



South African Reserve Bank

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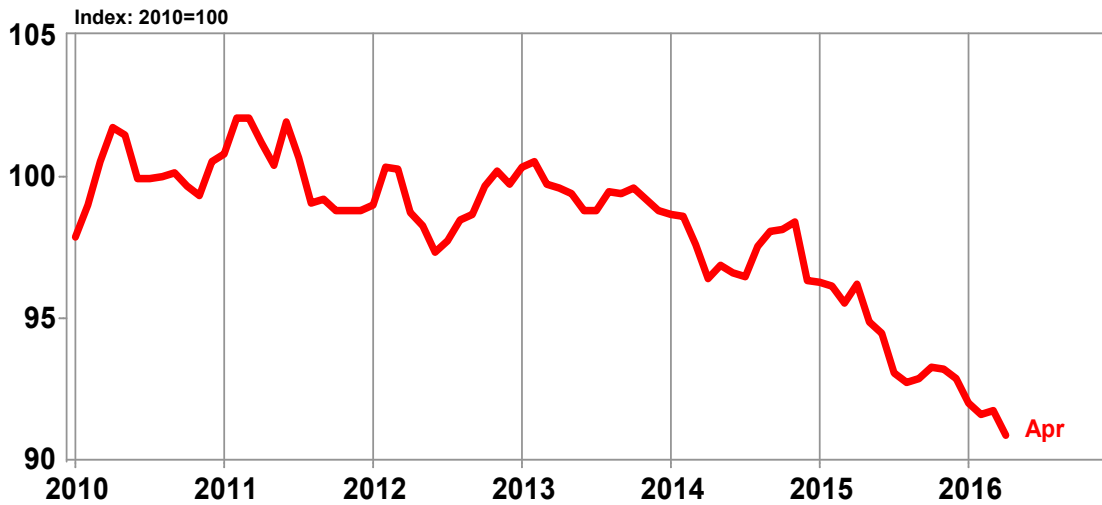
Note: The composite business cycle indicators were revised from 2010 due to data revisions in some subcomponents.

Composite business cycle indicators for South Africa

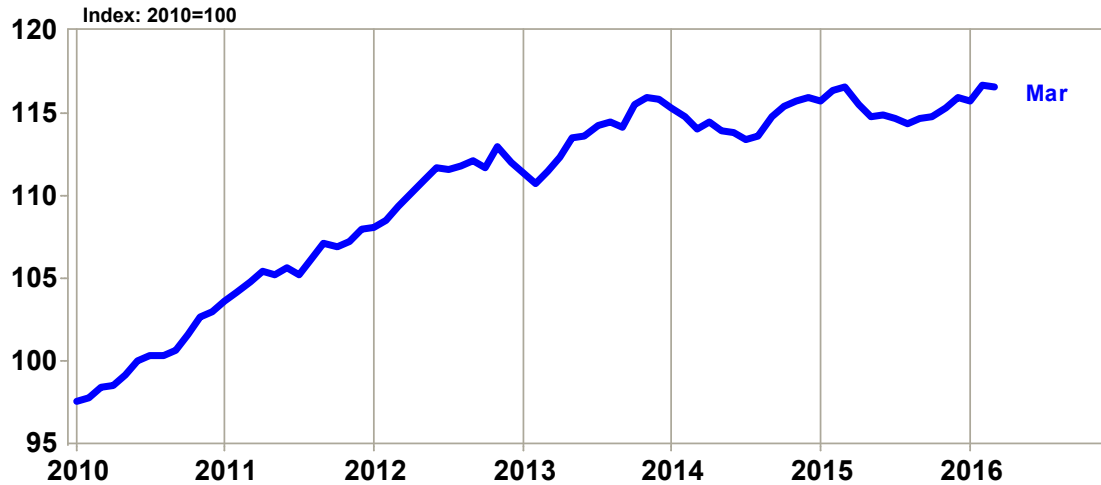
- The composite **leading** business cycle indicator *decreased* by 0,9 per cent on a month-to-month basis in April 2016. Nine of the ten component time series that were available for April 2016 decreased, while only one increased. The largest negative contributions to the movement the composite leading indicator in April came from a deceleration in the six-month smoothed growth rate in the real M1 money supply, followed by a narrowing in the interest rate spread. The only positive contribution in April resulted from an increase in the South African produced export commodity price index (US dollar based).
- The composite **coincident** business cycle indicator *decreased* by 0,1 per cent on a month-to-month basis in March 2016.
- The composite **lagging** business cycle indicator *increased* by 0,7 per cent on a month-to-month basis in March 2016.

The next release is scheduled for 26 July 2016, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

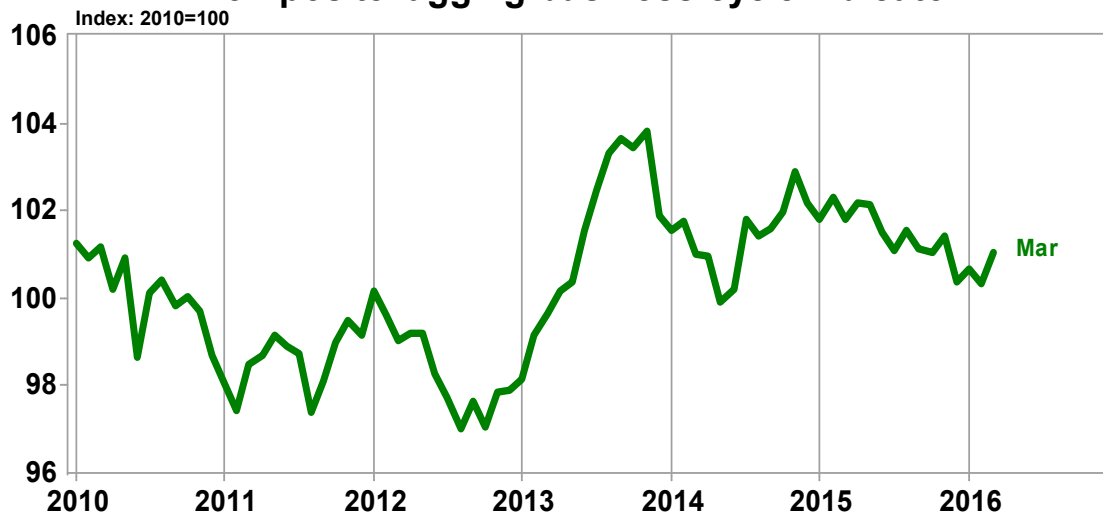


Table 1 Summary of the composite business cycle indicators*

Indices: 2010 = 100	2015				2016			
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Leading indicator	92,9	93,2	93,2	92,9	92,0	91,6	91,7	90,9
12-month percentage change	-5,3	-5,0	-5,3	-3,6	-4,4	-4,7	-4,0	-5,5
Coincident indicator	114,7	114,8	115,3	116,0	115,7	116,7	116,6	-
12-month percentage change	0,0	-0,5	-0,4	0,1	0,0	0,3	0,0	-
Lagging indicator	101,1	101,0	101,4	100,4	100,7	100,3	101,0	-
12-month percentage change	-0,5	-0,9	-1,4	-1,8	-1,1	-1,9	-0,8	-

* 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 April 2016 data point:

Positive contributors (ranked from largest to smallest)
Commodity price index for South African produced export commodities (US dollar based)
Negative contributors (ranked from largest to smallest)
Real M1 (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)
BER*: Business Confidence Index
Composite leading business cycle indicator for South Africa's major trading-partner countries (percentage change over 12 months)
Number of new passenger vehicles sold (percentage change over 12 months)
BER*: Volume of orders in manufacturing (half weight)
Job advertisements: The Sunday Times (percentage change over 12 months)
Number of building plans approved: Flats, townhouses & houses larger than 80m ²
Unavailable component series
Gross operating surplus as a percentage of gross domestic product

* Bureau for Economic Research, Stellenbosch University