



South African Reserve Bank

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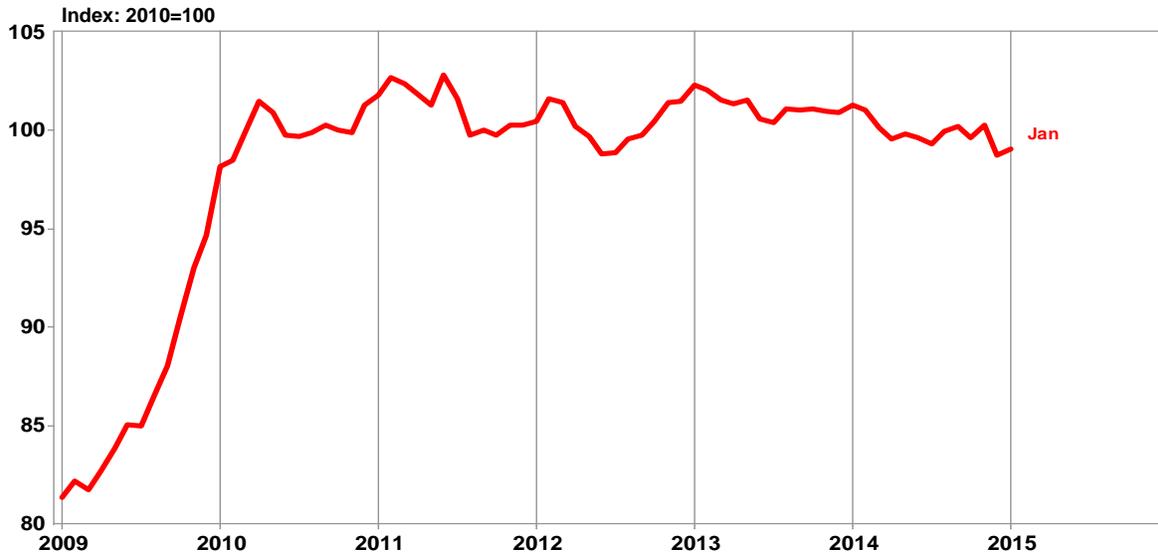
FOR RELEASE: 09:00 A.M., Tuesday, 24 March 2015

Composite business cycle indicators for South Africa

- The composite **leading** business cycle indicator *increased* marginally by 0,3 per cent on a month-to-month basis in January 2015. Increases in four of the eleven component time series that were available for January 2015 outweighed decreases in the remaining seven component series. The largest positive contributions in January came from an increase in the number of residential building plans passed, as well as an increase in the US dollar based export commodity price index. The largest negative contribution to the movement in the composite leading indicator in January resulted from a deceleration in the twelve-month percentage change in the number of new passenger vehicles sold, followed by a narrowing in the interest rate spread.
- The composite **coincident** business cycle indicator *increased* marginally by 0,3 per cent on a month-to-month basis in December 2014.
- The composite **lagging** business cycle indicator *decreased* by 0,9 per cent on a month-to-month basis in December 2014.

The next release is scheduled for 21 April 2015, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

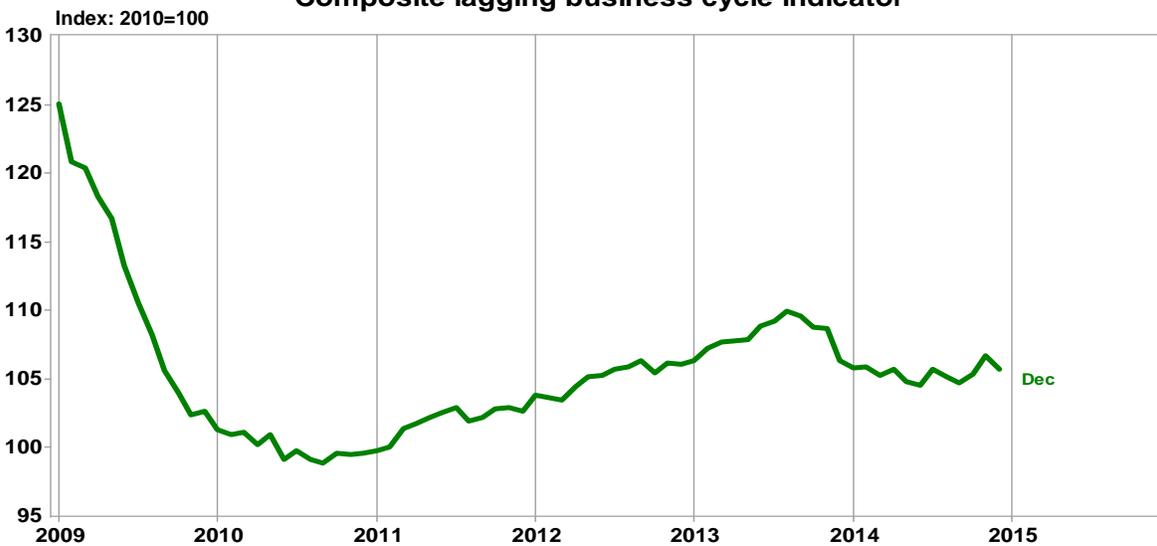


Table 1 Summary of the composite business cycle indicators*

Indices: 2010 = 100	2014							2015
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Leading indicator	99,7	99,3	99,9	100,2	99,6	100,3	98,8	99,1
12-month percentage change	-0,9	-1,1	-1,1	-0,8	-1,5	-0,7	-2,1	-2,2
Coincident indicator	117,3	116,4	116,6	117,3	118,0	118,5	118,9	-
12-month percentage change	2,5	1,4	1,8	2,4	1,3	0,9	1,3	-
Lagging indicator	104,6	105,7	105,1	104,8	105,4	106,7	105,7	-
12-month percentage change	-3,9	-3,3	-4,3	-4,4	-3,1	-1,8	-0,6	-

* 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 January 2015 data point:

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

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