

OORSIG VAN GELD- EN BANKWESE

Nadat dit tekens van 'n afname in die laaste kwartaal van 1955 getoon het, het die monetêre omvang van die Unie se ekonomiese bedrywigheid weer in die eerste kwartaal van 1956 toegeneem, alhoewel daar uiteenlopende neigings in die verskeie sektore van die ekonomie was. Soos blyk uit die onderstaande tabel, was daar aansienlike stygings vanaf die vierde kwartaal van 1955 tot die eerste

Indeks — Aangesuiwer vir Seisoenskommelings (1948=100)

	1955			1956
	1ste Kw.	3de Kw.	4de Kw.	1ste Kw.
Bankdebette	184	191	190	202
Effektebeursomset	110	66	44	72
Diskonteringe en voorskotte van handelsbanke	190	193	199	209
Waarde van invoere	143	135	136	150
Waarde van uitvoere (uitgesonderd goud)	245	285	265	258
Spoorweginkomste	200	195	196	200
Waarde van kleinhandelsverkope*	122	123	121	123
Waarde van eiendomstransaksies	112	103	98	82
Waarde van bouplanne goedgekeur†	164	144	125	133
Werkverskaffing: Mynwese	121	120	119	122
Fabriekswese	128	128	129	130
Boubedryf	109	107	103	103

kwartaal van 1956 in bankdebette, diskonteringe en voorskotte van die handelsbanke, invoere en effektebeursomset, terwyl spoorweginkomste, bouplanne goedgekeur en kleinhandelsverkope kleiner toenames getoon het. Aan die ander kant het uitvoere en eiendomstransaksies verder gedaal. Werkverskaffing in die mynwese het effens toegeneem, terwyl dié in die fabriekswese en die boubedryf min verandering getoon het.

Geneem oor die nege maande geëindig 31 Maart 1956, wil dit voorkom uit die maandelikse skommelings in die verskeie indekse, ná aansuiwering vir seisoenskommelings, dat die neiging in handelsbankkrediet in die vorm van diskonteringe en voorskotte, in bankdebette en in goedereinvoere taamlik sterk opwaarts was, en dat spoorweginkomste en die waarde van kleinhandelsverkope, asook werkverskaffing in die mynwese en in die fabriekswese, relatief stabiel gebly het. Aan die ander kant was daar 'n duidelike afwaartse neiging in die waarde van goedere uitvoere (grootliks as gevolg van 'n daling in die prys van wol), in boubedrywigheid, eiendoms-transaksies en effektebeursomset. Gedurende dieselfde tydperk het groot- en kleinhandelspryse 'n verdere effense opwaartse beweging getoon.

* Vier stedelike gebiede

† Agtien stedelike gebiede

BETALINGSBALANS

Gedurende die eerste kwartaal van 1956 het die Reserwebank se goudbesit onveranderd gebly op £75.1 miljoen, terwyl sy buitelandse valuta-reserwes van £53.9 miljoen tot £43.4 miljoen gedaal het. Boonop het die buitelandse valutabesit van die handelsbanke en die Unieregering met omtrent £1 miljoen afgeneem, sodat die daling in die totale goud- en buitelandse valuta-reserwes gedurende hierdie kwartaal ongeveer £12 miljoen beloop het, wat gelyk was aan die afname gedurende die eerste kwartaal van 1955. In albei hierdie tydperke was die daling in die reserwes die gevolg van 'n aansienlike netto lopende tekort teenoor die buiteland, wat egter gedeeltelik teengegaan is deur 'n netto toevloei van kapitaal.

Invoere het toegeneem van £123 miljoen in die eerste kwartaal van 1955 tot £129 miljoen in die eerste kwartaal van 1956, en uitvoere, uitgesonderd goud en skeepsvoorrade, van £87 miljoen tot £91 miljoen, sodat die Unie se handelstekort 'n klein toename vanaf £36 miljoen tot £38 miljoen getoon het. Teenoor hierdie toename in die handelstekort, was daar 'n toename van ongeveer £5 miljoen in die netto goudproduksie, maar aan die ander kant het netto lopende onsigbare betalings met omtrent £6 miljoen gestyg (grootliks as gevolg van hoër betalings in die vorm van diwidende), sodat die netto lopende tekort teenoor die buiteland met omtrent £3 miljoen toegeneem het, nl. van £18 miljoen tot ongeveer £21 miljoen.

Uit 'n vergelyking van die netto lopende tekort van omtrent £21 miljoen in die eerste kwartaal van 1956 met die afname van ongeveer £12 miljoen in die goud- en buitelandse valuta-reserwes, wil dit voorkom asof daar 'n totale netto toevloei van kapitaal, insluitende handelskrediete, van omtrent £9 miljoen gedurende hierdie tydperk was. In hierdie verband is dit bekend dat die Unie £1.8 miljoen van die dollarkrediete wat van 'n groep Amerikaanse banke ontvang is, asook £0.5 miljoen van die I.B.H.O.-lenings, terugbetaal het, en dat die korttermyn buitelandse verpligtings van die handelsbanke met ongeveer £1 miljoen gedaal het. Dus wil dit voorkom asof die netto toevloei van private kapitaal, insluitende handelskrediete, ongeveer £12 miljoen beloop het, vergeleke met omtrent £9 miljoen in die eerste kwartaal van 1955. Uit die beskikbare inligting wil dit blyk dat 'n aansienlike deel van hierdie netto toevloei in die eerste kwartaal van 1956, die herbelegging in die Unie van diwidende wat aan buitelanders toegekomp het, verteenwoordig.

Ná die end van Maart 1956, het die Reserwebank se goud- en buitelandse valutareserwes verder afgeneem, nl. van £118.5 miljoen tot £111.2 miljoen op die 8ste Junie. Hierdie verdere afname van omtrent £7 miljoen, wat baie gunstig vergelyk met die daling van ongeveer £18 miljoen gedurende die ooreenstemmende tydperk in 1955, blyk die voortsetting te weerspieël van 'n aansienlike netto lopende tekort gedurende 'n tydperk wanneer invoere gewoonlik 'n seisoensstyging vertoon, in teenstelling met 'n seisoensdaling in uitvoere.

GELD IN OMLOOP

Ná 'n afname vanaf £471 miljoen aan die end van 1954 tot £449 miljoen aan die end van 1955, het die hoeveelheid geld in omloop in die Unie effens toegeneem tot £454 miljoen aan die end van Maart 1956, maar toe tot £431 miljoen aan die end van April gedaal.

Die netto afname van meer as £17 miljoen gedurende die eerste vier maande van 1956, wat bestaan het uit 'n daling van £31 miljoen in die bedrag in besit van die private sektor teenoor 'n toename van £14 miljoen in die bedrag gehou deur die Regering, het plaasgevind ten spyte van 'n toe-

name van omtrent £13 miljoen in bankkrediet, en was hoofsaaklik die gevolg van twee faktore, nl. die Unie se ongunstige betalingsbalans en 'n verdere verskuiwing vanaf onmiddellik opeisbare na termyn-deposito's by die handelsbanke, elk waarvan vir 'n afname van omtrent £14 miljoen verantwoordelik was.

Handelsbankkrediet het met ongeveer £11 miljoen gedurende hierdie tydperk afgeneem as 'n netto gevolg van 'n styging van meer as £11 miljoen in die banke se diskonteringe en voorskotte en 'n daling van £22 miljoen in hulle beleggings en in hulle saldo's by die Nasionale Finansiële Korporasie. Hierdie daling in die handelsbanke se likwiede bate is veroorsaak deur die noodsaaklikheid om hulle kontantreserwes, wat geneig het om te daal weens die Unie se ongunstige betalingsbalans, aan te vul, en is weerspieël in 'n styging van omtrent £24 miljoen in Reserwebankkrediet, waarvan ongeveer £20 miljoen 'n toename in skatkisbewyse en ander wissels verdiskonteer vir die handelsbanke, verteenwoordig het.

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MONETARY AND BANKING REVIEW

After showing signs of a decline in the fourth quarter of 1955, the Union's monetary volume of economic activity increased again in the first quarter of 1956, although there were divergent trends in the several sectors of the economy. As indicated by the table below, there were substantial increases from the last quarter of 1955 to the first quarter

Indexes — Excluding Seasonal Movements
(1948 = 100)

	1955			1956
	1st Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.
Bank Debits	184	191	190	202
Stock Exchange Turnover	110	66	44	72
Discounts and Advances of Commercial Banks	190	193	199	209
Value of Imports	143	135	136	150
Value of Exports (excluding Gold)	245	285	265	258
Railway Earnings	200	195	196	200
Value of Retail Sales*	122	123	121	123
Value of Property Transactions	112	103	98	82
Value of Building Plans Passed†	164	144	125	133
Employment: Mining	121	120	119	122
Manufacturing	128	128	129	130
Building	109	107	103	103

of 1956, in bank debits, discounts and advances of the commercial banks, imports and stock exchange turnover, while smaller increases were registered in railway earnings, building plans passed and retail sales. On the other hand, exports and property transactions continued to decline. Mining employment increased slightly, while manufacturing and building employment showed little change.

Taken over the nine months ended 31st March, 1956, it would appear from the monthly fluctuations in the various seasonally adjusted indexes, that the trend in commercial bank credit in the form of discounts and advances, in bank debits and in merchandise imports was fairly strongly upward, and that railway earnings and the value of retail sales, as well as mining and manufacturing employment, remained relatively stable. On the other hand, there was a distinct downward tendency in the value of merchandise exports (due largely to a decline in the price of wool), in building activity, property transactions and stock exchange turnover. During the same period, wholesale and retail prices showed a further slight upward movement.

* Four Urban Areas.

† Eighteen Urban Areas.

BALANCE OF PAYMENTS

During the first quarter of 1956, the Reserve Bank's gold holdings remained unchanged at £75.1 million, while its foreign exchange reserves declined from £53.9 million to £43.4 million. In addition, the foreign exchange holdings of the commercial banks and the Union Government decreased by about £1 million, so that the decline in total gold and foreign exchange reserves during this quarter amounted to approximately £12 million, which equalled the decline during the first quarter of 1955. In both these periods, the decline in the reserves was accounted for by a substantial net current deficit with the outside world, which was, however, partly offset by a net inflow of capital.

Imports increased from £123 million in the first quarter of 1955, to £129 million in the first quarter of 1956, and exports, excluding gold and ships' stores, from £87 million to £91 million, so that the Union's trade deficit showed a small increase from £36 million to £38 million. As against this increase in the trade deficit, there was an increase of about £5 million in the net gold output, which, however, was offset by an increase of approximately £6 million in net current invisible payments (largely due to higher dividend payments), so that the net current deficit with the outside world increased by about £3 million, namely, from £18 million to about £21 million.

Comparing the net current deficit of about £21 million in the first quarter of 1956 with the decline of about £12 million in the gold and foreign exchange reserves, it would appear that there was a total net inflow of capital, including trade credits, of about £9 million during this period. In this connection it is known that the Union repaid £1.8 million of the dollar credits received from a group of American banks, and £0.5 million of the loans received from the I.B.R.D., and that the banks' short-term foreign liabilities declined by nearly £1 million. Thus the net inflow of private capital, including trade credits, would appear to have amounted to about £12 million, compared with about £9 million during the corresponding period in 1955. From the available information it would appear that a substantial part of this net inflow during the first quarter of 1956, represented the re-investment in the Union of dividends which accrued to foreigners.

After the end of March, 1956, the Reserve Bank's gold and foreign exchange reserves continued to

decline, namely, from £118.5 million to £111.2 million on the 8th of June. This further decline of about £7 million, which compares very favourably with the decrease of about £18 million during the corresponding period a year ago, would appear to reflect the continuation of a substantial net current deficit during a period when imports as a rule show a seasonal increase as contrasted with a seasonal decline in exports.

MONEY IN CIRCULATION

After declining from £471 million at the end of 1954 to £449 million at the end of 1955, the quantity of money in circulation in the Union increased somewhat to £454 million at the end of March, 1956, but then dropped to £431 million at the end of April.

The net decline of over £17 million during the first four months of 1956, which consisted of a decrease of £31 million in the amount held by the private sector as against an increase of £14 million in that held by the Government, took place in spite

of an increase of about £13 million in bank credit, and was largely the result of two factors, namely, the Union's unfavourable balance of payments and a further shift from demand to time deposits with the commercial banks, each of which accounted for a decline of about £14 million.

Commercial bank credit declined by about £11 million during this period as a net result of an increase of over £11 million in the banks' discounts and advances, and a decrease of £22 million in their investments and in their balances with the National Finance Corporation. This decrease in the commercial banks' liquid assets resulted from the need to replenish their cash reserves which tended to decline as a result of the Union's unfavourable balance of payments, and was reflected in an increase of about £24 million in Reserve Bank credit, of which about £20 million represented an increase in Treasury and other bills discounted for the commercial banks.

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