SOUTH AFRICAN RESERVE BANK


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# Composite business cycle indicators for South Africa

## The composite leading business cycle indicator decreased by 0.3% in September 2026 as decreases in 4 of the 7 available component time series outweighed increases in the remaining 3 components

The two largest negative contributors to the decrease in the composite leading business cycle indicator were a decrease in the number of residential building plans approved and a deceleration in the six-month smoothed growth rate in the real M1 money supply. The two largest positive contributors were an increase in the commodity price index and a widening of the interest rate spread.

The composite coincident business cycle indicator decreased by 0.5% in August 2026, reflecting decreases in the industrial production index as well as the utilisation of production capacity in the manufacturing sector.

The composite lagging business cycle indicator increased by 0.9% in August 2026.

**-0.3%**
**Composite leading business cycle indicator**
month-to-month

**-0.5%**
**Composite coincident business cycle indicator**
month-to-month

**0.9%**
**Composite lagging business cycle indicator**
month-to-month

**Table 1: Summary of the composite business cycle indicators***

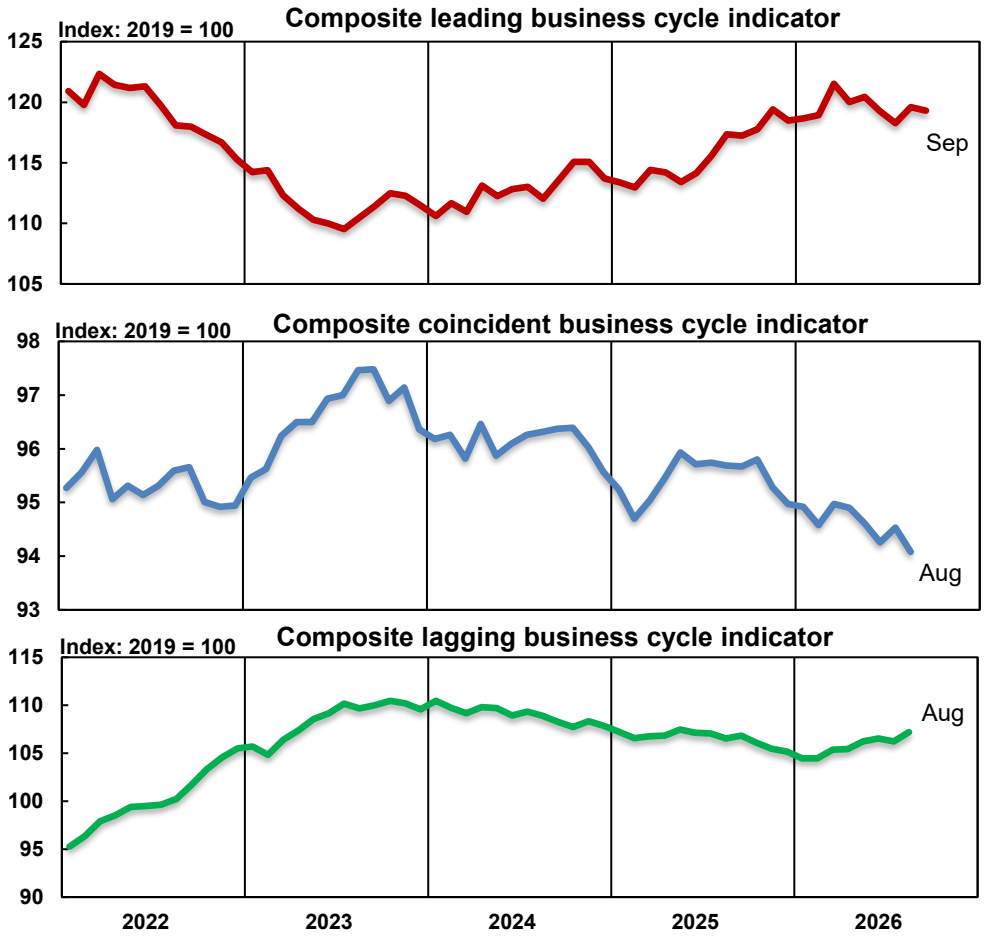
| Index: 2019 = 100 | 2026 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| **Leading indicator** | **118.7** | **118.9** | **121.5** | **120.0** | **120.5** | **119.3** | **118.3** | **119.6** | **119.3** |
| *Monthly percentage change* | 0.1 | 0.2 | 2.2 | -1.2 | 0.4 | -1.0 | -0.8 | 1.1 | -0.3 |
| *12-month percentage change* | 4.7 | 5.3 | 6.2 | 5.1 | 6.2 | 4.5 | 2.3 | 1.9 | 1.8 |
| **Coincident indicator** | **94.9** | **94.6** | **95.0** | **94.9** | **94.6** | **94.3** | **94.5** | **94.1** | **-** |
| *Monthly percentage change* | -0.1 | -0.4 | 0.4 | -0.1 | -0.3 | -0.4 | 0.3 | -0.5 | - |
| *12-month percentage change* | -0.3 | -0.1 | -0.1 | -0.6 | -1.4 | -1.5 | -1.3 | -1.7 | - |
| **Lagging indicator** | **104.5** | **104.5** | **105.4** | **105.4** | **106.2** | **106.5** | **106.2** | **107.2** | **-** |
| *Monthly percentage change* | -0.7 | 0.0 | 0.9 | 0.1 | 0.8 | 0.3 | -0.3 | 0.9 | - |
| *12-month percentage change* | -2.6 | -2.0 | -1.3 | -1.3 | -1.1 | -0.5 | -0.8 | 0.6 | - |

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

Source: SARB

**Next release date:** **22 December 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 September 2026 growth rate:

| Negative contributors (ranked from largest to smallest) | Percentage points |
|---|---|
| Number of building plans approved: Flats, townhouses & houses larger than 80m² | -0.74 |
| Real M1 (six-month smoothed growth rate) | -0.27 |
| Composite leading business cycle indicator for South Africa's major trading-partner countries (percentage change over 12 months) | -0.02 |
| Job advertisements: The Sunday Times and Pnet (six-month smoothed growth rate) | -0.003 |
| **Positive contributors (ranked from largest to smallest)** | |
| Commodity price index for South Africa's main export commodities (US dollar based) | 0.35 |
| Interest rate spread: 10-year government bonds minus 91-day Treasury bills | 0.21 |
| Number of new passenger vehicles sold (six-month smoothed growth rate) | 0.15 |
| **Unavailable component series** | |
| BER*: Volume of domestic orders in manufacturing (half weight) | N/A |
| BER*: Average hours worked per factory worker in manufacturing (half weight) | N/A |
| RMB/BER* Business Confidence Index | N/A |
| Gross operating surplus as a percentage of gross domestic product | N/A |

* Bureau for Economic Research, Stellenbosch University