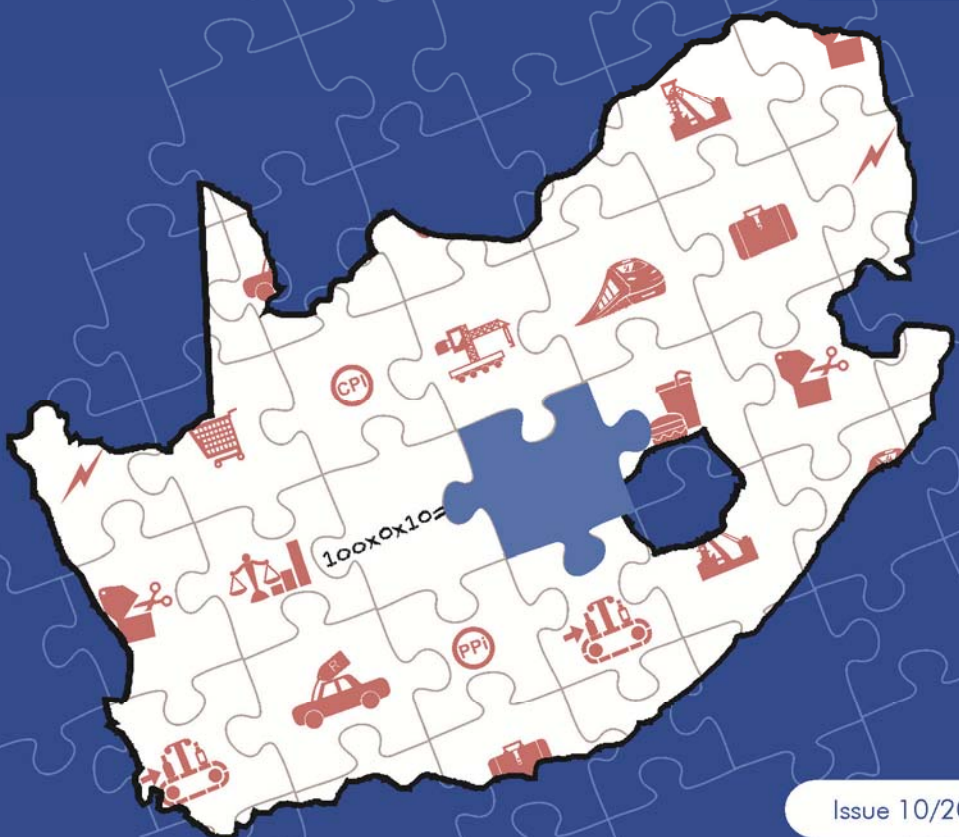
Mbalo Brief

the missing piece of the puzzle

November 2019



Issue 10/2019

THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND

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Editor's comment

Statistics South Africa (Stats SA) recently concluded the Census 2021 Mini Test, which took place from 9 October to 6 November 2019 in selected areas around the country. The purpose of this mini test was to test data collection methods, questionnaire and operation systems to prepare for the population census that will be conducted in 2021. However, that was only the first phase of the mini test; the next phase is an independent survey called the Post-enumeration Survey (PES), which will be conducted from 14 November 2019 to 13 December 2019 in order to evaluate the quality of the Census 2021 Mini Test. PES fieldworkers will visit dwellings in selected areas to administer a PES questionnaire. Once the evaluation is completed, households may be revisited from 20 January to 14 February 2020 to obtain missing or additional information.

Stats SA fieldworkers can be identified through the official Stats SA Identification (ID) Card displaying the Stats SA logo, the photograph and unique number of the fieldworker. Respondents can also contact the Census 2021 toll-free number (0800 110 248) to verify the fieldworkers visiting their homes.

In this month's issue of *Mbalo Brief*, our educational article is based on Domestic Tourism Survey (DTS). The survey outlines the number of trips taken, mode of transport used and the main purpose of domestic trips. We also have our usual monthly articles such as Mining: Production and sales, Tourist accommodation and Motor trade sales, to name a few. Also have a look at our crossword puzzle and solutions for the October 2019 puzzle.

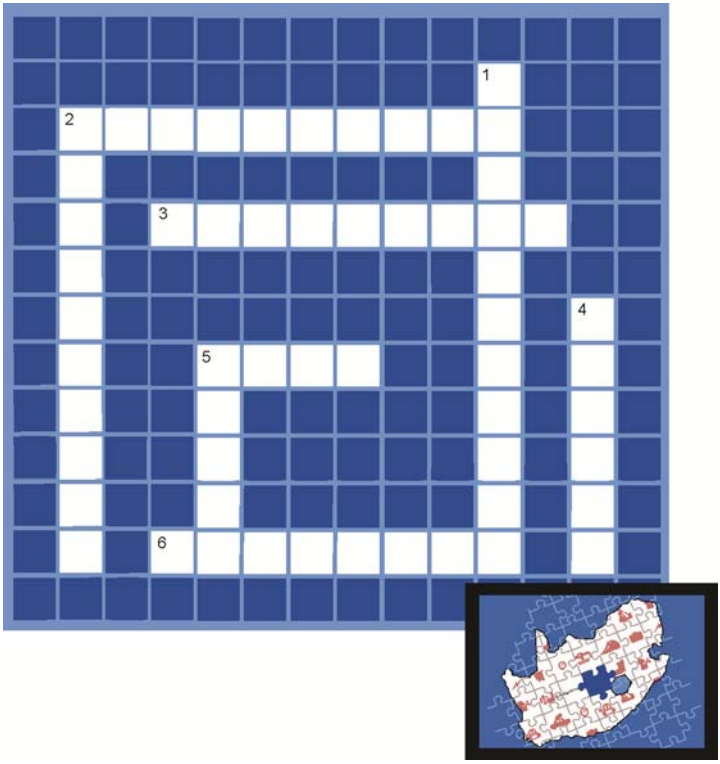
Articles published in this issue are based on results of industry surveys conducted for the months ranging from August to September 2019.

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

Contents

Editor's comment ..... **i**
Crossword puzzle ..... **iii**
Educational article on Domestic Tourism Survey **1**
Primary industries **9**
Mining: Production and sales 9
Secondary industries **11**
Manufacturing: Production and sales 11
Selected building statistics of the private sector 12
Electricity generated and available for distribution 14
Tertiary industries **16**
Wholesale trade sales 16
Retail trade sales 17
Motor trade sales 18
Food and beverages 19
Tourist accommodation 20
Tourism and migration 22
Statistics of civil cases for debt 27
Statistics of liquidations and insolvencies 28
Land transport survey 29
Prices **31**
Producer price index (PPI) 31
Consumer price index (CPI) 33
Glossary **35**

Crossword puzzle



Across

2. What is the name of the Springboks captain?
3. What is 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 called?
5. True or false? According to Stats SA, the unemployment rate increased to 29,1% in the third quarter of 2019.
6. In which month is Black Friday?

Down

1. What is a person who works outside of the office (in the field) and travels to different locations called?
2. Which team won the Rugby World Cup (RWC) in 2019?
4. From 9 October to 6 November 2019, Stats SA conducted the ... Mini Test in selected areas around the country. Fill in the missing word (read the editor's comment for clue).
5. In which city in Japan was the Rugby World Cup (RWC) 2019 final played?

Solutions for October 2019 puzzle

Across

3. October
4. Muhammadu
5. Blue diamond
6. Hagabis
7. False

Down

1. Johannesburg
2. Leonardo

Educational article: Domestic Tourism 2018

1. Introduction

The Tourism industry has the potential to make a significant contribution to the South African economy and it is targeted by government as one of the industries for future economic growth in the country. This is because Tourism industry is regarded as a potential sector where large-scale employment opportunities can be created. The National Development Plan 2030 also identifies tourism as a highly labour intensive industry which stimulates the development of small businesses. The Domestic Tourism Survey (DTS) is a large-scale household survey aimed at collecting accurate statistics on the travel behaviour and expenditure of South African residents travelling within the borders of the country. Such information is crucial when determining the contribution of tourism to the South African economy, as well as helping with planning, marketing, policy formulation, and the regulation of tourism-related activities.

This educational article is based on the findings of the *Domestic Tourism Survey 2018* (Statistical release P0352.1), which was published on 20 September 2019. The Survey forms part of a regular annual series of publications on DTS. The key objective of the DTS is to understand the domestic travel behaviour of an average South African resident including collecting information on domestic day and overnight trips undertaken amongst others. The DTS include various analysis regarding the number and types of trips. However, for the purpose of this article, only the number of day and overnight trips, main purpose of the trip and main mode of transport for the trip will be presented.

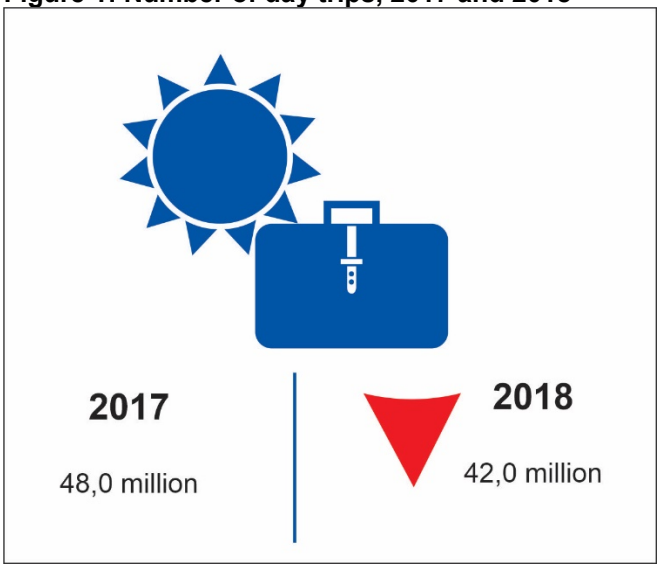
2. Number of day trips inside South Africa

Many people move or travel from one place to the other, either on domestic or international trips, on a daily basis. A domestic trip is a trip within the boundaries of South Africa but outside of the respondent usual environment. However, this domestic trips do not include:

- 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.

In 2018, the number of day trips decreased from 48,0 million in 2017 to 42,0 million in 2018.

Figure 1: Number of day trips, 2017 and 2018



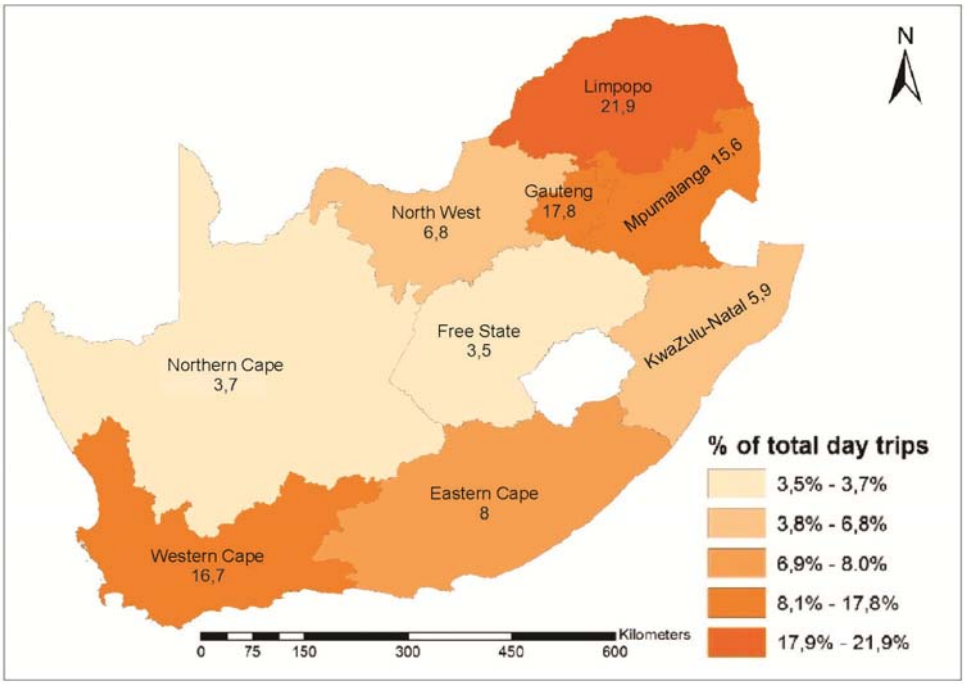
A comparison between the two years 2017 and 2018, shows that there was a decrease of day trips from January to September from 2017 to 2018. June had a declining trend, with a decrease from 3,5 million day trips in 2017 to 3,1 million in 2018. Day trips that were undertaken in January decreased from 5,1 million in 2017 to 3,1 million in 2018. Day trips in March decreased from 4,7 million in 2017 to 3,0 million in 2018. In the last quarter of both reporting years, day trips undertaken in October increased from 3,6 million in 2017 to 4,6 million in 2018. About 4,4 million day trips were undertaken in December 2017 and these increased to 4,7 million day trips in December 2018.

2.1 Day trips by province of destination

Figure 2 shows the proportions of day trips undertaken to particular provinces of destination. Nearly a quarter of total day trips undertaken during the period January to December 2018 were trips to Limpopo (21,9%), followed by trips undertaken to Gauteng and Western Cape (17,8% and 16,7%, respectively). Tourists were less likely to visit North West (6,8%),

KwaZulu-Natal (5,9%) and Northern Cape (3,7%). Free State was the least visited province in the country with respect to day trips, as only 3,5% of the total day trips had this province as their destination.

Figure 2: Percentage of total day trips by province of destination, January–December, 2018

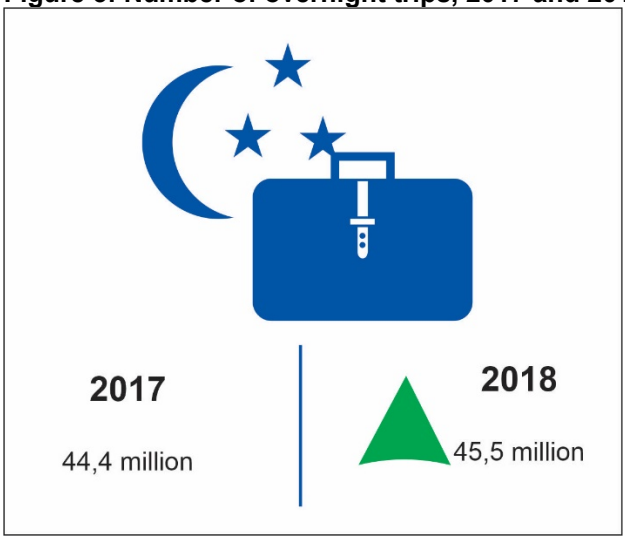


3. Number of overnight trips inside South Africa

An overnight trip is a trip outside of the respondent's usual environment where one night or more is spent away from the usual environment.

As shown in Figure 3, overnight trips increased from 44,4 million in 2017 to 45,5 million in 2018.

Figure 3: Number of overnight trips, 2017 and 2018

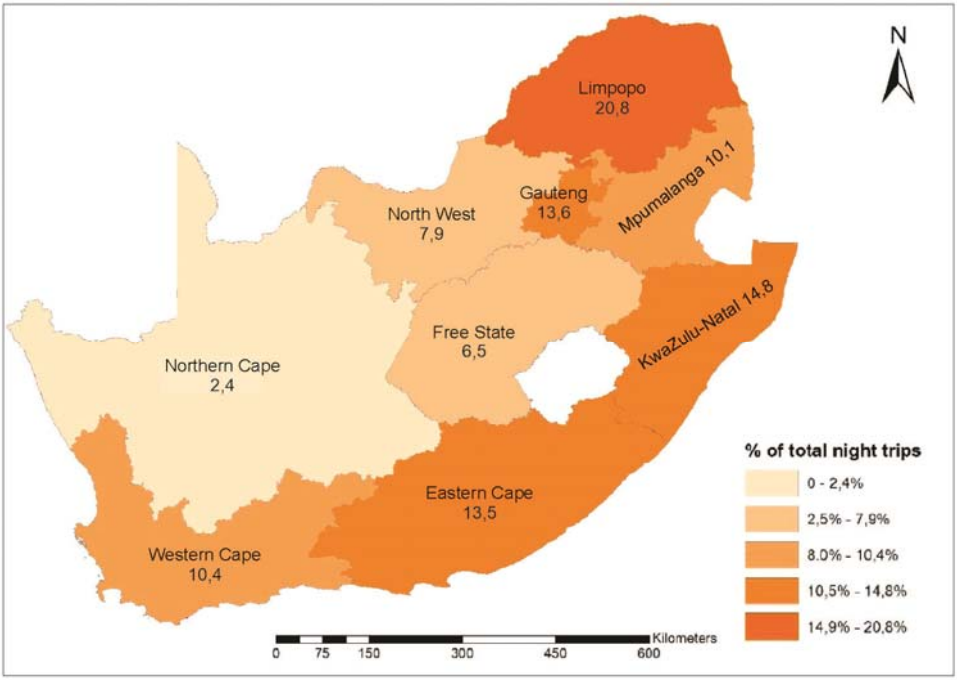


Trips that were undertaken in December 2017 increased from 7,4 million to 8,2 million in 2018. There was a decrease of overnight trips in April 2017, from 10,5% to 9,2% in 2018. During the month of May for both 2017 and 2018, nearly the same number of overnight trips were undertaken (3,0 million for both years). A relatively lower number of overnight trips were recorded in February for both years.

3.1 Overnight trips by province of destination

Figure 4 represents the percentage of total overnight trips undertaken to the different provinces in the country. Between January and December 2018, Limpopo province was again the destination of choice for most domestic tourists, with just over one fifth of all trips destined for that province (20,8%), followed by KwaZulu-Natal (14,8%), Gauteng (13,6%) and Eastern Cape (13,5%).

Figure 4: Percentage of total overnight trips by province of destination, January–December, 2018



4. Mode of transport used by South African resident traveller

Tourists use different mode of transport to go to their destination, some tourists may prefer road transport and others air or sea transport. Table 1 shows the number of day and overnight trips undertaken from January to December 2017 and 2018, per mode of transport used. Day travellers used mostly cars as their mode of transport in the country, although the percentages decreased from (61,2% in 2017 to 58,3% in 2018). Taxis were the second most used mode of transport with 30,2% in 2017 and 33,2% in 2018. Day travellers were the least likely to use aircraft in both years (0,1% in 2017 and 0,5% in 2018).

Table 1: Main mode of transport by most recent type of trip, January–December, 2017 and 2018

	2017		2018	
	Day trips			
Mode of transport	Number ('000)	Per cent	Number ('000)	Per cent
Air	12	0,1	103	0,5
Bus	823	4,3	973	4,5
Car	11 605	61,2	12 550	58,3
Taxi	5 725	30,2	7 149	33,2
Other[1]	595	3,1	585	2,7
Unspecified	208	1,1	178	0,8
Total	**18 968**	**100,0**	**21 538**	**100,0**
	Overnight trips			
Mode of transport	Number ('000)	Per cent	Number ('000)	Per cent
Air	1 066	3,9	1 255	3,9
Bus	2 160	7,9	2 261	7,0
Car	13 436	48,9	16 661	51,4
Taxi	9 894	36,0	7 729	23,8
Other[1]	561	2,0	4 265	13,1
Unspecified	336	1,2	267	0,8
Total	**27 454**	**100,0**	**32 438**	**100,0**

[1] 'Other' includes motorcycles, bicycles, trains, etc.
Due to rounding, numbers do not necessarily add up to totals.

5. Main purpose of the day trip

As shown in Table 2, the main purposes of visit in 2017 were for shopping, and visiting friends and relatives (29,1% and 22,1%, respectively). This was also the same in 2018, shopping was the most common reason for undertaking day trips (33,0%), followed by visiting friends and relatives (21,4%). The proportion of day trips undertaken for funeral purposes slightly increased from 6,3% in 2017 to 6,9% in 2018. For both years, the least common reason for undertaking day trips was for attending cultural occasions.

Table 2: Main purpose of most recent day trips by type of trip, January–December, 2017 and 2018

	Day trips			
	Number ('000)	Per cent	Number ('000)	Per cent
Main purpose of trip	2017		2018	
Leisure	2 589	13,6	2 843	13,2
Shopping	5 513	29,1	7 097	33,0
Sporting	394	2,1	399	1,9
VFR	4 198	22,1	4 602	21,4
Business	1 077	5,7	1 232	5,7
Religion	989	5,2	746	3,5
Funeral	1 191	6,3	1 484	6,9
Medical/health	808	4,3	664	3,1
Study/educational	199	1,0	319	1,5
Cultural occasion	139	0,7	111	0,5
Social events*	734	3,9	751	3,5
Other[1]	898	4,7	650	3,0
Unspecified	240	1,3	641	3,0
Total	**18 968**	**100,0**	**21 538**	**100,0**

[1] 'Other' includes wellness, child care, etc.
Due to rounding, numbers do not necessarily add up to totals.
VFR = visiting friends and relatives

6. Main purpose of the overnight trip

In both 2017 and 2018, tourists were more likely to take overnight trips to visit friends and relatives. This represents almost half of all trips undertaken in both years as observed in Table 3. Tourists also undertook many overnight trips for leisure and funeral purposes during the reporting period. The proportion of overnight trips undertaken for religious purposes decreased from 7,0% in 2017 to 5,4% in 2018. The percentage of overnight trips undertaken for shopping also decreased from 0,8% in 2017 to 0,6% in 2018.

Table 3: Main purpose of most recent overnight trips by type of trip, January–December, 2017 and 2018

	Overnight trips			
	Number ('000)	Per cent	Number ('000)	Per cent
Main purpose of trip	2017		2018	
Leisure	5 255	19,1	6 840	21,1
Shopping	214	0,8	181	0,6
Sporting	195	0,7	230	0,7
VFR	12 681	46,2	16 302	50,3
Business	830	3,0	842	2,6
Religion	1 913	7,0	1 744	5,4
Funeral	3 475	12,7	3 308	10,2
Medical/health	212	0,8	363	1,1
Study/educational	192	0,7	178	0,5
Cultural occasion	527	1,9	378	1,2
Social events	1 161	4,2	861	2,7
Other[1]	550	2,0	284	0,9
Unspecified	250	0,9	928	2,9
Total	**27 454**	**100,0**	**32 438**	**100,0**

[1] 'Other' includes wellness, child care, etc.

VFR = visiting friends and relatives
Due to rounding, numbers do not necessarily add up to totals.

4. Conclusion

According to the DTS, number of day trips decreased between 2017 and 2018, meanwhile there was an increase in the number of overnight trips. In relation to trips by destination of choice, Limpopo province was the destination of choice for most domestic tourists between January and December 2018 for both day and overnights trips. Car was the most common mode of transport used by tourists for both day and overnight trips undertaken in 2017 and 2018. In both 2017 and 2018, tourists were more likely to take day and overnight trips to go shopping and visit friends and relatives.

Primary industries

Mining: Production and sales

Mining production increases in September 2019

Growth in the mining industry rebounded in the second quarter of 2019 (April to June), bringing much-needed relief to South Africa's economy. The industry went from being one of the major negative contributors to the country's gross domestic product in the first quarter of 2019 (decreasing by 10,8% and contributing -0,8 of a percentage point) to being the top performer in the second quarter of 2019 (increasing by 14,4% and contributing 1,0 percentage point to GDP growth). This increase in production was largely due to an increase in the mining of iron ore, manganese ore, coal and 'other' metal ores, including platinum. Since mining is linked to many other industries in the economy such as transportation, construction and electricity, among others, an increase in mining production has the potential to stimulate growth in these industries. Presented in this article is a summary of the key results from the Mining: Production and sales release for September 2019.

Mining production increased by 0,2% year-on-year in September 2019 **(see Table A)**. The largest positive contributors were:

- iron ore (8,2% and contributing 0,9 of a percentage point);
- 'other' non-metallic minerals (13,6%, contributing 0,8 of a percentage point); and
- 'other' metallic minerals (38,0%, contributing 0,7 of a percentage point).

The largest negative contributors were:

- diamonds (-15,7%, contributing -0,6 of a percentage point);
- manganese ore (-7,3%, contributing -0,5 of a percentage point); and
- PGMs (-2,0%, contributing -0,5 of a percentage point).

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

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Year-on-year % change, unadjusted	-1,0	0,2	-3,0	1,6	-3,0	0,2
Month-on-month % change, seasonally adjusted	-1,2	4,0	2,7	-5,1	0,0	1,5
3-month % change, seasonally adjusted [1/]	-0,4	3,1	4,1	4,5	1,3	-1,6

[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 15,0% year-on-year in September 2019 **(see Table B)**. The largest positive contributors were:

- gold (94,9%, contributing 8,7 percentage points);
- PGMs (22,4%, contributing 5,5 percentage points);
- iron ore (27,2%, contributing 2,6 percentage points); and
- 'other' metallic minerals (39,8%, contributing 1,3 percentage points).

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

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Year-on-year % change, unadjusted	19,9	11,1	6,7	16,8	9,0	15,0
Month-on-month % change, seasonally adjusted	1,3	-0,7	-2,0	3,3	-1,4	0,8
3-month % change, seasonally adjusted [1/]	-3,1	2,0	2,7	2,5	-0,3	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

Secondary industries

Manufacturing: Production and sales

Manufacturing production decreases

South Africa's unemployment rate increased by 0,1 of a percentage point to 29,1% in the third quarter (July to September) of 2019. This is the highest unemployment rate recorded in 11 years. However, all is not lost as efforts to revive the county's economy and create employment are already in place; one of these is the launch of Mara Phone's first cellphone manufacturing plant in South Africa. The plant, which is located in Dube Trade Port in KwaZulu-Natal, will benefit the manufacturing industry by contributing to the transfer of technology and high-tech knowledge in South Africa. The plant will also boost employment as it will initially employ 313 workers, which is planned to increase to 1 369 over five years. The plant is currently staffed with 200 formerly unemployed engineers. Of these 200, over 90% are youth and two-thirds are women. Presented in this article is a summary of the key results from the Manufacturing: Production and sales release for September 2019.

Manufacturing production decreased by 2,4% in September 2019 compared with September 2018. Nine of the ten manufacturing divisions reported negative growth rates over this period. The largest negative contributions were made by the following divisions:

- basic iron and steel, non-ferrous metal products, metal products and machinery (-4,8%, contributing -0,9 of a percentage point);
- wood and wood products, paper, publishing and printing (-6,5%, contributing -0,8 of a percentage point);
- petroleum, chemical products, rubber and plastic products (-2,8%, contributing -0,6 of a percentage point); and
- motor vehicles, parts and accessories and other transport equipment (-3,6%, contributing -0,3 of a percentage point).

The only positive contribution was made by the food and beverages division (2,9% and contributing 0,8 of a percentage point).

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

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Year-on-year % change, unadjusted	4,7	0,4	-3,6	-0,5	-1,5	-2,4
Month-on-month % change, seasonally adjusted	2,6	-2,2	-1,9	1,0	1,3	-2,4
3-month % change, seasonally adjusted [1/]	-1,2	0,1	0,4	-1,2	-1,5	-0,9

[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 increases

According to the Prescription Act, 1969 (Act No. 68 of 1969), a person can become the owner of a property that belongs to someone else by means of prescription on condition that the person is openly in possession of the property for an uninterrupted period of 30 years as if the person was the owner. This type of a ruling often applies in the case when the landowner fails to realise that part of their land is being incorrectly fenced and used by an adjoining neighbour for a longer period, thus resulting in the neighbour acquiring such land, in what is termed prescriptive easement. When ownership is acquired by means of prescription, the property needs not be registered in the name of the person acquiring the property before ownership vests with him. However, in terms of the Deeds Registries Act, 1937 (Act No. 47 of 1937), the Register of Deeds will not cancel the former owner's registration and register the new person as owner unless a court order authorising this has been obtained. Presented in this article is a summary of the selected building statistics for August 2019.

The value of buildings reported as completed (at current prices) increased by 40,0% (R17 816,5 million) during January to August 2019 compared with January to August 2018 (**see Table D**). Increases were recorded for non-residential buildings (56,4% or R5 679,5 million), residential buildings (45,2% or R11 850,0 million) and additions and alterations (3,5% or R287,0 million).

Six provinces reported year-on-year increases in the value of buildings completed during January to August 2019, of which Gauteng (contributing 28,4 percentage points or R12 681,9 million), KwaZulu-Natal (contributing 5,9 percentage points or R2 619,6 million) and Western Cape (contributing 4,2 percentage points or R1 865,1 million) were the largest positive contributors.

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

Estimates at current prices	January to August 2018 1/	January to August 2019 1/	Difference in value between January to August 2018 and January to August 2019	% change between January to August 2018 and January to August 2019
	R'000	R'000	R'000	
Residential buildings	**26 233 719**	**38 083 709**	**11 849 990**	**45,2**
- Dwelling houses	14 515 552	15 014 836	499 284	3,4
- Flats and townhouses	11 330 697	22 576 156	11 245 459	99,2
- Other residential buildings	387 470	492 717	105 247	27,2
Non-residential buildings	**10 075 398**	**15 754 870**	**5 679 472**	**56,4**
Additions and alterations	**8 272 772**	**8 559 791**	**287 019**	**3,5**
Total	**44 581 889**	**62 398 370**	**17 816 481**	**40,0**

1/ 2015 and 2016 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 at www.statssa.gov.za

Electricity generated and available for distribution

Electricity production decreased

South Africa continues to pursue a diversified energy mix that reduces reliance on a single or a few primary energy sources. This is according to the Integrated Resource Plan 2019 (IRP 2019) that was published by the Department of Mineral Resources and Energy on 18 October 2019. The IRP is an electricity infrastructure development plan based on least-cost electricity supply and demand balance, taking into account security of supply and the environment by minimising negative emissions and water usage. According to the IRP 2019, coal will continue to play a significant role in electricity generation in South Africa as it is the largest base of the installed generation capacity, and it makes up the largest share of energy generated. Owing to the design life of the existing coal fleet and the abundance of coal resources, new investments will need to be made in more efficient coal technologies such as high efficiency low emission (HELE) and carbon capture, utilisation and storage (CCUS), which reduce emissions from coal in order to comply with climate and environmental requirements. Presented in this article is a summary of the electricity generated and distributed in August 2019.

Electricity generation (production) decreased by 0,5% year-on-year in September 2019 (**see Table E**).

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

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Year-on-year % change, unadjusted	1,8	-0,6	0,1	-0,6	-2,4	-0,5
Month-on-month % change, seasonally adjusted	3,3	-0,8	0,5	-1,4	-1,8	2,2
3-month % change, seasonally adjusted [1/]	-0,7	0,1	1,9	0,8	-0,5	-1,8

[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 September 2019 (**see Table F**).

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

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Year-on-year % change, unadjusted	1,6	-1,3	-1,6	-1,9	-4,7	-1,3
Month-on-month % change, seasonally adjusted	3,1	-0,4	-0,8	-0,6	-2,5	3,3
3-month % change, seasonally adjusted [1/]	-1,4	-0,8	1,0	0,3	-1,3	-1,8

[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 decrease

According to the Food and Agriculture Organization (FAO), about one-third of food produced for human consumption in the world (around 1,3 billion tons) is lost or wasted each year. FAO announced that most of the wastage is particularly high at the agricultural production, post-harvest handling and storage stages. In the wholesale industry, warehouses are one of the most fundamental parts of the supply chain. Thus, wholesalers in food and agricultural products may minimise food wastage or loss by utilising modern warehouses with security, pest and temperature control. Presented in this article is a summary of the Wholesale trade sales statistics for August 2019.

Wholesale trade sales decreased by 0,4% in August 2019 compared with August 2018 (**see Table G**). The main negative contributors to this decrease were:

- dealers in agricultural raw materials and livestock (-8,4%, contributing -0,6 of a percentage point); and
- dealers in precious stones, jewellery and silverware (-20,0%, contributing -0,6 of a percentage point).

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

- food, beverages and tobacco (4,7%, contributing 0,7 of a percentage point);
- machinery, equipment and supplies (5,5%, contributing 0,7 of a percentage point); and
- ‘other’ household goods except precious stones (6,0%, contributing 0,7 of a percentage point).

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

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Year-on-year % change, unadjusted	3,3	13,3	3,4	-1,0	10,9	-0,4
Month-on-month % change, seasonally adjusted	1,2	4,2	-2,6	-1,1	6,1	-4,7
3-month % change, seasonally adjusted[1/]	-1,5	3,0	5,2	3,3	1,8	0,9

[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

In order to survive and thrive in this constantly changing world, retailers should evolve. This is according to Amanda Stops, the Chief Executive Officer (CEO) of the South African Council of Shopping Centres (SACSC). From 16 to 18 October 2019, the SACSC held its 23rd annual conference at Cape Town International Convention Centre under the theme “Evolve”. For retailers to evolve, they should adapt to new technology trends by introducing new ways of operating their businesses. This could include different methods of payments such as quick response (QR) codes (a machine-scannable image that can instantly be read using a smartphone camera), online purchases, etc. in order to retain or attract customers. According to Stops, evolution is not a complete change, it is rather growth from where you were, to where you need to be in order to remain relevant. The SACSC congress is an event that brings up-to-date information, industry networking and celebrates the country's retail, shopping centres and associated industries. Presented in this article is a summary of the retail trade sales for July 2019.

Retail trade sales increased by 2,0% year-on-year in September 2019 (**see Table H**). Retailers in textiles, clothing, footwear and leather goods grew by 3,0% (contributing 0,5 of a percentage point) while general dealers fell by 0,7% (contributing -0,3 of a percentage point) over this period.

Retail trade sales increased by 1,1% in the third quarter of 2019 compared with the third quarter of 2018. The largest contributors to this increase were:

- all 'other' retailers (4,2% and contributing 0,5 of a percentage point); and
- retailers in textiles, clothing, footwear and leather goods (2,3% and contributing 0,4 of a percentage point).

The main contributors to the 2,0% increase were:

- all 'other' retailers (contributing 1,0 percentage point); and
- retailers in textiles, clothing, footwear and leather goods (contributing 0,6 of a percentage point).

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

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Year-on-year % change, unadjusted	2,7	1,5	2,4	2,0	1,0	0,2
Month-on-month % change, seasonally adjusted	0,8	-0,2	0,6	0,2	-1,1	0,5
3-month % change, seasonally adjusted [1/]	0,0	1,0	0,8	0,6	0,5	0,0

[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

Knowing the best time to buy a car could potentially save prospective buyers a lot of money. According to Autotrader, the best time to buy a car in South Africa is in December as it is often a quiet selling period, meaning better prices are likely to be put on the table. Furthermore, car dealers – and their sales staff – would be aiming to meet their targets for the year or to break sales records late in December, thus they will be keener to give favourable prices at this time of the year. Presented in this article is a summary of the key results from the Motor trade sales release for August 2019.

Motor trade sales increased by 1,3% year-on-year in August 2019 **(see Table I)**. The largest positive annual growth rates were recorded for:

- new vehicle sales (7,3%); and
- convenience store sales (3,1%).

Motor trade sales increased by 1,5% in the three months ended August 2019 compared with the three months ended August 2018. The main contributor was new vehicle sales (4,8%, contributing 1,2 percentage points).

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

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Year-on-year % change, unadjusted	-4,6	10,8	1,4	-1,8	5,1	1,3
Month-on-month % change, seasonally adjusted	2,4	4,4	-3,2	0,8	1,1	1,0
3-month % change, seasonally adjusted [1]	-2,1	0,5	3,3	3,4	1,3	1,2

[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

Recently there has been confusion over the three date markings that are displayed on food items. The former Minister of Health, Aaron Motsoaledi, explained the dates as follows: Best-before date is the suggested date before which the full quality of the product, as marketed, can be enjoyed. However, beyond that date the food may still be acceptable for consumption. Sell-by date refers to a product's shelf life in-store – the recommended time in which it should be sold to retain marketed quality. Use-by/expiry date is the date after which the food will perish, and will no longer retain the marketed quality. The product should not be sold or consumed due to safety and quality reasons after this date. It is important for producers to respect the expiry date because by ignoring them, it will open the door to a host of potential health problems. Presented in this article is a summary of the results from the Food and beverages statistical release for the month of August 2019.

The total income generated by the food and beverages industry increased by 0,7% in August 2019 compared with August 2018 **(see Table J)**. Positive annual growth rates were recorded for:

- bar sales (3,8%); and
- food sales (0,8%).

In August 2019, takeaway and fast-food outlets grew by 4,7% year-on-year (contributing 1,6 percentage points) while restaurants and coffee shops declined by 1,6% (contributing -0,8 of a percentage point).

Total income increased by 1,2% in the three months ended August 2019 compared with the three months ended August 2018. The main contributor to this increase was takeaway and fast-food outlets (3,6%, contributing 1,2 percentage points).

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

Type of income	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Food sales	9,4	1,7	6,7	4,8	-1,5	0,8
Bar sales	1,7	-3,9	5,6	4,1	-4,7	3,8
Other income	10,3	10,2	6,3	10,1	-5,8	-11,1
Total	**8,9**	**1,5**	**6,6**	**4,9**	**-1,9**	**0,7**

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

Tourist accommodation

Tourist accommodation income increases by 3,9% in August 2019

Airbnb, which started in 2018, is an online marketplace that lets people (referred to as hosts) rent out their properties or spare rooms to guests. This has benefitted the accommodation industry in a number of ways. One of these is that it has brought competition within the industry by keeping hotel rates in check and making additional rooms available during peak holiday periods, when hotel rooms often sell out due to increase in demand. Furthermore, every time a guest visits South Africa using Airbnb, local

families and their communities benefit and it further spreads the benefits of tourism beyond the typical tourist hot spots to lesser known towns and neighbourhoods. Presented in this article is a summary of the key results from the Tourist and accommodation release for August 2019.

The total income for the tourist accommodation industry increased by 3,9% in August 2019 compared with August 2018 **(see Table K)**. Income from accommodation increased by 4,2% year-on-year in August 2019, the result of a 1,2% increase in the number of stay unit nights sold and a 3,0% increase in the average income per stay unit night sold.

In August 2019, the types of accommodation that recorded positive year-on-year growth in income from accommodation were:

- ‘other’ accommodation (8,8%);
- caravan parks and camping sites (6,7%); and
- hotels (2,2%).

The main contributors to the 4,2% year-on-year increase in income from accommodation in August 2019 were:

- ‘other’ accommodation (contributing 2,7 percentage points); and
- hotels (contributing 1,4 percentage points).

Income from accommodation increased by 4,6% in the three months ended August 2019 compared with the three months ended August 2018. The main contributors to this increase were:

- ‘other’ accommodation (7,5% and contributing 2,3 percentage points); and
- hotels (3,0% and contributing 2,0 percentage points).

Table K – Year-on-year percentage change in tourist accommodation statistics (income at current prices), August 2019

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Stay units available	0,1	0,0	0,1	0,1	0,0	-0,2
Stay unit nights sold	0,5	-1,0	-2,0	2,6	-1,1	1,2
Average income per stay unit nights sold	-0,3	3,7	5,1	4,5	3,9	3,0
Income from accommodation	0,2	2,7	3,1	7,2	2,8	4,2
Total income [1/]	**2,2**	**1,9**	**3,3**	**6,2**	**0,8**	**3,9**

[1/] Includes restaurant and bar sales and 'other' income.
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 3 698 819 travellers pass through South Africa's ports of entry

Over 10 million of international travellers arrive in South Africa's ports of entry annually, including travellers on study, holiday and business purposes. As a way of making entry into South Africa for all legal foreign travellers as easy as possible and to attract more travellers for economic development, the Department of Home Affairs (DHA) has scrapped the Unabridged Birth Certificates visa requirement which was initially introduced in 2015. An Unabridged Birth Certificate is a document containing information of both biological parents or legal guardians. Since 01 June 2015 travellers under the age of 18 required to have the Unabridged Birth Certificate with them in addition to the other required documents (passports, visa stamps, etc.) when entering or exiting South Africa. As of 08 November 2019, the DHA has effectively scrapped the Unabridged Birth Certificates, consent letters and other supporting documents relating to proof of parentage for foreign minors travelling to South Africa. However, these are still required from South Africans. According to DHA this was part of the government's new, more relaxed visa regime. It is one of the measures taken by President Cyril Ramaphosa's administration aimed at boosting economic growth through the tourism industry. Presented in this article is a summary of the Tourism and migration statistics for August 2019.

Number of travellers

The routine data collected by the Department of Home Affairs' (DHA) immigration officers at the ports of entry into and out of South Africa shows that a total of 3 698 819 travellers (arrivals, departures and transits) passed through South African ports of entry/exit in August 2019 (**see Table L**). These travellers were made up of 1 006 615 South African residents and 2 692 204 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 482 712 arrivals, 522 927 departures and 976 travellers in transit. The corresponding volume for foreign arrivals, departures and travellers in transit was 1 377 914, 1 215 970 and 98 320, respectively.

A comparison between the movements in August 2018 and August 2019 indicates that the volume of arrivals, departures and transits increased for both South African residents and foreign travellers. For South African residents, the volume of arrivals increased by 4,4% (from 462 206 in August 2018 to 482 712 in August 2019). Departures increased by 5,8% (from 494 032 in August 2018 to 522 927 in August 2019), and transits increased by 9,4% (from 892 in August 2018 to 976 in August 2019). For foreign travellers, arrivals increased by 3,5% (from 1 331 118 in August 2018 to 1 377 914 in August 2019), departures increased by 2,8% (from 1 183 057 in August 2018 to 1 215 970 in August 2019), and transits increased by 18,0% (from 83 351 in August 2018 to 98 320 in August 2019)

A comparison between the movements in July 2019 and August 2019 indicates that the volume of arrivals decreased for South African residents but increased for foreign travellers. The volume of departures and transits increased for both groups of travellers. For South African residents, the volume of arrivals decreased by 7,5% (from 522 117 in July 2019 to 482 712 in August 2019), departures increased by 20,2% (from 435 202 in July 2019 to 522 927 in August 2019), and transits increased by 23,7% (from 789 in July 2019 to 976 in August 2019). For foreign travellers, arrivals increased by 11,3% (from 1 238 165 in July 2019 to 1 377 914 in August 2019), departures increased by 15,9% (from 1 048 816 in July 2019 to 1 215 970 in August 2019), and transits increased by 25,0% (from 78 625 in July 2019 to 98 320 in August 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 therefore not possible to categorise South African residents as tourists or non-tourists. However, some data are available on foreign arrivals for this categorisation.

In August 2019, 88 009 (6,4%) of foreign arrivals were classified as non-visitors while 1 289 905 (93,6%) were classified as visitors. The visitors were categorised into three groups:

- Arrivals only – comprising visitors who entered the country in August 2019 but did not depart in August 2019 [334 102 (25,9%)];
- Single trips – visitors who came to South Africa once in August 2019 and left in August 2019 [475 249 (36,8%)]; and
- Multiple trips – visitors who came to and left South Africa more than once in August 2019 [480 554 (37,3%)].

Visitors were further grouped as same-day visitors and overnight visitors (tourists). In August 2019, there were 392 927 (30,5%) same-day visitors and 896 978 (69,5%) tourists. Between August 2018 and August 2019, the volume of same-day visitors increased by 4,8% (from 375 086 in August 2018 to 392 927 in August 2019) and that of tourists increased by 2,3% (from 876 926 in August 2018 to 896 978 in August 2019). Between July 2019 and August 2019, the volume of same-day visitors increased by 9,9% (from 357 643 in July 2019 to 392 927 in August 2019), and tourists increased by 13,5% (from 790 187 in July 2019 to 896 978 in August 2019).

Mode of travel

Ininn August 2019, road transport was the most common mode of travel used by 2 611 731 (70,6%) of the 3 698 819 travellers. The total number of travellers who used air transport was 1 080 319 (29,2%). Compared to the use of air and land transport, a smaller number of travellers, 6 769 (0,2%) used sea transport. Information on arrivals of South African residents shows that 183 318 (38,0%) came by air, 299 163 (62,0%) came by road and 231 (less than 0,1%) arrived by sea transport. For departures, 202 037 (38,6%) used air, 320 708 (61,3%) used road and 182 (less than 0,1%) left by sea transport. All travellers in transit, 976 (100,0%) used air transport.

In the case of foreign travellers, 288 407 (20,9%) arrived by air, 1 086 074 (78,8%) came by road and 3 433 (0,2%) arrived by sea transport. When departing South Africa, 307 261 (25,3%) foreign travellers left by air, 905 786 (74,5%) left by road and 2 923 (0,2%) left by sea transport. All travellers in transit, 98 320 (100,0%) used air transport. Of the 392 927 same-day

visitors, an overwhelming majority, 363 721 (92,6%) arrived in the country by road, 29 199 (7,4%) flew into the country; and 7 (less than 0,1%) arrived by sea transport. Information on tourists shows that 653 323 (72,8%) used road transport, 243 641 (27,2%) came by air transport and 14 (less than 0,1%) arrived by sea transport.

Regional and national distribution

In August 2019, the distribution of overseas tourists was as follows: Europe, 118 657 (55,7%); North America, 39 448 (18,5%); Asia, 26 265 (12,3%); Australasia, 11 368 (5,3%); Central and South America, 9 806 (4,6%); and the Middle East, 7 530 (3,5%).

Virtually all tourists from Africa, 668 741 (98,0%), came from the SADC countries. The distribution of the remaining tourists from Africa is as follows: East and Central Africa, 6 777 (1,0%); West Africa, 5 862 (0,9%); and North Africa 1 206 (0,2%). The ten leading SADC countries in terms of the number of tourists visiting South Africa in August 2019 were: Zimbabwe, 214 388 (32,1%); Lesotho, 120 510 (18,0%); Mozambique, 115 855 (17,3%); Swaziland, 89 605 (13,4%); Botswana, 62 365 (9,3%); Malawi, 20 338 (3,0%); Namibia, 15 949 (2,4%); Zambia, 13 905 (2,1%); Angola, 5 775 (0,9%) and DRC, 4 294 (0,6%). (See Figure 2 on page 7 and Table 3 on pages 12 to 13). Tourists from these ten countries constituted 99,1% of all tourists from the SADC countries.

Purpose of visit

In in August 2019, the majority of tourists, 876 743 (97,7%), were in South Africa for holiday1 compared to 14 821 (1,7%); 4 914 (0,5%) and 500 (0,1%) who were in South Africa for business, study and for medical treatment respectively.

Sex and age distribution

There were 485 375 (54,1%) male and 411 603 (45,9%) female tourists in August 2019. Overseas tourists were made up of 110 863 (52,0%) male tourists and 102 211 (48,0%) female tourists. There were 365 056 (54,6%) male and 303 685 (45,4%) female tourists from SADC countries. Tourists from 'other' African countries were made up of 8 640 (62,4%) male and 5 205 (37,6%) female tourists.

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

Travel direction	August 2018	July 2019	August 2019	% change between July 2018 and August 2019	% change between August 2018 and August 2019
Total	**3 554 656**	**3 323 714**	**3 698 819**	**11,3%**	**4,1%**
South African residents	**957 130**	**958 108**	**1 006 615**	**5,1%**	**5,2%**
Arrivals	462 206	522 117	482 712	-7,5%	4,4%
Departures	494 032	435 202	522 927	20,2%	5,8%
Transit	892	789	976	23,7%	9,4%
Foreign travellers	**2 597 526**	**2 365 606**	**2 692 204**	**13,8%**	**3,6%**
Arrivals	1 331 118	1 238 165	1 377 914	11,3%	3,5%
Departures	1 183 057	1 048 816	1 215 970	15,9%	2,8%
Transit	83 351	78 625	98 320	25,0%	18,0%
Foreign arrivals	**1 331 118**	**1 238 165**	**1 377 914**	**11,3%**	**3,5%**
Non-visitors	79 106	90 335	88 009	-2,6%	11,3%
Visitors	1 252 012	1 147 830	1 289 905	12,4%	3,0%
Visitors	**1 252 012**	**1 147 830**	**1 289 905**	**12,4%**	**3,0%**
Arrivals only	328 082	327 470	334 102	2,0%	1,8%
Single trips	453 832	398 887	475 249	19,1%	4,7%
Multiple trips	470 098	421 473	480 554	14,0%	2,2%
Visitors	**1 252 012**	**1 147 830**	**1 289 905**	**12,4%**	**3,0%**
Same-day	375 086	357 643	392 927	9,9%	4,8%
Tourists	876 926	790 187	896 978	13,5%	2,3%

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

Number of civil judgements for debt increases

Credit providers are barred from extending credit to consumers who receive child support and foster care social grants as income in credit applications. In July 2019, the National Consumer Tribunal (NCT) handed down judgement in favour of the National Credit Regulator (NCR) against a credit provider for various contraventions of the National Credit Act, 2005 (Act No. 34 of 2005), including reckless lending. In its judgment, the NCT made a finding that child support and foster care social grants are income to be used for the benefit of third parties and cannot be deemed to be the consumer's income. According to the National Credit Regulator (NCR), child support and foster care social grants are intended to be used for the care and support of children. The judgement will protect consumers from incurring more debts after applying for credit they cannot afford. Presented in this article is a summary of the Statistics of civil cases for debts for August 2019.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt increased by 3,2% in the three months ended August 2019 compared with the three months ended August 2018 (**see Table M**). The largest positive contributors to the 3,2% increase were civil summonses relating to:

- money lent (contributing 6,3 percentage points);
- promissory notes (contributing 1,4 percentage points); and
- 'other' debts (contributing 1,3 percentage points).

Services (contributing -4,9 percentage points) was the largest negative contributor.

The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt decreased by 8,6% in the three months ended August 2019 compared with the three months ended August 2018. The largest negative contributors to the 8,6% decrease were civil judgements relating to:

- promissory notes (contributing -3,6 percentage points);
- services (contributing -2,8 percentage points); and

- ‘other’ debts (contributing -1,4 percentage points).

The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt decreased by 8,0% in the three months ended August 2019 compared with the three months ended August 2018. The major contributor to the 8,0% decrease was the value of judgements relating to ‘other’ debts (contributing -10,7 percentage points).

In August 2019, 16 691 civil judgements for debt amounting to R328,5 million were recorded. The largest contributors to the total value of judgements were:

- money lent (R85,5 million or 26,0%);
- ‘other’ debts (R65,2 million or 19,8%); and
- services (R61,7 million or 18,8%).

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

Actual estimates	August 2019	% change between August 2018 and August 2019	% change between June to August 2018 and June to August 2019
Number of civil summonses issued for debt	47 942	1,0	3,2
Number of civil judgements recorded for debt	16 691	-9,5	-8,6
Value of civil judgements recorded for debt (R million)	328,5	9,5	-8,0

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

Liquidations increased by 137 in September 2019

The total number of liquidations for September 2019 increased by 137 indicating that more companies are struggling to keep their doors open. Most of these liquidations were voluntary (126) and mostly took place in the finance, insurance, real estate and business services (22) while those in electricity, gas and water were the least likely to be liquidated (1). Presented

in this article is a summary of the key results from the Statistics of liquidation and insolvencies release for September 2019.

The total number of liquidations increased by 7,6% in the third quarter of 2019 compared with the third quarter of 2018 **(see Table N).** A year-on-year decrease of 13,8% was recorded in September 2019. The total number of liquidations increased by 10,5% in the first nine months of 2019 compared with the first nine months of 2018.

Table N – Total number of liquidations for June 2019

Number of liquidations September 2019	% change between September 2018 and September 2019	% change between July to September 2018 and July to September 2019	% change between January to September 2018 and January to September 2019
137	-13,8	7,6	10,5

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 increased by 43,3% in the three months ended August 2019 compared with the three months ended August 2018 **(see Table O)**. A 30,8% increase was estimated in August 2019 compared with August 2018.

Table O – Total number of insolvencies for August 2019

Number of insolvencies August 2019	% change between August 2018 and August 2019	% change between June – August 2018 and June to August 2019	% change between January to August 2018 and January to August 2019
340	30,8	43,3	27,8

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 decreases

Land transport users will no longer have to spend hours of delays on heavy traffic due to the closure of the M2 highway between Crown Interchange and Maritzburg street in Johannesburg. On 04 November 2019, the Minister of

Transport reopened the M2 highway after undergoing construction rehabilitation. The M2 highway, which is more than 60 years old, carries approximately 10 500 vehicles per hour in both directions during peak hours. On 28 February 2019, the highway was closed after it was necessitated by the fact that bridges had reached their design lifespan which resulted in the concrete elements reduced and it had become unsafe for the road users. Presented in this article is a summary of the land transport survey results for August 2019.

The volume of goods transported (payload) decreased by 1,9% in August 2019 compared with August 2018 (**see Table P**). The corresponding income increased by 0,7% over the same period.

Income from freight transportation increased by 1,4% in the three months ended August 2019 compared with the three months ended August 2018. The main contributor to this increase was primary mining and quarrying products (6,5% contributing 2,2 percentage points).

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

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Freight payload	0,2	4,3	3,0	3,4	-2,6	-1,9
Freight income	2,2	6,6	4,0	4,2	-0,5	0,7

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 18,8% in August 2019 compared with August 2018 (**see Table Q**). The corresponding income increased by 3,1% over the same period.

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

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Passenger journeys	-16,5	-11,4	-5,3	-23,8	-21,2	-18,8
Passenger income	-3,6	15,9	19,8	-0,8	-4,1	3,1

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 4,1% in September

The effects of climate change – including drought and changing rainfall patterns in Africa, among others – negatively affect agricultural yields and farmers' income. In order to reduce yield loss, some food producers are turning to genetically modified (GM) maize seeds designed to withstand drought conditions and that are resistant to certain insects. However, in October 2019 South Africa's Minister of Agriculture, Land Reform and Rural Development, Thoko Didiza, rejected the application for commercial cultivation of drought-tolerant maize seed. The minister's decision was made following the abject failure of the GM varieties to increase yield under drought conditions during repeated field trials in South Africa. In this article is a summary of the Producer price index for September 2019.

Final manufactured goods – headline PPI

Annual producer price inflation (final manufacturing) was 4,1% in September 2019, down from 4,5% in August 2019 (**see Table R**). The producer price index increased by 0,2% month-on-month in September 2019.

The main contributors to the headline PPI annual inflation rate were:

- Food products, beverages and tobacco products increased by 4,0% year-on-year and contributed 1,3 percentage points.
- Metals, machinery, equipment and computing equipment increased by 4,5% year-on-year and contributed 0,6 of a percentage point.
- Coke, petroleum, chemical, rubber and plastic products increased by 2,8% year-on-year and contributed 0,6 of a percentage point.
- Paper and printed products increased by 8,0% year-on-year and contributed 0,6 of a percentage point.

The main contributors to the headline PPI monthly increase were coke, petroleum, chemical, rubber and plastic products, which increased by 0,2% month-on-month and contributed 0,1 of a percentage point to the total

month-on-month increase of 0,2%, and transport equipment, which increased by 0,9% month-on-month and contributed 0,1 of a percentage point.

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 0,5% in September 2019 (compared with 1,9% in August 2019) (**see Table R**). The index increased by 0,4% month-on-month. The main contributors to the annual rate were basic and fabricated metals (1,6 percentage points) and sawmilling and wood (0,6 of a percentage point).

The main contributor to the monthly rate was basic and fabricated metals (0,6 of a percentage point).

Electricity and water

The annual percentage change in the PPI for electricity and water was 17,1% in September 2019 (compared with 14,3% in August 2019) (**see Table R**). The index decreased by 21,3% month-on-month. Electricity contributed 16,0 percentage points to the annual rate, and water contributed 1,0 percentage point. Electricity contributed -21,4 percentage points to the monthly rate.

Mining

The annual percentage change in the PPI for mining was 15,2% in September 2019 (compared with 22,2% in August 2019) (**see Table R**). The index decreased by 2,4% month-on-month. The main contributors to the annual rate were non-ferrous metal ores (11,9 percentage points) and gold and other metal ores (5,9 percentage points).

The main contributor to the monthly rate was gold and other metal ores (-4,0 percentage points).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was -4,1% in September 2019 (compared with -2,4% in August 2019) (**see Table R**). The index decreased by 0,6% month-on-month. The main contributor to the annual rate was agriculture (-5,5 percentage points). The

main contributor to the monthly rate was agriculture (-0,7 of a percentage point).

Table R – Key PPI figures for September 2019

Product	Weight	Index (2016=100)			% change	
		September 2018	August 2019	September 2019	September 2019 vs August 2019	September 2019 vs September 2018
Final manufactured goods	100,00	109,8	114,1	114,3	0,2	4,1
Intermediate manufactured goods	100,00	109,2	109,3	109,7	0,4	0,5
Electricity and water	100,00	118,4	176,2	138,6	-21,3	17,1
Mining	100,00	114,6	135,2	132,0	-2,4	15,2
Agriculture, forestry and fishing	100,00	99,6	96,1	95,5	-0,6	-4,1

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 4,1% in September 2019

One of the functions of the South African Reserve Bank (SARB) is to determine and conduct monetary policy. The primary objective of monetary policy in South Africa is to achieve and maintain price stability in the interest of sustainable and balanced economic development and growth. Since April 2017 the Consumer price index (CPI) has remained below the SARB's 6% ceiling. The product groups that have had the most influence in keeping the headline rate below 6% were food and non-alcoholic beverages, housing and transport. In this article is a summary of the Consumer price index for September 2019.

Headline consumer price index (CPI for all urban areas)

Annual consumer price inflation was 4,1% in September 2019, down from 4,3% in August 2019 (**see Table S**). The consumer price index increased by 0,3% month-on-month in September 2019.

The main contributors to the 4,1% annual inflation rate were food and non-

alcoholic beverages; housing and utilities; and miscellaneous goods and services.

Table S – Consumer price index: Index numbers and year-on-year rates
Base year: Dec 2016 = 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	112,4	112,8	113,1	113,4				
	Rate	4,0	4,1	4,5	4,4	4,5	4,5	4,0	4,3	4,1				

[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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