

## METHODOLOGICAL NOTE

**1. Data source** - the chapter CA (Turnover) in The Monthly Statistical Survey on the short term indicators in services (SERV TS) in accordance with the European Council Regulation no. 1165/1998, the European Parliament and Council Regulation no. 1158/2005 and the European Commission Regulation no. 1503/2006 on short term statistics.

**2. The Statistical Survey is of sample type.** The type of the survey used and the method of the sample extraction is that of the stratified survey with simple random selection with no recurrence within any strata, in which the following represented the stratification variables: the economic activity and the enterprise size class according to the number of employees. Due to the necessity regarding the comparability of results on groups of homogeneous activities as well as at enterprise level from a period to another, the category of economic units with high economic potential (50 employees and over) are exhaustively surveyed. The selection base of the sample provides representativeness calculated according to the turnover of 94.62% of the total multitude of active units. Data are collected from about 1600 economic units with wholesale and retail, maintenance and repair of motor vehicles and motorcycles as main activity (CANE Rev. 2 division 45) and market services provided to the population (hotels and restaurants, activities of travel agencies and tour operators; activities of tourist assistance, gambling and other recreational activities, hairdressing and other embellishing activities, washing and cleaning of textile and fur items, funeral activities, body care and other services for individuals). The sampling volume was determined by imposing, at country level, an estimation accuracy of  $\pm 3\%$ , at a confidence level of 95%.

### 3. Concepts and definitions

**The turnover (VAT excluded)** represents the total revenue recorded by the company during the reporting period, obtained both from the main activity and the secondary activities performed by it, less rebates, draws and other discounts to customers. Subsidies received from public authorities or EU institutions **are** included in the turnover. The turnover **does not** include excise and revenue from the sale or transfer of fixed assets.

**Wholesale and retail, the maintenance and repair of cars and motorcycles** (CANE Rev. 2 division 45) includes all the activities (manufacturing and rental excluded) regarding cars and motorcycles, lorries included, such as wholesale and retail of new and second hand cars, repair and maintenance of vehicles and wholesale and retail of spare parts and accessories for cars and motorcycles. Activities of commission-agents involved in wholesale and retail of vehicles, wholesale and retail of cars at auctions or by internet are also included. This division also includes activities such as washing and polishing of vehicles etc. The division excludes the retail of fuel and cooling and lubricating products or rental activities of motor vehicles or motorcycle.

**The market services provided to the population** are those activities related to the sale and purchase on the market – the population being the main beneficiary – and they are produced by companies whose revenues come by at least 50% from the sale of own production, no matter the name of the prices charged (tariff, tax, sale price). In the monthly survey on the market services provided mainly to the population are included the following activities: hotels and restaurants, activities of travel agencies and of tour operators; activities of tourist assistance, gambling and other recreational activities, hairdressing and other embellishing activities, washing and cleaning of textile and fur items, funeral activities, body care and other services for individuals.

### 4. Calculation Algorithm

The turnover volume indices of the retail are Laspeyres type indices and are calculated under comparable prices and methodological conditions. For expressing the values of the current period in prices of the reference period the deflating price indices are used (consumer price index). The first indices obtained are at the level of class/group CANE Rev. 2, then, by successive aggregations indices at aggregate levels are obtained. The weights used for aggregation are calculated based on the turnover according to the results of the Business Structural Survey from the reference year (2015).

**IMPORTANT!** In order to highlight the changes in the economy structure, starting with the data release for **January 2018** reference month the base year used for the calculation of the indices, for all short-term indicators, was changed from 2010 to 2015.

The changing of the base year involves the updating of the weighting system, to reflect the structural modifications occurred in the national economy activities. These modifications determined the proper recalculation and revision of the data series previously published.

The changing of the base year was made in two steps, respectively the rebasing of the indices for the period 2005-2014 to the new reference year (2015=100) and the recalculation of the indices with the new weighting system starting from January 2015 until present.

Once passing to the new base year and weighting system 2015, the time series based 2010 will not be available anymore. The new data series, based 2015, will be available progressively, in the TEMPO online database starting with March 2018 when the data for January 2018 will be disseminated.

These changes will appear in press releases, statistical publications published by the INS and in the TEMPO online database.

The Statistical Office of the European Union (Eurostat) and the other EU Member States will proceed similarly and simultaneously to the change of the base year, in order to ensure the comparability between member states.

5. For the adjustment of the data series the programme package JDEMTRA+ has been used; it estimates the effect of the number of working days, different from one month to another and the effect of the calendar (leap year and other national holidays) as well as the identification and correction of extreme values (occasional, transient or permanent changes of level) and the interpolation of missing values. The adjusted series with the number of working days has been obtained by eliminating these effects from the gross series with the help of some correction coefficients determined according to the regression model used (additive or multiplicative).

Setting the regression models used for each series involves the recalculation of the adjusted series previously disseminated (recalculation due to the changes in the adopted models, to the number of used regressors and to the number of available observations).

The adjustment of the aggregate levels has been done by **direct method** that means direct adjustment of aggregated series. The use of the direct method may lead to some inconsistencies in the data series (that is, the aggregates may not be always contained between the values of the components from which they derive).

6. The calculation of the turnover volume indices, compared to those of the previous month or compared to those of the corresponding month of the previous year, is done starting from the indices with fixed base (year 2015=100) as follows:

- the turnover volume indices compared to previous month: by dividing the index with fixed base (year 2015=100) of the respective month with the index with fixed base (year 2015=100) of the previous month, multiplied by 100;
- the turnover volume indices compared to the corresponding month of the previous year: by dividing the index with fixed base (year 2015=100) of a certain month of the respective year with the index with fixed base (year 2015=100) of the same month from the previous year, multiplied by 100.

**7. Data are provisional and may be periodically revised** based on adjustments done retroactively by the economic operators in the sample.