



South African Reserve Bank

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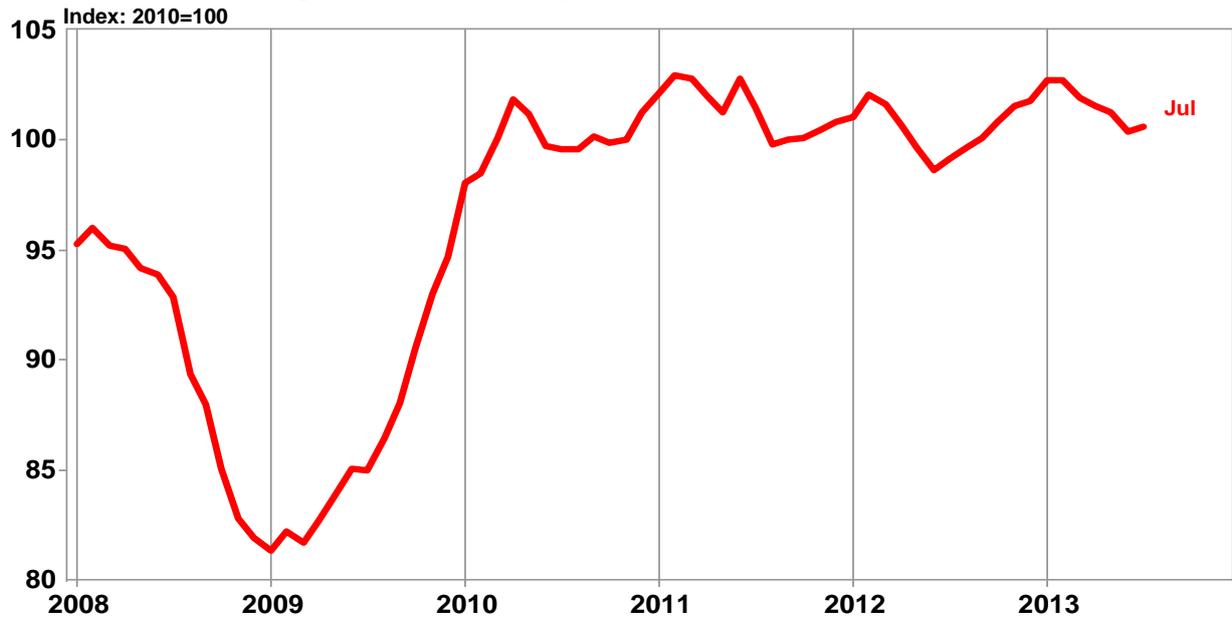
FOR RELEASE: 09:00 A.M., Wednesday, 25 September 2013

Composite business cycle indicators for South Africa

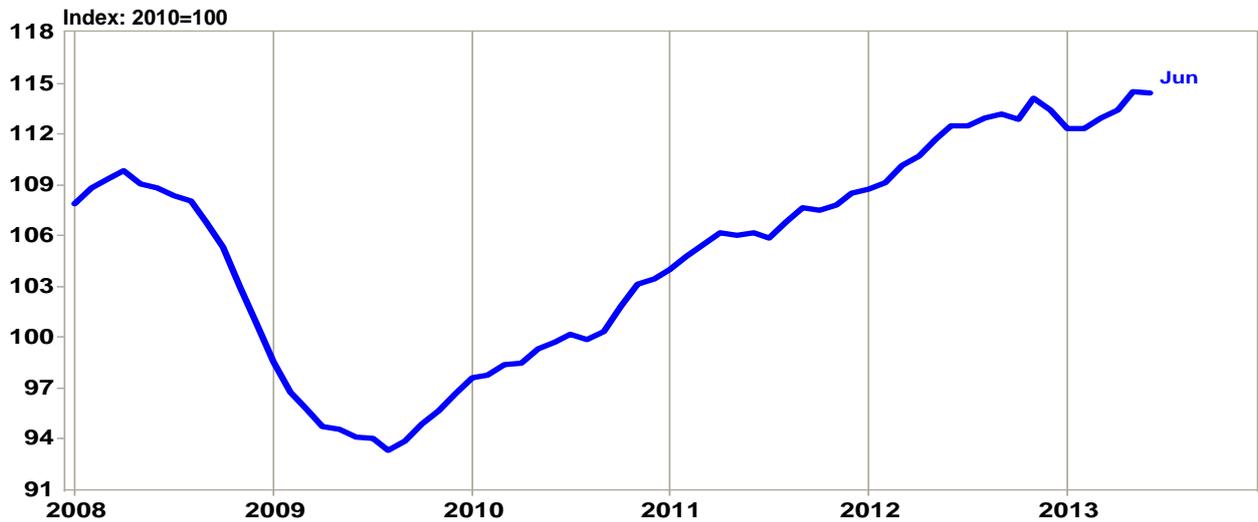
- The composite **leading** business cycle indicator *increased* by 0,2 per cent in July 2013 compared with the preceding month. Six of the eleven component time series that were available for July 2013 increased, while five decreased. The major positive contributions in July came from an acceleration in the twelve-month percentage change in job advertisement space, as well as an increase in the BER's average hours worked per factory worker in the manufacturing sector. The largest negative contributions to the movement in the composite leading indicator in July came from a decrease in the number of residential building plans passed, followed by a deterioration in the BER's Business Confidence Index.
- The composite **coincident** business cycle indicator remained *unchanged* on a month-to-month basis in June 2013.
- The composite **lagging** business cycle indicator *increased* by 0,7 per cent on a month-to-month basis in June 2013.

The next release is scheduled for 22 October 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						
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Leading indicator	101,8	102,8	102,8	101,9	101,5	101,3	100,4	100,7
12-month percentage change	1,0	1,7	0,7	0,3	0,8	1,6	1,8	1,5
Coincident indicator	113,4	112,3	112,3	112,9	113,4	114,5	114,5	-
12-month percentage change	4,6	3,3	2,9	2,5	2,4	2,5	1,8	-
Lagging indicator	99,9	100,1	100,6	100,7	100,9	100,5	101,2	-
12-month percentage change	1,2	0,4	1,3	2,1	1,5	1,1	1,8	-

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

Positive contributors (ranked from largest to smallest)
Job advertisements: The Sunday Times (percentage change over 12 months)
BER*: Average hours worked per factory worker in manufacturing (half weight)
Number of new passenger vehicles sold: (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
Negative contributors (ranked from largest to smallest)
Number of building plans approved: Flats, townhouses & houses larger than 80m ²
BER*: Business Confidence Index
Real M1 (six-month smoothed growth rate)
Commodity price index for South Africa's main export commodities (US dollar based)
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

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