



## South African Reserve Bank

**For further information regarding this release, please contact:**

Adri Wolhuter: +27 (12) 313 3228

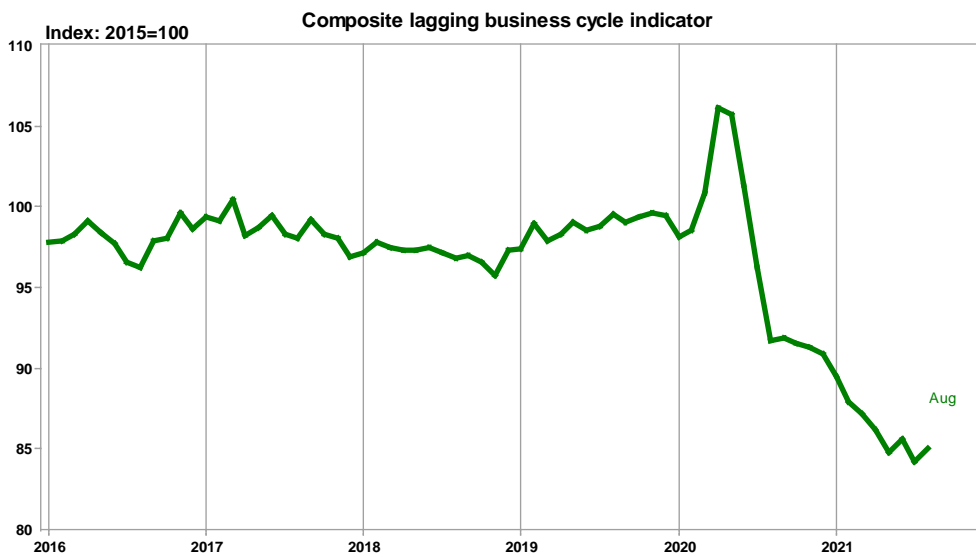
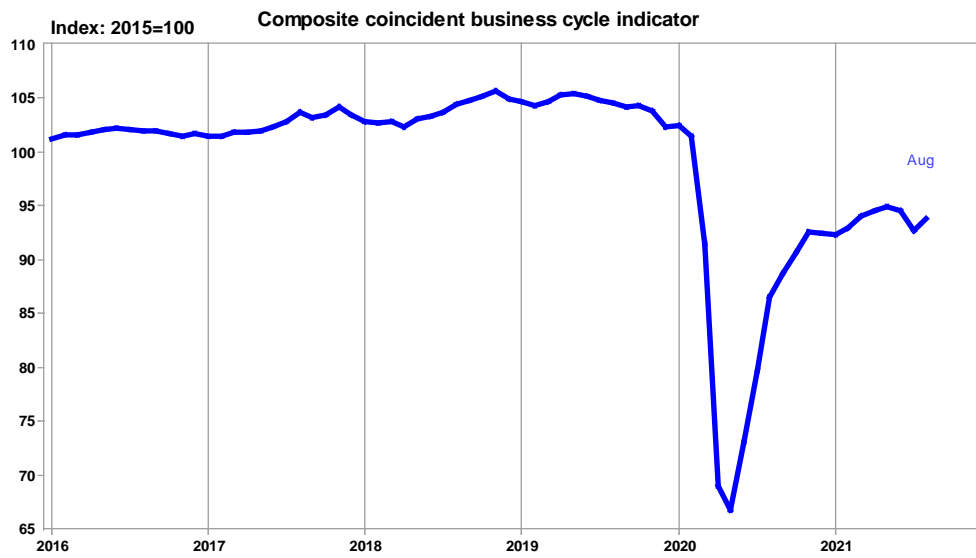
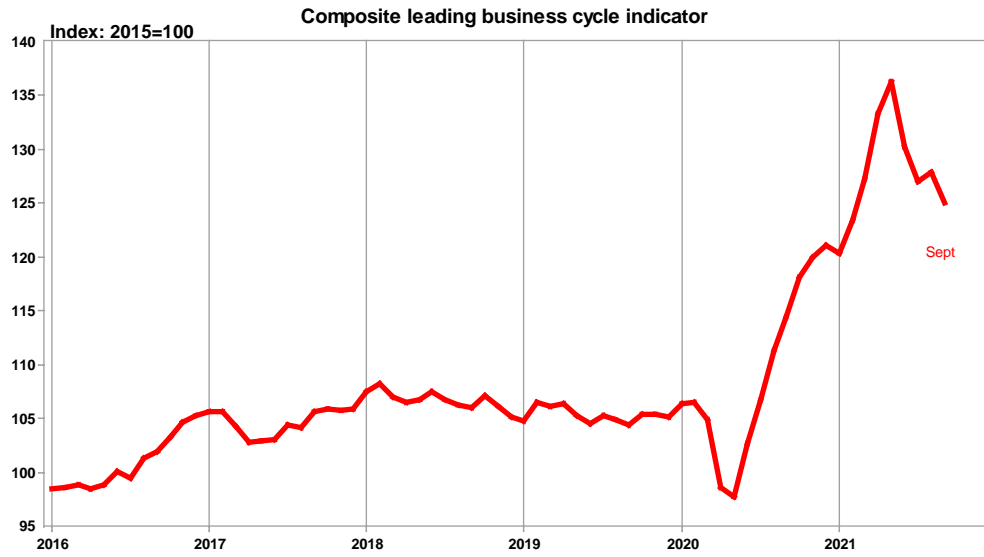
[Adri.Wolhuter@resbank.co.za](mailto:Adri.Wolhuter@resbank.co.za)

***FOR RELEASE: 09:00 A.M., Tuesday, 23 November 2021***

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

- The composite **leading** business cycle indicator *decreased* by 2.3% in September 2021. Seven of the nine available component time series decreased, while the remaining two increased. The largest detractors were decreases in the US dollar-denominated export commodity price index and in the number of residential building plans approved. The two positive contributors were increases in the average hours worked per factory worker and the volume of orders in manufacturing.
- The composite **coincident** business cycle indicator *increased* by 1.2% in August 2021 as real retail and new vehicle sales, industrial production and the utilisation of production capacity in the manufacturing sector increased.
- The composite **lagging** business cycle indicator *increased* by 0.9% in August 2021.

**The next release is scheduled for 15 December 2021, at 09:00 A.M.**



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

Indices: 2015 = 100	2021								
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Leading indicator	120.3	123.5	127.3	133.3	136.2	130.2	127.0	127.9	125.0
12-month percentage change	13.1	15.9	21.4	35.2	39.5	26.8	19.0	14.9	9.3
Coincident indicator	92.3	92.9	94.0	94.5	94.9	94.5	92.7	93.8	-
12-month percentage change	-10.0	-8.4	2.9	37.2	42.2	29.4	16.3	8.4	-
Lagging indicator	89.5	87.9	87.2	86.2	84.8	85.6	84.2	85.0	-
12-month percentage change	-8.9	-10.8	-13.5	-18.8	-19.8	-15.5	-12.5	-7.3	-

\* 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 2021 data point:**

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

\* Bureau for Economic Research, Stellenbosch University