



## South African Reserve Bank

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**FOR RELEASE: 09:00 A.M., Tuesday, 23 June 2015**

**The composite leading and coincident business cycle indicators have been revised. For a detailed discussion of these revisions please refer to page 14 of the forthcoming June 2015 *Quarterly Bulletin*, embargoed for 10:00 A.M on Tuesday, 23 June 2015.**

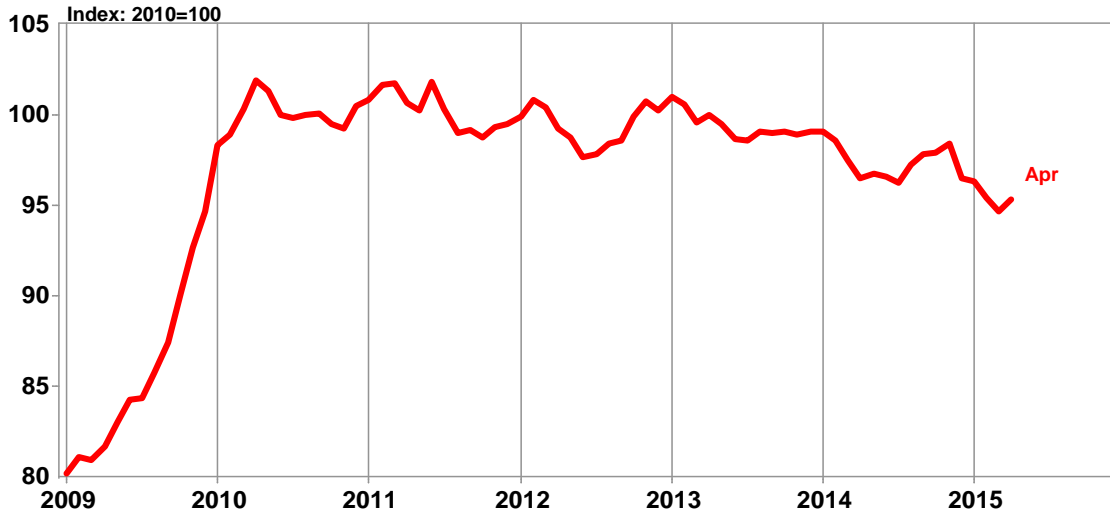
### **Composite business cycle indicators for South Africa**

- The composite **leading** business cycle indicator *increased* by 0,7 per cent on a month-to-month basis in April 2015. Five of the ten component time series that were available for April 2015 increased, while four decreased and one remained unchanged. The largest positive contributions in April resulted from an increase in the number of residential building plans passed, followed by an acceleration in the twelve-month percentage change in the composite leading business cycle indicator of South Africa's major trading-partner countries. The largest negative contributions to the movement in the composite leading indicator in April came from a decrease in the US dollar based export commodity price index, as well as a deterioration in the BER's Business Confidence Index.
- The composite **coincident** business cycle indicator *increased* by 1,0 per cent on a month-to-month basis in March 2015.
- The composite **lagging** business cycle indicator *decreased* by 0,2 per cent on a month-to-month basis in March 2015.

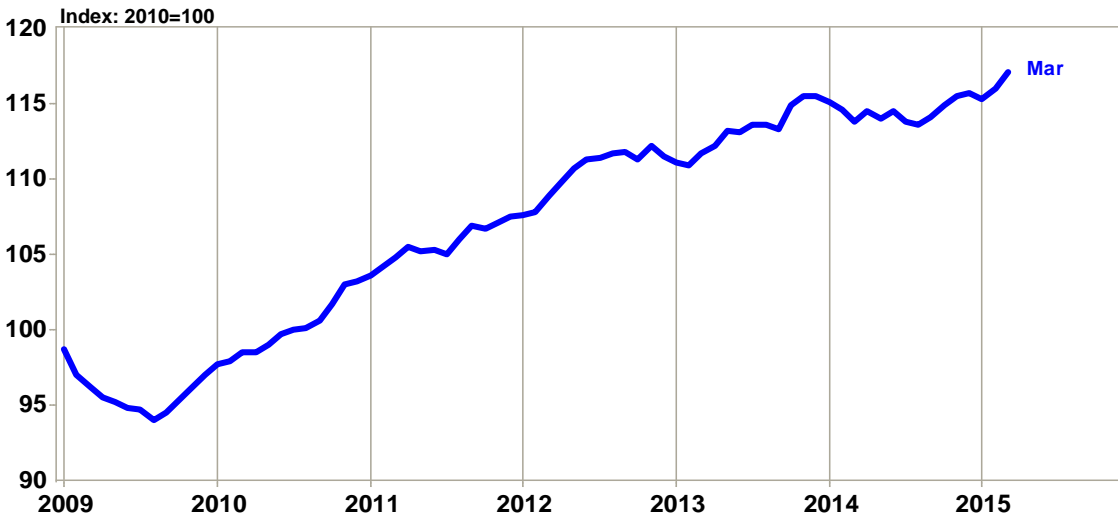
**The next release is scheduled for 21 July 2015, at 09:00 A.M.**

File reference: (17/8/4/2)

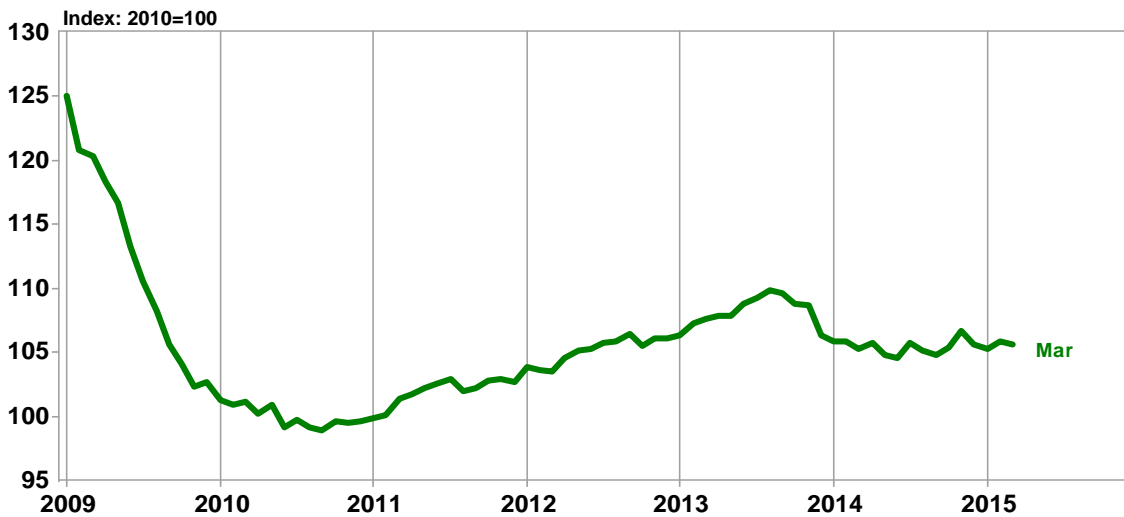
### Composite leading business cycle indicator



### Composite coincident business cycle indicator



### Composite lagging business cycle indicator



**Table 1 Summary of the composite business cycle indicators\***

Indices: 2010 = 100	2014				2015			
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Leading indicator	97,9	97,9	98,4	96,5	96,3	95,4	94,7	95,4
12-month percentage change	-1,1	-1,2	-0,5	-2,6	-2,8	-3,2	-2,9	-1,2
Coincident indicator	114,1	114,9	115,5	115,7	115,3	116,0	117,1	-
12-month percentage change	0,7	0,0	0,0	0,2	0,2	1,2	2,9	-
Lagging indicator	104,8	105,4	106,7	105,6	105,3	105,8	105,7	-
12-month percentage change	-4,4	-3,1	-1,8	-0,7	-0,5	0,0	0,4	-

\* 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 April 2015 data point:**

<b>Positive contributors (ranked from largest to smallest)</b>
Number of building plans approved: Flats, townhouses & houses larger than 80m <sup>2</sup>
Composite leading business cycle indicator of South Africa's major trading-partner countries (percentage change over 12 months)
Job advertisements: The Sunday Times (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
<b>Negative contributors (ranked from largest to smallest)</b>
Commodity price index for South Africa's main export commodities (US dollar based)
BER*: Business Confidence Index
Real M1 (six-month smoothed growth rate)
BER *: Average hours worked per factory worker in manufacturing (half weight)
<b>Unchanged</b>
Number of new passenger vehicles sold (percentage change over 12 months)
<b>Unavailable component series</b>
Gross operating surplus as a percentage of gross domestic product

\* Bureau for Economic Research, Stellenbosch University