

# South African Reserve Bank

## Monthly Release of Selected Data - No 225

### November 2007



South African Reserve Bank

An advance release calendar can be accessed through the Internet on:  
<http://www.reservebank.co.za/advancereleasecalendar>

## Money and banking

### Monetary aggregates

R millions

|                             | 2007      |           |           |           |           |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
|                             | Jun       | Jul       | Aug       | Sep       | Oct       |
| M0.....                     | 97 026    | 96 293    | 97 569    | 98 561    | 98 743    |
| M1A.....                    | 368 312   | 361 120   | 380 327   | 385 412   | 373 803   |
| M1.....                     | 665 872   | 669 361   | 713 234   | 702 665   | 699 540   |
| M2.....                     | 1 249 390 | 1 290 230 | 1 341 912 | 1 350 336 | 1 350 483 |
| M3.....                     | 1 523 363 | 1 551 493 | 1 592 391 | 1 604 213 | 1 617 316 |
| M3 Seasonally adjusted..... | 1 523 626 | 1 552 682 | 1 593 288 | 1 603 531 | 1 621 382 |

Percentage change over 12 months

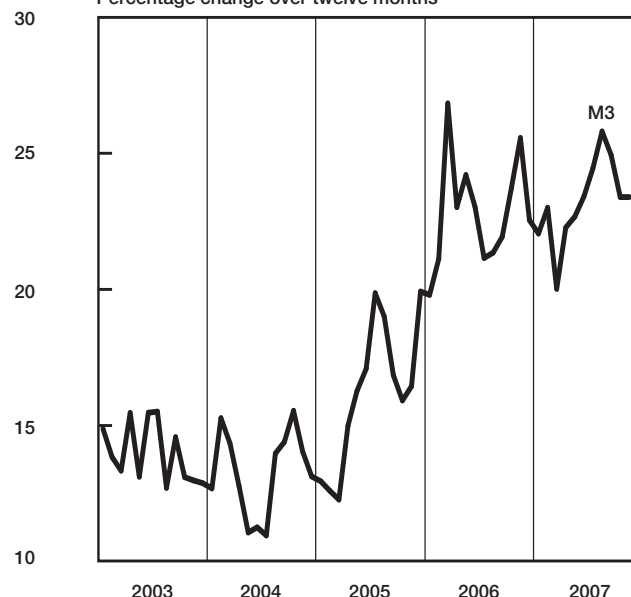
|          |       |       |       |       |       |
|----------|-------|-------|-------|-------|-------|
| M0.....  | 22,65 | 17,95 | 16,82 | 12,12 | 14,48 |
| M1A..... | 19,58 | 17,51 | 22,34 | 20,93 | 17,27 |
| M1.....  | 19,33 | 15,13 | 24,63 | 21,42 | 18,76 |
| M2.....  | 18,96 | 21,57 | 24,39 | 22,06 | 19,97 |
| M3.....  | 23,41 | 24,46 | 25,80 | 24,94 | 23,39 |

Counterparts of change in M3 - R millions

|  |         |        |        |         |         |
|--|---------|--------|--------|---------|---------|
| Net foreign assets.....                | 3 118   | -7 45  | 8 328  | 59      | -9 232  |
| Net claims on government sector:.....  | -28 199 | 7 282  | 15 966 | -20 651 | 7 151   |
| Gross claims.....                      | -3 025  | -3 118 | 9 023  | 2 932   | -633    |
| Government deposits <sup>1</sup> ..... | -25 174 | 10 400 | 6 943  | -23 582 | 7 785   |
| Claims on the private sector.....      | 24 790  | 26 287 | 24 787 | 36 908  | 28 083  |
| Net other assets and liabilities.....  | 22 025  | 2 005  | -8 183 | -4 494  | -12 899 |
| Change in M3.....                      | 21 734  | 28 129 | 40 899 | 11 822  | 13 103  |

### Money supply

Percentage change over twelve months



### Credit aggregate

R millions

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Claims on the domestic private sector - seasonally adjusted..... | 1 598 357 | 1 622 133 | 1 649 979 | 1 669 437 | 1 692 852 |
| Claims on the domestic private sector.....                       | 1 579 482 | 1 605 770 | 1 630 557 | 1 667 465 | 1 695 547 |
| Investments.....   | 78 773    | 81 495    | 81 938    | 84 036    | 88 849    |
| Bills discounted.....  | 5 104     | 4 801     | 4 725     | 4 643     | 4 657     |
| Instalment sales credit.....                                     | 154 188   | 157 629   | 162 090   | 165 679   | 167 786   |
| Leasing finance.....   | 63 822    | 63 185    | 62 558    | 61 849    | 60 840    |
| Mortgage advances.....   | 758 080   | 775 369   | 793 085   | 807 536   | 822 356   |
| Other loans and advances.....                                    | 519 515   | 523 291   | 526 161   | 543 721   | 551 060   |
| Net claims on the government sector.....                         | -17 227   | -9 945    | 6 021     | -14 630   | -7 478    |
| Total domestic credit extension.....                             | 1 562 256 | 1 595 825 | 1 636 578 | 1 652 835 | 1 688 069 |

Percentage change over 12 months

|  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|
| Claims on the domestic private sector.....                             | 24,80 | 23,13 | 23,16 | 22,46 | 22,27 |
| Excluding investments and bills discounted.....                        | 27,74 | 26,14 | 25,28 | 25,16 | 24,47 |
| Total domestic credit extension.....                                   | 24,65 | 23,56 | 24,50 | 23,19 | 23,95 |
| Credit extension to the private sector (redefined) <sup>16</sup> ..... | 23,93 | 22,21 | 22,41 | 21,66 | 21,03 |

|           | 2007      |           |           |           |       |
|-----------|-----------|-----------|-----------|-----------|-------|
|           | Jun       | Jul       | Aug       | Sep       | Oct   |
| 1 598 357 | 1 622 133 | 1 649 979 | 1 669 437 | 1 692 852 |       |
| 1 579 482 | 1 605 770 | 1 630 557 | 1 667 465 | 1 695 547 |       |
| 78 773    | 81 495    | 81 938    | 84 036    | 88 849    |       |
| 5 104     | 4 801     | 4 725     | 4 643     | 4 657     |       |
| 154 188   | 157 629   | 162 090   | 165 679   | 167 786   |       |
| 63 822    | 63 185    | 62 558    | 61 849    | 60 840    |       |
| 758 080   | 775 369   | 793 085   | 807 536   | 822 356   |       |
| 519 515   | 523 291   | 526 161   | 543 721   | 551 060   |       |
| -17 227   | -9 945    | 6 021     | -14 630   | -7 478    |       |
| 1 562 256 | 1 595 825 | 1 636 578 | 1 652 835 | 1 688 069 |       |
|           |           |           |           |           |       |
|           | 24,80     | 23,13     | 23,16     | 22,46     | 22,27 |
|           | 27,74     | 26,14     | 25,28     | 25,16     | 24,47 |
|           | 24,65     | 23,56     | 24,50     | 23,19     | 23,95 |
|           | 23,93     | 22,21     | 22,41     | 21,66     | 21,03 |

## Money and banking (continued)

|   | 2007      |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|
|   | May       | Jun       | Jul       | Aug       | Oct       |
| <b>Banks and mutual banks (R millions)</b>  |           |           |           |           |           |
| Deposits by residents .....   | 1 602 592 | 1 645 211 | 1 659 340 | 1 691 501 | 1 725 219 |
| Deposits by non-residents .....   | 56 503    | 57 066    | 58 693    | 60 899    | 69 448    |
| Total deposit liabilities .....   | 1 659 095 | 1 702 277 | 1 718 033 | 1 752 400 | 1 794 667 |
| Loans received under repurchase agreements.....   | 59 792    | 54 103    | 79 025    | 71 149    | 76 985    |
| Total liabilities to the public .....   | 1 827 390 | 1 885 733 | 1 940 629 | 1 974 448 | 2 011 680 |
| Capital and reserves .....  | 171 902   | 170 782   | 175 144   | 177 988   | 186 023   |
| Cash reserve balances with the SA Reserve Bank .....  | 35 051    | 37 456    | 37 325    | 37 495    | 37 555    |
| Treasury bills discounted .....   | 37 487    | 37 532    | 36 715    | 40 760    | 41 133    |
| Land Bank bills and promissory notes discounted .....   | 31        | 35        | 37        | 37        | 42        |
| Other bills discounted including bankers' acceptances .....   | 11 208    | 10 213    | 11 161    | 10 898    | 12 217    |
| Advances to the domestic private sector .....   | 1 446 776 | 1 475 895 | 1 499 736 | 1 524 045 | 1 558 274 |
| Total deposits loans advances and bills discounted .....  | 1 874 172 | 1 926 727 | 1 986 475 | 2 016 981 | 2 058 481 |
| Short-term government stock .....   | 35 930    | 33 457    | 34 157    | 39 424    | 45 167    |
| Long-term government stock .....  | 29 150    | 29 113    | 26 201    | 26 360    | 22 809    |
| Total investments.....  | 243 319   | 263 655   | 261 968   | 268 885   | 280 817   |
| Acceptance facilities utilised .....  | 306       | 368       | 348       | 321       | 210       |
| Foreign finance on-lent to clients .....  | 1 753     | 2 060     | 1 379     | 1 028     | 1 161     |
| Total assets (utilised acceptance facilities buy-back agreements and foreign finance on-lent included)..... | 2 222 168 | 2 308 973 | 2 362 006 | 2 404 779 | 2 456 869 |
| Required liquid assets.....   | 93 355    | 95 972    | 98 141    | 100 033   | 101 461   |
| Actual liquid asset holdings.....   | 101 080   | 100 916   | 104 430   | 110 535   | 111 884   |
| Credit card purchases processed during the period.....  | 13 148    | 12 458    | 12 420    | 12 452    | 12 084    |
| <b>Land Bank (R millions)</b>   |           |           |           |           |           |
| Cash credit advances .....  | 11 046    | 11 104    | 11 306    | 11 198    | 11 296    |
| Total loans and advances .....  | 17 492    | 17 503    | 17 668    | 17 576    | 17 681    |

## International economic data

### Changes in gold and other foreign reserves (R millions)

|   | 2007  |       |       |        |        |
|---|-------|-------|-------|--------|--------|
|   | Jun   | Jul   | Aug   | Sep    | Oct    |
| Gross reserves of the SA Reserve Bank.....      | 1 459 | 8 182 | 4 894 | -3 198 | -1 984 |
| Foreign liabilities of the SA Reserve Bank..... | -58   | 53    | 114   | -2 379 | -2 408 |
| Net reserves of the SA Reserve Bank .....       | 3 002 | 6 149 | 3 371 | 3 204  | 7 887  |

### Gross reserves of the SA Reserve Bank and open position in foreign currency (US\$m)

|   |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|
| Gross reserves of the SA Reserve Bank <sup>22</sup> .....                   | 28 279 | 29 334 | 29 836 | 30 523 | 31 761 |
| International liquidity position of the SA Reserve Bank <sup>15</sup> ..... | 25 941 | 26 965 | 27 449 | 28 422 | 29 929 |

### Net average daily turnover on the SA foreign-exchange market (US\$m)

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| Total spot transactions <sup>17</sup> .....          | 3 487  | 3 262  | 2 899  | 2 381  | 2 634  |
| Total forward transactions <sup>17</sup> .....       | 1 136  | 1 205  | 935    | 1 004  | 982    |
| Total swap transactions <sup>17</sup> .....          | 9 390  | 9 429  | 9 780  | 9 598  | 7 807  |
| Transactions in third currencies <sup>20</sup> ..... | 3 653  | 3 822  | 3 789  | 4 196  | 4 594  |
| Total transactions .....                             | 17 666 | 17 718 | 17 403 | 17 178 | 16 017 |

### Exchange rates (averages)

|  |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|
| Effective exchange rate against the most important currencies (Index: 2000=100) <sup>18</sup> ..     | 78,20   | 79,16   | 76,49   | 76,68   | 79,51   |
| Real effective exchange rate against the most important currencies (Index: 2000=100) <sup>3 18</sup> | 104,70  | 107,19  | 104,49  | 103,73  | ...     |
| SA rand per US dollar .....  | 7,1718  | 6,9730  | 7,2334  | 7,1282  | 6,7729  |
| SA rand per British pound .....  | 14,2416 | 14,1833 | 14,5250 | 14,3767 | 13,8408 |
| SA rand per euro .....   | 9,6203  | 9,5671  | 9,8473  | 9,8950  | 9,6391  |
| SA rand per Japanese yen.....  | 0,0585  | 0,0574  | 0,0620  | 0,0620  | 0,0585  |

### Average daily fixing price of gold per fine ounce

|                   |          |          |          |          |          |
|-------------------|----------|----------|----------|----------|----------|
| In rand.....      | 4 680,92 | 4 624,46 | 4 791,73 | 5 039,53 | 5 088,38 |
| In US dollar..... | 655,60   | 665,28   | 664,50   | 711,42   | 754,54   |

## Capital market

### Share market<sup>4</sup>

|  | 2007    |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
|  | May     | Jun     | Jul     | Aug     | Sep     | Oct     |
| Value of shares traded (Rm) .....        | 247 849 | 256 707 | 266 166 | 283 022 | 241 415 | 331 421 |
| Number of shares traded (millions) ..... | 6 084   | 6 246   | 6 155   | 6 532   | 5 556   | 6 725   |
| All share price index (2000 = 100) ..... | 335     | 339     | 341     | 318     | 340     | 363     |
| All share dividend yield (%) .....       | 2,2     | 2,1     | 2,3     | 2,5     | 2,4     | 2,2     |

### Non-resident transactions (R millions)

|   |        |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|--------|
| Net purchases of shares <sup>4</sup> .....    | 10 125 | 9 133  | 9 324  | 10 720 | -1 147 | 314    |
| Net purchases of bonds <sup>13</sup> .....    | -2 298 | 901    | -9 050 | 20 576 | 1 197  | 13 867 |
| Total net purchases of shares and bonds ..... | 7 827  | 10 035 | 274    | 31 296 | 51     | 14 181 |

### Fixed-interest securities market

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Net new issues of public sector stock <sup>5</sup> (Rm) ..... | 1 714     | 1 032     | 2 031     | 2 645     | 3 783     | ...       |
| Nominal value of bonds traded (Rm) <sup>13</sup> .....        | 1 113 885 | 1 239 324 | 1 393 002 | 1 373 842 | 1 074 678 | 1 374 045 |
| Consideration of bonds traded (Rm) <sup>13</sup> .....        | 1 345 481 | 1 460 002 | 1 619 362 | 1 580 154 | 1 208 335 | 1 577 987 |
| Number of transactions (actual number) <sup>13</sup> .....    | 27 406    | 32 361    | 29 292    | 31 426    | 22 449    | 31 390    |
| Yield on long-term government bonds <sup>6</sup> (%) .....    | 7,6       | 8,1       | 8,3       | 8,4       | 8,4       | 8,1       |

### Derivative market - futures<sup>4</sup>

|  |            |            |            |            |            |            |
|--|------------|------------|------------|------------|------------|------------|
| Number of deals (actual number) .....            | 80 253     | 105 109    | 86 388     | 89 265     | 100 626    | 95 865     |
| Number of contracts (actual number) .....        | 12 751 427 | 48 183 187 | 14 318 725 | 14 573 288 | 62 837 327 | 10 536 760 |
| Underlying value (Rm) .....                      | 275 872    | 653 278    | 302 668    | 379 607    | 650 430    | 306 459    |
| Open interest (actual number) <sup>7</sup> ..... | 24 613 017 | 26 280 241 | 28 314 983 | 30 572 406 | 28 468 602 | 29 950 981 |

## National government finance

### Statement of national revenue, expenditure and borrowing

|  | 2007    |        |         |        |        |        |
|--|---------|--------|---------|--------|--------|--------|
|  | May     | Jun    | Jul     | Aug    | Sep    | Oct    |
| Cash-flow revenue .....  | 34 632  | 60 522 | 32 230  | 41 595 | 59 383 | 38 762 |
| Cash-flow expenditure .....  | 43 590  | 42 996 | 45 117  | 46 495 | 41 431 | 44 040 |
| Cash-flow deficit/surplus <sup>9</sup> .....                                       | -8 958  | 17 526 | -12 887 | -4 900 | 17 952 | -5 278 |
| Plus: Extraordinary payments .....   | -679    | -10    | 0       | 0      | -300   | -3     |
| Plus: Cost/profit on revaluation of foreign debt at redemption <sup>19</sup> ..... | -1 386  | -25    | 466     | -8     | -4     | -59    |
| Less: Extraordinary receipts .....   | 0       | 541    | 1 034   | 0      | 0      | 1      |
| Net borrowing requirement .....  | -11 023 | 18 031 | -11 386 | -4 908 | 17 648 | -5 338 |

### National government financing of net borrowing requirement

|   |        |         |        |        |         |        |
|---|--------|---------|--------|--------|---------|--------|
| Treasury bills .....                          | 1 653  | -161    | 2 051  | 4 954  | -3 610  | -1 830 |
| Domestic government bonds <sup>10</sup> ..... | 3 142  | 2 254   | 1 378  | 2 266  | 2 436   | 2 540  |
| Foreign bonds and loans .....                 | -132   | 922     | -4 044 | -23    | 200     | 128    |
| Other financing <sup>23</sup> .....           | -13    | -31     | -34    | -62    | -17     | -24    |
| Change in cash balances <sup>14</sup> .....   | 6 372  | -21 016 | 12 036 | -2 227 | -16 657 | 4 524  |
| Total financing .....                         | 11 023 | -18 031 | 11 386 | 4 908  | -17 648 | 5 338  |

## Economic indicators (seasonally adjusted)

### Sales

|  | 2007  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|-------|
|  | May   | Jun   | Jul   | Aug   | Sep   | Oct   |
| Manufacturing (constant prices 2000=100) <sup>11</sup> .....   | 135,6 | 130,7 | 132,4 | 133,9 | 128,7 | ...   |
| Wholesale trade (constant prices 2000=100) <sup>11</sup> ..... | 151,4 | 151,2 | 151,2 | 153,4 | 153,0 | ...   |
| Retail trade (constant prices 2000=100) <sup>11</sup> .....    | 150,9 | 149,7 | 149,7 | 151,6 | 148,7 | ...   |
| New motor cars (number 2000=100) <sup>12</sup> .....           | 196,0 | 181,6 | 191,3 | 202,9 | 186,1 | 200,1 |
| New commercial vehicles (number 2000=100) <sup>12</sup> .....  | 215,1 | 195,4 | 214,1 | 205,1 | 190,6 | 202,1 |

### Volume of production<sup>11</sup>

|                                |       |       |       |       |       |     |
|--------------------------------|-------|-------|-------|-------|-------|-----|
| Gold mining (2000=100) .....   | 60,2  | 59,9  | 59,2  | 60,2  | 59,5  | ... |
| Other mining (2000=100) .....  | 125,0 | 128,5 | 125,9 | 125,9 | 135,2 | ... |
| Manufacturing (2000=100) ..... | 127,0 | 122,8 | 123,4 | 126,0 | 120,0 | ... |

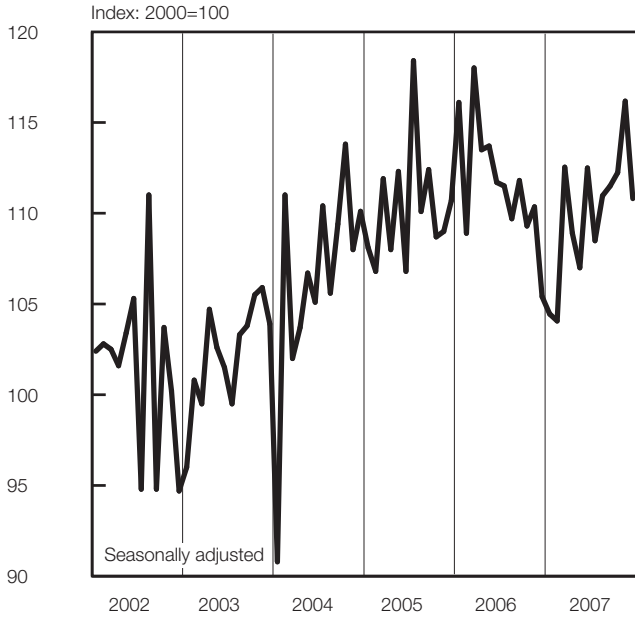
### Composite business cycle indicators

|   |       |       |       |       |       |     |
|---|-------|-------|-------|-------|-------|-----|
| Leading indicator (2000=100) <sup>21</sup> .....    | 129,1 | 128,0 | 128,1 | 127,0 | 126,6 | ... |
| Coincident indicator (2000=100) <sup>21</sup> ..... | 152,7 | 152,0 | 152,1 | 152,6 | ...   | ... |
| Lagging indicator (2000=100) .....                  | 112,6 | 112,7 | 114,1 | 114,0 | ...   | ... |

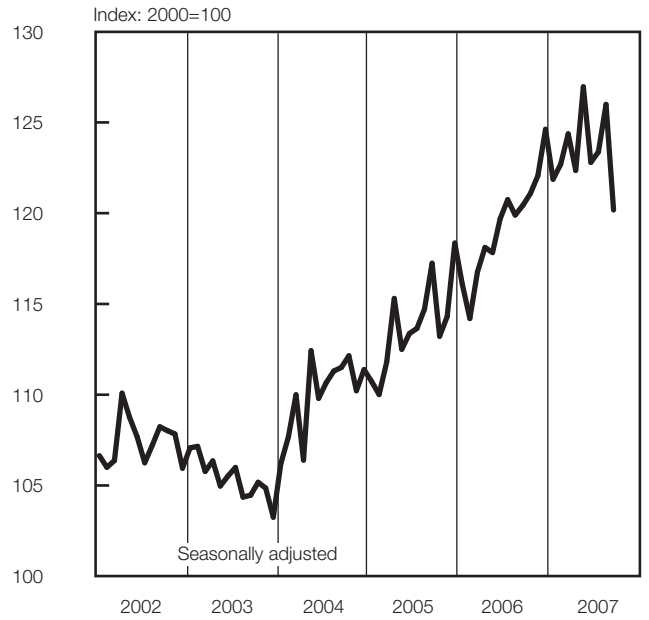
1 Increase -, decrease +.  
2 Total net reserves include those of the SA Reserve Bank other banks and government.  
3 Preliminary figures.  
4 Source: JSE Securities Exchange South Africa (JSE).  
5 Net cash receipts after repayment of redemptions internal funds excluded.  
6 Monthly average.  
7 Actual number as at the last business day of the particular month.  
8 Seasonally adjusted at an annual rate.  
9 Deficit - / surplus +.  
10 Excluding discount.  
11 Source: Statistics South Africa.  
12 Source: National Association of Automobile Manufacturers of SA.  
13 Source: Bond Exchange of South Africa.  
14 Changes in the net reserves of the SA Reserve Bank also include valuation adjustments in respect of the assets and short-term liabilities of the SA Reserve Bank.

15 Up to end February 2004 referred to as the "Net open position in foreign currency of the Reserve Bank".  
16 See page S22 of the *Quarterly Bulletin* regarding the definition of P1 credit extension.  
17 Transactions against the Rand.  
18 The weighted-average exchange rate of the rand is calculated against thirteen currencies consistently excluding Zimbabwe. The weights of the four major currencies are in brackets: Euro (36 38) US dollar (15 47) British pound (15 37) Japanese yen (10 43).  
19 Cost - / profit +.  
20 Transactions in third currencies refers to transactions between any two currencies other than the South African rand.  
21 Components revised. See "Note on the revision of composite leading and coincident business cycle indicators" in the March 2004 *Quarterly Bulletin*. Previous and new indices were linked in January 1994.  
22 The gold reserves are valued at market price taken at 14:30 on each valuation date.  
23 From May 2004 including RSA Government Retail Bond.

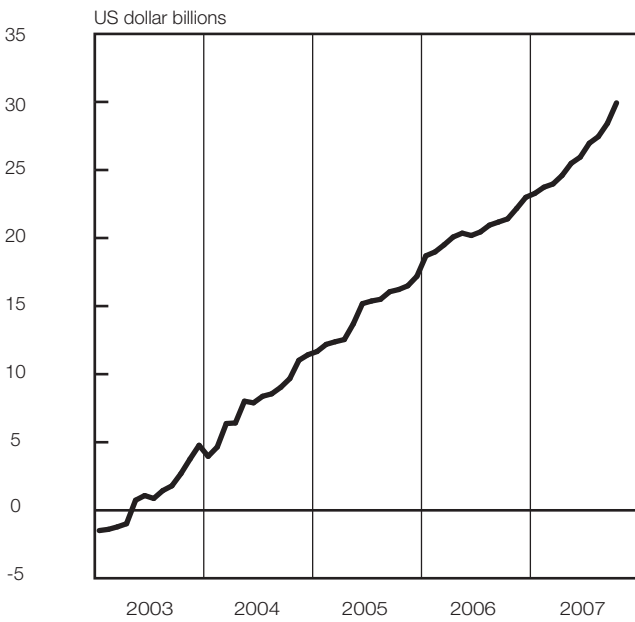
### Volume of mining production



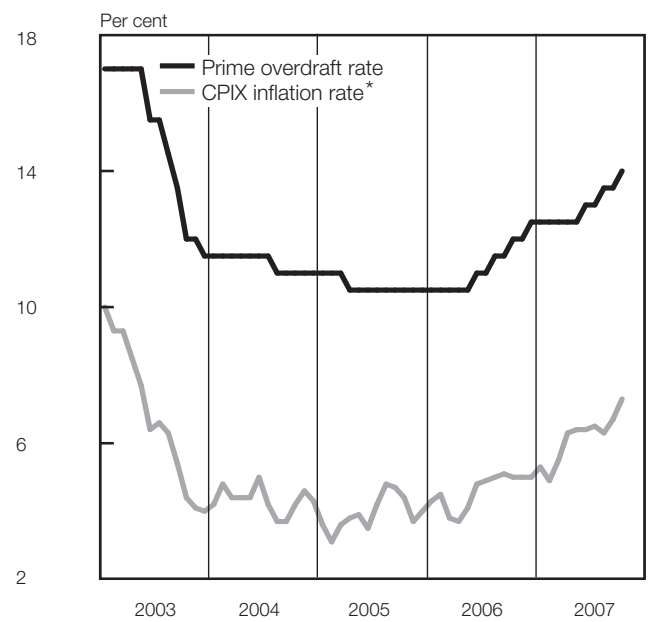
### Physical volume of manufacturing production



### International liquidity position of the SA Reserve Bank

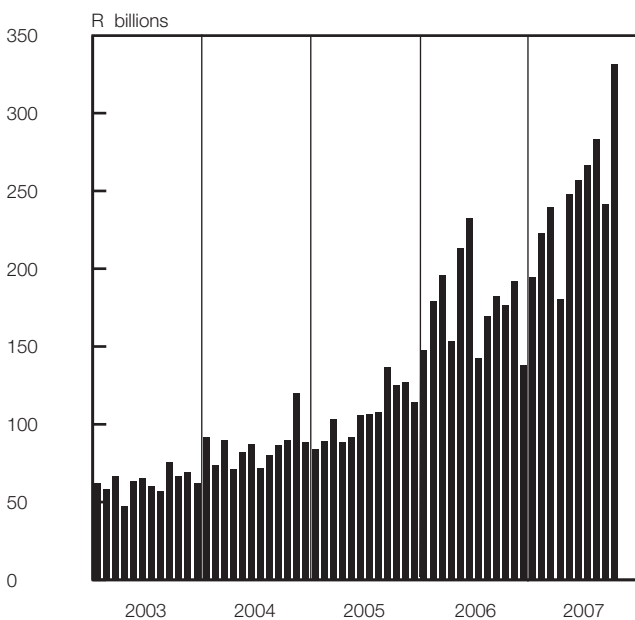


### Prime overdraft and CPIX inflation rate



\* Overall consumer price index for metropolitan and other urban areas, excluding interest rates on mortgage bonds

### Turnover in share market



### National government balance adjusted for cash flows

