



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, 22 October 2024

Composite business cycle indicators for South Africa

- The composite **leading** business cycle indicator *decreased* by 0.7% in August 2024 as decreases in seven of the ten available component time series outweighed increases in the remaining three. The largest negative contributors were a deceleration in the six-month smoothed growth rate of the real M1 money supply and a decrease in South Africa's US-dollar denominated export commodity price index. The largest positive contributors were an improvement in the RMB/BER Business Confidence Index and an increase in the number of residential building plans approved.
- The composite **coincident** business cycle indicator *increased* by 0.4% in July 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 1.0% in July 2024.

The next release is scheduled for 26 November 2024, at 09:00 A.M.

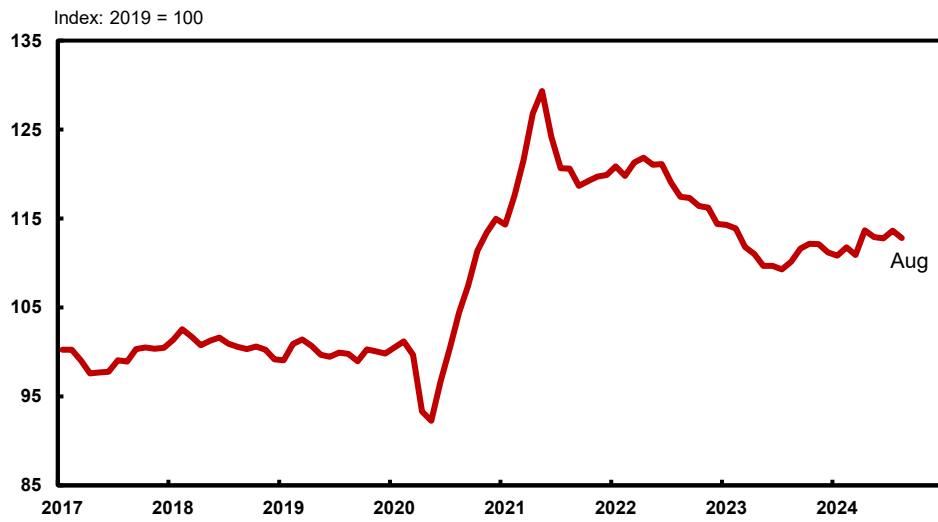
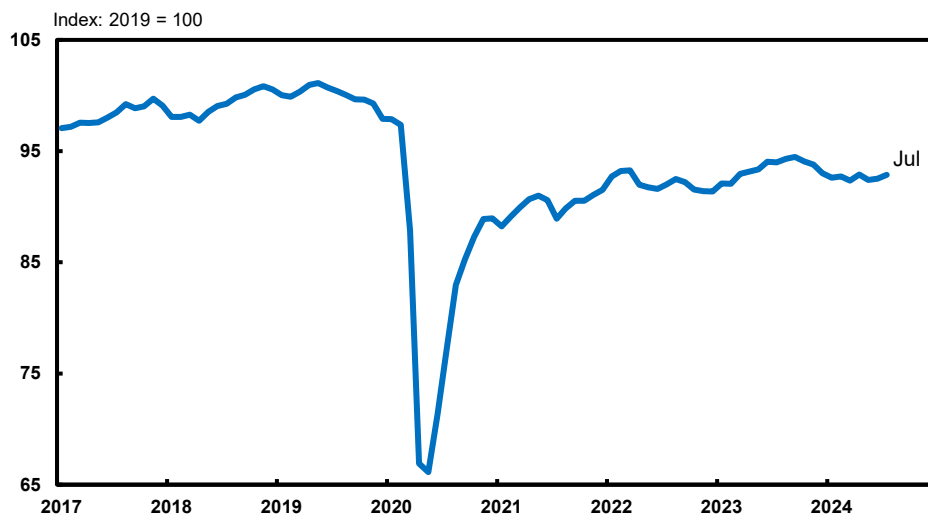
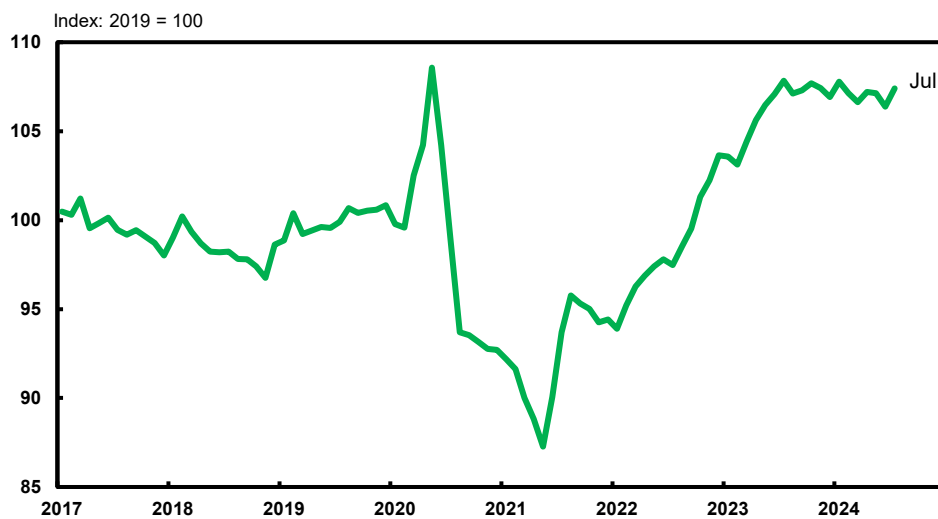
Composite leading business cycle indicator**Composite coincident business cycle indicator****Composite lagging business cycle indicator**

Table 1 Summary of the composite business cycle indicators*

Indices: 2019 = 100	2023	2024							
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Leading indicator	111.2	110.8	111.8	110.9	113.7	112.9	112.8	113.6	112.8
Monthly percentage change	-0.8	-0.3	0.8	-0.8	2.5	-0.6	-0.1	0.7	-0.7
12-month percentage change	-2.8	-3.0	-1.9	-0.8	2.4	3.0	2.8	4.0	2.4
Coincident indicator	93.0	92.6	92.7	92.4	92.9	92.4	92.5	92.9	-
Monthly percentage change	-0.8	-0.4	0.1	-0.4	0.6	-0.5	0.1	0.4	-
12-month percentage change	1.8	0.5	0.7	-0.6	-0.3	-1.0	-1.6	-1.2	-
Lagging indicator	106.9	107.8	107.1	106.6	107.2	107.1	106.4	107.4	-
Monthly percentage change	-0.5	0.8	-0.6	-0.5	0.5	-0.1	-0.7	1.0	-
12-month percentage change	3.2	4.1	3.9	2.1	1.5	0.6	-0.7	-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 August 2024 data point:

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

* Bureau for Economic Research, Stellenbosch University