



South African Reserve Bank

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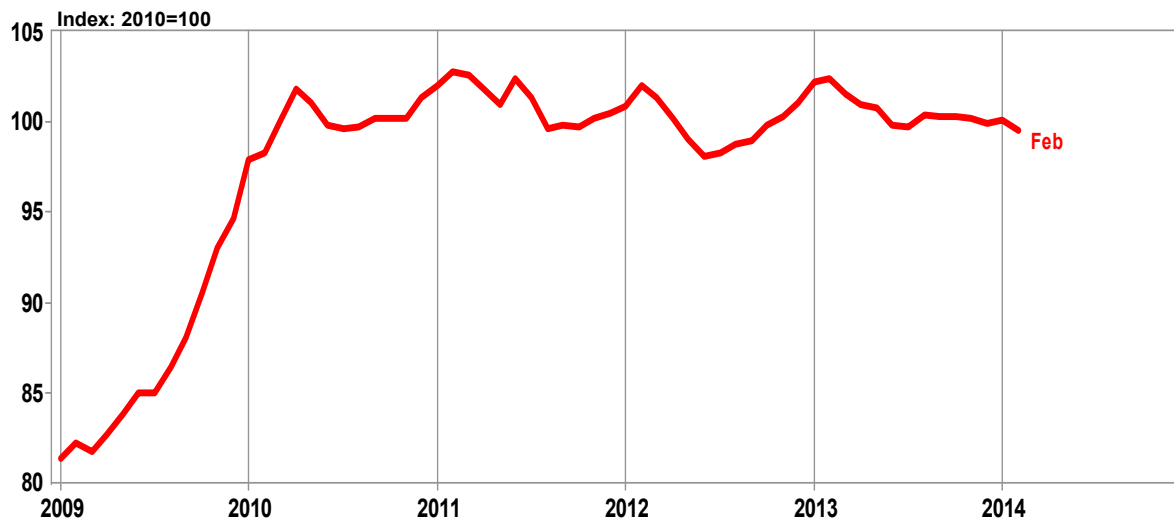
FOR RELEASE: 09:00 A.M., Wednesday, 23 April 2014

Composite business cycle indicators for South Africa

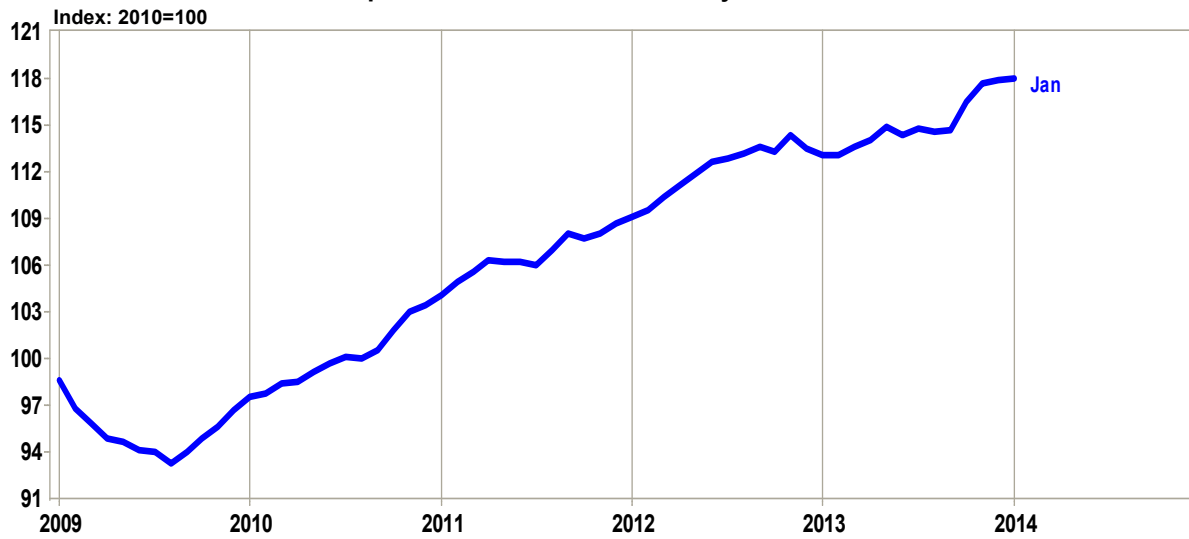
- The composite **leading** business cycle indicator decreased by 0,6 per cent in February 2014 compared with the preceding month. Seven of the eleven component time series that were available for February 2014 decreased, while four increased. The major negative contributions in February came from a decline in the number of residential building plans passed, as well as a decrease in the export commodity price index. The largest positive contributions to the movement in the composite leading indicator in February came from an acceleration in the twelve-month rate of change in job advertisement space, followed by an increase in the average hours worked per factory worker in the manufacturing sector.
- The composite **coincident** business cycle indicator *increased* marginally by 0,1 per cent on a month-to-month basis in January 2014.
- The composite **lagging** business cycle indicator *increased* by 1,2 per cent on a month-to-month basis in January 2014.

The next release is scheduled for 27 May 2014, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

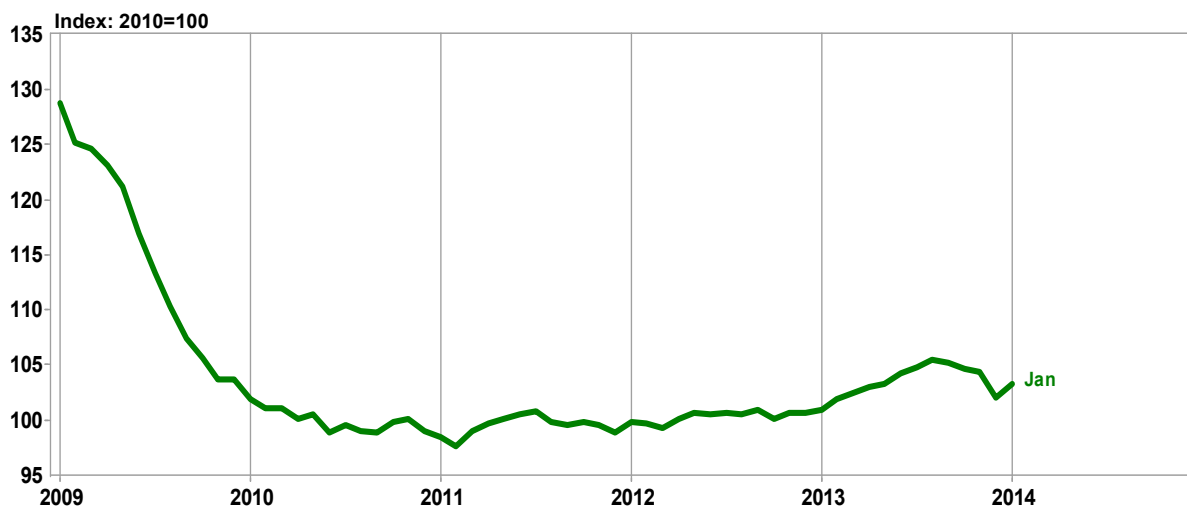


Table 1 Summary of the composite business cycle indicators*

Indices: 2010 = 100	2013						2014	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Leading indicator	99,7	100,4	100,3	100,3	100,3	99,9	100,2	99,6
12-month percentage change	1,4	1,6	1,3	0,5	-0,1	-1,2	-2,0	-2,8
Coincident indicator	114,8	114,6	114,7	116,5	117,7	117,9	118,0	-
12-month percentage change	1,8	1,2	1,0	2,9	2,9	3,9	4,4	-
Lagging indicator	104,8	105,5	105,2	104,6	104,4	102,0	103,2	-
12-month percentage change	4,1	5,0	4,2	4,4	3,6	1,3	2,3	-

* The composite business cycle indicators are revised continuously following revisions to underlying component time series data.

Table 2 Component time series of the composite leading business cycle indicator and their contribution to the February 2014 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)
Real M1 (six-month smoothed growth rate)
Index of prices of all classes of shares traded on the JSE
Negative contributors (ranked from largest to smallest)
Number of building plans approved: Flats, townhouses & houses larger than 80m ²
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)
BER*: Volume of orders in manufacturing (half weight)
Interest rate spread: 10-year government bonds minus 91-day Treasury bills
BER*: Business Confidence Index
Number of new passenger vehicles sold (percentage change over 12 months)
Unavailable component series
Gross operating surplus as a percentage of gross domestic product

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