

South African Reserve Bank
Suid-Afrikaanse Reserwebank

Quarterly Bulletin Kwartaalblad



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Contents

	Page
Quarterly economic review	5
A review of the unit trust movement in South Africa	16

Statistical tables

Money and banking

	Page "S"
South African Reserve Bank: Liabilities and assets	2-3
National Finance Corporation of South Africa:	
Liabilities and assets	4-5
Discount houses: Liabilities and assets	6-7
Commercial banks: Selected liabilities and assets	8
Commercial banks: Ratios of selected assets to total liabilities to the public	9
Commercial banks: Discounts and advances	10
Commercial banks: Advances according to types of borrowers	11
Commercial banks: Liabilities and assets	12-15
Merchant banks: Liabilities and assets	16-17
Hire-purchase, savings and general banks:	
Liabilities and assets	18-19
Hire-purchase, savings and general banks:	
Selected liabilities and assets	20
Hire-purchase, savings and general banks: Ratios of selected assets to liabilities to the public	20
Land Bank: Liabilities and assets	21
Monetary banking sector: Liabilities and assets	22-25
Money and near-money	26-27
Liquid assets of the private sector with the government sector	28
Interest rates	29

Capital market

Permanent building societies: Selected items	30
Permanent building societies:	
Holdings of liquid assets and prescribed investments	31
Permanent building societies: Liabilities and assets	32-33
Permanent building societies:	
Classification of depositors, shareholders and borrowers	34
Post Office Savings Bank and National Savings Certificates	35
Long-term insurers: Assets	36
Net issues of marketable securities	37
Share prices, share yields and stock exchange turnover	38

Government finance

Exchequer account	39
Balances on Exchequer and Paymaster-General accounts	40
Total government debt	41
Ownership distribution of domestic marketable stock debt of central government	42-43
Ownership distribution of marketable Treasury bills	44
Ownership distribution of non-marketable central government debt	45
Marketable central government stock debt by unexpired maturity	46
Redemption schedule of domestic marketable stock debt	47

Inhoudsopgawe

	Bladsy
Kwartaallikse ekonomiese oorsig	25
'n Oorsig van die effektrustbeweging in Suid-Afrika	36

Statistiese tabelle

Geld- en bankwese

	Bladsy "S"
Suid-Afrikaanse Reserwebank: Laste en bates	2-3
Nasionale Finansiële korporasie van Suid-Afrika: Laste en bates	4-5
Diskontohuise: Laste en bates	6-7
Handelsbanke: Uitgesoekte laste en bates	8
Handelsbanke: Verhouding van uitgesoekte bates tot totale verpligtings teenoor die publiek	9
Handelsbanke: Diskonteringe en voorskotte	10
Handelsbanke: Voorskotte volgens soorte leners	11
Handelsbanke: Laste en bates	12-15
Aksepbanke: Laste en bates	16-17
Huurkoop-, spaar- en algemene banke: Laste en bates	18-19
Huurkoop-, spaar- en algemene banke:	
Uitgesoekte laste en bates	20
Huurkoop-, spaar- en algemene banke: Verhoudings van uitgesoekte bates tot totale verpligtings teenoor die publiek	20
Landbank: Laste en bates	21
Monetêre banksektor: Laste en bates	22-25
Geld en kwasi-geld	26-27
Likwiede bates van die private sektor by die regeringsektor	28
Rentekoerse	29

Kapitaalmark

Permanente bouverenigings: Uitgesoekte poste	30
Permanente bouverenigings:	
Besit aan likwiede bates en voorgeskrewe beleggings	31
Permanente bouverenigings: Laste en bates	32-33
Permanente bouverenigings:	
Verdeling van deposante, aandeelhouders en leners	34
Posspaarbank en Nasionale Spaarsertifikate	35
Langtermynversekeraars: Bates	36
Netto uitgifte van bemerkbare effekte	37
Aandelepryse, opbrengskoerse op aandele en effektebeursomset	38

Staatsfinansies

Skatkisrekening	39
Saldo's op skatkis- en betaalmeestergeneraalrekening	40
Totale staatskuld	41
Binnelandse bemerkbare effekteskuld van sentrale regering volgens besitter	42-43
Bemarkbare skatkiswissels volgens besitter	44
Nie-bemarkbare staatskuld van die sentrale regering volgens besitter	45
Bemarkbare effekteskuld van die sentrale regering volgens onverstreke looptyd	46
Aflossingstabel van binnelandse bemerkbare effekteskuld	47

International economic relations

Page "S"

Balance of payments: Annual figures	48
Balance of payments: Quarterly figures	49
Seasonally adjusted balance of payments on current account	50
Foreign trade	51
Balance of payments items: Services and transfers	52
Balance of payments items: Private capital movements	53
Balance of payments items: Capital movements of central government and banking sector	54
Gold and foreign exchange reserves	55
Foreign liabilities of South Africa	56–57
Foreign assets of South Africa	58–59
Foreign exchange rates and gold price	60

National accounts

Gross domestic product	61
Expenditure on gross domestic product	62
Distribution of national income	63
Gross domestic product by kind of economic activity	63
Composition of private consumption expenditure	64
Gross and net domestic investment	64
Gross domestic fixed investment by type of organisation	65
Change in inventories by type of organisation	66
Gross domestic investment by type of asset	67
Financing of gross domestic investment	67
Personal income and expenditure	68
Current revenue and expenditure of general government	68

General economic indicators

Indices of the physical volume of production	69
Labour statistics	70
Price indices	71
Sundry economic indices	72

General notes

Owing to the rounding of figures, the sum of the separate items will sometimes differ from the total shown.

... denotes not available

— denotes value equal to nil or less than half the digit shown

* denotes preliminary figures

Internasionale ekonomiese verhoudinge Bladsy „S“

Betalingsbalans: Jaarsyfers	48
Betalingsbalans: Kwartalsyfers	49
Betalingsbalans in lopende rekening ná uitskakeling van seisoensinvloed	50
Buitelandse handel	51
Betalingsbalansposte: Dienste en oordragte	52
Betalingsbalansposte: Private kapitaalbewegings	53
Betalingsbalansposte: Kapitaalbewegings van sentrale regering en banksektor	54
Goud- en buitelandse valuta-reserwes	55
Buitelandse laste van Suid-Afrika	56–57
Buitelandse bates van Suid-Afrika	58–59
Wisselkoerse en goudprys	60

Nasionale rekeninge

Bruto binnelandse produk	61
Besteding aan bruto binnelandse produk	62
Verdeling van nasionale inkomme	63
Bruto binnelandse produk volgens tipe ekonomiese aktiwiteit	63
Samestelling van private verbruiksbesteding	64
Bruto en netto binnelandse investering	64
Bruto binnelandse vaste investering volgens tipe organisasie	65
Verandering in voorrade volgens tipe organisasie	66
Bruto binnelandse investering volgens tipe bate	67
Finansiering van bruto binnelandse investering	67
Persoonlike inkomme en uitgawe	68
Lopende inkomste en uitgawe van algemene owerheid	68

Algemene ekonomiese aanwysers

Indekse van die fisiese volume van produksie	69
Arbeidstatistiek	70
Prysindekse	71
Diverse ekonomiese indekse	72

Algemene opmerkings

Weens die afronding van syfers sal die som van die onderskeie poste soms verskil van die totaal wat aangetoon word.

... dui aan nie beskikbaar nie

— dui aan 'n waarde gelyk aan nul of minder as die helfte van die eenheid aangetoon

* dui voorlopige syfers aan

Quarterly economic review

Main developments

During the first four months of 1967 the pressure exerted by aggregate demand upon labour, capital and other scarce resources in the South African economy remained excessive. Inflation persisted and, as during the fourth quarter of 1966, the current account of the balance of payments again showed a substantial deficit. Since there was only a small net inflow of foreign capital during this period, the total gold and foreign exchange reserves accordingly declined sharply.

At the same time, there were indications that the upswing in total spending which had started from about the second quarter of 1966, was losing momentum. Gross domestic expenditure still increased further during the first quarter of 1967, but this was largely due to increases in private consumption and fixed capital outlays by public corporations; fixed investment by public authorities and inventory investment showed little change, while current expenditure by general government and private fixed investment actually declined.

The behaviour of various monthly economic indicators also suggested that the total monetary demand for goods and services, while still excessive, was rising at a slower rate. Of particular interest is the fact that, despite the further relaxation of import control in December, 1966, and the official policy of building up stocks of strategic imported commodities, total imports tended to level off after rising sharply to a record peak in January, 1967.

These encouraging developments would appear to have been closely related to a marked tightening of the monetary and financial situation brought about largely by the restrictive monetary and fiscal policy and the other disinflationary measures applied by the authorities in 1966, including the relaxation of import control. Particularly significant was the fact that the government sector was able to reduce its net indebtedness to the monetary banking sector by a very substantial amount during the first quarter of 1967, even though this was to a large extent a seasonal change. In conjunction with a decline in the net inflow of foreign capital and the policy of allowing freer imports, this development helped to reduce the quantity of money and near-money in the hands of the private sector and therefore also the scope for inter-company lending ("grey market transactions"). At the same time, it had the effect of lowering the liquid assets of the commercial and other monetary banks, upon which their

ability to create money and near-money is normally based, i.e. when there is no direct limitation upon their credit to the private sector as at present.

In addition, the amount of call money held by banks and others with discount houses and the National Finance Corporation declined sharply, so that these institutions were at times forced to rediscount heavily with the Reserve Bank. This, naturally, gave the Bank firmer control over the money market.

Finally, the Treasury bill tender rate and other related short-term interest rates, including the cost of inter-company finance and acceptance credit, moved upwards into better alignment with Bank Rate, which tended to reduce the incentive for inter-company lending and borrowing and, in general, to make the overall credit policy of the monetary authorities more effective.

The decline in total money and near-money and in the general availability of credit during the first quarter of 1967 would have been much greater, and the general monetary and fiscal policy of the authorities even more effective, if bank credit extended directly to the private sector had not increased very sharply during the same period. This upward movement, which continued during April, brought the credit extended by monetary banks to the private sector, excluding the Land Bank, to well above the "ceiling" set for this type of finance by the Reserve Bank for September, 1967. Even allowing for the fact that certain types of bank discounts and advances, such as credit to certain public corporations and to finance special imports deemed to be in the national interest, have been exempted from this directive and will almost certainly rise during the coming months, the banks' total discounts and advances to the private sector, excluding the Land Bank, may therefore be expected to start declining before long. The monetary authorities, realising that a substantial reduction in the availability of credit and in the ratio of private sector liquidity to gross domestic product is essential for the success of their broad strategy against inflation, have recently reaffirmed their determination to adhere to their restrictive bank credit policy.

Although the official measures against inflation have therefore not yet succeeded in achieving their ultimate objective, there is some evidence that they are increasingly taking effect and slowly not only tightening monetary and financial conditions but also restraining the excessive expenditure on both locally produced and imported capital and consumer goods and services.

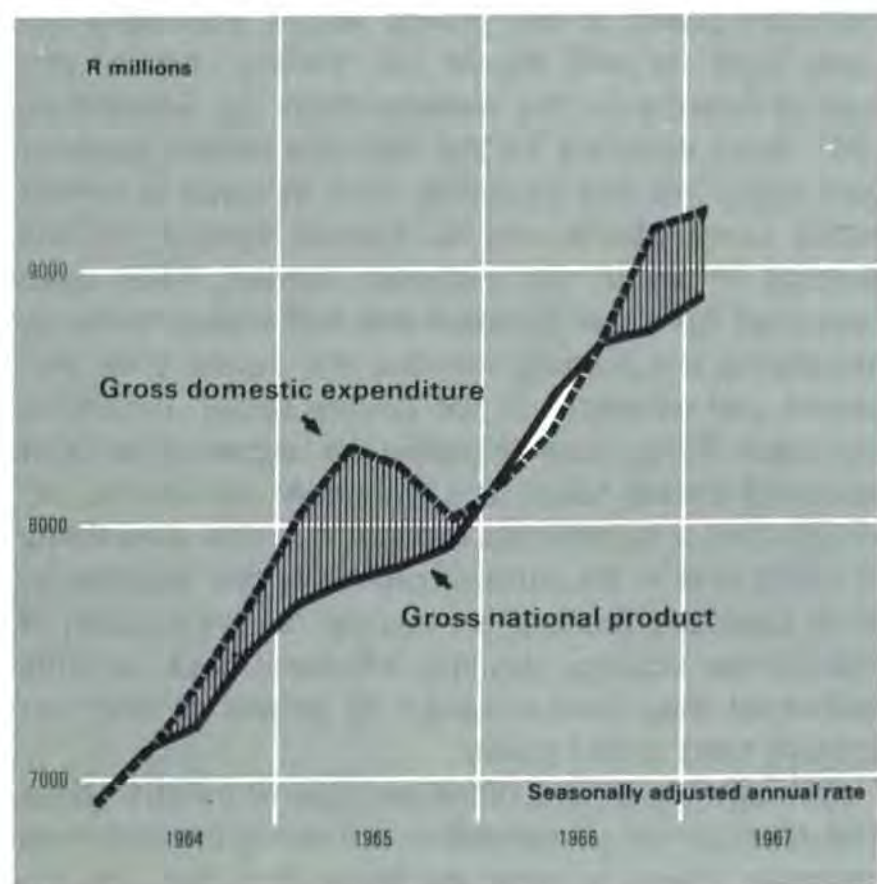
National accounts¹

Gross domestic product

According to preliminary indications, gross domestic product at current prices increased at a considerably slower rate during the fourth quarter of 1966 and the first quarter of 1967 than during the first three quarters of 1966. Although this was partly attributable to a decline in the value added by agriculture, which will probably turn out to have been only temporary, the same tendency was shown by gross domestic product excluding agriculture, only to a lesser extent. In real terms, i.e. valued at constant prices, gross domestic product would appear to have shown little increase during the six months ended March, 1967.

Gross domestic expenditure

Gross domestic expenditure, which had accelerated sharply during the course of 1966, increased further during the first quarter of 1967, although also at a slower rate. Nevertheless, as during the previous quarter, it again exceeded gross national product by a substantial amount, so that the balance of payments on current account continued to show a large deficit. Exports of goods and services, which had increased rapidly during the third quarter of 1966 but had then declined during the fourth quarter, resumed an upward movement during the first quarter of 1967. But imports of goods and services increased by a roughly similar amount.



¹ The analysis in this section of the Review is largely based on the Reserve Bank's quarterly estimates of the national accounts, *after adjustment for seasonal tendencies*. Since these figures are not yet judged reliable enough for publication, the analysis of quarterly developments is confined to pointing out broad tendencies.

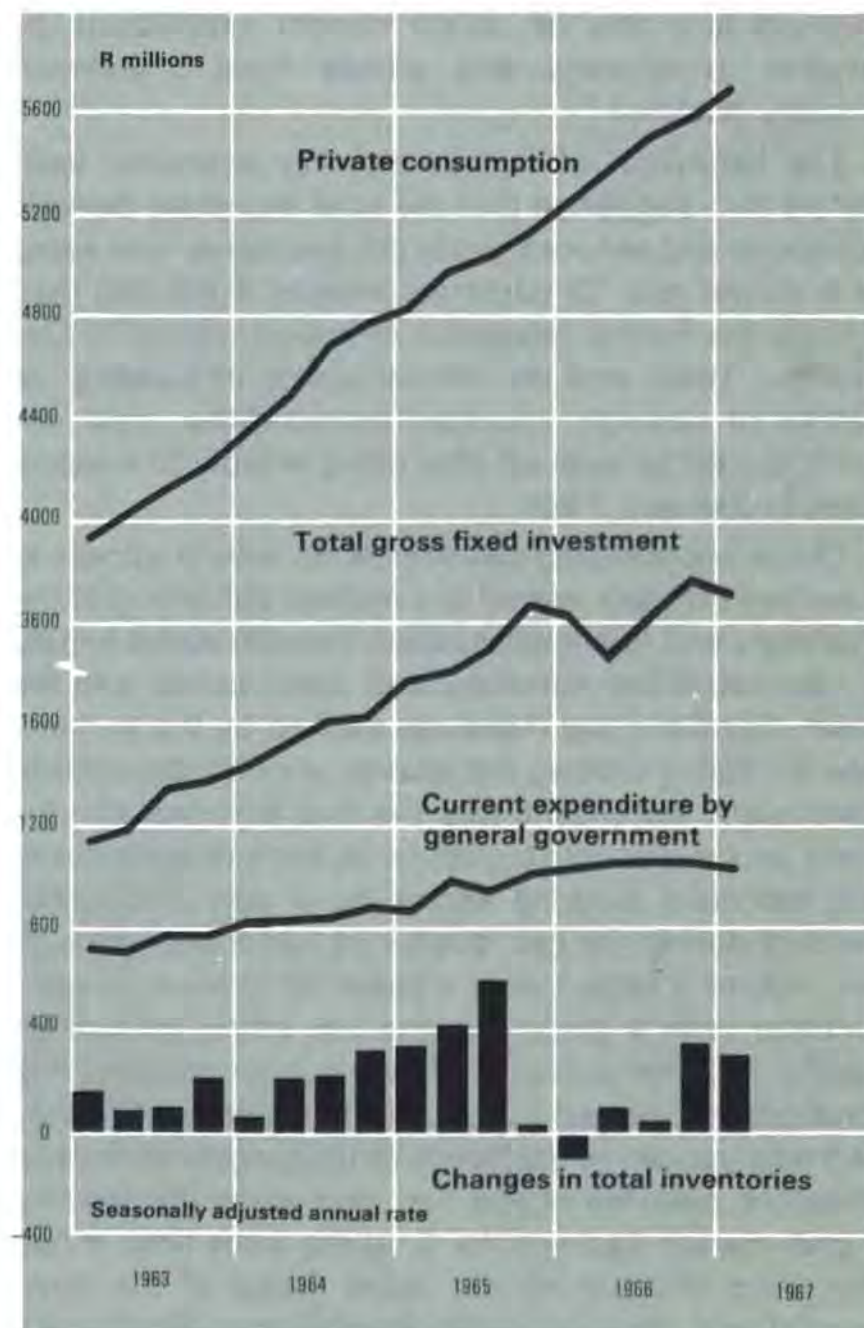
Private consumption and current government expenditure

This further increase in gross domestic expenditure was largely attributable to a continuation of the upward movement in private consumption, particularly in the case of expenditure on non-durable consumer goods. Although motor car sales continued to rise strongly, total expenditure on durable consumer goods showed little further increase.

Current expenditure by general government showed a slight decline for the second consecutive quarter to reach a level which was only about 1 per cent higher than the level attained in the first quarter of 1966.

Fixed capital outlays

Total gross domestic fixed investment, which had increased sharply during the two preceding quarters, declined slightly during the first quarter of 1967. Fixed capital outlays by public authorities showed little change and, in the case of public corporations, still continued to rise. But *private* fixed investment declined noticeably, reflecting decreases in spending on fixed assets in agriculture, manufacturing, residential buildings and commerce.



This decline in fixed capital outlays by private business enterprises, which may be attributed, in part at least, to the higher interest rates and the disinflationary monetary and fiscal policy in general, would appear to be a significant development, as a decline in this important component of gross domestic expenditure is often the forerunner of a more general slowing-down in spending, including consumer outlays. In any event, it is now clear that private fixed investment, although still at a very high level, has levelled off over the last five quarters taken as a whole.

Inventory investment

Inventory investment, i.e. the net addition to total inventories, which had increased during the course of 1966 to a high level in the fourth quarter, showed little further change in the first quarter of 1967. In other words, the total stock of goods in the country continued to rise at a very rapid rate. This would appear to have been attributable partly to the official policy of building up stocks of strategic commodities and partly to optimistic, perhaps over-optimistic, expectations on the part of private commercial and industrial enterprises with regard to future sales.

Gross domestic saving

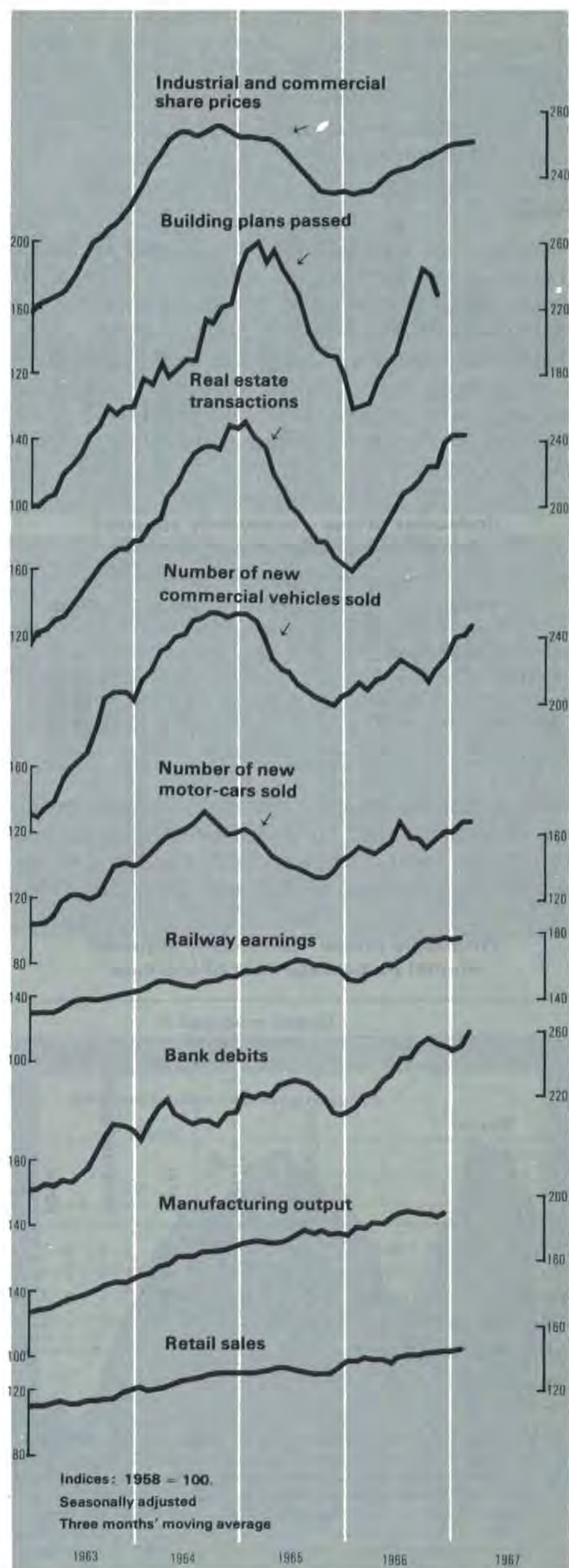
According to very preliminary figures, gross domestic saving increased substantially during the first quarter of 1967, compared with a significant decline during the fourth quarter of 1966.

General impression

The general impression afforded by the national accounts for the first quarter of 1967 is that, while the total monetary demand for goods and services remained excessive in the sense that it continued to exert undue pressure upon both internal resources and the balance of payments, economic forces were at work which pointed to a gradual reduction in the degree of overspending.

General economic indicators

Although sales of new motor cars and commercial vehicles and the prices of commercial and industrial shares continued to show an upward tendency during the first four months of 1967, most of the other available monthly indicators of economic activity tended to level off either towards the end of 1966 or during the early months of 1967. As the accompanying graph shows, this was true of such diverse indices as those for manufacturing output, bank debits, building plans passed, real estate transactions, value of retail sales and railway earnings. From these developments, too, it would appear that the new cyclical upswing which had begun from roughly the second quarter of 1966 and had threatened to aggravate the existing inflation, lasted less than a year before losing considerable momentum.



On the other hand, there has as yet been no evidence of any marked *downturn* in these indicators, such as occurred during the course of 1965. On the contrary, the facts show clearly that virtually all forms of economic activity remained at a very high level throughout the period under review.

Prices

The seasonally adjusted index of consumer prices increased during the first four months of 1967 at an *annual* rate of 3·8 per cent¹, compared with 3·7 per cent between December, 1965, and December, 1966. This further upward movement was largely attributable to an increase in food prices. Indeed, if food prices are left out of account, the index increased by less than 0·1 per cent per month during February, March and April, 1967.

**Consumer prices – seasonally adjusted
Annual percentage rate of increase**

Period	Food	Other	Total
Dec. 1963–Dec. 1964	9·3	2·0	4·0
Dec. 1964–Dec. 1965	2·0	3·7	3·2
Dec. 1965–Dec. 1966	4·2	3·5	3·7
Dec. 1966–April, 1967	7·1	2·8	3·8

The seasonally adjusted index of wholesale prices also increased further, but at a noticeably slower rate than during 1966. Compared with a rise of 4·4 per cent between December, 1965, and December, 1966,

**Wholesale prices – seasonally adjusted
Annual percentage rate of increase**

Period	Goods produced in South Africa			Imported goods	Total
	Agriculture, etc.	Manufacturing	Total		
Dec. 1963–Dec. 1964	11·7	2·8	4·1	2·6	3·7
Dec. 1964–Dec. 1965	2·8	2·6	2·8	1·4	2·4
Dec. 1965–Dec. 1966	7·1	4·2	4·9	3·1	4·4
Dec. 1966–April, 1967	0·7	2·4	2·9	2·6	2·9

¹ In analysing changes in the indices of consumer and wholesale prices over the short run it should be kept in mind that these indices tend to fluctuate considerably from month to month, so that a larger or smaller increase in any one or two months, or even in any quarter, does not necessarily mean that inflationary pressure is increasing or decreasing. Too much importance should therefore not be attached to the movements of these indices in the short term; the true price tendencies can only be determined over a longer period.

it increased at an annual rate of only 2·9 per cent between December, 1966, and April, 1967. The main reason for this slowing down was a decline in the wholesale prices of agricultural, forestry and fishing products, although the rate of increase in prices of manufactured products was also lower.

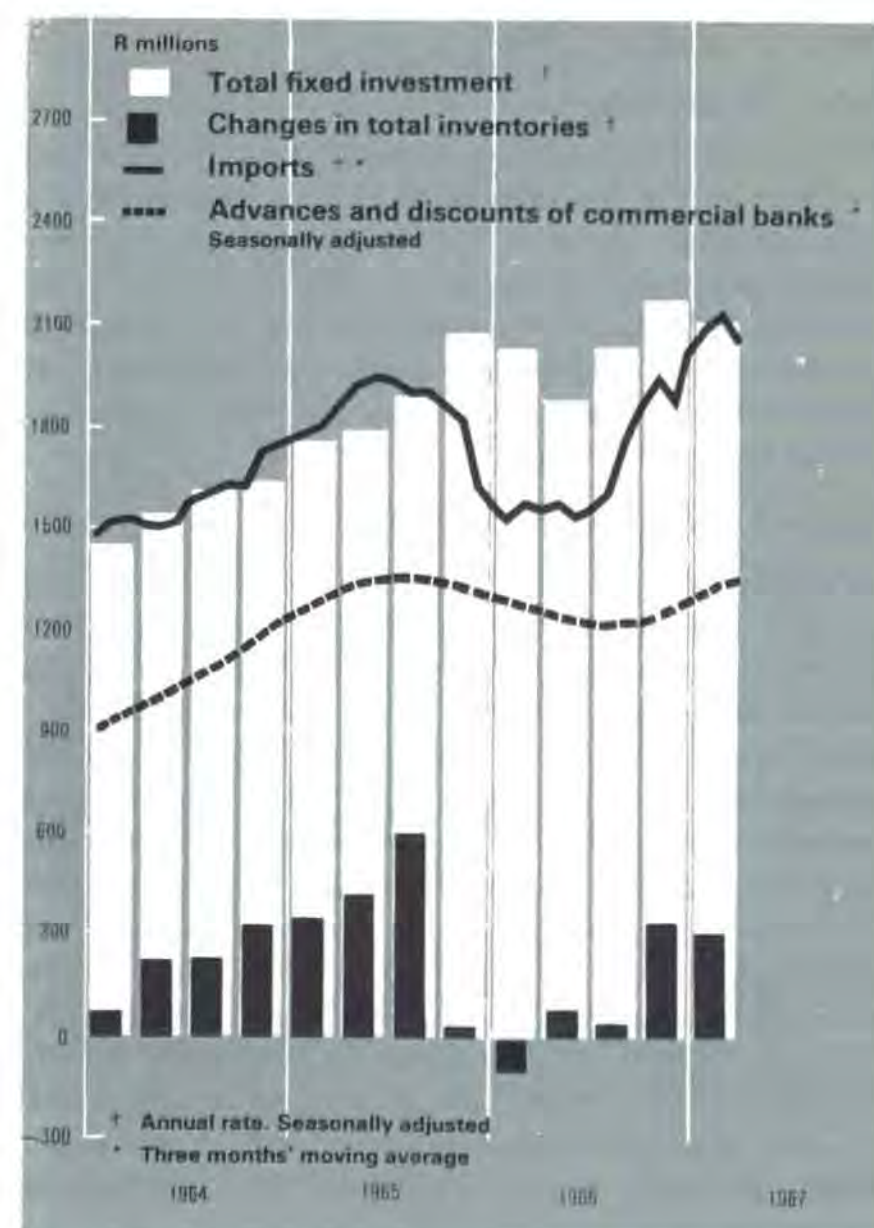
Balance of payments

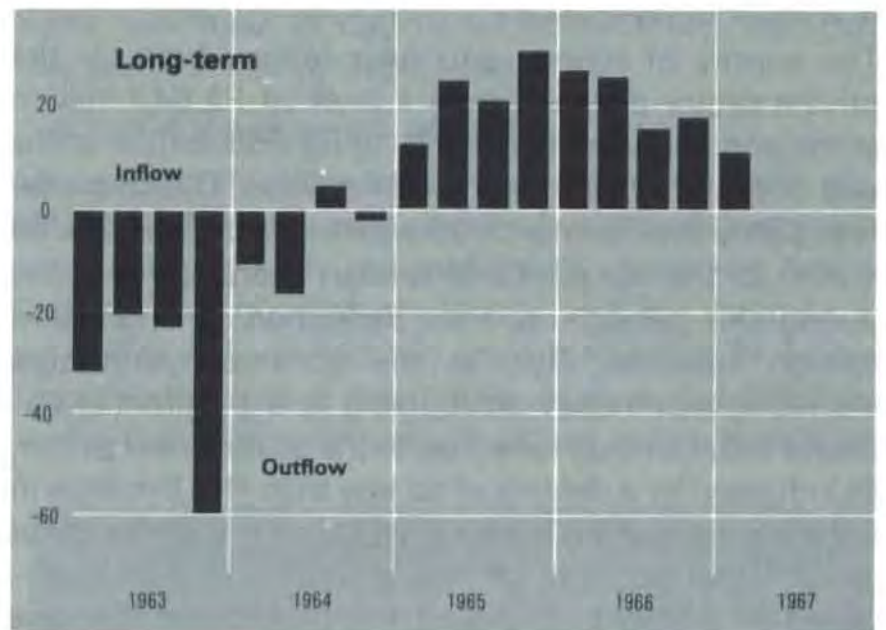
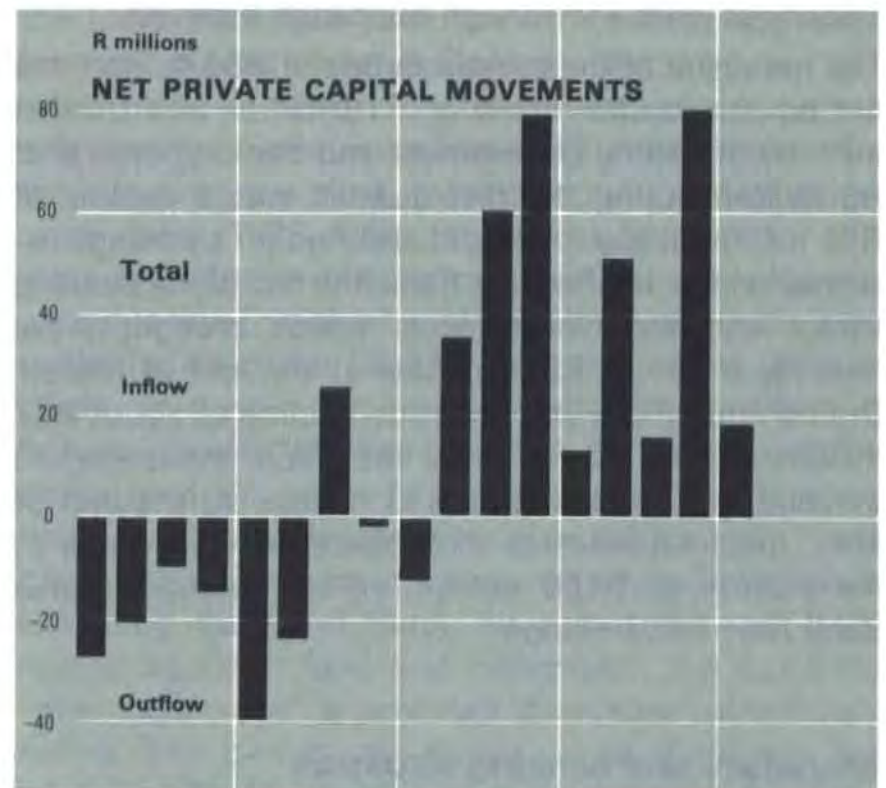
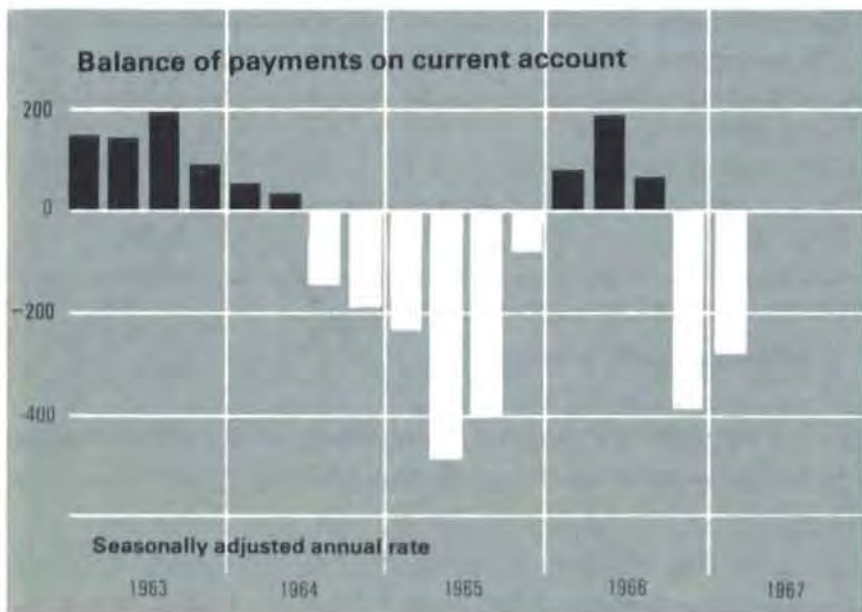
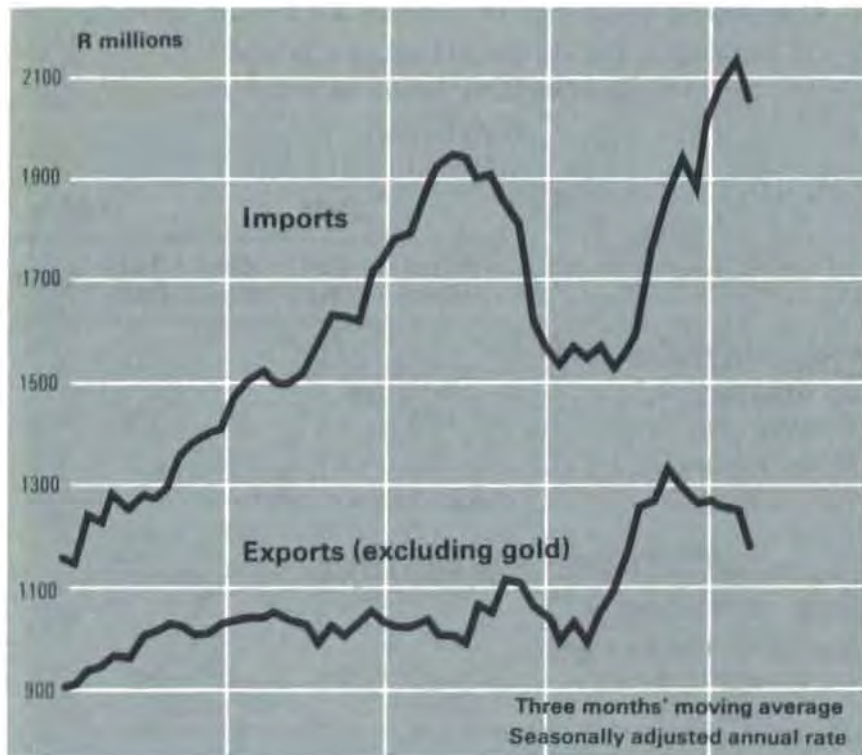
Levelling-off tendency in imports

After rising very sharply during the second half of 1966 and, as usual, accurately reflecting the upswing in fixed capital outlays and inventory investment, imports reached a record peak of R2,304 million (seasonally adjusted annual rate) in January, 1967, and then, during subsequent months, tended to level off at a slightly lower figure. The fact that this levelling-off occurred despite the further relaxation of import control in December, 1966, and the official policy of stock-piling certain strategic commodities, serves as another indication that the cyclical upswing tended to weaken during the first four months of 1967.

Deficit in current account

Imports were nevertheless substantially higher during the first quarter of 1967 than during the fourth quarter of 1966, so that, despite an increase in exports and a



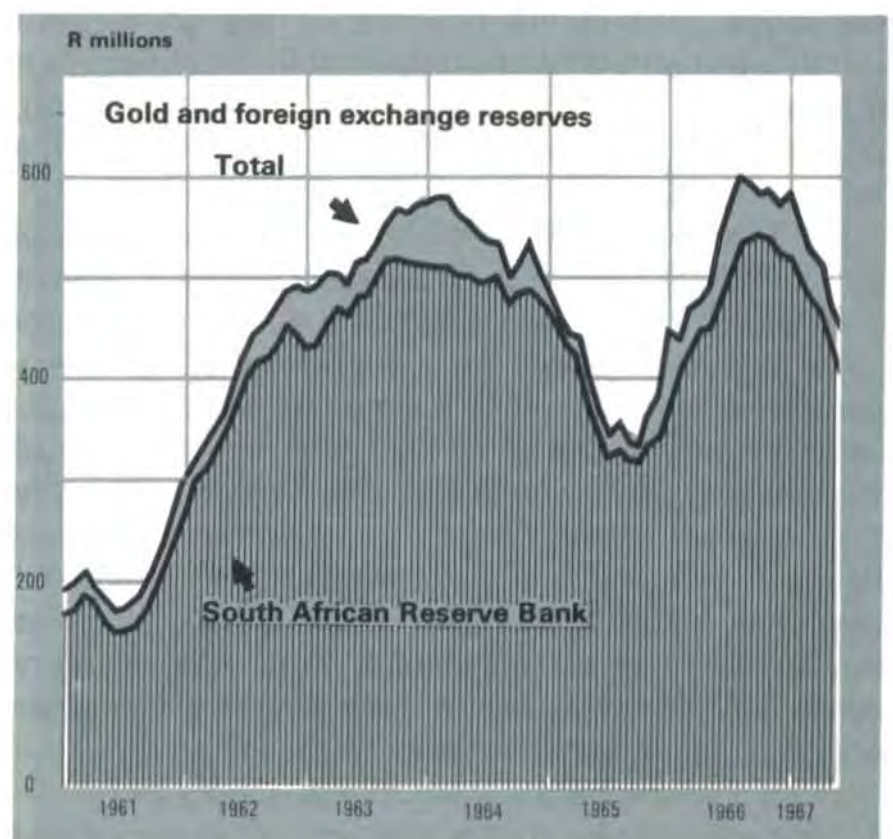


reduction in net invisible payments to the rest of the world, the current account of the balance of payments again showed a large deficit, namely of R85 million compared with R77 million during the fourth quarter of 1966. After adjustment for seasonal variations and taken at an annual rate, the first quarter deficit amounted to R272 million, compared with R388 million during the fourth quarter of 1966.

Smaller net inflow of capital

As during the preceding seven quarters, there was again a net inflow of private capital during the first quarter of 1967, although it only amounted to R18 million, compared with R51 million, R16 million and R80 million during the second, third and fourth quarters of 1966, respectively. Of this inflow of R18 million, R11 million was identified as long-term capital.

Central government and banking capital, on the other hand, showed a further net outflow of R8 million during the first quarter of 1967, largely owing to repayments of foreign loans by the Reserve Bank and the Government.



Decline in gold and foreign exchange reserves

The net result of the current deficit of R85 million, the net private capital inflow of R18 million and the net outflow of central government and banking capital of R8 million during the first quarter, was a decline of R75 million in the total gold and foreign exchange reserves held by the Reserve Bank, the rest of the banking sector and the Government, which brought these reserves down to R514 million at the end of March. During April there was a further decline of about R37 million and in May another reduction amounting to between R20 million and R30 million. At the end of May, the total reserves must therefore have been in the vicinity of R450 million, of which the Reserve Bank held R407 million.

Monetary and banking situation

Money and near-money

The supply of money and near-money held by the private sector declined from a peak of R2,643 million at the end of December, 1966, to R2,559 million at the end of March, 1967, i.e. by R84 million. This decrease was partly the internal counterpart of a decline of R68 million in the *net* gold and foreign exchange reserves during this period, i.e. after deduction of short-term foreign liabilities. But, as the accompanying table shows, it was mainly attributable to a substantial decrease in bank credit extended to the government sector, as indicated by a decline of no less than R118 million in the *net* claims of the banking sector on the government sector; the deposits of the government sector declined by R40 million during this period, but this was more than offset by a decrease of R158 million in the banking sectors' holding of Treasury bills, government stock and other claims on the government sector. This favourable turn in the finances of the government sector was partly a normal seasonal improvement, but it was partly also the result of the increased taxation, the higher interest rates on government stock and the other official measures applied in 1966.

Unfortunately, the desirable contractionary effects on internal liquidity of the balance of payments deficit and the decline in bank credit to the government sector were partly neutralised by a considerable further expansion of bank credit to the private sector, as indicated by an increase of R112 million in the claims of the banking sector on the private sector during the first quarter. With both the government sector's financing operations and the deficit in the balance of payments draining money and near-money from the private sector at a time of high fixed and inventory investment and high imports, the private sector's demand for bank credit naturally increased sharply. But the fact that the banks were able to satisfy this additional demand to such a large extent, greatly facilitated

Causes of changes in money and near-money

(Changes in the consolidated assets and liabilities of the monetary banking sector)

R millions

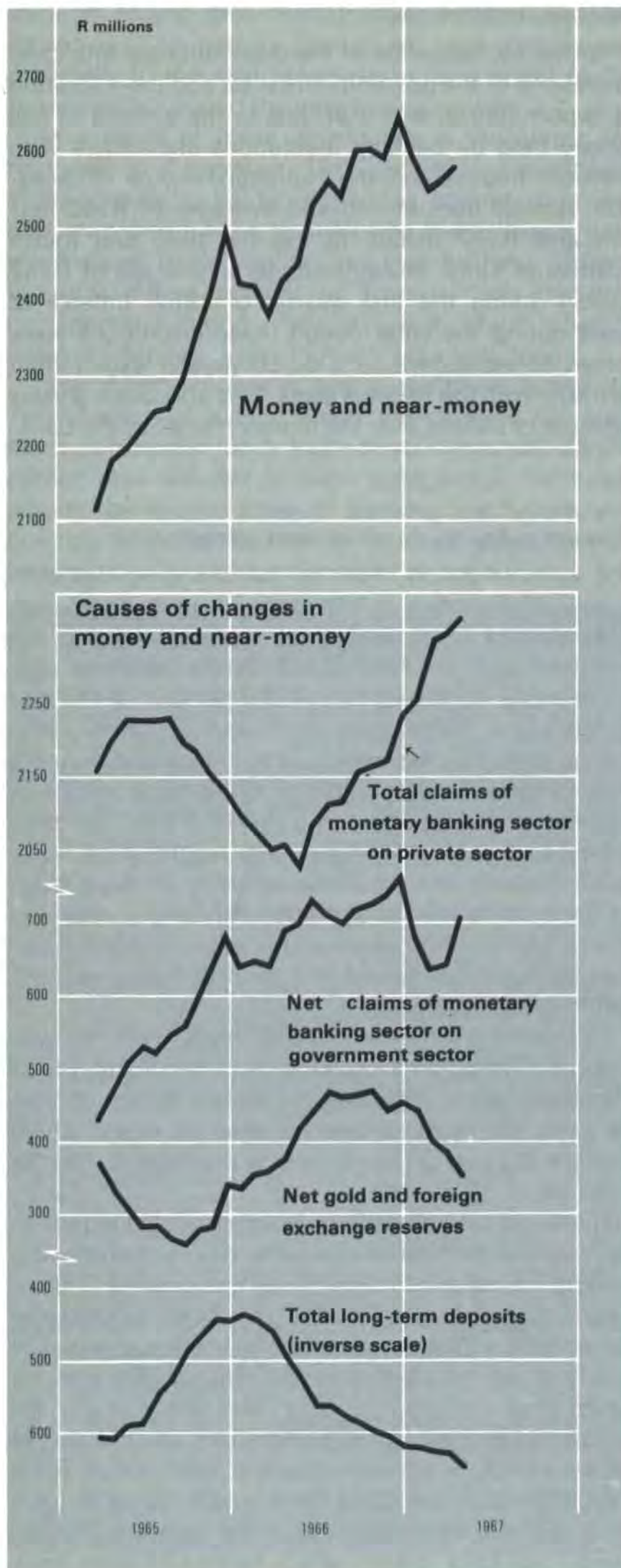
	1966			1967	
	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	April
Changes in money and near-money:					
Money	126	6	42	-75	-2
Near-money	24	67	6	-9	19
Total	150	73	48	-84	17
Causes of changes:					
Net gold and foreign exchange reserves	87	16	-9	-68	-37
Claims on government sector	115	83	30	-158	6
Government deposits*	-24	-100	10	40	61
Net claims on government sector	91	-16	40	-118	67
Claims on private sector	38	69	78	112	23
Long-term deposits*	-102	-23	-32	-12	-17
Other assets and liabilities	37	28	-29	2	-19
Total	150	73	48	-84	17

*Increase -, decrease +.

the continued excessive spending and accordingly reduced the effectiveness of the official disinflationary policy.

Despite the decline in total money and near-money between December, 1966, and March, 1967, the private sector still remained in a relatively liquid state during this period, as indicated by the fact that the ratio of money and near-money to gross domestic product amounted to 28.2 per cent during the first quarter of 1967, which is a relatively high figure when compared with the 1955-64 average of roughly 26 per cent. Nevertheless, even after taking into account seasonal factors, a comparison of this percentage with the peak figure of 29.5 per cent attained in the fourth quarter of 1965 does suggest that the attempts by the authorities to halt the increase in private sector liquidity and bring about a progressive tightening of the general monetary situation have met with some degree of success.

During April the quantity of money and near-money increased modestly by R17 million, largely owing to a partly seasonal increase of R67 million in the net claims of the banking sector on the government sector and a further increase of R23 million in the banking sector's claims on the private sector, which more than offset a further decline of R37 million in the net gold and foreign exchange reserves and an increase of R17 million in long-term deposits (which are not considered to be near-money).



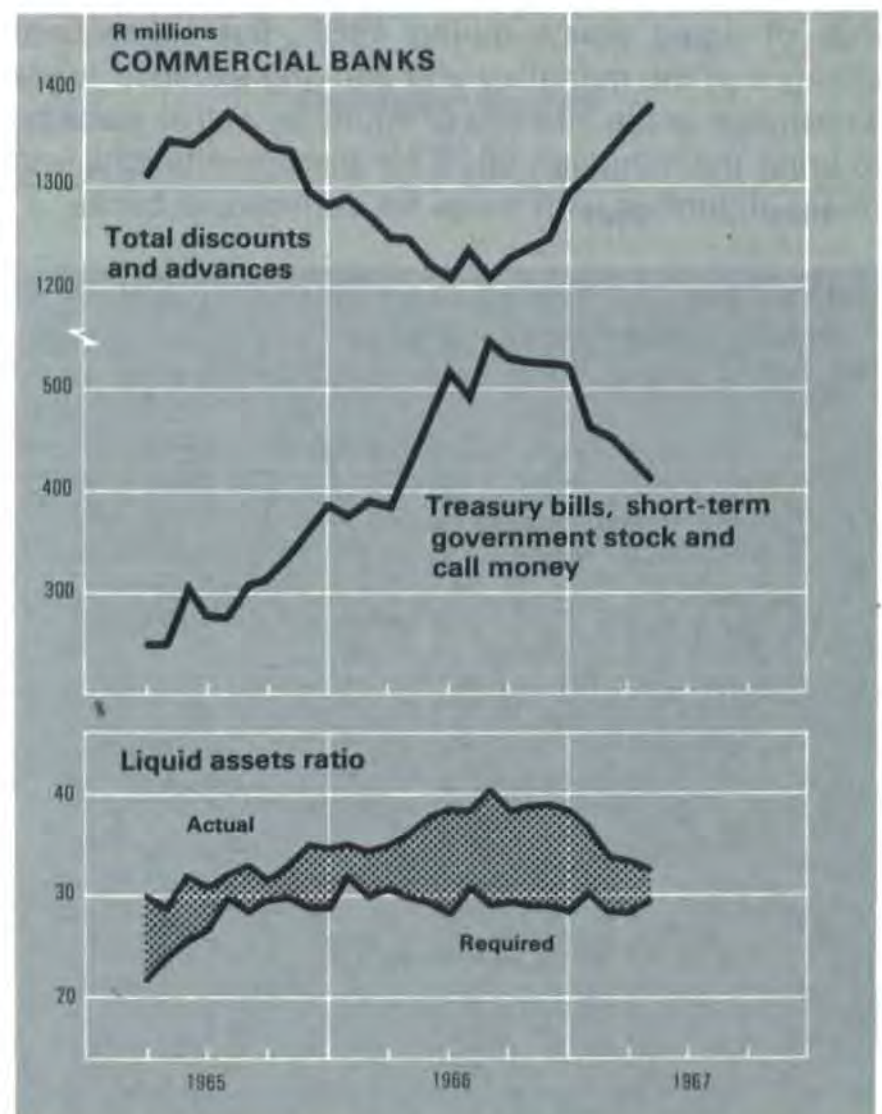
Bank credit

By the end of April the discounts and advances extended by the commercial banks and their subsidiary banking institutions to the private sector, excluding

the Land Bank had risen to R141 million above the limit set by the Reserve Bank for September, 1967, while those of other monetary hire-purchase, general and savings banks were some R3 million below the limit. In total, therefore, these discounts and advances were about R138 million above the September "ceiling". Included in this figure, however, were various amounts totalling at least R15 million which have been exempted from the Reserve Bank's directive, such as credit to certain public corporations and credit to finance special imports deemed to be of strategic importance. In order to comply with the directive, these banks will therefore have to reduce their "ordinary" discounts and advances to the private sector, excluding the Land Bank, by a maximum of R123 million between April and September. But since the "exempted credit" is expected to increase substantially during this period, the banks' *total* discounts and advances to the private sector, excluding the Land Bank, will have to decline by considerably less than this amount before September.

Decline in liquid assets of banks

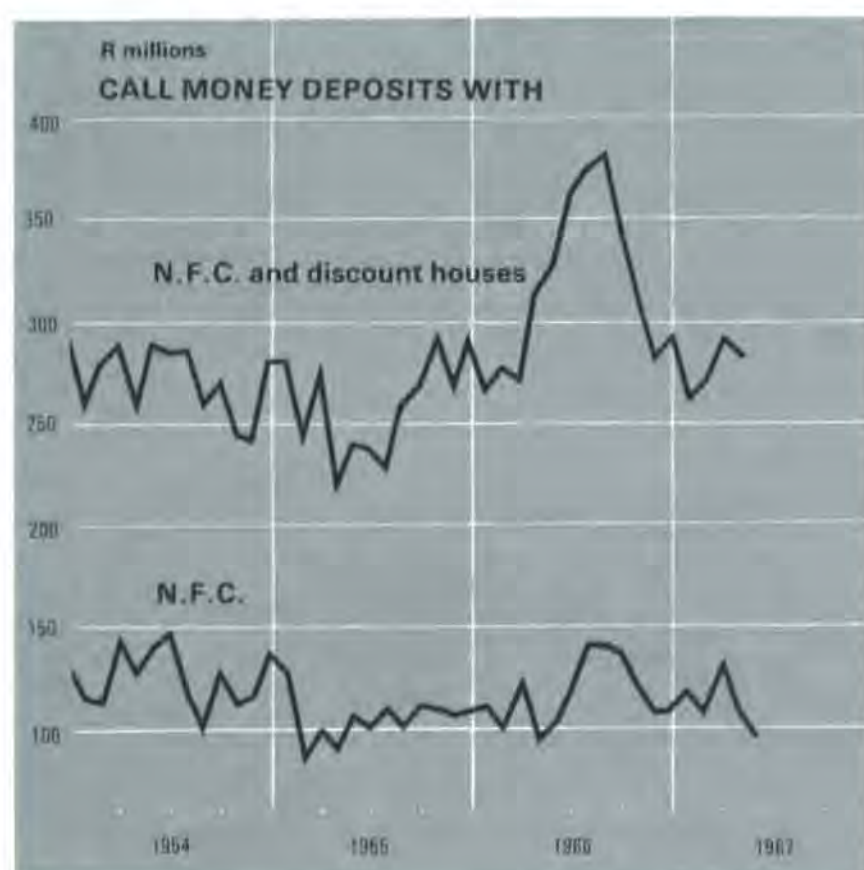
The substantial increase in the monetary banks' discounts and advances at a time when their liquid assets were being sharply reduced by the financing operations of the government sector and the balance of payments deficit, had the important effect of further reducing the *ratio* of their liquid assets to their liabilities to the public and bringing it closer to the legally re-



quired minimum than it had been for fifteen months. In the case of the commercial banks, for example, their *surplus* liquid asset ratio declined from 10·1 per cent at the end of December, 1966, to 3·3 per cent at the end of April, 1967.

Increase in minimum liquid asset ratios

In June, 1967, the authorities announced that the minimum liquidity ratios for all merchant, hire-purchase, general and savings banks would, with effect from the end of July, be increased from the normal ratios of 30, 20 and 5 per cent of short, medium and long-term liabilities to the public, respectively, to 34, 24 and 5 per cent, respectively. In the case of commercial banks these ratios had in 1965 already been increased progressively up to the maximum percentages of 40, 30 and 5 per cent. At that stage it had not been possible to raise the ratios for other banking institutions, as they had been allowed a year to comply with the liquid asset requirements of the new Banks Act, which had only come into operation in January, 1965. Later, after the method of placing a "ceiling" on credit extended to the private sector by *all* monetary banks had been applied in October, 1965, there was no urgent need to raise the minimum liquidity ratios for merchant, hire-purchase, general and savings banks as a method of credit control. Moreover, as a result of the favourable balance of payments during the ten months ended July, 1966, and the simultaneous existence of the credit directive, these banking institutions in any case maintained large excess holdings of liquid assets during 1966. But subsequent changes in the monetary and banking situation made it desirable, in the interests of equity as well as stability, to bring the minimum ratios for these institutions into closer alignment with those for commercial banks.



Decline in call money

A further consequence of the disinflationary financing operations of the government sector and the relaxation of import control was a decline in the amount of call money held by banking institutions and others with discount houses and the National Finance Corporation, namely from month-end averages of R183 million and R147 million during the third and fourth quarters of 1966, respectively, to an average of R137 million during the first quarter of 1967. Indeed, at times during the latter period these institutions were forced to rediscount to a much greater extent than normally with the Reserve Bank. This afforded a greater measure of control over the money market to the Bank.

Upward tendency in short-term interest rates

Not surprisingly, in view of the changing demand-supply relationships in the money market, short-term interest rates in general moved upwards during the first five months of 1967. The Treasury bill tender rate, for example, increased from 4·56 per cent at the end of 1966 to 5·00 per cent at the end of March, 1967. During the following weeks, partly owing to a seasonal shift of government funds to the private sector, it declined to 4·75 per cent on the 12th May, but then increased again to 4·94 per cent on the 23rd June. Other related short-term interest rates, such as those on acceptance credits and inter-company loans, also moved into a more normal alignment with Bank Rate; the latter was maintained at 6 per cent throughout the period under review.

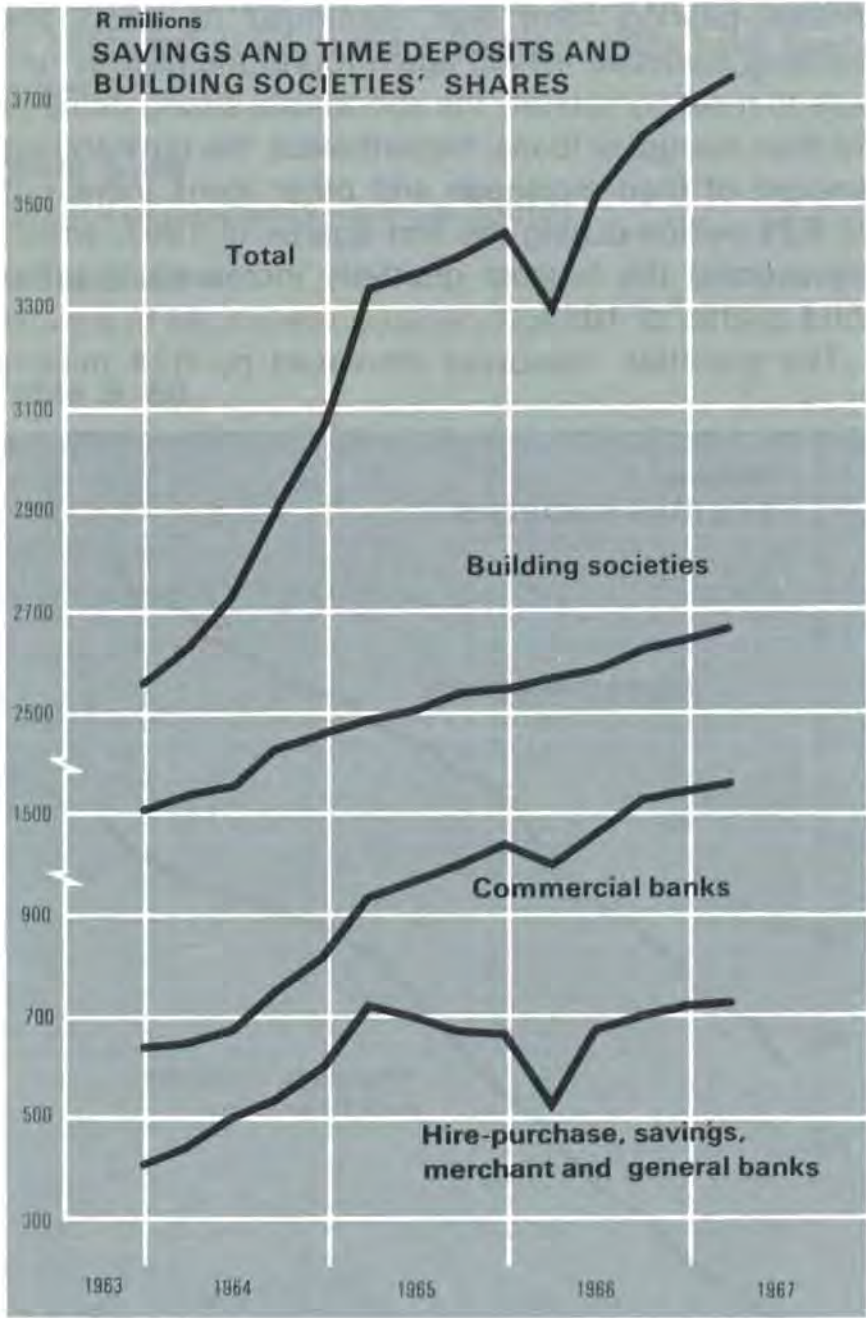
This upward movement in the Treasury bill rate was accompanied by an increase in two stages, namely in March and April, in the Reserve Bank's pattern of rates for short and medium-term government stock, which brought the rate on stock with a maturity of 3 to 3½ years up to 5¾ per cent.

These various interest rate changes tended to reduce the incentive for inter-company lending and borrowing to more normal proportions. After the increase in Bank Rate to 6 per cent in July, 1966, this incentive had been abnormally strong owing to the existence of a gap of nearly 4 per cent between the Treasury bill rate (to which inter-company lending rates are normally related) and the minimum lending rate of commercial banks, which is normally two per cent above Bank Rate. Indeed, at one stage there would appear to have been considerable substitution of "grey-market finance" for bank credit, which helped to keep bank discounts and advances to the private sector well below the old permitted "ceiling" during most of 1966. Subsequently, however, the emergence of a deficit in the balance of payments and the disinflationary financing of government expenditures not only reduced the scope for inter-company financing but,

through raising grey-market interest rates, also the incentive. This would appear to have contributed materially to the sharp increase in bank credit to the private sector during the past twelve months.

As a result of these developments the policy announced in December, 1966, of issuing additional Treasury bills to banks as well as ordinary business concerns with a view to sterilising the proceeds with the Reserve Bank, was not required for long. Indeed, the outstanding amount of Treasury bills declined considerably during February and March, before rising moderately again in April, May and June.

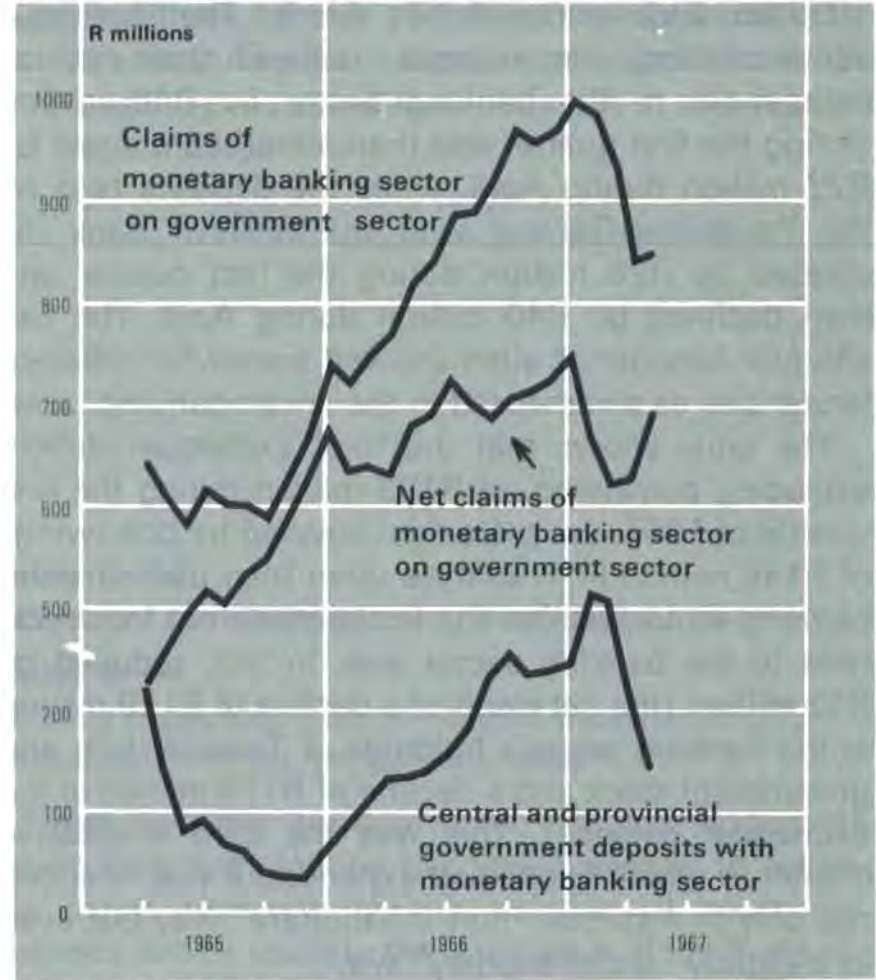
The decline in money and near-money during the first quarter, at a time when the demand for most kinds of loanable funds had not yet decreased significantly, also resulted in keen competition for funds among the various kinds of banking institutions and building societies and in an upward adjustment of interest rates on various classes of deposits.



Government finance

It was mentioned earlier that, whereas government sector deposits declined by R40 million during the first quarter of 1967, the gross claims of the banking sector on the government sector decreased by R158

million, so that the government sector's *net* indebtedness to the banking sector actually declined by R118 million during this period. It was also pointed out that this decline was partly seasonal and was followed in April by an increase of R67 million, which was also to some extent a seasonal change.



Exchequer finance
R millions

	1966		1967	
	3rd Qtr.	4th Qtr.	1st Qtr.	April
Total deficit, excluding borrowing	53	45	133	34
Financing:				
Change in net indebtedness to:				
Foreign sector	4	-19	-3	-12
Private non-bank sector	30	53	53	6
Public Debt Commissioners	22	29	95	21
Paymaster-General and social security funds	—	—	—	40
Sub-total	56	63	145	55
Monetary banking sector:				
Change in government securities	64	-5	-128	-12
Change in Exchequer balance*	-67	-13	116	-9
Sub-total	-3	-18	-12	-21
Total financing	53	45	133	34

*Increase —, decrease +.

These sharp fluctuations were not attributable in the first instance to changes in Exchequer finance but rather to changes in the deposits of provincial administrations, the Public Debt Commissioners and the Paymaster General, as well as to changes in credit extended by the banking sector to provincial administrations and various public funds. The provincial administrations, for example, reduced their net indebtedness to the banking sector by R66 million during the first quarter and then increased it again by R22 million during April, while the deposits held by the Paymaster-General with the Reserve Bank increased by R28 million during the first quarter and then declined by R40 million during April. The Exchequer Account as such showed somewhat different tendencies as summarised in the accompanying table.

The table shows that the total Exchequer deficit, excluding borrowing, of R133 million during the first quarter of 1967 was more than covered by borrowings of R145 million from sources other than the monetary banking sector, so that the Exchequer's net indebtedness to the banking sector was, in fact, reduced by R12 million (the net result of a decline of R128 million in the banking sector's holdings of Treasury bills and government stock and a decline of R116 million in the Exchequer balance). This was the third successive quarter in which Exchequer expenditure was financed not only in a strictly "non-inflationary" way but even in a slightly "disinflationary" way.

During April the Exchequer managed to reduce its net indebtedness to the monetary banking sector by a further R21 million, but this was after borrowing R40 million from the Paymaster-General Account held with the Reserve Bank. In other words, without this transaction, the Exchequer's net indebtedness to the banking sector would have increased by R19 million during this month.

Capital market

In the capital market the demand for loanable funds remained exceptionally strong throughout the period under review and, although the Reserve Bank's pattern of rates for long-term government stock remained unaltered, various other long-term interest rates tended to rise. Indeed, banking institutions and building societies found it necessary to raise their interest rates on long-term deposits in order to compete effectively with other forms of investment such as ordinary and participation mortgage bonds, direct loans, etc.

The yield on new issues of long-term municipal stock remained at approximately the same level during the first quarter of 1967 as during the last quarter of 1966, namely at about 7.2 per cent, but the yield on long-term stock issued by public corporations rose from just over 7 per cent to almost 7.2 per cent, so that the margin between the yields on these two classes of

stock was virtually eliminated. In addition, yields on company debentures and loan stock increased from about 7½ per cent at the end of 1966 to about 8 per cent during the first quarter of 1967.

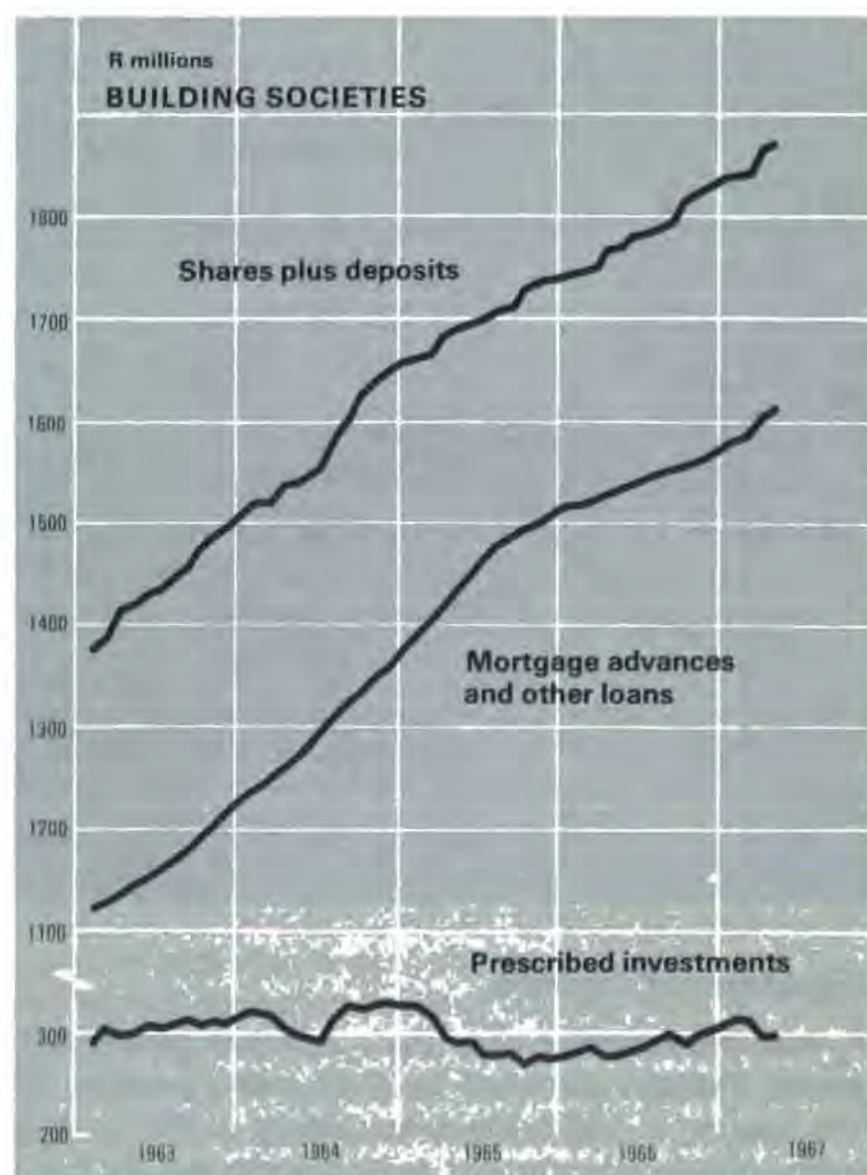
Share prices and yields

As during the fourth quarter of 1966, gold mining share prices declined substantially during the first quarter and also during April to reach the lowest level recorded during the past two and a half years. But prices of financial shares and particularly of industrial and commercial shares increased sharply to a level which came close to the peak of April, 1966. The average yield on gold mining shares increased to over 10 per cent in April, while that on industrial and commercial shares declined to about 4.2 per cent in March, compared with just over 5 per cent in December, 1966.

Building societies

The general shortage of funds for investment in fixed interest-bearing form also continued to affect the building societies, which again found themselves unable to meet completely the abnormally strong demand for their mortgage loans. Nevertheless, the outstanding amount of their mortgage and other loans increased by R25 million during the first quarter of 1967, which represented the highest quarterly increase since the third quarter of 1965.

The societies' resources increased by R24 million



during the first quarter of 1967. Share capital declined by R4 million, but fixed and savings deposits increased by R23 million and R5 million, respectively. The excess of total prescribed investments above the statutory minimum declined from R154 million at the end of 1966 to R122 million at the end of March, 1967, which still provided a very comfortable margin.

The intensified competition for funds referred to earlier made it necessary for the building societies to

raise their interest rates on fixed deposits of 12 months and longer and on indefinite period shares from $6\frac{1}{2}$ to 7 per cent in March. Their lending rates, however, were in most cases kept unchanged. The societies were assisted in their efforts to prevent their lending rates from rising by a legal amendment in June, 1967, which exempted them for one year from the requirement to transfer to statutory reserve each year an amount equal to at least 10 per cent of their net profit in that year.

Notes to tables

Revised figures

Attention is drawn to the fact that some of the figures for 1965 and 1966 in the following tables have been revised :

Table S-48

Balance of payments—annual figures.

Table S-49

Balance of payments—quarterly figures.

Table S-50

Seasonally adjusted balance of payments on current account.

Table S-52

Balance of payments items—services and transfers.

Table S-53

Balance of payments items—private capital movements.

Table S-54

Balance of payments items—capital movements of central government and banking sector.

These revisions are due to the fact that additional information has recently become available. In future the major revisions in the balance of payments statistics will be made in the June issue of the *Bulletin*.

Mainly due to the incorporation of data collected by the Reserve Bank on a quarterly basis and which only become available after publication of the preliminary statistics, the quarterly distribution of the annual trade figures for 1966 has been revised.

A review of the unit trust movement in South Africa¹

by C. J. de Swardt

1. Introduction

In May, 1965, the first unit trust appeared on the South African financial scene. Subsequently, more institutions followed and at present five are in operation, while a sixth is due to start business shortly. The unit trust movement thus quickly gathered momentum and, judging by the experience of other countries, may well develop into an important entity in the financial structure.

Much was done by the management companies associated with the unit trusts to introduce the unit trust concept to the investing public, and this was followed by an active sales drive through advertisements and the appointment of a network of agents. The early success of the unit trusts was also partly attributable to the fact that the country had just experienced a prolonged period of rapid economic expansion which had produced inflationary tendencies in the economy. This made potential investors more susceptible to the idea of hedging against inflation through equity investment, a point particularly stressed by the trusts. Moreover, the unit trusts invest almost entirely in equities, and a steady upward movement in share prices from the last quarter of 1965 onwards gave rise to an increase in the market value of their portfolios.

Although unit trusts in their present form have been in existence for only two years in South Africa, the investment trust concept has a long and colourful history dating back to the year 1868.² Since then, the investment trust movement has survived a number of testing periods in financial history, notably the drastic fall in share prices towards the end of 1929 and the prolonged depression that followed, and in this process evolved from "a well-conceived but imperfect vehicle to an investment medium of proven merit".³ Today the investment trust concept enjoys its broadest acceptance in the United States of America which is also the country of origin of the mutual fund⁴ or unit trust in its present form.⁵ The first mutual fund was

formed in Boston in 1924, but this type of investment trust did not gain general acceptance until 1932.⁶

The essentials of unit trusts and the technical aspects of their operations were adequately described by the promoters of these institutions when they were launched in South Africa. In addition, much has been written about them since their introduction in this country. However, it may be useful to refer to some of these basic features, before discussing in more detail the operations of South African unit trusts.

2. General features of unit trusts

A unit trust may be described as a legal construction providing for the pooling of a large number of unequal amounts of investment funds, belonging to different investors, with the object of investing these funds through professional investment managers in a diversified portfolio of securities. To this may be added that the capital of a unit trust is completely elastic and may be expanded without formality by the creation of additional participating units, while these units also carry a redemption feature, entitling unit holders to demand repurchase by the trust at any time. Each participant shares pro rata in the portfolio of the trust and income arising from investments, but also has to bear his proportionate share of the operating costs connected with a common investment fund. On the investment side, emphasis is placed on investment diversification and, consequently, a minimisation of investment risks which is not normally within the reach of the investor of moderate means. The trust also offers a continuous expert management of investments which is usually only available to large institutional investors.

Unit trusts invest mainly in equities and, in the long-run, prices of equities normally tend to reflect in some degree the underlying growth of the economy. The investor in units of unit trusts may thus expect an appreciation in the capital value of his investment over time. But, although the long-term trend of equity prices may be upwards, short-term fluctuations in equity prices are bound to occur and the investor in

¹ A table presenting statistics of unit trusts appears at the end of this article. Similar statistics will appear as part of the Statistical Tables in future issues of the *Quarterly Bulletin*.

² The Foreign and Colonial Government Trust was formed in London in that year to invest in a diversified range of foreign and colonial government stock. (Cf. Merriman, C.O.: *Mutual Funds and Unit Trusts. A Global View*, Sir Isaac Pitman & Sons Ltd., London, 1965).

³ Bullock, Hugh: *The Story of Investment Companies*, Columbia University Press, New York, 1959, p. 151.

⁴ The unit trust is an English concept and it has as its American counterpart, the mutual fund, although minor differences exist between them.

⁵ Investment trusts may be classified into two broad categories, namely closed-end and open-end trusts. Unit trusts are open-end trusts and they developed as a variant of the older closed-end trusts.

⁶ Cf. Bullock, Hugh: *Op. cit.*, p. 71.

unit trusts is not guaranteed a capital profit on his investment at all times.

Because of the short-term fluctuations in equity prices, an investor intending to invest in trust units may be in doubt about when to buy units. Unit trusts have resolved this problem by offering regular investment opportunities which reduce the risk of investing when security prices are at a peak. The underlying principle in this instance is that of rand-cost-averaging which means that if a fixed sum of money is invested in securities at regular intervals regardless of price fluctuations then the average cost of all the securities acquired during a certain period will be lower than the average of all the prices paid for these securities. This follows from the obvious fact that a *fixed amount of money* will buy more securities at low prices than at high ones.⁷

3. Technical and legal aspects concerning unit trust operations in South Africa

(a) The management structure

There are four parties associated with South African unit trust schemes, namely the trust itself, unit holders, the management company and the trustee, and the relationship between them as well as the trust's method of operation and broad investment policy are governed by a trust deed. The management company, which is a separate legal entity, is solely responsible for the administration and promotion of the trust but the trustee, also a separate entity, ensures that the investment policy laid down in the trust deed, is carried out. In addition, the securities comprising the portfolio of the trust are vested with the trustee, which also controls the issuing of trust units.

Unit trust operations in South Africa are regulated by the *Unit Trust Control Act*, No. 18 of 1947, as amended.⁸ In terms of this Act, management companies intending to operate a trust, must be approved and registered by the Registrar of Unit Trust Companies. Not only must a management company be of satisfactory financial standing, but it is required to have a capital of at least R600,000 available for its unit trust operations. A management company must also show its intention of administering the trust in the best interests of its unit holders by holding not less than 10

⁷ This principle may be explained by the following numerical example:

Fixed amount invested	Price of security	Number of securities acquired
R75	50 cents	150
R75	75 cents	100
R75	100 cents	75
Total	R225	325

Average cost of securities $\frac{R225}{325} = 69 \text{ cents}$

Average price paid for securities $\frac{225 \text{ cents}}{3} = 75 \text{ cents}$

per cent of the total units of the trust for its own account. However, with the consent of the Registrar, this holding may be limited to R200,000. Apart from the management company, the Registrar must also approve and register the trustee and the trust deed. The trustee must by reason of its business be sufficiently experienced and equipped for assuming the duties and responsibilities of a trustee and has to maintain a paid-up capital and unimpaired reserves amounting to not less than R1 million.

(b) Statutory investment requirements for unit trusts

The initial assets of a unit trust must include securities and cash having a market value of at least R500,000. A unit trust may not invest more than 5 per cent of the market value of all its securities in any one concern and it is precluded from taking-up more than 5 per cent of the securities issued by any one concern, except in the case of securities issued by an investment company, where the limit is 10 per cent. In addition, a unit trust is required to include *approved securities*⁹ in its portfolio having a market value of not less than 10 per cent of the aggregate market value of all the securities in its portfolio. These approved securities must include government securities equal to at least 5 per cent of the market value of the securities in its portfolio.

(c) Operations of management companies

All the operations of a unit trust are carried out by the management company. Units are not issued directly to the investing public, but are channelled through the management company, acting as principal when issuing or redeeming units. The management company is obliged to repurchase all units offered to it and the terms and conditions on which it will do so have to be set out in the trust deed. The proceeds of issued units are invested by the management company on behalf of the trust, while it is also responsible for the promotion of the unit trust.

In terms of the Act, the management company must make a full disclosure to the Registrar, unit holders and other interested members of the public of all its activities related to the operations of the unit trust. In addition, it has to disclose in detail the total market value of each of the securities included in the trust's portfolio as well as prescribed additional information concerning the operations of the trust. A management company is also obliged to lodge with the Registrar for his approval copies of all advertisements, brochures and similar documents proposed to be published by the company or any of its authorised agents, and all proposed additions thereto and variations thereof.

⁸ By Acts Nos. 11 and 68 of 1962, No. 65 of 1963, No. 58 of 1966, and the Financial Institutions Amendment Act of 1967.

⁹ Approved securities are defined as "securities issued or guaranteed by the Government of the Republic, or issued by any local authority in the Republic, the Land and Agricultural Bank, the Rand Water Board, or the Electricity Supply Commission, or such other securities as the Registrar may have approved for the purposes of the Act." (Section 1 of the Act).

(d) Management charges

Two charges are utilised to cover the management company's expenses which comprise registration fees, general operating expenses, promotional costs, agents' commission, and the remuneration of investment advisers and the trustee. Firstly, an initial charge which ranges from 1 to 5 per cent, depending on the size of the investment, is included in the selling price of units. Secondly, a service charge of $\frac{1}{2}$ per cent per annum of the average monthly market value of the trust's portfolio is deductible from the income of the trust before distributions are made to unit holders. It is interesting to note that until recently the maximum initial charge has amounted to $7\frac{1}{2}$ per cent, but in anticipation of the latest amendment to the Act,¹⁰ which limits the initial charge to a maximum of 5 per cent, the companies charging more than 5 per cent have reduced their maximum percentage to this figure.

(e) Income distributions to unit holders

Apart from the management company's service charge, audit fees, taxation and the amortisation of securities representing assets of a wasting nature are allowable deductions from the income of a trust. The residual income must, in terms of the Act, be distributed to unit holders. Dividend payments are made twice a year and the proceeds may be taken in cash by the unit holders or reinvested in additional units. The Act specifically prohibits the distribution of the proceeds of capital gains, rights and bonus issues which have to be reinvested for the benefit of unit holders.

(f) Determining selling and repurchase prices

The manner in which the selling and repurchase prices of units are calculated has to be described in the trust deed. The selling price is usually determined by the *net asset value*¹¹ per unit plus the management company's initial charge. Previously, the resultant figure could be rounded off to the next whole cent, but this procedure was abolished in the recent amendment to the Act. Anticipating this amendment, unit trusts not doing so already, have changed to quoting prices in two decimals of a cent. The repurchase or redemption price is normally equal to the selling price less the initial charge.

(g) Investment plans offered by unit trusts

A variety of investment plans is offered by the unit trusts to meet the requirements of different investors:

- (i) The open-account investment plan provides for an initial lump-sum investment of a predetermined

minimum to which sporadic further minimum investments may be added. Dividends on these investments are paid out to the unit holder.

- (ii) A variation of the open account is the accumulation plan providing for the automatic reinvestment of dividends for the benefit of the unit holder.
- (iii) The systematic investment plan provides for the investment of a fixed monthly amount over a predetermined period of time with an automatic reinvestment of dividends on units. An option is offered to the unit holder to couple this investment plan with an insurance scheme guaranteeing the completion of the plan in the event of the death of the investor before the completion date.
- (iv) A systematic withdrawal plan provides for the payment of a regular predetermined income to the unit holder, consisting partly of capital and partly of dividends.

(h) Unit-linked pension and retirement-annuity schemes

The unit trusts in conjunction with insurers have introduced a new innovation in the field of pension and retirement-annuity schemes. In terms of an arrangement between certain unit trusts and insurers, a proportion, varying from 50 to $66\frac{2}{3}$ per cent, of the contributions to pension and retirement-annuity schemes operated by the insurers is invested in trust units. The remaining portion of the contributions is invested in the portfolio of the insurer. Any capital appreciation resulting from the investment in trust units as well as dividends on this investment accrue to the pension and annuity funds for the benefit of contributors. The schemes are aimed at offsetting the possible effects of inflation on the real value of the contributors' contractual savings. The agreement between the unit trusts and insurers provides for a bulk discount of as much as 5 per cent on sales of trust units to the relevant insurers. This discount is passed on to the pension and annuity funds for the benefit of contributors.

4. A comparison of South African unit trusts with their counterparts in the United Kingdom and the United States

(a) The management structure

As was stated in the introduction, the United Kingdom and the United States of America were the countries of origin of the unit trust and it will be of interest to compare the South African unit trust with its counterparts in these countries. To facilitate this comparison, it may be useful to ascertain firstly the differences between the British unit trust and the American mutual fund.

The unit trust and mutual fund differ essentially in their legal concept. Unit trusts are genuine trusts administered by management companies and with their assets trustee. They often have a terminable life of about 20 or 25 years which may be extended after

¹⁰ This amendment is contained in the *Financial Institutions Amendment Act of 1967*.

¹¹ The total net asset value of a trust comprises the market value of all the securities in the trust's portfolio, plus compulsory fiscal charges connected with the acquisition of the trust's portfolio (i.e. brokerage, marketable securities tax, and stamps), plus cash and deposit holdings and income accruals (i.e. interest and dividends on investments available for distribution to unit holders), less current liabilities. Net asset value per unit is arrived at by dividing total net asset value by the number of units issued.

the date of expiry. Mutual funds are mostly, but not exclusively, corporate entities. The unit trust is formed and administered by a management company and the trustee exercises greater or lesser control over the management company in accordance with the trust deed. The mutual fund is mostly an independent company which selects through its board of directors a management organization to undertake the management of the fund.¹² A trustee is appointed but purely as a custodian for securities with no control over the management organization.

The American mutual fund tends to be characterised by a greater degree of specialisation. Various parties may be associated with the operations of a mutual fund, namely the mutual fund itself, the management organization, the custodian bank, the dividend-paying bank and the distributing agent. The last two functions, however, are frequently incorporated with that of the management organization. Unit trust operations in the United Kingdom are the responsibility of only three parties, namely the management company, the trust and the trustee.

When comparing the South African unit trust with its British and American counterparts, it is evident that the South African institution closely resembles the British unit trust.¹³ The main point of difference is that the South African unit trust has an indefinite term of operation.

(b) Distribution of units

Sales of units in the United Kingdom are made directly by the management company or indirectly through banks, stockbrokers and other professional agents. Sales of American mutual fund shares are made through a wholesale distributor, who adds an initial service charge to the net asset value per share retained by the management organization for the benefit of the mutual fund. South African unit trusts follow the British example, but a separate distributing company is employed by one of them.

(c) Management charges

The initial charge retained by the management company in the United Kingdom is usually equal to 3½ per cent, out of which agents' commission is paid. In the United States the initial charge is about 8 per cent, of which 2 per cent is retained by the wholesale distributor and 6 per cent is given to the retail dealer, when such a dealer is employed. The initial charge of 8 per cent is, however, scaled down according to the size of the purchase of mutual fund shares. The initial charge by South African management companies ranges from 1 to 5 per cent, depending on the size of the purchase

of units. An annual service charge of ½ per cent of the monthly average market value of the portfolio of the fund is applicable in South Africa, the United States and usually in the United Kingdom.

(d) Calculation of selling and repurchase prices of units

Selling and repurchase prices of units are calculated in the same way in the three countries concerned, but a redemption charge of 1 per cent may be made in the United States.

5. A factual review of the development of the unit trust movement in South Africa

(a) The over-all growth of unit trusts

During the first eight months of its existence, i.e. up to the end of 1965, the unit trust movement, comprising two trusts, accumulated assets amounting to R2·7 million. Two new trusts joined during 1966 and total assets increased by R21·9 million during this year and by a further R13·7 million during the first four months of 1967, the latter being equal to an annual rate of increase of R41·1 million. Total assets stood at R38·3 million at the end of April, 1967 and the net asset value of the trusts amounted to R41·2 million on this date.

These growth features are shown in more detail in the following table.

Changes in selected unit trust items
R millions

End of	Total assets		Net asset value of trusts	
	Amount	Change*	Amount	Change*
1965—June	0·8	—	0·7	—
December	2·7	1·9	2·5	1·8
1966—June	9·6	6·9	9·0	6·5
December	24·6	15·0	24·6	15·6
1967—April	38·3	13·7	41·2	16·6

*Since previous date.

(b) The amount invested in unit trusts

Up to the end of April, 1967, investors¹⁴ had placed a net amount of R37·4 million with unit trusts. Of this amount R1·9 million was invested during 1965, R20·8 million during 1966, and R14·7 million during the first four months of 1967. When the total amount invested up to the end of April, 1967, is considered on a gross basis, the management companies' total sales of units to investors, at selling prices ruling on the dates of sale, amounted to R38·5 million, while total purchases or redemptions of units at actual repurchase prices amounted to R1·1 million. Repurchases thus constituted only a minor proportion of the dealings of management companies with the investing public. Compared with the net amount of R37·4 million invested up to the end of April in units, the share of in-

¹² Unincorporated mutual funds or "common law trusts" are managed by trustees, but these trustees can be changed by holders of participating shares in the fund.

¹³ It must be pointed out, however, that the majority of unit trusts in South Africa refer to themselves as mutual funds, while the term *unit trust scheme* is used in the Act.

¹⁴ Excluding the management companies.

vestors in the net asset value of the trusts amounted to R39.0 million. This means that the total amount invested in unit trusts by outside investors up to the end of April had appreciated by 4.3 per cent.¹⁵ The management companies' share in the net asset value of the trusts amounted to R2.2 million or 5.3 per cent at the end of April.

Investment by the public in unit trusts
R millions

Period	Gross sales of units	Gross redemptions of units	Net amount invested	Accumulated amount invested*	Share in net asset value of trusts*	
					Amount	%
1965-May-Dec.	1.9	—	1.9	1.9	1.8	72.0
1966-1st half	6.7	—	6.7	8.6	8.3	92.2
2nd half	14.5	0.4	14.1	22.7	22.6	91.9
1967-Jan.-Apr.	15.4	0.7	14.7	37.4	39.0	94.7
Total	38.5	1.1	37.4			

*At end of period.

(c) Transactions in securities by unit trusts and the composition of their portfolios

During the two-year period ending 30th April, 1967, total purchases of securities by unit trusts at actual transaction values amounted to R33.6 million, while total sales, at actual sale prices, of R1.5 million were registered. The proceeds of sales are reinvested so that this amount represents switching operations carried out by the trusts. By approximation, a similar amount included in the figure for purchases, therefore, reflects reinvestments. The approximate proportion of reinvestments to total purchases amounted to 4.5 per cent for the period under consideration. At the end of April accumulated capital losses resulting from security transactions amounted to R0.1 million.

The unit trusts' initial portfolios were composed of shares only, mostly ordinary shares, and, apart from shares, a modest amount of company debentures and notes was added subsequently. Towards the end of 1966, the *Unit Trust Control Act* was amended, requiring unit trusts to maintain also a prescribed invest-

ment in approved securities. They were allowed one year after the commencement of the Amendment¹⁶ to comply with the new requirements.

The new statutory requirements induced unit trusts to invest in approved securities and at the end of April, 1967, their holdings of these securities amounted to R4.2 million or 11.1 per cent of the aggregate market value of their portfolios. The composition of the combined portfolios of unit trusts on this date is shown in the following table.

**Composition of unit trust portfolios
as at 30th April, 1967**

	Book values		Market values*	
	R millions	%	R millions	%
Government stock	3.2	9.6	3.2	8.5
Public corporation stock	0.8	2.4	0.8	2.1
Local authority stock	0.2	0.6	0.2	0.5
Company debentures and notes	0.1	0.3	0.1	0.3
Preference shares	0.2	0.6	0.2	0.5
Ordinary shares	28.8	86.5	33.4	88.1
Total	33.3	100.0	37.9	100.0

*Including compulsory charges.

(d) A break-down of unit trusts' equity holdings

The unit trusts' investments in ordinary shares are confined mainly to shares of industrial, commercial and mining-financial companies. At the end of March, 1967 their investments in these classes of shares amounted to about 88 per cent of the market value of their equity holdings. Other ordinary share holdings include shares of industrial-financial and real estate companies, and of financial institutions. Mining shares do not appear in unit trust portfolios, except for a modest amount of coal mining shares.

A classification of the unit trusts' investments in ordinary shares is given in the following table.

**Classification of unit trusts' investments
in ordinary shares as at 31st March, 1967***

Class of share	Investment	
	R millions	%
Mining-financial	6.7	22.8
Industrial-financial	1.0	3.3
Industrial and commercial	19.2	65.1
Real estate	0.5	1.5
Financial institutions	1.8	6.3
Coal mining	0.3	1.0
Total	29.5	100.0

*At market values, excluding compulsory charges.

¹⁵ It should be recognised that this percentage does not reflect an appreciation of the value of any investment by a unit holder during this period. It does represent the average appreciation over the period of the accumulated amount invested by unit holders, taking into account the rate of change in the selling prices of units and the size of investments by unit holders at different stages during this period.

¹⁶ i.e. 24th October, 1966.



(e) Movements in unit prices and yields

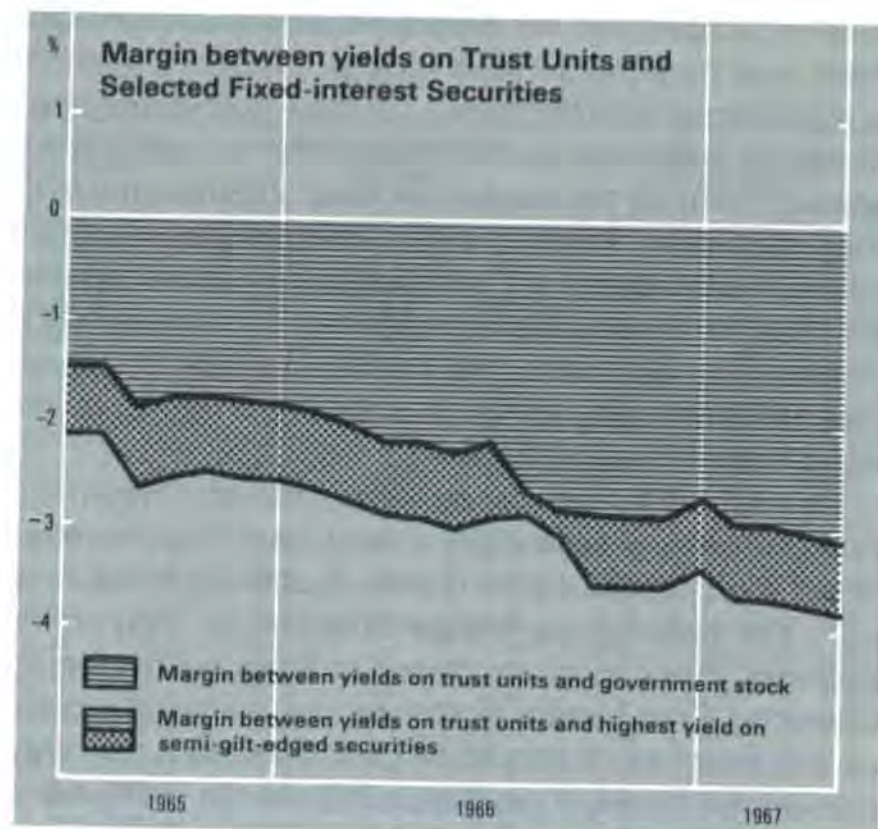
Unit trust prices showed a remarkable growth since the commencement of unit trust operations in May, 1965. As mentioned in the introduction, this period was a favourable one for unit trusts, being major investors in equities, because the prices of most classes of shares advanced steadily, especially from the last quarter of 1965 onwards. During 1966 prices of units increased by 16 per cent¹⁷ and by a further 12 per cent during the first four months of 1967. This performance by far exceeded the general increase in the prices of the different classes of shares.

The rising prices of trust units up to the end of April, 1967, reflecting the trend in the prices of the underlying securities in unit trust portfolios, caused the yields on these units to decline to relatively low levels, and it is evident that the income-earning attributes of these units are heavily outweighed by their anticipated growth attributes. The average yield on trust units declined from about 4.2 per cent at the end of 1965 to approximately 3.4 per cent at the end of April, 1967.

Discounted in this yield are the anticipated future rate of growth of the capital value of the underlying securities in the trusts' portfolios and also the expected future rate of inflation. The strength of these anticipations is reflected by the margin between the yields on units and fixed-interest securities. At the end of April the yields on long-term government stock and on long-term semi-gilt-edged securities were 6.5 per cent and about 7.2 per cent, respectively, compared with an average yield of 3.4 per cent on trust units. There was thus a *reverse yield gap*¹⁸ on this date ranging from 3.1 to 3.8 per cent.

¹⁷ This percentage is based on a weighted index of month-end unit prices, incorporating the prices of the various unit trusts as from the month in which operations were commenced.

¹⁸ Under normal conditions the yield on equities may be expected to exceed that on gilt-edged securities, reflecting the earnings risk attached to equities.



6. Concluding remarks

One of the merits of unit trusts is that they enable not only the large investor, but also the investor of moderate means to obtain a share in private enterprise through the medium of a diversified share investment. Unit trusts are, therefore, able to channel into equity investment loanable funds which otherwise may not have been available for such investment, and at the same time reduce investment risks for the individual investor by investing in a diversified range of securities. Moreover, unit trusts provide expert investment management which is usually not available to the small investor.

Investments by unit trusts are mainly in equities and equity prices tend to increase in the long run. The market value of equity holdings may thus increase over time and the real value of these holdings and of income accruing from them may thus be maintained in the face of longer-term increases in the general price level.

Another function of unit trusts is the stimulation of regular saving by offering systematic investment plans, which reduce the risk for an individual investor, through the principle of rand-cost-averaging, of investing at an inopportune time when equity prices are at a peak. Investment in equities through a unit trust, therefore, not only ensures diversification among different equities but, through regular purchases of trust units, also a degree of diversification among the prices at which securities are purchased. The latter reduces the investment risks stemming from short-term fluctuations in equity prices. The rand-cost-averaging principle is certainly beneficial to the systematic investor in equities, but must be viewed in its

proper perspective. An expert on unit trust management may be quoted in this regard: "A policy pursued in accordance with the theory (of rand-cost-averaging) does not guarantee an individual that he will always show a profit on his equities on their current value over their cost price. There is a risk, that realisation values will be below cost price, entailed by any investment in equities."¹⁹ However, the longer the period over which investments are made, the smaller the risk of capital loss becomes, assuming, of course, a long-term upward trend in equity prices.

This serves to emphasise again that an investment in a unit trust is essentially a long-term one, because in the short run the equity market is as likely to fall as to rise. The redemption feature attached to trust units, provides these units, in theory at least, with a liquid character. This feature is stressed by many promoters of unit trusts, but it should be clear that this is true only in a limited sense. In practice, units are not redeemable under all circumstances without the possibility of capital loss, so that the liquid nature of these units is dependent on a rising equity market, assuming that capital losses are to be avoided.

Unit trusts occupy an important position in the financial structure of many countries and fulfil a useful function by mobilising risk capital for the development and expansion of private enterprises. Undoubtedly, this function will be very beneficial to a country when an expansion of economic activity, especially in the private sector, is sought. However, in the short run the value to be attached to this function does not bear equal importance at all times. Boom periods, characterised by inflationary pressures, may necessitate a subsequent adjustment process in the form of a slower rate of economic expansion, particularly of the private sector, and there may be less need to tap over a wide front all sources of loanable funds for investment in securities of the private sector. More pressing demands may be experienced in other fields, such as housing, and in relieving infra-structural backlogs which customarily accompany periods of rapid economic growth. But unit trusts usually flourish during periods of buoyant economic conditions when general optimism and inflationary tendencies affect share prices, and it will be at these stages of the business cycle that an expansion of their activities may not always be consistent with the objects of economic policy. However, such a situation tends to correct itself through the price mechanism, as expressed in relative yield levels, unless over-optimism and anticipations of the future rate of inflation are such that the working of the price mechanism is rendered temporarily ineffective. Yields on equities relative to those on fixed-interest securities may decline to such a low level that this *reverse yield gap* may

convince investors that, for the time being at least, an investment in equities is not the safest or most profitable form of investment, even if the growth potential of equities is taken into account. The prices of and yields on the various classes of securities may thus induce a shift in investment emphasis.

However, this argument is one of principle and at present applies only in a limited sense to South African unit trusts. Although they have grown remarkably in relative terms, their quantitative importance, when viewed against the whole of the South African financial structure, should not be exaggerated. Although current economic policy in South Africa may demand that priority be given to other forms of employment for savings than investment in equities, the growth of the unit trust movement has thus far only redirected a modest amount of investment funds from more appropriate investment outlets, under prevailing circumstances, to the private corporate sector. It should be recognised that some portion of the amount invested via the unit trusts in equities would probably have been invested in this way without the intermediary function of the unit trusts.

It is not as clear, however, that the unit trusts have not contributed to the present *growth psychosis* which dominates not only the security markets, but extends throughout the private sector. As never before in South Africa, investors are conscious of the growth possibilities of equities and the hedge against inflation provided by an appreciation in capital values of equity holdings. This in itself has been a major development towards the attainment of a more sophisticated investment public. But this *equity consciousness* together with a basic shortage of scrip and a steady institutional demand for equities, to which unit trusts at the moment contribute about R3 million per month, probably serve to maintain equity prices at very high levels, although it may not be the intention of the institutions to do so. This, in turn, tends to strengthen the general optimism in the economy and may give rise to unjustified anticipations of the future rate of economic growth. It is an unfortunate coincidence that these developments have occurred at a time when the authorities have expressed their determination to slow down the rate of increase of total monetary demand in order to combat inflation.

A long-term view should be taken, however, when evaluating the significance of the unit trust movement. In the short run its operations may not under all circumstances be consistent with the objects pursued by economic policy, but in the long run its mobilisation of savings can be of great benefit to the country. Further growth of unit trusts may, of course, lead to a re-allocation of available savings among various financial institutions and borrowers, but it cannot be assessed at this stage to what extent the financial structure of South Africa will be affected by such a development.

¹⁹ Stutchbury, O. P., *The Management of Unit Trusts*. Thomas Skinner & Co. (Publishers) Ltd., London, 1964, p. 17.

UNIT TRUSTS — SELECTED ITEMS AND TRANSACTIONS

R millions

Period	Total assets at end of period	Market value of security holdings at end of period ¹			Net asset value ³ of trust at end of period			Issues and redemptions of units ⁴			Purchases and sales of securities ⁷		
		Approved securities ²	Ordinary shares	Other securities	Accruing to unit-holders	Accruing to management company	Total	Gross issues ⁵	Re-demptions ⁶	Net issues	Purchases	Sales	Net investment
1965: 2nd Quarter	0.8	—	0.7	—	0.2	0.6	0.7	0.2	—	0.2	0.1	—	0.1
3rd Quarter	1.3	—	1.1	—	0.6	0.5	1.2	0.5	—	0.5	0.4	—	0.4
4th Quarter	2.7	—	2.0	—	1.8	0.7	2.5	1.2	—	1.2	0.5	—	0.5
1966: January	3.2	—	2.5	—	2.2	0.7	2.9	0.4	—	0.4	0.4	—	0.4
February	3.8	0.1	3.1	—	2.8	0.7	3.5	0.6	—	0.6	0.6	—	0.6
March	5.0	—	4.2	—	3.8	0.8	4.6	0.9	—	0.9	1.0	—	1.0
April	6.1	—	5.0	—	4.9	0.8	5.7	1.1	—	1.1	0.8	0.1	0.8
May	8.1	0.1	6.5	—	6.8	0.8	7.7	2.0	—	2.0	1.9	—	1.9
June	9.6	0.1	7.9	—	8.3	0.7	9.0	1.7	—	1.7	1.5	0.1	1.4
July	11.4	0.1	9.1	0.1	9.8	0.9	10.7	1.9	—	1.9	1.4	0.1	1.3
August	15.0	0.4	12.3	0.2	12.6	1.2	13.8	2.5	0.1	2.4	3.4	0.1	3.3
September	17.0	0.4	15.4	0.2	15.3	1.4	16.7	2.5	0.1	2.5	1.8	0.3	1.5
October	19.7	1.8	17.2	0.2	17.8	2.4	20.3	2.6	—	2.6	3.2	0.1	3.1
November	21.6	2.2	18.7	0.2	20.3	1.7	22.1	2.8	0.1	2.7	2.5	0.3	2.1
December	24.6	2.4	20.6	0.2	22.6	2.0	24.6	2.1	0.1	2.0	1.9	0.1	1.9
1967: January	26.8	2.7	23.5	0.2	25.8	1.9	27.6	2.8	0.1	2.7	1.8	0.2	1.6
February	30.4	3.1	26.6	0.2	29.6	1.9	31.5	3.5	0.2	3.3	3.4	0.1	3.4
March	34.3	3.9	29.8	0.2	33.9	2.2	36.1	4.2	0.2	4.0	3.4	—	3.4
April	38.3	4.2	33.4	0.2	39.0	2.2	41.2	4.9	0.2	4.7	3.5	0.1	3.4

1. Including compulsory charges, i.e. brokerage, marketable securities tax, and stamps.

2. Approved securities comprise securities issued by the Government, local authorities, Land Bank, Electricity Supply Commission and Rand Water Board, and other securities approved by the Registrar of Unit Trust Companies.

3. Market value of security holdings, plus cash, deposits and accrued income, less current liabilities.

4. By the management company.

5. At selling prices.

6. At repurchase prices.

7. At actual transaction values.

Kwartaallikse ekonomiese oorsig

Vernaamste verwickelinge

Gedurende die eerste vier maande van 1967 het die totale vraag steeds oormatige druk op arbeid, kapitaal en ander skaars hulpbronne in die Suid-Afrikaanse volkshuishouding uitgeoefen. Die inflasie het voortgeduur en, soos in die vierde kwartaal van 1966, het die lopende rekening van die betalingsbalans weer 'n aansienlike tekort getoon. Aangesien daar slegs 'n klein invloeiing van buitelandse kapitaal gedurende hierdie tydperk voorgekom het, het die totale goud- en valutareserwes gevolglik skerp gedaal.

Terselfdertyd was daar aanduidings dat die opswaai in totale besteding wat vanaf ongeveer die tweede kwartaal van 1966 voorgekom het, dryfkrag begin verloor het. Bruto binnelandse besteding het wel gedurende die eerste kwartaal van 1967 verder gestyg, maar dit was hoofsaaklik as gevolg van toenames in private verbruik en vaste investering deur openbare korporasies; vaste investering deur openbare owerhede en voorraadinvestering het weinig verandering getoon, terwyl lopende besteding deur die algemene owerheid en private vaste investering in werklikheid gedaal het.

Die verloop van verskeie maandelikse ekonomiese aanwysers dui ook daarop dat die totale monetêre vraag na goedere en dienste, alhoewel dit in totaal nog oormatig gebly het, teen 'n laer koers gestyg het. Van besondere belang is die feit dat die invoer, ten spyte van die verdere verslapping van invoerbeheer in Desember 1966 en die amptelike beleid om voorrade van strategiese ingevoerde kommoditeite op te berg, geneig het om meer gelyk te verloop nadat dit skerp tot 'n rekordhoogte in Januarie 1967 gestyg het.

Hierdie bemoedigende verwickelinge staan waarskynlik in noue verband met die aanmerklike vernouing in die monetêre en finansiële toestand wat hoofsaaklik meegebring is deur die beperkende monetêre en fiskale beleid asook die ander disinflasionistiese maatreëls, insluitende die verslapping van invoerbeheer, wat deur die owerhede in 1966 toegepas is. Van besondere betekenis was die feit dat die regeringsektor in staat was om sy netto skuld aan die monetêre banksektor gedurende die eerste kwartaal van 1967 met 'n aansienlike bedrag te verminder, selfs al was dit in 'n groot mate 'n seisoensverandering. Tesame met 'n afname in die netto invloeiing van buitelandse kapitaal en die beleid om invoere meer vryelik toe te laat, het hierdie verwickelinge daartoe bygedra om die hoeveelheid geld en kwasi-geld in die hande van die private sektor, en daarom ook die

geleentheid vir intermaatskappylenings („grysmark-transaksies”), te verminder. Terselfdertyd het dit die uitwerking gehad om die likwiede bates van die handels- en ander monetêre banke te verminder, waarop hulle vermoë om geld en kwasi-geld te skep normaalweg gebaseer is, dit wil sê wanneer daar nie, soos tans, direkte beperkings op hulle krediet aan die private sektor is nie.

Verder het die hoeveelheid daggeld wat deur banke en andere by die diskontohuise en die Nasionale Finansiële korporasie gehou word, skerp gedaal, met die gevolg dat hierdie instellings by tye verplig was om op groot skaal by die Reserwebank te herdiskonteer. Dit het natuurlik die Bank beter beheer oor die geldmark gegee.

Ten slotte het die skatkiswissel-tenderkoers en ander verwante korttermyn-rentekoerse, insluitende die koste van intermaatskappylenings en akseptkrediet, opwaarts beweeg om sodoende in 'n beter verhouding tot die bankkoers te kom, wat weer daartoe bygedra het om die aansporing tot intermaatskappylenings te verminder en om, in die algemeen, die breë kredietbeleid van die monetêre owerhede meer effektief te maak.

Die afname in die totale hoeveelheid geld en kwasi-geld en in die algemene beskikbaarheid van krediet gedurende die eerste kwartaal van 1967 sou baie groter gewees het, en die algemene monetêre en fiskale beleid van die owerhede selfs meer effektief, as bankkrediet direk aan die private sektor verleen nie gedurende hierdie tydperk skerp toegeneem het nie. Hierdie opwaartse beweging, wat in April voortgesit is, het die krediet wat deur die monetêre banke aan die private sektor verleen is, met uitsluiting van die Landbank, tot heelwat bo die „plafon” wat deur die Reserwebank vir hierdie soort krediet vir 30 September 1967 gestel is, te staan gebring. Selfs al word voorsiening gemaak vir die feit dat sekere tipes verdiskonteringe en voorskotte, soos krediet aan sekere openbare korporasies en vir die finansiering van spesiale invoere wat in landsbelang geag word, van hierdie kredietvoorskrif vrygestel is en byna sekerlik in die komende maande sal styg, kan dit verwag word dat die banke se totale diskonteringe en voorskotte aan die private sektor, uitsluitende die Landbank, in die nabye toekoms sal begin daal. Die monetêre owerhede het onlangs, in die besef dat 'n aansienlike vermindering in die beskikbaarheid van krediet en in die verhouding van die private sektor se likwiditeit tot bruto binnelandse produk noodsaaklik vir die sukses van hulle breë strategie teen inflasie is, hulle beslist-

heid om die beperkende bankkredietbeleid voort te sit, herbevestig.

Alhoewel die owerheidsmaatreëls teen inflasie dus nog nie daarin geslaag het om hul uiteindelijke doelstelling te verwesenlik nie, is daar sekere aanduidings dat hulle in 'n toenemende mate hul invloed laat geld en stadig besig is om nie alleen monetêre en finansiële toestande te vernou nie, maar ook 'n beperkende invloed op die oormatige besteding aan plaaslik vervaardigde sowel as ingevoerde kapitaal- en verbruiksgoedere en dienste uit te oefen.

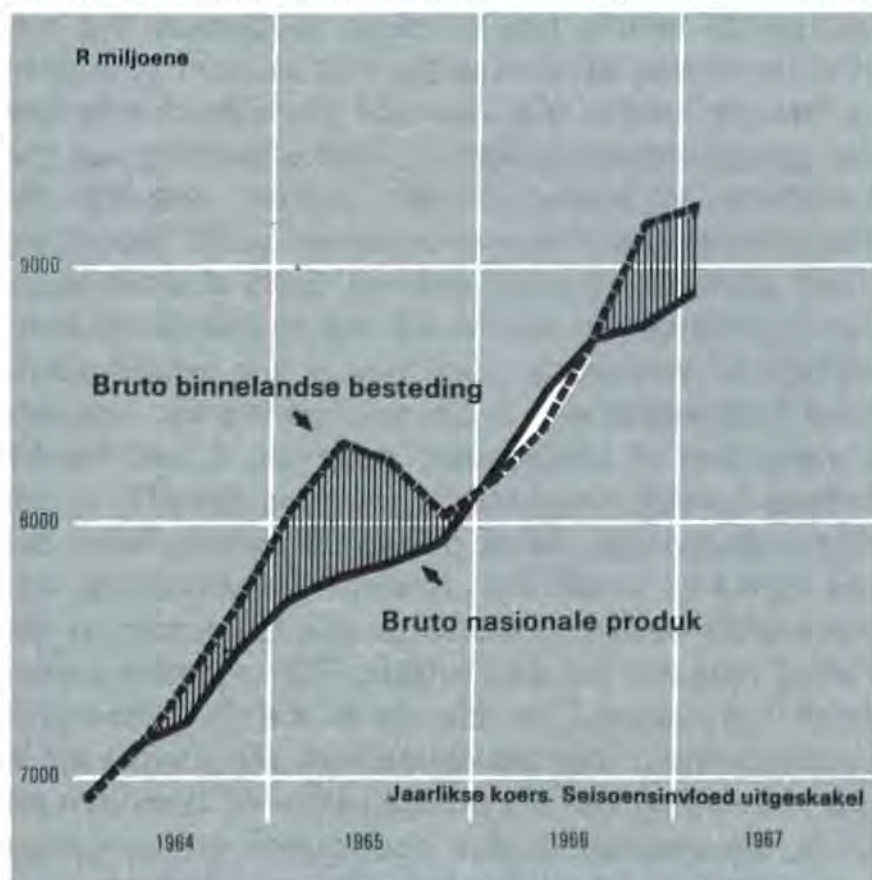
Nasionale rekeninge¹

Bruto binnelandse produk

Volgens voorlopige aanduidings het die bruto binnelandse produk teen heersende pryse gedurende die vierde kwartaal van 1966 en die eerste kwartaal van 1967 teen 'n aansienlik stadiger koers as gedurende die eerste drie kwartale van 1966 toegeneem. Alhoewel dit gedeeltelik toegeskryf kan word aan 'n afname in die toegevoegde waarde van landbou, wat moontlik later sal blyk slegs tydelik te gewees het, is dieselfde tendens deur die bruto binnelandse produk, uitgesonderd landbou, getoon, alhoewel in 'n mindere mate. In reële terme, d.i. gewaardeer teen konstante pryse, wil dit voorkom asof die bruto binnelandse produk gedurende die ses maande geëindig Maart 1967 min toegeneem het.

Bruto binnelandse besteding

Bruto binnelandse besteding, wat gedurende die loop van 1966 skerp gestyg het, het gedurende die eerste kwartaal van 1967 verder toegeneem, alhoewel ook teen 'n stadiger koers. Nietemin het dit, net soos gedurende die vorige kwartaal, weer die bruto nasionale produk met 'n aansienlike bedrag oorskry, sodat

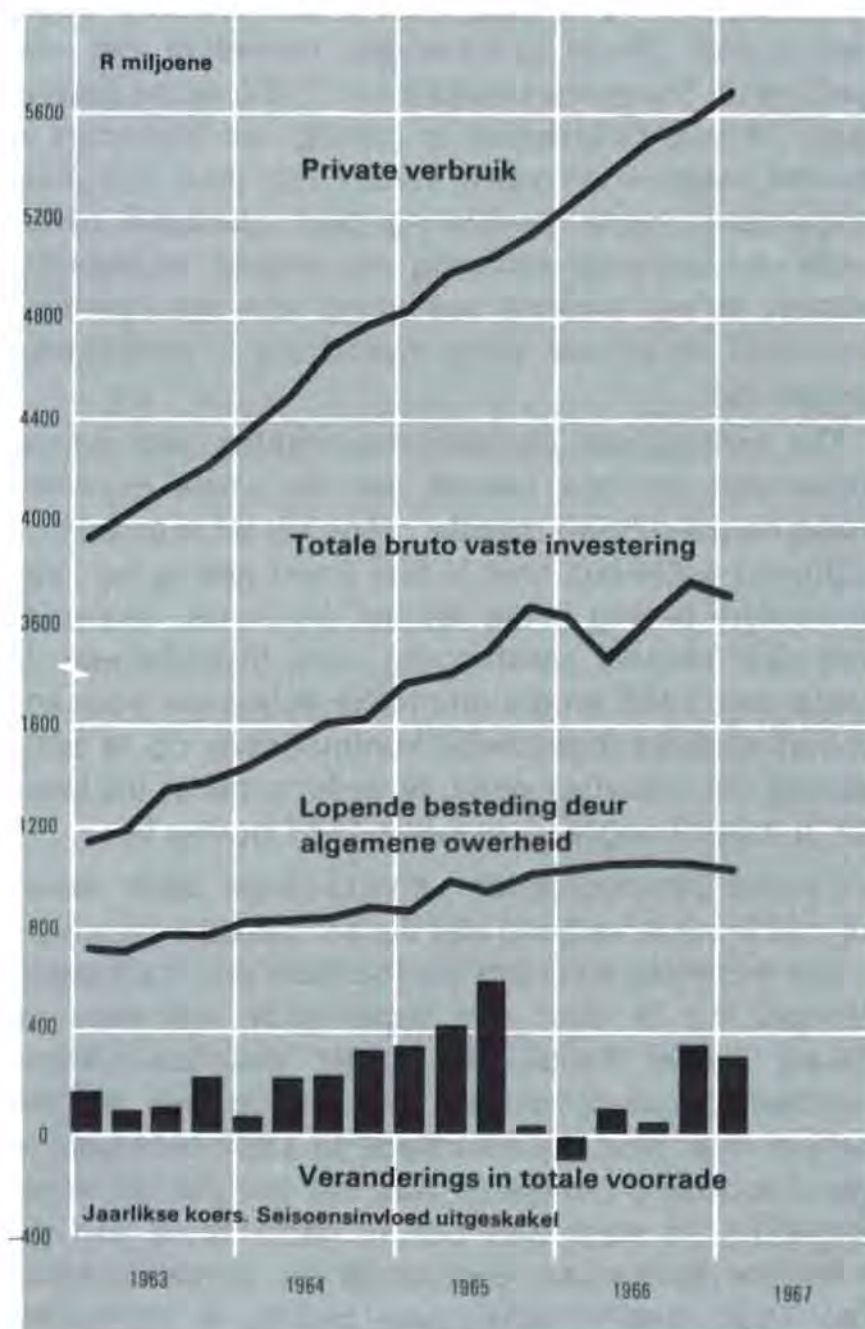


die betalingsbalans in lopende rekening 'n groot tekort bly toon het. Die uitvoer van goedere en dienste, wat gedurende die derde kwartaal van 1966 vinnig toegeneem het en daarna gedurende die vierde kwartaal afgeneem het, het gedurende die eerste kwartaal van 1967 'n opwaartse beweging hervat. Die invoer van goedere en dienste het egter ook met ongeveer dieselfde bedrag toegeneem.

Private verbruik en lopende owerheidsbesteding

Hierdie verdere toename in die bruto binnelandse besteding kan hoofsaaklik toegeskryf word aan 'n voortsetting van die opwaartse beweging in private verbruik, veral in die geval van besteding aan nie-duursame verbruiksgoedere. Alhoewel die verkope van motors voortgegaan het om sterk te styg, het die totale besteding aan duursame verbruiksgoedere min verdere toename getoon.

Lopende besteding deur die algemene owerheid het vir die tweede agtereenvolgende kwartaal 'n klein



¹ Die ontleding in hierdie deel van die oorsig is hoofsaaklik gebaseer op die Reserwebank se kwartaallike ramings van die nasionale rekeninge, ná uitskakeling van die seisoensinvloed. Aangesien hierdie syfers nog nie as betroubaar genoeg vir publikasie beskou word nie, word die ontleding van die kwartaallike verwickelinge tot die beskrywing van breë tendense beperk.

daling getoon om 'n peil te bereik wat slegs ongeveer 1 persent hoër was as die peil wat in die eerste kwartaal van 1966 behaal is.

Vaste kapitaalbesteding

Totale bruto binnelandse vaste investering, wat gedurende die twee voorafgaande kwartale skerp gestyg het, het gedurende die eerste kwartaal van 1967 effens gedaal. Vaste kapitaalbesteding van openbare owerhede het min verandering getoon en in die geval van openbare korporasies verder gestyg. *Private* vaste investering het egter merkbaar gedaal, wat afnames in die besteding aan vaste bates in die landbou, die fabriekswese, woongeboue en die handel weerspieël het.

Hierdie afname in vaste kapitaalbesteding deur private sakeondernemings, wat ten minste gedeeltelik aan die hoër rentekoerse en die disinflasionistiese monetêre en fiskale beleid in die algemeen toegeskryf kan word, skyn 'n betekenisvolle ontwikkeling te wees, aangesien 'n afname in hierdie belangrike komponent van bruto binnelandse besteding dikwels die voorloper van 'n meer algemene verlangsamings in besteding, insluitende verbruiksbesteding, is. In elk geval is dit nou duidelik dat private vaste investering, alhoewel nog op 'n baie hoë peil, gedurende die afgelope vyf kwartale as geheel beskou, meer gelyk verloop het.

Voorraadinvestering

Voorraadinvestering, d.i. die netto toevoeging tot totale voorrade, wat gedurende die loop van 1966 tot 'n baie hoë peil in die vierde kwartaal toegeneem het, het gedurende die eerste kwartaal van 1967 weinig verdere verandering getoon. Met ander woorde, die totale voorraad goedere in die land het aangehou om teen 'n baie vinnige koers toe te neem. Dit wil voorkom asof dit gedeeltelik toegeskryf kan word aan die amptelike beleid om voorrade van strategiese goedere op te bou, en gedeeltelik aan optimistiese, miskien ooroptimistiese, verwagtings aan die kant van private handels- en nywerheidsondernemings met betrekking tot toekomstige verkope.

Bruto binnelandse besparing

Volgens baie voorlopige syfers het bruto binnelandse besparing gedurende die eerste kwartaal van 1967 aansienlik toegeneem vergeleke met 'n betekenisvolle afname gedurende die vierde kwartaal van 1966.

Algemene indruk

Die algemene indruk wat die nasionale rekeninge vir die eerste kwartaal van 1967 skep, is dat terwyl die monetêre vraag na goedere en dienste nog oormatig gebly het in die sin dat dit nog aangehou het om oormatige druk op interne hulpbronne en die betalingsbalans uit te oefen, ekonomiese kragte aan die werk was wat op 'n geleidelike afname in die graad van oorbesteding gedui het.

Algemene ekonomiese aanwysers

Alhoewel die verkope van nuwe motorkarre en handelsvoertuie en die pryse van handels- en nywerheidsaandele gedurende die eerste vier maande van 1967 'n opwaartse neiging bly toon het, het die meeste ander beskikbare maandelikse aanwysers van ekonomiese bedrywigheid geneig om òf teen die einde van 1966 òf gedurende die eerste paar maande van 1967, meer gelyk te verloop. Soos die meegaande grafiek aantoon, het dit gegeld vir sulke uiteenlopende indekse soos dié van fabrieksproduksie, bankdebiteringe, bouplanne goedgekeur, transaksies in vaste eiendom, kleinhandelsverkope en spoorweginkomste. Geoordeel volgens hierdie verwikkelinge wil dit ook voorkom asof die nuwe sikliese opswaai wat by benadering vanaf die tweede kwartaal van 1966 begin het en gedreig het om die bestaande inflasie te vererger, minder as 'n jaar volgehou het voordat dit aansienlike dryfkrag verloor het.

Aan die ander kant was daar tot nog toe geen bewyse van 'n duidelike *afswaai* in hierdie aanwysers soos wat gedurende die loop van 1965 voorgekom het nie. Inteendeel, die feite toon dat feitlik alle vorme van ekonomiese bedrywigheid gedurende die tydperk onder bespreking deurgaans op 'n baie hoë peil gebly het.

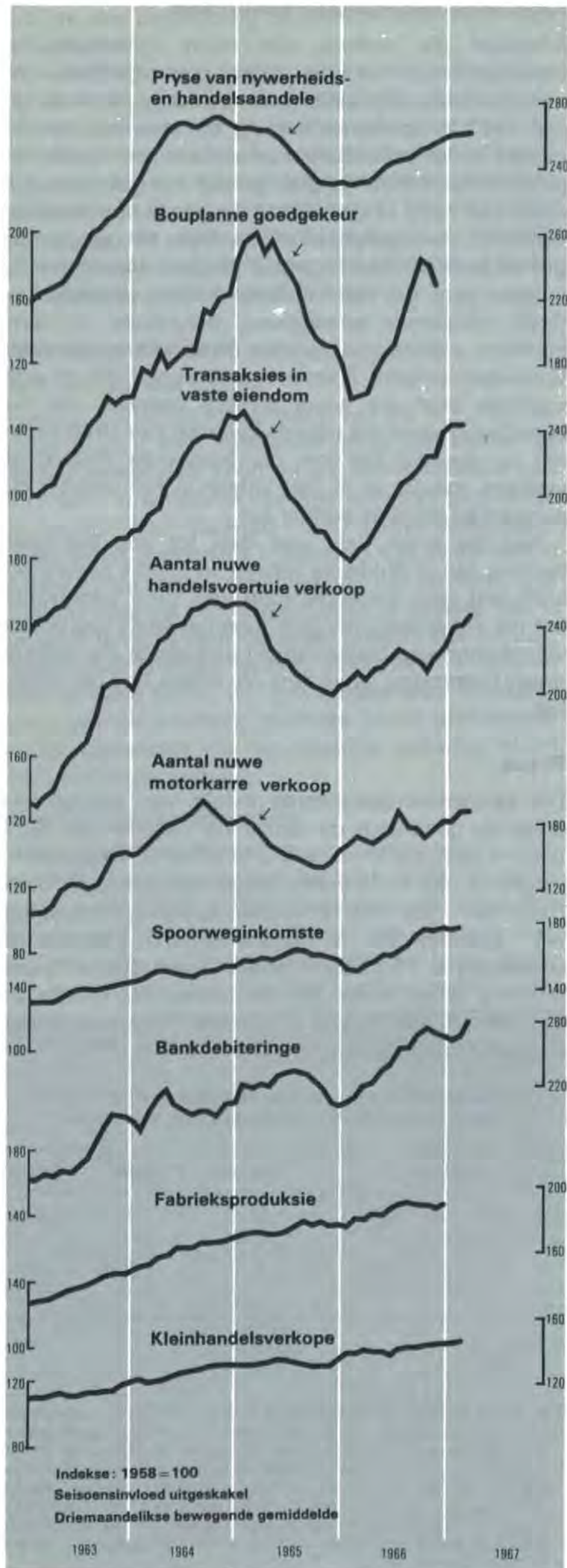
Pryse

Die seisoensaangesuiwerde indeks van verbruikerspryse het gedurende die eerste vier maande van 1967 teen 'n *jaarlikse* koers van 3.8 persent toegeneem¹, vergeleke met 3.7 persent tussen Desember 1965 en Desember 1966. Hierdie verdere opwaartse beweging was grootliks toe te skrywe aan 'n toename in voedselpryse. Trouens, indien voedselpryse buite rekening gelaat word, het die indeks met minder as 0.1 persent per maand gedurende Februarie, Maart en April 1967 toegeneem.

Verbruikerspryse—seisoensinvloed uitgeskakel Jaarlikse persentasiekoers van toename

Tydperk	Voedsel	Ander	Totaal
Des. 1963–Des. 1964	9.3	2.0	4.0
Des. 1964–Des. 1965	2.0	3.7	3.2
Des. 1965–Des. 1966	4.2	3.5	3.7
Des. 1966–April 1967	7.1	2.8	3.8

¹ By die ontleding van veranderinge in die indekse van verbruikers- en groothandelpyse oor die kort termyn moet in gedagte gehou word dat hierdie indekse neig om aansienlik van maand tot maand te skommel, sodat 'n groter of kleiner toename in enige een of twee maande, of selfs in 'n kwartaal, nie noodwendig beteken dat die inflasionistiese druk toeneem of afneem nie. Daar moet dus nie veel gewig aan die bewegings van hierdie indekse oor die kort termyn verleen word nie; die werklike prysneigings kan slegs oor 'n langer tydperk bepaal word.



Die seisoensaangesuiwerde indeks van groothandelspryse het ook verder toegeneem, maar teen 'n aanmerklik laer koers as gedurende 1966. Vergeleke met 'n styging van 4.4 persent tussen Desember 1965 en Desember 1966, het dit teen 'n jaarkoers van slegs 2.9 persent tussen Desember 1966 en April 1967 toegeneem. Die vernaamste rede vir hierdie verlang-saming was 'n afname in die groothandelspryse van landbou-, bosbou- en visseryprodukte, alhoewel die koers van toename in pryse van vervaardigde produkte ook laer was.

Groothandelspryse—seisoensinvloed uitgeskakel
Jaarlikse persentasiekoers van toename

Tydperk	Goedere geproduseer in Suid-Afrika			Ingevoerde goedere	Totaal
	Landbou, ens.	Fabrieks-wese	Totaal wese		
Des. 1963—Des. 1964 . .	11.7	2.8	4.1	2.6	3.7
Des. 1964—Des. 1965 . .	2.8	2.6	2.8	1.4	2.4
Des. 1965—Des. 1966 . .	7.1	4.2	4.9	3.1	4.4
Des. 1966—April 1967 . .	0.7	2.4	2.9	2.6	2.9

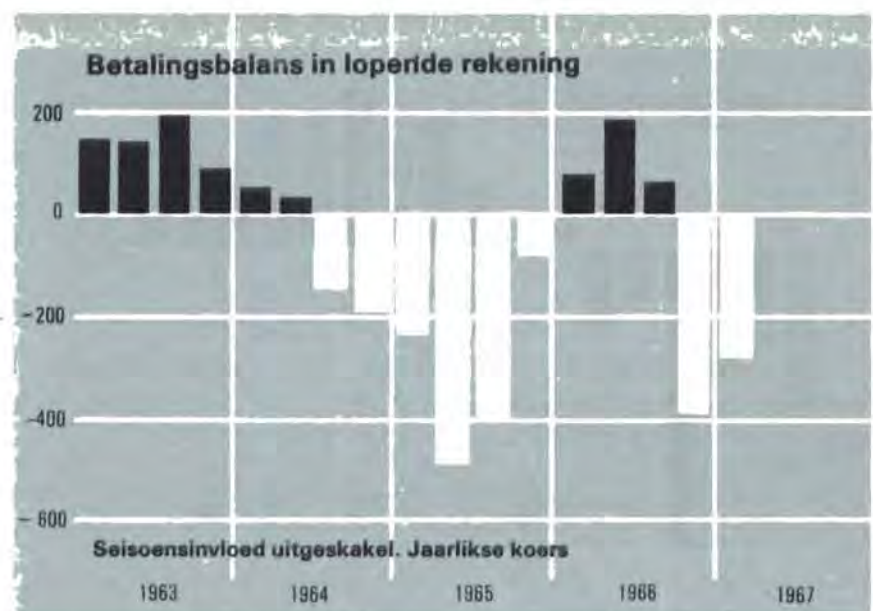
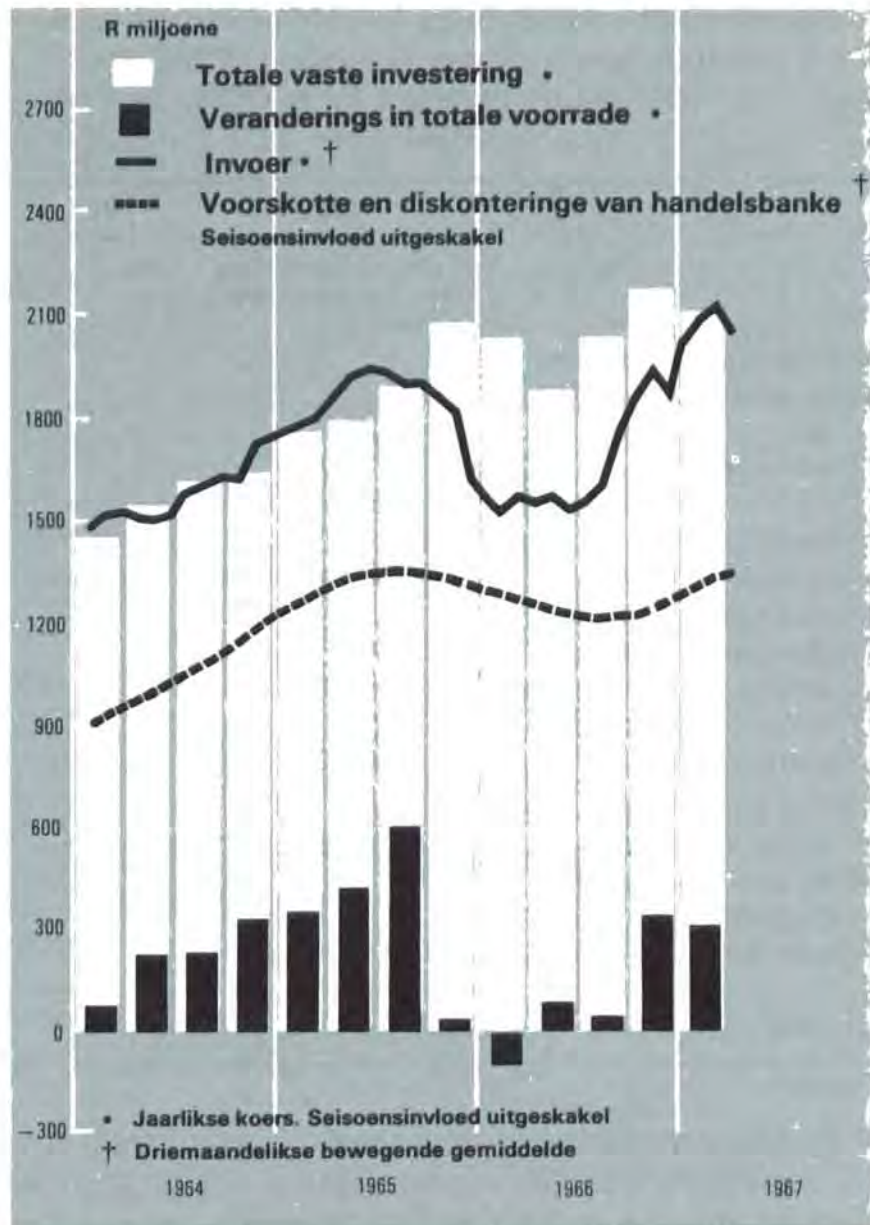
Betalingsbalans

Die invoer neig om meer gelyk te verloop

Nadat die invoer gedurende die tweede helfte van 1966 skerp toegeneem het en, soos gewoonlik, die opswaai in vaste en voorradinvestering getrou weer-spieël het, het dit in Januarie 1967, ná uitskakeling van die seisoensinvloed en gereken teen 'n jaarkoers, 'n rekordpeil van R2,304 miljoen bereik. In die daaropvolgende maande het dit geneig om op 'n ietwat laer peil meer gelyk te verloop. Die feit dat hierdie neiging voorgekom het ten spyte van die verdere verslapping van invoerbeheer in Desember 1966 en die amptelike beleid om sekere strategiese materiale op te berg, dien as 'n verdere aanduiding dat die sikliese opswaai geneig het om gedurende die eerste vier maande van 1967 te verswak.

Tekort op lopende rekening

Die invoer was nietemin gedurende die eerste kwartaal van 1967 aansienlik hoër as gedurende die vierde kwartaal van 1966 sodat, ondanks 'n toename in die uitvoer en 'n afname in die netto onsigbare betalings aan die res van die wêreld, die lopende rekening van die betalingsbalans weer 'n aansienlike tekort getoon het, naamlik van R85 miljoen vergeleke met R77 miljoen gedurende die vierde kwartaal van 1966. Ná uitskakeling van die seisoensinvloed en gereken teen 'n jaarkoers het die tekort gedurende die eerste kwartaal R272 miljoen bedra, vergeleke met R388 miljoen gedurende die vierde kwartaal van 1966.



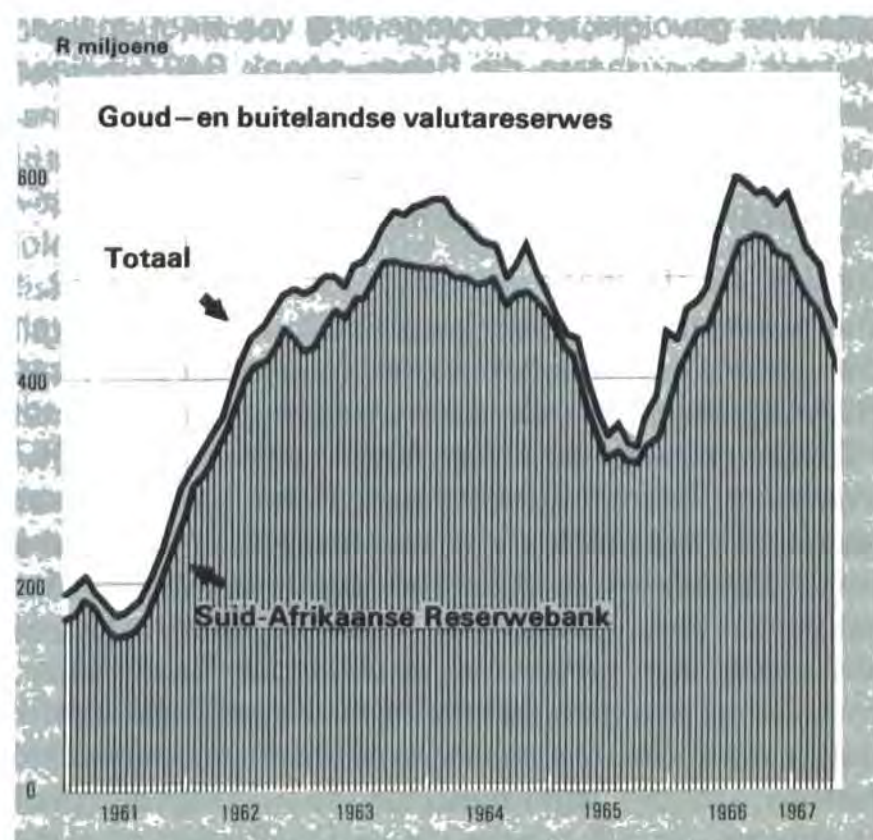
Kleiner netto invloeiing van kapitaal

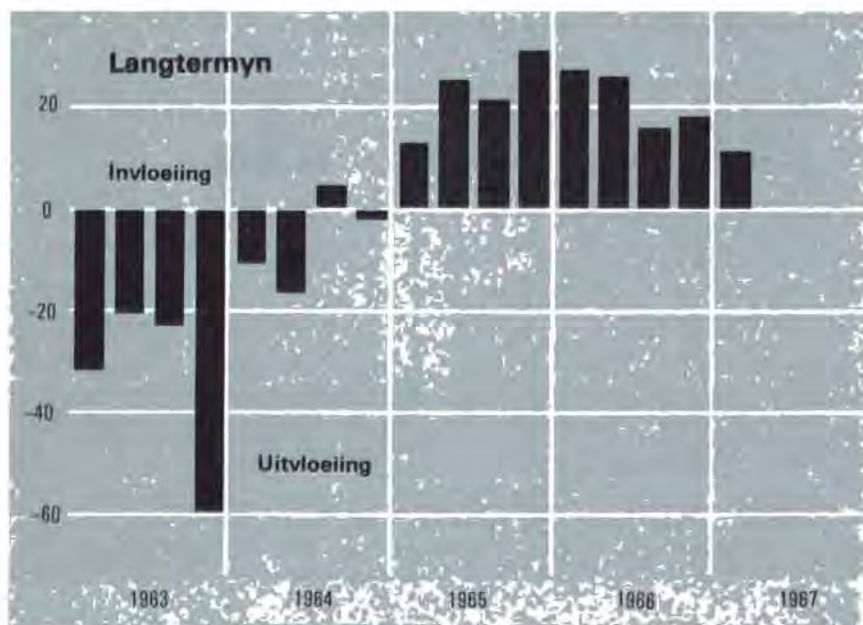
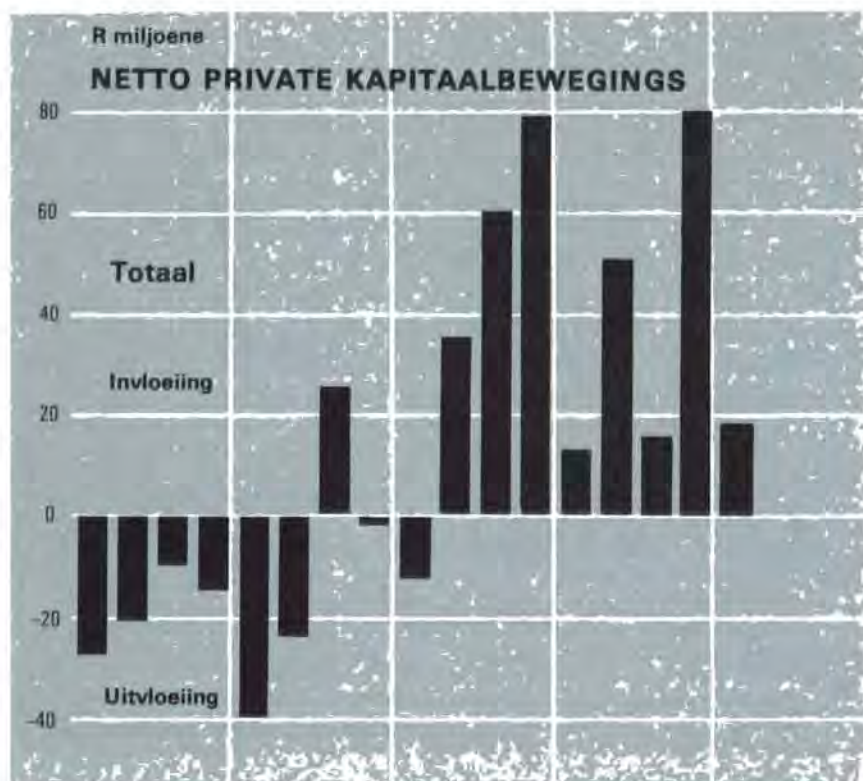
Net soos gedurende die voorafgaande sewe kwartale, was daar weer gedurende die eerste kwartaal van 1967 'n netto invloeiing van private kapitaal, alhoewel dit slegs R18 miljoen bedra het, vergeleke met R51 miljoen, R16 miljoen en R80 miljoen onderskeidelik gedurende die tweede, derde en vierde kwartale van 1966. Ongeveer R11 miljoen van hierdie totaal van R18 miljoen is geïdentifiseer as langtermynkapitaal.

Sentrale regerings- en bankkapitaal daarenteen het gedurende die eerste kwartaal van 1967 'n verdere netto uitvloeiing van R8 miljoen getoon, hoofsaaklik as gevolg van terugbetalings op buitelandse lenings deur die Reserwebank en die Regering.

Afname in goud- en buitelandse valuta-reserwes

Die netto resultaat van die lopende tekort van R85 miljoen, die netto private kapitaalinvloeiing van R18 miljoen en die netto uitvloeiing van sentrale regerings- en bankkapitaal van R8 miljoen gedurende die eerste kwartaal, was 'n afname van R75 miljoen in die totale goud- en buitelandse valuta-reserwes gehou deur die Reserwebank, die res van die banksektor en die Regering, wat hierdie totale reserwes aan die einde van Maart op R514 miljoen te staan gebring het. Gedurende April het daar 'n verdere afname van R37 miljoen en gedurende Mei nog 'n vermindering van





ongeveer R20 tot R30 miljoen in die totale reserves plaasgevind. Aan die einde van Mei moes die totale reserves gevolglik in die omgewing van R450 miljoen gewees het, waarvan die Reserwebank R407 miljoen gehou het.

Monetêre en banktoestand

Geld en kwasi-geld

Die hoeveelheid geld en kwasi-geld in die hande van die private sektor het vanaf 'n hoogtepunt van R2,643 miljoen aan die einde van Desember 1966 tot R2,559 miljoen aan die einde van Maart 1967 afgeneem, d.i. met R84 miljoen. Hierdie afname was gedeeltelik die binnelandse teenhanger van 'n afname van R68 miljoen in die *netto* goud- en buitelandse valutareserwes gedurende hierdie tydperk, d.i. ná aftrekking van korttermyn buitelandse laste. Maar, soos uit die meegaande tabel blyk, was dit hoofsaaklik toe te skryf aan 'n aansienlike afname in bankkrediet verleen aan die regeringsektor, soos aangedui deur 'n afname van nie minder nie as R118 miljoen in die

Oorsake van veranderinge in geld en kwasi-geld

(Veranderinge in die gekonsolideerde bates en laste van die monetêre banksektor)

R miljoen

	1966			1967	
	2de kw.	3de kw.	4de kw.	1ste kw.	April
Veranderinge in geld en kwasi-geld:					
Geld	126	6	42	-75	-2
Kwasi-geld	24	67	6	-9	19
Totaal	150	73	48	-84	17
Oorsake van veranderinge:					
Netto goud- en buitelandse valutareserwes	87	16	-9	-68	-37
Eise teen regeringsektor	115	83	30	-158	6
Regeringsdeposito's*	-24	-100	10	40	61
Netto eise teen die regeringsektor	91	-16	40	-118	67
Eise teen private sektor	38	69	78	112	23
Langtermyndeposito's*	-102	-23	-32	-12	-17
Ander bates en laste	37	28	-29	2	-19
Totaal	150	73	48	-84	17

*Toename -, afname +.

netto eise van die banksektor teen die regeringsektor; die deposito's van die regeringsektor het gedurende hierdie tydperk met R40 miljoen afgeneem, maar dit is meer as goedgemaak deur 'n afname van R158 miljoen in die banksektor se besit aan skatkiswissels, staatseffekte en ander eise teen die regeringsektor. Hierdie gunstige wending in die finansies van die regeringsektor was gedeeltelik 'n normale seisoensverbetering, maar dit was ook gedeeltelik die gevolg van die verhoogde belasting, die hoër rentekoerse op staatseffekte en ander owerheidsmaatreëls wat gedurende 1966 toegepas is.

Ongelukkig is die gunstige vernouingsuitwerking op binnelandse likwiditeit van die betalingsbalans-tekort en die afname in bankkrediet aan die regeringsektor gedeeltelik geneutraliseer deur 'n aansienlike verdere uitbreiding van bankkrediet aan die private sektor, soos aangedui deur 'n toename van R112 miljoen in die eise van die banksektor teen die private sektor gedurende die eerste kwartaal. Omdat sowel die regeringsektor se finansieringsaktiwiteite as die tekort op die betalingsbalans geld en kwasi-geld vanuit die private sektor ten tye van hoë vaste en voorraadinvestering en hoë invoere gedreineer het, het die private sektor se vraag na krediet vanselfsprekend skerp toegeneem. Maar die feit dat die banke tot so 'n groot mate daartoe in staat was om in hierdie addisionele vraag te voorsien, het die voortgesette oormatige besteding vergemaklik en gevolglik die doeltreffendheid van die amptelike disinflasionistiese beleid verminder.



Ten spyte van die afname in totale geld en kwasi-geld tussen Desember 1966 en Maart 1967, het die private sektor gedurende hierdie tydperk steeds in 'n relatief likwiede toestand verkeer soos aangetoon word deur die feit dat die verhouding van geld en

kwasi-geld tot die bruto binnelandse produk gedurende die eerste kwartaal van 1967, 28.2 persent beloop het, wat 'n relatief hoë syfer is indien dit met die gemiddelde van ongeveer 26 persent vir die tydperk 1955–64 vergelyk word. Desnieteenstaande, selfs al word seisoensfaktore in aanmerking geneem, dui 'n vergelyking van hierdie persentasie met die hoogtepunt van 29.5 persent wat in die vierde kwartaal van 1965 bereik is tog daarop dat die pogings van die owerhede om die toename in die likwiditeit van die private sektor te stuit en progressief 'n vernouing van die algemene monetêre toestand te bewerkstellig, 'n mate van sukses behaal het.

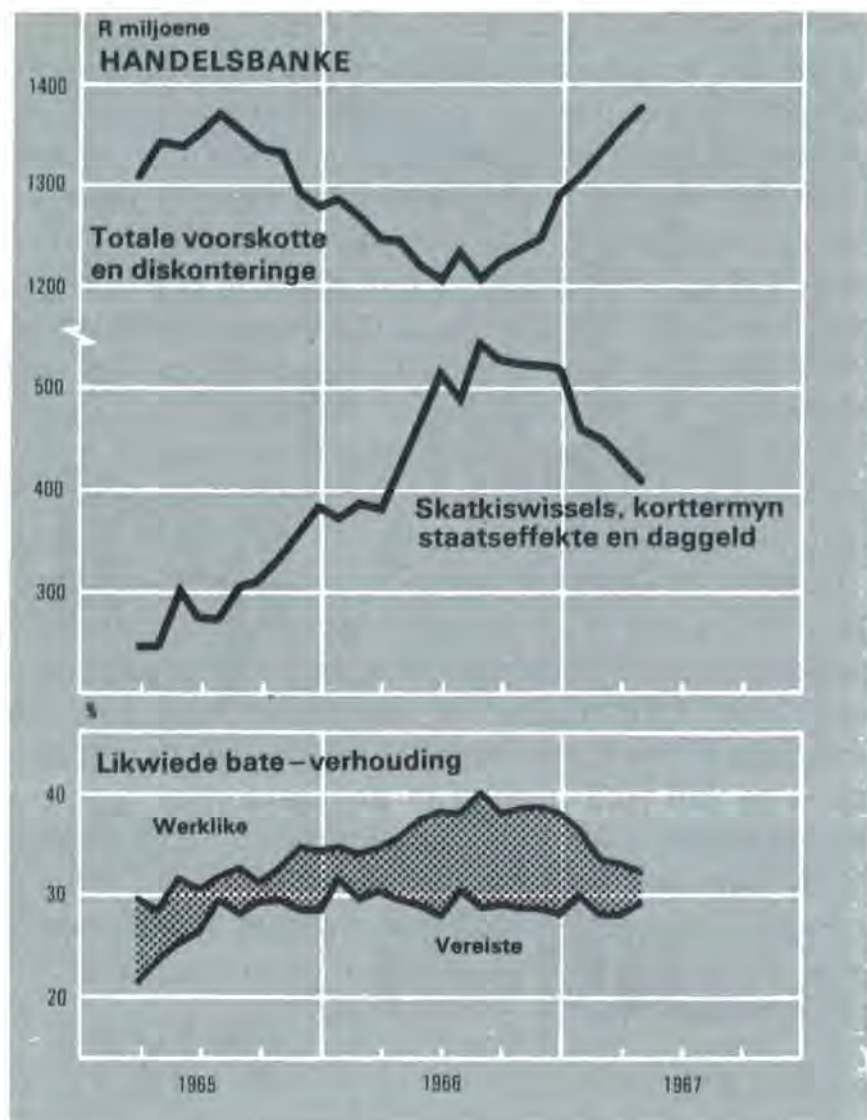
Gedurende April het die hoeveelheid geld en kwasi-geld matig met R17 miljoen toegeneem, hoofsaaklik as gevolg van 'n toename, gedeeltelik van 'n seisoens-aard, van R67 miljoen in die netto eise van die banksektor teen die regeringsektor en 'n verdere toename van R23 miljoen in banksektoreise teen die private sektor, wat 'n verdere afname van R37 miljoen in die netto goud- en buitelandse valutareserwes en 'n toename van R17 miljoen in langtermyndeposito's (wat nie as kwasi-geld beskou word nie) meer as geneutraliseer het.

Bankkrediet

Teen die einde van April het die diskonteringe en voorskotte verleen deur die handelsbanke en hul bankinstelling-filiale aan die private sektor, uitgesonderd die Landbank, tot R141 miljoen bokant die limiet wat deur die Reserwebank vir September 1967 gestel is, toegeneem, terwyl dié van ander monetêre huurkoop-, spaar- en algemene banke ongeveer R3 miljoen onder die limiet was. In totaal was hierdie diskonteringe en voorskotte dus ongeveer R138 miljoen bokant die September-„plafon“. In hierdie syfer is egter verskeie bedrae ingesluit, wat in totaal ten minste R15 miljoen beloop, wat van die Reserwebank se voorskrif vrygestel is, soos krediet aan sekere openbare korporasies en krediet vir die finansiering van spesiale invoere wat van strategiese waarde geag word. Ten einde aan die voorskrif te voldoen, sal hierdie banke derhalwe hulle „gewone“ diskonteringe en voorskotte aan die private sektor, uitgesonderd die Landbank, met 'n maksimum van R123 miljoen tussen April en September moet verminder. Maar aangesien dit verwag word dat die „vrygestelde krediet“ gedurende hierdie tydperk aansienlik sal toeneem, sal die banke se *totale* diskonteringe en voorskotte aan die private sektor, uitgesonderd die Landbank, met heelwat minder as hierdie bedrag voor September hoef te daal.

Afname in likwiede bates van banke

Die aansienlike toename in die monetêre banke se diskonteringe en voorskotte op 'n tydstip toe hul likwiede bates skerp verminder is deur die finan-



sieringsaktiwiteite van die regeringsektor en die betalingsbalanstekort, het die belangrike uitwerking gehad om hulle *verhouding* van likwiede bates tot totale verpligtings teenoor die publiek verder te verminder en dit nader aan die wetlike vereiste minimum te bring as wat dit vir vyftien maande was. In die geval van die handelsbanke, byvoorbeeld, het hulle *surplus* likwiede bate-verhouding vanaf 10·1 persent aan die einde van Desember 1966 tot 3·3 persent aan die einde van April 1967 afgeneem.

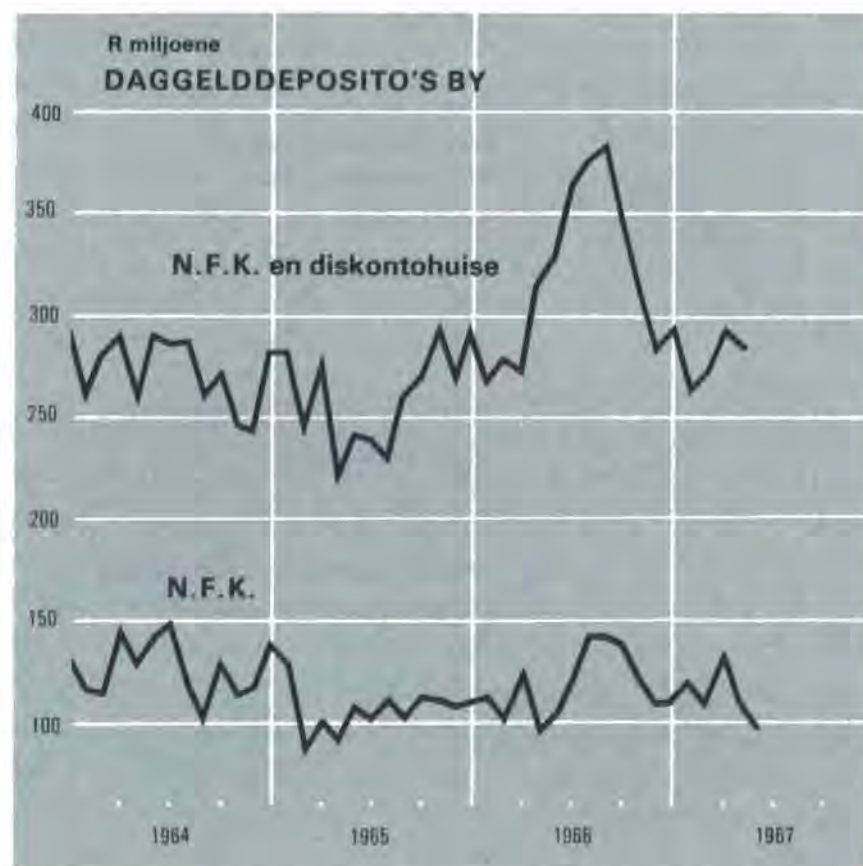
Toename in minimum likwiede bate-verhoudings

Gedurende Junie 1966 het die owerhede aangekondig dat die minimum likwiditeitsverhoudings vir alle aksep-, huurkoop-, spaar- en algemene banke met ingang einde Julie, vanaf die normale 30, 20 en 5 persent van onderskeidelik kort-, middel- en langtermynverpligtings teenoor die publiek tot onderskeidelik 34, 24 en 5 persent verhoog sal word. In die geval van handelsbanke is hierdie verhoudings reeds progressief in 1965 tot die maksimum persentasies van 40, 30 en 5 persent verhoog. In daardie stadium was dit nie moontlik om die verhoudings vir ander bankinstellings te verhoog nie, aangesien hulle 'n jaar toegelaat is om aan die likwiede bate-vereistes van die nuwe Bankwet, wat eers in Januarie 1965 in werking getree het, te voldoen. Later, nadat daar vanaf Oktober 1965 gebruik gemaak is van die metode om 'n plafon te plaas op krediet wat aan die private sektor deur alle monetêre banke verleen is, was dit nie

dringend noodsaaklik om die minimum likwiditeitsverhoudings vir aksep-, huurkoop-, spaar- en algemene banke te verhoog as 'n metode van kredietbeheer nie. Bowendien, as gevolg van die gunstige betalingsbalans gedurende die tien maande geëindig Julie 1966 en die gelyktydige bestaan van die kredietvoorskrif, het hierdie instellings in elk geval groot surplus likwiede bate-verhoudings gedurende 1966 gehandhaaf. Maar latere veranderinge in die monetêre en banktoestand het dit wenslik gemaak om in belang van billikheid sowel as stabiliteit die minimumverhoudings vir hierdie instellings meer in lyn met dié van handelsbanke te bring.

Daling in daggeld

'n Verdere gevolg van die disinflasionistiese finansieringswyse van die regeringsektor en die verslapping van invoerbeheer, was 'n daling in die bedrag aan daggeld gehou deur bankinstellings en andere by diskontohuise en die Nasionale Finansiële korporasie, naamlik van maandeind-gemiddeldes van R183 miljoen en R147 miljoen gedurende die derde en vierde kwartale van 1966 onderskeidelik, tot 'n gemiddelde van R137 miljoen gedurende die eerste kwartaal van 1967. Inderdaad was hierdie instellings gedurende die laasgenoemde tydperk soms verplig om tot 'n baie groter mate as gewoonlik by die Reserwebank te herdiskonteer. Dit het 'n groter mate van beheer oor die geldmark aan die Bank gegee.



Opwaartse tendens in korttermyn-rentekoerse

As gevolg van die veranderde vraag- en aanbodverhoudings in die geldmark was dit nie onverwags dat korttermyn-rentekoerse oor die algemeen gedurende die eerste vyf maande van 1967 opwaarts beweeg het nie. Die skatkiswissel-tenderkoers het byvoorbeeld

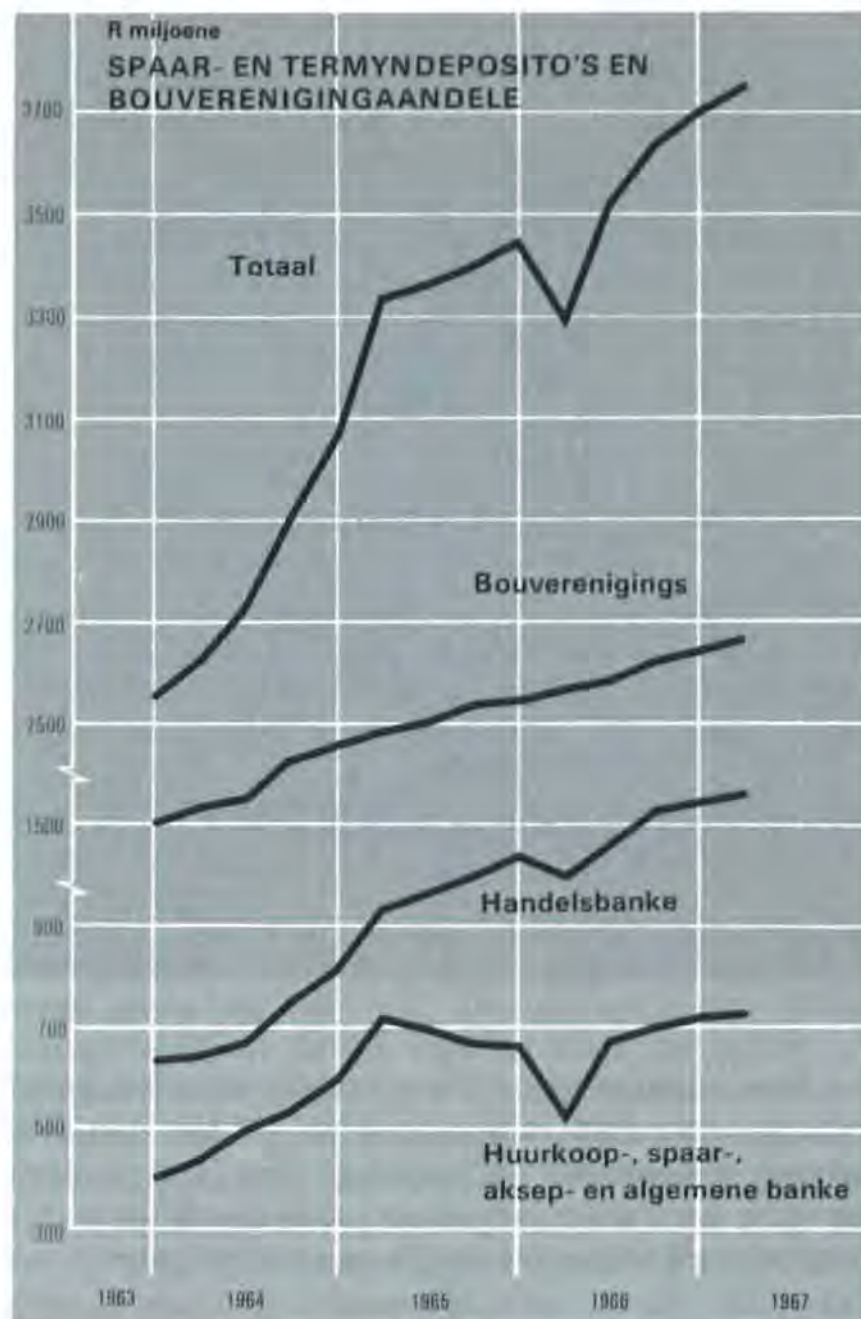
vanaf 4.56 persent aan die einde van 1966 tot 5.00 persent aan die einde van Maart 1967 gestyg. In die daaropvolgende weke het dit gedaal tot 4.75 persent op 12 Mei, gedeeltelik as gevolg van 'n seisoensverskuiwing van regeringsfondse na die private sektor, maar toe weer tot 4.94 persent op 23 Junie gestyg. Ander verwante rentekoerse, soos dié op aksepkrediete en intermaatskappylenings, het ook in 'n meer normale verhouding tot die bankkoers te staan gekom; laasgenoemde is gedurende die tydperk onder beskouing op 6 persent gehandhaaf.

Hierdie opwaartse beweging in die skatkiswisselkoers het gepaard gegaan met 'n styging in twee stadiums, naamlik in Maart en April, in die Reserwebank se stel rentekoerse vir kort- en mediumtermynstaatsseffekte, wat die koers op effekte met 'n uitstaande looptyd van 3 tot 3½ jaar op 5½ persent te staan gebring het.

Hierdie verskillende rentekoersveranderinge het geneig om die aansporing tot intermaatskappylenings tot 'n meer normale omvang te verminder. Ná die styging in die bankkoers tot 6 persent in Julie 1966, was hierdie aansporing besonder sterk as gevolg van die bestaan van 'n gaping van bykans 4 persent tussen die skatkiswisselkoers (waarmee intermaatskappyleenkoerse normaalweg verband hou) en die minimumoortrekkingskoers van handelsbanke, wat normaalweg twee persent bokant die bankkoers is. Dit wil voorkom asof daar in een stadium inderdaad aansienlike vervanging van bankkrediet deur „grysmarkfinansiering” was, wat daartoe bygedra het om die banke se diskonteringe en voorskotte aan die private sektor gedurende die grootste gedeelte van 1966 aansienlik benede die ou vasgestelde „plafon” te hou. Die verskyning van 'n tekort op die betalingsbalans en die disinflasionistiese finansiering van regeringsuitgawes het egter daarna nie alleen die ruimte vir onderlinge finansiering deur maatskappye verminder nie maar, deur grysmarkrentekoerse te laat styg, ook die aansporing. Dit wil voorkom asof dit in 'n aansienlike mate bygedra het tot die skerp styging in bankkrediet aan die private sektor gedurende die afgelope twaalf maande.

As gevolg van hierdie ontwikkelings was die beleid, aangekondig in Desember 1966, om addisionele skatkiswissels aan banke asook aan gewone sakeondernemings uit te reik, nie vir lank nodig nie. Die uitstaande bedrag aan skatkiswissels het inderdaad aansienlik gedurende Februarie en Maart gedaal voordat dit weer in April, Mei en Junie matig gestyg het.

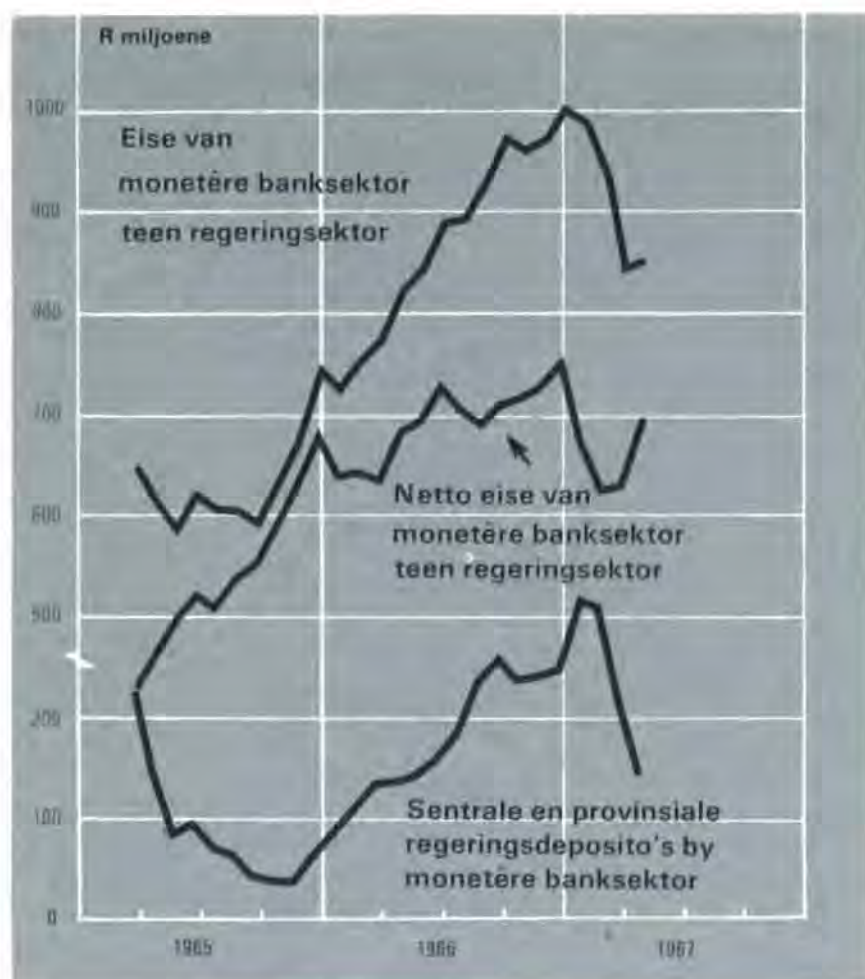
Die daling in geld en kwasi-geld gedurende die eerste kwartaal, op 'n tydstip toe die vraag na die meeste tipes uitleenbare fondse nog nie betekenisvol gedaal het nie, het ook gelei tot sterk mededinging om fondse tussen die verskillende soorte bankinstellings en bouverenigings en 'n opwaartse aanpassing in rentekoerse op verskeie soorte deposito's.



Staatsfinansies

Daar is reeds vroeër gemeld dat, terwyl die deposito's van die regeringsektor gedurende die eerste kwartaal van 1967 met R40 miljoen gedaal het, die bruto eise van die banksektor teen die regeringsektor met R158 miljoen afgeneem het, sodat die regeringsektor se *netto* skuldposisie teenoor die banksektor in werklikheid met R118 miljoen gedurende hierdie tydperk gedaal het. Ook is daarop gewys dat hierdie afname gedeeltelik seisoenaal van aard was en gedurende April deur 'n styging van R67 miljoen gevolg is, wat ook in 'n mate 'n seisoensverandering was.

Hierdie skerp skommelings was in die eerste plek nie toe te skryf aan veranderinge in die skatkisfinansies nie, maar eerder aan veranderinge in die deposito's van provinsiale administrasies, die Staatskuldkommissaris en die Betaalmeestergeneraal, asook aan veranderinge in krediet verleen deur die banksektor aan provinsiale administrasies en verskeie openbare fondse. Die provinsiale administrasies het byvoorbeeld hulle *netto* skuld teenoor die banksektor met R66 miljoen gedurende die eerste kwartaal verminder en dit toe weer met R22 miljoen in April verhoog, terwyl die deposito's wat deur die Betaalmeestergeneraal by



die Reserwebank gehou word gedurende die eerste kwartaal met R28 miljoen gestyg en toe met R40 miljoen gedurende April gedaal het. Die skatkis-rekening op sigself het ietwat verskillende tendense getoon, soos saamgevat in die meegaande tabel.

Skatkisfinansies

R miljoene

	1966		1967	
	3de kw.	4de kw.	1ste kw.	April
Totale tekort uitgesonderd lenings	53	45	133	34
Finansiering:				
Verandering in netto skuldposisie teenoor:				
Buitelandse sektor	4	-19	-3	-12
Private nie-banksektor	30	53	53	6
Staatskuldkommissaris	22	29	95	21
Betaalmeestergeneraal en bestaansbeveiligingsfondse	—	—	—	40
Subtotaal	56	63	145	55
Monetêre banksektor:				
Verandering in staatspapier	64	-5	-128	-12
Verandering in skatkissaldo*	-67	-13	-12	-21
Subtotaal	-3	-18	-12	-21
Totale finansiering	53	45	133	34

*Toename —, afname +.

Die tabel toon dat die totale skatkistekort, uitgesonderd lenings, van R133 miljoen gedurende die eerste kwartaal van 1967 meer as gedek is deur lenings van R145 miljoen van bronne buite die monetêre banksektor, sodat die Skatkis se netto skuldposisie teenoor die banksektor in werklikheid met R12 miljoen verminder is (die netto gevolg van 'n afname van R128 miljoen in die banksektor se besit aan skatkiswissels en staatseffekte en 'n daling van R116 miljoen in die skatkissaldo). Dit was die derde agtereenvolgende kwartaal waarin skatkisuitgawes nie alleen op 'n streng „nie-inflasionistiese” manier nie, maar selfs op 'n geringe „disinflasionistiese” wyse gefinansier is.

Gedurende April het die Skatkis daarin geslaag om sy netto skuldposisie teenoor die monetêre banksektor met 'n verdere R21 miljoen te verminder, maar dit was nadat R40 miljoen van die Betaalmeestergeneraal-rekening wat by die Reserwebank gehou word, geleen is. Met ander woorde, sonder hierdie transaksie sou die Skatkis se netto skuldposisie teenoor die banksektor met R19 miljoen gestyg het.

Kapitaalmark

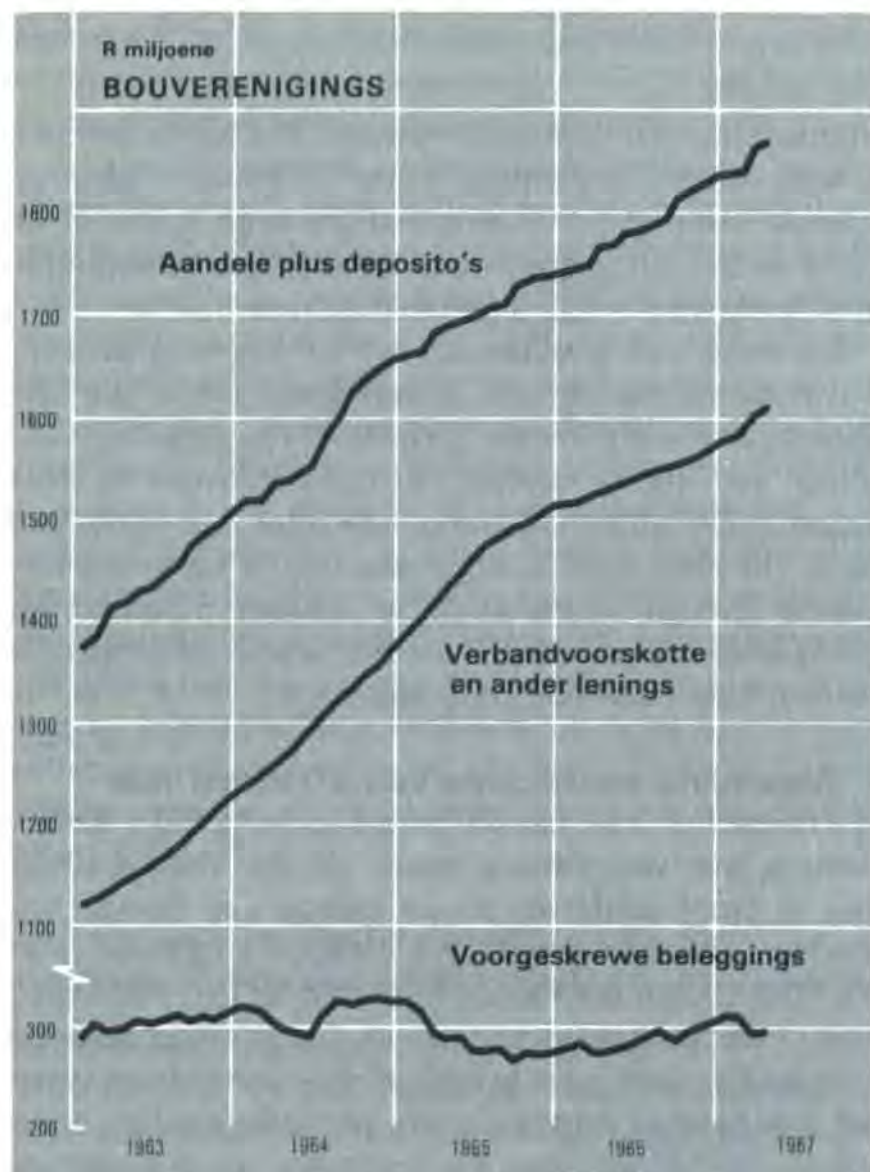
In die kapitaalmark het die vraag na uitleenbare fondse gedurende die tydperk onder beskouing deurgaans buitengewoon sterk gebly en, hoewel die Reserwebank se stel koerse vir langtermyn-staatseffekte nie verander het nie, het verskeie ander langtermyn-rentekoerse geneig om te styg. Bankinstellings en bouverenigings het dit inderdaad nodig gevind om hulle rentekoerse op langtermyndeposito's te verhoog ten einde op 'n meer effektiewe wyse met ander vorme van belegging soos gewone en deelnemings-verbandobligasies, regstreekse lenings, ens., te kan meeding.

Die opbrengskoers op nuwe uitgiftes van langtermyn-effekte van munisipaliteite het gedurende die eerste kwartaal van 1967 by benadering op dieselfde vlak as gedurende die laaste kwartaal van 1966 gebly, naamlik op ongeveer 7·2 persent, maar die opbrengskoers op langtermyn-effekte uitgereik deur openbare korporasies, het van net oor die 7 persent tot byna 7·2 persent gestyg, sodat die marge tussen die opbrengskoerse op hierdie twee klasse van effekte feitlik uitgeskakel is. Hierbenewens het die opbrengskoerse op skuldbriewe en leningseffekte van maatskappye vanaf ongeveer 7 $\frac{3}{4}$ persent aan die einde van 1966 tot sowat 8 persent gedurende die eerste kwartaal van 1967 toegeneem.

Aandelepryse en -opbrengskoerse

Net soos gedurende die vierde kwartaal van 1966, het die pryse van goudmynaandele gedurende die eerste kwartaal en ook gedurende April aansienlik gedaal om die laagste vlak wat gedurende die afgelope twee-en-'n-half jaar aangeteken is, te bereik. Maar die pryse van finansiële aandele en in besonder van nywerheids- en

handelsaandele het skerp toegeneem tot 'n vlak wat baie na aan die hoogtepunt van April 1965 gekom het. Die gemiddelde opbrengskoers op goudmynaandele het tot meer as 10 persent in April toegeneem, terwyl dié op nywerheids- en handelsaandele tot ongeveer 4·2 persent in Maart gedaal het, vergeleke met net meer as 5 persent in Desember 1966.



Bouverenigings

Die algemene tekort aan fondse beskikbaar vir belegging in vaste rente-draende vorm, het aangehou om die bouverenigings te raak en hulle was weer eens nie in staat om volkome aan die abnormaal hoë vraag na hul verbandlenings te voldoen nie. Desnieteenstaande het die uitstaande bedrag van hulle verbanden ander lenings gedurende die eerste kwartaal met R25 miljoen toegeneem, wat die grootste kwartaal-like toename sedert die derde kwartaal van 1965 verteenwoordig het.

Die verenigings se middele het gedurende die eerste kwartaal van 1967 met R24 miljoen toegeneem. Aandelekapitaal het met R4 miljoen gedaal, maar vaste en spaardeposito's het onderskeidelik met R23 miljoen en R5 miljoen toegeneem. Die oorskot van totale voorgeskrewe beleggings bo en behalwe die statutêre minimum het vanaf R154 miljoen aan die einde van 1966 tot R122 miljoen aan die einde van Maart 1967 gedaal, wat nog steeds 'n baie gemaklike marge verskaf het.

Die verskerpte mededinging om fondse waarna vroeër verwys is, het dit vir die bouverenigings nodig gemaak om hulle rentekoerse op vaste deposito's vir 12 maande en langer en op onbepaalde termyn-aandele vanaf 6½ tot 7 persent in Maart te verhoog. Hulle uitleenkoerse is egter in die meeste gevalle onveranderd gelaat. Die verenigings is in hulle pogings om 'n styging in hulle uitleenkoerse te voorkom, gesteun deur 'n wetswysiging in Junie 1967 wat hulle vir een jaar van die vereiste om elke jaar 'n bedrag gelykstaande aan 10 persent van hulle netto wins in daardie jaar na 'n statutêre reserwe oor te dra, vrygestel het.

Opmerkings oor tabelle

Hersiene syfers

Die aandag word daarop gevestig dat sommige syfers vir 1965 en 1966 in die volgende tabelle hersien is:

Tabel S-48

Betalingsbalans—jaarsyfers.

Tabel S-49

Betalingsbalans—kwartaalsyfers.

Tabel S-50

Betalingsbalans in lopende rekening na uitskakeling van seisoensinvloed.

Tabel S-52

Betalingsbalansposte—dienste en oordragte.

Tabel S-53

Betalingsbalansposte—private kapitaalbewegings.

Tabel S-54

Betalingsbalansposte—kapitaalbewegings van sentrale regering en banksektor.

Hierdie hersienings is toe te skryf aan die feit dat bykomstige inligting onlangs beskikbaar gekom het. In die toekoms sal belangrike hersienings van betalingsbalanssyfers in die Junie-uitgawe van die *Kwartaalblad* gedoen word.

Hoofsaaklik as gevolg van die insluiting van inligting wat deur die Reserwebank op 'n kwartaalbasis ingesamel word en wat eers na publikasie van die voorlopige statistiek beskikbaar kom, is die kwartaalverdeling van die jaarlikse handelsyfers vir 1966 hersien.

'n Oorsig van die effektetrustbeweging in Suid-Afrika¹

deur C. J. de Swardt

1. Inleiding

In Mei 1965 het die eerste effektetrust op die Suid-Afrikaanse finansiële toneel verskyn. Daarna het meer instellings gevolg en op die oomblik bestaan daar vyf, terwyl 'n sesde binnekort met sy werksaamhede gaan begin. Die effektetrustbeweging het dus vinnig op dreef gekom, en geoordeel volgens die ondervinding van ander lande, mag dit in 'n belangrike onderdeel van die finansiële struktuur ontwikkel.

Die bestuursmaatskappye verbonde aan die effektetrusts het veel daartoe bygedra om die effektetrustbegrip aan die beleggingspubliek bekend te stel, en dit is gevolg deur 'n intensiewe verkoopsoging deur middel van advertensies en die daarstelling van 'n netwerk van agente. Die spoedige vooruitgang van die effektetrusts kan ook gedeeltelik toegeskryf word aan die feit dat die land so pas 'n langdurige tydperk van vinnige ekonomiese vooruitgang beleef het wat inflasionistiese neigings in die volkshuishouding te weeggebring het. Dit het potensiële beleggers meer ontvanklik gemaak vir die gedagte om deur middel van 'n belegging in aandele 'n verskansing teen inflasie te bekom, 'n aspek wat in besonder deur die trusts beklemtoon is. Bowendien belê die effektetrusts byna uitsluitlik in aandele, en 'n bestendige opwaartse beweging in aandelepryse vanaf die laaste kwartaal van 1965 het tot 'n toename in die markwaarde van hulle portefeuljes gelei.

Hoewel effektetrusts in hulle huidige vorm nog slegs twee jaar in Suid-Afrika bestaan, het die beleggings-trustbegrip 'n lang en kleurvolle geskiedenis wat teruggaan na die jaar 1868.² Sedertdien het die beleggingstrustbeweging 'n aantal moeilike tydperke in die finansiële geskiedenis deurstaan, vernameklik die drastiese daling in aandelepryse teen die einde van 1929 en die langdurige depressie wat daarop gevolg het, en het in hierdie proses ontwikkel „from a well-conceived but imperfect vehicle to an investment medium of proven merit”.³ Die aanvaarding van die beleggingstrustbegrip is vandag die grootste in die Ver-

enigde State van Amerika, wat ook die land van oorsprong van die onderlinge fonds⁴ of effektetrust in sy huidige vorm is.⁵ Die eerste onderlinge fonds is in 1924 in Boston gestig, maar hierdie tipe beleggings-trust is nie voor 1932 algemeen aanvaar nie.⁶

Die wese van effektetrusts en die tegniese aspekte van hulle werksaamhede is breedvoerig deur die oprigters van hierdie instellings beskryf toe hulle in Suid-Afrika van stapel gestuur is. Hierbenewens is daar sedert hulle totstandkoming ook veel oor hulle geskryf. Dit mag egter nuttig wees om na sommige van hierdie basiese eienskappe te verwys, voordat die werksaamhede van die Suid-Afrikaanse effektetrusts in meer besonderhede bespreek word.

2. Algemene eienskappe van effektetrusts

'n Effektetrust kan beskryf word as 'n wetlike samestelling wat voorsiening maak vir die samevoeging van 'n groot aantal ongelyke bedrae van beleggingsfondse wat aan verskillende beleggers behoort, met die doel om hierdie fondse deur middel van professionele beleggingsbestuurders in 'n gediversifiseerde portefeulje van effekte te belê. Hierby kan gevoeg word dat die kapitaal van die trust volkome elasties is en sonder formaliteit deur die skepping van bykomende deelnemende onderaandele vergroot kan word, terwyl die onderaandele ook oor 'n delgingseienskap beskik wat onderaandeelhouders magtig om te eniger tyd te eis dat die trust die onderaandele moet terugkoop. Elke deelnemer deel pro rata in die portefeulje van die trust en inkomste wat uit beleggings voortspruit, maar moet ook sy eweredige deel van die bedryfskoste van die gemeenskaplike beleggingsfonds dra. Aan die beleggingskant, word die klem geplaas op die diversifikasie van beleggings en die gevolglike minimalisering van beleggingsrisiko's wat normaalweg nie binne die bereik van die belegger met 'n beperkte vermoë is nie. Die trust bied ook 'n deurlopende deskundige bestuur van beleggings aan wat gewoonlik slegs aan groot institusionele beleggers beskikbaar is.

¹ 'n Tabel wat statistiek van effektetrusts aanbied, verskyn aan die einde van hierdie artikel. Soortgelyke statistiek sal in toekomstige uitgawes van die *Kwartaalblad* as deel van die Statistiese Tabele verskyn.

² Die „Foreign and Colonial Government Trust” is in daardie jaar in Londen opgerig om in 'n gediversifiseerde reeks van buitelandse en koloniale staatseffekte te belê. (Vgl. Merriman, C. O.: *Mutual Funds and Unit Trusts. A Global View*. Sir Isaac Pitman & Sons Ltd., Londen, 1965.)

³ Bullock, Hugh: *The Story of Investment Companies*, Columbia University Press, Nieu-York, 1959, p. 151.

⁴ Die effektetrust (unit trust) is 'n Engelse begrip wat as sy Amerikaanse teenhanger die onderlinge fonds (mutual fund) het, hoewel daar klein verskille tussen hulle bestaan.

⁵ Beleggingstrusts kan in twee breë klasse ingedeel word, naamlik geslote trusts en ope trusts. Effektetrusts is ope trusts en hulle het as 'n variant van die ouere geslote trusts ontwikkel.

⁶ Vgl. Bullock, Hugh: *Op. cit.*, p. 71.

Effektetrusts belê hoofsaaklik in gewone aandele en oor die langtermyn neig pryse van gewone aandele om die onderliggende groei van die volkshuishouding tot 'n sekere mate te weerspieël. Die belegger in onderaandele van effektetrusts kan dus oor verloop van tyd 'n vermeerdering in die kapitaalwaarde van sy belegging verwag. Maar, hoewel aandelepryse 'n opwaartse langtermyn-tendens mag toon, sal korttermynskommelings in aandelepryse noodwendig voorkom en die belegger in onderaandele is nie te alle tye van 'n kapitaalwinst op sy belegging verseker nie.

As gevolg van die korttermynskommelings in aandelepryse, mag 'n belegger wat beoog om in onderaandele te belê, onseker wees oor die tydstip waarop hy die onderaandele behoort te koop. Effektetrusts het hierdie probleem opgelos deur die aanbieding van gereelde beleggingsgeleenthede wat die risiko verminder dat op 'n tydstip belê word wanneer aandelepryse 'n hoogtepunt bereik het. Die onderliggende beginsel wat hier te sprake is, is dié van rand-kostegelykstelling wat beteken dat wanneer 'n vaste bedrag met reëlmatige tussenposes in effekte belê word, ongeag prysskommelings, sal die gemiddelde koste van al die effekte wat gekoop is laer wees as die gemiddelde van al die pryse wat vir hierdie effekte betaal is. Dit volg uit die vanselfsprekende feit dat, met 'n vaste geldbedrag, meer effekte teen lae pryse as teen hoë pryse gekoop kan word.⁷

3. Tegnieë en wetlike aspekte van die werksaamhede van effektetrusts in Suid-Afrika

(a) Die bestuursamestelling

Daar is vier partye verbonde aan Suid-Afrikaanse effektetrustskemas, naamlik die trust self, die onderaandeelhouders, die bestuursmaatskappy en die trustee, en die verwantskap tussen hulle, sowel as die trust se metode van optrede en breë beleggingsbeleid, word in 'n trustakte saamgevat. Die bestuursmaatskappy wat 'n afsonderlike wetlike entiteit is, is vir die administrasie en bevordering van die trust verantwoordelik, maar die trustee, wat ook 'n afsonderlike entiteit is, verseker dat die beleggingsbeleid wat in die trustakte uiteengesit is, uitgevoer word. Hierbenewens word die effekte wat die portefeulje van die trust

uitmaak, aan die sorg van die trustee toevertrou, terwyl die trustee ook die uitreiking van onderaandele beheer.

Werksaamhede van effektetrusts in Suid-Afrika word gereël deur die *Wet op Beheer van Effektetrustskemas*, No. 18 van 1947, soos gewysig.⁸ Kragtens hierdie Wet moet bestuursmaatskappye wat beoog om 'n effektetrust te administreer, goedgekeur en geregistreer word deur die Registrateur van Effektetrustmaatskappye. Nie alleen moet 'n bestuursmaatskappy van bevredigende finansiële stand wees nie, maar hy moet ook oor 'n kapitaal van minstens R600,000 vir sy effektetrustwerksaamhede beskik. 'n Bestuursmaatskappy moet ook sy voorneme toon om die trust in die beste belang van die onderaandeelhouders te administreer deur nie minder nie as 10 persent van die totale onderaandele van die trust vir eie rekening te besit. Met die toestemming van die Registrateur mag hierdie besit egter tot R200,000 beperk word. Benevens die bestuursmaatskappy, moet die Registrateur ook die trustee en die trustakte goedkeur en registreer. Die trustee moet uit hoofde van die aard van sy besigheid oor voldoende ondervinding beskik en behoorlik toegerus wees om die pligte en verantwoordelikhede van 'n trustee te aanvaar en moet oor 'n opbetaalde kapitaal en onaangetaaste reserwes van nie minder nie as R1 miljoen beskik.

(b) Statutêre beleggingsvereistes vir effektetrusts

Die aanvanklike bates van 'n effektetrust moet effekte en kontant insluit wat 'n markwaarde van minstens R500,000 het. 'n Effektetrust mag nie meer as 5 persent van die markwaarde van al sy effekte in enige onderneming belê nie en mag nie meer as 5 persent van die effekte wat deur enige onderneming uitgereik is, opneem nie, behalwe in die geval van effekte wat deur 'n beleggingsmaatskappy uitgereik is, waar die beperking 10 persent is. Hierbenewens moet 'n effektetrust *goedgekeurde effekte*⁹ in sy portefeulje insluit wat 'n markwaarde van nie minder nie as 10 persent van die totale markwaarde van al die effekte in sy portefeulje het. Hierdie goedgekeurde effekte moet regeringseffekte insluit wat minstens gelyk aan 5 persent van die markwaarde van die effekte in sy portefeulje is.

(c) Werksaamhede van bestuursmaatskappye

Al die werksaamhede van 'n effektetrust word deur die bestuursmaatskappy uitgevoer. Onderaandele word nie regstreeks aan die beleggingspubliek uitgereik nie, maar deur die bestuursmaatskappy, wat as prinsipaal

⁷ Hierdie beginsel kan deur die volgende numeriese voorbeeld verduidelik word:

Vaste bedrag belê	Prys van effek	Aantal effekte gekoop
R75	50 sent	150
R75	75 sent	100
R75	100 sent	75
R225	225 sent	325

Totaal
Gemiddelde koste van effekte: $\frac{R225}{325} = 69 \text{ sent}$

Gemiddelde prys vir effekte betaal: $\frac{225 \text{ sent}}{3} = 75 \text{ sent}$

⁸ Deur Wette Nos. 11 en 68 van 1962, No. 65 van 1963, No. 58 van 1966 en die Wysigingswet op Finansiële Instellings van 1967.

⁹ Goedgekeurde effekte word gedefinieer as „effekte deur die Regering van die Republiek uitgegee of gewaarborg of deur 'n plaaslike bestuursliggaam in die Republiek, die Land- en Landboubank van Suid-Afrika, die Randwateraad of die Elektrisiteitsvoorsieningskommissie uitgegee, of sulke ander effekte as wat die registrateur vir doeleindes van hierdie Wet goedgekeur het”. (Artikel 1 van die Wet.)

by die uitreiking en aflossing van onderaandele optree, gekanaliseer. Die bestuursmaatskappy is verplig om alle onderaandele wat hom aangebied word, terug te koop en die voorwaardes waarop hy dit sal doen moet in die trustakte uiteengesit word. Die opbrengs van uitgereikte onderaandele word deur die bestuursmaatskappy namens die trust belê, terwyl die bestuursmaatskappy ook verantwoordelik vir die uitbouing van die effektrust is.

Kragtens die Wet moet die bestuursmaatskappy volledige inligting aan die Registrateur, onderaandeelhouders en ander belangstellende lede van die publiek verstrek aangaande al sy bedrywighede wat met die werksaamhede van die effektrust verband hou. Hierbenewens moet dit die markwaarde van elkeen van die effekte wat in die trust se portefeulje ingesluit is, in besonderhede bekend maak asook voorgeskrewe bykomende inligting aangaande die werksaamhede van die trust. 'n Bestuursmaatskappy is ook verplig om eksemplare van alle advertensies, brosjures en soortgelyke dokumente wat die maatskappy of enigeen van sy gemagtigde agente beoog om te publiseer, asook alle beoogde toevoegings daartoe of wysigings daarvan, vir goedkeuring aan die Registrateur voor te lê.

(d) Bestuursheffings

Twee heffings word gebruik om die bestuursmaatskappy se uitgawes wat bestaan uit registrasiefooi, algemene bedryfskoste, bevorderingskoste, agentekommissie, en die vergoeding van beleggingsadviseurs en die trustee, te dek. Eerstens, word 'n aanvangsheffing wat wissel van 1 tot 5 persent, afhangende van die grootte van die belegging, in die verkoopprys van onderaandele ingesluit. Tweedens, word 'n diensfooi van $\frac{1}{2}$ persent per jaar van die gemiddelde maandelikse markwaarde van die trust se portefeulje van die inkomste van die trust afgetrek voordat uitkerings aan onderaandeelhouders gemaak word. Dit is interessant om daarop te let dat die maksimum aanvangsheffing tot onlangs $7\frac{1}{2}$ persent bedra het, maar in afwagting van die jongste wysiging van die Wet¹⁰ wat die aanvangsheffing tot 'n maksimum van 5 persent beperk, het die maatskappye wat meer as 5 persent hef het, hulle maksimum persentasie tot hierdie syfer verlaag.

(e) Inkomste-uitkerings aan onderaandeelhouders

Afgesien van die bestuursmaatskappy se diensfooi, is ouditeursfooi, belasting en die amortisasie van effekte wat kwynende bates verteenwoordig, toelaatbare aftrekkings van die inkomste van 'n trust. Die oorblywende inkomste moet kragtens die Wet aan onderaandeelhouders uitgekeer word. Dividendbetalings word twee keer per jaar gedoen en die opbrengs kan deur die onderaandeelhouders in kontant geneem word

of in bykomende onderaandele belê word. Die Wet verbied uitdruklik die uitkering van die opbrengs van kapitaalwinste, regte en bonusuitgiftes wat tot voordeel van onderaandeelhouders herbelê moet word.

(f) Bepaling van verkoop- en terugkooppryse

Die manier waarop verkoop- en terugkooppryse van onderaandele bereken word, moet in die trustakte beskryf word. Die verkoopprys word gewoonlik bepaal deur die *netto batewaarde*¹¹ per onderaandeel plus die bestuursmaatskappy se aanvangsheffing. Voorheen kon die syfer wat op hierdie manier verkry is, tot die volgende heel sent afgerond word, maar hierdie prosedure is in die onlangse wysiging van die Wet afgeskaf. In afwagting van hierdie wysiging het effektrusts wat dit nie reeds gedoen het nie, daartoe oorgegaan om pryse tot twee desimale van 'n sent te kwoteer. Die terugkoop- of aflossingsprys is normaalweg gelyk aan die verkoopprys minus die aanvangsheffing.

(g) Beleggingskemas wat deur effektrusts aangebied word

'n Verskeidenheid van beleggingskemas word deur die effektrusts aangebied om aan die vereistes van verskillende beleggers te voldoen:

- (i) Die oprekening-beleggingsplan maak voorsiening vir 'n aanvanklike enkelbedragbelegging van 'n voorafbepaalde minimum waarby sporadiese verdere beleggings van 'n vasgestelde minimum gevoeg kan word. Dividende op hierdie beleggings word aan die onderaandeelhouer uitbetaal.
- (ii) 'n Variasie van die oprekening is die akkumulasieplan wat vir die outomatiese herbelegging van dividende tot voordeel van die onderaandeelhouer voorsiening maak.
- (iii) Die stelselmatige beleggingsplan maak voorsiening vir die belegging van 'n vaste maandelikse bedrag oor 'n voorafbepaalde tydperk met 'n outomatiese herbelegging van dividende op onderaandele. Onderaandeelhouders word die keuse gebied om hierdie beleggingsplan te koppel aan 'n versekeringskema wat die voltooiing van die plan waarborg ingeval die belegger voor die voltooiingsdatum te sterwe kom.
- (iv) 'n Stelselmatige onttrekkingsplan maak voorsiening vir die betaling van 'n gereelde voorafbepaalde inkomste, wat gedeeltelik uit kapitaal en gedeeltelik uit dividende bestaan, aan die onderaandeelhouer.

¹¹ Die netto batewaarde van 'n trust bestaan uit die markwaarde van al die effekte in die trust se portefeulje, plus verpligte fiskale koste verbonde aan die aankoop van die trust se portefeulje (d.w.s. makelaarsloon, belasting op verhandelbare effekte, en seëls), plus kontant, deposito's en opgelope inkomste (d.w.s. rente en dividende op beleggings wat vir uitkering aan onderaandeelhouders beskikbaar is), minus korttermynverpligings. Netto batewaarde per onderaandeel word verkry deur die totale netto batewaarde deur die aantal uitgereikte onderaandele te deel.

¹⁰ Hierdie wysiging is vervat in die Wysigingswet op Finansiële Instellings van 1967.

(h) Pensioen- en uittredingsannuïteitskemas wat aan onderaandele gekoppel is

Die effektrusts het in samewerking met versekeraars 'n nuwe ontwikkeling op die gebied van pensioen- en uittredingsannuïteitskemas ingevoer. Ingevolge 'n ooreenkoms tussen sekere effektrusts en versekeraars word 'n gedeelte, wat wissel van 50 tot 66 $\frac{2}{3}$ persent, van die bydraes tot pensioen- en uittredingsannuïteitskemas wat deur die versekeraars onderneem word, in onderaandele belê. Die oorblywende gedeelte van die bydraes word in die portefeulje van die versekeraar belê. Enige waardevermeerdering van kapitaal wat uit die belegging in onderaandele voortspruit asook dividende op hierdie belegging kom die pensioen- en annuïteitsfondse toe tot voordeel van die bydraers. Die skemas is daarop gemik om die moontlike uitwerking van inflasie op die reële waarde van die bydraers se kontraktuele besparings te neutraliseer. Die ooreenkoms tussen effektrusts en versekeraars maak voorsiening vir 'n grootmaatkorting van soveel as 5 persent op verkope van onderaandele aan die betrokke versekeraars. Hierdie korting word tot voordeel van bydraers aan die pensioen- en annuïteitsfondse oorgedra.

4. 'n Vergelyking van Suid-Afrikaanse effekte-trusts met hulle teenhangers in die Verenigde Koninkryk en die Verenigde State

(a) Die bestuursamestelling

Soos gemeld in die inleiding, was die Verenigde Koninkryk en die Verenigde State van Amerika die lande van oorsprong van die effektrust en dit mag interessant wees om die Suid-Afrikaanse effektrust met sy teenhangers in hierdie lande te vergelyk. Ten einde hierdie vergelyking te vergemaklik, mag dit nuttig wees om eers die verskille tussen die Britse effektrust en die Amerikaanse onderlinge fonds vas te stel.

Die effektrust en onderlinge fonds verskil wesenlik ten opsigte van hulle wetlike raamwerk. Effektrusts is egte trusts wat deur 'n bestuursmaatskappy geadministreer word en waarvan die bates in trust gehou word. Hulle het dikwels 'n leeftyd wat na 20 of 25 jaar eindig, maar wat na die vervaldatum verleng kan word. Onderlinge fondse is meesal, maar nie uitsluitlik nie, korporatiewe ondernemings. Die effektrust word opgerig en geadministreer deur 'n bestuursmaatskappy en die trustee oefen, in ooreenstemming met die trustakte, 'n mindere of meerdere mate van beheer oor die bestuursmaatskappy uit. Die onderlinge fonds is meesal 'n onafhanklike maatskappy wat deur middel van sy direksie 'n bestuursorganisasie kies om die administrasie van die fonds te behartig.¹² 'n Trustee word aangestel maar dien alleenlik as 'n be-

waarder van effekte met geen beheer oor die bestuursorganisasie nie.

Die Amerikaanse onderlinge fonds word gewoonlik deur 'n groter mate van spesialisasie gekenmerk. Verskillende partye kan by die werksaamhede van 'n onderlinge fonds betrokke wees, naamlik die onderlinge fonds self, die bestuursorganisasie, die bank wat as bewaarder optree, die bank wat dividenduitkerings doen en die agent wat aandele in die onderlinge fonds versprei. Die laasgenoemde twee funksies word egter dikwels by dié van die bestuursorganisasie geïnkorporeer. Die werksaamhede van effektrusts in die Verenigde Koninkryk berus slegs by drie partye, naamlik die bestuursmaatskappy, die trust en die trustee.

Wanneer die Suid-Afrikaanse effektrust met sy Britse en Amerikaanse teenhangers vergelyk word, is dit duidelik dat die Suid-Afrikaanse instelling nou aan die Britse effektrust¹³ verwant is. Die belangrikste verskil is dat die Suid-Afrikaanse trust 'n onbepaalde leeftyd het.

(b) Verspreiding van onderaandele

Verkope van onderaandele word in die Verenigde Koninkryk regstreeks deur die bestuursmaatskappy of onregstreeks deur banke, effektemakelaars en ander professionele agente gedoen. Verkope van aandele in Amerikaanse onderlinge fondse word deur middel van 'n groothandelsverspreider gedoen wat 'n aanvangsheffing voeg by die netto batewaarde per aandeel wat deur die bestuursorganisasie ten behoeve van die onderlinge fonds behou word. Suid-Afrikaanse effekte-trusts volg die Britse voorbeeld, maar 'n afsonderlike verspreidingsmaatskappy word deur een van hulle vir die verspreiding van onderaandele gebruik.

(c) Bestuursheffings

Die aanvangsheffing wat deur die bestuursmaatskappy in die Verenigde Koninkryk behou word, is gewoonlik gelyk aan 3 $\frac{1}{4}$ persent, waaruit agentekommissie betaal word. In die Verenigde State is die aanvangsheffing ongeveer 8 persent, waarvan 2 persent deur die groothandelsverspreider van aandele behou word en 6 persent aan die kleinhandelsverspreider toegelaat word, indien so 'n verspreider gebruik word. Die aanvangsheffing van 8 persent word egter verminder in ooreenstemming met die grootte van die bedrag waarvoor aandele gekoop word. Suid-Afrikaanse bestuursmaatskappye se aanvangsheffing wissel van 1 tot 5 persent, afhangende van die grootte van die bedrag waarvoor onderaandele gekoop word. 'n Jaarlikse diensfooi gelykstaande aan $\frac{1}{2}$ persent van die gemiddelde maandelikse markwaarde van die portefeulje van die trust, is van toepassing in Suid-Afrika, die Verenigde State en gewoonlik ook in die Verenigde Koninkryk.

¹² Nie-geïnkorporeerde onderlinge fonds of „common law trusts” word deur trustees geadministreer, maar hierdie trustees kan deur die aandeelhouders in die fonds vervang word.

¹³ Daar moet egter op gewys word dat die meeste effektrusts in Suid-Afrika na hulleself as onderlinge fondse verwys, terwyl die begrip *effekte-trustskema* in die Wet gebruik word.

(d) Berekening van verkoop- en terugkooppryse van onderaandele

Verkoop- en terugkooppryse van onderaandele word op dieselfde manier in die drie betrokke lande bereken, maar 'n aflossingsheffing van 1 persent is soms in die Verenigde State van toepassing.

5. 'n Feitelike oorsig van die ontwikkeling van die effektetrustbeweging in Suid-Afrika

(a) Die globale groei van effektetrusts

Gedurende die eerste agt maande van sy bestaan, d.w.s. tot aan die einde van 1965, het die effektetrustbeweging wat toe uit twee trusts bestaan het, bates ten bedrae van R2.7 miljoen geakkumuleer. Twee nuwe trusts het gedurende 1966 aangesluit en totale bates het met R21.9 miljoen gedurende hierdie jaar toegeneem en met 'n verdere R13.7 miljoen gedurende die eerste vier maande van 1967. Die laasgenoemde vermeerdering is gelyk aan 'n jaarlikse toenamekoers van R41.1 miljoen. Totale bates het aan die einde van April 1967 op R38.3 miljoen te staan gekom en die netto batewaarde van die trusts het op hierdie datum R41.2 miljoen bedra. Hierdie groei-aspekte word in meer besonderhede in die volgende tabel aangetoon.

Veranderings in uitgesoekte poste van effektetrusts
R miljoene

Einde	Totale bates		Netto batewaarde van trusts	
	Bedrag	Verandering	Bedrag	Verandering
1965—Junie . . .	0.8	—	0.7	—
Desember . . .	2.7	1.9	2.5	1.8
1966—Junie . . .	9.6	6.9	9.0	6.5
Desember . . .	24.6	15.0	24.6	15.6
1967—April . . .	38.3	13.7	41.2	16.6

(b) Die bedrag wat in effektetrusts belê is

Tot aan die einde van April 1967 het beleggers¹⁴ 'n netto bedrag van R37.4 miljoen in effektetrusts belê. Hiervan is R1.9 miljoen gedurende 1965 belê, terwyl R20.8 miljoen gedurende 1966 en R14.7 miljoen gedurende die eerste vier maande van 1967 belê is. Wanneer die totale bedrag wat tot aan die einde van April 1967 in effektetrusts belê is, op 'n bruto basis beskou word, het die bestuursmaatskappye se verkope van onderaandele, teen verkooppryse wat op die betrokke datums van krag was, R38.5 miljoen bedra, terwyl totale terugkope of aflossings van onderaandele teen werklike terugkooppryse R1.1 miljoen bedra het. Terugkope het dus slegs 'n geringe gedeelte van die bestuursmaatskappye se transaksies met die beleggingspubliek uitgemaak. Vergeleke met die netto

bedrag van R37.4 miljoen wat tot aan die einde van April in onderaandele belê is, het die beleggers se aandeel in die netto batewaarde van die trusts R39.0 miljoen bedra. Dit beteken dat die totale bedrag wat tot aan die einde van April deur buitestaande beleggers in effektetrusts belê is, met 4.3 persent in waarde toegeneem het.¹⁵ Die bestuursmaatskappye se aandeel in die netto batewaarde van die trusts het aan die einde van April R2.2 miljoen of 5.3 persent bedra.

Belegging in effektetrusts deur die publiek
R miljoene

Tydperk	Bruto verkope van onderaandele	Bruto aflossings van onderaandele	Netto bedrag belê	Opgelope bedrag belê*	Aandeel in netto batewaarde van trusts*	
					Bedrag	%
1965—Mei-Des. . .	1.9	—	1.9	1.9	1.8	72.0
1966—1ste helfte . . .	6.7	—	6.7	8.6	8.3	92.2
2de helfte . . .	14.5	0.4	14.1	22.7	22.6	91.9
1967—Jan-Apr. . .	15.4	0.7	14.7	37.4	39.0	94.7
Totaal	38.5	1.1	37.4			

*Aan die einde van die tydperk.

(c) Transaksies in effekte deur effektetrusts en die samestelling van hulle portefeuljes

Gedurende die tydperk van twee jaar wat op 30 April 1967 geëindig het, het totale aankope van effekte deur effektetrusts, teen werklike transaksiewaardes, R33.6 miljoen bedra, terwyl totale verkope teen werklike verkooppryse R1.5 miljoen beloop het. Die opbrengs van verkope word herbelê sodat hierdie bedrag 'n verwisseling in die beleggings van die effektetrusts verteenwoordig. By benadering, sal 'n ooreenstemmende bedrag in die aankoopstelsel dus herbeleggings deur effektetrusts weerspieël. Die benaderde verhouding van herbeleggings tot totale aankope het 4.5 persent vir die tydperk onder beskouing bedra. Aan die einde van April het opgelope kapitaalverliese wat uit effektetransaksies voortgespruit het, R0.1 miljoen bedra.

Die effektetrusts se aanvanklike portefeuljes het slegs uit aandele bestaan, hoofsaaklik gewone aandele, en sedertdien is daar, afgesien van aandele, 'n geringe bedrag aan obligasies en note wat deur maatskappye uitgereik is, hierby gevoeg. Teen die einde van 1966 is die *Wet op die Beheer van Effekte-trustskemas* gewysig, ingevolge waarvan effektetrusts ook 'n

¹⁵ Daar moet op gewys word dat hierdie persentasie nie 'n vermeerdering in die waarde van enige belegging deur 'n onderaandeelhouer gedurende hierdie tydperk weerspieël nie. Dit verteenwoordig die gemiddelde waardevermeerdering oor die tydperk van die opgelope bedrag wat deur onderaandeelhouders belê is, met inagneming van die koers van verandering in die verkooppryse van onderaandele en die grootte van beleggings wat deur onderaandeelhouders op verskillende stadia gedurende hierdie tydperk gemaak is.

¹⁴ Uitgesonderd die bestuursmaatskappye.

voorgeskrewe belegging in goedgekeurde effekte moet handhaaf. Hulle is een jaar na die inwerkingtreding van die Wysiging¹⁶ toegelaat om aan die nuwe vereistes te voldoen. Die nuwe statutêre vereistes het daartoe gelei dat effektetrusts ook in goedgekeurde effekte begin belê het en aan die einde van April 1967 het hulle besit aan hierdie effekte R4·2 miljoen of 11·1 persent van die totale markwaarde van hulle portefeuljes bedra. Die samestelling van die gesamentlike portefeuljes van effektetrusts op hierdie datum word in die volgende tabel aangetoon.

Samestelling van die portefeuljes van effektetrusts soos op 30 April 1967

	Boekwaardes		Markwaardes*	
	R miljoene	%	R miljoene	%
Staatseffekte	3·2	9·6	3·2	8·5
Effekte van openbare korporasies	0·8	2·4	0·8	2·1
Effekte van plaaslike owerhede	0·2	0·6	0·2	0·5
Obligasies en note van maatskappye	0·1	0·3	0·1	0·3
Voorkeuraandele	0·2	0·6	0·2	0·5
Gewone aandele	28·8	86·5	33·4	88·1
Totaal	33·3	100·0	37·9	100·0

*Insluitende verpligte koste.

(d) 'n Indeling van die effektetrusts se besit aan gewone aandele

Die effektetrusts se beleggings in gewone aandele is hoofsaaklik tot aandele van nywerheids-, handels- en mynfinansieringsmaatskappye beperk. Aan die einde van Maart 1967 het hulle beleggings in hierdie tipe aandele ongeveer 88 persent van die markwaarde van hulle besit aan gewone aandele bedra. Ander gewone aandele wat deur hulle besit word, sluit aandele van nywerheidsfinansierings- en vaste eiendomsmaatskappye en van finansiële instellings in. Mynaandele verskyn nie in die portefeuljes van effektetrusts nie, behalwe 'n geringe bedrag steenkoolmynaandele. 'n Indeling van die effektetrusts se beleggings in gewone aandele word in die volgende tabel aangetoon.

Indeling van effektetrusts se beleggings in gewone aandele soos op 31 Maart 1967*

Tipe aandeel	Beleggings	
	R miljoene	%
Mynfinansiering	6·7	22·8
Nywerheidsfinansiering	1·0	3·3
Nywerheids- en handel	19·2	65·1
Vaste eiendom	0·5	1·5
Finansiële instellings	1·8	6·3
Steenkoolmyne	0·3	1·0
	29·5	100·0

*Teen markwaardes, uitgesonderd verpligte koste.

¹⁶ d.w.s. 24 Oktober 1966.



(e) Bewegings in pryse van en opbrengskoerse op onderaandele

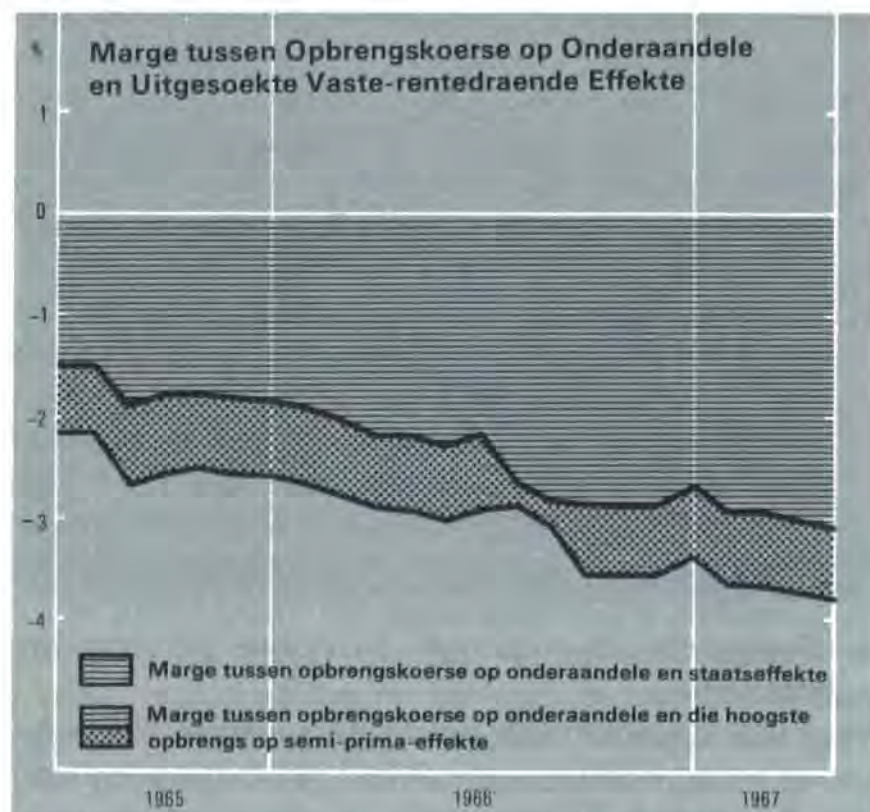
Pryse van onderaandele het 'n aanmerklike toename getoon sedert effektetrusts in Mei 1965 met werksaamhede begin het. Soos gemeld in die inleiding, was hierdie 'n gunstige tydperk vir effektetrusts as vername beleggers in gewone aandele, aangesien die pryse van die meeste klasse van aandele, veral vanaf die laaste kwartaal van 1965, bestendig gestyg het. Gedurende 1966 het die pryse van onderaandele met 16 persent¹⁷ toegeneem en met 'n verdere 12 persent gedurende die eerste vier maande van 1967. Hierdie styging het die algemene toename in die pryse van die verskillende klasse van aandele in 'n aansienlike mate oortref.

Die stygende pryse van onderaandele tot aan die einde van April 1967, wat 'n weerspieëling was van die tendens in die pryse van die onderliggende effekte in die portefeuljes van effektetrusts, het die opbrengskoerse op hierdie onderaandele tot 'n betreklik lae vlak laat daal, en dit is duidelik dat die verwagte groei-eienskappe van die onderaandele baie swaarder weeg as hulle inkomsteverdienende eienskappe. Die gemiddelde opbrengskoers op onderaandele het vanaf ongeveer 4·2 persent aan die einde van 1965 tot sowat 3·4 persent aan die einde van April 1967 gedaal.

In hierdie opbrengskoers is die verwagte toekomstige groeikoers van die kapitaalwaarde van die onderliggende effekte in die trusts se portefeuljes, asook die verwagte toekomstige inflasiekoers, verdiskonteer. Die sterkte van hierdie verwagtings word weerspieël deur die marge tussen die opbrengskoerse op onderaandele en vasterentedraende effekte. Aan die einde van April het die opbrengskoerse op staatseffekte en semi-prima-effekte met 'n langtermynlooptyd onderskeidelik 6·5 persent en ongeveer 7·2 persent bedra, vergeleke met 'n gemiddelde opbrengskoers van 3·4 persent op onderaandele. Daar was dus 'n *omgekeerde opbrengskoersmarge*¹⁸ op hierdie datum wat van 3·1 tot 3·8 persent gewissel het.

¹⁷ Hierdie persentasie is gebaseer op 'n geweeegde indeks van onderaandelpyryse aan die einde van die maand, waarin die pryse van die verskillende effektetrusts geïnkorporeer is vanaf die maand waarin hulle met werksaamhede begin het.

¹⁸ Normaalweg kan verwag word dat die opbrengskoers op aandele dié op prima-effekte sal oorskry om sodoende die groter inkomsterisiko verbonde aan aandele te weerspieël.



6. Slotopmerkings

Een van die verdienstelikhede van effektetrusts is dat hulle nie alleen die groot belegger nie, maar ook die belegger met beperkte middele in staat stel om 'n aandeel in private ondernemings te bekom deur middel van 'n gediversifiseerde aandeelbelegging. Effektetrusts is dus in staat om uitleenbare fondse na aandeelbeleggings te kanaliseer wat andersins nie vir hierdie soort belegging beskikbaar sou gewees het nie, en om terselfdertyd beleggingsrisiko's vir die individuele belegger te verminder deur in 'n gediversifiseerde reeks effekte te belê. Hierbenewens bied effektetrusts 'n deskundige bestuur van beleggings aan wat gewoonlik nie vir die klein belegger beskikbaar is nie.

Beleggings deur effektetrusts vind hoofsaaklik in gewone aandeel plaas en die pryse van gewone aandeel neig om oor die langtermyn te styg. Die markwaarde van 'n aandeelbesit mag dus met verloop van tyd toeneem en die reële waarde van so 'n besit en van die inkomste wat daaruit voortspruit, kan dus gehandhaaf word ten spyte van langtermyn-toenames in die algemene pryspeil.

'n Ander funksie van effektetrusts is die stimulerings van gereelde besparing deurdat stelselmatige beleggingskemas aangebied word. Hierdeur word die risiko dat 'n individuele belegger in aandeel op 'n ongeleë tydstop belê, wanneer aandeelpryse 'n hoogtepunt bereik het, verminder deur middel van die rand-kostegelykstellingsbeginsel. 'n Belegging in aandeel deur middel van 'n effektetrust verseker dus nie alleen 'n diversifikasie tussen verskillende effekte nie, maar ook 'n mate van diversifikasie ten opsigte van die verskillende pryse waarteen effekte aangekoop word. Laasgenoemde verminder die beleggingsrisiko's wat uit korttermynskommelings in aandeelpryse voortspruit. Die rand-kostegelykstellingsbeginsel is ongetwyfeld tot voordeel van die stelselmatige belegger in aandeel, maar moet in die regte perspektief gesien

word. In hierdie verband kan 'n deskundige op die gebied van effektetrustadministrasie aangehaal word: „A policy pursued in accordance with the theory (van rand-kostegelykstelling) does not guarantee an individual that he will always show a profit on his equities on their current value over their cost price. There is a risk, that realisation values will be below cost price, entailed by any investment in equities”.¹⁹ Hoe langer die tydperk waarvoor beleggings gemaak word egter is, hoe kleiner word die risiko van 'n kapitaalverlies, as natuurlik aangeneem word dat daar oor die langtermyn 'n opwaartse tendens in aandeelpryse is.

Dit beklemtoon weer eens dat 'n belegging in 'n effektetrust wesenlik van 'n langtermynaard is omdat die aandelemark oor die korttermyn net sowel mag daal as styg. Die aflossingseienskap waarvoor onderaandeel beskik, voorsien aan hierdie onderaandeel, teoreties altans, 'n likwiede karakter. Hierdie eienskap word dikwels deur diegene gemoeid met die bevordering van effektetrusts, beklemtoon maar dit behoort duidelik te wees dat dit slegs in 'n beperkte sin geldig is. In praktyk is onderaandeel nie in alle omstandighede aflosbaar sonder die moontlikheid van 'n kapitaalverlies nie, sodat die likwiede aard van hierdie onderaandeel van 'n stygende mark afhanklik is, aannemende dat kapitaalverliese vermy sal word.

Effektetrusts beklee 'n belangrike plek in die finansiële struktuur van baie lande en vervul 'n nuttige funksie deur die mobilisering van risikokapitaal vir die ontwikkeling en uitbreiding van private ondernemings. Hierdie funksie sal ongetwyfeld baie voordelig vir 'n land wees wanneer 'n uitbreiding van ekonomiese bedrywigheid, veral in die private sektor, nagestreef word. Oor die korttermyn is die waarde wat aan hierdie funksie geheg moet word, egter nie altyd van eweveel belang nie. Hoogkonjunktuurtydperke wat deur inflasionistiese druk gekenmerk word, mag 'n daaropvolgende aanpassingsproses in die vorm van 'n stadiger koers van ekonomiese vooruitgang, veral van die private sektor, noodsaak. Daar mag dus 'n kleiner behoefte bestaan aan 'n wydverspreide onttrekking van uitleenbare fondse uit alle moontlike bronne vir doeleindes van belegging in effekte van die private sektor. Dringender behoeftes mag ondervind word op ander gebiede, soos byvoorbeeld behuising, of om 'n agterstand in die infra-struktuur, wat gewoonlik met tydperke van vinnige ekonomiese groei saamgaan, te verlig. Maar effektetrusts floreer gewoonlik gedurende tydperke gekenmerk deur lewendige ekonomiese toestande, wanneer aandeelpryse deur optimisme en inflasionistiese neigings beïnvloed word, en dit sal gedurende hierdie fases van die konjunkturgolf wees dat 'n uitbreiding van effektetrusts se bedrywigheid nie altyd in ooreenstemming met die oogmerke van ekonomiese beleid mag wees nie. So 'n toestand neig egter om homself reg te stel deur middel van die

¹⁹ Stuchbury, O. P.: *The Management of Unit Trusts*. Thomas Skinner & Co. (Publishers) Ltd., Londen, 1964, p. 17.

prysmeganisme, soos uitgedruk in relatiewe opbrengskoerspeile, tensy ooroptimisme en verwagtings aangaande die toekomstige inflasiekoers sodanig is dat die werking van die prysmeganisme tydelik ondoeltreffend gemaak word. Opbrengskoerse op aandele relatief tot dié op vasterentedraende effekte mag tot so 'n lae vlak daal dat hierdie *omgekeerde opbrengskoersmarge* beleggers kan oortuig dat 'n belegging in aandele, voorlopig altans, nie die veiligste of mees winsgewende vorm van belegging is nie, selfs wanneer die groeipotensiaal van gewone aandele in aanmerking geneem word. Die pryse van en opbrengskoerse op verskillende soorte effekte mag dus 'n verskuiwing van die klem in beleggings teweegbring.

Hierdie argument berus egter op beginsel en is op die oomblik slegs in 'n beperkte sin op Suid-Afrikaanse effektetrusts van toepassing. Hoewel hulle relatief gesproke merkwaardig gegroei het, moet hulle kwantitatiewe belangrikheid, in verhouding tot die hele Suid-Afrikaanse finansiële struktuur, nie oordryf word nie. Hoewel die huidige ekonomiese beleid in Suid-Afrika mag vereis dat voorkeur verleen word aan die aanwending van besparings in 'n ander vorm as 'n belegging in aandele, het die groei van die effektetrustbeweging tot dusver slegs 'n geringe bedrag aan beleggingsfondse van meer toepaslike beleggingsgeleenthede, onder heersende omstandighede, na die private korporatiewe sektor weggekeer. Daar moet besef word dat 'n sekere gedeelte van die bedrag wat deur middel van effektetrusts in aandele belê is, waarskynlik op hierdie manier belê sou gewees het sonder die tussengangerfunksie van die trusts.

Dit is egter minder seker dat die effektetrusts nie tot die huidige *groeiopsigose*, wat nie alleen die effektemarkte oorheers nie maar dwarsdeur die private sektor strek, bygedra het nie. Soos nog nooit tevore

in Suid-Afrika, is beleggers bewus van die groeimoglikhede van gewone aandele en die verskansing teen inflasie wat 'n vermeerdering in die kapitaalwaarde van 'n aandeelbesit bied. Dit opsigself is 'n belangrike ontwikkeling in die verkryging van 'n meer gesofistikeerde beleggingspubliek. Maar hierdie *aandeelbewustheid* tesame met 'n basiese tekort aan aandeelbewyse en 'n bestendige institusionele vraag na aandele, waartoe die effektetrusts op die oomblik ongeveer R3 miljoen per maand bydra, dien waarskynlik om aandeelpryse op 'n baie hoë vlak te handhaaf, hoewel dit nie die bedoeling van die instellings mag wees om dit te doen nie. Op sy beurt, neig dit om die algemene optimisme in die volkshuishouding te versterk en mag tot ongeregverdigde verwagtings aangaande die toekomstige koers van ekonomiese groei aanleiding gee. Dit is 'n ongelukkige sameloop van omstandighede dat hierdie ontwikkelings voorgekom het op 'n tydstip toe die owerhede hulle vasberadenheid te kenne gegee het om die toenamekoers van totale monetêre vraag te verminder ten einde inflasie te bestry.

'n Waardebepaling van die belangrikheid van die effektetrustbeweging vereis egter 'n langtermynsiening. Oor die korttermyn mag werksaamhede van effektetrusts nie in alle omstandighede in ooreenstemming wees met die oogmerke wat deur ekonomiese beleid nagestreef word nie, maar oor die langtermyn kan die mobilisering van besparings deur die trusts van groot waarde vir die land wees. Die verdere groei van effektetrusts mag natuurlik tot 'n herverdeling van beskikbare besparings tussen verskillende finansiële instellings en leners lei, maar op hierdie stadium kan nie voorsien word in watter mate die finansiële struktuur van Suid-Afrika deur so 'n ontwikkeling geraak sal word nie.

EFFEKTETRUSTS — UITGESOEKTE POSTE EN TRANSAKSIES

R miljoene

Tydperk	Totale bates aan einde van tydperk	Markwaarde van effektebesit aan einde van tydperk ¹			Netto batewaarde ³ van trust aan einde van tydperk			Uitgiftes en aflossings van onderaandeel ⁴			Aankope en verkope van effekte ⁷		
		Goedgekeurde-effekte ²	Gewone aandele	Ander effekte	Besit deur onderaandeelhouders	Besit deur die bestuursmaatskappy	Totaal	Bruto uitgiftes ⁵	Aflossings ⁶	Netto uitgiftes	Aankope	Verkope	Netto belegging
1965: 2de Kwartaal	0·8	—	0·7	—	0·2	0·6	0·7	0·2	—	0·2	0·1	—	0·1
3de Kwartaal	1·3	—	1·1	—	0·6	0·5	1·2	0·5	—	0·5	0·4	—	0·4
4de Kwartaal	2·7	—	2·0	—	1·8	0·7	2·5	1·2	—	1·2	0·5	—	0·5
1966: Januarie	3·2	—	2·5	—	2·2	0·7	2·9	0·4	—	0·4	0·4	—	0·4
Februarie	3·8	0·1	3·1	—	2·8	0·7	3·5	0·6	—	0·6	0·6	—	0·6
Maart	5·0	—	4·2	—	3·8	0·8	4·6	0·9	—	0·9	1·0	—	1·0
April	6·1	—	5·0	—	4·9	0·8	5·7	1·1	—	1·1	0·8	0·1	0·8
Mei	8·1	0·1	6·5	—	6·8	0·8	7·7	2·0	—	2·0	1·9	—	1·9
Junie	9·6	0·1	7·9	—	8·3	0·7	9·0	1·7	—	1·7	1·5	0·1	1·4
Julie	11·4	0·1	9·1	0·1	9·8	0·9	10·7	1·9	—	1·9	1·4	0·1	1·3
Augustus	15·0	0·4	12·3	0·2	12·6	1·2	13·8	2·5	0·1	2·4	3·4	0·1	3·3
September	17·0	0·4	15·4	0·2	15·3	1·4	16·7	2·5	0·1	2·5	1·8	0·3	1·5
Oktober	19·7	1·8	17·2	0·2	17·8	2·4	20·3	2·6	—	2·6	3·2	0·1	3·1
November	21·6	2·2	18·7	0·2	20·3	1·7	22·1	2·8	0·1	2·7	2·5	0·3	2·1
Desember	24·6	2·4	20·6	0·2	22·6	2·0	24·6	2·1	0·1	2·0	1·9	0·1	1·9
1967: Januarie	26·8	2·7	23·5	0·2	25·8	1·9	27·6	2·8	0·1	2·7	1·8	0·2	1·6
Februarie	30·4	3·1	26·6	0·2	29·6	1·9	31·5	3·5	0·2	3·3	3·4	0·1	3·4
Maart	34·3	3·9	29·8	0·2	33·9	2·2	36·1	4·2	0·2	4·0	3·4	—	3·4
April	38·3	4·2	33·4	0·2	39·0	2·2	41·2	4·9	0·2	4·7	3·5	0·1	3·4

1. Insluitende verpligte koste, d.w.s. makelaarsloon, belasting op verhandelbare effekte, en seëls.
2. Goedgekeurde effekte bestaan uit effekte uitgereik deur die Regering, plaaslike besture, die Landbank, die Elektrisiteitsvoorsieningskommissie en die Randwaterraad, en ander effekte deur die Registrateur van Effektetrustmaatskappye goedgekeur.
3. Markwaarde van effektebesit, plus kontant, deposito's en opgelope inkomste, minus korttermynverpligtings.
4. Deur die bestuursmaatskappy.
5. Teen verkooppriyse.
6. Teen terugkooppriyse.
7. Teen werklike transaksiewaardes.