



## South African Reserve Bank

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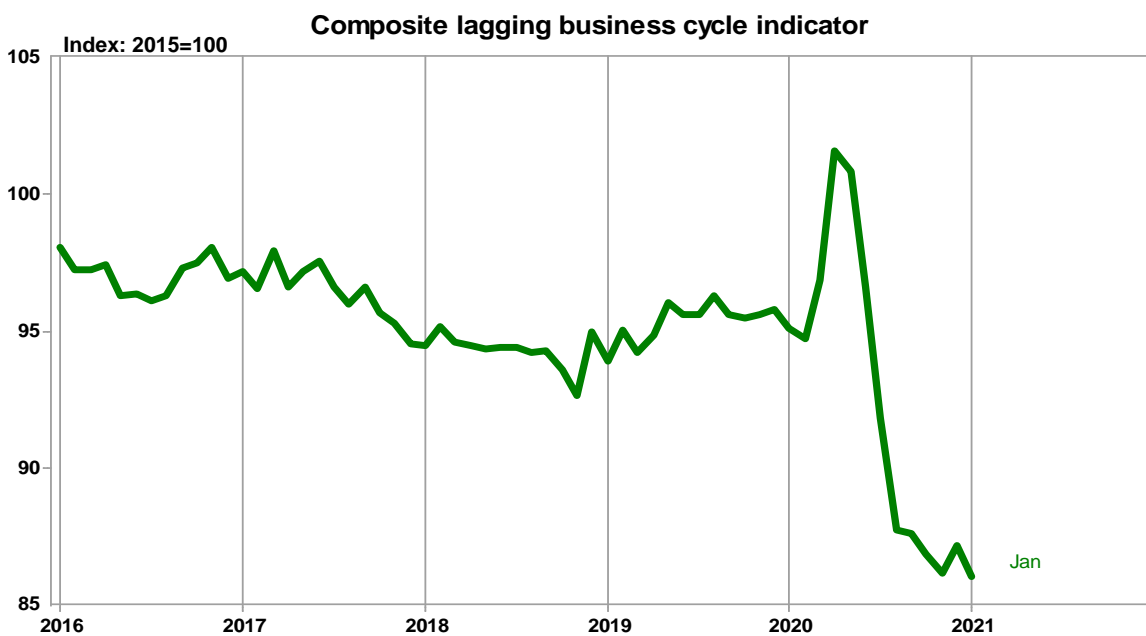
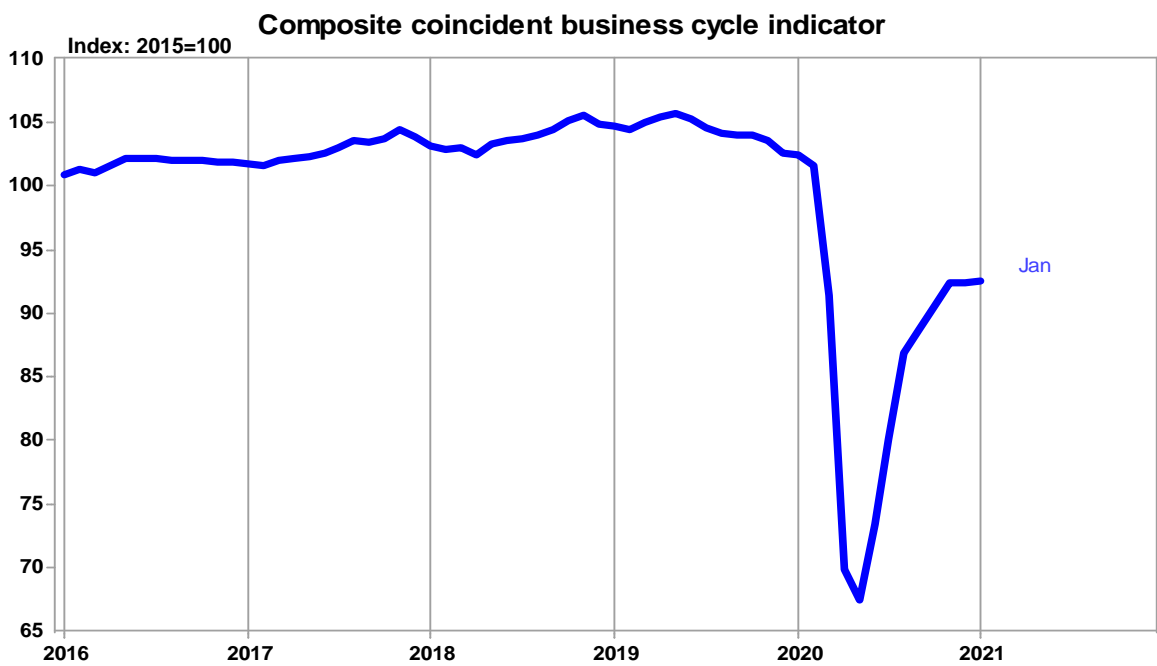
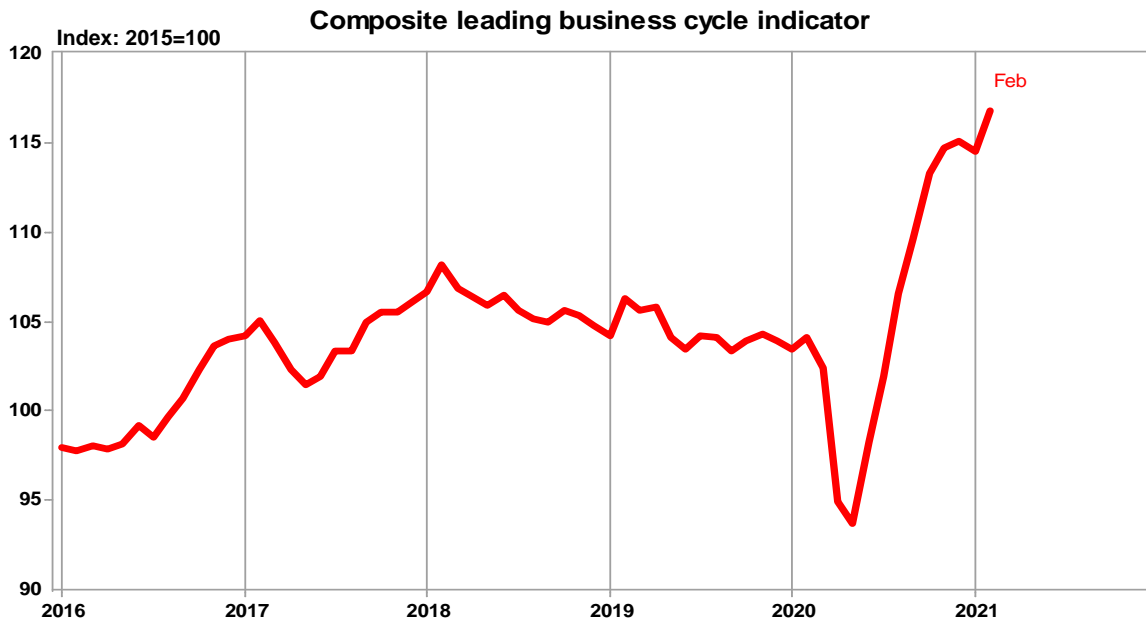
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**FOR RELEASE: 09:00 A.M., Tuesday, 20 April 2021**

### **Composite business cycle indicators for South Africa**

- The composite **leading** business cycle indicator *increased* by 2.0% in February 2021. Increases in 4 of the 10 available component time series outweighed decreases in the remaining 6 components. The largest contributors to the increase in the composite leading business cycle indicator in February 2021 were an increase in the number of residential building plans approved and an acceleration in the 12-month rate of increase in job advertisement space.
- The composite **coincident** business cycle indicator *increased* at a month-to-month rate of 0.1% in January 2021, as industrial production increased during the month.
- The composite **lagging** business cycle indicator *decreased* at a month-to-month rate of 1.3% in January 2021, mainly due to a decrease in the real value of non-residential building plans completed.

**The next release is scheduled for 25 May 2021, at 09:00 A.M.**



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

Indices: 2015 = 100	2020							2021	
	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Leading indicator	98.2	101.9	106.5	109.6	113.3	114.7	115.1	114.5	116.8
12-month percentage change	-5.1	-2.2	2.4	6.0	9.1	10.0	10.8	10.7	12.2
Coincident indicator	73.4	80.1	86.9	88.7	90.6	92.4	92.4	92.5	-
12-month percentage change	-30.3	-23.5	-16.5	-14.7	-13.0	-10.9	-10.0	-9.8	-
Lagging indicator	96.6	91.8	87.7	87.6	86.8	86.2	87.2	86.0	-
12-month percentage change	1.1	-3.9	-8.9	-8.4	-9.1	-9.9	-9.0	-9.5	-

\* 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 February 2021 data point:**

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

\* Bureau for Economic Research, Stellenbosch University