



## South African Reserve Bank

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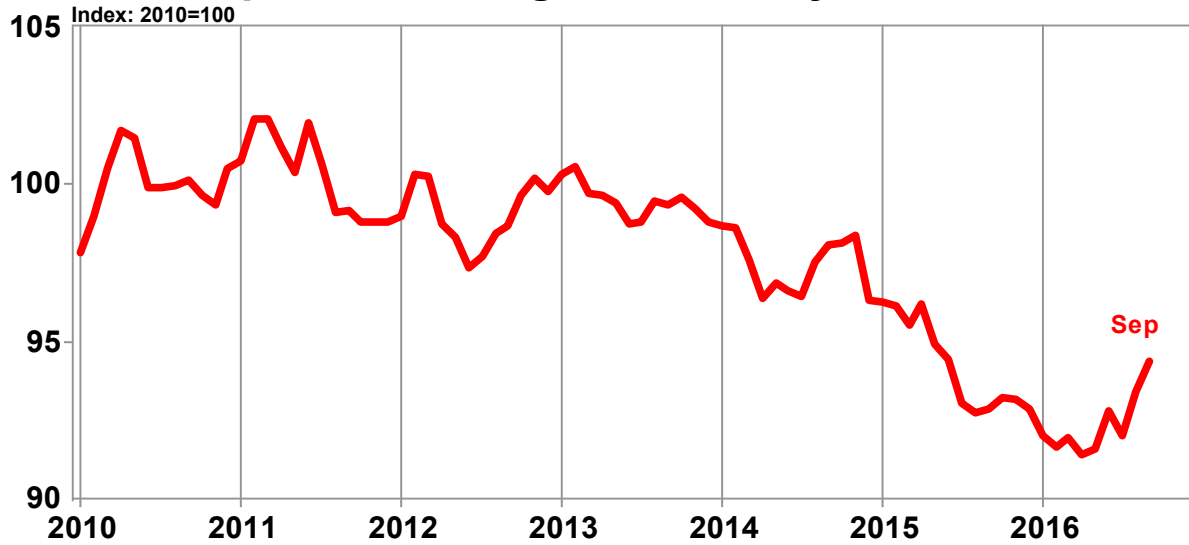
**FOR RELEASE: 09:00 A.M., Tuesday, 22 November 2016**

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

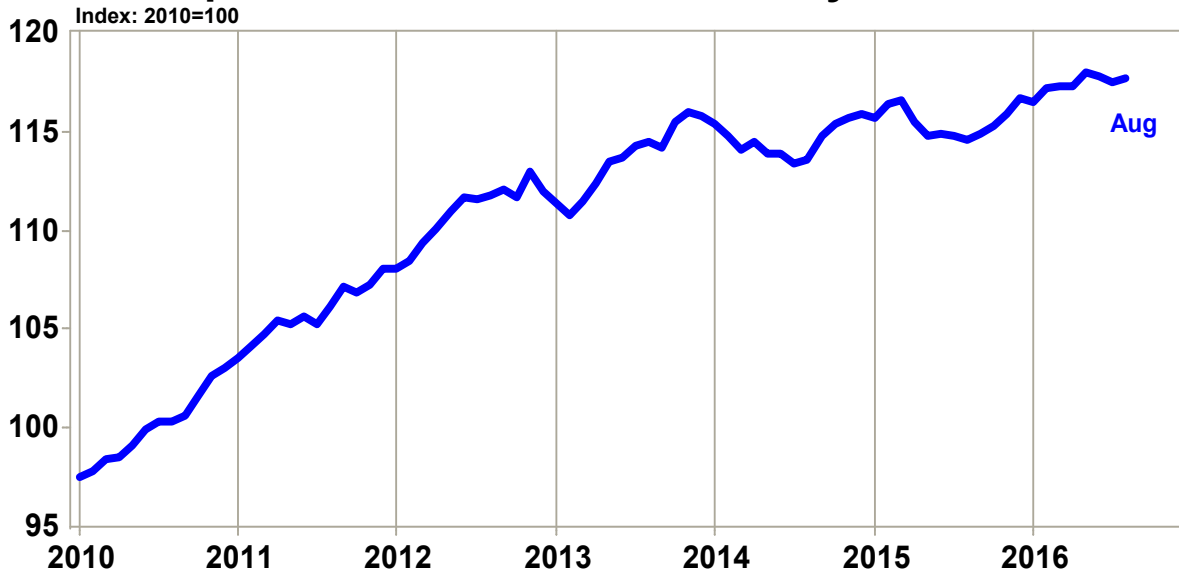
- The composite **leading** business cycle indicator *increased* by 1,1 per cent on a month-to-month basis in September 2016. Six of the nine component time series that were available for September 2016 increased, while three decreased. The largest positive contributions to the movement in the composite leading indicator in September came from an acceleration in the twelve-month percentage change in job advertisement space, 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 in September came from a decrease in the South African produced export commodity price index (US dollar based), as well as a deceleration in the six-month smoothed growth rate in the real M1 money supply.
- The composite **coincident** business cycle indicator *increased* marginally by 0,2 per cent on a month-to-month basis in August 2016.
- The composite **lagging** business cycle indicator *decreased* by 0,4 per cent on a month-to-month basis in August 2016.

**The next release is scheduled for 20 December 2016, at 09:00 A.M.**

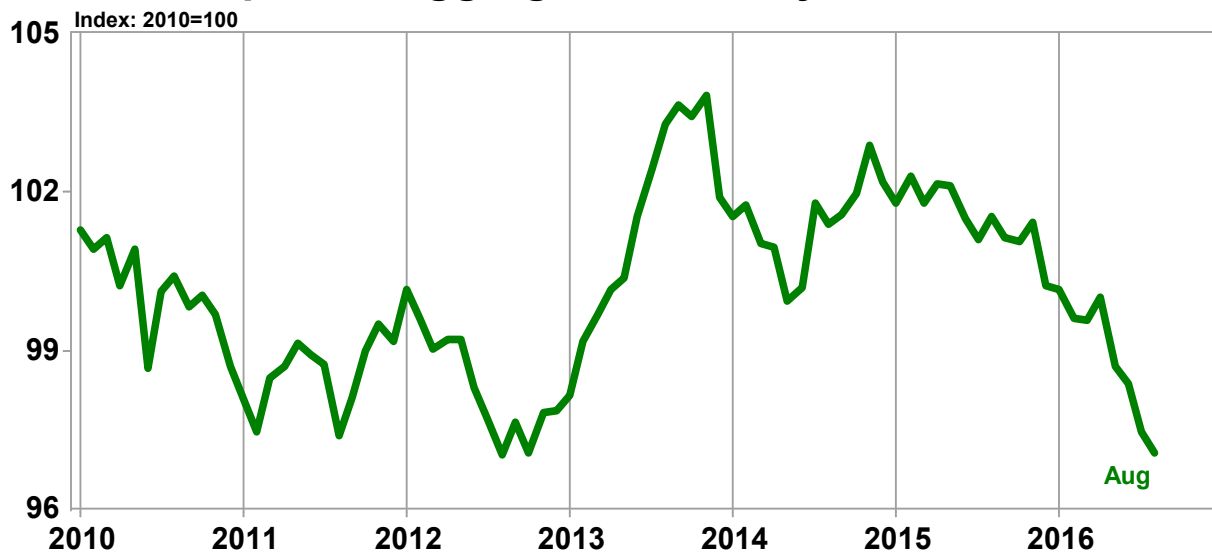
## Composite leading business cycle indicator



## Composite coincident business cycle indicator



## Composite lagging business cycle indicator



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

Indices: 2010 = 100	2016							
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Leading indicator	91,6	91,9	91,4	91,6	92,8	92,0	93,4	94,4
12-month percentage change	-4,7	-3,8	-5,0	-3,5	-1,7	-1,1	0,7	1,6
Coincident indicator	117,2	117,3	117,3	118,0	117,8	117,5	117,7	-
12-month percentage change	0,7	0,6	1,5	2,8	2,5	2,4	2,7	-
Lagging indicator	99,6	99,6	100,0	98,7	98,4	97,5	97,1	-
12-month percentage change	-2,6	-2,2	-2,1	-3,4	-3,1	-3,6	-4,4	-

\* 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 September 2016 data point:**

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

\* Bureau for Economic Research, Stellenbosch University