



South African Reserve Bank

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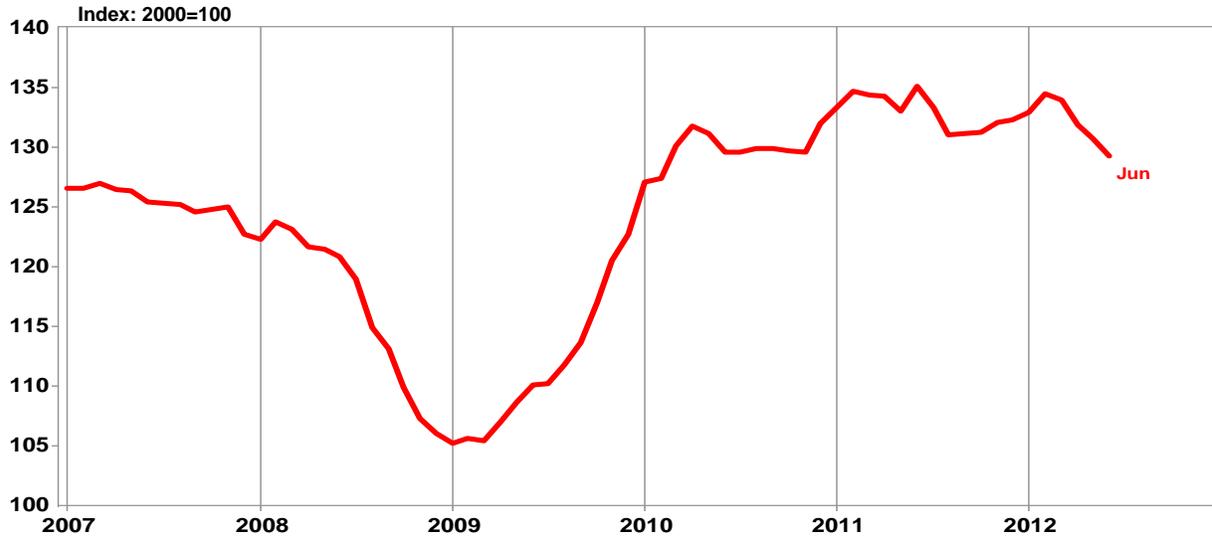
FOR RELEASE: 09:00 A.M., Tuesday, 21 August 2012

Composite business cycle indicators for South Africa

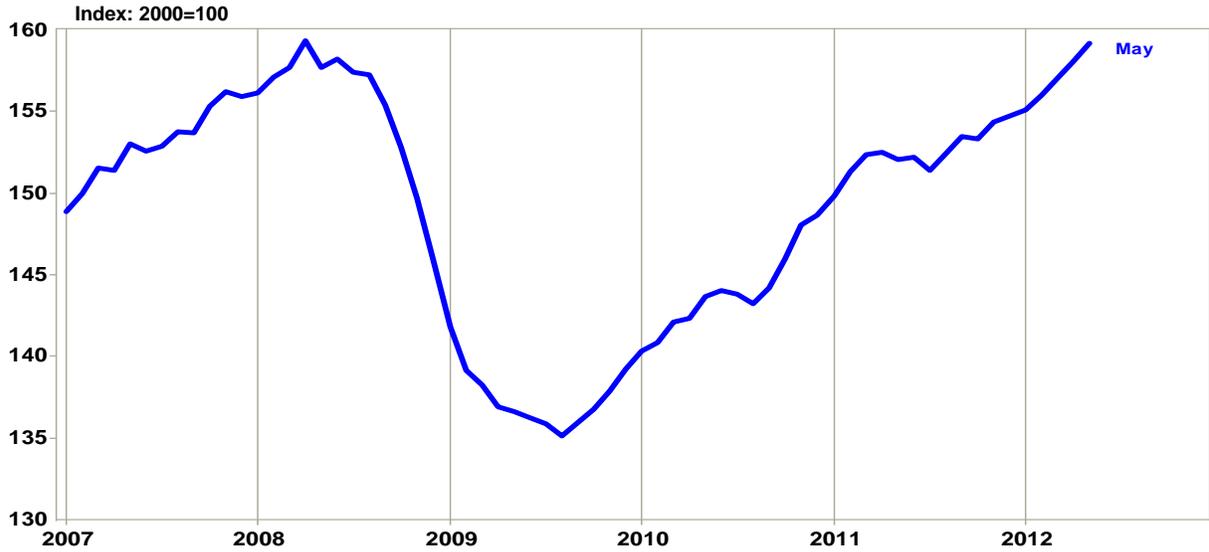
- The composite **leading** business cycle indicator *decreased* by 1,1 per cent in June 2012 compared with the preceding month. Seven of the ten component time series that were available for June 2012 decreased, while three increased. The largest negative contributions in June came from a decline in the export commodity price index, as well as a decline in the number of residential building plans passed. The major positive contributions to the movement in the leading indicator in June came from an improvement in the average hours worked in the manufacturing sector, followed by an improvement in the volume of orders in the manufacturing sector.
- The composite **coincident** business cycle indicator *increased* by 0,7 per cent on a month-to-month basis in May 2012.
- The composite **lagging** business cycle indicator remained *unchanged* on a month-to-month basis in May 2012.

The next release is scheduled for 25 September 2012, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

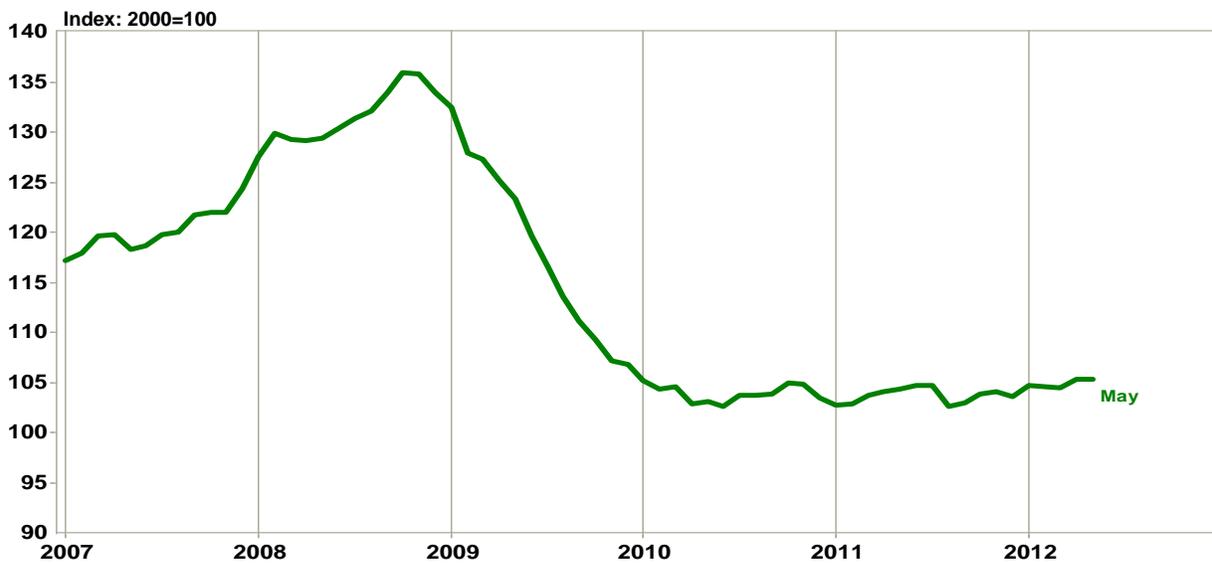


Table 1 Summary of the composite business cycle indicators

Indices: 2000 = 100	2011		2012					
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Leading indicator	132,0	132,3	132,9	134,5	133,9	131,9	130,8	129,3
12-month percentage change	1,9	0,3	-0,3	-0,1	-0,3	-1,8	-1,7	-4,3
Coincident indicator	154,4	154,8	155,1	156,0	157,0	158,1	159,2	-
12-month percentage change	4,3	4,1	3,5	3,1	3,1	3,6	4,7	-
Lagging indicator	104,0	103,5	104,7	104,6	104,4	105,3	105,3	-
12-month percentage change	-0,8	0,1	1,9	1,6	0,8	1,1	1,0	-

Table 2 Component time series of the composite leading business cycle indicator and their contribution to the June 2012 data point:

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

* Bureau for Economic Research, Stellenbosch University