



## South African Reserve Bank

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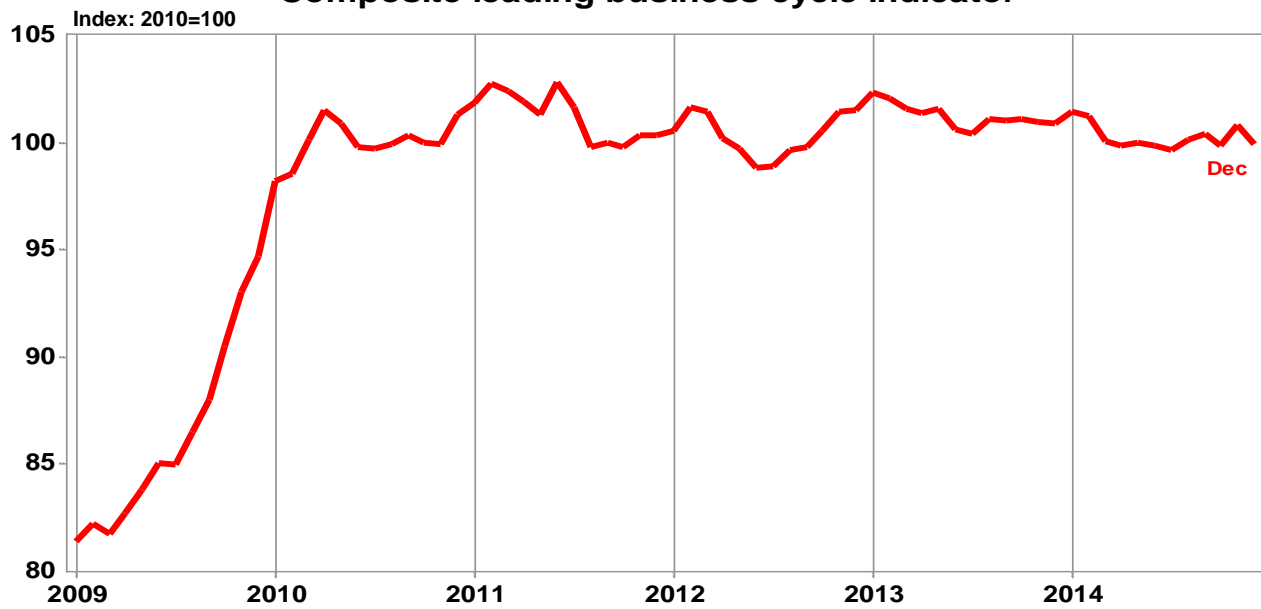
***FOR RELEASE: 09:00 A.M., Tuesday, 24 February 2015***

### **Composite business cycle indicators for South Africa**

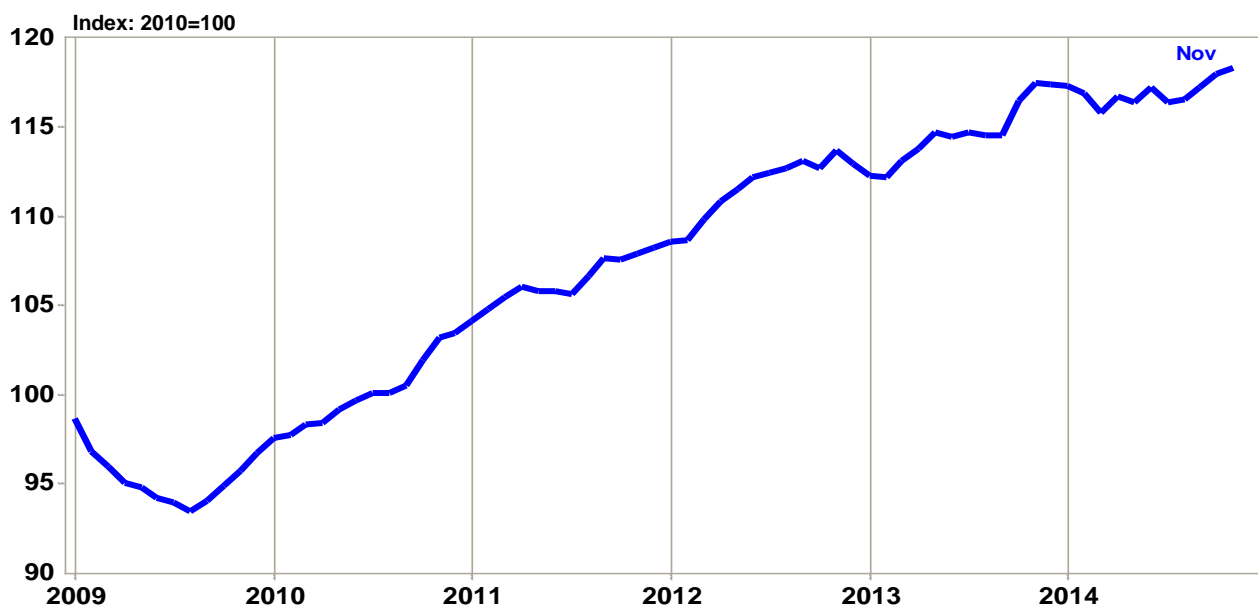
- The composite **leading** business cycle indicator *decreased* by 0,9 per cent on a month-to-month basis in December 2014. Seven of the ten component time series that were available for December 2014 decreased, while three increased. The largest negative contribution to the movement in the composite leading indicator in December resulted from a decrease in the number of residential building plans passed, followed by a deceleration in the six-month smoothed growth rate in the real M1 money supply. The largest positive contributions in December came from an acceleration in the twelve-month percentage change in the number of new passenger vehicles sold, as well as an acceleration in the twelve-month percentage change in job advertisement space.
- The composite **coincident** business cycle indicator *increased* by 0,2 per cent on a month-to-month basis in November 2014.
- The composite **lagging** business cycle indicator *increased* by 1,2 per cent on a month-to-month basis in November 2014.

**The next release is scheduled for 24 March 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							
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Leading indicator 12-month percentage change	100,0 -1,5	99,8 -0,7	99,6 -0,7	100,1 -1,0	100,4 -0,6	99,9 -1,2	100,8 -0,1	99,9 -1,0
Coincident indicator 12-month percentage change	116,4 1,5	117,3 2,5	116,4 1,4	116,6 1,8	117,3 2,4	118,0 1,3	118,3 0,6	- -
Lagging indicator 12-month percentage change	104,8 -2,9	104,6 -3,9	105,7 -3,3	105,1 -4,3	104,8 -4,4	105,4 -3,1	106,7 -1,8	- -

\* 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 December 2014 data point:**

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

\* Bureau for Economic Research, Stellenbosch University