



South African Reserve Bank

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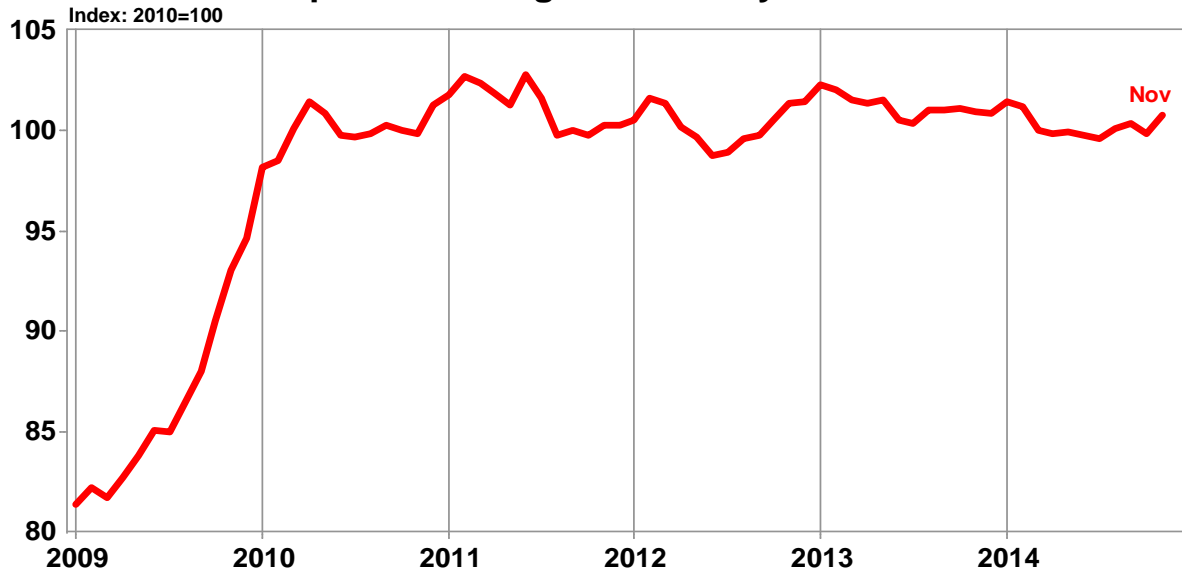
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Composite business cycle indicators for South Africa

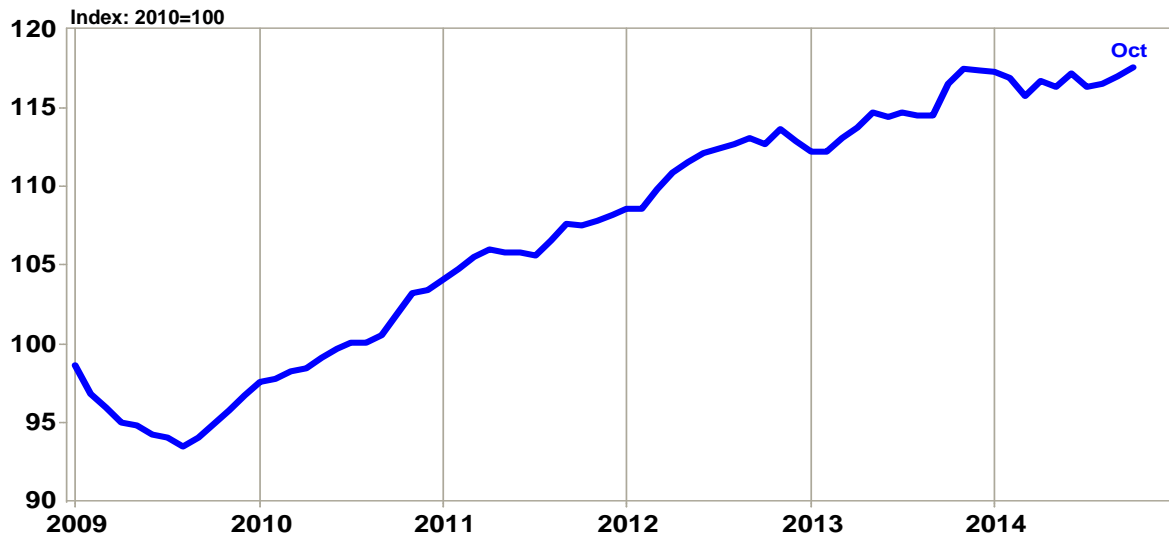
- The composite **leading** business cycle indicator *increased* by 1,0 per cent on a month-to-month basis in November 2014. Seven of the eleven component time series that were available for November 2014 increased, while four decreased. The largest positive contributions to the movement in the composite leading indicator in November resulted from an increase in the average number of hours worked in the manufacturing sector, followed by an acceleration in the six-month smoothed growth rate in the real M1 money supply. The major negative contributions in November came from a further decrease in the export commodity price index, as well as a deceleration in the twelve-month percentage change in the number of new passenger vehicles sold.
- The composite **coincident** business cycle indicator *increased* by 0,5 per cent on a month-to-month basis in October 2014.
- The composite **lagging** business cycle indicator *increased* by 0,1 per cent on a month-to-month basis in October 2014.

The next release is scheduled for 24 February 2015, 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	2014							
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Leading indicator	99,8	100,0	99,8	99,6	100,1	100,4	99,9	100,8
12-month percentage change	-1,5	-1,5	-0,7	-0,7	-1,0	-0,6	-1,2	-0,1
Coincident indicator	116,8	116,4	117,3	116,4	116,6	117,0	117,6	-
12-month percentage change	2,6	1,5	2,5	1,4	1,8	2,2	0,9	-
Lagging indicator	105,7	104,8	104,6	105,7	105,1	104,9	105,1	-
12-month percentage change	-1,9	-2,9	-3,9	-3,3	-4,3	-4,2	-3,4	-

* 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 November 2014 data point:

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

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