



South African Reserve Bank

For further information regarding this release, please contact:

Kgopotso Moagi: +27 (12) 399 6376 Kgopotso.Moagi@resbank.co.za

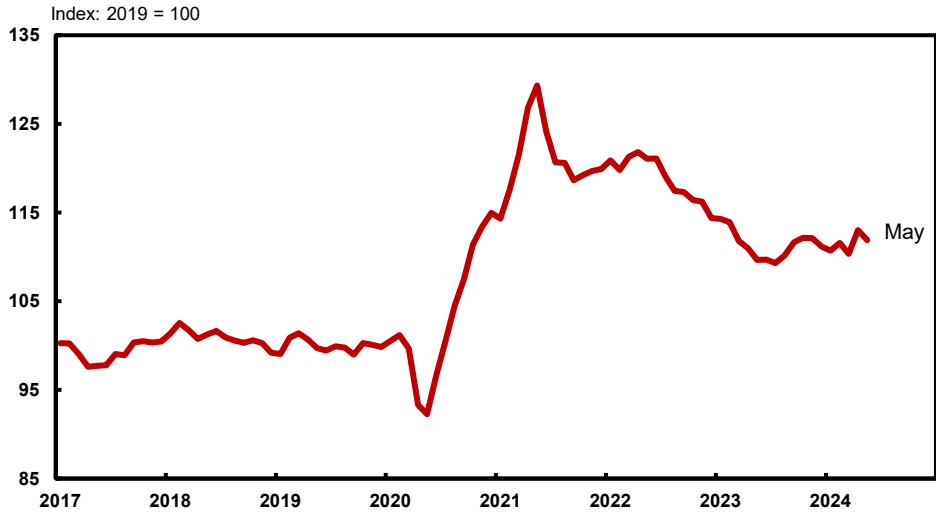
FOR RELEASE: 09:00 A.M., Tuesday, 23 July 2024

Composite business cycle indicators for South Africa

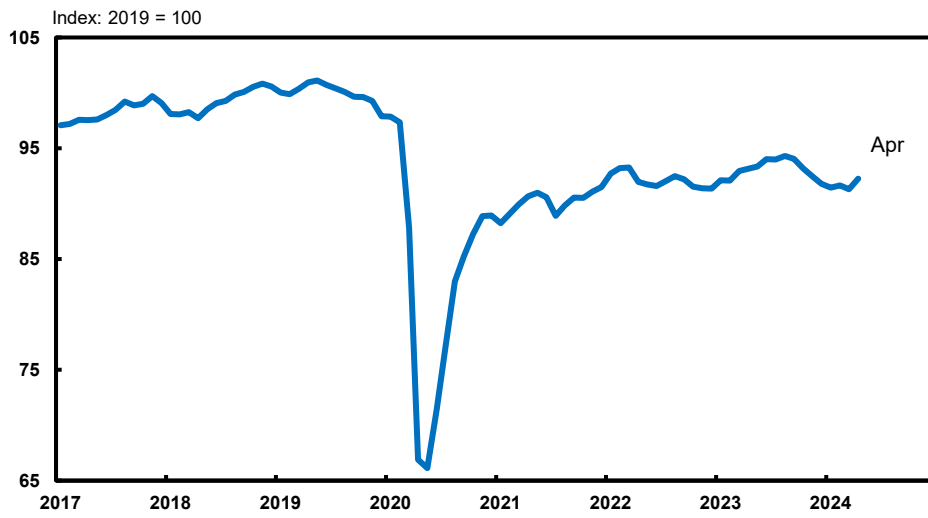
- The composite **leading** business cycle indicator *decreased* by 1.0% in May 2024 as decreases in seven of the ten available component time series outweighed increases in the remaining three. The largest negative contributors were a decrease in the number of residential building plans approved and a deceleration in the six-month smoothed growth rate in job advertisement space. The largest positive contributors were an increase in South Africa's US dollar-denominated export commodity price index and an improvement in the RMB/BER Business Confidence Index.
- The composite **coincident** business cycle indicator *increased* by 1.0% in April 2024 due to increases in industrial production and the real value of retail and new vehicle sales.
- The composite **lagging** business cycle indicator *increased* by 1.5% in April 2024.

The next release is scheduled for 20 August 2024, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

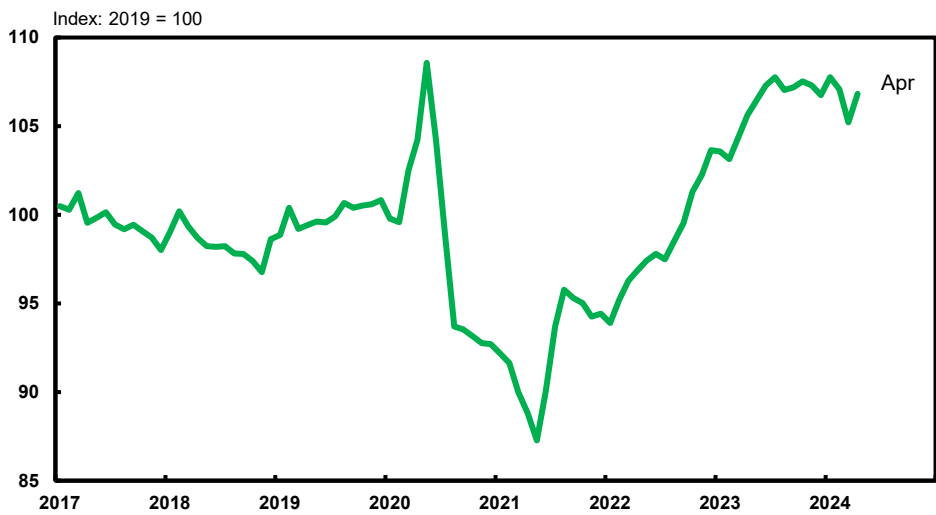


Table 1 Summary of the composite business cycle indicators*

Indices: 2019 = 100	2023				2024				
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Leading indicator	111.6	112.2	112.1	111.2	110.7	111.6	110.4	113.0	111.9
Monthly percentage change	1.3	0.5	0.0	-0.8	-0.4	0.8	-1.1	2.4	-1.0
12-month percentage change	-4.8	-3.7	-3.5	-2.8	-3.1	-2.0	-1.3	1.8	2.0
Coincident indicator	94.0	93.2	92.5	91.8	91.5	91.7	91.3	92.3	-
Monthly percentage change	-0.3	-0.9	-0.8	-0.7	-0.4	0.2	-0.4	1.0	-
12-month percentage change	2.0	1.8	1.2	0.5	-0.7	-0.4	-1.8	-0.9	-
Lagging indicator	107.2	107.5	107.3	106.8	107.8	107.1	105.2	106.8	-
Monthly percentage change	0.1	0.3	-0.2	-0.5	0.9	-0.6	-1.7	1.5	-
12-month percentage change	7.7	6.2	4.9	3.0	4.0	3.8	0.8	1.1	-

* 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 May 2024 data point:

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

* Bureau for Economic Research, Stellenbosch University