



South African Reserve Bank

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Composite business cycle indicators for South Africa

- The composite **leading** business cycle indicator *increased* by 0,2 per cent in October 2013 compared with the preceding month. Five of the ten component time series that were available for October 2013 increased, while five decreased. The largest positive contributions to the movement in the composite leading indicator in October came from an increase in the number of residential building plans passed, as well as an increase in the BER's average hours worked per factory worker in the manufacturing sector. The major negative contributions in October came from a decline in the export commodity price index, followed by a narrowing of the interest rate spread.
- The composite **coincident** business cycle indicator *decreased* by 0,8 per cent on a month-to-month basis in September 2013.
- The composite **lagging** business cycle indicator *decreased* by 0,6 per cent on a month-to-month basis in September 2013.

The next release is scheduled for 21 January 2014, at 09:00 A.M.

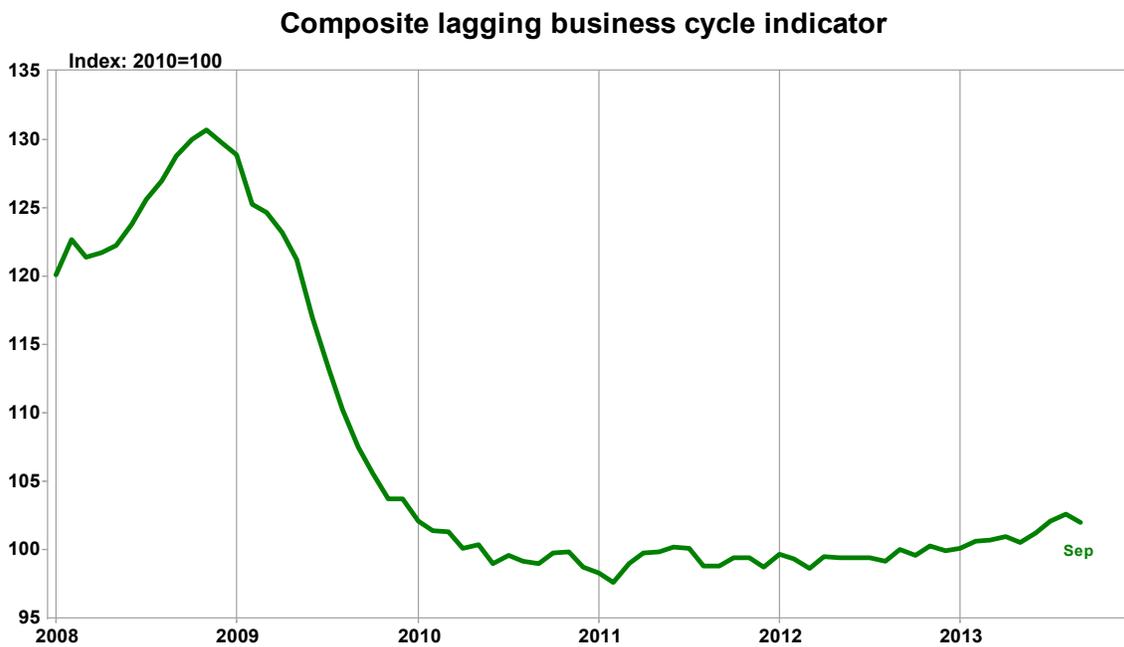
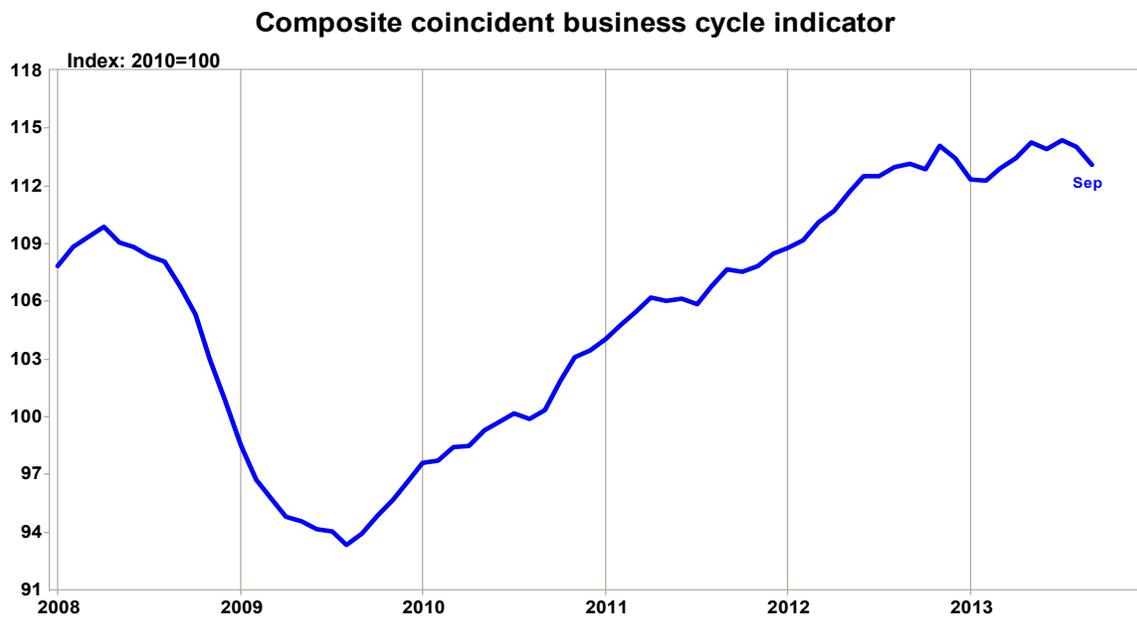
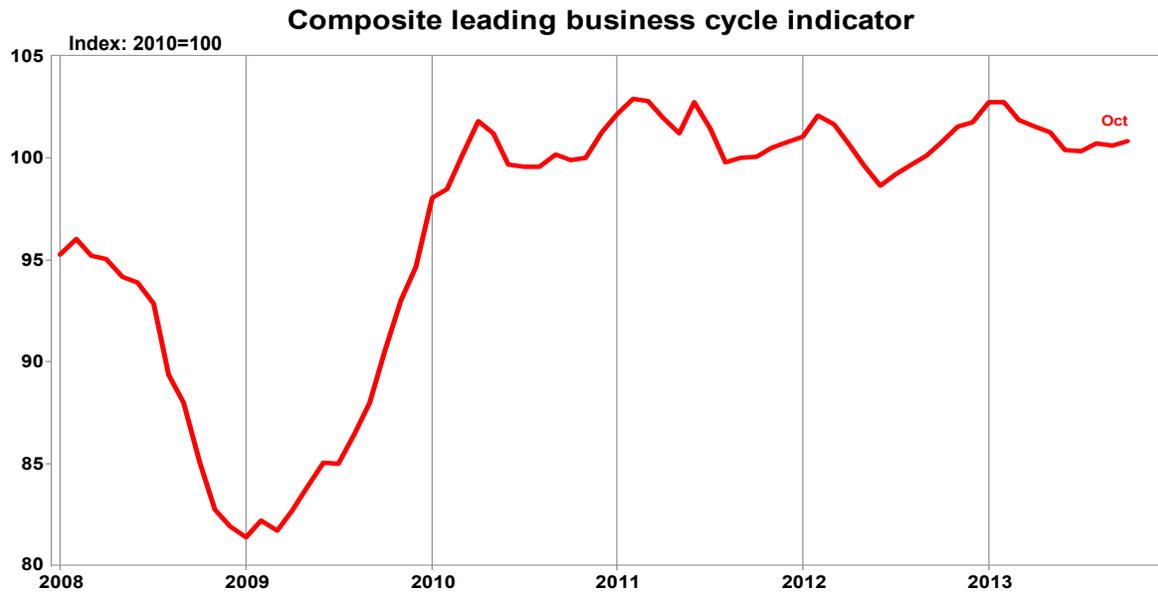


Table 1 Summary of the composite business cycle indicators

Indices: 2010 = 100	2013							
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Leading indicator	101,9	101,5	101,3	100,4	100,4	100,8	100,6	100,9
12-month percentage change	0,3	0,8	1,6	1,8	1,2	1,1	0,5	0,1
Coincident indicator	112,9	113,5	114,3	113,9	114,4	114,0	113,1	-
12-month percentage change	2,5	2,5	2,3	1,3	1,7	1,0	-0,1	-
Lagging indicator	100,7	100,9	100,5	101,2	102,0	102,6	102,0	-
12-month percentage change	2,1	1,5	1,1	1,8	2,7	3,5	2,0	-

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

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

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