegradable ones, true or false?

Solution for June 2019 puzzle

Across

- 3. Youth Day
- 5. Jackson
- 6. Proteas
- 7. Kusile

Down

- 1. Northern Cape
- 2. England
- 4. Ghana



Educational article on Survey of Employers and the Self-employed

Introduction

Small-business enterprises play an integral part in South Africa's economy. As they provide livelihoods to entrepreneurs, and vulnerable individuals such as the urban poor, female heads of households heads, disabled people, and rural-based families in order to create jobs and alleviate poverty. Small businesses are usually categorised as formal and informal. Examples of informal businesses are tuck shops, hawkers, salons and informal sector, while formal business sectors are mining, construction, etc. Informal businesses are usually those that have no basic benefits, such as pensions and employer contributions for medical aid. Normally, these type of businesses are generally small in scale with low productivity, usually run from home or street pavements. Statistics South Africa (Stats SA) collects data about these types of businesses to determine their contribution made towards economic growth.

The educational article for this month's issue of *Mbalo Brief* is based on the results of the Survey of Employers and the Self-employed (SESE), 2017 release (Statistical release P0276), published by Statistics of South Africa (Stats SA) in March 2019. The article highlights comparisons between the five SESEs for the years, 2001, 2005, 2009, 2013 and 2017. The article outlines profiles of persons running non-value added tax (non-VAT) registered businesses, access to loans to start registered businesses and education level of persons running businesses, among others.

Individuals running at least one non-VAT registered business, 2001–2017

This section examines the characteristics of persons who ran non-VAT registered businesses (informal businesses) by sex and population group. It deals with the distribution of persons running such businesses according to the number of businesses each person has and the length of time the business operated, and with the demographic profile of those operating informal businesses.

The number of persons who ran informal businesses declined from 2,3 million in 2001 to 1,1 million in 2009, before showing an increase in 2013 and 2017 to 1,5 million and 1,8 million, respectively. More than 95% of

the missing piece of the puzzle



persons running non-VAT registered businesses had only one business.

In 2001 and 2005, the informal businesses had a higher proportion of women (60,7% and 55,5% respectively). From 2009 to 2017 men were more likely to run informal businesses compared to women as their proportion increased from 51,3% to 59,6% over this time.

Percentage of individuals running non-VAT registered businesses by population group and province, 2001–2017

The proportion of black Africans running informal businesses increased from 89,4% in 2001 to 90,8% in 2017, while decreases were recorded for the coloured (from 3,7% in 2001 to 3,5% in 2017), white (from 4,7% in 2001 to 3,9% in 2017) and Indian/Asian (from 2,2% in 2001 to 1,8% in 2017) population groups.

From 2001 to 2009, the proportion of persons running informal businesses was highly concentrated in Gauteng (24,8% in 2001, 25,5% in 2005 and 24,1% in 2009), followed by KwaZulu-Natal (25,4% in 2001, 20,0% in 2005 and 20,6% in 2009), Limpopo (10,0% in 2001, 13,9% in 2005 and 13,3% in 2009) and Eastern Cape (10,1% in 2001, 12,3% in 2005 and 12,2% in 2009), which all had proportions above 10%. The proportions decreased in five of the nine provinces when comparing 2001 and 2017, and the highest concentration of informal businesses was observed in Gauteng (28,6%), followed by Limpopo (16,5%) and KwaZulu-Natal (14,7%).

Persons running non-VAT registered businesses as a percentage of the working-age population

This section focuses on the proportion of the working-age population running informal businesses by demographic characteristics (sex and population group), geographic location (province) as well as educational level.

Proportion of the working-age population running non-VAT registered business by sex and population group, 2001-2017

The proportion of the working-age population running informal businesses declined from 8,3% in 2001 to 3,5% in 2009, before increasing to 4,3% and 4,8% in 2013 and 2017, respectively. The overall proportion women



within the working-age population running non-VAT registered businesses declined from 9,5% in 2001 to 3,8% in 2017 while for men it also declined form 6,9% in 2001 to 5,8% in 2017. A larger proportion of working-age women (9,5% in 2001 and 5,9% in 2005) was involved in informal businesses compared to working-age men (6,9% in 2001 and 5,3% in 2005). Between 2009 and 2017, there was a larger proportion of men (3,7% in 2009, 4,9% in 2013 and 5,8% in 2017) involved in running informal businesses compared to women (3,3% in 2009, 3,8% both in 2013 and 2017).

The proportion of those running non-VAT registered businesses decreased for all population groups between 2001 and 2017. Among black Africans, the proportion of those with informal businesses declined from 9,8% in 2001 to 4,1% in 2009. However, for the white population group, the proportion remained lower and unchanged between 2005 and 2009 at 1,8%, but declined to 2,3% in 2017 from 2,7% in 2013. In 2013, this downward trend was reversed and the percentage of the working-age population engaged in informal businesses increased for all population groups, but in 2017 an increase was observed only for black Africans (to 5,4% from 4,95 in 2013) and coloureds (to 1,8% from 1,5%), whereas the Indian/Asian (to 3,3% in 2017 from 4,1% in 2013) and white (to 2,3% in 2017 from 2,7% in 2013) population groups recorded declines.

Proportion of the working-age population running non-VAT registered business by province, 2001-2017

The proportion of the working-age population running non-VAT registered businesses declined between 2001 and 2009 in all provinces, whereas in 2013 the proportion increased in Limpopo (from 4,8% in 2009 to 6,3% in 2013), Mpumalanga (from 5,1% in 2009 to 6,1% in 2013), Gauteng (from 3,3% in 2009 to 5,0% in 2013), KwaZulu-Natal (from 3,8% in 2009 to 4,7% in 2013), Western Cape (from 2,1% in 2009 to 2,2% in 2013) and Northern Cape (from 1,2% in 2009 to 1,6% in 2013) but remained unchanged in Eastern Cape (3,6%), Free State (3,3%) and North West (3,1%). In 2017, the working-age population running informal businesses was highly concentrated in Limpopo (8,0%), followed by Mpumalanga (6,4%) and Gauteng (5,1%). On the other hand, KwaZulu-Natal (3,8%), Western Cape (3,4%) and Northern Cape (1,1%) recorded the lowest proportions of the working-age population running informal businesses.





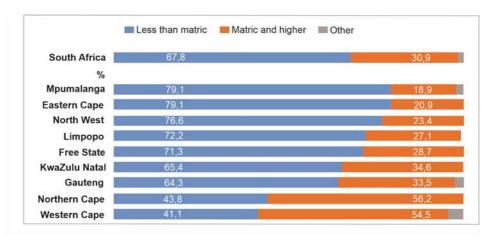
Distribution of persons running non-VAT registered businesses by education level

This section highlights the education level of persons running non-VAT registered businesses and provincial results.

Education profile of persons running non-VAT registered businesses by province from 2001 to 2017

During the period 2001 to 2017, there has been a decrease in the proportion of persons running non-VAT registered businesses who had less primary education, and there was an increase in those whose secondary education was not completed at 44% in 2017 from 34,3% in 2001. The proportion of informal business owners without matric was higher than the national average (67,8%) in Mpumalanga (79,1%), Eastern Cape (79,1%), North West (76,6%), Limpopo (72,2%) and Free State (71,3%). The proportion of those matric or higher was in Northern Cape (56,2%), followed by Western Cape (54,5%).

Figure 1: Education profile of persons running non-VAT registered businesses by province, 2017





Licence to operate a business and issuer of such licences for persons running non-VAT registered businesses, 2001-2017

In 2017, the proportion of persons who had a licence or a permit to run informal businesses was 8,2%, and those who did so without a licence or permit constituted 91,8%. The majority of those who had licences/permits to operate a business obtained them from a municipality/provincial authority (40,2%), followed by business associations (22,5%) and professional associations (22,1%).

Proportion of persons running non-VAT registered businesses by business location, 2001-2017

In 2001, most persons (34,5%) who had informal businesses operated their informal businesses from the owner's dwelling within the family space; this proportion declined to 16,3% in 2017. A separate space reserved for the business at the owner's dwelling was the second most utilised location as recorded for 2001 (24,2%) and 2017 (21%). For the periods 2001 and 2017, another person's dwelling was reported as the least likely location for an informal business owner to set up business, at 1,5% and 3,8% for 2001 and 2017 respectively.

Access to loans to start non-VAT registered business

From 2001 to 2017, more than 80% of persons running non-VAT registered businesses borrowed money from friends or relatives, except in 2013 when the rate was 73,4%. Loans from commercial banks were the second highest source of money to start informal businesses in both 2009 and 2013 with 7,4% and 16,6% respectively. The vast majority of non-VAT registered businesses had no debts in all periods of the survey. In 2009 only 5,9% of these businesses had debts, which was the highest among all the years, while in 2017 only 2,3% had business debts.

Institution where account is held and mechanism for business payments, 2013-2017

This section covers provides insight into the degree of financial awareness and integration of persons who were running informal businesses into modern financial arrangements available to business owners.





Nearly eight out of ten persons (79,1%) in 2013 running informal businesses had no savings, transactional or current accounts and this increased to 84,1% in 2017. About 15,3% of persons in informal businesses in 2017 had bank accounts.

100% 80% 60% % 40% 20% 0% 2013 2017 Informal financial institution 0.6 0.2 ■Formal financial institution 0.6 0.4 Bank 19,7 15,3 79,1 84,1 ■ None

Figure 2: Institutions where account held

In 2013 and 2017, among those who had bank accounts, 65,9% and 68,6% respectively used bank accounts as a mechanism to make business payments, while 33,6% in 2013 and 35,3% in 2017 used the internet payment. In 2017, 14,9% of informal businesses used cell phone banking to make payments; this was a decline from 15,4% in 2013. The proportion of informal businesses that had no credit facility, mortgage loan or asset finance increased from 96,7% in 2013 to 98,9% in 2017, 98,9% in 2013 to 99,7% in 2017 and 97,3% in 2013 to 99,2% in 2017 respectively.

Persons running non-VAT registered businesses by industry and sex, 2001 and 2017

In 2001 and 2017, the majority of men who were involved in informal businesses were in the Construction (97,2% in 2001 and 96,7% in 2017), Transport (88,2% in 2001 and 92,5% in 2017) and Finance (58,0% in 2001 and 65,3% in 2017) industries. For the same period, women were more likely to be involved in the Manufacturing (65,7% in 2001 and 50,1% in



2017) and Community and social services (54,9% in 2001 and 52,0% in 2017) industries. There was an increase of males from 50,0% in 2001 to 54,6% in 2017 reported in the Agricultural industry, and in Trade from 32,8% in 2001 to 50,8% in 2017.

Conclusion

Over the period from 2001 to 2017, the majority of black Africans were running informal businesses compared to other population groups. According to the results, the majority of businesses were operating without a licence or permit. The results indicate that the majority of persons running non-VAT registered businesses borrowed money from their friends or relatives in the same period. Furthermore, the high number of informal businesses had no bank accounts in 2017.





Primary industries

Mining: Production and sales

Mining production and minerals sales decreases

Coal is one of the most well-known minerals mined in South Africa. The beginning of the coal mining in the country can be traced to the start of gold mining in the late 19th century, particularly on the Witwatersrand, with the first significant coal tonnages being extracted on the Highveld coal field close to the Witwatersrand gold mines. According to the Minerals Council South Africa, 70% of coal volume is consumed domestically and more than 70% of electricity demand is generated from thermal power stations which are fueled by coal. It is not surprising that the coal industry employed 86,919 people in 2018 representing about 19% of total employment in the mining sector. Presented in this article is a summary of the mining: production and sales statistics for April 2019.

Mining production decreased by 1,5% year-on-year in April 2019 (**see Table A**). The largest negative contributors were:

- gold (-19,5%, contributing -2,7 percentage points);
- iron ore (-11,9%, contributing -1,7 percentage points); and
- chromium ore (-7,2%, contributing -0,3 of a percentage point).

The largest positive contributor was 'other' metallic minerals (82,8% and contributing 1,3 percentage points).

Table A – Key growth rates in the volume of mining production for April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Year-on-year % change, unadjusted	-4,7	-4,0	-3,3	-8,1	-0,7	-1,5
Month-on-month % change, seasonally adjusted	-5,5	-1,7	-0,2	-2,2	4,2	-2,3
3-month % change, seasonally adjusted ^{1/}	-0,1	0,3	-4,6	-5,3	-3,4	-0,9

^{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 16,1% year-on-year in April 2019 (**see Table B**). The largest positive contributors were:

- iron ore (81,7% and contributing 8,5 percentage points);
- PGMs (30,0%, contributing 5,7 percentage points);
- coal (9,9%, contributing 2,8 percentage points); and
- manganese ore (11,5%, contributing 1,1 percentage points).

Table B – Key growth rates in mineral sales at current prices for April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Year-on-year % change, unadjusted	10,9	17,5	19,3	9,5	13,8	16,1
Month-on-month % change, seasonally adjusted	2,4	3,9	-3,0	-7,4	7,2	-0,2
3-month % change, seasonally adjusted ^{1/}	4,5	11,5	8,9	4,0	-2,4	-3,8

^{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

The brand DEFY which falls under Arcelik Global, a home appliances (refrigerators, washing machines, microwaves, etc.) manufacturing company from Turkey, has invested more than R1 billion in upgrading its three South African manufacturing factories. The Jacobs factory located in Durban is one of the factories that will be benefiting from this by receiving R130 million in investment to produce 6 kg, 7,5 kg and 10 kg top loader washing machines. Apart from the increase in manufacturing and sales, a total of 75 new job opportunities will be created to manufacture an estimated 500 top loaders per shift at the Jacobs factory. Presented in this article is a summary of the Manufacturing: Production and sales statistics for April 2019.

Manufacturing production increased by 4,6% in April 2019 compared with April 2018 (**see Table C**). The largest positive contributions were made by the following divisions:

- basic iron and steel, non-ferrous metal products, metal products and machinery (9,4% and contributing 1,8 percentage points);
- motor vehicles, parts and accessories, and other transport equipment (18,6% and contributing 1,3 percentage points);
- food and beverages (3,3% and contributing 0,9 of a percentage point);
 and
- petroleum, chemical products, rubber and plastic products (1,7% and contributing 0,4 of a percentage point).



Table C – Key growth rates in the volume of manufacturing production for April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Year-on-year % change, unadjusted	1,1	0,0	0,9	0,7	1,3	4,6
Month-on-month % change, seasonally adjusted	0,2	0,5	-1,7	-1,6	0,9	2,8
3-month % change, seasonally adjusted 1/	0,8	1,1	0,6	-0,6	-2,0	-1,1

^{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 increased

Nothing is more frustrating than building, altering or renovating a home only for the contractor to stop half-way through the job and never to be seen or heard from again. Although no homeowner sets out to hire a bad contractor, it sometimes happens. Thus, taking precautions before hiring a contractor is crucial. This can include researching or vetting the contractor beforehand, checking if they are licensed as this will make it easy to trace them, asking for recommendations, and also checking their status on the National Home Builders Registration Council (NHBRC). This may take a lot of time and effort, but it will surely save the homeowner a lot of money and frustration. Presented in this article is a summary of the results of the Selected building statistics of the private sector for the month of April 2019.

Total value of recorded building plans passed

The value of recorded building plans passed increased by 0,7% (R256,5 million) during January to April 2019 compared with January to April 2018 (see Table D). Residential buildings increased by 2,5% (R424,8 million). Decreases were recorded for additions and alterations (-1,1% or -R100,6 million) and non-residential buildings (-0,8% or -R67,7 million). The largest positive contribution to the total increase of 0,7% (R256,5 million) was made by Gauteng (contributing 6,7 percentage points or



R2 308,7 million). Western Cape (contributing -3,7 percentage points or -R1 283,5 million) was the largest negative contributor.

Table D – Recorded building plans passed by larger municipalities: January to April 2018 versus January to April 2019

Estimates at current prices	January to April 2018 1/	January to April 2019 1/	Difference in value between January to April 2018 and January to April 2019	% change between January to April 2018 and January to April 2019
	R'000	R'000	R'000	
Residential buildings	17 152 639	17 577 439	424 800	2,5
- Dwelling houses	10 338 246	8 974 524	-1 363 722	-13,2
- Flats and townhouses	5 890 152	8 207 023	2 316 871	39,3
- Other residential buildings	924 241	395 892	-528 349	-57,2
Non-residential buildings	8 092 648	8 024 984	-67 664	-0,8
Additions and alterations	9 121 230	9 020 581	-100 649	-1,1
Total	34 366 517	34 623 004	256 487	0,7

^{1/} 2018 and 2019 figures should be regarded as preliminary because of possible backlogs and incomplete reporting by municipalities.

Electricity generated and available for distribution

Electricity production decreases

During his delivery of the State of the Nation Address (SONA) in June 2019, President Cyril Ramaphosa stated that the state's power utility, Eskom, is in a financial position that is a matter of grave concern and that the utility is too vital to the country's economy to be allowed to fail. Eskom's financial challenges have been aggravated by operational difficulties that have required it to spend much more than was budgeted to address coal-supply

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



shortages and to run costly open-cycle gas turbines to keep the lights on. However, this problem will not be solved by Eskom alone: consumers are urged to pay for the electricity they use and they are also urged to use electricity sparingly and report cable theft. Presented in this article is a summary of the results for Electricity: Production and sales release for the month of May 2019.

Electricity generation (production) decreased by 0,6% year-on-year in May 2019 (see Table E).

Table E – Key growth rates in the volume of electricity generated for May 2019

	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19
Year-on-year % change, unadjusted	-1,6	-2,1	-1,9	-2,9	1,8	-0,6
Month-on-month % change, seasonally adjusted	-0,3	-0,7	-0,2	-1,3	3,2	-0,5
3-month % change, seasonally adjusted ^{1/}	0,4	-0,2	-0,8	-1,6	-0,6	0,3

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

Electricity distribution (consumption) decreased by 1,3% year-on-year in May 2019 (see Table F).

Table F – Key growth rates in the volume of electricity distributed for May 2019

	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19
Year-on-year % change, unadjusted	0,1	0,1	-1,0	-2,8	1,6	-1,3
Month-on-month % change, seasonally adjusted	0,9	-0,6	-1,2	-1,5	3,0	0,0
3-month % change, seasonally adjusted ^{1/}	0,0	-0,4	-0,4	-1,7	-1,3	-0,6

^{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





Tertiary industries

Wholesale trade sales

Wholesale trade sales increase

The wholesale industry is an industry in transition. One of the reasons for this transition is the increasing growth in the power of retailers. Technology has made it possible for more retailers to cut out the wholesaler by going straight to the manufacturer for products and services, thus creating a lesser need for the wholesaler. Furthermore, the emergence of the Internet as a sales tool has also impacted wholesalers, many of whom are struggling to adopt profitable methodologies that make use of this new medium. Thus, if wholesalers are going to continue maximising profit and cutting cost, they will have to adapt to the change in the industry. Presented in this article is a summary of the results of the Wholesale trade sales release for April 2019.

Wholesale trade sales increased by 13,3% in April 2019 compared with April 2018 (see Table G). The main contributors were dealers in:

- solid, liquid and gaseous fuels and related products (12,4%, contributing 2,9 percentage points);
- machinery, equipment and supplies (15,9%, contributing 2,0 percentage points);
- precious stones, jewellery and silverware (77,7%, contributing 1,7 percentage points); and
- 'other' intermediate products, waste and scrap (39,7%, contributing 1,5 percentage points).

Wholesale trade sales increased by 7,3% in the three months ended April 2019 compared with the three months ended April 2018. The main contributors to this increase were dealers in:

- solid, liquid and gaseous fuels and related products (13,6%, contributing 3,0 percentage points); and
- machinery, equipment and supplies (11,6%, contributing 1,5 percentage points).

Table G – Key growth rates in wholesale trade sales at current prices for April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Year-on-year % change, unadjusted	7,8	-0,5	3,7	5,2	4,0	13,3
Month-on-month % change, seasonally adjusted	-2,4	-7,8	3,6	1,3	1,3	3,8
3-month % change, seasonally adjusted 1/	4,4	-0,7	-4,9	-6,3	-1,5	3,0

^{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 increase

The retail industry in South Africa includes informal retail trade such as spaza shops, street hawkers and flea markets. These outlets stock basic items such as bread, eggs, milk, fruit and vegetables, which are daily or weekly essentials for some households. The outlets are usually run by people who have no higher education qualification and who stand little chance of being employed in the formal employment sector. Thus, their participation in the informal retail sector can be considered as an economic activity that puts income in the hands of many South Africans. Thus, the informal retail sector is a significant component of the South African economy. Presented in this article is a summary of the results for the Retail trade sales statistics for the month of April 2019.

Retail trade sales increased by 2,4% year-on-year in April 2019 (see Table H). The largest annual growth rates were recorded for retailers in:

- textiles, clothing, footwear and leather goods (6,4%);
- pharmaceuticals and medical goods, cosmetics and toiletries (5,3%);
 and
- household furniture, appliances and equipment (4,6%).

The main contributors to the 2,4% increase were:

- retailers in textiles, clothing, footwear and leather goods (contributing 1,2 percentage points);
- general dealers (contributing 0,5 of a percentage point); and

the missing piece of the puzzle



• retailers in pharmaceuticals and medical goods, cosmetics and toiletries (contributing 0,4 of a percentage point).

Retail trade sales increased by 1,3% in the three months ended April 2019 compared with the three months ended April 2018. The main contributors to this increase were:

- general dealers (1,4%, contributing 0,6 of a percentage point); and
- retailers in textiles, clothing, footwear and leather goods (3,6%, contributing 0,6 of a percentage point).

Table H – Key growth rates in retail trade sales for April 2019 at constant 2015 prices

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Year-on-year % change, unadjusted	3,2	-1,3	1,4	1,4	0,1	2,4
Month-on-month % change, seasonally adjusted	3,1	-5,0	1,5	0,6	-0,7	0,8
3-month % change, seasonally adjusted ^{1/}	1,7	0,8	0,4	-1,6	0,7	-0,3

^{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

For those who keep track of trends in the motor industry, Auto Trader South Africa has revealed that the Mercedes-Benz A-class model is the South African car of the year for 2019. The award was presented at Shepstone Gardens in Johannesburg in April 2019. The last time Mercedes-Benz won South African Car of the Year was in 1987 with its 260 E-class. Some of the features that impressed the judges were the interior comfort, design, innovative technology, and classic safety features. The technological innovations, as well as designs, are some of the aspects that tend to affect sales and price of a car. Presented in this article is a summary of the motor trade sales statistics for April 2019.

Motor trade sales increased by 10,4% year-on-year in April 2019 (**see Table I**). The largest annual growth rates were recorded for:





- sales of accessories (11,7%);
- fuel sales (11,7%);
- new vehicle sales (10,2%); and
- used vehicle sales (10,0%).

Table I – Key growth rate figures in motor trade sales for April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Year-on-year % change, unadjusted	3,0	-4,0	0,5	-1,9	-4,9	10,4
Month-on-month % change, seasonally adjusted	-0,5	-4,1	1,0	-1,3	2,2	3,9
3-month % change, seasonally adjusted 1/	1,3	0,2	-2,0	-3,6	-2,1	0,7

^{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 increases

As part of their commitment to preserve and protect the planet, Kentucky Fried Chicken (KFC) is replacing plastic straws with biodegradable ones (also known as paper straws) in 900 of its franchises across the country. Biodegradable straws are straws made up of renewable biomass sources such as vegetable oils, corn starch, and food waste. The difference between a biodegradable straw and a plastic straw is that plastic straws take years to begin to break down, therefore polluting the environment, whereas a biodegradable straw can break down within 180 days if subjected to the proper conditions. Presented in this article is a summary of the food and beverages statistics for April 2019.

Total income generated by the food and beverages industry increased by 3,3% in April 2019 compared with April 2018 (**see Table J**). Positive annual growth rates were recorded for:

- 'other' income (9,4%); and
- food sales (3,8%).

the missing piece of the puzzle



In April 2019, the largest annual growth rates were recorded for:

- catering services (6,4%, contributing 0,9 of a percentage point); and
- takeaway and fast-food outlets (5,8%, contributing 2,0 percentage points).

Total income increased by 5,3% in the three months ended April 2019 compared with the three months ended April 2018. The main contributors to the increase were:

- restaurants and coffee shops (6,4%, contributing 3,3 percentage points);
 and
- takeaway and fast-food outlets (4,9%, contributing 1,7 percentage points).

Table J – Year-on-year percentage change in food and beverages income at constant prices by type of income – April 2019

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Type of income	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Food sales	7,7	8,2	1,9	5,4	8,5	3,8
Bar sales	-5,9	-6,2	5,0	-5,1	-1,7	-5,4
Other income	-24,3	-7,3	1,9	-4,8	1,1	9,4
Total	6,3	7,0	2,0	4,5	7,8	3,3

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 increased by 3,7%

There are many reasons travellers choose non-stop direct flights (flying from one airport to another airport without a single stop). One of the reasons is that they save time and money spent on hotel accommodation should they choose connecting flight (may stop in another city for passengers to disembark and others to take connecting flights). Some connecting flights can take longer and some travellers book into hotels for accommodation before their next flight. There are over 24 non-stop direct international flights from Johannesburg to other countries, including Dubai, London, Hong Kong and New York amongst others. Travellers who are looking to save on accommodation costs might prefer these non-stop direct options. Presented in this article is a summary of the tourist accommodation statistics for April 2019.

Total income for the tourist accommodation industry increased by 3,7% in April 2019 compared with April 2018 (see Table K).

Income from accommodation increased by 5,5% year-on-year in April 2019, the result of a 1,0% decrease in the number of stay unit nights sold and a 6,6% increase in the average income per stay unit night sold.

In April 2019, the types of accommodation that recorded the largest year-onyear growth in income from accommodation were:

- 'other' accommodation (13,9% and contributing 3,9 percentage points);
 and
- hotels (2,6% and contributing 1,7 percentage points).





Table K – Year-on-year percentage change in tourist accommodation statistics for April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Stay units available	-0,2	-0,1	-0,2	-0,2	-0,2	-0,1
Stay unit nights sold	-3,4	-3,0	-1,9	-1,8	1,0	-1,0
Average income per stay unit nights sold	8,3	0,9	-0,9	-0,5	0,6	6,6
Income from accommodation	4,6	-2,1	-2,7	-2,3	1,5	5,5
Total income 1/	2,7	-3,3	-3,2	0,1	3,0	3,7

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

Tourism and migration

A total of 3 632 618 travellers visited South Africa in April 2019

In order to assist in growing the tourism sector, the Department of Home Affairs (DHA) will roll out e-Visa system (an official document applied for online which permits entry into a country) at some ports of entry in 2019. The new e-Visa plan is aimed at assisting South Africa reach its tourism goal of 21 million tourists visiting the country by 2030. The e-visas which were first announced by President Cyril Ramaphosa during the State of the Nation (SONA) address in February 2019 will be piloted at Cape Town International Airport and will form part of the implementation of the Biometric Movement Control System (BMCS). New e-visas will be piloted in New Zealand before a global rollout. Presented in this article is a summary of the results for the Tourism and migration release for April 2019.

The routine data collected by the Department of Home Affairs' (DHA) immigration officers at the ports of entry into South Africa shows that a total of 3 632 618 travellers (arrivals, departures and transits) passed through South African ports of entry in April 2019 (see Table L). These travellers were made up of 1 000 776 South African residents and 2 631 842 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 493 734 arrivals, 506 224 departures and 818 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 350 167, 1 217 493 and 64 182,



respectively.

A comparison between the movements in March 2019 and April 2019 indicates that for South African residents, the volume of arrivals and transits increased, while the volume of departures decreased. For foreign travellers, the volume of arrivals, departures and transits all increased. For South African residents, the volume of arrivals increased by 1,3% (from 487 479 in March 2019 to 493 734 in April 2019), departures decreased by 1,8% (from 515 398 in March 2019 to 506 224 in April 2019), and transits increased by 17,2% (from 698 in March 2019 to 818 in April 2019). For foreign travellers, arrivals increased by 3,7% (from 1 301 855 in March 2019 to 1 350 167 in April 2019), departures increased by 0,6% (from 1 210 297 in March 2019 to 1 217 493 in April 2019), and transits increased by 10,0% (from 58 357 in March 2019 to 64 182 in April 2019).

Detailed information on the departure of travellers is not available in the movement control system. Data on the purpose of travel and the number of days South African residents intend to spend or spent abroad are not collected by the DHA. Hence, it is not possible to categorise South African residents as tourists or non-tourists. However, some data are available on foreign arrivals for this categorisation.

In April 2019, 90 205 (6,7%) of foreign arrivals were classified as non-visitors while 1 259 962 (93,3%) were classified as visitors. The visitors were categorised into three groups:

- i. Arrivals only comprising visitors who entered the country in April 2019 but did not depart in April 2019 [327 768 (26,0%)];
- ii. Single trips visitors who came to South Africa once in April 2019 and left in April 2019 [482 470 (38,3%)]; and
- iii. Multiple trips visitors who came to, and left South Africa more than once in April 2019 [449 724 (35,7%)].

Visitors were further grouped as same-day visitors and overnight visitors (tourists). In April 2019, there were 356 903 (28,3%) same-day visitors and 903 059 (71,7%) tourists. Between April 2018 and April 2019, the volume of same-day visitors increased by 1,0% (from 353 422 in April 2018 to 356 903 in April 2019) and that of tourists increased by 4,2% (from 866 894 in April 2018 to 903 059 in April 2019). Between March 2019 and April 2019, the volume of same-day visitors decreased by 6,0% (from 379 521 in March 2019 to 356 903 in April 2019), and tourists increased by 7,7% (from 838 696 in March 2019 to 903 059 in April 2019).



Mode of travel

In April 2019, road transport was the most common mode of travel used by 2 556 867 (70,4%) of the 3 632 618 travellers. The total number of travellers who used air transport was 1 013 999 (27,9%). Compared to the use of air and land transport, fewer travellers, 61 752 (1,7%) used sea transport. Information on arrivals of South African residents shows that 179 014 (36,3%) came by air, 294 382 (59,6%) came by road and 20 338 (4,1%) arrived by sea transport. For departures, 191 013 (37,7%) used air, 295 784 (58,4%) used road and 19 427 (3,8%) left by sea transport. All travellers in transit, 818 (100,0%) used air transport.

Purpose of visit

In April 2019, the majority of tourists, 881 530 (97,6%), were in South Africa for holiday compared to 15 583 (1,7%); 5 472 (0,6%) and 474 (0,1%) who were in South Africa for business, study and for medical treatment, respectively. Compared to other overseas regions, Europe had the highest numbers of tourists, 130 699 (62,0%) who came for holiday, 3 054 (57,0%) who came for business, 467 (47,7%) who came for study and 53 (62,4%) who came for medical treatment.

Sex and age distribution

In April 2019, there were 492 705 (54,6%) male and 410 354 (45,4%) female tourists. Overseas tourists were made up of 114 579 (52,8%) male tourists and 102 552 (47,2%) female tourists. There were 368 866 (55,0%) male and 302 213 (45,0%) female tourists from SADC countries. Tourists from 'other' African countries were made up of 8 584 (62,5%) male and 5 148 (37,5%) female tourists. The majority of tourists were aged between 35 and 44 years [247 852 (27,4%)], followed closely by the age group 25 to 34 years [233 233 (25,8%)].

Table L – Number of South African residents and foreign travellers by travel direction: April 2019

Travel direction	April 2018	March 2019	April 2019	% change between March and April 2019	% change between April 2018 and April 2019
Total	3 582 842	3 574 084	3 632 618	1,6%	1,4%
South African residents	1 027 709	1 003 575	1 000 776	-0,3%	-2,6%
Arrivals	529 412	487 479	493 734	1,3%	-6,7%
Departures	497 432	515 398	506 224	-1,8%	1,8%
Transit	865	698	818	17,2%	-5,4%
Foreign travellers	2 555 133	2 570 509	2 631 842	2,4%	3,0%
Arrivals	1 298 709	1 301 855	1 350 167	3,7%	4,0%
Departures	1 198 469	1 210 297	1 217 493	0,6%	1,6%
Transit	57 955	58 357	64 182	10,0%	10,7%
Foreign arrivals	1 298 709	1 301 855	1 350 167	3,7%	4,0%
Non-visitors	78 393	83 638	90 205	7,9%	15,1%
Visitors	1 220 316	1 218 217	1 259 962	3,4%	3,2%
Visitors	1 220 316	1 218 217	1 259 962	3,4%	3,2%
Arrivals only	333 862	289 840	327 768	13,1%	-1,8%
Single trips	441 072	459 658	482 470	5,0%	9,4%
Multiple trips	445 382	468 719	449 724	-4,1%	1,0%
Visitors	1 220 316	1 218 217	1 259 962	3,4%	3,2%
Same-day	353 422	379 521	356 903	-6,0%	1,0%
Tourists	866 894	838 696	903 059	7,7%	4,2%

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

Rising fuel costs, the increase in electricity prices, student loans and rising mortgage and rental costs as well as what some call 'black tax' are just some of the challenges that young South African graduates are faced with. These challenges, if not dealt with wisely, have the potential to get young people in debt before they can find meaningful employment. According to Neil Roets, CEO of Debt Rescue, there has been an increase in debt review applications from consumers within the 21–30 age group. In the first quarter of 2019, consumers in this age group made up 29% of all the debt review applications received by Debt Rescue, an increase from 20% in the first quarter of 2018. This shows that more young people are getting overindebted, and this is worsened by the high rate of unemployment among the youth. Presented in this article is a summary of the key results for the Statistics of civil cases for debt release for April 2019.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt decreased by 1,0% in the three months ended April 2019 compared with the three months ended April 2018 (see Table M). The largest negative contributor to the 1,0% decrease was services (contributing -2,0 percentage points), while the largest positive contributor was money lent (contributing 2,1 percentage points).

The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt decreased by 2,1% in the three months ended April 2019 compared with the three months ended April 2018. The largest negative contributions to the 2,1% decrease were civil judgements relating to:

- rent (contributing -1,1 percentage points);
- 'other' debts (contributing -0,9 of a percentage point); and
- services (contributing -0,7 of a percentage point).

The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt decreased by 11,8% in the three months ended April 2019 compared with the three months ended



April 2018. The largest contributions to the 11,8% decrease were the value of judgements relating to:

- 'other' debts (contributing -6,3 percentage points);
- money lent (contributing -3,8 percentage points); and
- promissory notes (contributing -1,9 percentage points).

In April 2019, 18 240 civil judgements for debt amounting to R298,4 million were recorded. The largest contributors to the total value of judgements were:

- money lent (R82,9 million or 27,8%);
- services (R65,7 million or 22,0%); and
- 'other' debts (R50,4 million or 16,9%).

Table M – Key figures for civil summonses and judgements for April 2019

Actual estimates	April 2019	% change between April 2018 and April 2019	% change between February to April 2018 and February to April 2019
Number of civil summonses issued for debt Number of civil judgements recorded for	48 676	7,1	-1,0
debt Value of civil judgements recorded for debt	18 240	6,5	-2,1
(R million)	298,4	2,4	11,8

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





Statistics of liquidations and insolvencies

Number of liquidations increased

There are different approaches that are used during debt recovery process and one of them is repossessing business or individual's assets. There are procedures and legal steps that creditors should follow when repossessing the businesses' assets in order to recover debts that are in line with section 129 of the National Credit Act (Act No. 34 of 2005). Firstly the creditor should issue section 129 letter, this is the notice issued advising the business of its arrears. Secondly, the business will then have a minimum of 10 days to enter into an agreement on how it intends to settle the debt. Lastly, should the business fail to settle the debt, the creditor then will have the right to issue summons and judgement through the Master of the High court and the business will have its assets repossessed. In some cases, the repossession of assets can lead to the liquidation of the business. Liquidation means the closing of the business operations. Presented in this article is the summary of the liquidation and insolvency statistics for the month of May 2019.

The total number of liquidations increased by 23,4% (41 more cases) in May 2019 compared with May 2018 (**see Table N**). Compulsory liquidations increased by 23 cases, while voluntary liquidations increased by 18 cases.

The total number of liquidations increased by 13,1% in the first five months of 2019 compared with the first five months of 2018.

Table N - Total number of liquidations for May 2019

Number of liquidations May 2018	% change between May 2018 and May 2019	% change between March to May 2018 and March to May 2019	% change between January to May 2018 and January to May 2019
216	23,4	16,9	13,1

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 decreased by 17,5% in April 2019 compared with April 2018 (**see Table O**). An 18,4% increase was estimated in the first four months of 2019 compared with the first four months of 2018.



Table O - Total number of insolvencies for April 201

Table 0 - Total humber of misorvencies for April 201											
Number of insolvencies April 2018	% change between April 2018 and April 2019	% change between February to April 2018 and February to April 2019	% change between January to April 2018 and January to April 2019								
141	-17,5	17,9	18,4								

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

In order to address the country's high carbon emissions, the South African government has introduced the Carbon Tax, 2019 (Act No. 15 of 2019), which came into effect on 1 June 2019. A carbon tax is a way for government to put a price on carbon emissions, and to shift the costs from society to those companies that are creating the emissions. The Carbon Tax Act gives effect to the polluter-pays-principle for large emitters and helps to ensure that firms and consumers take the negative adverse costs (externalities) into account in their future production, consumption and investment decisions. According to Act, firms will be given incentives towards adopting cleaner technologies and the more a company emits, the more tax it must pay. This will result in various firms in the land transport industry to shift towards low carbon options to reduce greenhouse gas (GHG) emissions. Presented in this article is a summary of the results of the Land transport survey statistical release for the month of April 2019.

The volume of goods transported (payload) increased by 3,6% in April 2019 compared with April 2018 (see Table P). The corresponding income increased by 4,1% over the same period.

Income from freight transportation increased by 2,5% in the three months ended April 2019 compared with the three months ended April 2018. The main contributor to this increase was primary mining and quarrying products (10,6%, contributing 3,9 percentage points).



Table P – Year-on-year percentage change in freight transportation: April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Freight payload	13,3	5,2	4,1	-1,9	1,4	3,6
Freight income	13,3	6,4	5,0	1,4	2,1	4,1

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 21,5% in April 2019 compared with April 2018 (see Table Q). The corresponding income increased by 4,6% over the same period.

Table Q – Year-on-year percentage change in passenger transportation: April 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Passenger journeys	-5,0	-9,7	-15,5	-14,0	-16,1	-21,5
Passenger income	3,0	3,6	-3,5	-3,3	-4,3	4,6

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 at 6,4% in May 2019

The producer price index (PPI) is defined by the Organisation for Economic Co-operation and Development (OECD) as 'A measure of the change in the prices of goods either as they leave their place of production or as they enter the production process'. A sample of producers is surveyed each month and the results of this survey are used to compile the producer price indices for final manufactured goods, intermediate manufactured goods, electricity and water, mining, and agriculture, forestry and fishing. The PPI is important because

Final manufactured goods - headline PPI

The annual percentage change in the PPI for final manufactured goods was 6,4% in May 2019 (compared with 6,5% in April 2019) (see Table R). From April 2019 to May 2019 the PPI for final manufactured goods increased by 0,5%. The main contributors to the annual rate of 6,4% were coke, petroleum, chemical, rubber and plastic products (2,3 percentage points), food products, beverages and tobacco products (1,5 percentage points) and metals, machinery, equipment and computing equipment (0,8 of a percentage point). The main contributor to the monthly increase of 0,5% was coke, petroleum, chemical, rubber and plastic products (0,3 of a percentage point).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 6,4% in May 2019 (compared with 6,7% in April 2019) (see Table R). From April 2019 to May 2019 the PPI for intermediate manufactured goods increased by 0,1%. The main contributors to the annual rate of 6,4% were chemicals, rubber and plastic products (2,8 percentage points) and basic and fabricated metals (2,5 percentage points). The main contributor to the monthly increase of 0,1% was basic and fabricated metals (0,3 of a percentage point).

Electricity and water

The annual percentage change in the PPI for electricity and water was 9,8% in May 2019 (unchanged from April 2019) (see Table R). From April 2019 to May 2019 the PPI for electricity and water increased by 0,2%. The contributors to the annual rate of 9,8% were electricity (8,3 percentage



points) and water (1,4 percentage points). The contributor to the monthly increase of 0,2% was electricity (0,1 of a percentage point).

Mining

The annual percentage change in the PPI for mining was 18,1% in May 2019 (compared with 21,1% in April 2019) (see Table R). From April 2019 to May 2019 the PPI for mining decreased by 0,5%. The main contributors to the annual rate of 18,1% were gold and other metal ores (8,8 percentage points), non-ferrous metal ores (8,2 percentage points) and coal and gas (1,5 percentage points). The main contributor to the monthly decrease of 0,5% was non-ferrous metal ores (-1,8 percentage points).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was -3,0% in May 2019 (compared with 0,3% in April 2019) (see Table R). From April 2019 to May 2019 the PPI for agriculture, forestry and fishing decreased by 1,2%. The main contributor to the annual rate of -3,0% was agriculture (-4,0 percentage points). The main contributor to the monthly decrease of 1,2% was agriculture (-1,3 percentage points).

Table R - Key PPI figures for May 2019

Product	Weight	Ir May 2018	dex (2016=10 Apr 2019	00) May 2019	% ch May 2019 vs April 2019	ange May 2019 vs May 2018
Final manufactured goods	100,00	106,8	113,0	113,6	0,5	6,4
Intermediate manufactured goods	100,00	102,8	109,3	109,4	0,1	6,4
Electricity and water	100,00	107,6	117,9	118,1	0,2	9,8
Mining	100,00	103,1	122,4	121,8	-0,5	18,1
Agriculture, forestry and fishing	100,00	98,7	96,9	95,7	-1,2	-3,0

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 4,5%

South African grocery prices are increasing, and this results in consumers paying more for some basic foodstuffs such as bread, cereals and vegetables they need to survive. According to Statistics South Africa's (Stats SA) consumer price index (CPI), oils and fats prices increased from 1,2% in February 2019 to 3,0% in May 2019, bread and cereal prices increased from 4,9% in February 2019 to 7,8% in May 2019, while vegetable prices increased from 8,9% in February 2019 to 10,1% in April 2019 and 8,0% in May 2019. Presented in this article is a summary of the results of the Consumer price index (CPI) release for May 2019.

Headline consumer price index (CPI for all urban areas)

Annual consumer price inflation was 4,5% in May 2019, up from 4,4% in April 2019 (see Table S). The consumer price index increased by 0,3% month-on-month in May 2019.

The main contributors to the 4,5% annual inflation rate were food and non-alcoholic beverages, housing and utilities, transport, and miscellaneous goods and services.

Food and non-alcoholic beverages increased by 3,2% year-on-year, and contributed 0,5 of a percentage point to the total CPI annual rate of 4,5%.

Housing and utilities increased by 4,5% year-on-year and contributed 1,1 percentage points. Transport increased by 7,1% year-on-year (mainly due to fuel), and contributed 1,0 percentage point. Miscellaneous goods and services increased by 5,4% year-on-year, and contributed 0,9 of a percentage point.

The main contributor to the monthly increase in the CPI was transport, which increased by 1,0% month-on-month (mainly due to fuel), and contributed 0,1 of a percentage point to the total month-on-month increase of 0,3%.

The annual inflation rates for goods and services were 4,2% and 4,6%, respectively. Provincial annual inflation rates ranged from 3,8% in North West to 5,4% in Western Cape



Table S – Consumer price index: Index numbers and year-on-year rates
Base year: Dec 2016 = 100

	Base year. Dec 2010 - 100													
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave- rage [1]
Year	Index/rate													
2010	Index	69,3	69,8	70,3	70,4	70,6	70,6	71,1	71,1	71,1	71,3	71,4	71,5	70,7
	Rate	6,1	5,8	5,1	4,8	4,7	4,1	3,8	3,6	3,0	3,3	3,5	3,5	4,3
2011	Index	71,9	72,3	73,2	73,5	73,8	74,1	74,7	74,9	75,2	75,5	75,8	75,9	74,2
	Rate	3,8	3,6	4,1	4,4	4,5	5,0	5,1	5,3	5,8	5,9	6,2	6,2	5,0
2012	Index	76,3	76,7	77,6	77,9	77,9	78,2	78,4	78,6	79,3	79,8	80,0	80,2	78,4
	Rate	6,1	6,1	6,0	6,0	5,6	5,5	5,0	4,9	5,5	5,7	5,5	5,7	5,7
2013	Index	80,4	81,2	82,2	82,5	82,3	82,5	83,4	83,6	84,0	84,2	84,3	84,5	82,9
	Rate	5,4	5,9	5,9	5,9	5,6	5,5	6,4	6,4	5,9	5,5	5,4	5,4	5,7
2014	Index	85,1	86,0	87,2	87,6	87,7	88,0	88,7	89,0	89,0	89,2	89,2	89,0	88,0
	Rate	5,8	5,9	6,1	6,2	6,6	6,7	6,4	6,5	6,0	5,9	5,8	5,3	6,2
2015	Index	88,9	89,4	90,7	91,5	91,7	92,1	93,1	93,1	93,1	93,3	93,4	93,7	92,0
	Rate	4,5	4,0	4,0	4,5	4,6	4,7	5,0	4,6	4,6	4,6	4,7	5,3	4,5
2016	Index	94,4	95,7	96,4	97,2	97,4	97,9	98,7	98,6	98,8	99,3	99,6	100,0	97,8
	Rate	6,2	7,0	6,3	6,2	6,2	6,3	6,0	5,9	6,1	6,4	6,6	6,7	6,3
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
2018	Index	105,0	105,8	106,2	107,0	107,2	107,6	108,5	108,4	108,9	109,4	109,6	109,4	107,8
	Rate	4,4	4,0	3,8	4,5	4,4	4,6	5,1	4,9	4,9	5,1	5,2	4,5	4,7
2019	Index	109,2	110,1	111,0	111,7	112,0								
	Rate	4,0	4,1	4,5	4,4	4,5								

^{1/} Annual average.



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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