



South African Reserve Bank

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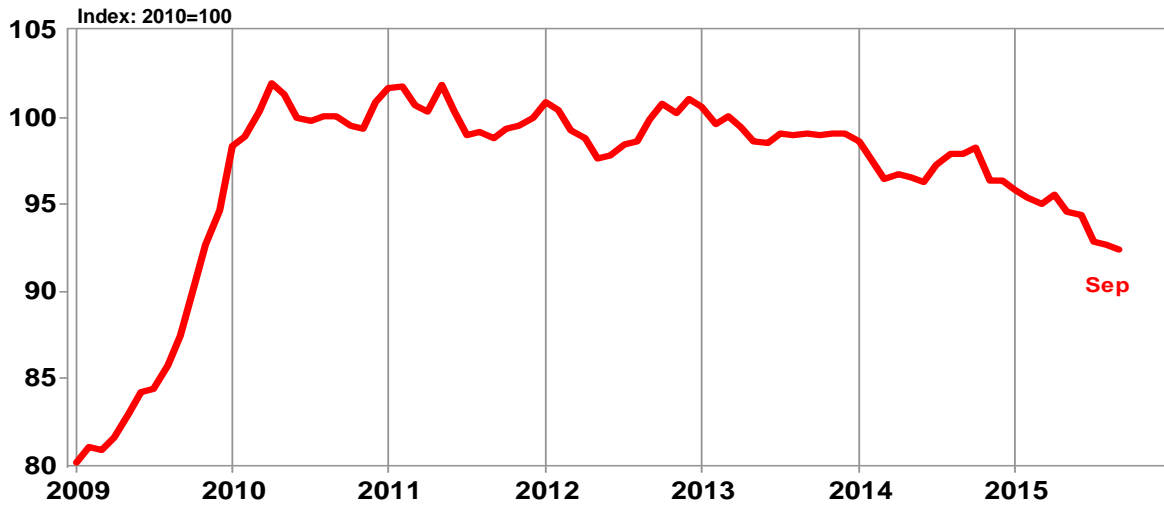
FOR RELEASE: 09:00 A.M., Tuesday, 24 November 2015

Composite business cycle indicators for South Africa

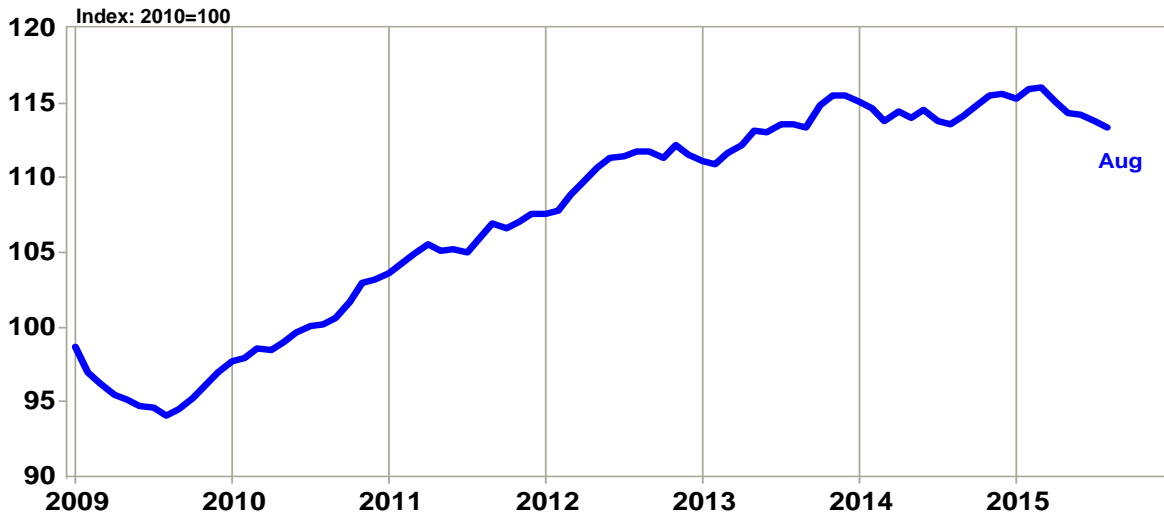
- The composite **leading** business cycle indicator *decreased* further by 0,3 per cent on a month-to-month basis in September 2015. Only two of the nine component time series that were available for September 2015 increased, while seven decreased. The largest negative contributions in September came from a deceleration in the twelve-month percentage change in job advertisement space, as well as the twelve-month percentage change in the number of new passenger vehicles sold. The largest positive contribution to the movement in the composite leading indicator in September emanated from an increase in the number of residential building plans passed, followed by a widening in the interest rate spread.
- The composite **coincident** business cycle indicator *decreased* by 0,4 per cent on a month-to-month basis in August 2015.
- The composite **lagging** business cycle indicator *increased* by 0,8 per cent on a month-to-month basis in August 2015.

The next release is scheduled for 15 December 2015, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

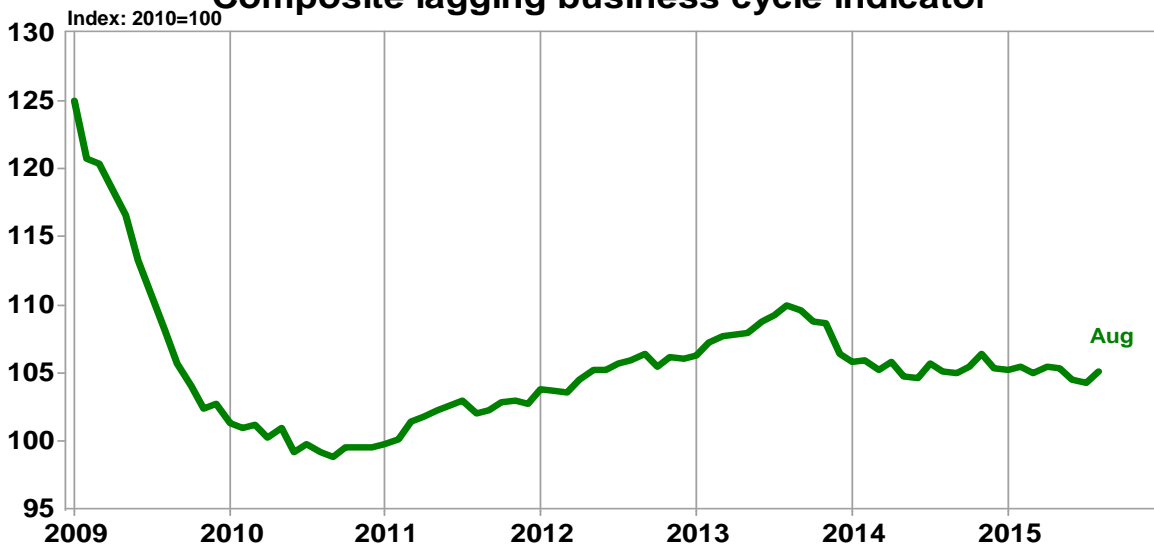


Table 1 Summary of the composite business cycle indicators*

Indices: 2010 = 100	2015							
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Leading indicator	95,4	95,0	95,6	94,6	94,4	92,8	92,7	92,4
12-month percentage change	-3,2	-2,5	-0,9	-2,2	-2,3	-3,6	-4,7	-5,5
Coincident indicator	116,0	116,1	115,1	114,3	114,2	113,8	113,4	-
12-month percentage change	1,2	2,0	0,6	0,3	-0,3	0,0	-0,1	-
Lagging indicator	105,4	104,9	105,4	105,3	104,5	104,3	105,1	-
12-month percentage change	-0,4	-0,3	-0,3	0,5	0,0	-1,3	0,0	-

* 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 September 2015 data point:

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

* Bureau for Economic Research, Stellenbosch University