

Quarterly economic review

General observations

After accelerating during the course of 1968, economic activity gained further momentum during the first three quarters of 1969 and a relatively high real growth rate may be expected for 1969. At the same time, total monetary demand also rose sharply and exceeded the gross national product during the second and third quarters of 1969, with the result that imports increased significantly and a substantial deficit developed on the current account of the balance of payments. The increase in total monetary demand originated mainly from a strong upward movement in private consumption expenditure, large increases in current and capital outlays by the public sector, a moderate rise in private fixed investment and additions to inventories, particularly during the second and third quarters of 1969.

Notwithstanding the fact that domestic demand exceeded the domestic supply of goods and services during the second and third quarters of 1969, no undue price rises occurred. In fact, a significant drop in food prices during the first nine months of 1969 outweighed the upward adjustment of prices as a result of the introduction of the sales duty in March this year. This relative price stability was even more remarkable if the general shortage of labour and the upward adjustments of salaries and wages are taken into account.

The emergence of a deficit on the current account of the balance of payments during the second and third quarters of 1969, coupled with a reduction of capital inflow during the second quarter and an outflow during the third quarter, led to a substantial decline in the country's gold and foreign exchange reserves from May 1969. This fall in the reserves, in turn, contributed largely to a levelling-off in the total liquidity of the private sector and also reduced the surplus liquid assets of the monetary banks.

Although the quantity of money and near-money declined from the end of March to the end of July 1969, if seasonal movements are excluded, a sharp increase occurred again during August and September. This development occurred notwithstanding the substantial decline in net gold and foreign exchange reserves and was attributable to a large increase in bank credit to the private sector, principally in the form of discounts and advances by commercial banks, and a rise in the monetary banking sector's net claims on the government sector. The latter increased through a decline in this sector's deposits with the monetary banking sector. This factor together with substantially larger holdings of Land Bank bills by the Reserve Bank and National Finance Corporation contributed also to the marked increase in the surplus liquid assets of the monetary banks from the comparatively low level to which they had declined in July. The increase in the surplus cash and liquid assets of monetary banks also caused a considerable easing of money market conditions from early in August.

The change in capital market conditions towards the middle of 1969 became more pronounced during the third quarter. Thus, the sharp decline in share prices and turnover on the Johannesburg Stock Exchange continued throughout this period, and a considerable tightening of conditions in the market for fixed-interest-bearing securities was experienced. The latter development was apparently attributable to the narrowing of the reverse yield gap and a general wait-and-see attitude and increased liquidity preference of investors. The disappearance of the speculative activity on the stock exchange, however, led to an increase in the amount invested in fixed and savings deposits with building societies and monetary banks and in building society shares.

National accounts¹

Further increase in gross domestic product

According to the rate of increase in the gross domestic product, economic activity, which started to accelerate in 1968, gained further momentum during the first three quarters of 1969 with the result that a relatively high growth rate may be expected for 1969. The rise in the rate of increase in the gross domestic product during the first three quarters of 1969 was attributable to substantial increases in the contributions made by manufacturing, commerce and general government, while transport, storage and communication and mining also made significant contributions. A large increase in indirect taxes, owing to the introduction of the sales duty and to higher imports, also contributed much to the high rate of increase in the gross domestic product at market prices.

The increase in the gross domestic product during the first nine months of 1969 was reflected in both higher salaries and wages and in a large increase in profits, particularly in manufacturing concerns, where the fuller utilization of existing capacity reduced costs per unit.

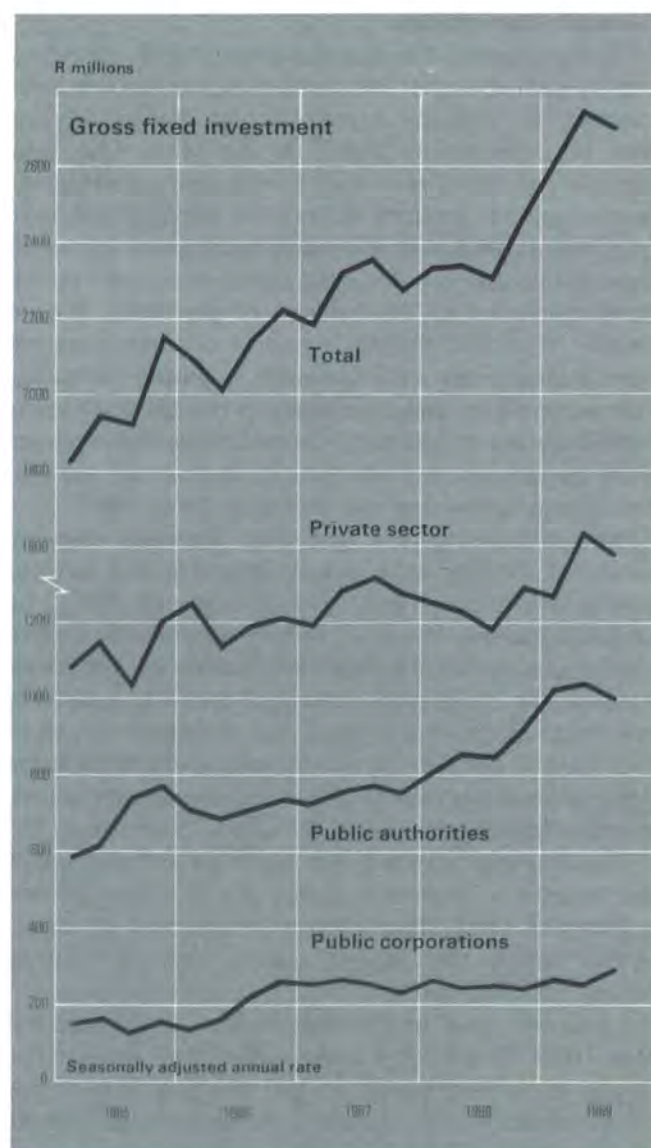
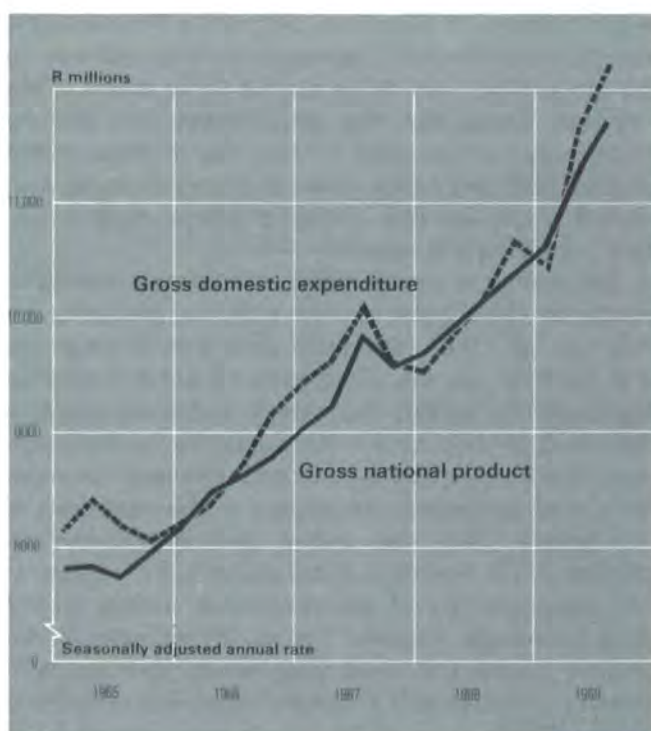
High rate of increase in gross domestic expenditure

After showing about the same rate of increase as gross national product during the previous five quarters taken as a whole, gross domestic expenditure rose sharply during the second and third quarters of 1969 and exceeded the gross national product by a significant amount in both these quarters, with the result that large deficits appeared on the current account of the balance of payments.

Inventory investment contributed significantly to the sharp rise in expenditure during the second and third quarters of 1969. The increase in inventory investment during the second quarter was reflected in all types of inventories, while the rise during the third quarter was confined largely to additions to commercial inventories, including diamond stocks and agricultural stocks in trade.

Private consumption expenditure continued to increase at a high rate during the third quarter of 1969

¹The 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.



and remained one of the major expansionary forces in the economy. Although the rate of increase in consumption expenditure during the third quarter was slightly lower than during the second quarter, it still rose in accordance with the upward trend, which started at the beginning of 1968. In fact, this lower rate of increase during the third quarter followed on the exceptionally high rate of increase during the second quarter, when expenditure on services and non-durables rose substantially. During the third quarter, the increase in these components was less pronounced, while expenditure on durable goods increased at a significantly higher rate than during the second quarter.

Although current government expenditure showed a slight decline during the third quarter of 1969 compared with the high level reached in the second quarter as a result of increases in salaries and wages, it was still nearly 13 per cent higher than during the corresponding quarter of the previous year.

After increasing at a high rate from the fourth quarter of 1968 to the second quarter of 1969, total fixed investment showed a slight decline in the third quarter of 1969, but was still on a relatively high level. This decline during the third quarter was the net result of declines in capital outlays by public authorities and private business enterprises, which exceeded a substantial increase in capital expenditure by public corporations.

The decline in capital outlays by public authorities resulted mainly from a decline in fixed capital expenditure by the South African Railways and Harbours, which often shows irregular fluctuations on a quarterly basis. Nevertheless, the level of fixed capital outlays by the public authorities which includes the South African Railways and Harbours was still high and showed a substantial increase during the first three quarters of 1969.

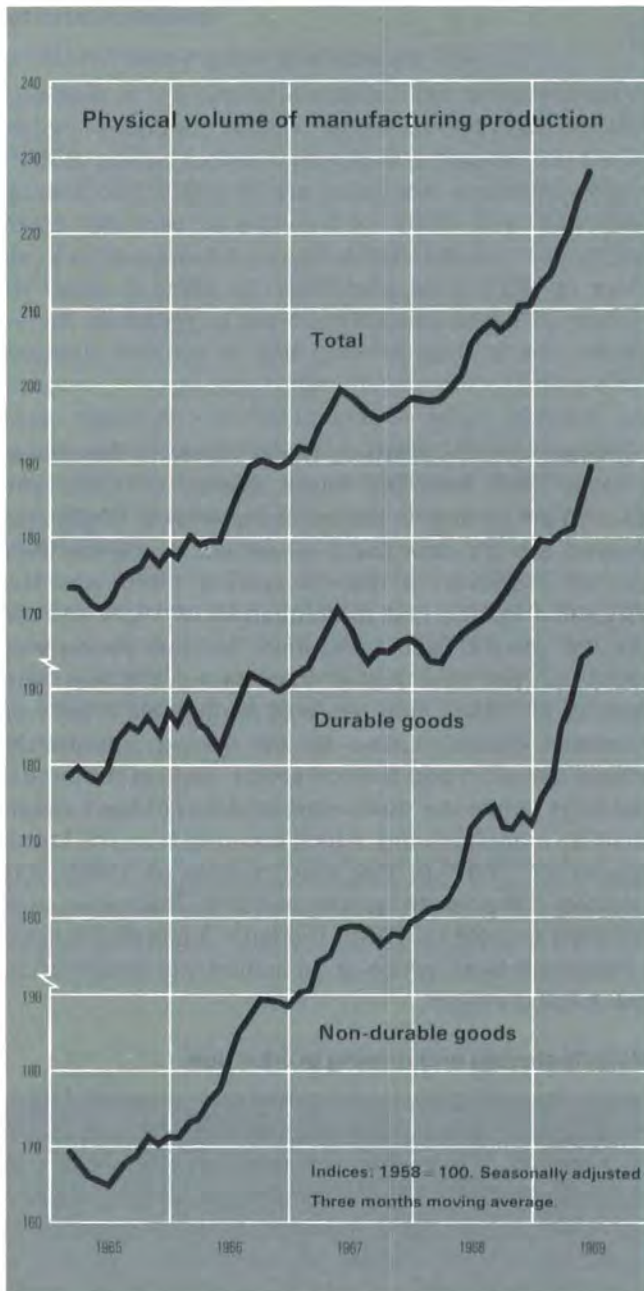
Private fixed investment, which started to increase at a faster rate from the fourth quarter of 1968 and reached a high level in the second quarter of 1969, also showed a slight downward movement during the third quarter. However, a distinct upward trend was still noticeable for the first three quarters of 1969 and the level of private fixed investment for this period was about 12 per cent higher than during the first nine months of 1968. This rise was attributable mainly to increased capital outlays by the mining, commerce, private transport and finance sector, and on residential buildings, while the downward tendency of fixed investment by manufacturing, which occurred from the fourth quarter of 1967 to the third quarter of 1968, was arrested in the fourth quarter of 1968. Thereafter, until the third quarter of 1969, the latter fluctuated around a horizontal level, which at an annual rate amounted to about R350 million.

Manufacturing and mining production

According to official statistics available up to July 1969, the physical volume of manufacturing production, which increased at a relatively high rate during the last nine months of 1968, accelerated further during the first seven months of 1969. This brought the average of the seasonally adjusted index of the physical volume of manufacturing output during the twelve months ended July 1969 to a level which was 8.3 per cent higher than that of the preceding twelve months. The production of non-durable goods such as food, chemicals, textiles, clothing and footwear made the largest contributions to this increase, while the output of basic metals and metal products also increased significantly. Private surveys also indicated that orders received by the steel and engineering industries increased at a higher rate during the third quarter than during the first half of 1969, and that more overtime was worked and production activity increased generally.

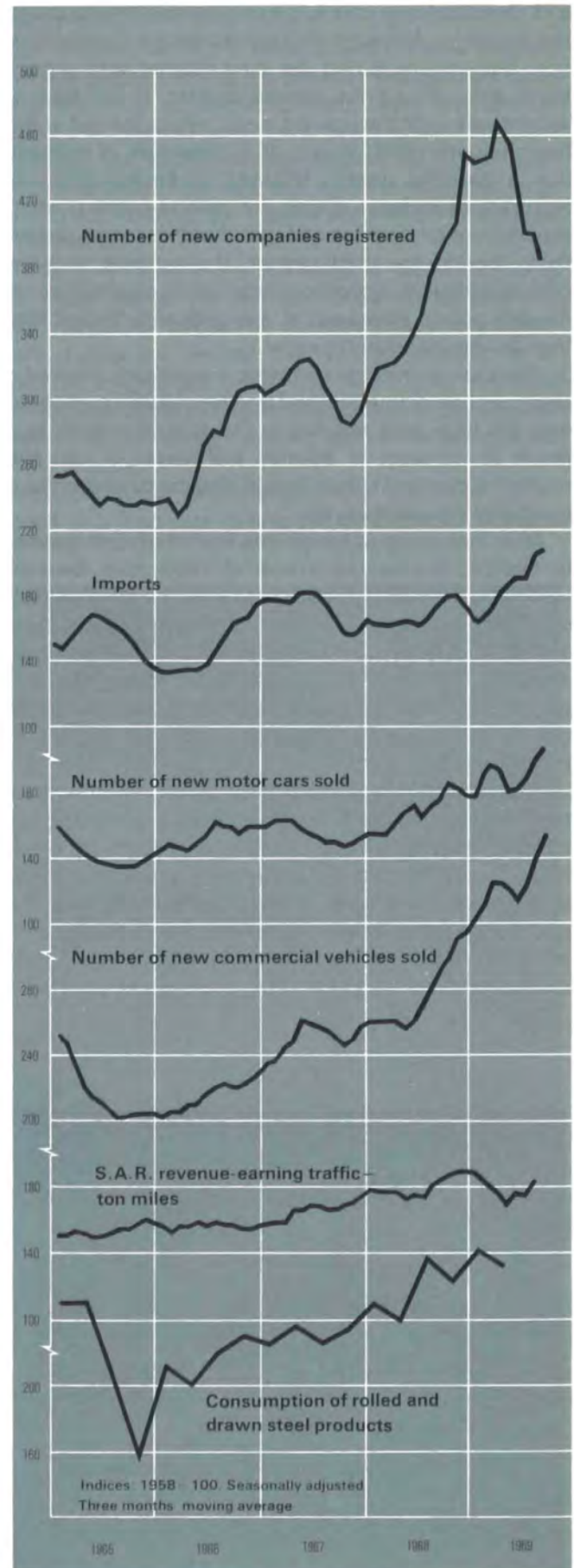
Mining production, which had tended to level off during the first five months of 1969, increased to a higher level during the subsequent four months mainly as a result of an increase in the physical volume of gold production.





Employment and labour situation

Although little information is available on the labour situation and up-to-date figures have not been released recently on the employment position, it would appear that the acceleration in economic activity aggravated the shortage of labour, especially in the managerial and skilled fields. Substantial increases were effected in salaries and wages and employment in manufacturing and construction, and particularly in the Post Office, increased further during the first half of 1969, while employment in mining showed a declining tendency. The higher level of employment was also reflected in a further decline to a record low level in the number of registered unemployed Whites, Coloureds and Asiatics.



This figure, if seasonally adjusted, declined from 15,430 at the end of 1967 to 11,740 at the end of 1968 and to 10,425 in September 1969.

General economic indicators

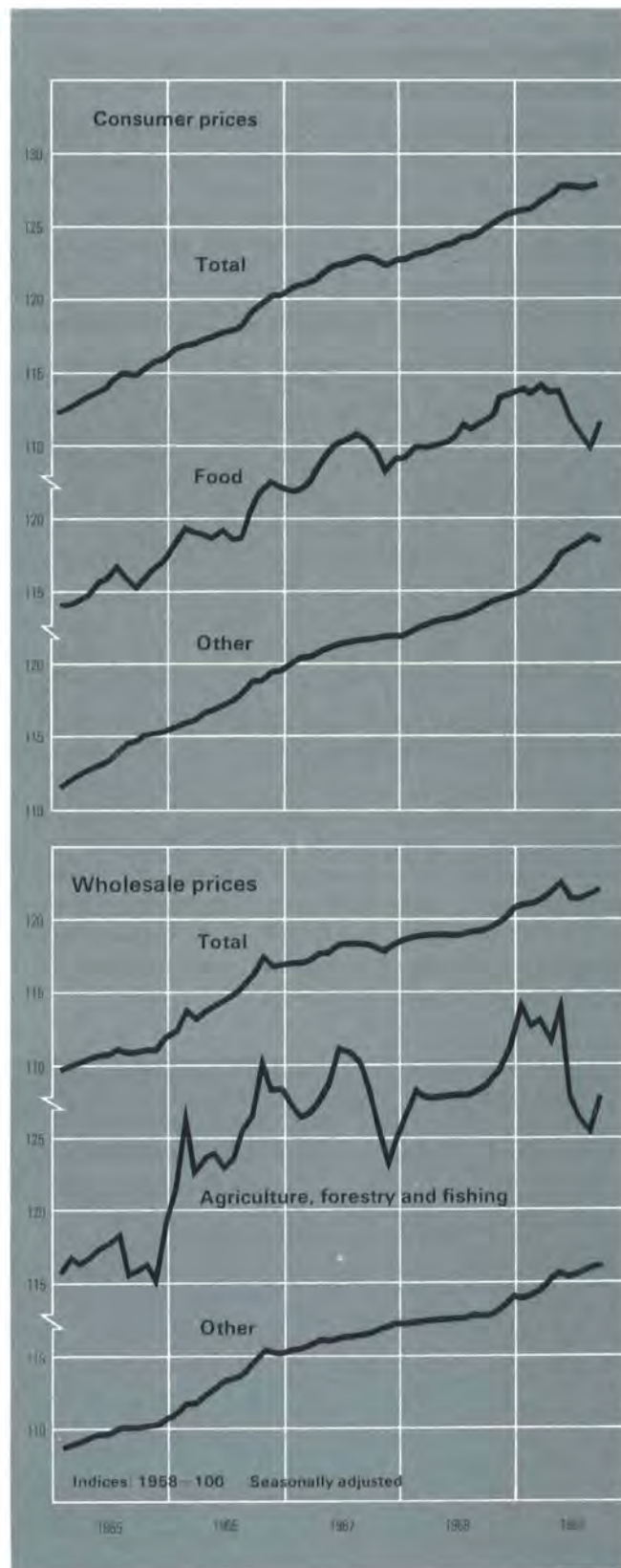
Although some economic indicators increased at a slightly lower rate during the first three quarters of 1969 than during the second half of 1968, the general impression gained from the national accounts that economic activity increased during 1968 and gained further momentum during 1969, is confirmed by the continuation during the first nine months of 1969 of the upward trend in most of the general economic indicators. The acceleration in economic activity was also reflected in a distinct upward movement in merchandise imports during the second and third quarters of 1969, while other series such as the number of new motor vehicles sold and wholesale sales also continued to move upwards. Particularly buoyant conditions in the construction sector were evidenced by the continued rise during 1969 in building plans passed, buildings completed, wholesale sales of building materials and real estate transactions.

In the financial sphere, activity declined substantially after May 1969, as is shown by the indices of industrial and commercial share prices, the volume of stock exchange transactions and bank debits.

Prices

Although general economic activity continued to accelerate during the first nine months of 1969, no general overheating of the economy occurred. According to preliminary seasonally adjusted figures the index of consumer prices increased at an annual rate of only 2.1 per cent during the first nine months of 1969, owing mainly to a decline at an annual rate of 2.1 per cent in food prices. However, for the first ten months of 1969 the seasonally adjusted index of consumer prices increased at an annual rate of 3.4 per cent. This relatively large increase was the net result of the inclusion in October of increases in house and flat rents and servants' wages as well as to a reversal in the downward movement of food prices. The prices of housing and related items increased at a seasonally adjusted annual rate of nearly 7 per cent during the first ten months of 1969. If the prices of food and housing and related items are excluded from the index, the prices of all other goods and services increased at a seasonally adjusted annual rate of 2.9 per cent during this period. Furthermore, if the effect of the sales duty is also excluded, the seasonally adjusted annual rate of increase in the total consumer price index was 2.6 per cent during the first ten months of 1969.

Wholesale prices also increased at a relatively low rate during 1969 owing to a substantial decline in the prices of agricultural products. The seasonally adjusted



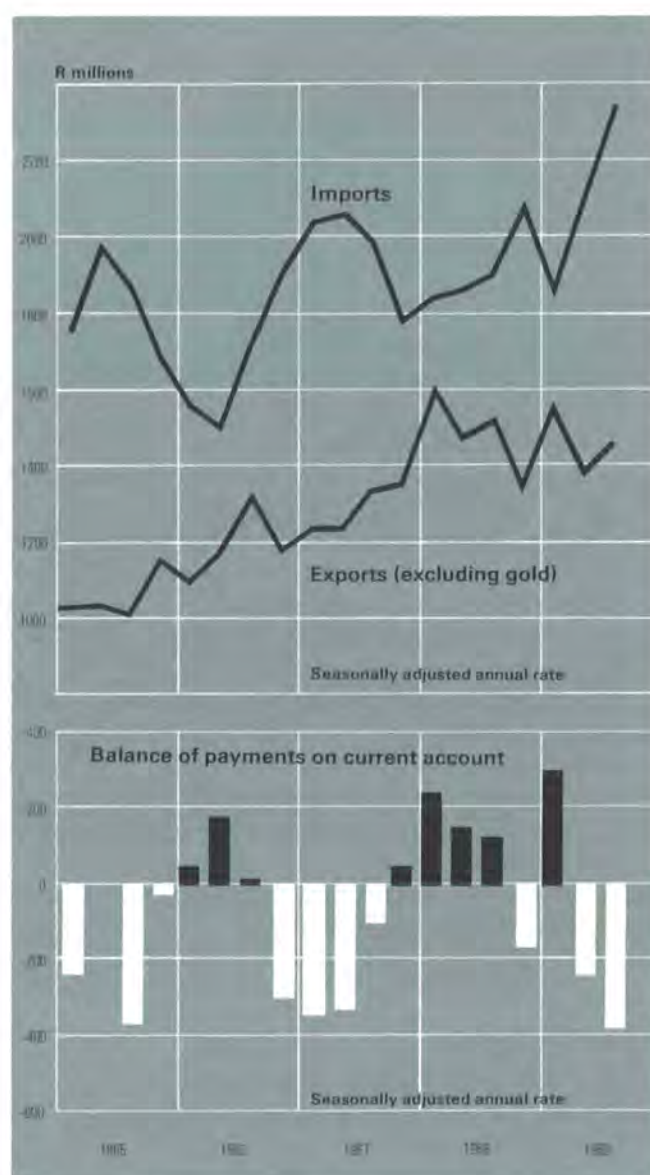
index of wholesale prices increased at an annual rate of only 1.4 per cent during the first nine months of 1969 due to a decline at an annual rate of 3.6 per cent in the prices of agricultural products. The prices of all other wholesale products increased at an annual rate of 2.4 per cent during this period, due partly to the sales duty.

Balance of payments

Deficit on current account

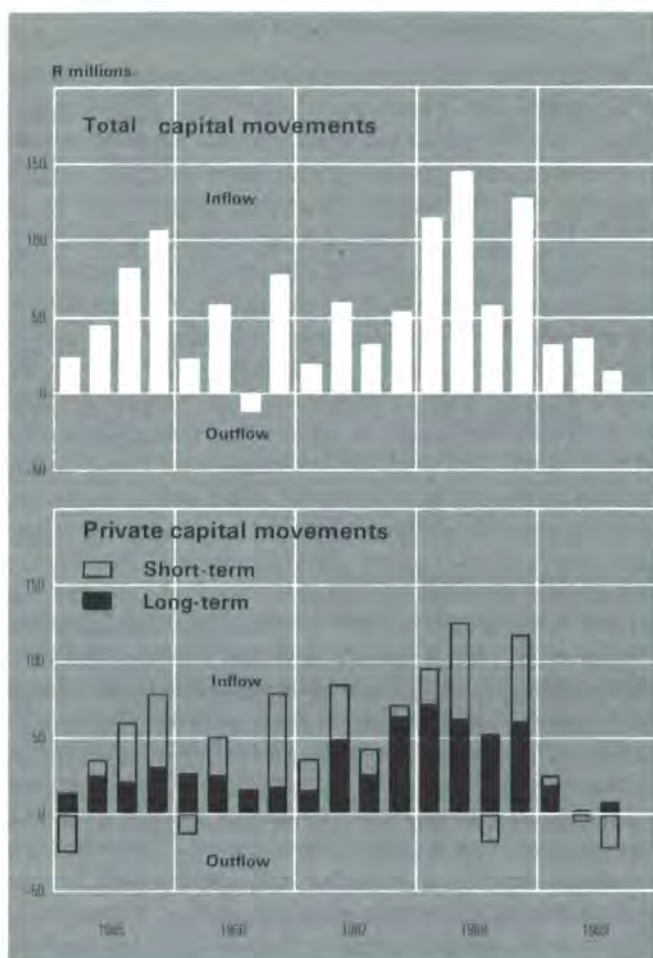
The further acceleration in domestic demand for goods and services during 1969 resulted in the appearance of a substantial deficit on the current account of the balance of payments amounting to R78 million and R109 million during the second and third quarters of 1969, respectively. At a seasonally adjusted annual rate these deficits amounted to R252 million and R384 million, respectively.

As the accompanying table shows, the seasonally adjusted deficit on the current account during the third quarter of 1969 was the net result of substantial increases in imports and service payments which outweighed increases in exports and net gold output. Merchandise imports, which increased steadily from the beginning of 1968, reached a record level of R2,365 million in the third quarter of 1969, if measured at a seasonally adjusted annual rate. Although merchandise exports increased substantially in the third quarter of 1969 to a seasonally adjusted annual rate of R1,478 million, this figure has fluctuated around a more or less horizontal level from the second half of 1968. Net gold output, as defined for balance of payments purposes, showed relatively large fluctuations and increased again during the third quarter, after it had declined during the second quarter. Service payments (seasonally adjusted) showed a noticeable increase during the third quarter as a result of higher investment income payments to foreigners and a rise in freight and insurance payments associated with the rising imports.



Current account of balance of payments, 1969
R millions

	Not seasonally adjusted			Seasonally adjusted annual rate		
	1st Qtr.	2nd Qtr.	3rd Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.
Merchandise exports	388	353	350	1,562	1,395	1,478
Net gold output	216	190	216	870	763	859
Service receipts	85	96	89	357	384	377
Merchandise imports	-479	-537	-595	-1,870	-2,126	-2,365
Service payments	-160	-205	-200	-694	-769	-857
Total goods and services (net receipts+)	50	-103	-140	225	-353	-508
Transfers (net receipts+)	23	25	31	84	101	124
Balance on current account	73	-78	-109	309	-252	-384



Net capital outflow

After eleven consecutive quarters during which a net capital inflow had been recorded, South Africa showed a net capital outflow of R21 million during the third quarter of 1969 consisting of a private capital outflow of R12 million and a central government and banking capital outflow of R9 million. The latter outflow resulted mainly from the repayment of South Africa's gold tranche to the International Monetary Fund and

Net movements of capital, 1969
R millions

	1st Qtr.	2nd Qtr.	3rd Qtr.
To the private sector:			
Stock exchange transactions	4	-9	2
Other long-term	15	10	7
Short-term*	3	-3	-21
Total	22	-2	-12
To central government and banking sector	11	39	-9
Total capital movements	33	37	-21

*Including net errors and unrecorded transactions.

represented a reversal of the inflow recorded in the second quarter. The outflow of private sector capital consisted largely of changes in trade debits and credits.

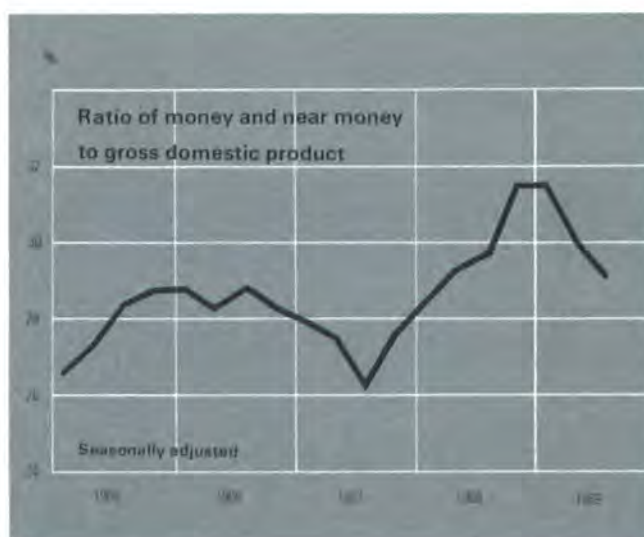
Further decline in gold and foreign exchange reserves

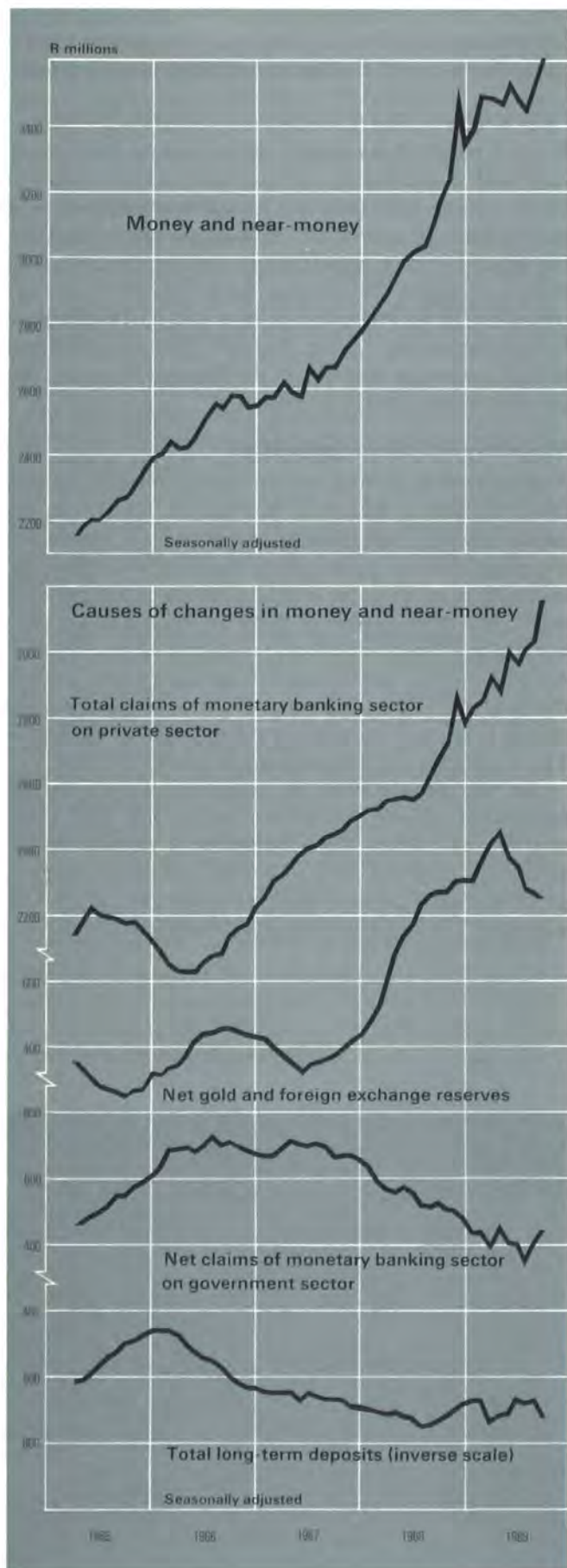
The net result of the current deficit and the capital outflow was a decline of no less than R130 million in South Africa's total gold and foreign exchange reserves during the third quarter of 1969. At the end of September South Africa's total reserves amounted to R1,035 million of which the Reserve Bank held R916 million consisting of R775 million in gold and R141 million in foreign exchange. During October 1969 the gold and foreign exchange reserves of the Reserve Bank and the government showed little change.

Monetary and banking situation

After declining by R42 million during the four months from the end of March to the end of July 1969, the seasonally adjusted quantity of money and near-money increased sharply again during August and September, resulting in an increase of R131 million or 3.8 per cent during the third quarter of 1969. At the end of September the quantity of money and near-money amounted to R3,621 million, which was 7.5 per cent higher than at the end of 1968. This rate of increase nevertheless stands in marked contrast to the increase of more than 15 per cent during the comparable period in 1968.

As the acceleration in economic activity in the production sphere continued during the first three quarters of 1969, this resulted in a decline in the seasonally adjusted ratio of money and near-money to gross domestic product from 31.6 per cent in the first quarter of 1969 to 29.2 per cent in the third quarter.





Changes in money and near-money
R millions

	Not seasonally adjusted	Seasonally adjusted
1969: 1st quarter	-42	142
2nd quarter	90	-4
3rd quarter:		
July	-66	-39
August	67	77
September	124	92
Total 3rd quarter	124	131
Total first nine months of 1969	173	269

Sharp rise in domestic credit

As the accompanying table shows, the main causes of the renewed rise in money and near-money during the third quarter of 1969 were fairly substantial increases in bank credit extended to both the private and the government sector, which together amounted to over R200 million and considerably exceeded the all-time record quarterly decline of R120 million in the net gold and foreign exchange reserves. The increase in the monetary banking sector's claims on the government sector during the third quarter was caused by a decline of government deposits during August and September. This decline continued during October when government deposits with the Reserve Bank and the National Finance Corporation declined further by R92 million.

Main causes of changes in money and near-money, 1969
Not seasonally adjusted
R millions

	1st Qtr.	2nd Qtr.	3rd Qtr.			Total
			Jul.	Aug.	Sept.	
Net gold and foreign exchange reserves	101	-77	-41	-43	-35	-120
Claims on government sector:						
Claims	-33	30	-27	-10	36	-1
Deposits (increase—, decrease+)	-139	31	-54	72	14	33
Net claims	-171	61	-80	62	51	32
Claims on private sector	136	74	43	20	118	181
Long-term deposits (increase—, decrease+)	-67	38	-10	3	-23	-30
Other assets and liabilities	-40	-6	22	25	13	61
Total money and near-money	-42	90	-66	67	124	124

Large increase in bank credit to the private sector

After increasing by R279 million during both 1967 and 1968, or by 12 and 11 per cent respectively, the claims of the monetary banking sector on the private sector (i.e. bank credit to the private sector) continued to increase during 1969 and showed a record quarterly rise of R181 million during the third quarter of 1969. This brought the increase during the first nine months of 1969 to 14 per cent. As the accompanying table shows, the increase in bank credit to the private sector during the third quarter of 1969 consisted of cash credit advances of the Land Bank and discounts and advances and investments of monetary banks. After adjustment for seasonal movements, cash credit advances of the Land Bank increased by R15 million only, while discounts and advances of commercial banks, which rose by R30 million before seasonal adjustment, showed a seasonally adjusted increase of R82 million.

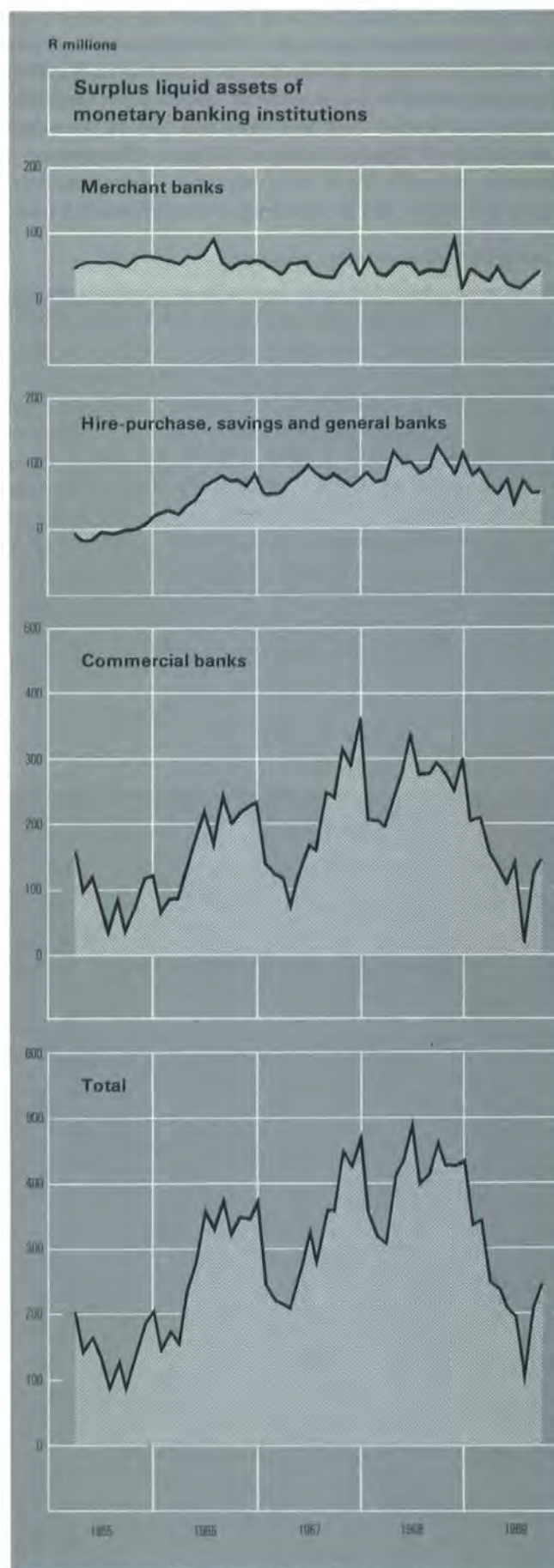
Monetary banks' investments with the private sector, which had declined slightly during the first six months of the year, increased from R457 million at the end of June 1969 to R531 million at the end of September. This increase of R74 million consisted of R45 million in the form of stocks, bonds and debentures of municipalities, the Land Bank and other public corporations not covered by the investment ceiling, R22 million in the form of shares in subsidiaries and other non-bank private companies and R7 million in the form of "other" private debentures and building society shares.

Reversal of downward trend in surplus liquid assets of monetary banks

Excess liquid assets of monetary banking institutions, which had declined almost uninterruptedly from R433 million at the end of 1968 to less than R100 million at the end of July, increased sharply to R207 million at the end of August and to R241 million at the end of

Changes in claims on the private non-bank sector Not seasonally adjusted R millions

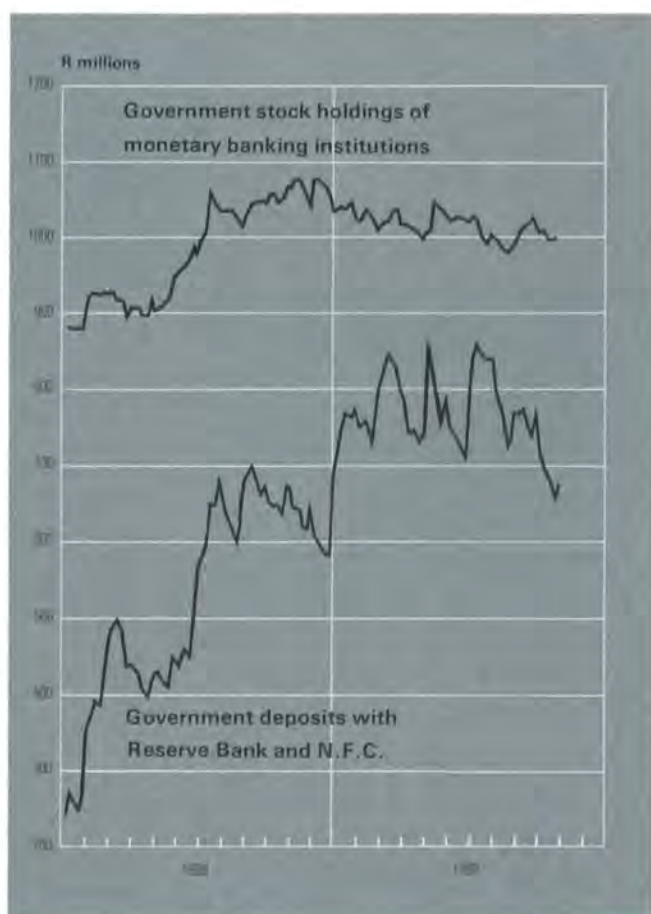
	1968	1969		
		1st Qtr.	2nd Qtr.	3rd Qtr.
Cash credit advances of the Land Bank	-66	-50	-18	+77
Other discounts and advances:				
50% of net remittances in transit	+44	+15	+62	-18
Discounts and advances	+162	+173	+26	+55
Total	+206	+187	+88	+37
Investments	+113	-10	+2	+74
Deposits	+26	+9	+1	-7
Total	+279	+136	+74	+181



September. The latter amount represented 5.4 per cent of their liabilities to the public. The increase since July in the surplus liquid assets of monetary banks resulted largely from the sharp decline in government deposits referred to earlier and a substantial increase in the Reserve Bank's and National Finance Corporation's holdings of Land Bank bills, as both these developments put extra cash in the hands of the monetary banks.

Easing of money market conditions

The factors which led to an increase in the surplus cash and liquid assets of monetary banks also caused a considerable easing of money market conditions from early in August. Thus, the Treasury bill tender rate declined from a peak of 4.77 per cent on the 8th August to 4.38 per cent on the 21st November, its lowest level since 2nd December 1966. Under these easy money market conditions, call money with the discount houses increased substantially from R191 million at the end of July to approximately R350 million at the end of October and to R391 million on the 21st November.



Government finance

After showing a deficit of R46 million during the quarter April to June, the Exchequer Account registered a further shortfall of R54 million during the quarter ended September 1969, bringing the deficit for the first half of the 1969-70 financial year to R101 million, or R36 million less than the deficit for the same period in 1968. This improvement in Exchequer finance was the result mainly of an increase of R99 million in net receipts during this half-year, representing an increase of 23 per cent over receipts for the corresponding period in 1968. Higher receipts from customs and a substantial increase in income tax paid by companies contributed mainly to this favourable development, while receipts from the sales duty amounted to R35 million. Total Exchequer issues increased by R149 million during the first half of the financial year, i.e. a rise of 16 per cent over the issues in the corresponding period in 1968, and closely corresponds to the increase provided for in the 1969-70 Budget.

In contrast to the previous quarter, the financing of the deficit during the quarter July to September included an increase of R67 million in the Exchequer's net indebtedness to the monetary banking sector. As is shown in the table below, this development resulted from a considerable reduction in the net contribution to Exchequer financing by the private non-bank sector and the Public Debt Commissioners and the Exchequer's cash balance consequently declined by no less than R65 million.

In fact, the Public Debt Commissioners only contributed R2 million to Exchequer financing during the

Exchequer finance R millions

	1968		1969	
	April to June	July to Sept.	April to June	July to Sept.
Total deficit (excluding borrowing)	66	71	46	54
Financing:				
Change in net indebtedness to:				
Foreign sector	12	7	8	-4
Private non-bank sector	56	121	68	-10
Public Debt Commissioners	151	13	127	2
Sub-total	219	141	203	-12
Monetary banking sector:				
Change in holdings of government securities	87	67	-1	2
Change in Exchequer balance*	-240	-136	-155	65
Sub-total	-153	-70	-157	67
Total financing	66	71	46	54

*After adjustment for the investment abroad of the proceeds of foreign loans and for transfers to the Stabilization Account and to the I.M.F. Deposit Account in respect of super gold tranche drawings. Increase—, decrease+.

period July to September which brought their net contribution to R130 million for the first half of the financial year. The latter amount includes deposits of R131 million which the Commissioners held with the Reserve Bank and money market institutions at the end of March, and which was invested with the Exchequer during April. If this investment is not taken into account, the Exchequer's indebtedness to the Commissioners actually declined by R1 million during the first half of the financial year.

The private non-bank sector reduced its holdings of public debt by R10 million during the quarter ended September 1969, compared with an investment of R68 million during the previous quarter. This was the first reduction during any quarter since the second quarter of 1965.

During October, when two government stocks amounting to R140 million matured, the Treasury offered two new stocks for conversion and cash applications, one at 5 per cent for 3 years and the other at 6½ per cent for 25 years. This flotation was not a success and the Treasury received cash applications of only R44 million, of which R17 million was contributed by the Public Debt Commissioners. On a net basis, the Treasury until the end of October 1969 borrowed an amount of R1 million from parties other than the Public Debt Commissioners through the issue of stock, while an amount of R90 million was anticipated in the Budget for the year 1969-70 as a whole.

The government's borrowing operations in the form of non-marketable debt also did not meet with much success during the first seven months of the 1969-70 fiscal year. On a net basis, only R4 million was borrowed in this form until the end of October 1969, compared with an amount of R70 million envisaged in the 1969-70 Budget. New tax-free Treasury bonds at 5¾ per cent, with a bonus of 2 per cent if kept until maturity, were issued from the 17th November and the maximum permissible holding per family unit of all tax-free bonds issued since 1967 was increased from R45,000 to R60,000. The maximum amount of tax-free interest was also raised from R2,675 to R4,650.

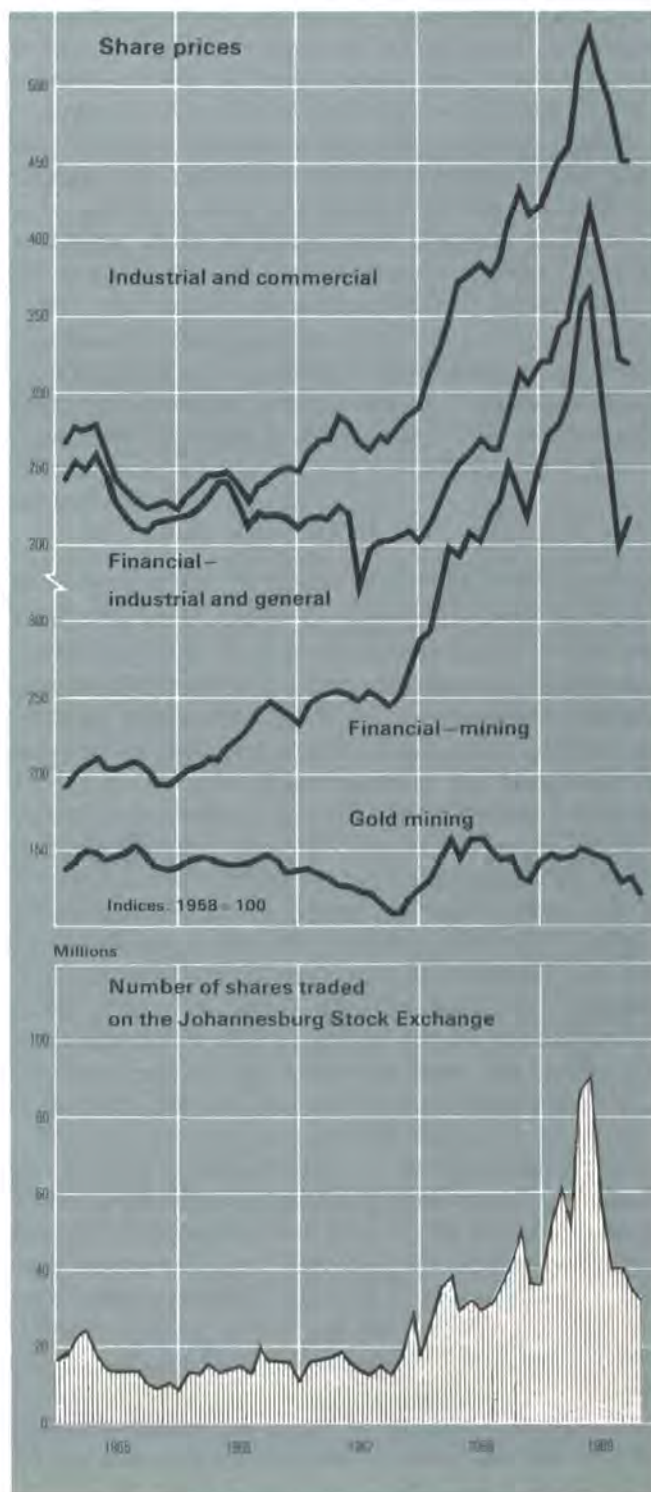
According to the above analysis of government finance, it would appear that although the Exchequer's overall deficit during the fiscal year 1969-70 will, owing to higher revenue, probably be smaller than budgeted for, the Treasury may have difficulty in borrowing from the non-bank sector to the extent that was anticipated in the 1969-70 Budget.

Capital market

Continued decline in share prices

The sharp decline in share prices from about the middle of May 1969 continued during the third quarter and October and at the end of September the prices of all classes of shares were at substantially lower levels than

at the end of May, as is shown in the accompanying table. Declines were most pronounced in the case of financial shares, the prices of which from May to September declined on average by 29 per cent in the case of mining financial shares and by 24 per cent in respect of industrial financial shares. This downward



movement brought the prices of the relevant shares to a level roughly equal to that at the end of 1968, which was still comparatively high if increases during 1968 of 39 per cent and 57 per cent in mining financial and industrial financial shares, respectively, are taken into account. Prices of industrial and commercial shares declined less from May to September and the average decrease of 17 per cent brought prices to approximately the same level as early in 1969, after they had increased by 45 per cent during 1968. In the case of gold mining shares the decline in prices during the relevant period amounted to 11 per cent and the average level of prices in September corresponded to that of a year ago.

A substantial decline in the number of shares traded on the stock exchange accompanied the decline in prices and the index was 63 per cent lower in September than in May 1969. Nevertheless, the number of shares traded in September was still on a relatively high level which was roughly equal to the average for 1968 and still above that for the years preceding 1968.

In accordance with the declines in share prices, share yields rose from May to September from 5.7 to 6.8 per cent in the case of gold mining shares and from 3.4 to 3.8 per cent in the case of industrial and commercial shares. If the latter yield is compared with the rate on long-term government stock, the reverse yield gap narrowed from 3.1 per cent in May to 2.7 per cent in September.

Share price movements

Percentage change in indices

	Dec. 1967 to Dec. 1968	Dec. 1968 to May 1969	May 1969 to Sept. 1969
Gold mining shares	+15	+4	-11
Financial shares:			
Mining	+39	+29	-29
Industrial and general	+57	+32	-24
Industrial and commercial	+45	+28	-17

Further sharp rise in new share issues

New issues of ordinary shares reached a record during the third quarter of 1969 and amounted to about R147 million, compared with an average of about R90 million for the first two quarters of 1969. The high level of new issues in the face of a declining market probably represented a hangover of issues planned before and during the early stages of the setback on the stock exchange. Although a few large issues are scheduled for the fourth quarter, the number of new issues may be expected to fall off under the existing conditions on the stock exchange. During the eighteen months to September 1969 new capital to an amount of about R670 million was raised by the private sector in the form of ordinary shares, debentures, notes and preference shares. This relatively large amount of long-

New issues of ordinary shares
R millions

1968: 1st quarter	12
2nd quarter	80
3rd quarter	96
4th quarter	121
1969: 1st quarter	92
2nd quarter	88
3rd quarter	147

term capital was therefore made available to the private sector and may be expected to stimulate real private fixed investment at some stage.

Substantially reduced flow of funds to unit trusts

After having reached the exceptionally high figure of R278 million during the second quarter of 1969, net sales of units by unit trusts declined to only R10 million during the third quarter. Sales of units actually amounted to R59 million, but the trusts had to repurchase units to an amount of R49 million. During August and September repurchases exceeded sales of units to an amount of R4 million so that in aggregate the trusts

experienced the first outflow of funds since the first trust began operations in 1965. In accordance with the sharp decline in share prices from May to September 1969, the market value of the trusts' net assets declined by 18 per cent from R911 million at the end of May to R751 million at the end of September.

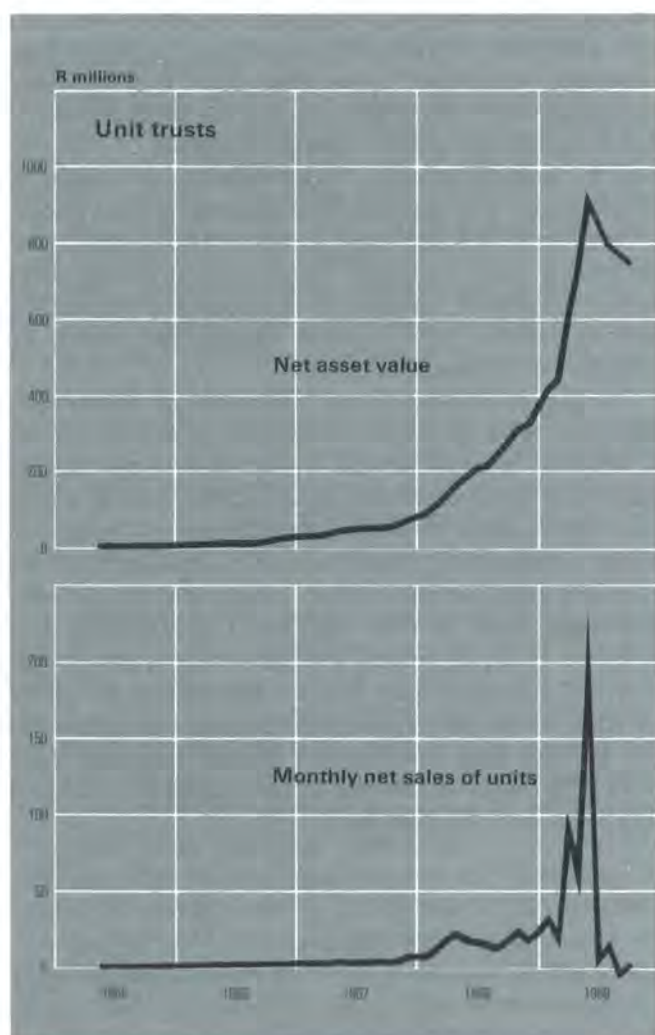
The decline in the market value of the securities in the trusts' portfolios also reduced the amount of approved securities to be held by the unit trusts. At the end of September excess holdings of approved securities amounted to R53 million, of which R38 million represented excess holdings of government securities. Consequently, the trusts were net sellers of approved securities during the third quarter and their net sales amounted to R5 million, compared with a net investment of R74 million during the preceding quarter. Although the cash and deposit holdings of the unit trusts still amounted to R124 million at the end of September, these holdings were unevenly distributed among the trusts and, in view of increasing repurchases of units, this factor may have contributed to the disposal of excess approved securities.

Conforming to the decline in the market value of net assets, the average selling price of units declined by 21 per cent from May to September 1969. The average yield on units increased from 1.4 per cent to 1.9 per cent over the same period.

Tight conditions in the market for fixed-interest securities

During the third quarter of 1969 the market for fixed-interest securities was characterised by an imbalance between the demand for and supply of loanable funds. Although it was announced in August that the yield on long-term government stock would be kept unchanged at $6\frac{1}{2}$ per cent, an upward pressure on rates became evident in the case of semi-gilt-edged securities and the yield on long-term issues was raised from about 7.1 per cent to 7.3 per cent during the third quarter. But even at the higher yields, the relevant borrowers were unable to raise all the money they intended to borrow or, alternatively, part of new issues had to be taken up by underwriters. Following these developments, some of the issues scheduled for the fourth quarter were postponed. The predominant yield on new company debentures increased from $8\frac{1}{2}$ to $8\frac{3}{4}$ per cent during the third quarter.

The tightening of the market for fixed-interest securities may be attributable to a general wait-and-see attitude and increased liquidity preference of institutional investors and the general public. The banks adjusted their interest rates on fixed deposits upwards towards the middle of 1969 in an effort to relieve the pressure on their liquidity, which was followed by increases in deposit rates of building societies and upward adjustments to interest rates on semi-gilt-edged and private securities. At the same time, the decline in share prices and the consequent increase in yields, as against the





constant yield on long-term government stock, resulted in a narrowing of the reverse yield gap. In these circumstances, expectations of further increases in long-term interest rates developed, and potential investors in fixed interest securities maintained their funds in a liquid form. In addition, there was no longer a legal inducement to financial institutions to invest in these securities in order to meet statutory investment requirements. Investors apparently also preferred to be liquid to take advantage of investment opportunities that may arise on the stock exchange when prices start to rise or yields and growth prospects become sufficiently attractive to encourage investment. However, at least a part of the general investing public withdrew from the equity market to invest with building societies and banks. In these circumstances of increased liquidity preference, downward pressure developed on short-term interest rates, while upward pressure was exerted on long-term interest rates.

Large increase in flow of funds to building societies

After adjusting their fixed deposit interest rate upwards to 7 per cent during the second half of July and the rate on their tax-free shares from 6 to 6½ per cent early in August, the building societies experienced a substantial inflow of funds during the third quarter of 1969 and their resources increased by no less than R104 million, compared with R27 million during the second quarter. Apart from a more than seasonal increase of R34 million in savings deposits, fixed deposits increased by R29 million, after having made virtually no contribution to the rise in the societies' sources of funds during the preceding three quarters. Share capital increased by R41 million and, contrary to developments during the second quarter, this amount represented mostly investment in tax-free shares.

In these circumstances, the rate at which new advances were granted by the societies increased from a monthly average of R35 million during the second quarter to a corresponding figure of R51 million during the third quarter. The amount of mortgage and other loans outstanding, nevertheless, increased by the relatively small amount of R31 million and the societies employed most of their new funds to replenish their holdings of liquid assets and other prescribed investments. Total prescribed investments actually increased by R55 million during the third quarter and this raised the amount held in excess of the statutory minimum from R73 million at the end of June 1969 to R121 million at the end of September.

Kwartaallikse ekonomiese oorsig

Algemene opmerkings

Nadat dit gedurende die loop van 1968 versnel het, het ekonomiese aktiwiteit gedurende die eerste drie kwartale van 1969 in stukrag toegeneem en 'n relatief hoë reële groeikoers kan vir 1969 verwag word. Terselfdertyd het totale monetêre vraag ook skerp gestyg en die bruto nasionale produk gedurende die tweede en derde kwartale van 1969 oorskry, met die gevolg dat invoer merkbaar toegeneem het en 'n aansienlike tekort op die lopende rekening van die betalingsbalans ontstaan het. Die toename in die totale monetêre vraag het hoofsaaklik ontstaan uit 'n sterk opwaartse beweging in private verbruiksbesteding, 'n groot toename in die lopende en kapitaalbesteding deur die openbare sektor, 'n matige styging in private vaste investering en toevoegings tot voorrade, in besonder gedurende die tweede en derde kwartale van 1969.

Nieteenstaande die feit dat die binnelandse vraag die binnelandse aanbod van goedere en dienste gedurende die tweede en derde kwartale van 1969 oorskry het, het geen oormatige prysstygings voorgekom nie. In werklikheid het 'n aansienlike daling in voedselprijs gedurende die eerste nege maande van 1969 die opwaartse aanpassing van pryse as gevolg van die instelling van die verkoopreg in Maart vanjaar, oortref. Hierdie betreklike prysstabiliteit was selfs meer merkwaardig indien die algemene skaarste aan arbeid en die opwaartse aanpassings in salarisse en lone in aanmerking geneem word.

Die verskyning van 'n tekort op die lopende rekening van die betalingsbalans gedurende die tweede en derde kwartale van 1969, tesame met 'n afname in die kapitaalinvloeiing gedurende die tweede kwartaal en 'n uitvloeïing gedurende die derde kwartaal, het vanaf Mei tot 'n aansienlike afname in die land se goud- en buitelandse valuta-reserwes gelei. Hierdie daling in die reserwes het op sy beurt grootliks tot die meer gelyke verloop in die totale likwiditeit van die private sektor bygedra en het ook die oorskot likwiede bates van die

monetêre banke verlaag.

Alhoewel die hoeveelheid geld en kwasi-geld vanaf die einde van Maart tot aan die einde van Julie 1969 afgeneem het, indien seisoensbewegings uitgeskakel word, het daar weer 'n skerp toename gedurende Augustus en September voorgekom. Hierdie ontwikkeling het plaasgevind nieteenstaande 'n groot afname in die netto goud- en buitelandse valuta-reserwes en was toe te skryf aan 'n groot toename in bankkrediet aan die private sektor, hoofsaaklik in die vorm van diskonteringe en voorskotte deur handelsbanke, en 'n styging in die monetêre banksektor se eise teen die regeringsektor. Laasgenoemde het toegeneem weens 'n afname in hierdie sektor se deposito's by die monetêre banksektor. Hierdie faktor, tesame met 'n aansienlike groter besit aan Landbankwissels deur die Reserwebank en die Nasionale Finansiële korporasie, het ook bygedra tot die merkbare toename in die oorskot likwiede bates van die monetêre banke vanaf die betreklike lae peil waartoe dit in Julie gedaal het. Die toename in die oorskot kontant en likwiede bates van die monetêre banke het ook 'n aansienlike verruiming in geldmarktoestande vanaf vroeg in Augustus veroorsaak.

Die verandering in die kapitaalmarktoestande teen die middel van 1969 het gedurende die derde kwartaal duideliker geword. Die skerp daling in aandelepryse en -omset op die Johannesburgse Effektebeurs het regdeur hierdie tydperk voortgeduur en 'n aansienlike vernouing in die toestand in die mark vir vaste-rentedraende sekuriteite is ondervind. Laasgenoemde ontwikkeling was klaarblyklik toe te skryf aan die vernouing van die omgekeerde rendementsgaping en 'n algemene afwagterende houding en 'n groter likwiditeitsvoorkeur by beleggers. Die verdwyning van die spekulatiewe bedrywighede op die effektebeurs het egter gelei tot 'n toename in die bedrag wat in vaste en spaardeposito's by bouverenigings en monetêre banke en in bouvereniging-aandele belê is.

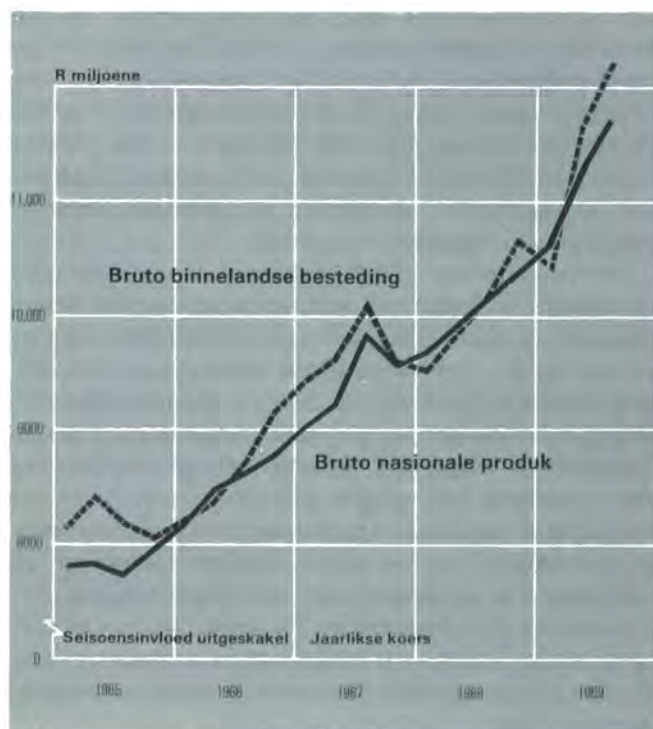
Nasionale rekeninge¹

Verdere styging in bruto binnelandse produk

Volgens die koers van toename in die bruto binnelandse produk het ekonomiese aktiwiteit, wat gedurende 1968 begin versnel het, verdere stukrag gedurende die eerste drie kwartale van 1969 gekry met die gevolg dat 'n relatief hoë groeikoers vir 1969 verwag kan word. Die styging in die koers van toename in die bruto binnelandse produk gedurende die eerste drie kwartale van 1969 is aan aansienlike stygings in die bydraes deur fabriekswese, handel en algemene regering toe te skryf, terwyl vervoer, opberging en kommunikasie en mynbou ook betekenisvolle bydraes gelewer het. 'n Groot toename in indirekte belastinge as gevolg van die instelling van die verkoopreg en hoër invoer, het ook baie tot die hoë koers van toename in die bruto binnelandse produk teen markpryse bygedra.

Die toename in die bruto binnelandse produk gedurende die eerste nege maande van 1969 is weerspieël deur sowel hoër salarisse en lone as 'n groot toename in winste, veral in vervaardigingsbedrywe waar die voller besetting van bestaande kapasiteit eenheidskoste verminder het.

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

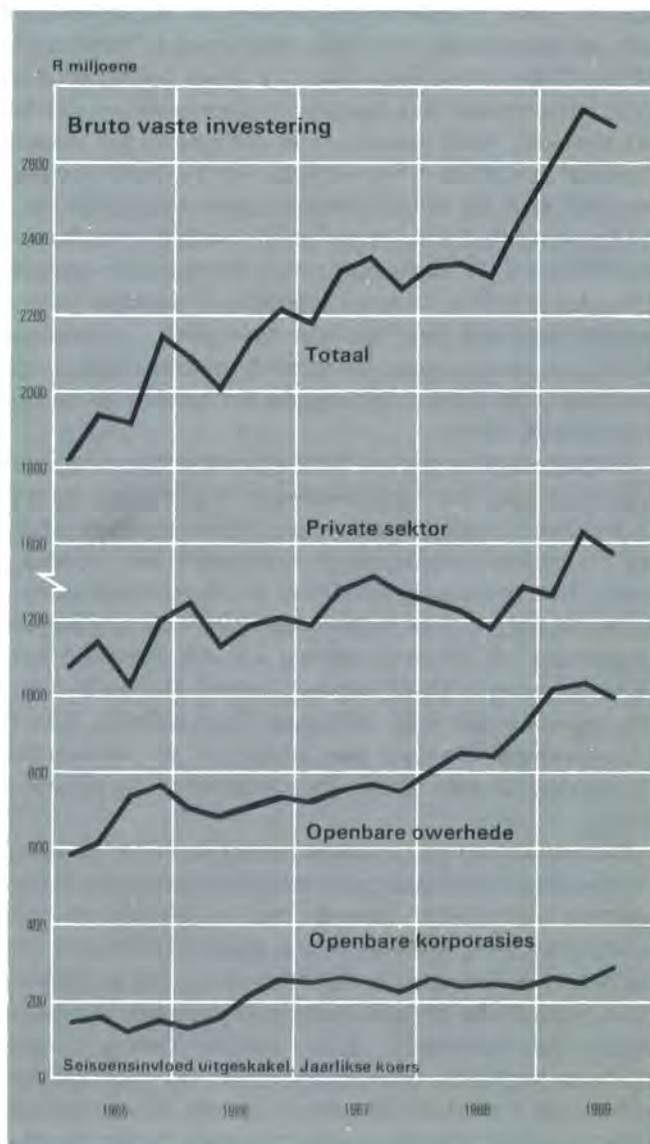


Hoë koers van toename in bruto binnelandse besteding

Nadat dit gedurende die vorige vyf kwartale as 'n geheel geneem ongeveer dieselfde koers van toename as die bruto nasionale produk getoon het, het bruto binnelandse besteding gedurende die tweede en derde kwartale van 1969 skerp gestyg en die bruto nasionale produk met 'n betekenisvolle bedrag in beide hierdie kwartale oorskry, met die gevolg dat groot tekorte op die lopende rekening van die betalingsbalans verskyn het.

Belegging in voorrade het aansienlik tot die skerp styging in besteding gedurende die tweede en derde kwartale van 1969 bygedra. Die toename in voorraad-investering gedurende die tweede kwartaal is deur alle klasse voorrade weerspieël terwyl die styging gedurende die derde kwartaal tot toevoegings tot handelsvoorrade insluitende diamantvoorrade en landbouvoorrade in die handel, beperk was.

Private verbruiksbesteding het voortgegaan om teen 'n hoë koers gedurende die derde kwartaal van 1969



toe te neem en het een van die vernaamste ekspansionistiese kragte in die volkshuishouding gebly. Ofskoon die koers van toename in private verbruiksbesteding gedurende die derde kwartaal van 1969 ietwat laer as gedurende die tweede kwartaal was, het dit nog steeds in ooreenstemming met die opwaartse neiging wat teen die begin van 1968 'n aanvang geneem het, gestyg. Trouens, hierdie laer koers van toename gedurende die derde kwartaal het gevolg op die buitengewoon hoë koers van toename gedurende die tweede kwartaal, toe die uitgawe aan dienste en nie-duursame goedere aansienlik gestyg het. Gedurende die derde kwartaal was die toename in hierdie komponente minder opvallend, terwyl die besteding aan duursame goedere teen 'n aansienlik hoër koers as gedurende die tweede kwartaal toegeneem het.

Ofskoon lopende besteding deur die owerheid 'n geringe afname gedurende die derde kwartaal van 1969 getoon het in vergelyking met die hoë vlak wat gedurende die tweede kwartaal behaal is as gevolg van verhogings in salarisse en lone, was dit nogtans ongeveer 13 persent hoër as gedurende die ooreenstemmende kwartaal van die vorige jaar.

Nadat dit teen 'n hoë koers vanaf die vierde kwartaal van 1968 tot die tweede kwartaal van 1969 toegeneem het, het totale vaste investering 'n geringe afname in die derde kwartaal van 1969 getoon alhoewel dit nog steeds op 'n betreklik hoë peil was. Hierdie afname gedurende die derde kwartaal was die netto resultaat van afnames in kapitaalbesteding deur die algemene owerheid en private sake-ondernemings, wat 'n aansienlike styging in kapitaalbesteding deur openbare korporasies oortref het.

Die afname in vaste investering deur die algemene owerheid was hoofsaaklik die gevolg van 'n daling in die kapitaaluitgawes deur die Suid-Afrikaanse Spoorweë en Hawens, wat dikwels onreëlmatige skommelings op 'n kwartaalbasis toon. Die vlak van kapitaalbeste-

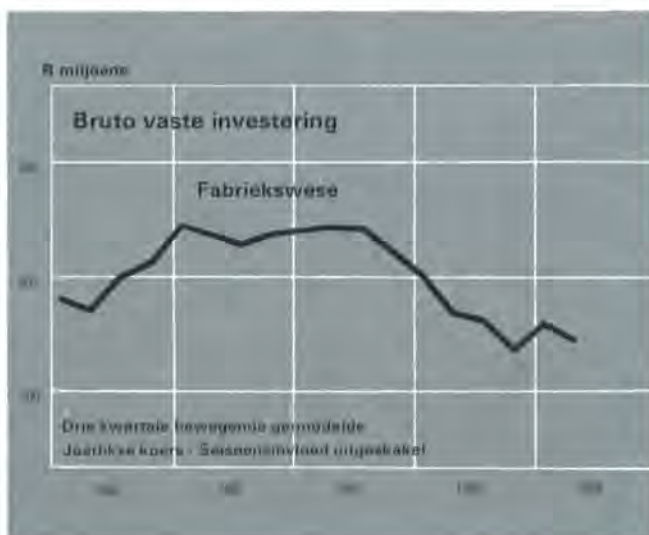
ding deur die algemene owerheid, insluitende die Suid-Afrikaanse Spoorweë en Hawens was nogtans hoog en het 'n aansienlike toename oor die eerste drie kwartale van 1968 getoon.

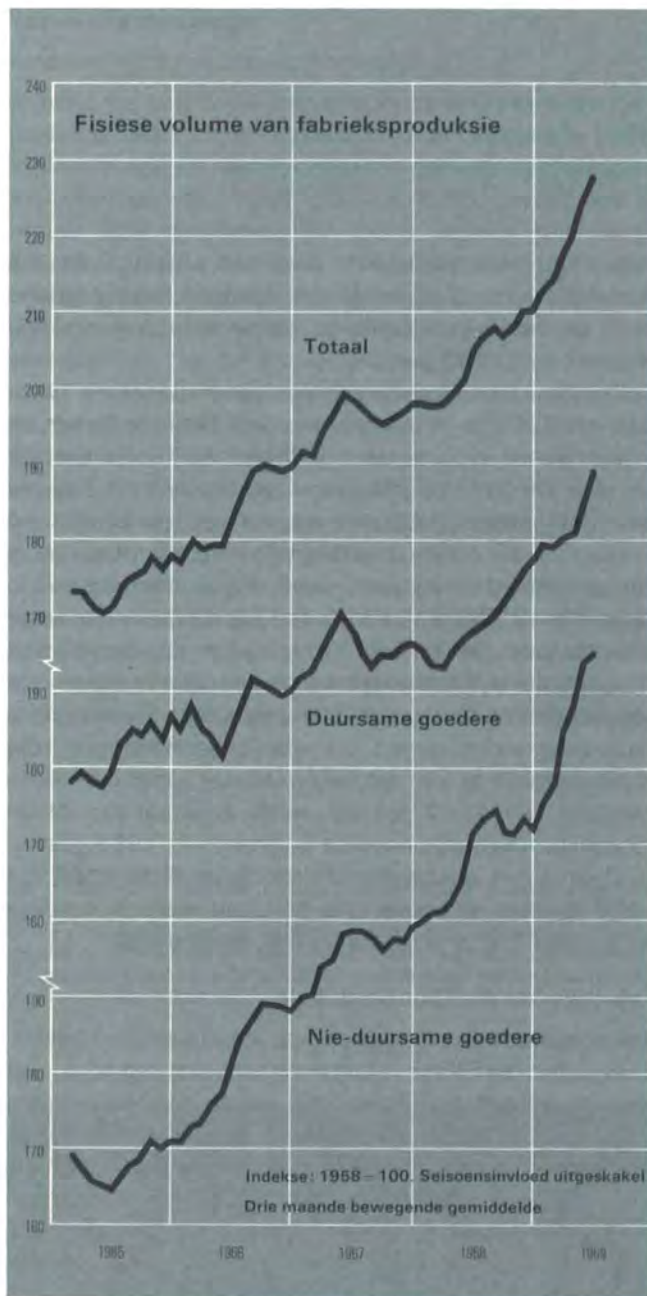
Private vaste investering, wat vanaf die vierde kwartaal van 1968 teen 'n vinniger koers begin toeneem en in die tweede kwartaal van 1969 'n hoë peil bereik het, het ook 'n geringe afwaartse beweging in die derde kwartaal getoon. Nogtans was 'n besliste opwaartse neiging vir die eerste drie kwartale waarneembaar en is die peil van private vaste investering vir hierdie periode ongeveer 12 persent hoër as gedurende die eerste nege maande van 1968. Hierdie styging kan hoofsaaklik aan 'n toename in kapitaalbesteding deur die mynbou, die handel, private vervoer en finansies en aan woongeboue toegeskryf word terwyl die afwaartse neiging in die vaste investering van fabriekswese wat vanaf die vierde kwartaal van 1967 tot die derde kwartaal van 1968 voorgekom het, in die vierde kwartaal van 1968 gestuit is. Daarna het laasgenoemde tot die derde kwartaal van 1969 rondom 'n horisontale peil, wat teen 'n jaarkoers ongeveer R350 miljoen bedra het, geskommel.

Fabrieks- en mynbouproduksie

Volgens amptelike statistiek wat tot Julie 1969 beskikbaar is, het die fisiese volume van fabrieksproduksie, wat teen 'n relatief hoë koers gedurende die laaste nege maande van 1968 toegeneem het, gedurende die eerste sewe maande van 1969 verder versnel. Dit het die gemiddelde van die seisoensaangesuiwerde indeks van die fisiese volume van fabrieksproduksie gedurende die twaalf maande geëindig Julie 1969 op 'n vlak wat 8.3 persent hoër as dié van die voorafgaande twaalf maande is, gebring. Die produksie van nie-duursame goedere soos voedsel, chemikalieë, tekstiele, klerasie en skoeisel het die grootste bydraes tot hierdie toename gelewer, terwyl die produksie van basiese metale en metaalprodukte ook betekenisvol toegeneem het. Opnames deur die private sektor het ook aangedui dat bestellings wat deur die staal- en ingenieursnywerhede ontvang is, gedurende die derde kwartaal teen 'n hoër koers as gedurende die eerste helfte van 1969 toegeneem het en dat meer oortyd gewerk is en produksie-aktiwiteite in die algemeen toegeneem het.

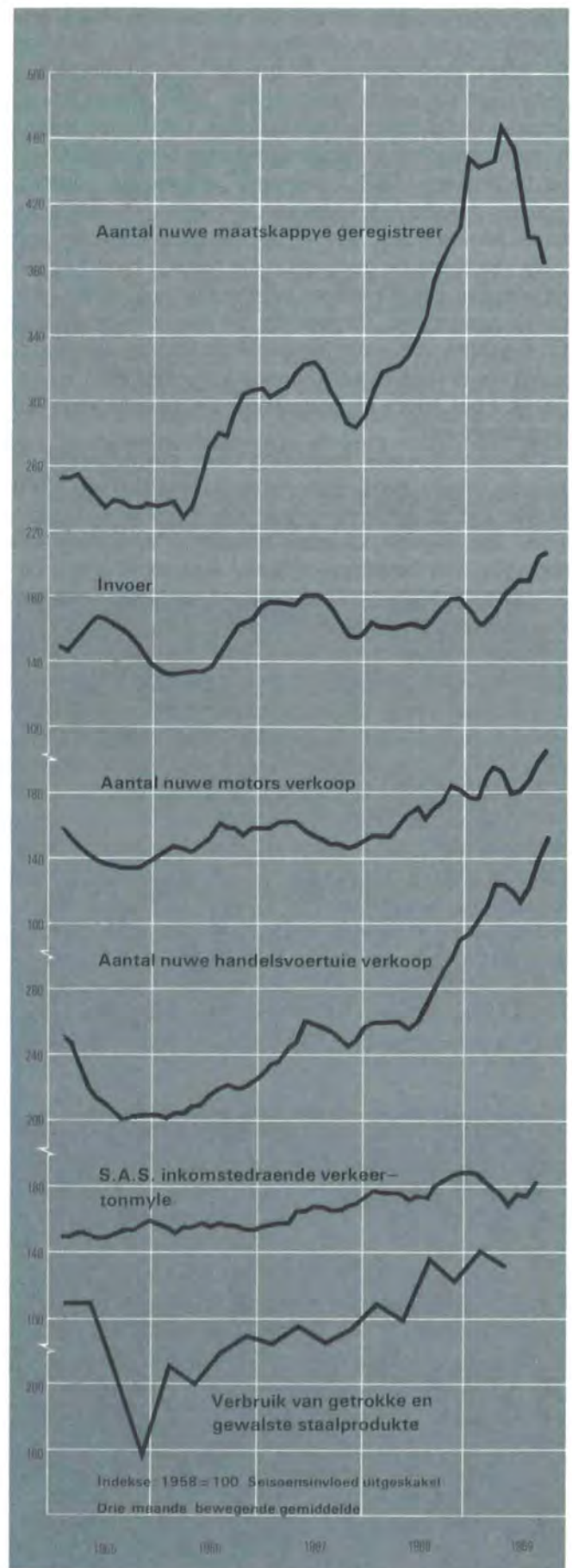
Mynbouproduksie, wat gedurende die eerste vyf maande van 1969 geneig het om gelyk te verloop, het gedurende die daaropvolgende vier maande gestyg, veral as gevolg van 'n toename in die fisiese volume van goudproduksie.





Werkverskaffing en arbeidstoestand

Alhoewel min inligting omtrent die arbeidstoestand beskikbaar is en aangesien data met betrekking tot werkverskaffingstoestande nie vir onlangse maande vrygestel is nie, wil dit voorkom asof die versnelling in ekonomiese aktiwiteit die tekort aan arbeid vererger het, veral op die vlak van bestuurs- en geskoolde arbeid. Aansienlike toenames in salarisse en lone het voorgekom en werkverskaffing in fabriekswese en konstruksie en veral in die Poskantoor het gedurende die eerste helfte van 1969 verder toegeneem, terwyl werkverskaffing in mynbou 'n dalende neiging getoon het. Die hoër peil van werkverskaffing is ook weerspieël in 'n verdere afname, tot 'n rekord lae vlak, in die aantal geregistreerde werklose Blankes, Kleurlinge en Asiate. Hierdie syfer,



seisoensaangesuiwerd, het van 15,430 aan die einde van 1967 tot 11,740 aan die einde van 1968 en tot 10,425 in September 1969, gedaal.

Algemene ekonomiese aanwysers

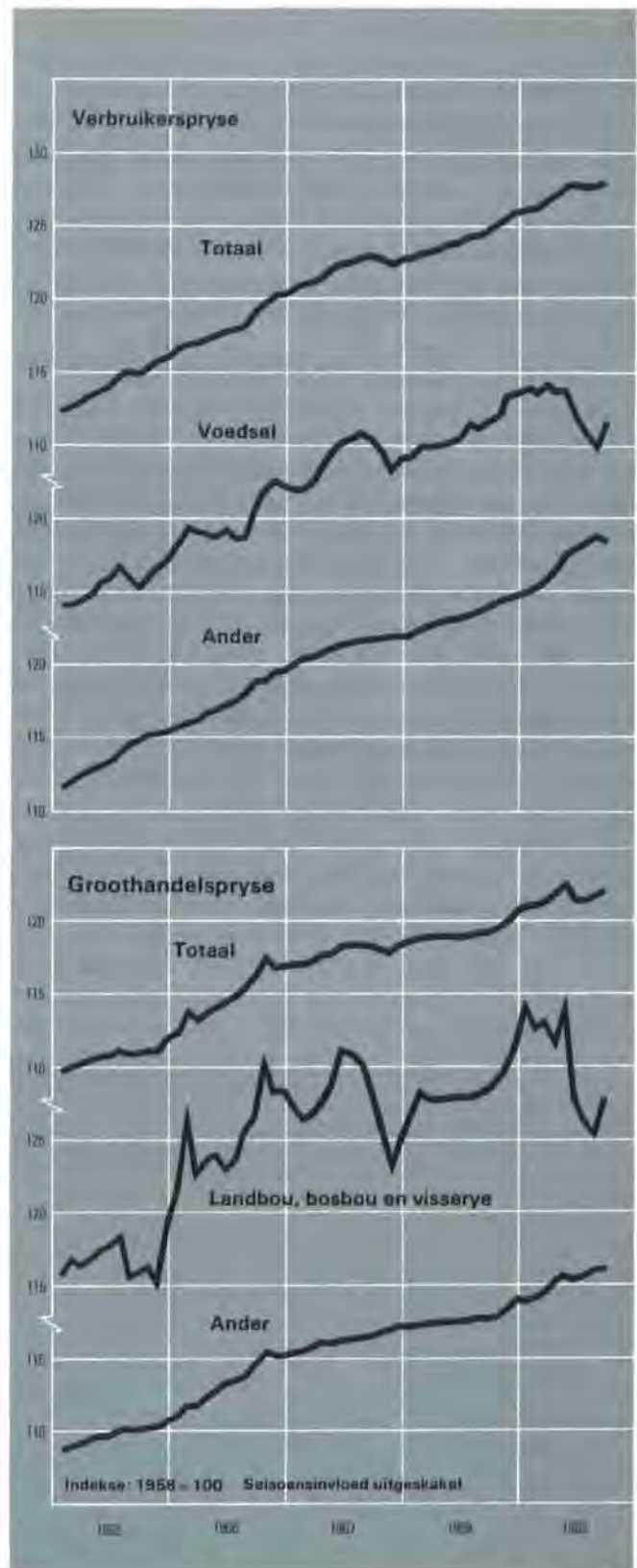
Alhoewel sommige ekonomiese aanwysers teen 'n effens laer koers gedurende die eerste drie kwartale van 1969 as gedurende die tweede helfte van 1968 toegeneem het, word die algemene indruk wat uit die nasionale rekeninge verkry is dat ekonomiese aktiwiteit gedurende 1968 toegeneem het en verdere momentum gedurende 1969 opgebou het, bevestig deur die voortgesette opwaartse neiging gedurende die eerste nege maande van 1969 in meeste van die algemene ekonomiese aanwysers. Die versnelling in ekonomiese aktiwiteit is ook in 'n duidelike opwaartse beweging in goedere-invoer gedurende die tweede en derde kwartale van 1969 weerspieël, terwyl ander reekse soos die aantal nuwe motorvoertuie verkoop en groothandelsverkope ook verder opwaarts beweeg het. Besonder lewendige toestande in die konstruksiesektor blyk uit die voortgesette styging gedurende 1969 in bouplanne goedgekeur, geboue voltooi, groothandelsverkope van boumateriaal en transaksies in vaste eiendom.

In die finansiële sfeer het aktiwiteit na Mei 1969 aanmerklik afgeneem, soos deur die indekse van nywerheids- en handelsaandelepryse, die volume van effektebeurstransaksies en bankdebitering getoon word.

Pryse

Alhoewel algemene ekonomiese aktiwiteit voortgegaan het om gedurende die eerste nege maande van 1969 te versnel, het geen oorverhitting van die ekonomie plaasgevind nie. Volgens voorlopige seisoensaangesuiwerde syfers het die indeks van verbruikerspryse teen 'n jaarkoers van slegs 2.1 persent gedurende die eerste nege maande van 1969 gestyg, hoofsaaklik as gevolg van 'n afname teen 'n jaarkoers van 2.1 persent in voedselpryse. Gedurende die eerste tien maande van 1969 het die seisoensaangesuiwerde verbruikersprysindeks egter toegeneem teen 'n jaarkoers van 3.4 persent. Hierdie relatief groot toename was die netto resultaat van die insluiting in Oktober van toenames in huis- en woonstelhuur en bediendeloon sowel as 'n omgeswaai in die afwaartse beweging in voedselpryse. Die pryse van behuising en aanverwante items het teen 'n seisoensaangesuiwerde jaarkoers van amper 7 persent gedurende die eerste tien maande van 1969 gestyg. Indien die pryse van voedsel en behuising en aanverwante items van die indeks uitgesluit word, het die pryse van alle ander goedere en dienste gedurende hierdie tydperk teen 'n seisoensaangesuiwerde jaarkoers van 2.9 persent gestyg. Verder, indien die invloed van die verkoopreg ook uitgesluit word, het die seisoensaangesuiwerde jaarkoers van toename van die totale verbruikersprysindeks gedurende die eerste tien maande van 1969 2.6 persent beloop.

Groothandelspryse het ook teen 'n relatief lae koers gedurende 1969 toegeneem vanweë 'n aanmerklike daling in die pryse van landbouprodukte. Die seisoensaangesuiwerde indeks van groothandelspryse het, as



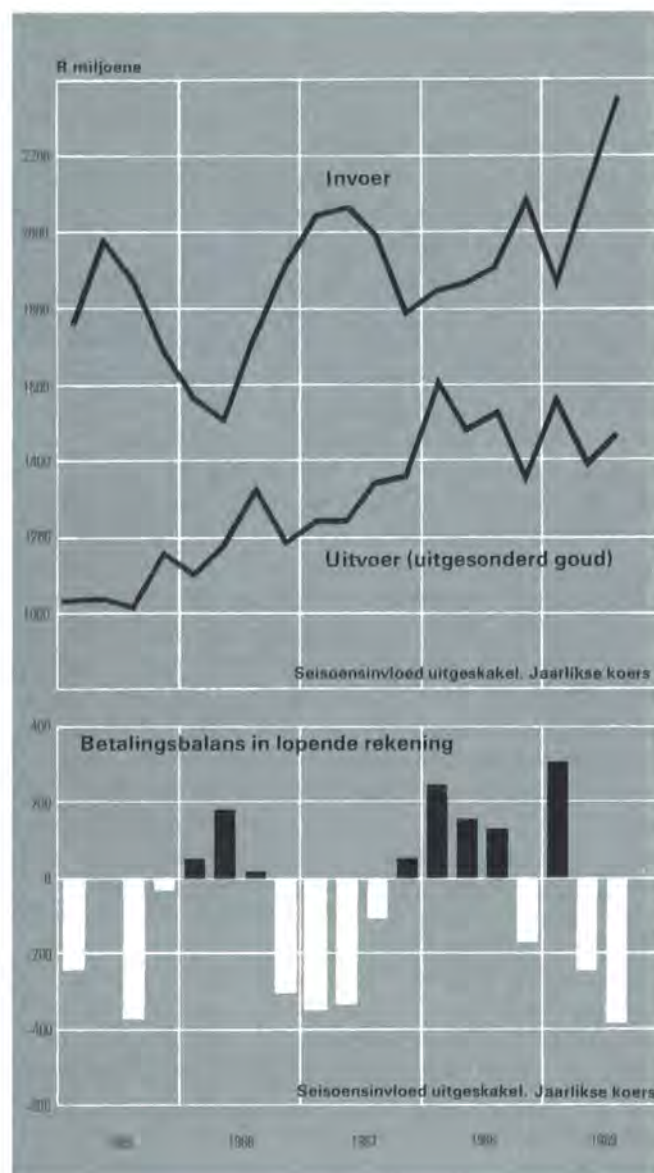
gevolg van 'n daling teen 'n jaarkoers van 3·6 persent in die pryse van landbouprodukte, teen 'n jaarkoers van slegs 1·4 persent gedurende die eerste nege maande van 1969, toegeneem. Die pryse van alle ander groot-handelsgoedere het teen 'n jaarkoers van 2·4 persent gedurende hierdie tydperk toegeneem, gedeeltelik as gevolg van die verkoopreg.

Betalingsbalans

Tekort op lopende rekening

Die verdere versnelling in die binnelandse vraag na goedere en dienste gedurende 1969 het veroorsaak dat 'n aansienlike tekort op die lopende rekening van die betalingsbalans verskyn het, wat onderskeidelik R78 miljoen en R109 miljoen gedurende die tweede en derde kwartale van 1969 bedra het. Teen 'n seisoens-aangesuiwerde jaarkoers het hierdie tekorte onderskeidelik R252 miljoen en R384 miljoen beloop.

Soos die bygaande tabel toon, was die seisoens-aangesuiwerde tekort op die lopende rekening gedurende die derde kwartaal van 1969, die netto resultaat van 'n aansienlike styging in invoer en dienstebetalings wat die toename in uitvoer en netto goudproduksie oortref het. Goedere-invoer wat vanaf die begin van 1968 bestendig gestyg het, het in die derde kwartaal van 1969 'n rekordpeil van R2,365 miljoen bereik, indien dit teen 'n seisoens-aangesuiwerde jaarkoers gemeet word. Alhoewel goedere-uitvoer gedurende die derde kwartaal van 1969 aansienlik toegeneem het tot 'n seisoens-aangesuiwerde jaarkoers van R1,478 miljoen, het hierdie syfer vanaf die tweede helfte van 1968 min of meer rondom 'n horisontale vlak geskommel. Netto goudproduksie, soos vir betalingsbalans-doeleindes gedefinieer, het betreklike groot fluktuasies getoon en gedurende die derde kwartaal weer toegeneem nadat dit gedurende die tweede kwartaal gedaal het. Betalings vir dienste (seisoensinvloed uitgeskakel) het 'n opvallende toename gedurende die derde kwartaal getoon as gevolg van die hoër beleggings-verdienste van buitelanders en 'n styging in betalings vir

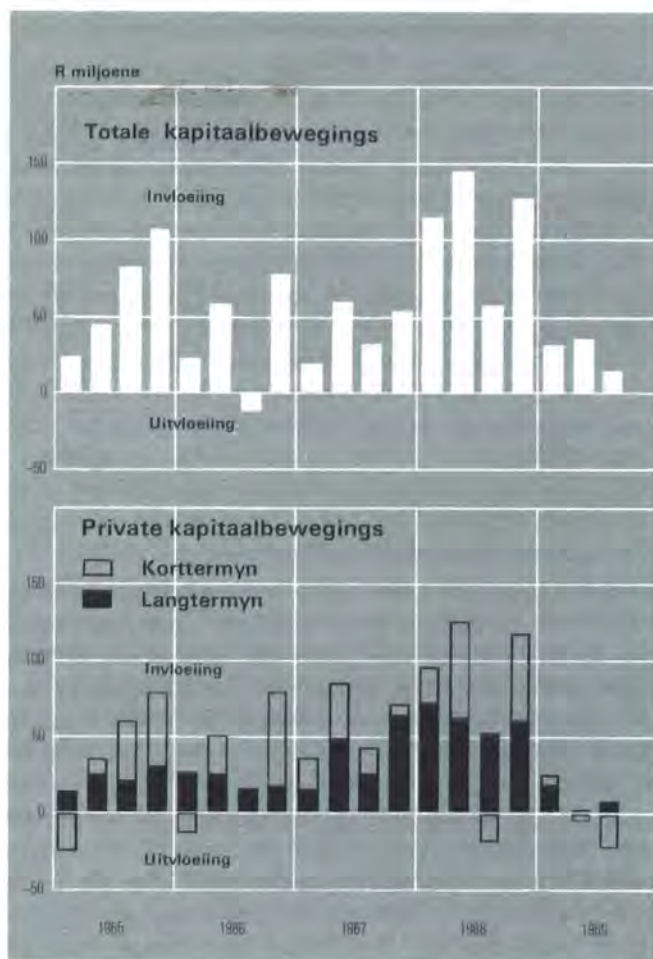


vrag en versekering wat met die styging in invoer verband gehou het.

Lopende rekening van die betalingsbalans, 1969

R miljoene

	Nie-seisoens-aangesuiwerd			Seisoens-aangesuiwerde jaarkoers		
	1ste kw.	2de kw.	3de kw.	1ste kw.	2de kw.	3de kw.
Goedere-uitvoer	388	353	350	1,562	1,395	1,478
Netto goudproduksie	216	190	216	870	763	859
Ontvangste vir dienste	85	96	89	357	384	377
Goedere-invoer	-479	-537	-595	-1,870	-2,126	-2,365
Betalings vir dienste	-160	-205	-200	-694	-769	-857
Totale goedere en dienste (netto ontvangste+)	50	-103	-140	225	-353	-508
Oordragte (netto ontvangste+)	23	25	31	84	101	124
Saldo op lopende rekening	73	-78	-109	309	-252	-384



Netto kapitaaluitvloeiing

Na elf opeenvolgende kwartale waarin 'n netto kapitaalinvloeiing aangeteken is, het Suid-Afrika gedurende die derde kwartaal van 1969, 'n netto kapitaaluitvloeiing van R21 miljoen ondervind, wat uit 'n private kapitaaluitvloeiing van R12 miljoen en 'n uitvloeiing van sentrale regerings- en bankkapitaal van R9 miljoen bestaan het. Laasgenoemde uitvloeiing is hoofsaaklik deur die terugbetaling van Suid-Afrika se goud-tranché aan die Internasionale Monetêre Fonds veroorsaak en het 'n omkering van die invloeiing wat in die tweede kwartaal

Netto kapitaalbewegings, 1969
R miljoen

	1ste kw.	2de kw.	3de kw.
Na die private sektor:			
Effektebeurstransaksies	4	-9	2
Ander langtermyn	15	10	7
Korttermyn*	3	-3	-21
Totaal	22	-2	-12
Na die sentrale regering en banksektor	11	39	-9
Totale kapitaalbewegings	33	37	-21

*Insluitende foute en onaangetekende transaksies.

plaasgevind het, verteenwoordig. Die kapitaaluitvloeiing van die private sektor het grotendeels uit veranderings in handelsdebiete en -krediete bestaan.

Verdere afname in goud- en buitelandse valuta-reserwes

Die netto resultaat van die lopende tekort en die kapitaaluitvloeiing was 'n vermindering van nie minder nie as R130 miljoen in Suid-Afrika se totale goud- en buitelandse valuta-reserwes gedurende die derde kwartaal van 1969. Teen die einde van September het Suid-Afrika se totale reserwes R1,035 miljoen bedra, waarvan die Reserwebank R916 miljoen, bestaande uit R775 miljoen in goud en R141 miljoen in buitelandse valuta, gehou het. Gedurende Oktober 1969 het die goud- en buitelandse valuta-reserwes van die Reserwebank en die regering min verandering getoon.

Monetêre en banktoestand

Nadat dit gedurende die vier maande vanaf die einde van Maart tot die einde van Julie 1969 met R42 miljoen gedaal het, het die seisoensaangesuiwerde hoeveelheid geld en kwasi-geld gedurende Augustus en September weer skerp gestyg, wat tot 'n toename van R131 miljoen of 3.8 persent gedurende die derde kwartaal van 1969 gelei het. Aan die einde van September het die hoeveelheid geld en kwasi-geld R3,621 miljoen bedra, wat 7.5 persent hoër as aan die einde van 1968 was. Hierdie koers van toename vorm nietemin 'n skerp teenstelling met die toename van meer as 15 persent gedurende die vergelykbare tydperk in 1968.

Aangesien die versnelling in ekonomiese bedrywigheid in die produksiesfeer gedurende die eerste drie kwartale van 1969 voortgeduur het, het dit gelei tot 'n daling in die seisoensaangesuiwerde verhouding van geld en kwasi-geld tot die bruto binnelandse produk vanaf 31.6 persent in die eerste kwartaal van 1969 tot 29.2 persent in die derde kwartaal.





Veranderings in geld en kwasi-geld

R miljoene

	Seisoens- invloed nie uitgeskakel nie	Seisoens- invloed uitgeskakel
1969: 1e kwartaal	-42	142
2e kwartaal	90	-4
3e kwartaal:		
Julie	-66	-39
Augustus	67	77
September	124	92
Totaal 3e kwartaal	124	131
Totaal eerste nege maande van 1969	173	269

Skerp styging in binnelandse krediet

Soos die bygaande tabel toon, was die hoofoorsake van die hernieude styging in geld en kwasi-geld gedurende die derde kwartaal van 1969 die taamlik aansienlike stygings in bankkrediet wat aan die private sowel as aan die regeringsektor verleen is wat gesamentlik meer as R200 miljoen bedra het en die daling van R120 miljoen in die netto goud- en valuta-reserwes (die grootste kwartaallikse daling wat ooit aangeteken is) vër oortref het. Die toename in die netto eise van die monetêre banksektor teen die regeringsektor gedurende die derde kwartaal is deur 'n daling in regeringsdeposito's gedurende Augustus en September veroorsaak. Hierdie daling het in Oktober voortgeduur toe die regeringsdeposito's by die Reserwebank en die Nasionale Finansiële korporasie verder met R92 miljoen gedaal het.

Hoofoorsake van veranderings in geld en kwasi-geld, 1969

Seisoensinvloed nie uitgeskakel nie
R miljoene

	1e kw.	2e kw.	3e kwartaal			Totaal
Netto goud- en buitelandse valuta-reserwes	101	-77	-41	-43	-35	-120
Eise teen die regeringsektor:						
Eise	-33	30	-27	-10	36	-1
Deposito's (toename-, afname+)	-139	31	-54	72	14	33
Netto eise	-171	61	-80	62	51	32
Eise teen die private sektor	136	74	43	20	118	181
Langtermyn-deposito's (toename-, afname+)	-67	38	-10	3	-23	-30
Ander bates en laste	-40	-6	22	25	13	61
Totaal geld en kwasi- geld	-42	90	-66	67	124	124

Groot toename in bankkrediet aan die private sektor

Nadat dit gedurende sowel 1967 as 1968 met R279 miljoen, of met onderskeidelik 12 en 11 persent, toegeneem het, het die eise van die monetêre banksektor teen die private sektor (d.w.s. bankkrediet aan die private sektor) gedurende 1969 voortgegaan om te styg en het dit gedurende die derde kwartaal van 1969 'n rekord-kwartaalstyging van R181 miljoen getoon. Dit het die toename gedurende die eerste nege maande van 1969 op 14 persent te staan gebring. Soos die bygaande tabel toon, het die toename in bankkrediet aan die private sektor gedurende die derde kwartaal van 1969 uit kaskredietvoorskotte van die Landbank en diskonteringe en voorskotte en beleggings van monetêre banke bestaan. Ná uitskakeling van die seisoensinvloed het die kaskredietvoorskotte van die Landbank met slegs R15 miljoen toegeneem, terwyl die diskonteringe en voorskotte van handelsbanke, wat voor seisoensaansuiwering met R30 miljoen gestyg het, 'n seisoensaangesuiwerde toename van R82 miljoen getoon het.

Die beleggings van monetêre banke by die private sektor, wat gedurende die eerste ses maande van die jaar effens gedaal het, het vanaf R457 miljoen aan die einde van Junie 1969 tot R531 miljoen aan die einde van September toegeneem. Hierdie toename van R74 miljoen het bestaan uit R45 miljoen in die vorm van effekte en obligasies van munisipaliteite, die Landbank en ander openbare korporasies, wat nie onder die beleggingsplafon val nie, R22 miljoen in die vorm van aandele in filiale en ander private nie-bankmaatskappye en R7 miljoen in die vorm van „ander“ private skuldbriewe en bouverenigingaandele.

Verandering in eise teen die private nie-banksektor
Seisoensinvloed nie uitgeskakel nie
R miljoene

	1968	1969		
		1e kw.	2e kw.	3e kw.
Kaskredietvoorskotte van die Landbank	-66	-50	-18	+77
Ander diskonteringe en voorskotte:				
50% van netto remises in transito	+44	+15	+62	-18
Diskonteringe en voorskotte	+162	+173	+26	+55
Totaal	+206	+187	+88	+37
Beleggings	+113	-10	+2	+74
Deposito's	+26	+9	+1	-7
Totaal	+279	+136	+74	+181

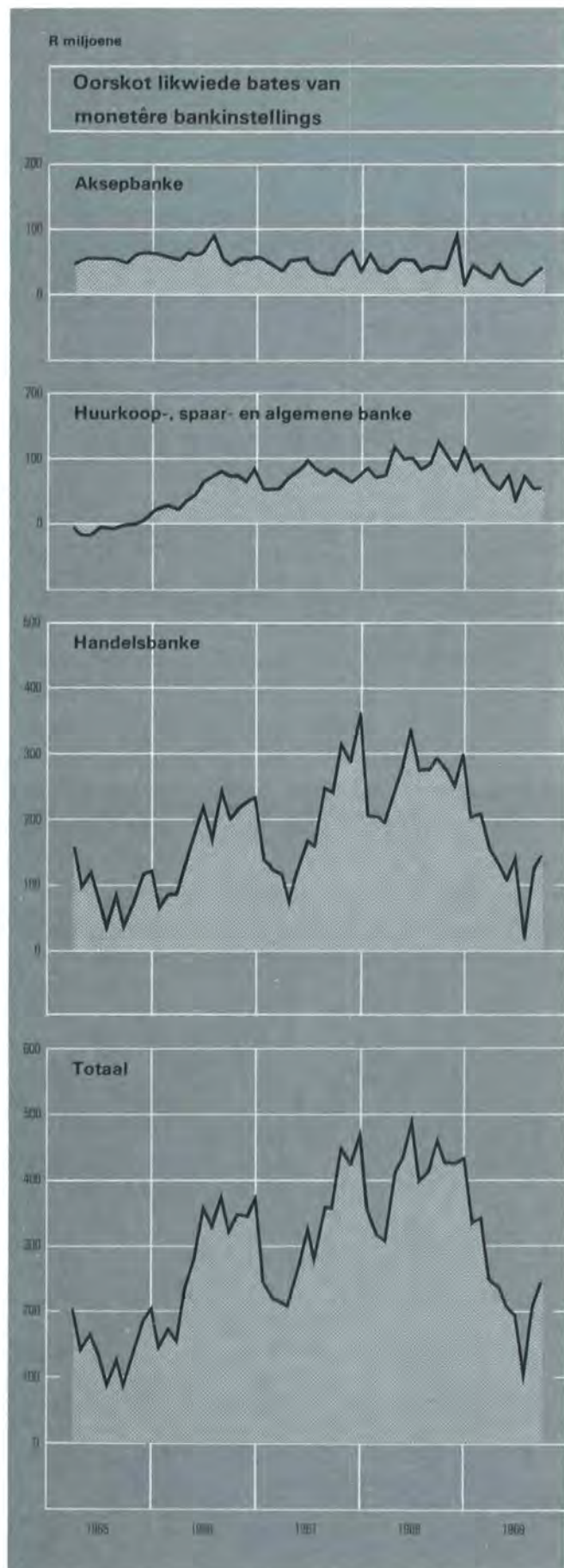
Ommeekeer van die afwaartse neiging in die oorskot likwiede bates van monetêre banke

Die oorskot likwiede bates van monetêre bankinstellings, wat byna on-onderbroke vanaf R433 miljoen aan die einde van 1968 tot minder as R100 miljoen aan die einde van Julie gedaal het, het daarna skerp tot R207 miljoen aan die einde van Augustus en R241 miljoen aan die einde van September toegeneem. Laasgenoemde bedrag het 5.4 persent van hul verpligtings teenoor die publiek verteenwoordig. Die styging sedert Julie in die oorskot likwiede bates van monetêre banke was hoofsaaklik die gevolg van die skerp daling in regeringsdeposito's waarna reeds voorheen verwys is en 'n aansienlike toename in die besit aan Landbankwissels van die Reserwebank en die Nasionale Finansiële korporasie, aangesien albei ontwikkelings ekstra kontant in die hande van die monetêre banke geplaas het.

Verruiming van die toestand op die geldmark

Die faktore wat tot 'n toename in die oorskot kontant en likwiede bates van die monetêre banke gelei het, het ook vanaf vroeg in Augustus 'n aanmerklike verruiming van die toestand op die geldmark veroorsaak. So het die skatkiswissel-tenderkoers gedaal vanaf 'n hoogtepunt van 4.77 persent op 8 Augustus tot 4.30 persent





op 21 November, die laagste peil sedert 2 Desember 1966. In hierdie ruim geldmarktoestand het die daggeld by die diskontohuise aansienlik toegeneem vanaf R191 miljoen aan die einde van Julie tot ongeveer R350 miljoen aan die einde van Oktober en tot R391 miljoen op 21 November.

Staatsfinansies

Nadat 'n tekort van R46 miljoen gedurende die kwartaal April tot Junie voorgekom het, het die Skatkis 'n verdere tekort van R54 miljoen gedurende die kwartaal geëindig September 1969 getoon, sodat die tekort vir die eerste helfte van die 1969-70 boekjaar R101 miljoen bedra het, of R36 miljoen minder as die tekort vir die ooreenstemmende tydperk in 1968. Hierdie verbetering in skatkisfinansies was hoofsaaklik die gevolg van 'n toename van R99 miljoen in netto ontvangste gedurende hierdie halfjaar wat 'n styging van 23 persent bo die ontvangstes in die ooreenstemmende tydperk van 1968 verteenwoordig het. Hoër doeane-ontvangstes en 'n aansienlike toename in inkomstebelasting betaal deur maatskappye het veral tot hierdie gunstige ontwikkeling bygedra, terwyl ontvangstes uit die verkoopreg R35 miljoen beloop het. Totale skatkisuitreikings het gedurende die eerste helfte van die boekjaar met R149 miljoen toegeneem, d.w.s. 'n styging van 16 persent bo uitreikings in die ooreenstemmende tydperk van 1968, en stem naastenby ooreen met die styging waarvoor in die 1969-70-Begroting voorsiening gemaak is.

Skatkisfinansies

R miljoene

	1968		1969	
	April tot Junie	Julie tot Sept.	April tot Junie	Julie tot Sept.
Totale tekort (uitgesonderd lenings)	66	71	46	54
Finansiering:				
Verandering in netto skuldposisie teenoor:				
Buitelandse sektor	12	7	8	-4
Private nie-banksektor	56	121	68	-10
Staatskuldkommissarisse	151	13	127	2
Sub-totaal	219	141	203	-12
Monetêre banksektor:				
Verandering in besit aan staatspapier	87	67	-1	2
Verandering in skatkissaldo*	-240	-136	-155	65
Sub-totaal	-153	-70	-157	67
Totale finansiering	66	71	46	54

*Na aansuiwering vir die belegging in die buiteland van die opbrengs van buitelandse lenings en vir oordragte na die Stabilisasierekening en na die I.M.F.-depositorekening ten opsigte van super-goudtranché-trekkings. Toename—, afname+.

In teenstelling met die voorafgaande kwartaal, het die finansiering van die tekort gedurende die Julie tot September kwartaal 'n toename van R67 miljoen in die Skatkis se netto skuldposisie teenoor die monetêre banksektor ingesluit. Soos in die bygaande tabel aangetoon word, was hierdie ontwikkeling die gevolg van 'n aansienlike afname in die netto bydrae tot skatkisfinansiering deur die private nie-banksektor en die Staatskuldkommissaris en die Skatkis se kontantsaldo het gevolglik met nie minder nie as R65 miljoen gedaal.

Die Staatskuldkommissaris het inderdaad slegs R2 miljoen tot skatkisfinansiering gedurende die tydperk Julie tot September bygedra wat hul totale bydrae vir die eerste helfte van die boekjaar op R130 miljoen te staan gebring het. Laasgenoemde bedrag sluit deposito's ten bedrae van R131 miljoen in wat die Kommissaris aan die einde van Maart by die Reserwebank en geldmarkinstellings gehou het en wat gedurende April by die Skatkis belê is. Indien hierdie belegging nie in aanmerking geneem word nie, het die Skatkis se skuldposisie teenoor die Kommissaris in werklikheid met R1 miljoen gedurende die eerste helfte van die boekjaar gedaal.

Die private nie-banksektor het sy besit aan staatskuld gedurende die kwartaal geëindig September 1969 met R10 miljoen verlaag, vergeleke met 'n netto belegging van R68 miljoen gedurende die vorige kwartaal. Dit was die eerste vermindering in enige kwartaal sedert die tweede kwartaal van 1965.

Gedurende Oktober, toe twee effekte-uitgiftes ten bedrae van R140 miljoen gedolg moes word, het die Tesourie twee nuwe effekte vir omsetting en kontantinskrywing aangebied, een teen 5 persent vir drie jaar en die ander teen $6\frac{1}{2}$ persent vir 25 jaar. Hierdie uitgiftes was nie suksesvol nie en die Tesourie het kontantaansoeke ten bedrae van slegs R44 miljoen ontvang, waarvan R17 miljoen deur die Staatskuldkommissaris bygedra is. Tot aan die einde van Oktober het die Tesourie op 'n netto basis R1 miljoen van ander instansies as die Staatskuldkommissaris deur middel van effekte-uitgiftes geleen, terwyl 'n bedrag van R90 miljoen in die begroting vir die boekjaar 1969-70 as 'n geheel in die vooruitsig gestel is.

Die regering se lenings in die vorm van nie-bemerkbare skuld was gedurende die eerste sewe maande van die 1969-70 fiskale jaar ook nie suksesvol nie. Op 'n netto basis is slegs R4 miljoen tot aan die einde van Oktober in hierdie vorm geleen, vergeleke met 'n bedrag van R70 miljoen waarvoor in die 1969-70-Begroting voorsiening gemaak is. Nuwe belastingvrye Tesourie-obligasies met 'n rentekoers van $5\frac{3}{4}$ persent en 'n bonus van 2 persent indien dit tot die aflossingsdatum gehou word, is vanaf 17 November uitgereik en die toelaatbare maksimum aan alle belastingvrye obligasies sedert 1967 uitgereik wat per familie-eenheid gehou mag word, is vanaf R45,000 tot R60,000 verhoog. Die

maksimum belastingvrye rentebedrag is ook vanaf R2,675 tot R4,650 verhoog.

Volgens die bostaande ontleding van staatsfinansies wil dit voorkom dat, hoewel die Skatkis se totale tekort gedurende die fiskale jaar 1969-70 waarskynlik as gevolg van hoër inkomste kleiner sal wees as die bedrag waarvoor begroot is, die Tesourie dit moeilik mag vind om in die mate wat in die 1969-70-Begroting in die vooruitsig gestel is, van nie-banksektore te leen.

Kapitaalmark

Volgehoue daling in aandelepryse

Die skerp daling in aandelepryse vanaf ongeveer die middel van Mei 1969, het gedurende die derde kwartaal en Oktober voortgeduur en, soos in die bygaande tabel aangetoon word, was die pryse van alle klasse van aandele teen die einde van September aansienlik laer as teen die einde van Mei. Die opvallendste prysdalings het in die geval van finansiële aandele voorgekom en vanaf Mei tot September het die pryse van finansiële mynaandele met gemiddeld 29 persent gedaal en dié van finansiële nywerheidsaandele met gemiddeld 24 persent. Hierdie afwaartse beweging het die pryse van die betrokke aandele te staan gebring op 'n vlak naastenby gelyk aan dié wat aan die einde van 1968 gegeld het en wat nog betreklik hoog was indien prystoenames van onderskeidelik 39 en 57 persent in finansiële myn- en nywerheidsaandele gedurende 1968 in aanmerking geneem word. Pryse van nywerheids- en handelsaandele het vanaf Mei tot September minder gedaal en die gemiddelde daling van 17 persent het pryse te staan gebring op ongeveer dieselfde vlak as vroeg in 1969, nádat dit met 45 persent gedurende 1968 toegeneem het. In die geval van goudmynaandele, het die daling in pryse gedurende die betrokke tydperk 11 persent bedra en die gemiddelde pryspeil in September het met dié van 'n jaar gelede ooreengestem.

'n Aansienlike daling in die aantal aandele wat op die effektebeurs verhandel is, het met die daling in pryse saamgeval en die indeks was in September 63 persent laer as in Mei 1969. Desnieteenstaande was die aantal aandele wat gedurende September verhandel is, nog op

Bewegings in aandelepryse
Persentasieverandering in indekse

	Des. 1967 tot Des. 1968	Des. 1968 tot Mei 1969	Mei 1969 tot Sept. 1969
Goudmynaandele	+15	+4	-11
Finansiële aandele:			
Mynwese	+39	+29	-29
Nywerheid en algemeen	+57	+32	-24
Nywerheids- en handelsaandele	+45	+28	-17

'n betreklik hoë vlak wat naastenby gelyk aan die gemiddeld vir 1968 en nog hoër as gedurende die jare vóór 1968 was.

In ooreenstemming met die daling in aandelepryse, was daar vanaf Mei tot September 'n toename in opbrengskoerse op aandele wat in die geval van goudmyn-aandele vanaf 5.7 tot 6.8 persent en in die geval van nywerheids- en handelsaandele vanaf 3.4 tot 3.8 per-

sent gestyg het. Indien die laasgenoemde opbrengskoers met dié op langtermynstaatseffekte vergelyk word, het die omgekeerde rendementsgaping vanaf 3.1 persent in Mei tot 2.7 persent in September vernou.

Verdere skerp styging in nuwe uitgiftes van aandele

Nuwe uitgiftes van gewone aandele het 'n rekordpeil gedurende die derde kwartaal van 1969 bereik en het ongeveer R147 miljoen bedra, vergeleke met 'n gemiddeld van ongeveer R90 miljoen gedurende die eerste twee kwartale van 1969. Die hoë peil van nuwe uitgiftes, ten spyte van 'n dalende mark, was waarskynlik die nagevolg van uitgiftes wat vóór en gedurende die vroeë fase van die teruggang op die effektebeurs beplan is. Alhoewel 'n paar groot uitgiftes vir die vierde kwartaal beplan word, kan verwag word dat die aantal nuwe uitgiftes onder die huidige toestande op die effektebeurs sal afneem. Gedurende die agtien maande tot September 1969 is nuwe kapitaal ten bedrae van ongeveer R670 miljoen deur die private sektor in die vorm van gewone aandele, skuldbriewe en voorkeuraandele opgeneem. Hierdie betreklike groot bedrag aan langtermynkapitaal is dus aan die private sektor beskikbaar gestel en sal na verwagting op een of ander stadium private reële vaste investering stimuleer.

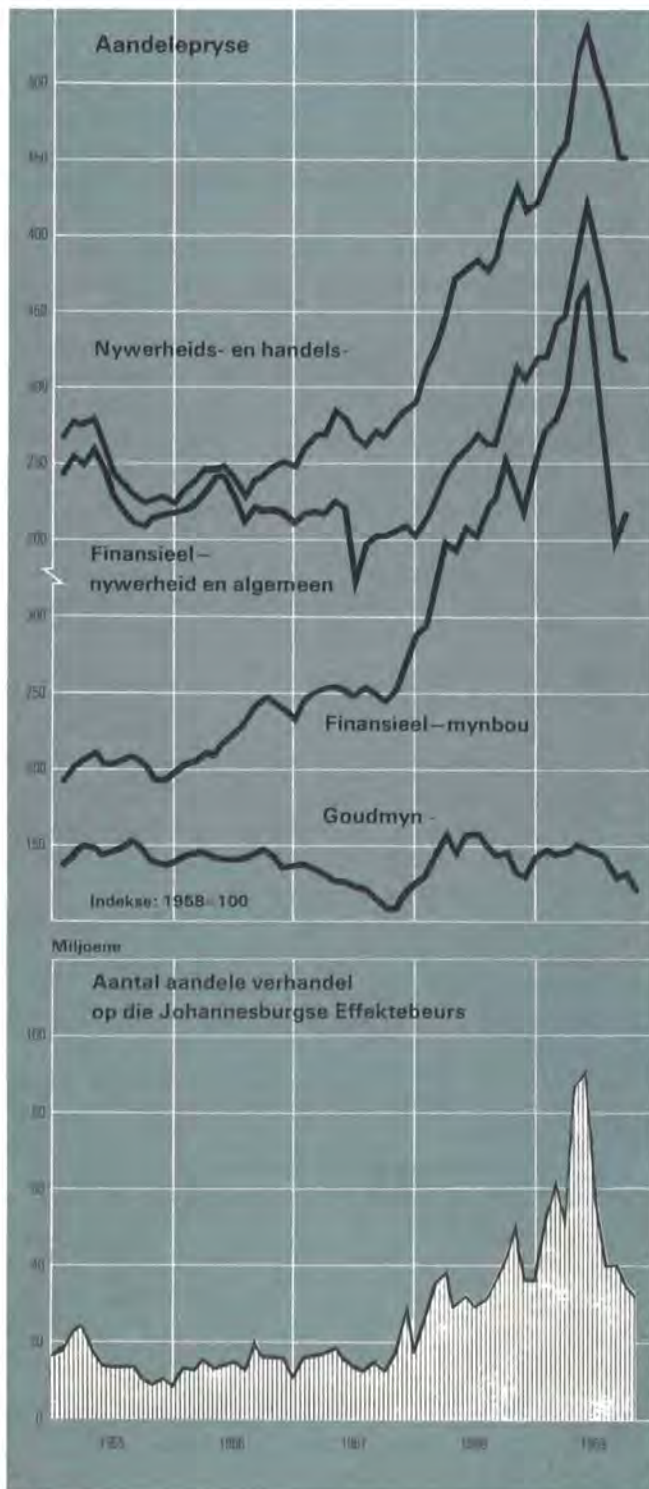
Nuwe uitgiftes van gewone aandele R miljoen

1968: 1ste kwartaal	12
2de kwartaal	80
3de kwartaal	96
4de kwartaal	121
1969: 1ste kwartaal	92
2de kwartaal	88
3de kwartaal	147

Aansienlike daling in vloei van fondse na effekte-trusts

Nadat dit die buitengewoon hoë syfer van R278 miljoen gedurende die tweede kwartaal van 1969 bereik het, het die netto verkope van onderaandele deur effekte-trusts tot slegs R10 miljoen gedurende die derde kwartaal gedaal. Verkope van onderaandele het in werklikheid R59 miljoen bedra, maar die effekte-trusts moes onderaandele ten bedrae van R49 miljoen terugkoop. Gedurende Augustus en September het terugkope van onderaandele die verkope daarvan met R4 miljoen oorskry, sodat die trusts in totaal die eerste keer sedert die eerste trust in 1965 met werksaamhede begin het, 'n uitvloeiing van fondse ondervind het. In ooreenstemming met die skerp daling in aandelepryse vanaf Mei tot September 1969, het die markwaarde van die trusts se netto bates met 18 persent gedaal vanaf R911 miljoen aan die einde van Mei tot R751 miljoen aan die einde van September.

Die daling in die markwaarde van die sekuriteite in die trusts se portefeuljes het ook die bedrag aan goed-



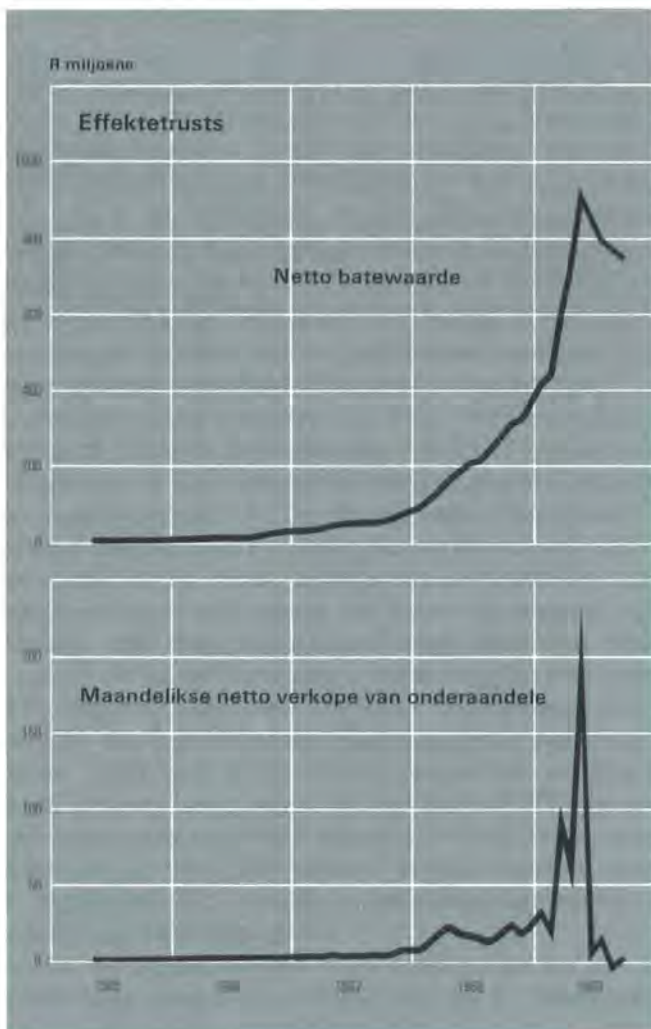
gekeurde effekte wat deur die trusts gehou moet word, verminder. Aan die einde van September het hul oorskot goedgekeurde effekte R53 miljoen bedra, waarvan R38 miljoen 'n oorskot aan staatseffekte verteenwoordig het. Gevolglik was die trusts gedurende die derde kwartaal netto verkopers van goedgekeurde effekte en het hul netto verkope R5 miljoen bedra, vergeleke met 'n netto belegging van R74 miljoen gedurende die voorafgaande kwartaal. Hoewel die effeketrusts se besit aan kontant en deposito's aan die einde van September nog R124 miljoen bedra het, was dit ongelyk tussen die trusts verdeel en, indien die toenemende terugkope van onderaandeel deur die effeketrusts in aanmerking geneem word, kon hierdie faktor tot die verkope van oorskot goedgekeurde effekte bygedra het.

In ooreenstemming met die daling in die markwaarde van netto bates, het die gemiddelde verkoopprijs van onderaandeel vanaf Mei tot September 1969 met 21 persent gedaal. Die gemiddelde opbrengskoers op onderaandeel het gedurende dieselfde tydperk vanaf 1.4 tot 1.9 persent toegeneem.

Stram toestande in mark vir vaste-rentedraende effekte

Gedurende die derde kwartaal van 1969 is die mark vir vaste-rentedraende effekte deur 'n onewewig tussen die vraag na en aanbod van uitleenbare fondse gekenmerk. Hoewel daar in Augustus aangekondig is dat die opbrengskoers op langtermynstaatseffekte onveranderd op $6\frac{1}{2}$ persent gehou sal word, het 'n opwaartse druk op rentekoerse in die geval van semiprima-effekte merkbaar geword en die opbrengskoers op langtermynuitgifte is gedurende die derde kwartaal vanaf 7.1 persent tot 7.3 persent verhoog. Maar selfs teen die hoër opbrengskoerse was die betrokke leners nie in staat om al die fondse wat hulle wou leen te bekom nie of, andersins, moes nuwe uitgifte gedeeltelik deur die onderskrywers opgeneem word. As gevolg van hierdie ontwikkelings is sommige van die uitgifte wat vir die vierde kwartaal beplan was, uitgestel. Die oorheersende koers op nuwe skuldbriewe van maatskappye het gedurende die derde kwartaal vanaf $8\frac{1}{2}$ tot $8\frac{3}{4}$ persent toegeneem.

Die vernouing van die mark vir vaste-rentedraende effekte kan aan 'n algemene afwagende houding en 'n toename in die likwiditeitsvoorkeur van institusionele beleggers en die breë publiek toegeskryf word. Die banke het hul rentekoerse op vaste deposito's teen die middel van 1969 opwaarts aangepas in 'n poging om die druk op hul likwiditeit te verlig, en dit is gevolg deur toenames in die depositokoerse van bouverenigings en opwaartse aanpassings van die rentekoers op semiprima-effekte en effekte van die private sektor. Terselfdertyd het die daling van aandelepryse en die gevolglike styging van opbrengskoerse teenoor die konstante opbrengskoers op langtermynstaatseffekte die omgekeerde rendementsgapings laat vernou. Onder hierdie omstandighede het die verwagting dat daar verdere stygings in langtermynrentekoerse sal wees, ontstaan, en het potensiële beleggers in vaste-rentedraende effekte hul fondse in 'n likwiede vorm gehou. Verder was daar ook nie meer 'n wetlike aanspooring vir finansiële instellings om in hierdie effekte te belê ten einde aan die wetlike beleggingsvereistes te voldoen nie. Beleggers het blykbaar ook verkies om likwied te wees ten einde gunstige beleggingsgeleenthede wat op die effektebeurs kan ontstaan, as pryse begin styg of opbrengskoerse en groeivoorsigte aantreklik genoeg word om belegging te regverdig, te kan benut. Ten minste 'n deel van die breë beleggingspubliek het hulle egter van die aandelemark onttrek om by bouverenigings en banke te belê. Onder hierdie omstandighede van verhoogde likwiditeitsvoorkeur, het afwaartse druk op korttermynrentekoerse ontwikkel, terwyl opwaartse druk op langtermynrentekoerse uitgeoefen is.



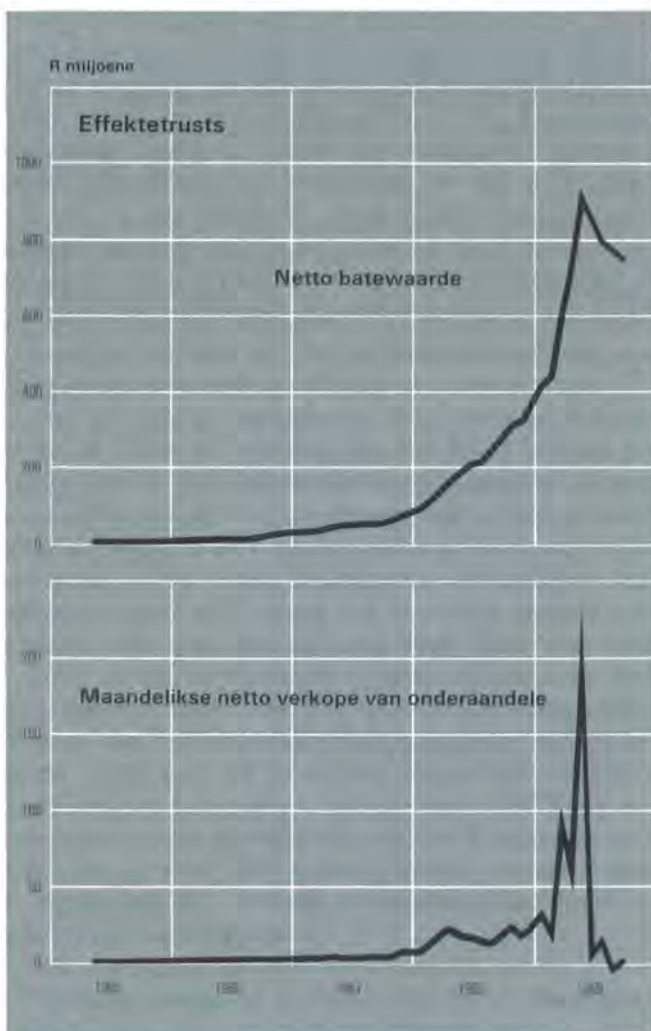
gekeurde effekte wat deur die trusts gehou moet word, verminder. Aan die einde van September het hul oorskot goedgekeurde effekte R53 miljoen bedra, waarvan R38 miljoen 'n oorskot aan staatseffekte verteenwoordig het. Gevolglik was die trusts gedurende die derde kwartaal netto verkopers van goedgekeurde effekte en het hul netto verkope R5 miljoen bedra, vergeleke met 'n netto belegging van R74 miljoen gedurende die voorafgaande kwartaal. Hoewel die effeketrusts se besit aan kontant en deposito's aan die einde van September nog R124 miljoen bedra het, was dit ongelyk tussen die trusts verdeel en, indien die toenemende terugkope van onderaandeel deur die effeketrusts in aanmerking geneem word, kon hierdie faktor tot die verkope van oorskot goedgekeurde effekte bygedra het.

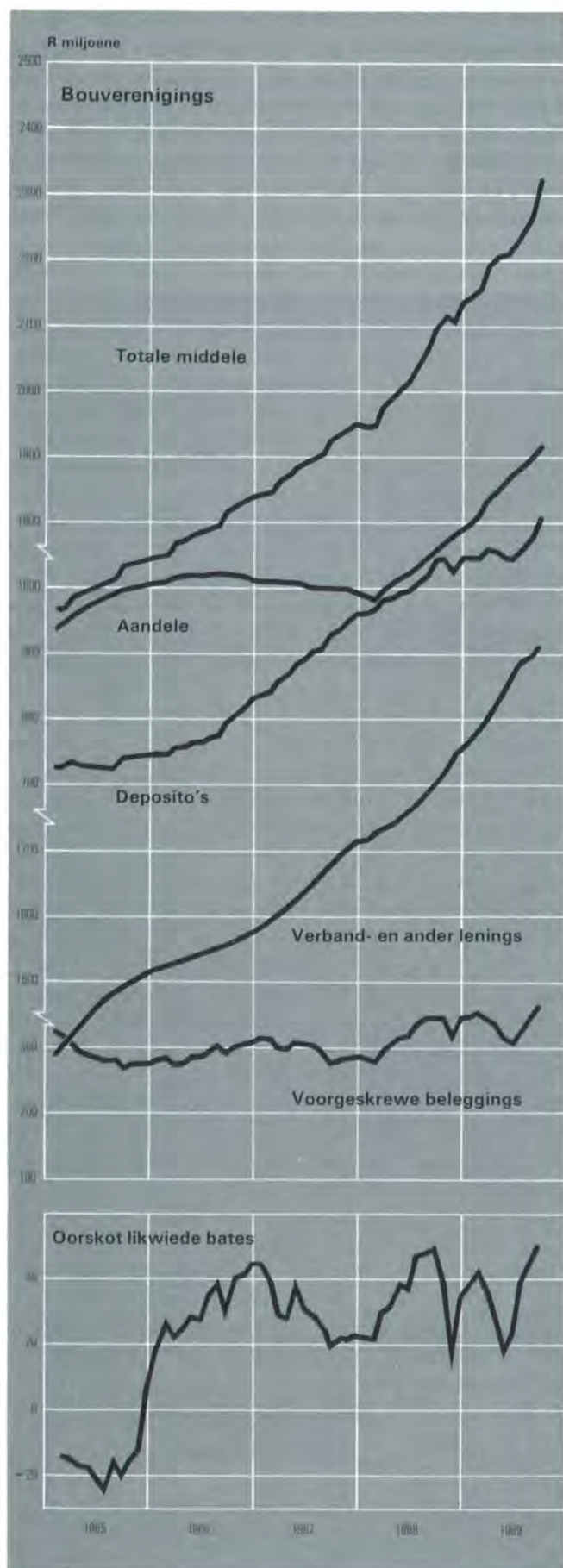
In ooreenstemming met die daling in die markwaarde van netto bates, het die gemiddelde verkoopprys van onderaandeel vanaf Mei tot September 1969 met 21 persent gedaal. Die gemiddelde opbrengskoers op onderaandeel het gedurende dieselfde tydperk vanaf 1.4 tot 1.9 persent toegeneem.

Stram toestande in mark vir vaste-rentedraende effekte

Gedurende die derde kwartaal van 1969 is die mark vir vaste-rentedraende effekte deur 'n onewewig tussen die vraag na en aanbod van uitleenbare fondse gekenmerk. Hoewel daar in Augustus aangekondig is dat die opbrengskoers op langtermynstaatseffekte onveranderd op $6\frac{1}{2}$ persent gehou sal word, het 'n opwaartse druk op rentekoerse in die geval van semiprima-effekte merkbaar geword en die opbrengskoers op langtermynuitgifte is gedurende die derde kwartaal vanaf 7.1 persent tot 7.3 persent verhoog. Maar selfs teen die hoër opbrengskoerse was die betrokke leners nie in staat om al die fondse wat hulle wou leen te bekom nie of, andersins, moes nuwe uitgifte gedeeltelik deur die onderskrywers opgeneem word. As gevolg van hierdie ontwikkelings is sommige van die uitgifte wat vir die vierde kwartaal beplan was, uitgestel. Die oorheersende koers op nuwe skuldbriewe van maatskappye het gedurende die derde kwartaal vanaf $8\frac{1}{2}$ tot $8\frac{3}{4}$ persent toegeneem.

Die vernouing van die mark vir vaste-rentedraende effekte kan aan 'n algemene afwagende houding en 'n toename in die likwiditeitsvoorkeur van institusionele beleggers en die breë publiek toegeskryf word. Die banke het hul rentekoerse op vaste deposito's teen die middel van 1969 opwaarts aangepas in 'n poging om die druk op hul likwiditeit te verlig, en dit is gevolg deur toenames in die depositokoerse van bouverenigings en opwaartse aanpassings van die rentekoers op semiprima-effekte en effekte van die private sektor. Terselfdertyd het die daling van aandelepryse en die gevolglike styging van opbrengskoerse teenoor die konstante opbrengskoers op langtermynstaatseffekte die omgekeerde rendementsgaping laat vernou. Onder hierdie omstandighede het die verwagting dat daar verdere stygings in langtermynrentekoerse sal wees, ontstaan, en het potensiële beleggers in vaste-rentedraende effekte hul fondse in 'n likwiede vorm gehou. Verder was daar ook nie meer 'n wetlike aanspooring vir finansiële instellings om in hierdie effekte te belê ten einde aan die wetlike beleggingsvereistes te voldoen nie. Beleggers het blykbaar ook verkies om likwied te wees ten einde gunstige beleggingsgeleenthede wat op die effektebeurs kan ontstaan, as pryse begin styg of opbrengskoerse en groeivoorsigte aantreklik genoeg word om belegging te regverdig, te kan benut. Ten minste 'n deel van die breë beleggingspubliek het hulle egter van die aandelemark onttrek om by bouverenigings en banke te belê. Onder hierdie omstandighede van verhoogde likwiditeitsvoorkeur, het afwaartse druk op korttermynrentekoerse ontwikkel, terwyl opwaartse druk op langtermynrentekoerse uitgeoefen is.





Groot toename in vloeï van fondse na bouverenigings

Nadat hulle hul koers op vaste deposito's gedurende die tweede helfte van Julie opwaarts tot 7 persent en die koers op belastingvrye aandele vroeg in Augustus vanaf 6 tot 6½ persent aangepas het, het die bouverenigings 'n aansienlike toevloeiing van fondse gedurende die derde kwartaal van 1969 ondervind en die toename in hul middele het nie minder nie as R104 miljoen bedra, vergeleke met R27 miljoen gedurende die tweede kwartaal. Afgesien van meer as 'n seisoenstoename van R34 miljoen in spaardeposito's, het vaste deposito's met R29 miljoen toegeneem, nadat dit gedurende die voorgaande drie kwartale feitlik geen bydrae tot die styging in die verenigings se middele gemaak het nie. Aandelekapitaal het met R41 miljoen toegeneem en, in teenstelling met die verloop gedurende die tweede kwartaal, het hierdie bedrag grotendeels belegging in belastingvrye aandele verteenwoordig.

Onder hierdie omstandighede het die tempo waarteen nuwe voorskotte deur die verenigings toegestaan is, vanaf 'n maandelikse gemiddelde van R35 miljoen gedurende die tweede kwartaal tot 'n ooreenstemmende syfer van R51 miljoen gedurende die derde kwartaal toegeneem. Die bedrag van hul verband- en ander lenings uitstaande het desnieteenstaande slegs met die relatief klein bedrag van R31 miljoen gestyg en die verenigings het die meeste van hul nuwe fondse aangewend om hul likwiede bates en ander voorgeskrewe beleggings aan te vul. Totale voorgeskrewe beleggings het in werklikheid gedurende die derde kwartaal met R55 miljoen toegeneem en dit het die bedrag wat bo en behalwe die wetlike minimum gehou is, vanaf R73 miljoen aan die einde van Junie 1969 tot R121 miljoen aan die einde van September verhoog.