

## QUARTERLY ECONOMIC REVIEW

### SUMMARY

Economic conditions remained generally favourable during the second quarter of 1963 and in July, while the momentum of economic activity was well maintained.

The real gross national product rose by more than 2 per cent in the second quarter, after seasonal adjustment, and this rate was appreciably higher than the quarterly average recorded during the entire expansionary upswing from about July 1961 until June 1963. The trends in the volume of manufacturing output, gold production and other indexes of production, trade, employment and prices are indicative of a healthy expansion in the economy up to at least July 1963. Increases were registered in all the major components of national expenditure, and the rise in the capital expenditure of public corporations during the second quarter suggested that the expansion schemes of these enterprises were getting under way.

Notwithstanding the continued increase in imports during the second quarter arising from the expansion in the economy, the balance of payments on current account still showed a surplus sufficient to permit a substantial repatriation of foreign capital as well as a rise in gold and foreign exchange reserves. Provisional estimates for July and August indicate a continuation of the favourable balance on current account, but at a slightly reduced rate.

The liquidity of the private sector increased again in the second quarter, but more slowly than previously. The major reason for the further increase in the total of money and near-money until the end of June was the cessation of the shift of bank deposits from the private to the government sector, although bank credit and the rise in the gold and foreign exchange reserves were also contributory factors.

An analysis of the changes in the liabilities and assets of the Reserve Bank revealed a considerable rise in Government deposits as well as a reduction in credit to the Government during the first quarter, largely as a result of the introduction of PAYE, while a slight reversal in these tendencies occurred in the second quarter. The credit extended to the commercial banks, the discount houses and the National Finance Corporation decreased during the first quarter and the early days of April, thus indicating an "easing" in money market conditions, but they increased their indebtedness to the Reserve Bank again until the end of June. The Treasury bill rate, which was affected by

these circumstances as well as others, rose throughout the first half of the year.

The available figures of yields on securities have shown a measure of stability since the turn of the year, although there have been divergent movements. Share prices have continued to rise while increased activity has been evident in the real estate market.

### GENERAL BUSINESS CONDITIONS

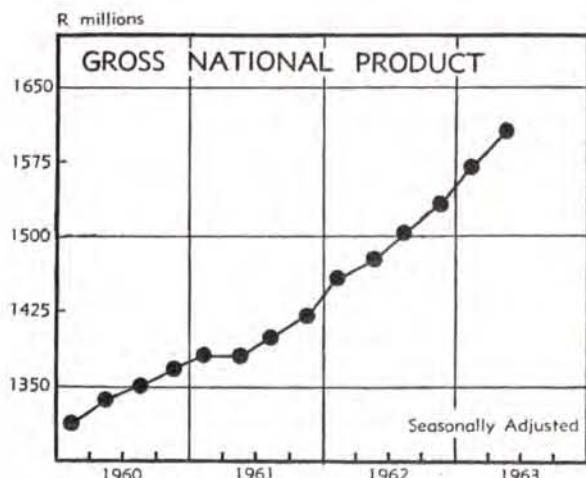
#### *Current Phase of the Upswing*

Economic conditions remained generally favourable during the second quarter of 1963 and also during the month of July. The available economic-statistical series<sup>1</sup> show that the economy has been experiencing an expansionary upswing for two years since about July 1961, and that the momentum of economic activity was well maintained during the second quarter of 1963. Although the present upswing is the second longest on record since the end of the Second World War,<sup>2</sup> little or no sign of any major change in trend can be observed at this stage, as will be set out in more detail below. Notwithstanding the relatively high level of economic activity which has already been reached, prices have remained relatively steady. On the other hand, the present low level of unemployment of Whites, Coloureds and Asians indicates that a relative shortage of certain types of labour may be developing. However, the available statistics show that the average earnings of Whites in private manufacturing, construction and mining did not rise unduly up to July.

The gross national product, which measures the total income of the country at market prices (before deduction of depreciation allowances), provides a reliable guide to the trend in overall economic activity, and the rise in this magnitude since 1960 is depicted on the accompanying graph. According to very provisional estimates, the real gross national product (i.e. after allowing for the effect of the rise in consumer prices) for the second quarter increased by more than 2 per cent over the first quarter, and this rate was at least equal to that for the preceding quarter, but appreciably higher than the average

1) Seasonal fluctuations have been eliminated from all series quoted in this review, unless otherwise indicated.

2) According to the preliminary results of a research programme on business cycles, an expansionary upswing of about 29 months was experienced from March, 1953 to August, 1955. The behaviour of the sensitive monthly economic indicators which are discussed in this review, have also been determined as part of this programme. It is anticipated that the full results of the investigation will be published early in 1964.



quarterly rate of about 1.7 per cent recorded during the entire upswing from July 1961 until June 1963.

#### *Sensitive Monthly Indicators*

The tendencies in fourteen selected monthly time series may be observed in the accompanying graph, and relevant figures are quoted at the end of this review. These series have been selected mainly because their short-term trends have, in the past, conformed well to variations in general business conditions, and they can, therefore, be used as indicators of the general state of the economy.

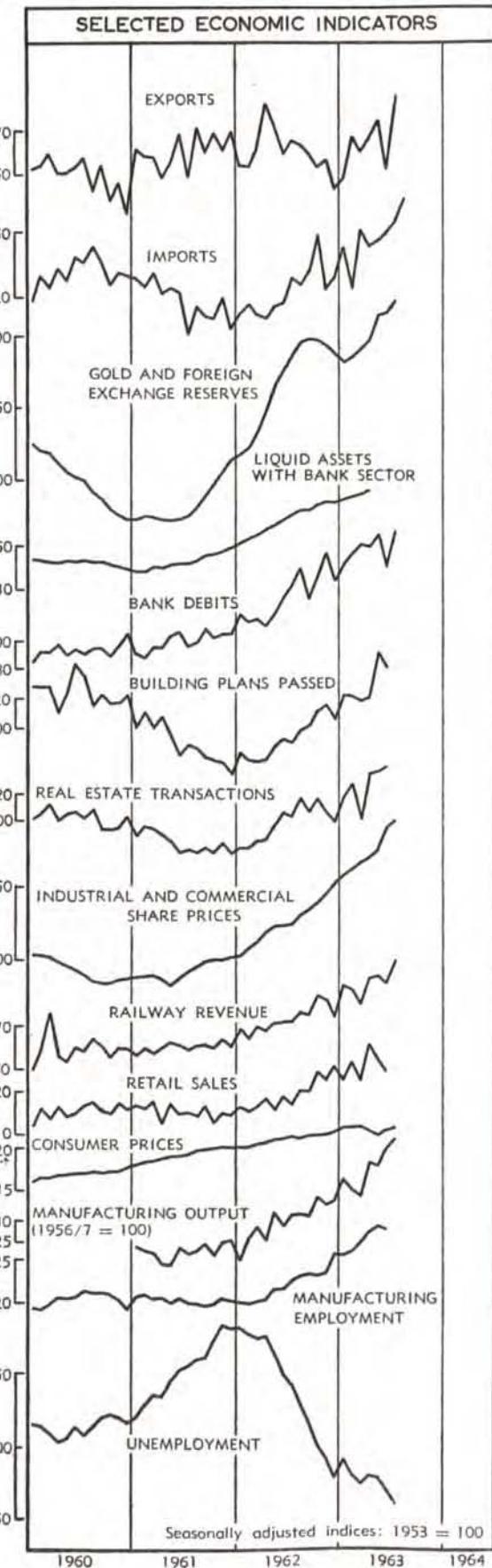
During the second quarter and up to July 1963 the tendencies in these indicators were consistent with a healthy expansion in the economy. Unemployment continued to decline, while the steadiness in consumer prices has already been noted.

### PRODUCTION AND EXPENDITURE

#### *Production Trends*

The rise in the gross national product, which may also be taken as an indicator of the total production of goods and services of the nation, has already been described.

In the field of manufacturing, an increase of no less than 4.9 per cent was registered in the second quarter (compared with the previous quarter) by the physical volume of manufacturing output, which represents the highest rate for any quarter during the current upswing, and a further substantial rise was recorded in July. The production of iron and ferro-alloys declined temporarily from February to April, owing to the overhaul of a furnace, but rose rapidly again until July. The index of construction employment reached a new peak in July, after a temporary decline in January and February, 1963, and building plans passed moved upwards until July.



Gold production again increased in the second quarter, and reached a new peak in July, despite a decline in gold mining employment. Copper sold by the mines showed a rising trend until July, while coal sales maintained a fairly horizontal trend until June, but then rose considerably in July concurrently with a substantial increase in electricity generated.

### *Expenditure Trends*

The expansion in the economy was also reflected in the major components of national expenditure.

Private consumption showed a further increase in the second quarter of 1963, while current expenditure by public authorities rose appreciably after declining in the first quarter. Capital expenditure on construction and fixed equipment rose slightly higher than the previous peak attained in the fourth quarter of 1962, largely on account of a sharp rise in the expenditure of public corporations; the expansion schemes of these enterprises therefore appear to be getting under way. However, net investment in inventories showed little change compared with the previous quarter, while net exports of goods and services rose by a small margin.

## BALANCE OF PAYMENTS

### *Current Account*

Although imports continued to increase during the second quarter owing to the expansion in the economy, the balance of payments on current account still showed a surplus sufficient to permit a substantial repatriation of foreign capital as well as a rise in gold and foreign exchange reserves. The current account surplus increased by about R12 million to R37 million in the second quarter. (These figures have not been adjusted for seasonal influences.)

The healthy trend in the current surplus was mainly accounted for by an increase of R29 million in merchandise exports, although net gold output rose by R5 million. On the other hand, R5 million more was imported in the second quarter, while net payments for services and transfers increased by R17 million.

During the months July and August the excess of merchandise imports over exports rose appreciably, while a provisional estimate of the current account surplus indicated a slight relative decline compared with the preceding three months.

On 13th September the Minister of Economic Affairs announced that a further round of permits would be issued for the importation of consumer goods during 1963. An additional

issue of 15 per cent was granted for Category "A" goods, and 5 per cent for Category "B" goods, thus raising the total consumer goods issues for 1963 to 25 per cent more than for 1962. The former category refers to consumer goods which are not produced in substantial quantities from local sources, while the latter comprises goods which are, in general, freely available from South African sources of production.

### *Private Capital Movements*

The identified net outflow of private capital was recorded at R32 million during the second quarter of 1963, compared with R36 million during the first three months. If errors and omissions on all items in the balance of payments should be added to this item, on the supposition that they consisted largely of private capital movements, the above figures would be reduced to R21 million and R27 million, respectively.

The identified outflow of R32 million during the second quarter consisted of an outflow of R15 million of South African capital and R17 million of foreign capital. If the latter figure is compared with the net capital outflow of R19 million<sup>3</sup> in respect of securities listed on the Stock Exchange, it appears that foreigners invested an additional net amount of about R2 million in all forms of non-listed capital in the Republic during the second quarter.

### *Official and Banking Capital*

Although diverse changes occurred in both the foreign liabilities and assets of official and banking institutions, the capital inflows were just about offset by outflows, which included substantial repayments on long-term government loans. A net amount of R2.5 million was received in special blocked rand bonds, so that

<sup>3)</sup> This figure includes an adjustment for nominee and direct transactions, while the outflow attributable to South African investment in foreign securities listed in Johannesburg was negligible. The net unadjusted purchases by South African residents from foreigners of securities listed in South Africa, amounted to R17.4 million during the second quarter. The purchases and sales by South African residents, as reported by stockbrokers and unadjusted for nominee and direct transactions, were as follows for 1962 and 1963 (R million):

	Purchases	Sales	Net Purchases
<u>1962—</u>			
First quarter	7.5	6.2	1.3
Second quarter	13.6	9.8	3.8
Third quarter	20.2	11.0	9.2
Fourth quarter	30.8	9.0	21.8
<u>1963—</u>			
January	8.5	2.9	5.6
February	9.0	4.3	4.7
March	8.1	3.9	4.2
April	8.0	2.9	5.1
May	12.1	4.7	7.4
June	9.7	4.8	4.9
July	9.4	4.4	5.0
August (provisional)	9.1	3.5	5.6

the foreign funds thus invested amounted to R16.0 million at 30th June.

#### *Gold and Foreign Exchange Reserves*

The gold and foreign exchange reserves of the country increased by R16 million during the second quarter, contrary to the seasonal trend, and this amount was fully accounted for by the holdings of the Reserve Bank, while those of the commercial banks showed no net change.

A further rise of R36 million in the gold and foreign exchange reserves occurred during July and August, and this brought the total increase since the low point at the end of May 1961 to R384 million.

### MONETARY AND BANKING CONDITIONS

#### *Money and Near-Money*

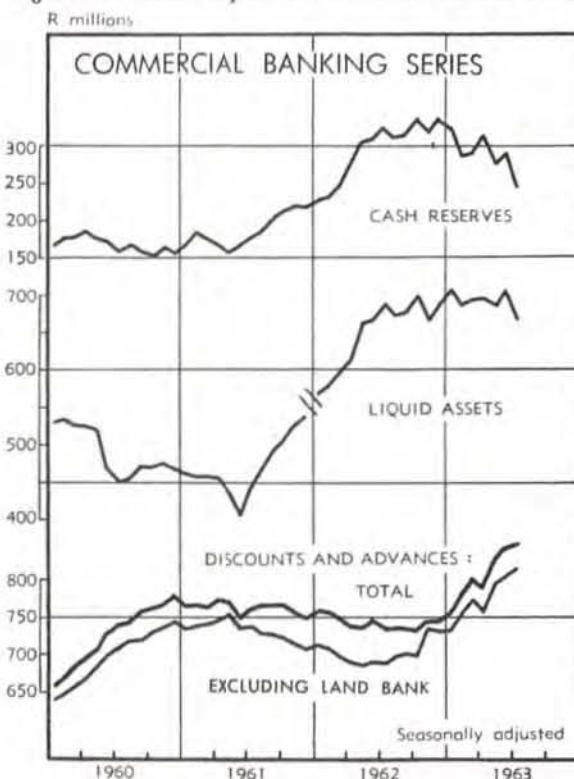
The liquidity of the private sector increased again in the second quarter, but more slowly than previously. The total of money and near-money<sup>4)</sup> held by this sector rose by R95 million during the second quarter and by a further R8 million during July to R2,266 million at the end of that month (after seasonal adjustment). The average level of money plus near-money increased by 2.8 per cent from the first to the second quarter, which was lower than that for the previous quarter but still above the rise of over 2 per cent in the gross national product. However, the discrepancy between the above two rates was considerably smaller than that between the corresponding quarterly averages for the current upswing as from July 1961.

The major reason for the rise in money and near-money of the private sector from the end of March to June was the cessation of the shift of bank deposits from the private to the government sector. Commercial bank credit, which occupied a prominent role as a cause of the increase in money and near-money from the third quarter of 1962, was again an important contributory factor during the second quarter of 1963. The accompanying graph shows the trend in the discounts, loans and advances of the commercial banks since 1960; the series which excludes the Land Bank has been rising since May 1962. The continued rise in the gold and foreign exchange reserves, which has already been described, again played a role in

the rise in money plus near-money during the second quarter, although its relative importance declined appreciably from the fourth quarter of 1962.

#### *Commercial Banks*

The upward trend in the discounts, loans and advances of the commercial banks, referred to above, was a major factor in the continued decline in the ratio of their total liquid assets to liabilities to the public. This ratio decreased from a peak of 53.3 per cent in October 1962 to 43.7 per cent in July 1963, while the ratio of cash reserves (including call money with the National Finance Corporation and the discount houses) declined from 26.6 to 15.8 per cent during the same period. The seasonally adjusted figures of total liquid assets and cash reserves



are shown on the accompanying graph, and it will be seen that the upward movement in both these magnitudes was arrested in the second half of 1962.

#### *Reserve Bank*

The changes in the liabilities and assets of the Reserve Bank as from the third quarter of 1962 are summarised in the subjoined table. The short-term assets have been regrouped to reflect the credit increase or decrease extended to the institutions or authority which actually approached the Reserve Bank for an advance or for the discounting of bills.

4) Near-money includes interest-bearing deposits with the banking sector, as well as Treasury bills, tax redemption certificates and short-term government stock held outside the government and banking sectors.

*Changes in Liabilities and Assets of the Reserve Bank (R millions)*

	1962			1963		
	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	July	Aug.
<b>Liabilities</b>						
1. Deposits of Central and Provincial Governments	25	26	47	-5	27	12
2. Deposits of Commercial Banks and National Finance Corporation	6	10	-4	2	1	-1
3. Notes in Circulation	14	14	-13	6	2	5
	45	50	30	3	30	16
<b>Assets</b>						
4. Securities (excluding bills)	-13	-4	31	-3	-1	1
5. Credit to Central and Provincial Governments	2	26	-30	1	8	-7
6. Credit to Commercial Banks, Discount Houses and National Finance Corporation	33	34	-22	-15	-2	1
7. Credit to Private Sector (including the Land Bank)	-1	-	2	1	7	-11
8. Net Gold and Foreign Exchange Reserves	30	-7	40	16	18	15
9. Miscellaneous Assets minus Liabilities	-6	1	9	3	-	17
	45	50	30	3	30	16

Taking the assets first, it will be seen that negligible changes occurred in the Reserve Bank's holdings of securities (excluding bills) after the considerable net acquisition of R31 million during the first quarter of 1963. There was thus little net intervention in the capital market from April to August, 1963.

The credit extended to central and provincial governments declined by R30 million during the first quarter, while deposits of the Government rose by R47 million. These movements, which were largely induced by the introduction of PAYE, were reversed to a small extent during the second quarter.

The credit extended to the commercial banks, the discount houses and the National Finance Corporation decreased by R22 million and R15 million during the first and second quarters, respectively, while their deposits with the Reserve Bank showed little net change. The reduction of the indebtedness of these institutions to the Reserve Bank thus indicated an "easing" in money market conditions. Although this is a factor which would normally operate to reduce money market rates, the Treasury bill rate rose during the first half of 1963, as can be seen in the accompanying graph. The position of the above institutions continued to "ease" during the first few days in April, but over the rest of the quarter their indebtedness to the Reserve Bank increased appreciably; furthermore, the discount houses switched a portion of their funds from Treasury bills to bankers' acceptances, and the reduction in their demand for the former also operated to raise the Treasury bill rate.

*National Finance Corporation and Discount Houses*

The total funds with the National Finance Corporation and the discount houses declined from a peak of R408 million at the end of October 1962 to R304 million in March 1963, and more than seasonally to R276 million in July.

*Other Institutions*

The building societies continued to receive an appreciable inflow of funds during the second quarter, viz. about R21 million, which increased their total deposits and share capital to R1,432 million at the end of June. Deposits with the merchant banks rose by R2 million during the second quarter, and by a further R13 million to about R59 million at the end of July.

On 11th May the majority of the building societies reduced the rate of interest paid on new issues of permanent paid-up shares by  $\frac{1}{2}$  per cent to 5 per cent, while a number of the bigger societies also reduced the rate on subscription shares by a similar amount.

**CAPITAL MARKET**

The available figures of yields on securities have shown a measure of stability since the turn of the year, although there have been divergent movements. Share prices have continued to rise, while increased activity has been registered in the real estate market.

The following is known about new issues during the five months from April to August, 1963:

- (1) The internal stock debt of the central government increased by R101 million, of which R57 million represented net borrowing during July and August.
- (2) New issues by public corporations amounted to R29 million during May.
- (3) Local authorities issued loan-stock to the amount of R5 million.
- (4) Private new issues during July and August were substantially in excess of those during the previous three months.

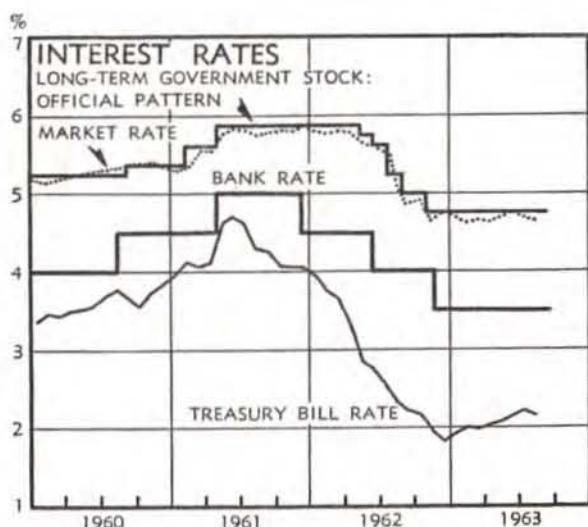
While a considerable rise in gold mining share prices as well as industrial and commercial share prices<sup>5</sup> occurred during the first quarter, the former actually declined slightly during the second quarter while the latter increased more slowly. The average yield on gold mining shares rose from a low point of 7.2 per cent in December 1962 to 8.1 per cent in July, and then declined in August, while the

<sup>5</sup>) The prices and yields of industrial and commercial share prices, and the yields on government stock have been calculated by the Bureau of Statistics, largely on the basis of the average of highest and lowest prices for the month.

yield on industrial and commercial shares showed a minimum of 4.8 per cent in February and then rose slightly.

Regarding the yield on government stock, the Reserve Bank's rate for maturities exceeding 11 years in its pattern of interest rates has remained fixed at a level of 4.75 per cent since 1st November 1962. The average market yield on maturities of 15 years and over, as compiled by the Bureau of Statistics, is charted on the accompanying graph together with the rate applied by the Reserve Bank, and it will be seen that the latter yield represented an approximate ceiling below which the calculated market rate moved within a narrow margin. The monthly market yield fluctuated between 4.64 and 4.75 per cent from November 1962 until August 1963.

In the real estate market the trend in the value of transactions was strongly upward until July, while the outstanding debt on mortgage advances of the building societies, insurance



companies, pension funds, commercial banks and the Land Bank rose by slightly more than R30 million during the second quarter, which was about the same as that for the first quarter.

*Selected Economic Indicators*  
(Seasonally adjusted, 1953=100)

	1961	1962	1963		
	2nd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	July
Exports	158	151	159	166	178
Imports	123	134	139	146	154
Gold and Foreign Exchange Reserves	73	192	185	208	223
Liquid Assets of the Private with the Banking Sector	139	172	175	179	180
Bank Debits	201	248	259	262	278
Building Plans Passed	94	111	120	137	147
Real Estate Transactions	86	107	114	135	171
Industrial and Commercial Share Prices	85	149	162	179	196
Railway Revenue	161	180	185	191	199
Retail Sales	115	124	124	127	133
Consumer Prices	119	122	122	122	122
Manufacturing Output (1956/7=100)	121	135	137	144	149
Manufacturing Employment	120	124	126	128	131
Unemployment	243	191	183	177	160

## KWARTAALLIKSE EKONOMIESE OORSIG

### OPSOMMING

Economiese toestande het oor die algemeen gunstig gebly gedurende die tweede kwartaal van 1963 en in Julie, terwyl 'n relatiewe hoë tempo van uitbreiding gehandhaaf is.

Die reële volksproduk het met meer as 2 persent in die tweede kwartaal toegeneem, na uitskakeling van die seisoensinvloed, en hierdie koers is aansienlik hoër as die kwartaallikse gemiddelde wat gedurende die hele ekonomiese oplewing vanaf ongeveer Julie 1961 tot Junie 1963 aangeteken is. Die neigings in die fisiese omvang van fabrieksproduksie, goudproduksie en ander indekse van produksie, handel, werkgeleenthed en pryse dui op 'n gesonde uitbreiding in die ekonomie tot minstens Julie 1963. Stygings het in al die belangrikste bestanddele van nasionale besteding voorgekom en die toename in die kapitaaluitgawes van openbare korporasies gedurende die tweede kwartaal wek die indruk dat die uitbreidingskemas van hierdie liggame op dreef kom.

Nieteenstaande die volgehoue toename in invoer gedurende die tweede kwartaal wat uit die ekonomiese oplewing voortvloeи, het die betalingsbalans op lopende rekening 'n oorskot getoon wat genoegsaam was om 'n aansienlike repatriasie van buitelandse kapitaal asook 'n styging in die goud- en buitelandse valutareserwes te laat plaasvind. Voorlopige ramings vir Julie en Augustus toon dat die gunstige oorskot op lopende rekening gehandhaaf is, maar teen 'n effens laer koers.

Die likwiditeit van die private sektor het weer in die tweede kwartaal toegeneem, maar stadiger as voorheen. Die belangrikste rede vir die verdere toename in die totaal aan geld en kwasi-geld tot die einde van Junie is die beendiging van die verskuiwing van bankdeposito's van die private na die regeringssektor, alhoewel bankkrediet en die styging in die goud- en buitelandse valutareserwes ook bydraende faktore was.

'n Ontleding van die laste en bates van die Reserwebank het 'n aansienlike styging in Regeringsdeposito's asook 'n vermindering van krediet aan die Regering gedurende die eerste kwartaal openbaar, grootliks as gevolg van die instelling van die lopende betaalstelsel, terwyl die teenoorgestelde in 'n klein mate gedurende die tweede kwartaal plaasgevind het. Die krediet wat aan die handelsbanke, diskonto-huise en die Nasionale Finansiekorporasie voorsien is, het gedurende die eerste kwartaal en tot vroeg in April afgeneem, wat 'n „verruiming" van geldmarktoestande aangedui het, maar gemelde instellings het weer hul skuld aan die Reserwebank tot aan die einde van Junie ver-

hoog. Die skatkiswisselkoers, wat deur hierdie sowel as ander omstandighede beïnvloed is, het dwarsdeur die eerste helfte van die jaar gestyg.

Die beskikbare syfers oor die opbrengs op effekte openbaar 'n mate van stabiliteit sedert die begin van die jaar, alhoewel daar uiteenlopende neigings was. Aandelepryse het nog steeds gestyg terwyl toenemende bedrywigheid in die vaste eiendomsmark voorgekom het.

### ALGEMENE BESIGHEIDSTOESTANDE

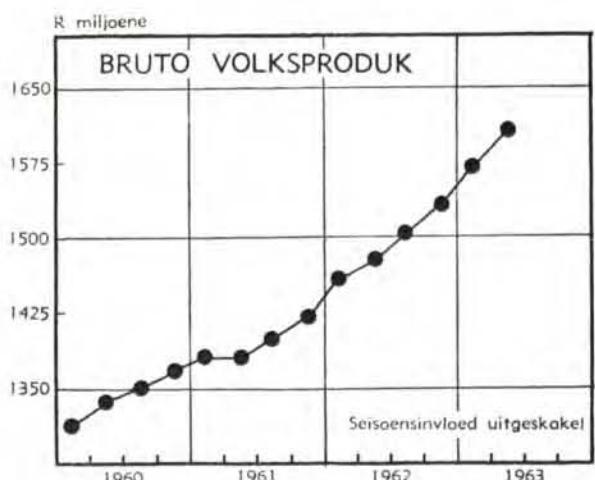
#### *Huidige fase van die oplewing*

Economiese toestande het oor die algemeen gunstig gebly gedurende die tweede kwartaal van 1963 asook gedurende Juliemaand. Die beskikbare ekonomies-statistiese reekse<sup>1</sup> toon dat die ekonomie 'n oplewing vir twee jaar sedert ongeveer Julie 1961 ondervind het en dat 'n relatiewe hoë tempo van uitbreiding gedurende die tweede kwartaal van 1963 gehandhaaf is. Hoewel die huidige oplewing die tweede langste is wat sedert die Tweede Wêreldoorlog aangeteken is,<sup>2</sup> kan daar op hierdie stadium, soos vollediger hieronder aangevoer sal word, feitlik geen aanduiding van enige groot verandering in die algemene uitbreiding bespeur word nie. Ondanks die relatiewe hoë vlak van ekonomiese bedrywigheid wat reeds bereik is, het die pryse betreklik bestendig gebly. Aan die ander kant dui die huidige lae peil van werklose Blankes, Kleurlinge en Asiate daarop dat 'n relatiewe tekort aan sekere soorte arbeid aan die ontwikkel mag wees. Beskikbare gegewens toon egter dat die gemiddelde verdienste van Blankes in private fabriekswese, konstruksies en mynwese tot Juliemaand nie buitengewoon gestyg het nie.

Die bruto volksproduk, wat die totale inkomste van die land teen markpryse meet (voordat voorsiening vir waardevermindering afgetrek is), verskaf 'n betroubare aanduiding van die neiging in totale ekonomiese bedrywigheid, en die styging in hierdie maatstaf sedert 1960 word in bygaande grafiek weergegee. Volgens heel voorlopige ramings het die reële bruto volksproduk (nadat die uitwerking van die styging in verbruikerspryse in ag geneem is) vir die tweede kwartaal met meer as 2 persent vergeleke met die eerste kwartaal toegeneem, en hierdie koers is ten minste gelyk aan dié

<sup>1)</sup> Tensy anders aangedui, is die seisoenskommelings van al die reekse wat in hierdie oorsig vermeld word, uitgeskakel.

<sup>2)</sup> Volgens die voorlopige resultate van 'n navorsingsprogram t.o.v. konjunktuurskommelings, is 'n ekonomiese oplewing van ongeveer 29 maande vanaf Maart 1953 tot Augustus 1955 ondervind. Die gedrag van die gevoelige maandelike ekonomiese aanwysers wat in hierdie oorsig bespreek word, is ook as deel van hierdie program bepaal. Daar word verwag dat die volledige resultate van die ondersoek vroeg in 1964 gepubliseer sal word.



vir die voorafgaande kwartaal, maar aansienlik hoër as die gemiddelde kwartaallikse koers van ongeveer 1.7 persent wat gedurende die oplewing as geheel vanaf Julie 1961 tot Junie 1963 aangeteken is.

#### Gevoelige maandelikse aanwysers

Die neigings in 14 gekose maandelikse tydreeks kan in meegaande grafiek waargeneem word en die betrokke syfers verskyn aan die einde van hierdie oorsig. Hierdie reekse is gekies omdat hulle korttermynverloop in die verlede goed ooreengestem het met veranderings in algemene besigheidstoestande, en dus kan hulle as aanwysers van die algemene ekonomiese toestand gebruik word.

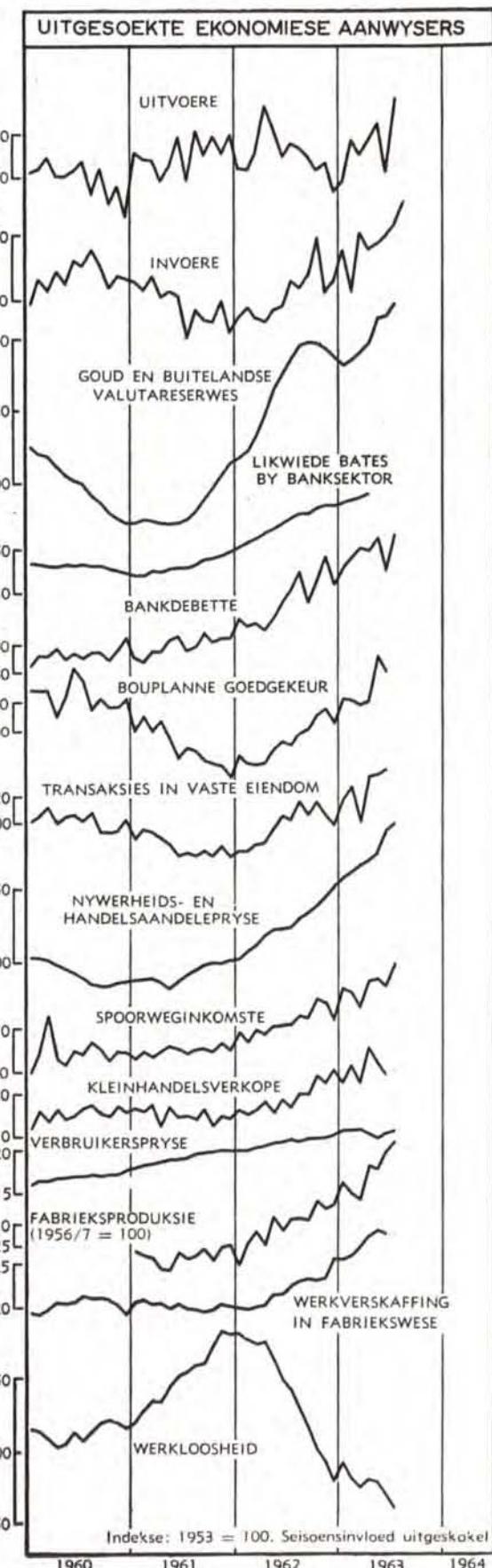
Gedurende die tweede kwartaal en tot Julie 1963 weerspieël die verloop van hierdie aanwysers 'n gesonde uitbreiding in die ekonomie. Werkloosheid het 'n voortgesette afname getoon, terwyl reeds melding gemaak is van die bestendigheid van verbruikerspryse.

### PRODUKSIE EN BESTEDING

#### Produksieneigings

Die styging in die bruto volksprouk, wat ook bekou kan word as 'n aanwyser van die totale produksie van goedere en dienste van die volk, is alreeds beskryf.

Op die gebied van fabriekswese is 'n toename van nie minder nie as 4.9 persent in die tweede kwartaal (vergleke met die vorige kwartaal) deur die fisiese volume van nywerheidsproduksie aangeteken, wat die hoogste koers vir enige kwartaal gedurende die huidige oplewing verteenwoordig, terwyl 'n verdere aansienlike toename in Julie voorgekom het. Die produksie van yster en ysterlegerings het tydelik gedaal vanaf Februarie tot April weens herstelwerk aan 'n hooogond, maar het weer sterk gestyg tot in Julie. Die indeks van werksverskaffing in konstruksie het 'n nuwe hoogtepunt in Julie bereik, na 'n tydelike afname in Januarie



en Februarie 1963, en bouplanne goedgekeur het opwaarts beweeg tot in Julie.

Goudproduksie het weer eens in die tweede kwartaal toegeneem en het 'n nuwe hoogtepunt in Julie bereik, nienteenstaande 'n afname in werkverskaffing in die goudmyne. Koper deur die myne verkoop het 'n stygende tendens tot in Julie getoon, terwyl steenkoolverkope naastenby 'n horisontale neiging tot in Junie gehandhaaf het, maar toe gedurende Julie sterk gestyg het gelykydig met 'n aansienlike toename in elektrisiteit opgewek.

#### *Bestedingsneigings*

Die uitbreiding in die volkshuishouding is ook in die belangrikste bestanddele van volksbesteding weerspieël.

Private verbruiksbesteding het 'n verdere toename in die tweede kwartaal van 1963 getoon, terwyl lopende uitgawes van openbare owerhede aansienlik vermeerder het na 'n afname in die eerste kwartaal. Kapitaaluitgawe op konstruksie en vaste toerusting het effens hoër gestyg as die vorige spits wat in die vierde kwartaal van 1962 bereik is, hoofsaaklik weens 'n skerp toename in die besteding deur openbare korporasies; die uitbreidingskemas van hierdie liggeme kom dus blykbaar nou op dreef. Netto belegging in voorrade het egter min verandering vergeleke met die voorafgaande kwartaal getoon, terwyl die netto uitvoer van goedere en dienste effens toegeneem het.

#### BETALINGSBALANS

##### *Lopende rekening*

Alhoewel invoere gedurende die tweede kwartaal verder gestyg het as gevolg van die oplewing in die ekonomie, het die lopende rekening van die betalingsbalans nog steeds 'n genoegsame oorskot getoon om 'n aansienlike repatriasie van buitelandse kapitaal asook 'n styging in goud- en buitelandse valutareserves te laat plaasvind. Die oorskot op die lopende rekening het met R12 miljoen tot R37 miljoen in die tweede kwartaal toegeneem. (Hierdie syfers is nie vir seisoensinvloede aangesuiwer nie.)

Die gesonde neiging in die lopende oorskot is hoofsaaklik toe te skryf aan 'n toename van R29 miljoen in goedere-uitvoer, alhoewel netto goudproduksie ook met R5 miljoen gestyg het. Aan die ander kant is daar R5 miljoen meer aan goedere in die tweede kwartaal ingevoer terwyl netto betalings vir dienste en oordragte met R17 miljoen vermeerder het.

Gedurende die maande Julie en Augustus het die oorskot van invoer oor uitvoer aansienlik toegeneem, terwyl 'n voorlopige raming van die

oorskot op lopende rekening 'n geringe relatiewe afname vergeleke met die voorafgaande drie maande toon.

Op 13 September het die Minister van Ekonomiese Sake aangekondig dat 'n verdere toesegging van permitte vir die invoer van verbruiksgoedere gedurende 1963 uitgereik sal word. 'n Bykomstige uitreiking van 15 persent is toegestaan vir groep „A“ goedere en 5 persent vir groep „B“ goedere om sodoende die totale uitreiking vir verbruiksgoedere t.o.v. 1963 tot 25 persent bokant dié vir 1962 op te skuif. Eersgenoemde groep het betrekking op goedere wat nie in groot hoeveelhede uit binnelandse bronnes geproduceer word nie, terwyl laasgenoemde goedere dek wat oor die algemeen vrylik uit Suid-Afrikaanse produksiebronnes beskikbaar is.

##### *Private kapitaalbewegings*

Die geïdentifiseerde netto uitvloei van private kapitaal het gedurende die tweede kwartaal van 1963 R32 miljoen bedra, vergeleke met R36 miljoen gedurende die eerste drie maande. Indien weglatings en foute op alle poste in die betalingsbalans by hierdie pos getel word op die veronderstelling dat dit hoofsaaklik uit private kapitaalbewegings bestaan, sou bestaande syfers tot R21 miljoen en R27 miljoen onderskeidelik verminder word.

Die geïdentifiseerde uitvloei van R32 miljoen gedurende die tweede kwartaal het bestaan uit R15 miljoen aan Suid-Afrikaanse kapitaal en R17 miljoen aan buitelandse kapitaal. Indien laasgenoemde syfer vergelyk word met die netto kapitaaluitvloei van R19 miljoen<sup>3</sup> ten opsigte van effekte wat op die effektebeurs genoteer is, blyk dit dat buitelanders 'n bykomstige netto bedrag van ongeveer R2 miljoen in alle vorms van nie-genoteerde kapitaal gedurende die tweede kwartaal in die Republiek belê het.

3) Hierdie syfer sluit 'n aansuiwing in vir genomineerde en regstreekse transaksies, terwyl die uitvloei weens Suid-Afrikaanse beleggings in buitelandse effekte wat in Johannesburg genoteer word, nietig was. Die netto onaangesuiwerde aankope deur Suid-Afrikaanse inwoners vanaf buitelanders van effekte wat in Suid-Afrika genoteer word, het R17,4 miljoen gedurende die tweede kwartaal belooef. Die aankope en verkope deur Suid-Afrikaanse inwoners, soos verstrekkende deur aandeelmaakelaars en voor aansuiwing vir transaksies wat regstreeks en deur genomineerde aangegaan is, was soos volg (R miljoene):

	Aankope	Verkope	Netto aankope
1962—			
Eerste kwartaal	— —	7.5	6.2
Tweede kwartaal	— —	13.6	9.8
Derde kwartaal	— —	20.2	11.0
Vierde kwartaal	— —	30.8	9.0
1963—			
Januarie	— — — —	8.5	2.9
Februarie	— — — —	9.0	4.3
Maart	— — — —	8.1	3.9
April	— — — —	8.0	2.9
Mei	— — — —	12.1	4.7
Junie	— — — —	9.7	4.8
Julie	— — — —	9.4	4.4
Augustus (voorlopig)		9.1	3.5
			5.6

### Offisiële en bankkapitaal

Alhoewel verskillende veranderings in beide die buitelandse laste en bates van offisiële en bankinstellings voorgekom het, was die kapitaaltoevloei ongeveer gelyk aan die uitvloei, wat aansienlike terugbetalings op langtermynlenings van die Regering insluit. 'n Netto bedrag van R2.5 miljoen is ontvang vir spesiale geblokkeerde rand-effekte, sodat totale buitelandse fondse wat hierin belê is, op 30 Junie R16.0 miljoen bedra het.

### Goud- en buitelandse valutareserwes

Die goud- en buitelandse valutareserwes van die land het gedurende die tweede kwartaal met R16 miljoen toegeneem, teen die verloop van die seisoensbeweging, en hierdie toename is geheel verantwoord deur die goud- en valutabesit van die Reserwebank, terwyl dié van die handelsbanke geen netto verandering getoon het nie.

Gedurende Julie en Augustus het 'n verdere stijging van R36 miljoen in die goud- en valutareserwes voorgekom, en dit het die totale stijging sedert die laagtepunt aan die einde van Mei 1961 op R384 miljoen te staan gebring.

## MONETÈRE EN BANKTOESTANDE

### Geld en kwasi-geld

Die likwiditeit van die private sektor het weer gedurende die tweede kwartaal toegeneem, maar stadiger as voorheen. Die totaal aan geld en kwasi-geld<sup>4)</sup> wat deur hierdie sektor gehou word, het met R95 miljoen gedurende die tweede kwartaal gestyg en met 'n verdere R8 miljoen gedurende Julie tot R2,266 miljoen aan die einde van daardie maand (na aansuiwing vir seisoenskommelings). Die gemiddelde peil van geld plus kwasi-geld het met 2.8 persent van die eerste tot die tweede kwartaal gestyg, wat laer was as dié vir die vorige kwartaal maar nogtans hoër as die toename van meer as 2 persent in die bruto volksproduk. Die verskil tussen bogemelde twee koerse is aansienlik kleiner as dié tussen die ooreenkomsstige kwartaalgemiddeldes vir die huidige opswaai vanaf Julie 1961.

Die hoofrede vir die stijging in geld en kwasi-geld van die private sektor vanaf die einde van Maart tot Junie was die beëindiging van die verskuiwing van bankdeposito's van die private na die regeringssektor. Handelsbankkrediet, wat vanaf die derde kwartaal van 1962 'n belangrike rol as 'n oorsaak van die toename in geld en kwasi-geld gespeel het, was weer eens 'n

belangrike bydraende faktor gedurende die tweede kwartaal van 1963. Meegaande grafiek toon die tendens in die diskonteringe, lenings en voorskotte van die handelsbanke vanaf 1960; die reeks wat die Landbank uitsluit, styg sedert Mei 1962. Die volgehoue stijging in die gouden buitelandse valutareserwes, wat alreeds beskryf is, het weer eens 'n rol in die toename van geld en kwasi-geld gedurende die tweede kwartaal.



taal gespeel, alhoewel sy relatiewe belangrikheid aansienlik vanaf die vierde kwartaal van 1962 afgeneem het.

### Handelsbanke

Die opwaartse tendens in die diskonteringe, lenings en voorskotte van die handelsbanke, waarna hierbo verwys is, was die hooffaktor in die volgehoue afname in die verhouding van hul likwiede bates tot hul verpligtings teenoor die publiek. Hierdie verhouding het van 'n hoogtepunt van 53.3 persent in Oktober 1962 tot 43.7 persent in Julie 1963 afgeneem, terwyl die verhouding van kontantreserwes (met inbegrip van daggaal by die Nasionale Finansiekorporasie en die diskontohuise) van 26.6 tot 15.8 persent gedurende dieselfde tydperk gedaal het. Die seisoensaangesuiwerde syfers van totale likwiede bates en kontantreserwes word in meegaande grafiek getoon, en dit sal opgemerk word dat die

4) Kwasi-geld sluit in rente-draende deposito's by die banksektor, asook skatklaissels, belastingdeigingsertifikate en korttermynstaatseffekte wat buite die bank- en regeringsektore gehou word.

opwaartse beweging in beide hierdie reekse gedurende die tweede helfte van 1962 ten einde geloop het.

### Reserwebank

Die veranderings in die laste en bates van die Reserwebank vanaf die derde kwartaal van 1962 word in onderstaande tabel saamgevat. Die korttermynbates is hergroep om die toe- of afname te weerspieël in die krediet wat verleen is aan dié instellings of owerheid wat die Reserwebank in werklikheid genader het vir 'n voorskot of vir die verdiskontering van wissels.

*Veranderings in laste en bates van die Reserwebank (R miljoene)*

	1962			1963		
	3de kw.	4de kw.	1ste kw.	2de kw.	Julie	Aug.
<b>Laste</b>						
1. Deposito's van sentrale en provinsiale regerings —	25	26	47	-5	27	12
2. Deposito's van handelsbanke en die Nasionale Finansiekorporasie —	6	10	-4	2	1	-1
3. Banknote in omloop —	14	14	-13	6	2	5
	45	50	30	3	30	16
<b>Bates</b>						
4. Effekte (uitgesonderd wissels) —	-13	-4	31	-3	-1	1
5. Krediet aan sentrale en provinsiale regerings —	2	26	-30	1	8	-7
6. Krediet aan handelsbanke, diskontohuise en die Nasionale Finansiekorporasie —	33	34	-22	-15	-2	1
7. Krediet aan private sektor (met insluiting van die Landbank) —	-1	—	2	1	7	-11
8. Netto goud- en buitenlandse valutareserves —	30	-7	40	16	18	15
9. Diverse bates min laste	-6	1	9	3	—	17
	45	50	30	3	30	16

Betreffende bates, sal opgemerk word dat nietige veranderings plaasgevind het in die Reserwebank se besit aan effekte (uitgesonderd wissels) na die aanmerklike netto toename van R31 miljoen gedurende die eerste kwartaal van 1963. Daar was derhalwe weinig netto inmenging in die kapitaalmark vanaf April tot Augustus 1963.

Gedurende die eerste kwartaal het krediet verleen aan die sentrale en provinsiale regerings met R30 miljoen gedaal, terwyl deposito's van die Regering met R47 miljoen gestyg het. Hierdie bewegings, wat grootliks deur die instelling van die lopende betaalstelsel teweeggebring is, het in 'n klein mate na die teenoorgestelde rigtings gedurende die tweede kwartaal omgeswaaai.

Die krediet wat aan die handelsbanke, die diskontohuise en die Nasionale Finansiekorporasie verleen is, het met R22 miljoen en R15 miljoen gedurende die eerste en tweede kwartale onderskeidelik gedaal, terwyl hul deposito's by

die Reserwebank weinig netto verandering getoon het. Die vermindering in die skuld van hierdie instellings aan die Reserwebank het derhalwe 'n "verruiming" van geldmarktoestande aangedui. Alhoewel dit 'n faktor is wat normaalweg sal meewerk tot 'n daling in geldmarkkoerse, het die skatkiswisselkoers gedurende die eerste helfte van 1963 gestyg, soos op mee-gaande grafiek gesien kan word. Die toestand van gemelde instellings het ook nog gedurende die eerste paar dae van April 'n "verruiming" getoon, maar gedurende die res van die kwartaal het hulle skuld aan die Reserwebank aannerlik toegeneem; bowendien het die diskontohuise 'n gedeelte van hulle middele van skatkiswissels na bankaksepte verskuif, en die vermindering in hul vraag na eersgenoemde het ook bygedra tot die verhoging in die skatkiswisselkoers.

### Nasionale Finansiekorporasie en diskontohuise

Die totale fondse van die Nasionale Finansiekorporasie en die diskontohuise het vanaf 'n hoogtepunt van R408 miljoen aan die einde van Oktober 1962 tot R304 miljoen in Maart 1963 gedaal, en daarna meer as seisoengewyse tot R276 miljoen in Julie.

### Ander instellings

Die bouverenigings het gedurende die tweede kwartaal 'n verdere aanmerklike toevloei van fondse ontvang, nl. ongeveer R21 miljoen, wat hulle totale deposito's en aandelekapitaal op R1,432 miljoen aan die einde van Junie te staan bring het. Deposito's by aksepbanke het met R2 miljoen gedurende die tweede kwartaal gestyg, en met 'n verdere R13 miljoen tot ongeveer R59 miljoen aan die einde van Julie.

Op 11 Mei het die meeste bouverenigings hul rentekoerse op nuwe uitgifte van permanente opbetaalde aandele met  $\frac{1}{2}$  persent tot 5 persent verlaag, terwyl 'n aantal van die grootste bouverenigings hul koers op subskripsie-aandele met 'n soortgelyke bedrag verlaag het.

### KAPITAALMARK

Die beskikbare syfers van opbrengskoerse op effekte het sedert die begin van die jaar 'n mate van bestendigheid getoon, hoewel uiteenlopende bewegings voorgekom het. Aandelepryse het aangehou om te styg, terwyl groter bedrywigheid in die eiendomsmark voorgekom het.

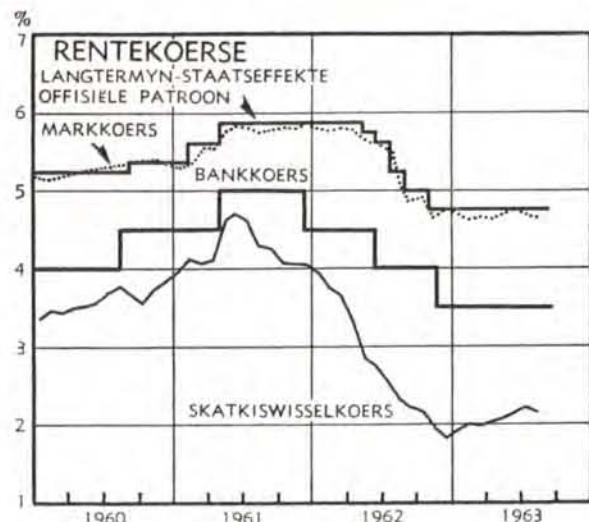
Die volgende gegewens in verband met nuwe uitgifte gedurende die 5 maande vanaf April tot Augustus 1963, is bekend:

- (1) Die binnelandse effekteskuld van die sentrale regering het met R101 miljoen toegenem, waarvan R57 miljoen nettolenings, wat gedurende Julie en Augustus aangegaan is, verteenwoordig.

- (2) Nuwe uitgifte deur openbare korporasies het gedurende Mei R29 miljoen beloop.
- (3) Plaaslike owerhede het leningseffekte tot 'n bedrag van R5 miljoen uitgereik.
- (4) Private nuwe uitgifte was gedurende Julie en Augustus aansienlik hoër as in die voorafgaande drie maande.

Hoewel 'n aanmerklike styging in goudmyn-aandelepryse asook in nywerheids- en handelsaandelepryse gedurende die eerste kwartaal voorgekom het, het eersgenoemde gedurende die tweede kwartaal in werklikheid effens afgeneem, terwyl laasgenoemde stadiger toegeneem het. Die gemiddelde opbrengs op goudmynaandele het vanaf 'n laagtepunt van 7.2 persent in Desember 1962 tot 8.1 persent in Julie gestyg en daarna in Augustus afgeneem, terwyl die opbrengs op nywerheids- en handelsaandele 'n minimum van 4.8 persent in Februarie getoon het en daarna effens gestyg het.

Betreffende die opbrengs op staatseffekte, het die Reserwebank se koers vir effekte met looptye van meer as 11 jaar in sy patroon van rentekoerse op 'n vaste peil van 4.75 persent sedert 1 November 1962 bly staan. Die gemiddelde markopbrengs op looptye van 15 jaar en langer, wat deur die Buro vir Statistiek bereken is, word op meegaande grafiek aangetoon tesame met die koers wat deur die Reserwebank toegepas word. Daar sal opgemerk word dat laasgenoemde opbrengskoers by benadering 'n plafon verteenwoordig het waaronder die berekende markkoers binne noue grense beweeg het. Die maandelikse markopbrengskoers het vanaf No-



vember 1962 tot Augustus 1963 tussen 4.64 en 4.75 persent geskommel.

In die vaste eiendomsmark was die neiging in die waarde van transaksies tot Julie sterk opwaarts, terwyl die uitstaande skuld op verbandvoorskotte deur bouverenigings, versekeringsmaatskappye, pensioenfondse, handelsbanke en die Landbank met effens meer as R30 miljoen gedurende die tweede kwartaal gestyg het, wat ongeveer dieselfde is as dié vir die eerste kwartaal.

- 5) Die prys van en opbrengskoerse op nywerheids- en handelsaandele en die opbrengskoerse op staatseffekte is deur die Buro vir Statistiek bereken hoofsaaklik op grond van die gemiddelde van hoogste en laagste prys gedurende die maand.

*Uitgesoekte ekonomiese aanwysers  
(Seisoensinvloed uitgeskakel, 1953=100)*

	1961	1962	1963			
	2de kw.	4de kw.	1ste kw.	2de kw.	Julie	Aug.
Uitvoer	158	151	159	166	178	179
Invoer	123	134	139	146	154	165
Goud- en buitelandse valutareservewes	73	192	185	208	223	237
Likwiede bates van die private sektor by die banksektor	139	172	175	179	180	182
Bankdebiteringe	201	248	259	262	278	285
Bouplanne goedgekeur	94	111	120	137	147	...
Transaksies in vaste eiendom	86	107	114	135	171	...
Nywerheids- en handelsaandelepryse	85	149	162	179	196	198
Spoorweginkomste	161	180	185	191	199	...
Kleinhandelsverkope	115	124	124	127	133	...
Verbruikerspryse	119	122	122	122	122	123
Fabrieksproduksie (1956/7=100)	121	135	137	144	149	...
Werkverskaffing in fabrikswese	120	124	126	128	131	...
Werkloosheid	243	191	183	177	160	...