

SOUTH AFRICAN RESERVE BANK

Media queries

media@resbank.co.za

Further information

Wandile Ndwandwe | +27 (12) 313 4006 | Wandile.Ndwandwe@resbank.co.za
Kgopotso Moagi | +27 (12) 399 6376 | Kgopotso.Moagi@resbank.co.za

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Composite business cycle indicators for South Africa

The composite leading business cycle indicator increased by 1.1% in August 2026 as increases in 6 of the 10 available component time series outweighed decreases in the remaining 4 components

The two largest positive contributors to the increase in the composite leading business cycle indicator were an acceleration in the six-month smoothed growth rate in the real M1 money supply and an increase in the number of residential building plans approved. The two largest negative contributors were decelerations in the six-month smoothed growth rates in job advertisements and the number of new passenger vehicles sold.

The composite coincident business cycle indicator increased by 0.6% in July 2026, supported by increases in the real value of wholesale, retail and motor trade sales as well as the industrial production index.

The composite lagging business cycle indicator decreased by 0.4% in July 2026.

1.1%

Composite leading
business cycle indicator
month-to-month

0.6%

Composite coincident
business cycle indicator
month-to-month

-0.4%

Composite lagging
business cycle indicator
month-to-month

Table 1: Summary of the composite business cycle indicators*

Index: 2019 = 100	2025	2026							
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Leading indicator	118.5	118.7	118.9	121.5	120.0	120.5	119.3	118.3	119.6
Monthly percentage change	-0.8	0.1	0.2	2.2	-1.2	0.4	-1.0	-0.8	1.1
12-month percentage change	4.2	4.7	5.3	6.2	5.1	6.2	4.5	2.3	1.9
Coincident indicator	95.0	94.9	94.6	95.0	94.9	94.6	94.4	95.0	-
Monthly percentage change	-0.3	-0.1	-0.4	0.4	-0.1	-0.3	-0.2	0.6	-
12-month percentage change	-0.6	-0.3	-0.1	-0.1	-0.6	-1.4	-1.4	-0.8	-
Lagging indicator	105.2	104.5	104.5	105.4	105.4	106.2	106.5	106.1	-
Monthly percentage change	-0.3	-0.7	0.0	0.9	0.1	0.8	0.3	-0.4	-
12-month percentage change	-2.5	-2.6	-2.0	-1.3	-1.3	-1.1	-0.6	-0.9	-

* The composite business cycle indicators are revised continuously following revisions to underlying component time series data.

Source: SARB

Next release date:

24 November 2026, at 09:00 A.M.

Figure 1: Composite business cycle indicators

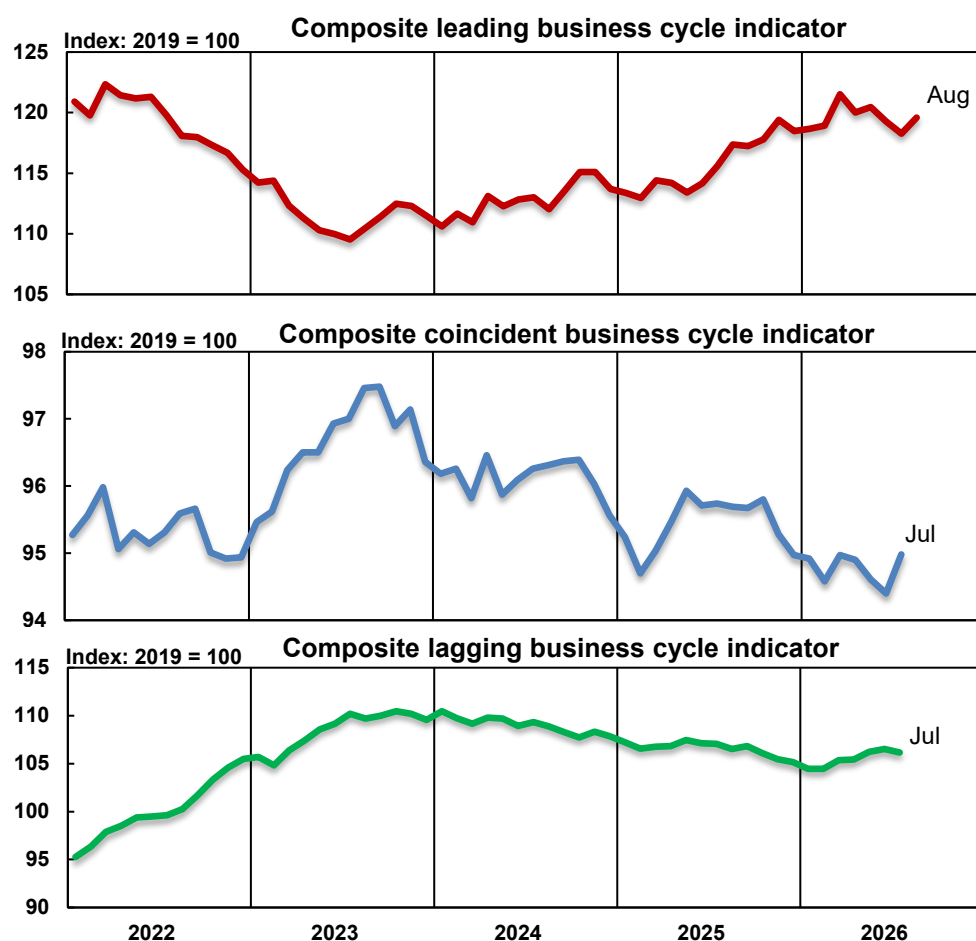


Table 2: Component time series of the composite leading business cycle indicator and their contribution to the August 2026 growth rate:

Positive contributors (ranked from largest to smallest)	Percentage points
Real M1 (six-month smoothed growth rate)	0.72
Number of building plans approved: Flats, townhouses & houses larger than 80m ²	0.41
Commodity price index for South Africa's main export commodities (US dollar based)	0.34
Interest rate spread: 10-year government bonds minus 91-day Treasury bills	0.08
BER*: Average hours worked per factory worker in manufacturing (half weight)	0.08
Composite leading business cycle indicator for South Africa's major trading-partner countries (percentage change over 12 months)	0.02
Negative contributors (ranked from largest to smallest)	
Job advertisements: The Sunday Times and Pnet (six-month smoothed growth rate)	-0.28
Number of new passenger vehicles sold (six-month smoothed growth rate)	-0.12
BER*: Volume of domestic orders in manufacturing (half weight)	-0.07
RMB/BER* Business Confidence Index	-0.04
Unavailable component series	
Gross operating surplus as a percentage of gross domestic product	N/A

* Bureau for Economic Research, Stellenbosch University