SOUTH AFRICAN RESERVE BANK

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Composite business cycle indicators for South Africa

- The composite **leading** business cycle indicator *decreased* further by 0.3% in May 2026, as decreases in 5 of the 10 available component time series outweighed increases in the other 5 components. The largest negative contributors were a deterioration in the RMB/BER Business Confidence Index and a decrease in the number of residential building plans approved. The largest positive contributors were accelerations in the six-month smoothed growth rates in the real M1 money supply and the number of new passenger vehicles sold.

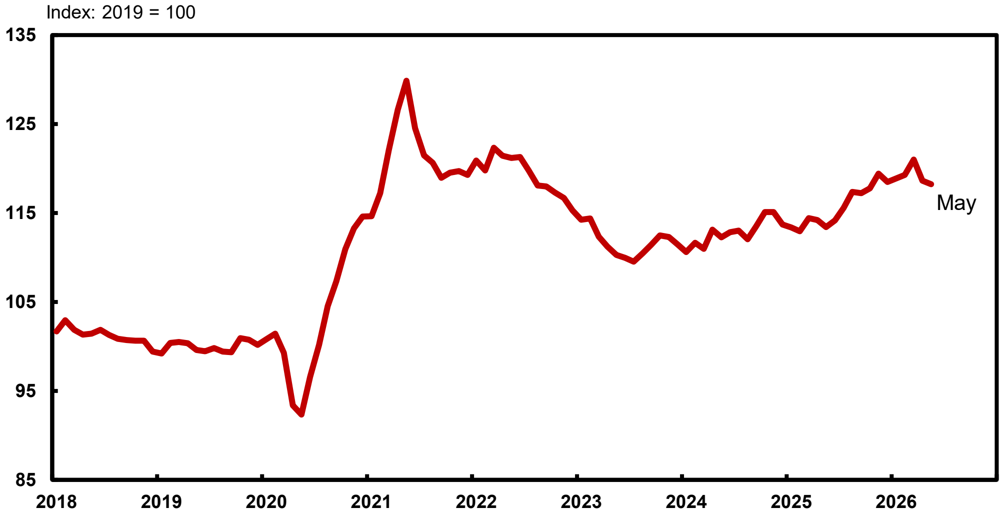
- The composite **coincident** business cycle indicator *decreased* by 0.4% in April 2026 due to decreases in the real value of wholesale, retail and motor trade sales and the industrial production index.

- The composite **lagging** business cycle indicator *increased* by 0.1% in April 2026.

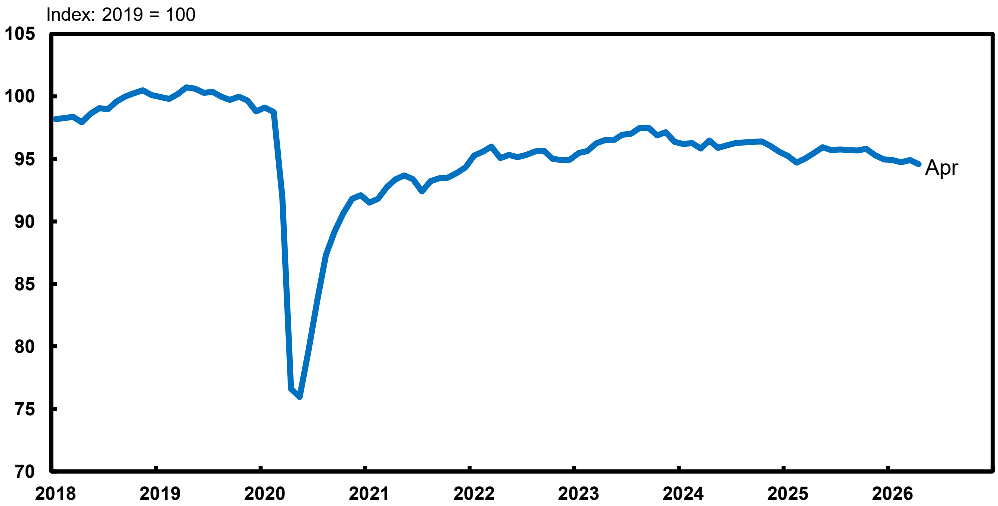
The next release is scheduled for 25 August 2026, at 09:00 A.M.

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

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

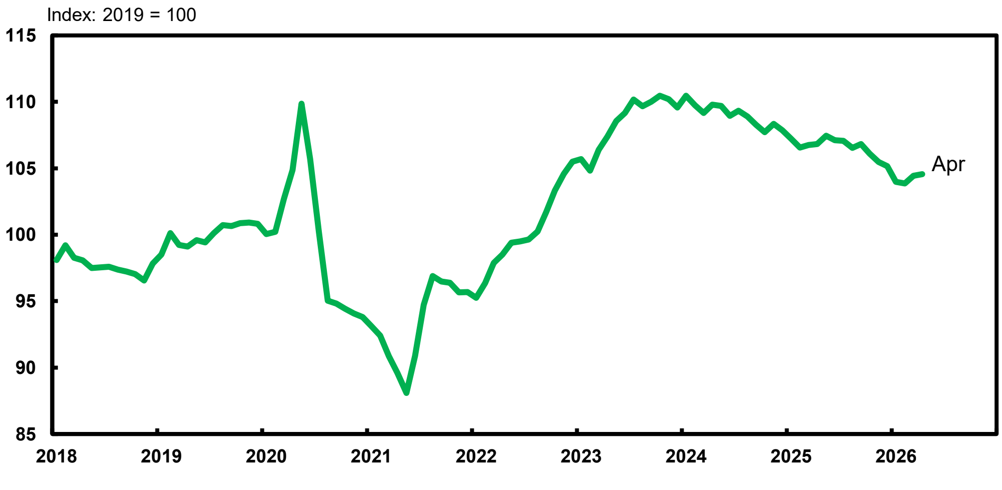


Table 1 Summary of the composite business cycle indicators*

Indices: 2019 = 100	2025 Sep	Oct	Nov	Dec	2026 Jan	Feb	Mar	Apr	May
Leading indicator	117.2	117.8	119.4	118.5	118.9	119.3	121.0	118.6	118.2
Monthly percentage change	*-0.1*	*0.5*	*1.4*	*-0.8*	*0.3*	*0.3*	*1.4*	*-2.0*	*-0.3*
12-month percentage change	*3.2*	*2.3*	*3.8*	*4.2*	*4.9*	*5.6*	*5.7*	*3.9*	*4.2*
Coincident indicator	95.7	95.8	95.3	95.0	94.9	94.7	94.9	94.6	-
Monthly percentage change	*0.0*	*0.1*	*-0.5*	*-0.3*	*-0.1*	*-0.2*	*0.2*	*-0.4*	-
12-month percentage change	*-0.7*	*-0.6*	*-0.8*	*-0.6*	*-0.3*	*0.0*	*-0.1*	*-0.9*	-
Lagging indicator	106.8	106.1	105.5	105.2	104.0	103.9	104.4	104.6	-
Monthly percentage change	*0.3*	*-0.7*	*-0.6*	*-0.3*	*-1.1*	*-0.1*	*0.6*	*0.1*	-
12-month percentage change	*-1.3*	*-1.5*	*-2.6*	*-2.5*	*-3.0*	*-2.5*	*-2.2*	*-2.1*	-

* 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 2026 data point:

Negative contributors (ranked from largest to smallest)
RMB/BER* Business Confidence Index
Number of building plans approved: Flats, townhouses & houses larger than 80m²
Commodity price index for South Africa's main export commodities (US dollar based)
BER*: Average hours worked per factory worker in manufacturing (half weight)
Interest rate spread: 10-year government bonds minus 91-day Treasury bills
Positive contributors (ranked from largest to smallest)
Real M1 (six-month smoothed growth rate)
Number of new passenger vehicles sold (six-month smoothed growth rate)
BER*: Volume of domestic orders in manufacturing (half weight)
Job advertisements: The Sunday Times and Pnet (six-month smoothed growth rate)
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

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