SOUTH AFRICAN RESERVE BANK

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Composite business cycle indicators for South Africa

- The composite **leading** business cycle indicator *decreased* further by 0.9% in July 2026, as decreases in 6 of the 10 available component time series outweighed increases in the other 4 components. The largest negative contributors were a deceleration in the six-month smoothed growth rate in the real M1 money supply and a decrease in the number of residential building plans approved. The largest positive contributors were an acceleration in the six-month smoothed growth rate in job advertisements and a widening of the interest rate spread.

- The composite **coincident** business cycle indicator *decreased* marginally further by 0.1% in June 2026, primarily due to the lower real value of wholesale, retail and motor trade sales.

- The composite **lagging** business cycle indicator *increased* further by 0.2% in June 2026.

The next release is scheduled for 27 October 2026, at 09:00 A.M.

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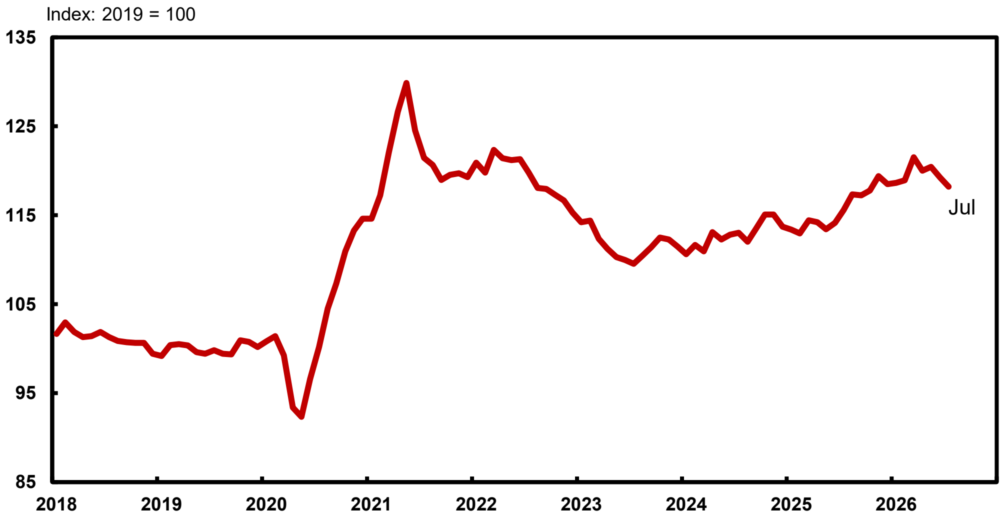
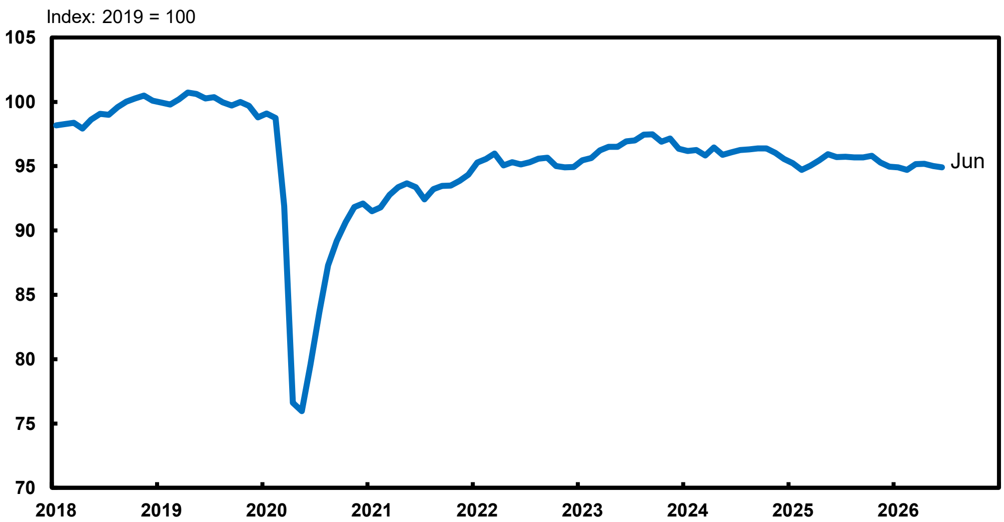
Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

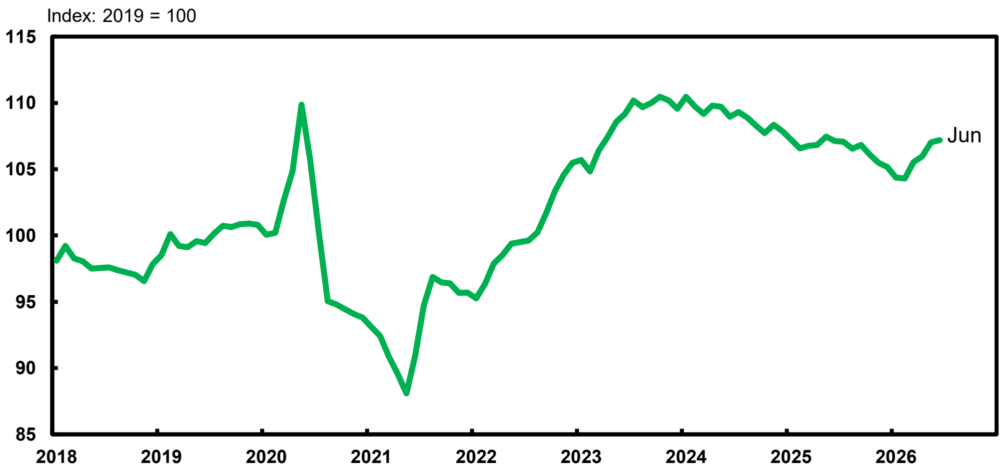


Table 1 Summary of the composite business cycle indicators*

Indices: 2019 = 100	2025 Nov	2025 Dec	2026 Jan	2026 Feb	2026 Mar	2026 Apr	2026 May	2026 Jun	2026 Jul
Leading indicator	119.4	118.5	118.7	118.9	121.5	120.0	120.5	119.3	118.2
Monthly percentage change	*1.4*	*-0.8*	*0.1*	*0.2*	*2.2*	*-1.2*	*0.4*	*-1.0*	*-0.9*
12-month percentage change	*3.8*	*4.2*	*4.7*	*5.3*	*6.2*	*5.1*	*6.2*	*4.5*	*2.3*
Coincident indicator	95.3	95.0	94.9	94.7	95.2	95.2	95.0	94.9	-
Monthly percentage change	*-0.5*	*-0.3*	*-0.1*	*-0.2*	*0.5*	*0.0*	*-0.2*	*-0.1*	-
12-month percentage change	*-0.8*	*-0.6*	*-0.3*	*0.0*	*0.1*	*-0.3*	*-0.9*	*-0.8*	-
Lagging indicator	105.5	105.2	104.4	104.3	105.5	106.0	107.0	107.2	-
Monthly percentage change	*-0.6*	*-0.3*	*-0.8*	*0.0*	*1.2*	*0.4*	*1.0*	*0.2*	-
12-month percentage change	*-2.6*	*-2.5*	*-2.7*	*-2.1*	*-1.1*	*-0.8*	*-0.4*	*0.1*	-

* 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 July 2026 data point:

Negative contributors (ranked from largest to smallest)
Real M1 (six-month smoothed growth rate)
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*: Volume of domestic orders in manufacturing (half weight)
RMB/BER* Business Confidence Index
Number of new passenger vehicles sold (six-month smoothed growth rate)
Positive contributors (ranked from largest to smallest)
Job advertisements: The Sunday Times and Pnet (six-month smoothed growth rate)
Interest rate spread: 10-year government bonds minus 91-day Treasury bills
BER*: Average hours worked per factory worker in manufacturing (half weight)
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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