



## South African Reserve Bank

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### **Composite business cycle indicators for South Africa**

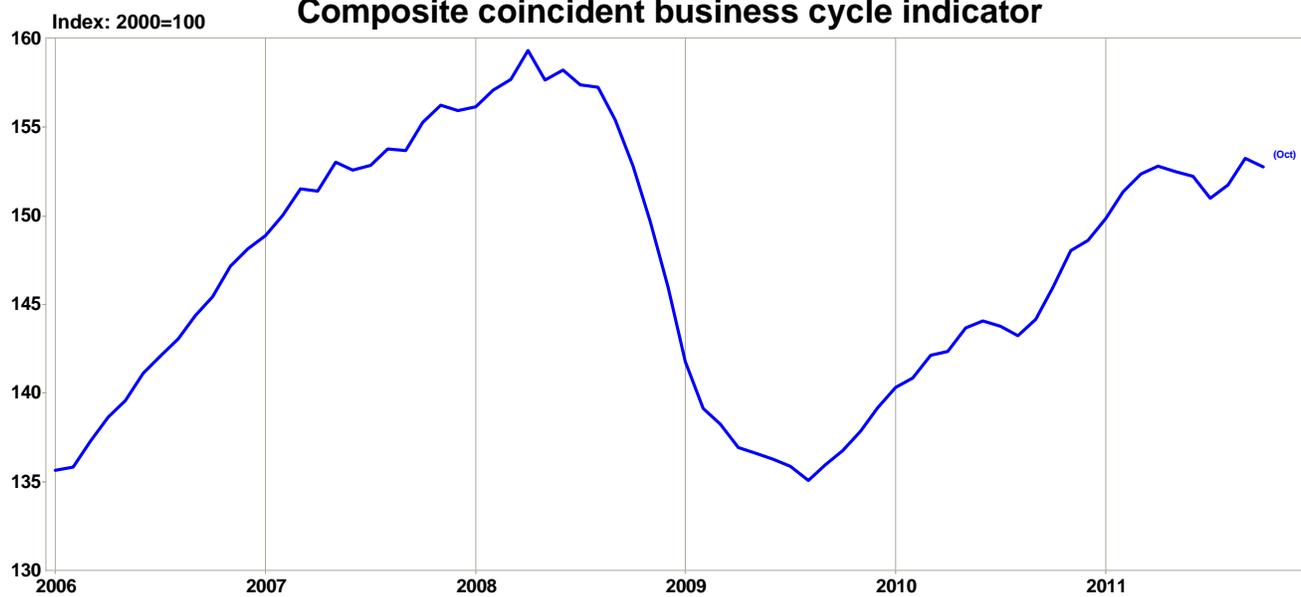
- The composite **leading** business cycle indicator *increased* by 0,6 per cent in November 2011 compared with the preceding month. Six of the eleven component time series that were available for November 2011 increased, while five decreased. The major positive contributors to the movement in the leading indicator in November were the BER's average hours worked per factory worker in the manufacturing sector and the number of residential building plans passed. The largest negative contribution came from the twelve-month percentage change in the composite leading business cycle indicator of South Africa's major trading-partner countries, followed by the twelve-month percentage change in the number of passenger vehicles sold.
- The composite **coincident** business cycle indicator *decreased* by 0,3 per cent in October 2011 compared with the preceding month.
- The composite **lagging** business cycle indicator *increased* by 0,3 per cent in October 2011 compared with the preceding month.

**The next release is scheduled for 21 February 2012, at 09:00 A.M.**

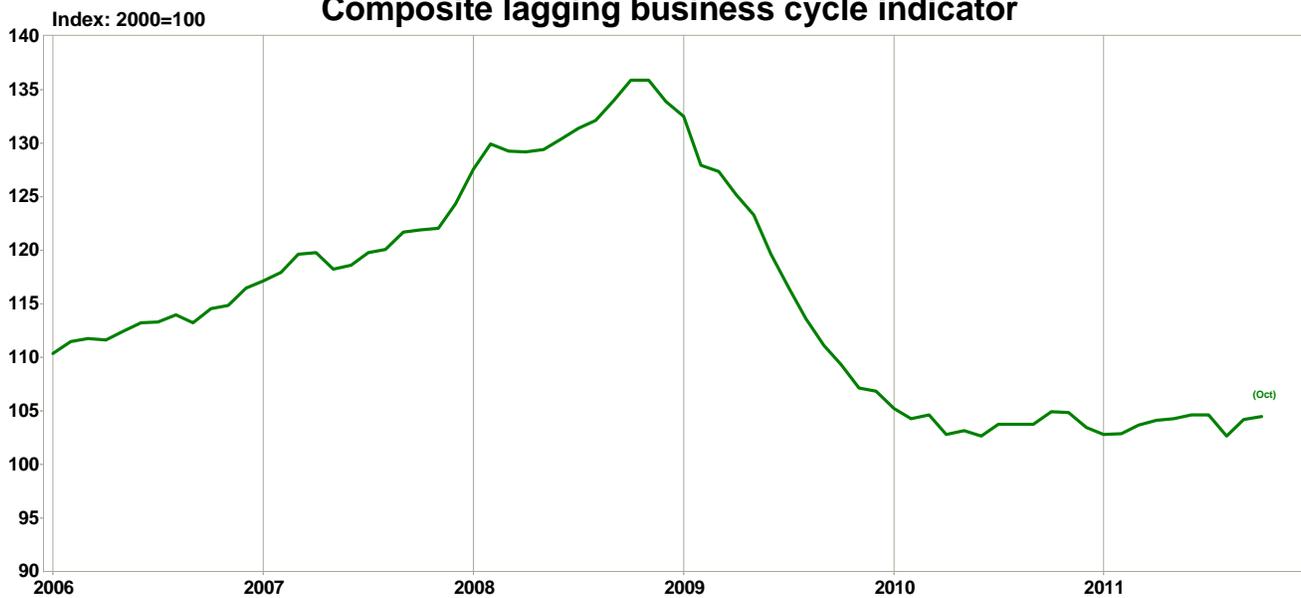
### Composite leading business cycle indicator



### Composite coincident business cycle indicator



### Composite lagging business cycle indicator



**Table 1 Summary of the composite business cycle indicators**

Indices: 2000 = 100	2011							
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Leading indicator	134.3	133.0	135.1	133.4	130.9	131.1	131.4	132.2
12-month percentage change	1.9	1.4	4.2	2.9	0.8	0.9	1.3	2.0
Coincident indicator	152.8	152.5	152.2	151.0	151.7	153.3	152.8	-
12-month percentage change	7.3	6.1	5.6	5.0	5.9	6.3	4.7	-
Lagging indicator	104.1	104.3	104.7	104.6	102.7	104.2	104.5	-
12-month percentage change	1.3	1.2	2.0	0.9	-1.0	0.4	-0.4	-

**Table 2 Component time series of the composite leading business cycle indicator and their contribution to the November 2011 data point:**

<b>Positive contributors (ranked from largest to smallest)</b>
BER: Average hours worked per factory worker in manufacturing (half weight)
Number of building plans approved: Flats, townhouses & houses larger than 80m <sup>2</sup>
Job advertisements: The Sunday Times (percentage change over 12 months)
BER: Volume of orders in manufacturing (half weight)
Index of prices of all classes of shares traded on the JSE
Interest rate spread: 10 year government bonds minus 91 day Treasury bills
<b>Negative contributors (ranked from largest to smallest)</b>
Composite leading business cycle indicator of South Africa's major trading-partner countries (percentage change over 12 months)
Number of new passenger vehicles sold: (percentage change over 12 months)
Real M1 (six month smoothed growth rate)
BER: Business confidence index
Commodity price index for South Africa's main export commodities (US dollar based)

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