



South African Reserve Bank

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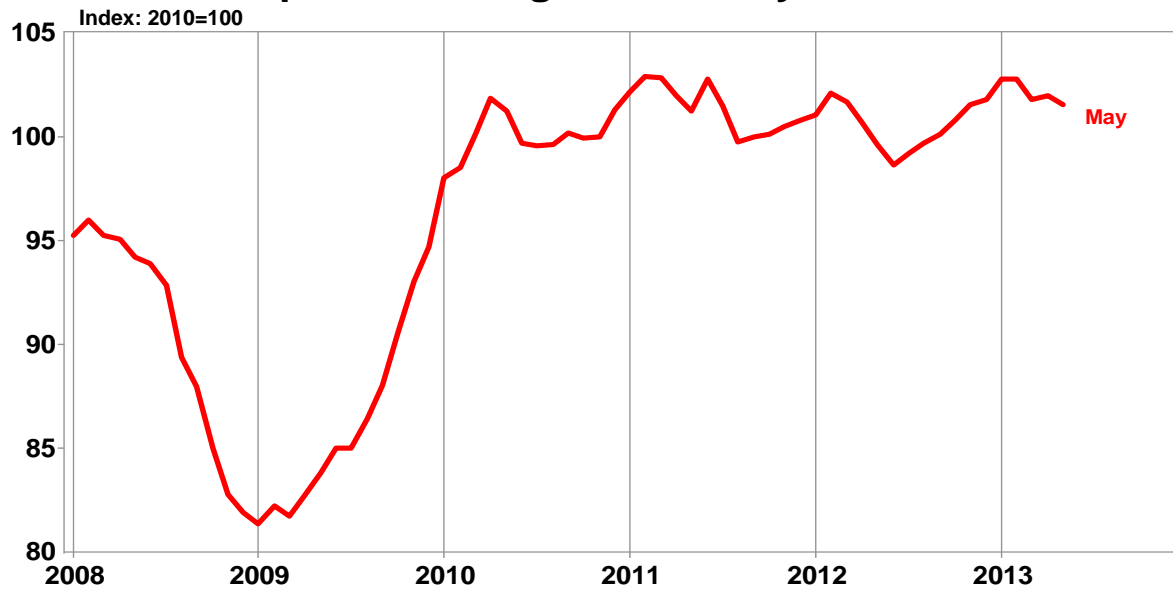
FOR RELEASE: 09:00 A.M., Tuesday, 23 July 2013

Composite business cycle indicators for South Africa

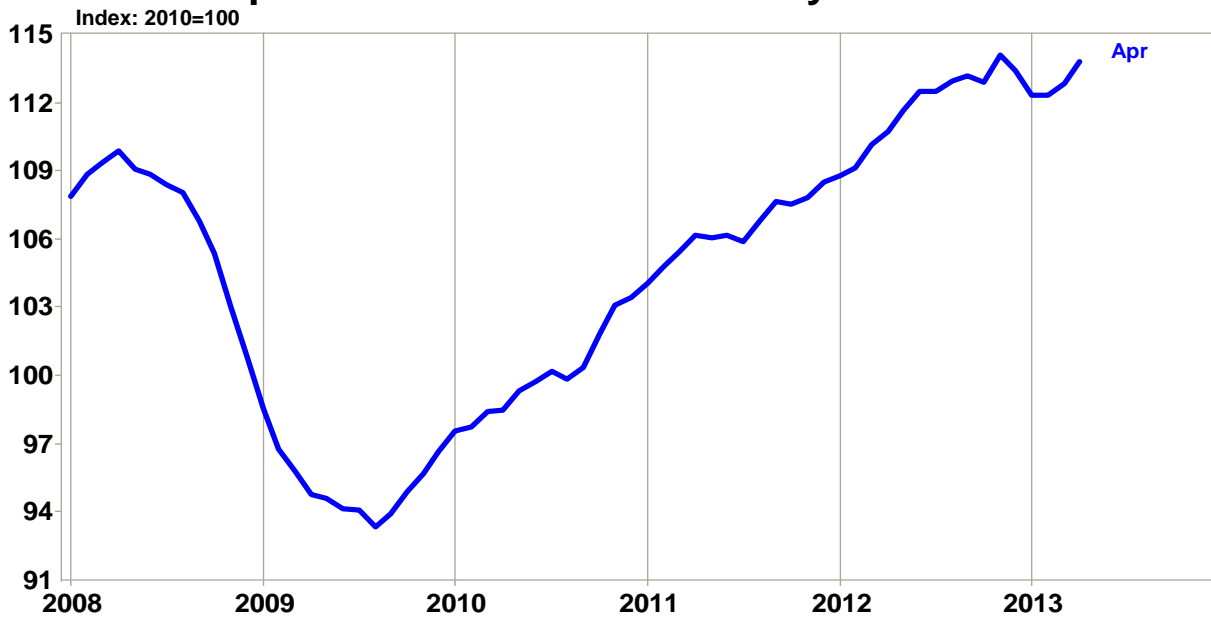
- The composite **leading** business cycle indicator *decreased* by 0,5 per cent in May 2013 compared with the preceding month. Four of the eleven component time series that were available for May 2013 increased, while seven decreased. The largest negative contributions to the movement in the composite leading indicator in May came from a decrease in the six-month smoothed growth rate in the real M1 money supply, followed by a decline in the BER's volume of domestic orders in the manufacturing sector. The major positive contributions in May came from an acceleration in the twelve-month percentage increase in the composite leading business cycle indicator of South Africa's major trading-partner countries, as well as an increase in the prices of all classes of shares traded on the JSE.
- The composite **coincident** business cycle indicator *increased* by 0,9 per cent on a month-to-month basis in April 2013.
- The composite **lagging** business cycle indicator *increased* by 0,3 per cent on a month-to-month basis in April 2013.

The next release is scheduled for 20 August 2013, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

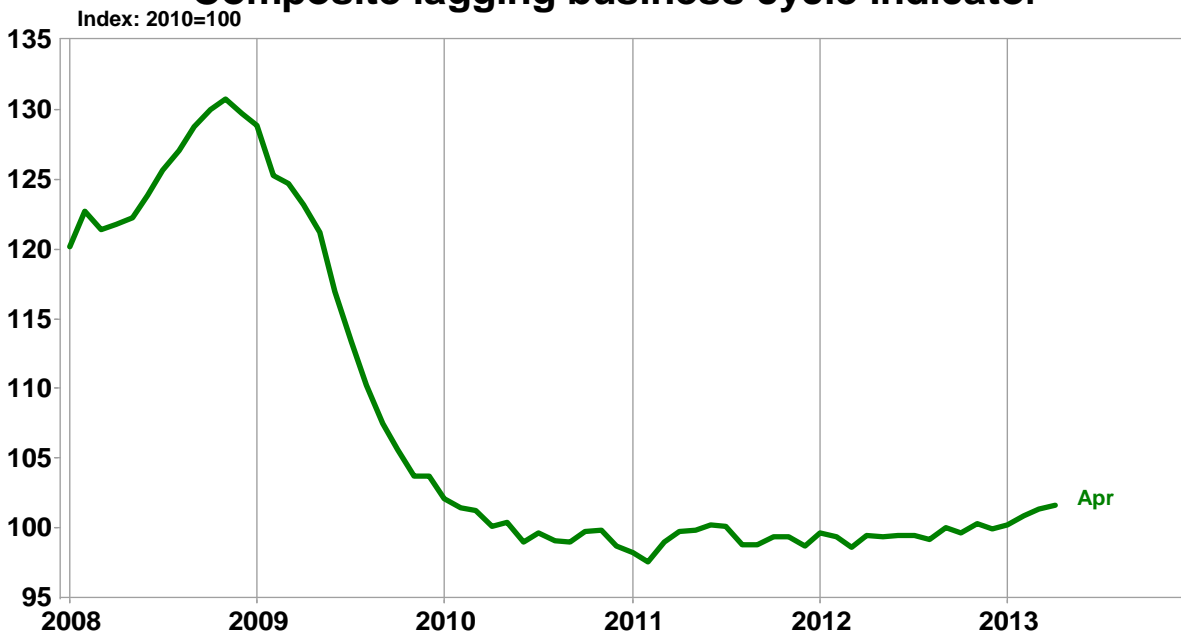


Table 1 Summary of the composite business cycle indicators

Indices: 2010 = 100	2012			2013				
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Leading indicator <i>12-month percentage change</i>	100,8 <i>0,7</i>	101,5 <i>1,0</i>	101,8 <i>1,0</i>	102,8 <i>1,7</i>	102,8 <i>0,7</i>	101,8 <i>0,1</i>	102,0 <i>1,3</i>	101,5 <i>1,9</i>
Coincident indicator <i>12-month percentage change</i>	112,9 <i>5,0</i>	114,1 <i>5,8</i>	113,4 <i>4,6</i>	112,3 <i>3,3</i>	112,6 <i>2,9</i>	112,8 <i>2,4</i>	113,8 <i>2,8</i>	- -
Lagging indicator <i>12-month percentage change</i>	99,6 <i>0,2</i>	100,3 <i>0,9</i>	99,9 <i>1,2</i>	100,2 <i>0,5</i>	100,9 <i>1,6</i>	101,3 <i>2,7</i>	101,6 <i>2,2</i>	- -

Table 2 Component time series of the composite leading business cycle indicator and their contribution to the May 2013 data point:

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

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