



South African Reserve Bank

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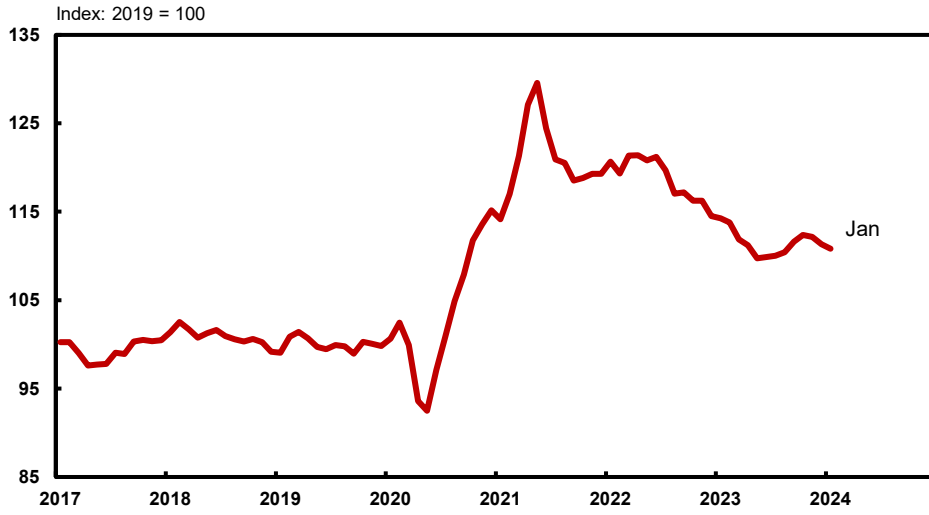
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Composite business cycle indicators for South Africa

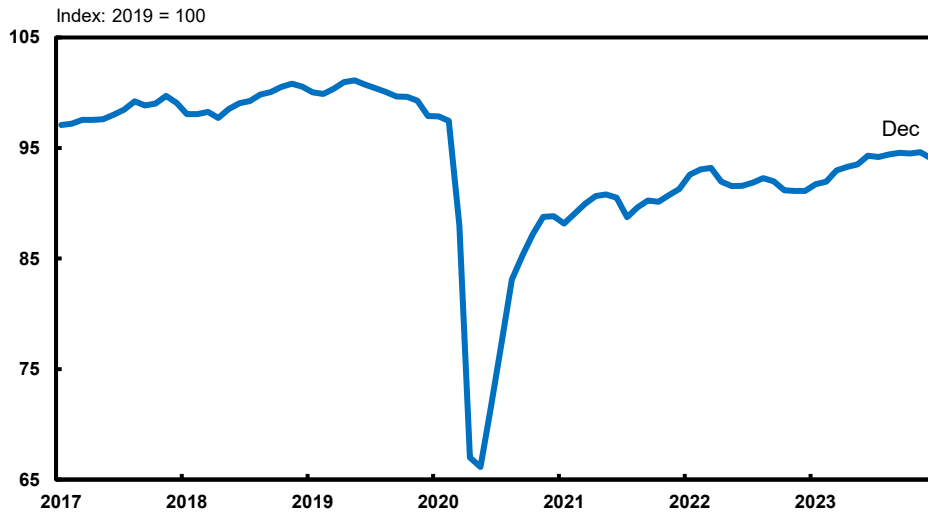
- The composite **leading** business cycle indicator *decreased* by 0.5% in January 2024. Seven of the ten available component time series decreased while the remaining three increased. The largest negative contributors were a deceleration in the six-month smoothed growth rate in job advertisement space and a decrease in the average hours worked per factory worker in the manufacturing sector. The largest positive contributors were an acceleration in the six-month smoothed growth rate of the real M1 money supply and an increase in the number of residential building plans approved.
- The composite **coincident** business cycle indicator *decreased* by 0.6% in December 2023 due to a decrease in industrial production.
- The composite **lagging** business cycle indicator *decreased* by 0.8% in December 2023.

The next release is scheduled for 23 April 2024, at 09:00 A.M.

Composite leading business cycle indicator



Composite coincident business cycle indicator



Composite lagging business cycle indicator

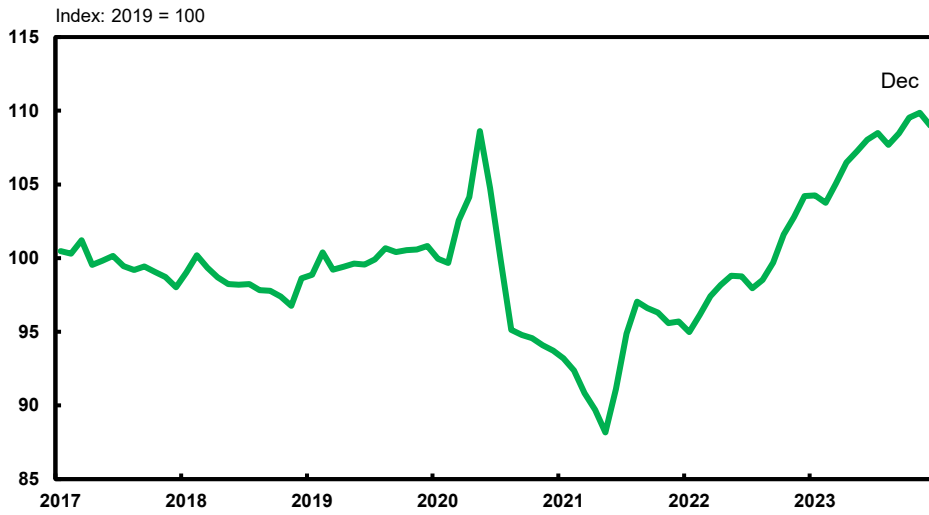


Table 1 Summary of the composite business cycle indicators*

Indices: 2019 = 100	2023								2024
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Leading indicator	109.7	109.9	110.0	110.4	111.6	112.4	112.1	111.3	110.8
Monthly percentage change	-1.3	0.1	0.1	0.4	1.1	0.7	-0.2	-0.7	-0.5
12-month percentage change	-9.2	-9.3	-8.1	-5.7	-4.8	-3.4	-3.5	-2.8	-3.0
Coincident indicator	93.5	94.3	94.2	94.4	94.6	94.5	94.6	94.1	-
Monthly percentage change	0.2	0.8	-0.1	0.2	0.2	-0.1	0.1	-0.6	-
12-month percentage change	2.1	2.9	2.5	2.3	2.8	3.7	3.9	3.2	-
Lagging indicator	107.3	108.0	108.5	107.7	108.5	109.5	109.9	109.0	-
Monthly percentage change	0.7	0.7	0.4	-0.7	0.7	1.0	0.3	-0.8	-
12-month percentage change	8.6	9.4	10.7	9.3	8.8	7.8	6.9	4.6	-

* 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 January 2024 data point:

Negative contributors (ranked from largest to smallest)
Job advertisements: The Sunday Times (six-month smoothed growth rate)
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 (six-month smoothed growth rate)
Interest rate spread: 10-year government bonds minus 91-day Treasury bills
RMB/BER* Business Confidence Index
Commodity price index for South Africa's main export commodities (US dollar based)
Positive contributors (ranked from largest to smallest)
Real M1 (six-month smoothed growth rate)
Number of building plans approved: Flats, townhouses & houses larger than 80m ²
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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