

Quarterly economic review

General observations

During recent months the authorities have announced further policy changes in an attempt to stimulate economic growth without aggravating inflation. These policy changes included the reduction of official interest rates, the abolition as from 1 November of ceilings on bank credit and their substitution by liquid assets and cash reserve requirements, the relaxation of hire-purchase credit restrictions, the early repayment of the 1966 loan levy and the reduction of sales duties on certain goods. Against the background of the improved balance of payments situation, a new fixed parity was also determined for the rand with effect from 25 October, while import control was further relaxed.

The almost dramatic turnaround in South Africa's overall balance of payments from the beginning of 1972 continued into the third quarter and surpluses on both the current and capital accounts were recorded. The net inflow of capital was smaller during the third quarter than during the second quarter, but the balance of payments on current account improved to such an extent that the total gold and other foreign reserves rose to a level of about R1 000 million at the end of September 1972. Subsequently they rose further. The improvement in the balance of payments on current account stemmed not only from a sharp decline in merchandise imports, but also from a substantial increase in the net gold output and merchandise exports. The value of imports has shown a distinct downward trend since the beginning of 1971 and, if the sharp rise in import prices is taken into account, the volume of imports has declined much more pronouncedly. Relaxations of import control were, therefore, announced in June, July and October 1972.

The rise in the net gold output and merchandise exports not only resulted from the higher rand value earned after the devaluation in December and the further depreciation of the rand after June, but also from a marked improvement in international commodity markets. Against this background the Government fixed a new par value for the rand as from 25 October at R29,75 per fine ounce of gold. This represented an official devaluation of 4,20 per cent from the par value established in December 1971, and at the same time, a *de facto* appreciation of about 4 per cent from the market exchange rates for the rand at that time.

The higher incomes earned by exporters, particularly the mining and agricultural sectors, contributed materially to a substantial rise during the third quarter in domestic profits and thus to a marked rise in the gross domestic product at market prices. In addition, the manufacturing sector succeeded in increasing its profits without any rise in production per man-hour. This was achieved mainly by increasing turnover through the running down of inventories. The costs of maintaining inventories consequently declined. Apart from the improvement in international commodity markets, favourable climatic conditions led to record crops of maize and other agricultural products. Thus, the agricultural sector not only contributed materially to an acceleration in the overall growth rate of the economy during the third quarter of 1972, if measured at current market prices, but also accounted for an acceleration in the real growth rate of the economy as a whole. However, the real output of the non-agricultural sectors of the economy did not show any significant further acceleration during the third quarter, although it was on a slightly higher level than during the first half of 1972.

A number of expansionary forces that may help to revive general economic activity is, however, at work. Higher export earnings have already set in motion a process of income generation which should lead to a stimulation of consumption and investment spending. A further exploitation of export markets under the new parity of the rand may also contribute to a revival. Domestic demand is being stimulated through capital outlays by the public sector (mainly the South African Railways, the Post Office and public corporations such as Iscor), and by the mining sector as a result of the platinum expansion programme. Moreover, if non-farm disposable personal income, which showed only a moderate rise during the past twelve months, should increase more rapidly in the coming twelve months, this should also stimulate consumption expenditure. With the relatively low level of inventories a revival in domestic demand will soon lead to new orders and to increased utilisation of production capacity and to higher investment.

Another important feature of the present economic situation is the relatively high rate of price increases. With the consumer price index rising at a seasonally adjusted annual rate of 7,3 per cent from October 1971 to October 1972, it is important to identify the underlying causes of this high rate of increase in order

to judge whether the acceleration will continue in the near future. The present inflation is not due to excess demand, as was the case from the beginning of 1969 until well into 1971. It is also not a typical wage-push type of inflation. It appears to be partly a legacy of the previous period of demand-pull inflation, but is to a large extent the unavoidable result of the recent exchange rate adjustments, the continued world inflation and the increase in domestic prices for food and services. These causes of inflation cannot, therefore, be counteracted by means of more restrictive monetary and fiscal measures, such as those that were necessary in the period of demand-pull inflation. However, an excessively expansionary monetary policy at this stage should be guarded against, particularly in view of the sharp rise in the quantity of money and near-money. The two most important causes of the present inflation, namely the price effects of the devaluation and the sharp rise in food prices, are unlikely to continue to have the same effect on prices in the near future.

In the financial markets a relatively easy situation prevailed with bank credit fairly readily available, interest rates declining, fixed-interest rate investments more popular and the stock exchange buoyant. The balance of payments situation and money and capital market conditions, are, therefore, becoming increasingly more conducive to a further revival of real economic activity.

National accounts

Higher rate of increase in gross domestic product

After it had increased during the first quarter and remained almost unchanged during the second quarter, the rate of increase in the gross domestic product at current market prices rose markedly during the third quarter of 1972. This further acceleration was entirely attributable to a substantial rise in gross operating surplus (mainly profits), which more than offset the decline in the rate of increase in remuneration of employees. Gross operating surplus thus increased at progressively higher rates during each of the first three quarters of 1972 and with the rate of increase in salaries and wages slowing down at the same time, the proportionate share of the latter in the gross domestic product declined throughout 1972, after it had increased for several consecutive years.

The sharp rise in gross operating surplus during the quarter under review stemmed mainly from a substantial rise in the profits of agriculture, mining and private manufacturing. Climatic conditions were extremely favourable for agriculture during the past season and a sharp increase in cash income resulting from the record maize crop contributed materially to the rise in the operating surplus of agriculture during the third quarter. In addition, the exceptionally high prices obtained for meat, other livestock products and

Gross domestic product



vegetables gave further stimulus to the agricultural sector. The gold mining industry once again gained by the relatively high price of gold on the private market. Notwithstanding higher unit costs resulting from the mining of lower grade ore, the profits of gold mines increased markedly during the quarter under review. Furthermore, the relatively high metal and mineral prices prevailing on international markets enabled diamond and other mining companies to increase their profits substantially. The gross operating surplus of private manufacturing improved materially during the past quarter after a decline had been recorded during the second quarter. This rise occurred without an accompanying increase in the volume of production and would appear to have resulted primarily from a running down of inventories. In contrast to the substantial increase in the profits of the primary and manufacturing sectors, the operating surplus of the services sectors of the economy showed little change. In the case of the distributive trades the poor performance of retail trade caused gross operating surplus to remain unchanged after a moderate decline had been recorded during the second quarter.

Although price increases had an important effect on the sharp increase in gross domestic product during the third quarter, the rate of increase in real gross domestic product also accelerated appreciably. However, this acceleration in real economic activity was

almost exclusively accounted for by a marked increase in agricultural output. The increase in the output of the non-agricultural sectors of the economy did not show any significant further acceleration during the third quarter. Nevertheless, non-agricultural output was on a slightly higher level during the third quarter than during the first half of 1972. It appears, therefore, that the stimulative measures taken by the authorities during the past year are gradually taking effect, but more time is obviously needed for the economy to show any significant acceleration in real economic growth.

Increase in gross domestic expenditure

After it had declined during the second quarter of 1972, the aggregate monetary demand for goods and services in the domestic economy, as measured by gross domestic expenditure, rose notably during the third quarter. However, the increase in gross domestic expenditure was considerably less than the increase in gross national product with the result that domestic expenditure fell below the national product for the first time since the first quarter of 1969. This development was also reflected in the marked increase in the surplus on the current account of the balance of payments during the quarter under review.

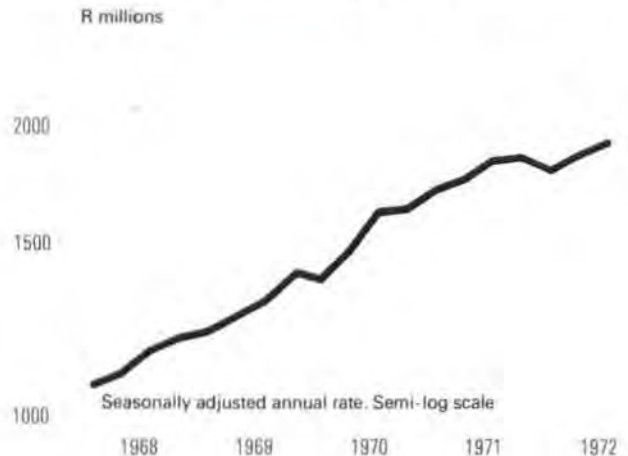
The increase in gross domestic expenditure occurred notwithstanding a substantial decline in inventories and was mainly the result of a marked acceleration in the rates of increase in gross domestic fixed investment and, to a lesser extent, in private consumption expenditure. Consumption expenditure by general government increased at a lower rate during the third quarter than during the second quarter.

Acceleration in rate of increase in consumption expenditure

After slowing down for three consecutive quarters, the rate of increase in private consumption expenditure accelerated during the third quarter as a result of sharp increases in expenditure on both non-durable and durable goods. In the case of non-durable goods the high prices of food throughout the third quarter were mainly responsible for the rise. The increase in expenditure on durable goods was largely accounted for by an increase in the average level of the number of new motor cars sold between the second and third quarters. However, the actual number of new motor cars sold declined from June to October 1972. Expenditure on services also increased moderately faster but private consumer outlays on semi-durable goods increased at the same relatively low rate during both the second and third quarters. Although private consumption expenditure at current prices rose at a faster rate during the third quarter, the rate of increase in the expenditure at constant prices remained at approximately the same relatively low level as recorded during the second quarter.

The lower rate of increase in government consump-

Consumption expenditure by general government



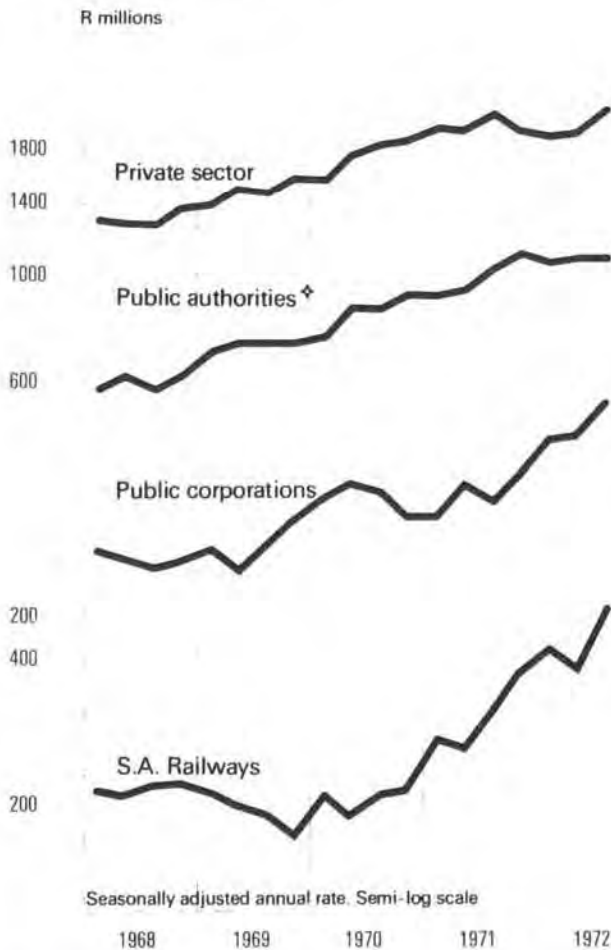
tion expenditure is not surprising in view of the official policy objective to curb excessive rises in government expenditure. The government achieved this objective as government consumption expenditure showed only a small increase between the third quarter of 1971 and the corresponding quarter of 1972.

High rate of increase in gross domestic fixed investment

Gross domestic fixed investment increased at a very high rate during the quarter under review after it had increased only marginally between the fourth quarter of 1971 and the second quarter of 1972. Substantial increases in the capital outlays by public authorities and public corporations were to a large extent responsible for this increase while fixed investment by the private sector remained sluggish.

The largest increase in fixed capital outlays occurred in the sector transport, storage and communication primarily as a result of a substantial rise in the capital outlays on machinery and transport and other equipment by the South African Railways. The increase in capital outlays by the manufacturing sector was accounted for largely by expansion programmes of the basic metal industry (mainly Iscor) and the chemical industry. If the rises in capital expenditure by these two sections of manufacturing are excluded, the rest of the manufacturing sector showed an absolute decline in fixed investment during the third quarter of 1972. Any general upturn in fixed capital outlays by private manufacturing will probably occur only after a general revival in real production and after the elimination of most of the existing surplus production capacity. Increases in fixed investment by agriculture, mining, electricity, gas and water and the sector finance, insurance, real estate and business services all contributed to the rise in total fixed investment. Fixed capital outlays by the sector providing community, social and personal services, however, declined moderately as

Gross fixed investment



*Excluding S.A. Railways

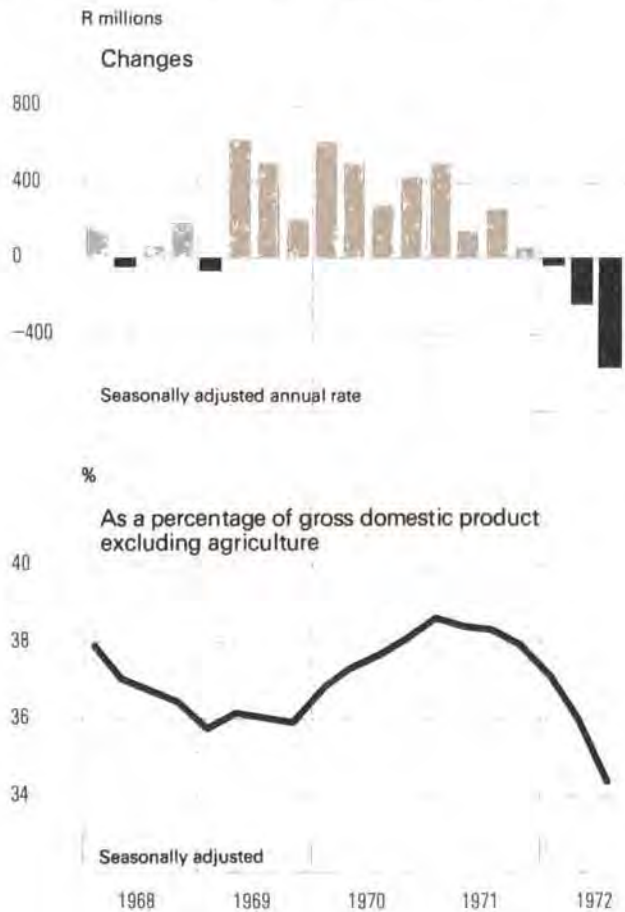
a result of a decline in capital expenditure by general government.

Regarding the asset composition of gross fixed investment, it is notable that the increase recorded during the third quarter was almost entirely attributable to a rise in capital outlays on machinery and equipment, including transport equipment, while investment in buildings and construction works showed little change.

Further sharp decline in inventories

Notwithstanding an addition to agricultural stocks in trade, the level of inventories declined sharply during the third quarter of 1972. This was the second consecutive quarter in which a running-down of *total* inventories was recorded and the fourth consecutive quarter in which industrial and commercial inventories showed a decline. The ratio of industrial and commercial inventories (excluding agricultural stocks) to the gross domestic product has reached a level lower than the average for the past ten years and it is therefore probable that an increase in demand will soon

Total inventories excluding agricultural stocks



lead to increased orders and to higher domestic production and/or higher imports. As mentioned earlier, the decline in manufacturing stocks enabled the manufacturing sector to increase its profits. Moreover, as a large part of the decline in industrial stocks occurred in capital goods producing industries, the sharp rise in outlays on machinery and equipment probably accounted for a part of the decline in inventories.

Substantial improvement in gross domestic saving

Gross domestic saving increased appreciably during the second quarter of 1972 and a further substantial increase was recorded during the third quarter. As a result of this further improvement, gross domestic saving exceeded gross domestic investment (i.e. the total of gross fixed investment and net change in inventories) and excess funds were available for additions to the gold and other foreign reserves. Personal saving, which contributed materially to the increase in total saving during the second quarter, rose again as a result of the considerable increase in agricultural income during the third quarter. Corporate saving as well as the current surplus of general

government also contributed to the rise in gross domestic saving during the third quarter of 1972.

General economic indicators

Several economic indicators confirm the impression gained from the national accounts that until the third quarter of 1972 the rate of increase in real economic activity has not yet gained much momentum.

Relatively sluggish manufacturing production

For almost two years manufacturing output has grown relatively slowly. During the first nine months of 1972, the average level of the volume of manufacturing production was about 2,5 per cent higher than during the corresponding period of the previous year, compared with a rise of 2,0 per cent during 1971 in relation to 1970. Although the rate of growth in manufacturing output was, therefore, on a slightly higher level during 1972 than during 1971, there is no clear evidence of an acceleration during the third quarter of 1972. In

fact, the average for the third quarter of 1972 is estimated to be slightly lower than that of the second quarter and this indicates that the expansionary forces at work have not yet worked through to higher manufacturing production. The index for unfilled orders in manufacturing also showed a declining tendency until August 1972, the latest month for which information is available. As this index usually gives an indication of future trends in production, a rapid upturn in manufacturing production in the nearby future is, therefore, not yet indicated.

Decline in mining production

A decline of 6,6 per cent in the average monthly volume of gold production during the first nine months of 1972 in comparison with the corresponding period of 1971, outweighed a substantial increase in other mining production to such an extent that the total volume of mining production still declined by 3,7 per cent over the relevant period. However, the physical volume of gold ore milled declined less than the kilograms of gold produced, namely by only 2,8 per cent during the first nine months of 1972 compared with the corresponding period of the previous year. At the same time, the grade of ore milled declined by 3,8 per cent. During the course of 1972 the grade of ore milled declined even faster, namely from 13,12 grams per ton milled in the fourth quarter of 1971 to 12,37 grams per ton milled in the third quarter of 1972.

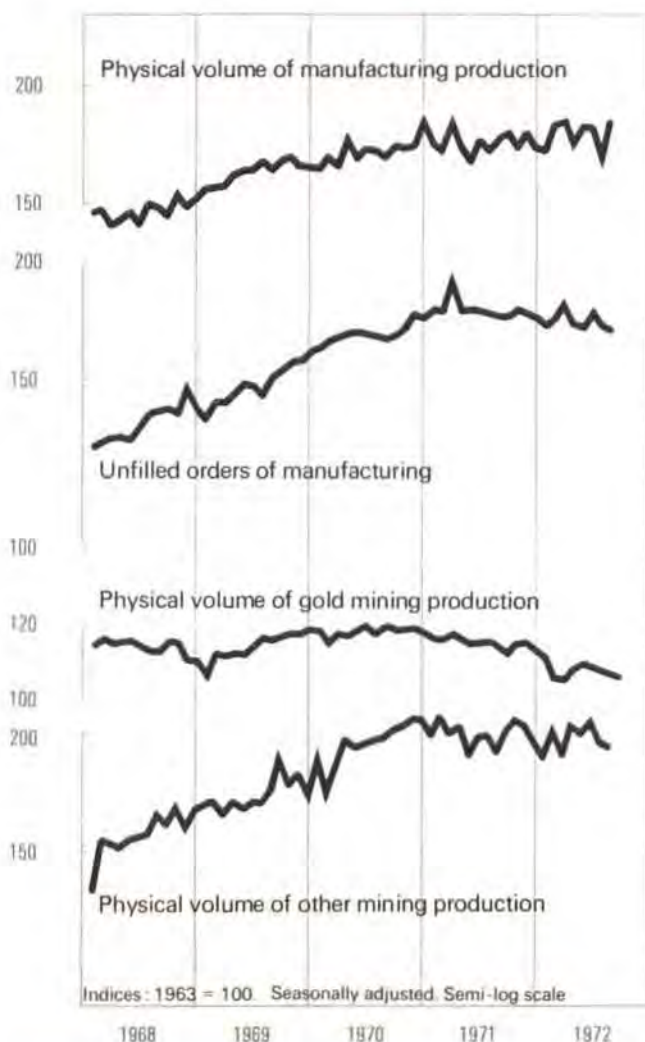
Lower activity in construction industry

Activity in the construction industry remained sluggish. Series such as the total hours worked, the value of wholesale sales of building materials, the value of building plans passed, the value of buildings completed and the volume of cement produced, all levelled off until August 1972. However, new advances granted by building societies for the construction of buildings increased to a substantially higher level after April 1972 and this may indicate increased activity in residential building construction.

Other indicators

The relative sluggishness of economic activity was also evidenced by the tendencies of such indicators as the value of retail and wholesale sales at constant prices, the value of imports, despatches of rolled and drawn steel products to the local market, the number of new companies registered, the number of companies liquidated, the number of mortgages registered and the number of applications under the Physical Planning Act. After recovering during the second quarter of 1972, the number of motor vehicles sold declined during the subsequent four months. The value of exports, ton-kilometres of revenue-earning traffic of the South African Railways and bank debits, on the other hand, recorded substantial increases during the first three quarters of 1972.

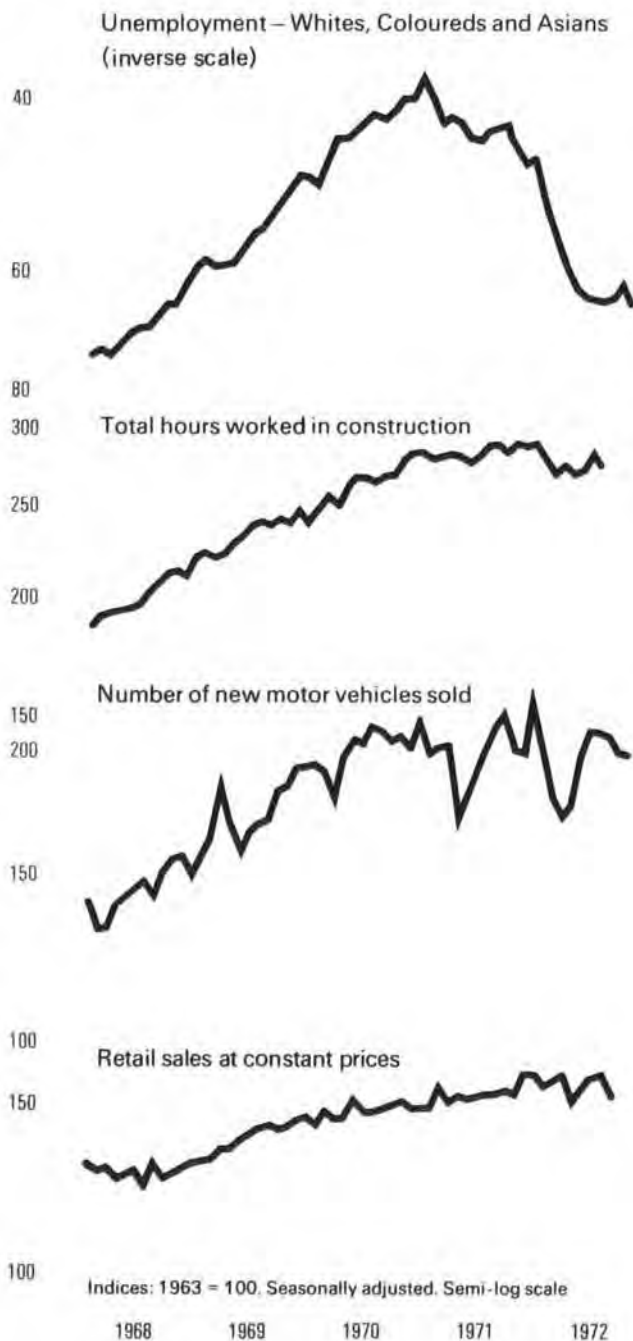
Production



Unemployment ceased to increase

In accordance with developments in real economic activity, the seasonally adjusted number of registered unemployed Whites, Coloureds, and Asians increased sharply during the first five months of 1972, before it levelled off during the following five months to 13 048 in October 1972. This index, therefore, indicates a moderate change in business activity towards or after the middle of 1972.

General economic indicators



Prices

Sharp increase in prices in third quarter of 1972

During the third quarter of 1972 consumer prices rose sharply, but the rate of increase slowed down in October. The acceleration in prices was mainly due to substantial increases in the prices of food and services. In the latter case, items like municipal rates and theatre admission charges showed large increases, while exceptional rises in the prices of vegetables and meat contributed most to a sharp rise in food prices. In fact, the rise in food prices accounted for more than a third of the overall increase in prices during the third quarter. Notwithstanding favourable climatic conditions generally, a cold spell affected vegetable production adversely and this caused a temporary sharp increase in prices, whereas the short-fall in the meat supply would appear to be more serious. The prices of motor vehicles and accessories and fuel also increased markedly mainly due to the higher import prices associated with the devaluations of the rand. As a result of the sharp acceleration of prices during the third quarter of 1972, the seasonally adjusted consumer price index rose by 7,2 per cent from September 1971 to September 1972, while the average for this twelve-month period was 6,4 per cent higher than for the preceding twelve months. From October 1971 to October 1972 the rates of increase remained about the same.

Consumer prices

Annual percentage rates of change in seasonally adjusted indices

| | Oct. 1971- Oct. 1972 |
|-------------------------|-------------------------|
| Services: | 7,5 |
| Housing | 7,7 |
| Other | 7,1 |
| Goods: | 7,2 |
| Food | 9,1 |
| Furniture and equipment | 6,2 |
| Clothing and footwear | 5,6 |
| Purchase of vehicles | 7,7 |
| Other | 5,6 |
| Total | 7,3 |

Wholesale prices also rose at a historically high rate of 9,5 per cent during the twelve months from September 1971 to September 1972, largely as a result of marked increases in the prices of agricultural products (15,4 per cent) and imported goods (13,6 per cent). The average of the seasonally adjusted index of wholesale prices for the twelve months until September 1972 was 6,8 per cent higher than during the preceding twelve months. As the prices of agricultural products can hardly continue to rise at the same rate as during the third quarter and because the upward adjustment to the prices of imported goods associated

with the devaluations of the rand could be expected to be less in the coming months, the rate of increase of wholesale and also consumer prices will probably be lower in the period ahead.

Balance of payments

Further substantial improvement in overall balance

The overall balance of payments continued to show a substantial surplus during the third quarter of 1972, amounting to R153 million. For the first nine months of 1972 the overall balance of payments showed a surplus of R338 million, compared with a deficit of R221 million during the corresponding period in 1971. The economic policy pursued by the authorities, coupled with other favourable domestic and international economic developments, proved to be successful in strengthening the balance of payments and thus removed the constraint on domestic growth exercised by the balance of payments deficit.

This improved balance of payments was a factor in the decision of the Government to return to a new effective par value for the rand as from 25 October, after the latter had been permitted to float downwards with sterling vis-a-vis other currencies from 30 June 1972. The new par value of the rand was established at R29,75 per fine ounce of gold, which represents a devaluation of 4,20 per cent in terms of the par value established in December 1971. In practice, the new par value actually represented an appreciation of approximately 4 per cent from the prevailing market exchange rates of the rand. From 25 October the Reserve Bank also decided to quote fixed buying and selling rates for the US dollar instead of for sterling. The purpose of these measures was to achieve the best balance between the aims of growth and stability. Thus, the return to a fixed par value at an appreciated rate of exchange was intended to bring about greater certainty in South Africa's international trade and capital investment, while also reducing the cost of imports and in this way contributing to the curbing of inflation. At the same time, the fixing of the new par value at a level of 4,20 per cent below that which had existed previously, leaves domestic enterprises, particularly exporters, in a more favourable position than they were prior to the floating of the rand.

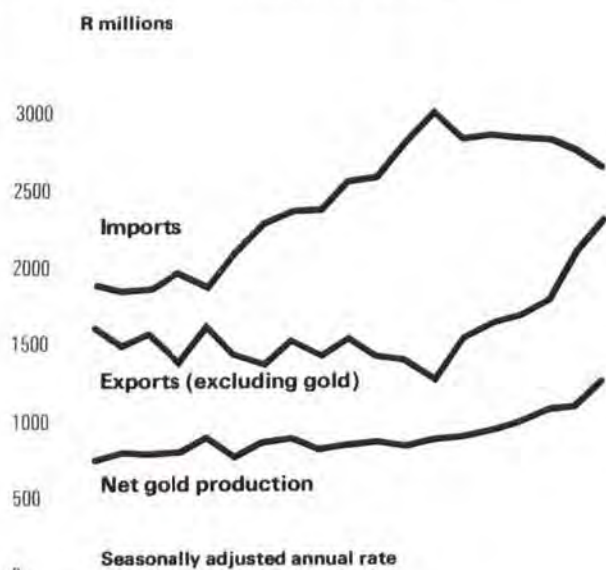
Continued improvement on current account

A continued improvement on the current account was to a large extent responsible for the increase in the overall balance of payments surplus. During the third quarter of 1972 the balance of payments on current account showed a surplus of R91 million compared with R20 million in the second quarter of 1972. This brought the deficit for the first nine months of the year down to only R7 million, compared with a deficit of R788 million for the corresponding period of 1971. Taken at a seasonally adjusted annual rate, the balance on current account has now improved for seven con-

secutive quarters from a deficit of R1 505 million in the first quarter of 1971 to a surplus of R371 million in the third quarter of 1972.

The further improvement in the balance of payments on current account during the third quarter of 1972 can be attributed to a sharp rise in net gold output

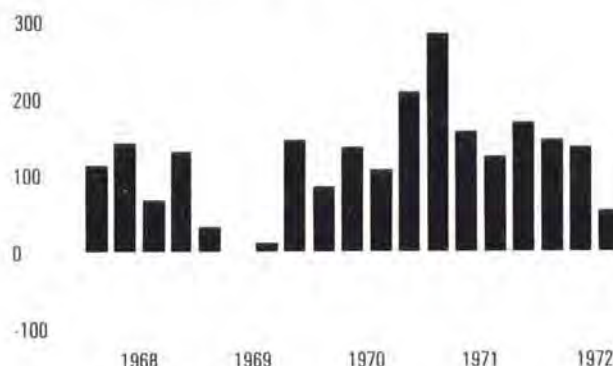
Balance of payments current account



Balance on current account



Total capital movements



and merchandise exports, and a further decline in merchandise imports. Invisible payments to the rest of the world, on the other hand, increased fairly sharply during the third quarter.

Net gold output increased from a seasonally adjusted annual figure of R1 081 million in the second quarter to no less than R1 258 million in the third quarter of 1972. This further substantial rise in net gold output was achieved notwithstanding the decline in the physical volume of gold production and the addition of a large part of the newly mined gold to the official reserves at the statutory price. The increase in net gold output was attributable to a further sharp rise in the gold price on the private market and, to a lesser extent, also to higher proceeds in terms of rand owing to the depreciation of the rand. The average London gold price increased from R41,51 per fine ounce during the second quarter to R52,75 per fine ounce during the third quarter, or by as much as 27 per cent.

Merchandise exports also increased substantially during the first three quarters of 1972. Apart from the higher rand value of exports as a result of the devaluation in December and the further depreciation of the rand from June, international commodity markets also improved markedly and contributed to the higher proceeds from the exports of diamonds and sugar. For the first nine months of 1972 merchandise exports amounted to R1 554 million, compared with R1 111 million during the corresponding period of 1971.

Monthly figures for merchandise imports fluctuated sharply during the third quarter, partly due to the dock strikes in the United Kingdom, but the quarterly figures showed a continued downward movement from the beginning of 1971. Moreover, if the substantial increase in import prices as a result of the devaluation and depreciation is taken into account, the volume of imports must have declined markedly. The relaxation of import control on 2 June and 25 July did not change the trend of merchandise imports and in view of the continued improvement in the balance of payments, the Authorities on 25 October announced a further relaxation of import control for 1973.

Important changes occurred in the composition of imports during the third quarter of 1972. After a moderate rise during 1971 and the first half of 1972, the imports of textiles declined sharply during the third quarter, and moderate decreases were also

Merchandise exports and imports

Seasonally adjusted annual rate—R millions

| | Exports | Imports |
|------------------|---------|---------|
| 1971—4th quarter | 1 680 | 2 838 |
| 1972—1st quarter | 1 793 | 2 829 |
| —2nd quarter | 2 105 | 2 754 |
| —3rd quarter | 2 315 | 2 647 |

recorded in the imports of base metals, mineral products and machinery and electrical equipment. The imports of transport equipment, on the other hand, rose sharply during the third quarter.

Net invisible payments to the rest of the world increased substantially during the third quarter mainly as a result of the upward adjustments to freight rates and an increase in tourist expenditure abroad. Receipts for services, however, also increased sharply owing to a rise in the expenditure of foreign workers in South Africa.

Sharp decline in net capital inflow

A further small net inflow of capital also contributed to the strengthening of the balance of payments. During the third quarter of 1972 the net inflow of capital amounted to R62 million, compared with R137 million in the second quarter. This decline in the net inflow, particularly in the inflow to the private sector, can be attributed to factors such as exchange control restrictions on portfolio investments introduced by the United Kingdom on 23 June, the continued improvement in the domestic capital market situation, and the decreasing trend in merchandise imports. For the first nine months of 1972, the net inflow of capital amounted to only R345 million, compared with R567 million during the same period of 1971.

As shown in the accompanying table, the composition of the net inflow of capital also changed considerably during the third quarter of 1972. The net inflow of capital to the private sector declined sharply in the third quarter, after it had increased considerably during the first half of the year. In fact, if the sharp rise in the foreign long-term loans of public corporations and local authorities is excluded, an outflow of funds from the rest of the private sector occurred in

Net inflow of capital, 1972

R millions

| | 1st qtr | 2nd qtr | 3rd qtr |
|---|------------|------------|------------|
| Private sector | 140 | 197 | 29 |
| Net foreign purchases on Johannesburg Stock Exchange | 62 | 59 | 3 |
| Long-term loans of public corporations and local authorities | 19 | 35 | 97 |
| Other long-term capital | 71 | 60 | 36 |
| Short-term capital, including net errors and unrecorded transactions | -12 | 43 | -107 |
| Central government and banking sector | 6 | -60 | 33 |
| Long-term loans of central government | -4 | -12 | 66 |
| Other long-term capital | -9 | — | -4 |
| Short-term capital | 19 | -48 | -29 |
| Total | 146 | 137 | 62 |

the third quarter. This outflow the calculation of which includes errors and unrecorded transactions and also trade credits, reflected to a large extent a sharp rise in foreign short-term assets. Other long-term capital, continued to flow in to the private sector during the third quarter of 1972, although the net amount was smaller than during the second quarter.

Another significant change which occurred in the composition of the net inflow of capital during the third quarter, was the sharp rise in the foreign long-term loans of the central government. After repaying foreign loans during the first half of 1972, the central government (including the Post Office and the South African Railways) borrowed a net amount of R66 million abroad during the third quarter.

Further increase in gold and other foreign reserves

The net result of the surplus on current account and the inflow of capital, was an increase of R153 million in the gold and other foreign reserves due to balance of payments transactions. If valuation adjustments owing to the floating of the rand are taken into account, total gold and other foreign reserves increased by R140 million during the third quarter, compared with R157 million during the second quarter. Since the realignment of exchange rates in December, the gold and other foreign reserves have continued to increase, namely from R570 million at the end of November 1971 to R1 004 million at the end of September 1972. The gold component of the reserves rose further

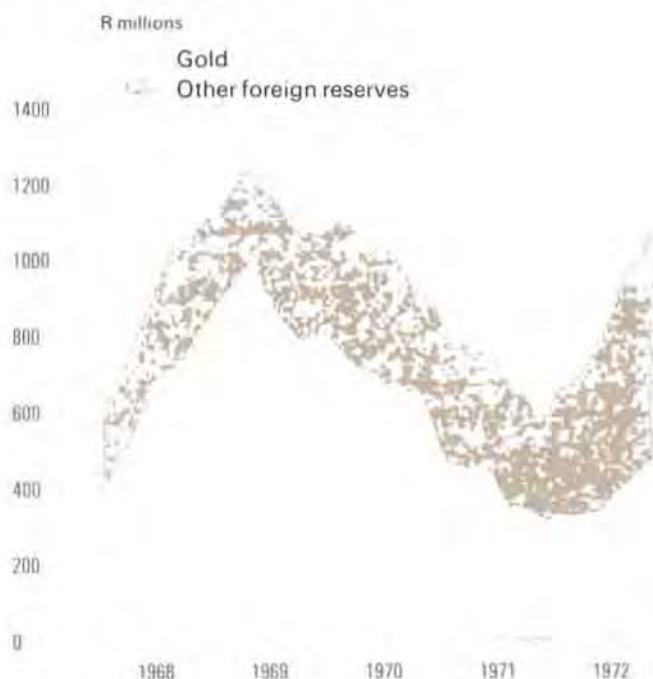
during the third quarter owing to the addition of a part of newly mined gold to the official reserves. From the end of June the gold reserves increased from R381 million to R451 million at the end of September.

Developments during October and November

During October the gold and other foreign reserves of the Reserve Bank increased by a further R79 million, from R859 million at the end of September to R938 million on 27 October 1972. This sharp increase was due, *inter alia*, to a valuation adjustment as a result of the devaluation of the rand, and to leads and lags which turned in South Africa's favour in anticipation of the refixing of the rand's parity. A reversal in the leads and lags and the repayment of semi-official loans and other official transactions was mainly responsible for the subsequent sharp decline in the gold and other foreign reserves of the Reserve Bank to R893 million on 3 November. Subsequently they increased again to R916 million on 24 November and brought the total increase from the end of September to R57 million.

The monthly figures of the Department of Customs and Excise showed a sharp deterioration in the trade balance during October. This deterioration was caused largely by a sharp rise in merchandise imports from a seasonally adjusted annual rate of R2 443 million in September to R3 174 million in October. This increase was to a large extent attributable to the dock strikes in the United Kingdom and the inclusion of the delivery of a Boeing aircraft in the figure for October. After increasing considerably during the first nine months of 1972 merchandise exports declined slightly from a seasonally adjusted annual rate of R2 022 million in September to R1 990 million in October.

Gold and other foreign reserves



Monetary and banking situation

Large increase in quantity of money and near-money

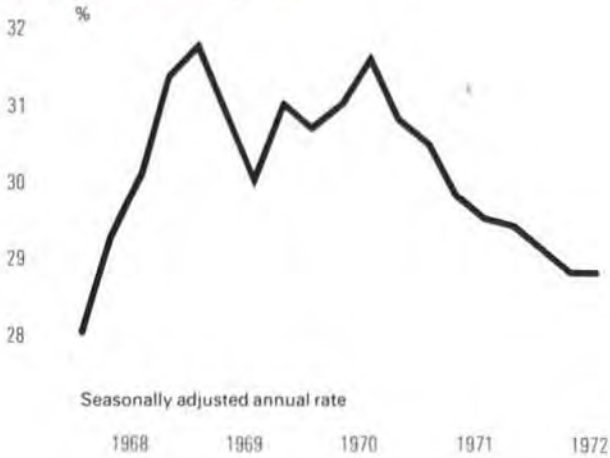
During each of the first three quarters of 1972 the quantity of money and near-money increased at a progressively faster rate, and over the first nine months of 1972 as a whole it rose at a seasonally adjusted annual rate of over 13 per cent. The ratio of the average quantity of money and near-money to gross domestic product remained on an almost unchanged level of about 28,8 cent during the third quarter of 1972. This indicates that, because of the rising prices of goods and services, the rather substantial increase

Increase in the quantity of money and near-money

Seasonally adjusted annual rate

| Year | Quarter | Per cent |
|------|-------------|----------|
| 1971 | | 7 |
| 1972 | 1st quarter | 9 |
| | 2nd quarter | 12 |
| | 3rd quarter | 18 |

Ratio of money and near-money to gross domestic product



in money and near-money over the past three quarters only kept pace with the rise in the gross domestic product at current market prices.

Causes of changes in money and near-money

The increase in the quantity of money and near-money during the third quarter was again, as during the second quarter, largely accounted for by the sustained rapid rise in the net gold and other foreign reserves. However, bank credit to the private sector also increased substantially during the third quarter and contributed to the rise in the money and near-money supply, whereas it showed little change during the second quarter. Bank credit to the government sector also increased slightly during the third quarter as against a decline during the second quarter, if adjusted for seasonal movements. In fact, the very large increase in the net gold and other foreign reserves since

Causes of changes in money and near-money

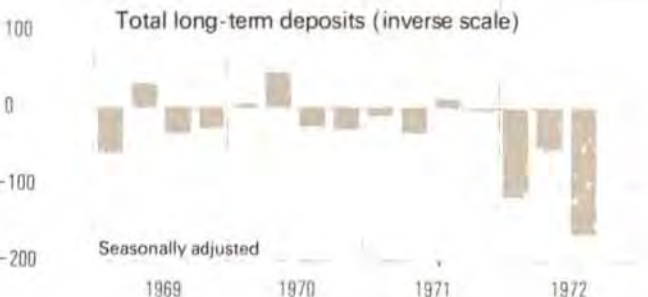
R millions

| | 1972 | | |
|---|------------|------------|------------|
| | 1st qtr | 2nd qtr | 3rd qtr |
| Net gold and other foreign reserves | 48 | 206 | 152 |
| Claims on the government sector: | | | |
| Gross claims | 7 | 200 | 152 |
| Deposits (increase -; decrease +) | -103 | -139 | -123 |
| Net claims | -96 | 61 | 28 |
| Claims on the private sector | 121 | -35 | 156 |
| Long-term private deposits (increase -; decrease +) | -117 | -31 | -164 |
| Net other liabilities and assets | -47 | 22 | 27 |
| Total change in money and near-money | -91 | 222 | 198 |

Monetary analysis



Causes of changes in money and near-money



the beginning of the year, and its effects on private sector liquidity, have not yet been associated with any marked decline in the government sector's net borrowing from the banking sector such as occurred, for example, during 1968. Long-term deposits of the private sector with the banking sector, on the other hand, increased substantially again during the third quarter of 1972 and reduced the increase in the money and near-money supply. Since the beginning of 1972 these deposits have increased by well over R300 million. The popularity of long-term deposits with banks as well as with building societies was, in fact, an important feature of the financial markets in the first three quarters of 1972.

Bank credit to the private sector

A large part (R87 million) of the R156 million increase in the bank credit to the private sector during the third quarter of 1972 was accounted for by the seasonal rise in cash credit advances extended by the Land Bank. Commercial banks reduced their credit to the private sector by R33 million during the third quarter. Although this indicates a lack of business demand for bank credit at the existing lending rates, the banks' discounts and advances increased fairly substantially during September, while preliminary data indicate another substantial increase in the banks' lending during October. In contrast to the commercial banks, credit extended to the private sector by the merchant banks and the monetary hire-purchase and general banks rose by R106 million during the third quarter, mainly in September. Discounts and advances accounted for R68 million and approximately one-third of the latter amount consisted of hire-purchase credit.

New method of credit control

The method of credit control was changed when the Reserve Bank announced the abolition of the credit ceilings as from 1 November 1972 and the introduction of supplementary cash and liquid asset requirements under the amended Banks Act which also came into effect on that date. As from the date of certification of their Monthly Returns in respect of the end of October 1972, all banking institutions have to maintain liquid assets amounting to not less than the aggregate of 45 per cent of their short-term liabilities, 28 per cent of their medium-term liabilities, 5 per cent of their long-term liabilities and 10 per cent of their acceptance liabilities. It was also determined that of the supplementary liquid assets an amount of not less than 10 per cent of their short-term liabilities must be maintained with the National Finance Corporation.

Although no information is as yet available on the banks' liquidity position under the new provisions, the percentages were chosen at such levels that the surplus liquid assets of banks will leave them scope to extend further credit, particularly in view of the rising gold and other foreign reserves which augment their

liquid assets. Under the old liquid asset requirements the banks' surplus liquid asset ratio increased to more than 6 per cent during the third quarter of 1972, the highest ratio recorded since February 1969.

Short-term interest rates

After declining to low levels in August 1972, short-term interest rates increased moderately during September and October. Thus, the rate on 90-day NCD's increased from 5,0 per cent on 25 August to 5,7 per cent on 27 October and the Treasury bill tender rate rose from 4,39 per cent to 4,92 per cent over the same period. These increases would appear to have been related to the lower rate of increase in the net gold and other foreign reserves, a shift of funds to the government sector and the decline in credit extended by the Reserve Bank and the National Finance Corporation to the Land Bank.

Government finance

With Exchequer Account statistics now available for the first half of the 1972/73 fiscal year, i.e. for the six months from April to September 1972, interesting comparisons can be made with the budget estimates. Such comparisons reveal, e.g. that income tax receipts showed a considerably higher rate of increase during the first half of the fiscal year than that estimated for the fiscal year as a whole. Inland revenue receipts, largely in the form of income tax, rose by 23 per cent during the first half of the fiscal year compared with the corresponding period in the preceding fiscal year, as against an increase of 10 per cent provided for in the budget for the whole fiscal year 1972/73. At the same time, loan funds provided by the Exchequer, particularly to organisations such as the South African Railways, the Post Office, the Land Bank and the provincial administrations, were in the aggregate much higher during the first half of the present fiscal year than during preceding years, when the larger part of their loan funds was taken up during the second half of the year. In the present fiscal year 66 per cent of the total loan appropriations to these organisations was issued during the first half of the year, compared with 28 per cent during the corresponding period in the previous year. The net result of these developments was that the deficit on the Exchequer Account amounted to R403 million during the first half of the fiscal year, or about 50 per cent of the short-fall of R803 million expected for the fiscal year 1972/73. This percentage is well above that recorded during previous years and may be ascribed to the concentration in the first half of the fiscal year of loan issues usually made in the second half.

Another feature of government finance during the first half of the fiscal year 1972/73 was that the Exchequer not only financed its entire deficit from non-banking sources, but also reduced its net indebtedness to the banking sector by R48 million. This

development, which was in sharp contrast to the position during the first half of the 1971/72 fiscal year, was largely brought about by the excellent response to government stock issues, particularly during May and June when a net amount of R472 million was subscribed, including R78 million from the PDC and R183 million from the private non-banking sector. The new issues during October 1972 brought in a net amount of R47 million, mainly from the banking sector (R17 million), insurers and pension funds (R13 million) and building societies (R5 million).

The measures announced by the Government to stimulate the economy, such as the relaxation of hire purchase restrictions, the lowering of the Bank rate and other official interest rates, the abolition of credit ceilings and the decision to repay the 1966 loan levy in December, were extended during November when reductions in sales duties on certain products were announced by the Minister of Finance. These included various household equipment and appliances, motor cars and other passenger vehicles and certain motor cycles, autocycles and cycles equipped with auxiliary motors. The concessions came into effect on 17 November 1972.

Capital market

The capital market eased further during the third quarter of 1972. Building societies received a large amount of additional funds, yields on fixed-interest securities declined further and share prices continued to rise.

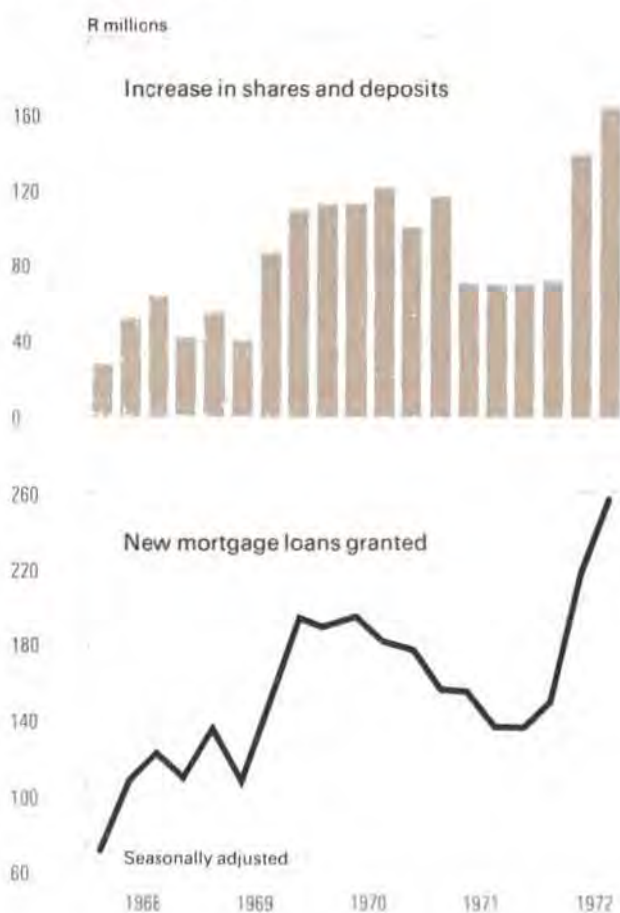
Large inflow of funds to building societies

There was a strong upsurge in the flow of funds to deposit receiving institutions during the third quarter. New investment in deposits and building society shares, with commercial banks, other monetary banking institutions and building societies amounted to R447 million or double the previous record inflow attained during the third quarter of 1969.

As the accompanying table shows, the inflow of funds to building societies increased substantially during 1972, particularly during the third quarter. In fact, the inflow of funds during the first nine months of 1972 already exceeded the total inflow for 1971 as a whole, and everything points to a record year for building societies in 1972. This large inflow of funds occurred despite the reduction on 18 August in the societies' borrowing rates to $\frac{1}{2}$ per cent below the maxima allowed under the existing interest rate ceilings. Outstanding advances and new advances granted also increased markedly during the third quarter of 1972 to reach record levels. In addition, the building societies were able to invest more in government securities and other prescribed investments.

The increased inflow of funds to building societies enabled them to satisfy most of the demand for smaller

Building societies



housing loans, but the provision in the Building Societies Act that loans exceeding R15 000 should not exceed 25 per cent of the societies' total assets made it more difficult for borrowers to obtain larger loans. After consultations with the building societies, the authorities allowed them temporarily to exceed the 25 per cent limit by $2\frac{1}{2}$ per cent until the Technical Committee on Banking and Building Society Legislation has made its recommendations in this respect.

Building societies

R millions

| | Net inflow of funds | Increase in outstanding advances | New advances granted |
|------------------------|---------------------|----------------------------------|----------------------|
| 1971 | 329 | 342 | 583 |
| 1972- 1st qtr. | 78 | 64 | 145 |
| - 2nd qtr. | 111 | 74 | 208 |
| - 3rd qtr. | 192 | 105 | 262 |

Further easing of market for fixed-interest securities

The yield on long-term government stock was reduced from $8\frac{1}{2}$ to $8\frac{1}{4}$ per cent on 10 August 1972 and to $8\frac{1}{8}$ per cent on 8th September. Yields quoted on new issues of long-term semi-gilt-edged securities already started to decline before the downward adjustment of the yield on government stock. The former reached a peak of 9,35 per cent during the first quarter of 1972 and then declined during the subsequent months to a level of 8,4 per cent in October 1972. These changes resulted in a narrowing of the gap between this yield and that on gilt-edged securities from about 0,85 per cent in the first quarter to 0,26 per cent in October 1972. This margin was very small according to past experience and, in fact, was the lowest figure recorded in the past nine years. It is also much lower than the average of 0,65 per cent for the past decade.

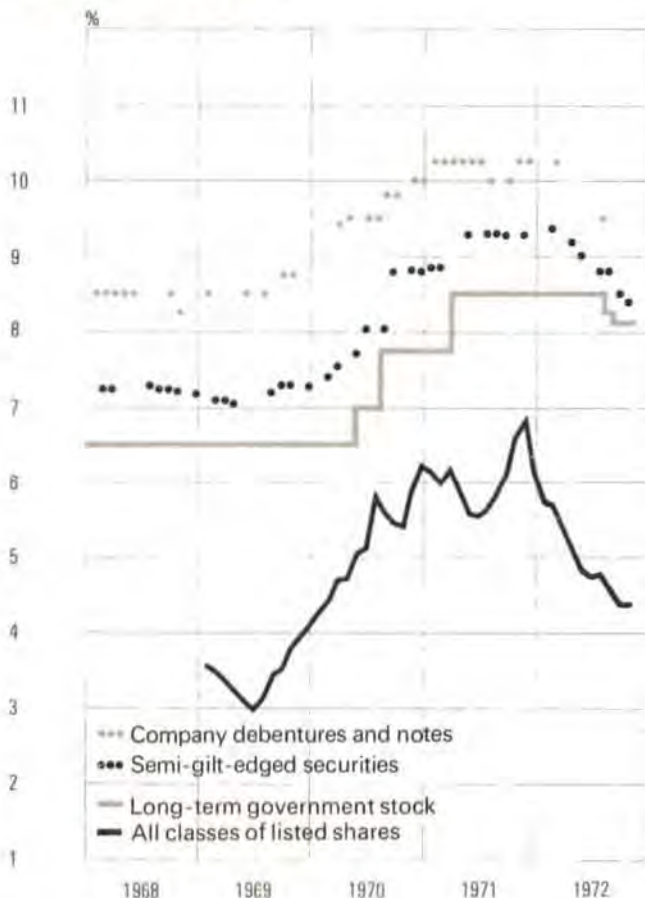
Continued rise in share prices

The price index of all classes of shares increased further during the third quarter of 1972 and remained more or less unchanged during October 1972. The number of shares traded was, however, less during

the third quarter than during the preceding quarter and this was partly due to a decline in the purchases by foreigners of securities quoted on the Johannesburg Stock Exchange. Thus, gross purchases by foreigners declined from R102 million in the second quarter to R62 million in the third quarter and net purchases showed an even more pronounced reduction from R59 million to R3 million. This decline was, in turn, largely attributable to the introduction of exchange control by the authorities in the United Kingdom on investments in certain sterling area countries.

Dividend yields on shares declined further and for all classes of shares amounted to 4,4 per cent in September 1972. The inverse gap between this yield and that on long-term government stock amounted to 3,7 per cent in September 1972—about the same as in June.

Interest rates and yields



Kwartaallikse ekonomiese oorsig

Algemene opmerkings

Gedurende die onlangse maande het die owerhede verdere beleidsmaatreëls aangekondig in 'n poging om ekonomiese groei te stimuleer sonder om inflasie te vererger. Hierdie beleidswysigings het ingesluit die verlaging van amptelike rentekoerse, die afskaffing vanaf 1 November van die plafonne op bankkrediet en die vervanging daarvan met likwiede bate- en kontantreserweverreistes, die verslapping van huurkoopkredietbepelings, die vroeë terugbetaling van die 1966-leningsheffing en die vermindering van die verkoopreg op sekere goedere. Teen die agtergrond van die verbeterde betalingsbalanstoestand is 'n nuwe vaste pariteit vir die rand ook met ingang 25 Oktober vasgestel, terwyl invoerbeheer verder verslap is.

Die bykans dramatiese ommekeer in Suid-Afrika se betalingsbalans as geheel vanaf die begin van 1972 het tot in die derde kwartaal voortgeduur en oorskotte is op sowel die lopende as kapitaalrekening aange-teken. Die netto invloeiing van kapitaal was kleiner gedurende die derde kwartaal as gedurende die tweede kwartaal, maar die lopende rekening van die betalingsbalans het in so 'n mate verbeter dat die totale goud- en ander buitelandse reserwes tot 'n peil van ongeveer R1 000 miljoen aan die einde van September 1972 toegeneem het. Daarná het dit verder gestyg. Die verbetering in die lopende rekening van die betalingsbalans het nie alleen uit 'n skerp daling in goedere-invoere gespruit nie, maar ook uit 'n aansienlike styging in die netto goudproduksie en goedere-uitvoere. Die waarde van invoere het vanaf die begin van 1971 'n besliste afwaartse neiging getoon en indien die skerp styging in invoerpryse in berekening gebring word, het die volume van invoere baie meer opmerklik afgeneem. Verslappings van invoerbeheer is derhalwe in Junie, Julie en Oktober 1972 aangekondig.

Die styging in die netto goudproduksie en goedere-uitvoere het nie slegs voortgespruit uit die hoër randwaarde verdien na die devaluasie in Desember en die verdere depresiasie van die rand na Junie nie, maar ook uit 'n opmerklike verbetering in internasionale kommoditeitsmarkte. Teen hierdie agtergrond het die regering 'n nuwe pariteitswaarde vir die rand van R29,75 per fyn ons goud vanaf 25 Oktober vasgestel. Dit verteenwoordig 'n amptelike devaluasie van 4,20 persent van die pariteitswaarde wat in Desember 1971 vasgestel is en terselfdertyd 'n *de facto* appresiasie van ongeveer 4 persent van die markwisselkoerse vir die rand op daardie stadium.

Die hoër inkomste wat deur uitvoerders, in besonder die mynbou- en die landbousektor, verdien is, het in 'n belangrike mate tot die aanmerklike styging in die bruto binnelandse produk teen markpryse bygedra. Boonop het die fabriekswesesektor daarin geslaag om sy winste te vergroot sonder enige styging in produksie per man-uur. Dit is hoofsaaklik bereik deur die omset te verhoog deur 'n intering op voorrade. Die koste verbonde aan die hou van voorrade het gevolglik afgeneem. Afgesien van die verbetering in die internasionale kommoditeitsmarkte, het gunstige klimaats-toestande tot rekord mielie- en ander landbou-oeste gelei. So het die landbousektor nie slegs aansienlik tot 'n versnelling in die totale groeikoers van die volkshuishouding gedurende die derde kwartaal van 1972, gemeet teen heersende markpryse, bygedra nie, maar ook tot 'n versnelling in die reële groeikoers van die ekonomie as geheel. Die reële produksie van die nie-landbousektore van die volkshuishouding het egter nie enige beduidende verdere versnelling gedurende die derde kwartaal getoon nie, alhoewel dit op 'n effens hoër peil as gedurende die eerste helfte van 1972 was.

'n Aantal uitbreidende kragte wat mag meewerk om algemene ekonomiese bedrywigheid te laat herleef, is egter tans aan die werk. Hoër uitvoerverdienste het reeds 'n proses van inkomeskepping begin wat tot 'n stimulering van verbruiksbesteding en investering behoort te lei. 'n Verdere ontginning van uitvoermarkte gesien die nuwe pariteit vir die rand mag ook tot 'n oplewing bydra. Binnelandse vraag word ook gestimuleer deur die kapitaalbesteding van die openbare sektor (hoofsaaklik die S.A.Spoorweë, die Poskantoor en openbare korporasies soos Yskor) en die mynbou- sektor as gevolg van die platina uitbreidingsprogram. Indien persoonlike beskikbare inkome (uitgesonderd landbou-inkome), wat gedurende die afgelope twaalf maande slegs 'n matige styging getoon het, in die komende twaalf maande vinniger sou styg, sou dit ook verbruiksbesteding stimuleer. Met die relatief lae peil van voorrade sal 'n oplewing in die binnelandse vraag gou lei tot nuwe bestellings en tot groter gebruik van produksiekapasiteit en tot hoër investering.

'n Ander belangrike kenmerk van die huidige ekonomiese toestand is die betreklik hoë koers van prysstygings. Met die verbruikersprysindeks wat teen 'n seisoensaangesuiwerde jaarkoers van 7,3 persent vanaf Oktober 1971 tot Oktober 1972 gestyg het, is dit belangrik om die onderliggende oorsake van hierdie hoë koers van toename te identifiseer ten einde te oordeel of die versnelling in die nabye toekoms sal

voortduur. Die huidige inflasie is nie toe te skryf aan oormatige vraag, soos wat wel vanaf die begin van 1969 tot goed in 1971 die geval was nie. Dit is ook nie 'n tipiese loon-druk klas van inflasie nie. Dit kom voor asof dit gedeeltelik 'n oorblyfsel van die vorige tydperk van vraag-trek inflasie is, maar is ook in 'n groot mate die onvermydelike gevolg van die onlangse wisselkoersaanpassings, die volgehoue wêreldwye inflasie en die toename in binnelandse pryse van voedsel en dienste. Hierdie oorsake van inflasie kan derhalwe nie deur middel van beperkende monetêre en fiskale maatreëls teengewerk word soos dié wat nodig was gedurende die tydperk van vraag-trek inflasie nie. Daar moet egter op hierdie stadium teen 'n onnodige ekspansionistiese monetêre beleid gewaak word, veral in die lig van die skerp styging in die hoeveelheid geld en kwasi-geld. Die twee belangrikste oorsake van die huidige inflasie, naamlik die pryseffek van die devaluasie en die skerp styging in voedselpryse, sal na verwagting nie dieselfde voortgesette uitwerking op pryse in die nabye toekoms hê nie.

In die finansiële markte heers 'n betreklik ruim toestand met bankkrediet geredelik beskikbaar, vastentredende beleggings meer gewild en die effekteurs lewendig. Die betalingsbalansposisie en geld- en kapitaalmarktoestand word derhalwe in toenemende mate bevorderlik vir die herlewing van reële ekonomiese bedryfheid.

Nasionale rekeninge

Hoër koers van toename in bruto binnelandse produk

Nadat dit gedurende die eerste kwartaal toegeneem het en gedurende die tweede kwartaal bykans onveranderd gebly het, het die koers van toename in die bruto binnelandse produk teen heersende markpryse gedurende die derde kwartaal van 1972 merkbaar toegeneem. Hierdie verdere versnelling is geheel en al toe te skryf aan 'n aansienlike styging in die bruto bedryfsurplus (hoofsaaklik winste) wat meer as vergoed het vir die daling in die koers van toename in die vergoeding van werknemers. Die bruto bedryfsurplus het dus teen progressief hoër koerse gedurende die eerste drie kwartale van 1972 toegeneem en met die koers van toename in salarisse en lone wat terselfdertyd verminder het, het die relatiewe aandeel van laasgenoemde in die bruto binnelandse produk gedurende 1972 deurgaans gedaal, nadat dit gedurende 'n aantal opeenvolgende jare toegeneem het.

Die skerp styging in die bruto bedryfsurplus het hoofsaaklik uit 'n aansienlike styging in die winste van landbou, mynbou en private fabriekswese voortgespruit. Klimaatstoestande gedurende die afgelope seisoen was uitermate gunstig vir die landbou en die skerp styging in kontantinkomste as gevolg van die rekord mielie-oes het aansienlik tot die styging in die landbou se bedryfsurplus in die derde kwartaal bygedra. Hierbenewens het die buitengewoon hoë

Bruto binnelandse produk



pryse wat vir vleis, ander veeteeltprodukte en groente behaal is die landbousektor verder gestimuleer. Die goudmynbedryf het weer eens deur die betreklik hoë goudprys op die private mark gebaat. Nieteenstaande hoër eenheidskoste vanweë die ontginning van laergraad-erts het die winste van goudmyne gedurende die afgelope kwartaal merkbaar toegeneem. Boonop het die betreklik hoë heersende pryse op die internasionale markte vir metale en minerale, diamant- en ander mynmaatskappye in staat gestel om hul winste aansienlik te verhoog. Die bruto bedryfsurplus van private fabriekswese het gedurende die derde kwartaal wesenlik verbeter nadat 'n daling gedurende die tweede kwartaal aangeteken is. Hierdie styging het egter voorgekom sonder 'n gepaardgaande toename in die volume van produksie en dit wil voorkom asof dit hoofsaaklik die gevolg van 'n intering op voorrade was. In teenstelling met die aansienlike toename in die winste van die primêre en vervaardigingsektore, het die bedryfsurplus van die dienstesektore van die volkshuishouding min verandering getoon. In die geval van die distribusiehandel het die swak vertoning van die kleinhandel veroorsaak dat die bruto bedryfsurplus onveranderd gebly het nadat 'n afname in die tweede kwartaal waargeneem is.

Alhoewel prysstygings 'n belangrike invloed op die skerp toename in bruto binnelandse produk gedurende die derde kwartaal gehad het, het die koers van toe-

name in die reële bruto binnelandse produk ook aanmerklik versnel. Hierdie versnelling in reële ekonomiese aktiwiteit was egter feitlik uitsluitlik die gevolg van 'n merkbare styging in landbouproduksie. Die toename in die produksie van die nie-landbousektore van die volkshuishouding het nie enige noemenswaardige verdere versnelling gedurende die derde kwartaal getoon nie. Nogtans was nie-landbouproduksie in die derde kwartaal op 'n effens hoër peil as gedurende die eerste helfte van 1972. Dit wil dus voorkom asof die stimulerende maatreëls wat gedurende die afgelope jaar deur die owerhede getref is, 'n geleidelike uitwerking het maar dat daar klaarblyklik meer tyd nodig is vir die volkshuishouding om 'n betekenisvolle versnelling in reële ekonomiese groei te toon.

Toename in bruto binnelandse besteding

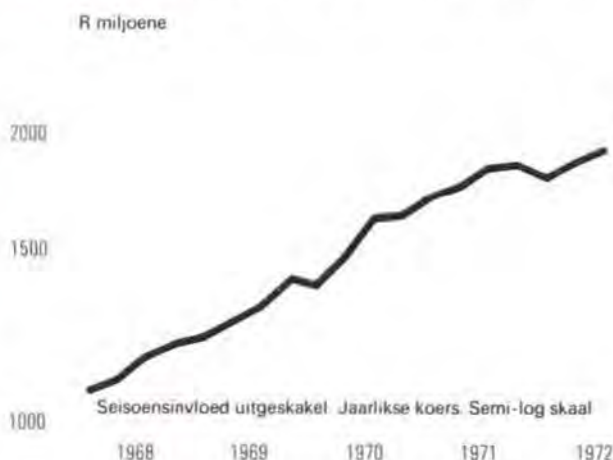
Nadat dit gedurende die tweede kwartaal van 1972 gedaal het, het die totale binnelandse monetêre vraag na goedere en dienste, soos deur bruto binnelandse besteding gemeet, gedurende die derde kwartaal merkbaar toegeneem. Die toename in bruto binnelandse besteding was egter aansienlik kleiner as die toename in bruto nasionale produk met die gevolg dat bruto binnelandse besteding vir die eerste keer sedert die eerste kwartaal van 1969 laer as die bruto nasionale produk was. Hierdie ontwikkeling is ook in die aanmerklike toename in die oorskot op die lopende rekening van die betalingsbalans gedurende die kwartaal onder beskouing weerspieël.

Die toename in bruto binnelandse besteding het voorgekom ten spyte van 'n aansienlike afname in voorrade en was hoofsaaklik die gevolg van 'n merkbare versnelling in die koerse van toename in bruto binnelandse vaste investering en, in 'n mindere mate, in private verbruiksbesteding. Verbruiksbesteding deur die algemene owerheid het gedurende die derde kwartaal teen 'n laer koers as gedurende die tweede kwartaal toegeneem.

Versnelling in die koers van toename in private verbruiksbesteding

Nadat dit vir drie opeenvolgende kwartale stadiger gestyg het, het private verbruiksbesteding gedurende die derde kwartaal versnel as gevolg van skerp stygings in besteding aan sowel nie-duursame as duursame goedere. In die geval van nie-duursame goedere was die hoë voedselpryse regdeur die derde kwartaal hoofsaaklik vir die styging verantwoordelik. Die toename in besteding aan duursame goedere is grootliks deur die styging tussen die tweede en die derde kwartaal in die gemiddelde peil van die aantal nuwe motors verkoop verantwoord. Die werklike aantal nuwe motors verkoop het egter vanaf Junie tot Oktober 1972 gedaal. Besteding aan dienste het ook effens vinniger toegeneem, maar private verbruikersuitgawes aan semi-duursame goedere het gedurende sowel die tweede as derde kwartaal teen dieselfde betreklik lae

Verbruiksbesteding deur algemene owerheid



koers toegeneem. Alhoewel private verbruiksbesteding teen heersende pryse gedurende die derde kwartaal teen 'n vinniger koers toegeneem het, het die koers van toename in die besteding teen konstante pryse op ongeveer dieselfde betreklik lae pail as gedurende die tweede kwartaal gebly.

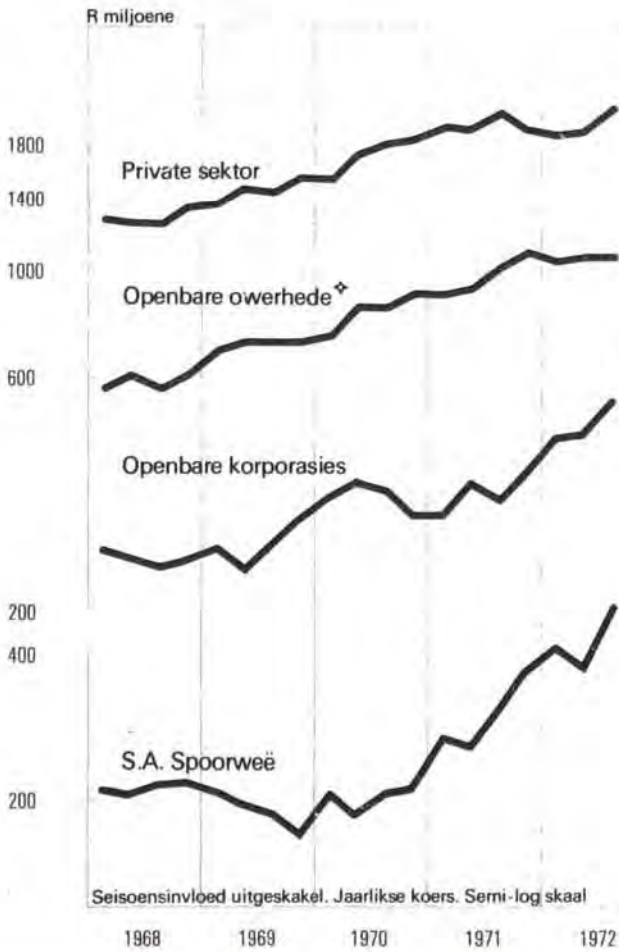
Die laer koers van toename in owerheidsverbruiksbesteding is nie verbasend nie gesien in die lig van die amptelike beleidsdoelstelling om oormatige stygings in owerheidsbesteding te beperk. Die owerheid het hierdie doelstelling verwesenlik aangesien owerheidsverbruiksbesteding slegs 'n klein styging tussen die derde kwartaal van 1971 en die ooreenstemmende kwartaal van 1972 getoon het.

Hoë koers van toename in bruto binnelandse vaste investering

Bruto binnelandse vaste investering het gedurende die kwartaal onder bespreking teen 'n baie hoë koers toegeneem nadat dit slegs matig tussen die vierde kwartaal van 1971 en die tweede kwartaal van 1972 gestyg het. Aansienlike toenames in die kapitaalbesteding deur openbare owerhede en openbare korporasies was in 'n groot mate vir hierdie toename verantwoordelik, terwyl vaste investering deur die private sektor traag gebly het.

Die grootste styging in vaste investering het in die sektor vervoer, opberging en kommunikasie voorgekom, hoofsaaklik as gevolg van 'n aansienlike styging in kapitaalbesteding aan masjinerie, vervoer- en ander toerusting deur die S.A.Spoorweë. Die toename in kapitaalbesteding deur fabriekswese kan hoofsaaklik aan uitbreidingsprogramme van die basiese metaalnywerheid (hoofsaaklik Yskor) en die chemiese nywerheid toegeskryf word. As die stygings in kapitaalbesteding van hierdie twee vertakings van fabriekswese uitgesluit word, toon die res van die fabriekswesesektor gedurende die derde kwartaal van 1972 'n

Bruto vaste investering

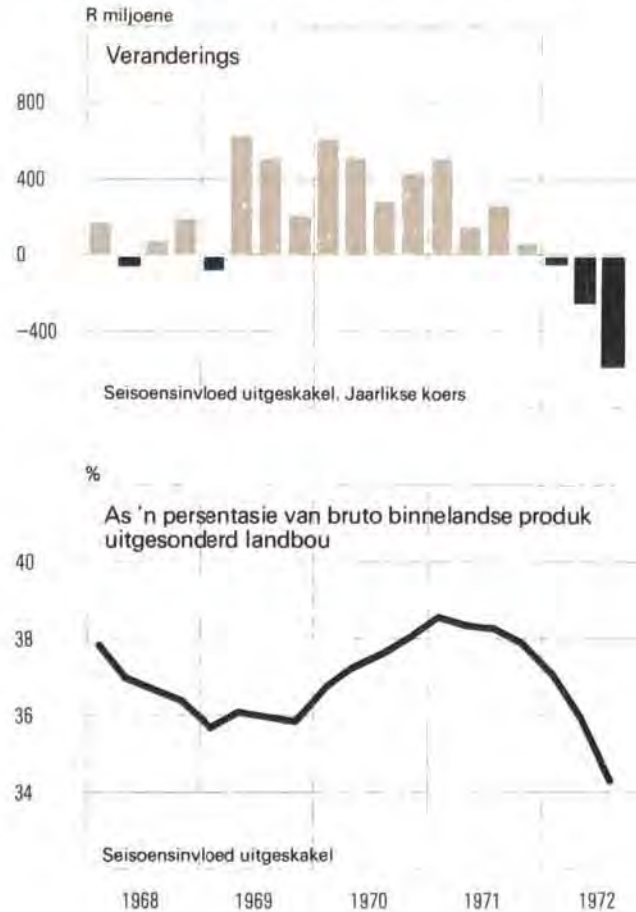


*Uitgesonderd S.A. Spoorweë

absolute afname in vaste investering. Enige algemene opswaai in vaste kapitaaluitgawes deur die private fabriekswese sal waarskynlik eers na 'n algemene herstel in die reële produksie, en na die uitkakeling van meeste van die bestaande surplusproduksiekapasiteit, voorkom. Toenames in vaste investering deur landbou, mynbou, elektrisiteit, gas en water, en die sektor finansies, versekering, vaste eiendom en besigheidsdienste het almal tot die styging in totale vaste investering bygedra. Vaste investering deur die sektor wat gemeenskaps-, maatskaplike en persoonlike dienste voorsien, het egter matig gedaal as gevolg van 'n afname in kapitaaluitgawes deur die algemene owerheid.

Wat die batesamestelling van die bruto vaste investering betref, is dit opmerklik dat die styging wat gedurende die derde kwartaal voorgekom het, feitlik uitsluitlik die gevolg was van 'n styging in kapitaalbesteding aan masjinerie en toerusting, waarby vervoertoerusting ingesluit is, terwyl investering in geboue en konstruksiewerke min verandering getoon het.

Totale voorrade uitgesonderd landbouvoorrade



Verdere skerp afname in voorrade

Nieteenstaande 'n toename in landbouvoorrade in die handel, het die peil van voorrade gedurende die derde kwartaal van 1972 skerp gedaal. Dit was die tweede agtereenvolgende kwartaal waarin 'n afname in totale voorrade voorgekom het en die vierde agtereenvolgende kwartaal waarin nywerheids- en handelsvoorrade 'n afname getoon het. Die verhouding van nywerheids- en handelsvoorrade (uitgesonderd landbouvoorrade) tot die bruto binnelandse produk het nou 'n peil bereik wat laer is as die gemiddelde vir die afgelope tien jare en dit is derhalwe waarskynlik dat 'n toename in vraag binnekort tot hoër binnelandse produksie en/of hoër invoere sal lei. Soos hierbo gemeld, het die afname in nywerheidsvoorrade die fabriekswesesektor in staat gestel om sy winste te verhoog. Aangesien 'n groot deel van die afname in nywerheidsvoorrade in die nywerhede wat kapitaal-goedere produseer voorgekom het, kan die skerp styging in kapitaalbesteding aan masjinerie en toerusting waarskynlik gedeeltelik die afname in voorrade verklaar.

Aansienlike verbetering in bruto binnelandse besparing

Bruto binnelandse besparing het gedurende die tweede kwartaal van 1972 merkbaar gestyg en 'n verdere aansienlike verbetering is gedurende die derde kwartaal waargeneem. As gevolg van hierdie verdere verbetering, het die bruto binnelandse besparing die bruto binnelandse investering (die totaal van bruto vaste investering en netto veranderinge in voorrade) oorskry, en oorskotfondse was vir toevoegings tot die goud- en ander buitelandse reserwes beskikbaar. Persoonlike besparing, wat aansienlik tot die toename in totale besparing gedurende die tweede kwartaal bygedra het, het as gevolg van die aanmerklike toename in landbou-inkomste gedurende die derde kwartaal weer gestyg. Maatskappybesparing sowel as die lopende surplus van die algemene owerheid het ook tot die styging in bruto binnelandse besparing gedurende die derde kwartaal van 1972 bygedra.

Algemene ekonomiese aanwysers

Versekeie ekonomiese aanwysers bevestig die indruk wat uit die nasionale rekeninge verkry is, naamlik dat die koers van toename in reële ekonomiese bedrywigheid tot die derde kwartaal van 1972 nog nie veel momentum gekry het nie.

Betreklik trae fabrieksproduksie

Vir feitlik twee jare het fabrieksproduksie betreklik stadig gegroei. Gedurende die eerste nege maande van 1972 was die gemiddelde vlak van die volume van fabrieksproduksie ongeveer 2,5 persent hoër as gedurende die ooreenstemmende tydperk van die vorige jaar, vergeleke met 'n styging van 2,0 persent gedurende 1971 in verhouding tot 1970. Alhoewel die groeikoers van fabrieksproduksie dus gedurende 1972 op 'n ietwat hoër vlak as gedurende 1971 was, is daar geen duidelike tekens van 'n versnelling gedurende die derde kwartaal van 1972 nie. In werklikheid word beraam dat die gemiddelde vir die derde kwartaal van 1972 ietwat laer as dié van die tweede kwartaal was, en dit dui daarop dat die ekspansionistiese kragte nog nie na hoër fabrieksproduksie deurgewerk het nie. Die indeks vir onvoltooide bestellings in die fabriekswese het ook tot Augustus 1972, die laaste maand waarvoor inligting beskikbaar is, 'n dalende neiging getoon. Aangesien hierdie indeks normaalweg 'n aanduiding van toekomstige neigings in produksie gee, word 'n snelle opswaai in fabrieksproduksie in die onmiddellike toekoms dus nog nie aangedui nie.

Daling in mynbouproduksie

'n Daling van 6,6 persent in die gemiddelde maandelikse volume van goudproduksie in die eerste nege maande van 1972, vergeleke met die ooreenstemmende tydperk in 1971, het 'n aansienlike toename in ander mynbouproduksie meer as geneutraliseer sodat

Produksie



die totale volume van mynbouproduksie nog met 3,7 persent oor die betrokke tydperk gedaal het. Die fisiese volume van gouderts gemaal, het egter met minder as die kilogram goud geproduseer gedaal, naamlik met slegs 2,8 persent gedurende die eerste nege maande van 1972 vergeleke met die ooreenstemmende tydperk van die vorige jaar. Terselfdertyd het die graad van gouderts gemaal met 3,8 persent gedaal. Gedurende die loop van 1972 het die graad van erts gemaal selfs vinniger gedaal, naamlik van 13,12 gram per ton gemaal in die vierde kwartaal van 1971 tot 12,37 gram per ton gemaal in die derde kwartaal van 1972.

Laer aktiwiteit in konstruksiebedryf

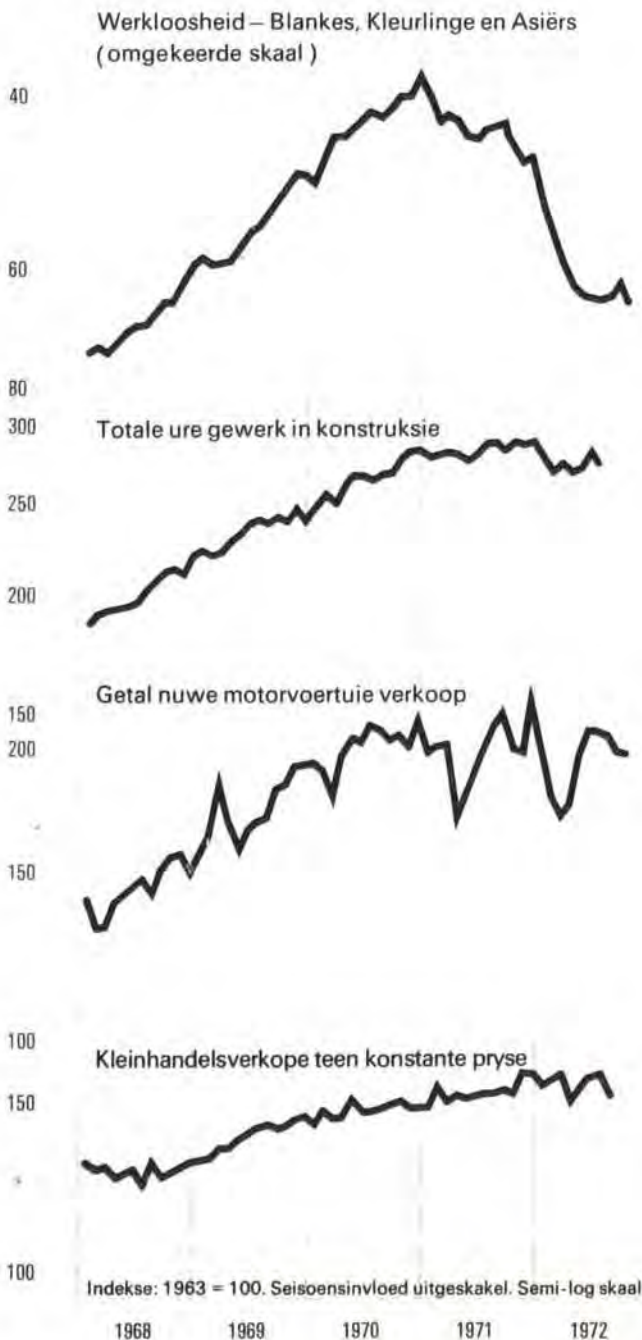
Aktiwiteit in die konstruksiebedryf het traag gebly. Reekse soos die totale ure gewerk, die waarde van groothandelsverkope van boumateriaal, die waarde van bouplanne goedgekeur, die waarde van geboue

voltooi en die volume van sement geproduseer, het almal tot Augustus 1972 afgeplat. Nuwe voorskotte wat deur bouverenigings toegestaan is vir die oprigting van geboue, het egter na April 1972 tot 'n aansienlik hoër vlak gestyg en dit mag op 'n hoër aktiwiteit in woongeboukonstruksie dui.

Ander aanwysers

Die betreklike traagheid van ekonomiese bedrywigheid is ook bevestig deur die neigings van sulke aanwysers

Algemene ekonomiese aanwysers



soos die waarde van klein- en groothandelsverkope teen konstante pryse, die waarde van invoere, versendings van gewalste en getrekte staalprodukte na die binnelandse mark, die aantal nuwe maatskappye geregistreer, die aantal maatskappye gelikwedeer, die aantal verbande geregistreer en die aantal aansoeke onder die Fisiese Beplanningwet. Nadat dit gedurende die tweede kwartaal van 1972 herstel het, het die aantal motorvoertuie verkoop gedurende die daaropvolgende vier maande gedaal. Die waarde van uitvoere, ton-kilometer van inkomstetraende verkeer van die S.A.Spoorweë en bankdebitering het weer, aan die ander kant, aansienlike toenames gedurende die eerste drie kwartale van 1972 getoon.

Geen verdere toename in werkloosheid

In ooreenstemming met ontwikkelings in reële ekonomiese bedrywigheid, het die seisoensaangesuiwerde aantal geregistreerde werklose Blankes, Kleurlinge en Asiërs gedurende die eerste vyf maande van 1972 skerp toegeneem, voordat dit gedurende die daaropvolgende vyf maande afgeplat het tot 13 048 in Oktober 1972. Hierdie indeks dui dus 'n matige verandering in sakebedrywigheid teen of ná die middel van 1972, aan.

Pryse

Skerp styging in pryse gedurende die derde kwartaal van 1972

Gedurende die derde kwartaal van 1972 het verbruikerspryse skerp gestyg maar die koers van toename het in Oktober verlangsaam. Die versnelling van pryse is hoofsaaklik veroorsaak deur aansienlike toenames in die pryse van voedsel en dienste. In laasgenoemde geval, het items soos munisipale belasting en teater-toegangsgelde groot toenames getoon, terwyl die buitengewone styging in die pryse van groente en vleis die grootste bydraes tot die styging in voedselpryse gelewer het. In werklikheid het die styging in voedselpryse meer as 'n derde tot die totale toename in pryse

Verbruikerspryse

Jaarlikse persentasiekoerse van verandering in seisoensaangesuiwerde indekse

| | Okt. 1971- Okt. 1972 |
|-----------------------|-------------------------|
| Dienste: | 7,5 |
| Behuising | 7,7 |
| Ander | 7,1 |
| Goedere: | 7,2 |
| Voedsel | 9,1 |
| Meubels en toerusting | 6,2 |
| Klerasie en skoeisel | 5,6 |
| Aankoop van voertuie | 7,7 |
| Ander | 5,6 |
| Totaal | 7,3 |

gedurende die derde kwartaal bygedra. Ten spyte van algemeen gunstige klimaatstoestande het 'n kort koue tydperk groenteproduksie nadelig beïnvloed en dit het 'n skerp tydelike styging in pryse veroorsaak, terwyl die tekort in die aanbod van vleis blykbaar meer ernstig van aard is.

Pryse van motorvoertuie en -toebehore en brandstof het ook aanmerklik toegeneem, hoofsaaklik as gevolg van hoër invoerpryse wat met die devaluasie van die rand in verband gebring kan word. As gevolg van die skerp versnelling in pryse gedurende die derde kwartaal van 1972, het die seisoensaangesuiwerde verbruikersprysindeks met 7,2 persent vanaf September 1971 tot September 1972 gestyg, terwyl die gemiddelde vir hierdie twaalfmaand-tydperk 6,4 persent hoër as vir die voorafgaande twaalf maande was. Vanaf Oktober 1971 tot Oktober 1972 was die koers van toename ongeveer dieselfde.

Groothandelspryse het ook teen 'n historiese hoër koers van 9,5 persent gedurende die twaalf maande vanaf September 1971 tot September 1972 gestyg, hoofsaaklik as gevolg van aansienlike toenames in die pryse van landbouprodukte (15,4 persent) en ingevoerde goedere (13,6 persent). Die gemiddelde van die seisoensaangesuiwerde indeks van groothandelspryse vir die twaalf maande tot September 1972 was 6,8 persent hoër as gedurende die voorafgaande twaalf maande. Aangesien pryse van landbouprodukte nouliks teen dieselfde koers as gedurende die derde kwartaal kan aanhou styg, en omdat verwag kan word dat die opwaartse aanpassing van pryse van ingevoerde goedere wat verband hou met die devaluasies van die rand gedurende die komende maande kleiner sal wees, sal die koers van toename in groothandels- en verbruikerspryse gedurende die komende tydperk waarskynlik laer wees.

Betalingsbalans

Verdere aansienlike verbetering in globale betalingsbalans

Die betalingsbalans in sy geheel het gedurende die derde kwartaal van 1972 voortgegaan om 'n aansienlike oorskot, wat R153 miljoen bedra het, te toon. Vir die eerste nege maande van 1972 het die betalingsbalans in geheel 'n oorskot van R338 miljoen getoon, vergeleke met 'n tekort van R221 miljoen gedurende die ooreenstemmende tydperk in 1971. Die ekonomiese beleid wat deur die owerhede nagestreef word, tesame met die gunstige binnelandse en internasionale ekonomiese ontwikkelings, het suksesvol geblyk te wees in die verstewiging van die betalingsbalans en het sodoende die beperking van die betalingsbalanstekort op binnelandse ekonomiese groei uit die weg geruim.

Hierdie verbetering in die betalingsbalans was 'n oorweging in die besluit van die regering om vanaf 25 Oktober na 'n nuwe effektiewe pariteitswaarde

van die rand terug te keer, nadat dit vanaf 30 Junie toegelaat is om saam met sterling teenoor ander geldeenhede afwaarts te sweef. Die nuwe pariteitswaarde van die rand is op R29,75 per fyn ons goud vasgestel, wat 'n devaluasie van 4,20 persent in terme van die pariteitswaarde soos vasgestel in Desember 1971, verteenwoordig. In die praktyk beteken die nuwe pariteitswaarde in werklikheid 'n appresiasie van ongeveer 4 persent van die bestaande markwisselkoerse van die rand. Die Reserwebank het ook besluit om vanaf 25 Oktober vaste aankoop- en verkoopkoerse vir die V.S.A.-dollar in plaas van sterling te kwoteer. Die doelstelling met hierdie maatreëls was om die beste ewewig tussen die mikpunte van groei en stabiliteit te verkry. So was die terugkeer tot 'n vaste pariteitskoers teen 'n hoër wisselkoers daarop gemik om groter sekerheid mee te bring met betrekking tot Suid-Afrika se internasionale handel en kapitaalbelegging, terwyl dit ook die koste van invoere verminder en só bydra tot die bekamping van inflasie. Terselfdertyd het die vasstelling van die nuwe pariteitskoers op 'n peil van 4,20 persent onder die peil wat voorheen gegeld het, plaaslike ondernemings, in besonder uitvoerders, in 'n meer gunstige posisie gestel as wat hulle voor die swewing van die rand was.

Volgehoue verbetering op lopende rekening

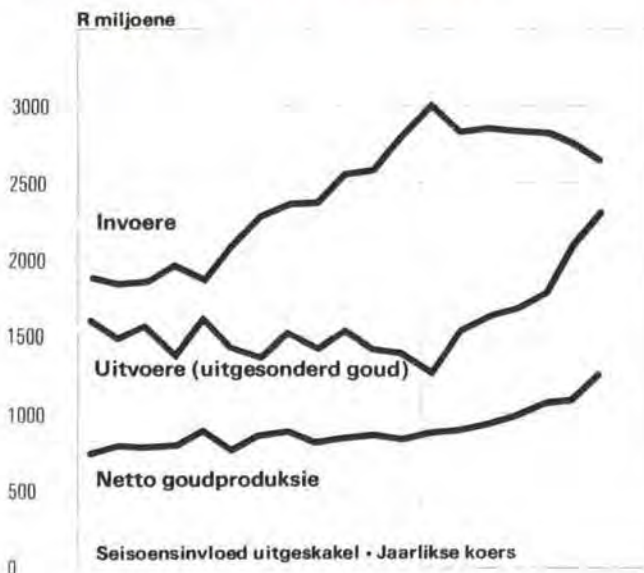
'n Volgehoue verbetering op die lopende rekening was in 'n groot mate vir die toename in die oorskot op die betalingsbalans in sy geheel verantwoordelik. Gedurende die derde kwartaal van 1972 het die lopende rekening van die betalingsbalans 'n oorskot van R91 miljoen getoon, vergeleke met R20 miljoen in die tweede kwartaal van 1972. Dit het die totale tekort vir die eerste nege maande van die jaar na slegs R7 miljoen afgebring, vergeleke met 'n tekort van R788 miljoen vir die ooreenstemmende tydperk in 1971. Teen 'n seisoensaangesuiwerde jaarkoers, het die saldo op lopende rekening nou vir sewe opeenvolgende kwartale vanaf 'n tekort van R1 505 miljoen in die eerste kwartaal van 1971, tot 'n oorskot van R371 miljoen in die derde kwartaal van 1972 verbeter.

Hierdie verdere verbetering in die lopende rekening van die betalingsbalans gedurende die derde kwartaal van 1972 kan aan 'n skerp styging in die netto goudproduksie en goedere-uitvoere en 'n daling in goedere-invoere toegeskryf word. Onsigbare betalings aan die res van die wêreld het, aan die ander kant, gedurende die derde kwartaal redelik skerp gestyg.

Die netto goudproduksie het vanaf 'n seisoensaangesuiwerde jaarkoers van R1 081 miljoen in die tweede kwartaal tot nie minder nie as R1 258 miljoen in die derde kwartaal van 1972 gestyg. Hierdie verdere aansienlike styging in die netto goudproduksie is bereik niesteenstaande die afname in die fisiese volume van goudproduksie en die toevoeging van 'n groot gedeelte van nuutontginde goud tot die amptelike reserwes teen die statutêre prys. Die toename in die

netto goudproduksie kan aan 'n verdere skerp styging in die goudprys op die private mark toegeskryf word, en in 'n mindere mate ook aan die hoër ontvangste in terme van rand vanweë die depresiasie van die rand.

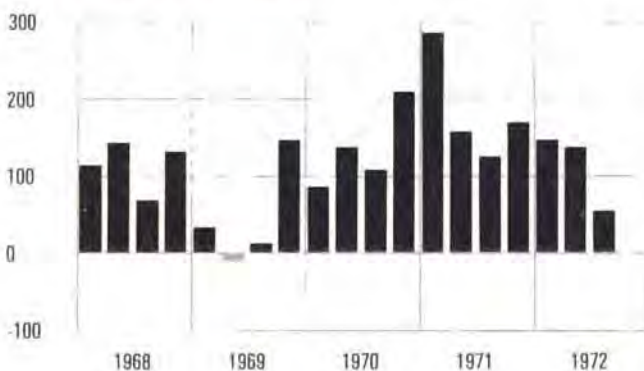
Lopende rekening van die betalingsbalans



Saldo op lopende rekening



Totale kapitaalbewegings



Die gemiddelde Londense goudprys het vanaf R41,51 per fyn ons gedurende die tweede kwartaal tot R52,75 per fyn ons gedurende die derde kwartaal, of met soveel as 27 persent, gestyg.

Goedere-uitvoere het gedurende die eerste drie kwartale van 1972 ook aansienlik toegeneem. Afgesien van die hoër randwaarde van uitvoere as gevolg van die devaluasie in Desember en die verdere depresiasie van die rand vanaf Junie, het internasionale kommoditeitsmarkte ook aansienlik verbeter en tot die hoër opbrengs van die uitvoer van diamante en suiker bygedra. Vir die eerste nege maande van 1972 het goedere-uitvoere R1 554 miljoen bedra, vergeleke met R1 111 miljoen gedurende die ooreenstemmende tydperk in 1971.

Goedere-uitvoere en -invoere

Seisoensaangesuiwerde jaarkoers—R miljoene

| | Uitvoere | Invoere |
|--------------------|----------|---------|
| 1971—4de kwartaal | 1 680 | 2 838 |
| 1972—1ste kwartaal | 1 793 | 2 829 |
| —2de kwartaal | 2 105 | 2 754 |
| —3de kwartaal | 2 315 | 2 647 |

Maandsyfers van goedere-invoere het, gedeeltelik as gevolg van dokstakings in die Verenigde Koninkryk, gedurende die derde kwartaal skerp geskommel, maar die kwartaalsyfers het 'n volgehoue afwaartse beweging vanaf die begin van 1971 getoon. Indien die aansienlike styging in invoerpryse as gevolg van die devaluasie en depresiasie in ag geneem word, moes die volume van invoere derhalwe aanmerklik afgeneem het. Die verslapping van invoerbeheer op 2 Junie en 25 Julie het nie die neiging van goedere-invoere verander nie en met die oog op die volgehoue verbetering in die betalingsbalans, het die owerhede op 25 Oktober 'n verdere verslapping van invoerbeheer vir 1973 aangekondig.

Belangrike veranderings het ook in die samestelling van invoere gedurende die derde kwartaal van 1972 voorgekom. Nadat die invoer van tekstiele gedurende 1971 en die eerste helfte van 1972 matig gestyg het, het dit gedurende die derde kwartaal skerp afgeneem, en matige afnames is ook in die invoer van basiese metale, mineraalprodukte en masjinerie en elektriese toerusting aangeteken. Die invoer van vervoertoe-rusting, aan die ander kant, het gedurende die derde kwartaal skerp gestyg.

Netto onsigbare betalings aan die res van die wêreld het gedurende die derde kwartaal aansienlik gestyg, hoofsaaklik as gevolg van die opwaartse aanpassings van vraggelde en 'n toename in uitgawes deur toeriste oorsee. Ontvangste vir dienste het egter ook 'n skerp toename getoon as gevolg van 'n styging in die besteding deur buitelandse werkers in Suid-Afrika.

Skerp afname in netto kapitaalinvloeiing

'n Verdere klein netto invloeiing van kapitaal het ook tot die verstewiging in die betalingsbalans bygedra. Gedurende die derde kwartaal van 1972 het die netto invloeiing van kapitaal R62 miljoen bedra, vergeleke met R137 miljoen in die tweede kwartaal. Hierdie afname in die netto invloeiing, in besonder in die invloeiing na die private sektor, kan toegeskryf word aan sulke faktore soos valutabeheerbepelings op portefeuljebeleggings wat deur die Verenigde Koninkryk op 23 Junie ingestel is, die volgehoue verbetering in die binnelandse kapitaalmarktoestand, en die dalende neiging in goedere-invoere. Gedurende die eerste nege maande van 1972, het die netto invloeiing van kapitaal slegs R345 miljoen bedra, vergeleke met R567 miljoen gedurende dieselfde tydperk in 1971.

Soos in die bygaande tabel aangetoon word, het die samestelling van die netto invloeiing van kapitaal ook gedurende die derde kwartaal van 1972 aanmerklik verander. Die netto invloeiing van kapitaal na die private sektor het in die derde kwartaal skerp afgeneem, nadat dit gedurende die eerste helfte van die jaar aansienlik gestyg het. Indien die skerp styging in die buitelandse langtermynlenings van openbare korporasies en plaaslike owerhede uitgesluit word, het daar in werklikheid 'n uitvloeiing van fondse van die res van die private sektor in die derde kwartaal voorgekom. Hierdie uitvloeiing, wat foute en onaangetekende transaksies asook handelskrediete insluit, weerspieël in 'n groot mate die skerp styging in korttermyn buitelandse bates. Ander langtermynkapitaal het gedurende die derde kwartaal 'n voortgesette invloeiing na die private sektor getoon, alhoewel die netto bedrag kleiner as gedurende die tweede kwartaal was.

'n Ander belangrike verandering wat in die samestelling van die netto invloeiing van kapitaal gedurende

die derde kwartaal voorgekom het, was die skerp styging in die buitelandse langtermynlenings van die sentrale regering. Nadat 'n terugbetaling op buitelandse lenings gedurende die eerste helfte van 1972 gemaak is, het die sentrale regering (insluitende die Poskantoor en die S.A.Spoorweë) gedurende die derde kwartaal 'n netto bedrag van R66 miljoen in die buiteland geleen.

Verdere toename in goud- en ander buitelandse reserwes

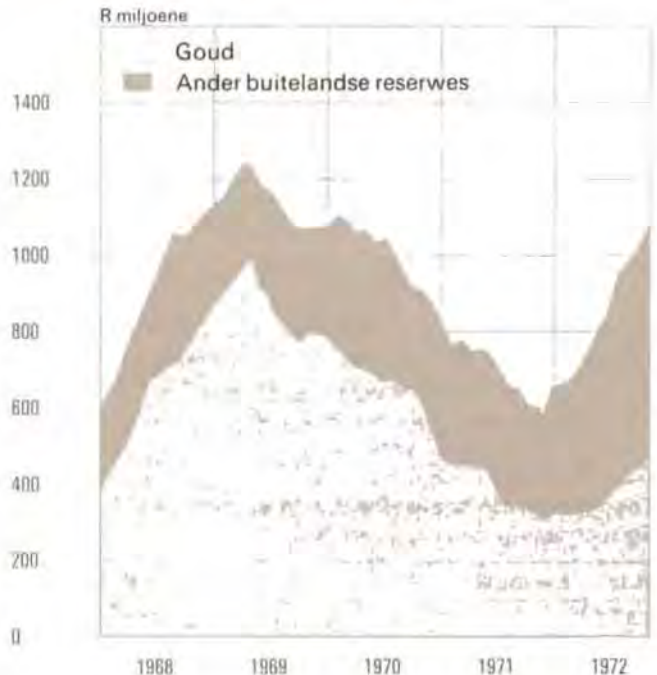
Die netto resultaat van die oorskot op die lopende rekening en die invloeiing van kapitaal, was 'n toename van R153 miljoen in die goud- en ander buitelandse reserwes as gevolg van betalingsbalanstransaksies. Indien waardasie-aansuiwerings vanweë die swewing van die rand in berekening gebring word, het die totale goud- en ander buitelandse reserwes gedurende die derde kwartaal met R140 miljoen toeneem, vergeleke met R157 miljoen gedurende die tweede kwartaal. Sedert die herskikking van wisselkoerse in Desember 1971 het die goud- en ander buitelandse reserwes 'n volgehoue toename getoon, naamlik vanaf R570 miljoen aan die einde van November 1971 tot R1 004 miljoen aan die einde van September 1972. Die goudkomponent van die reserwes het gedurende die derde kwartaal verder gestyg vanweë die toevoeging van 'n gedeelte van nuutontginde goud tot die ampelike reserwes. Vanaf die einde van Junie het die goudreserwes vanaf R381 miljoen tot R451 miljoen aan die einde van September gestyg.

Netto invloeiing van kapitaal, 1972

R miljoene

| | 1ste kw. | 2de kw. | 3de kw. |
|---|------------|------------|-----------|
| Private sektor | 140 | 197 | 29 |
| Netto buitelandse aankope op die Johannesburgse Effektebeurs | 62 | 59 | 3 |
| Langtermynlenings van openbare korporasies en plaaslike owerhede | 19 | 35 | 97 |
| Ander langtermynkapitaal | 71 | 60 | 36 |
| Korttermynkapitaal, insl. netto foute en onaangetekende transaksies | -12 | 43 | -107 |
| Sentrale regering en banksektor | 6 | -60 | 33 |
| Langtermynlenings van die sentrale regering | -4 | -12 | 66 |
| Ander langtermynkapitaal | -9 | — | -4 |
| Korttermynkapitaal | 19 | -48 | -29 |
| Totaal | 146 | 137 | 62 |

Goud- en ander buitelandse reserwes



Ontwikkelings gedurende Oktober en November

Gedurende Oktober het die goud- en ander buitelandse reserwes van die Reserwebank met 'n verdere R79 miljoen gestyg, vanaf R859 miljoen aan die einde van September tot R938 miljoen op 27 Oktober 1972. Hierdie skerp toename was onder andere die gevolg van 'n waardasie-aansuiwering weens die devaluasie van die rand en vervroegings en vertraging wat in Suid-Afrika se guns gedraai het in afwagting van die hervasstelling van die randpariteit. 'n Ommekeer in die spekulatiewe invloed weens vervroegings en vertraging en die terugbetaling van semi-amptelike lenings en ander amptelike transaksies was hoofsaaklik vir die daaropvolgende skerp afname in die goud- en ander buitelandse reserwes van die Reserwebank na R893 miljoen op 3 November verantwoordelik. Daarna het dit weer tot R916 miljoen op 24 November toegeneem om die totale toename vanaf die einde van September op R57 miljoen te staan te bring.

Die maandsyfers van die Departement van Doeane en Aksyns het 'n verswakking in die handelsbalans gedurende Oktober getoon. Hierdie verswakking is hoofsaaklik veroorsaak deur 'n skerp styging in goedere-invoere vanaf 'n seisoensaangesuiwerde jaarkoers van R2 443 miljoen in September tot R3 174 miljoen in Oktober. Hierdie styging kan in 'n groot mate aan die dokstakings in die Verenigde Koninkryk en die insluiting van 'n Boeing-vliegtuig in die Oktober-invoere toegeskryf word. Nadat goedere-uitvoere teen 'n aansienlike koers gedurende die eerste nege maande van 1972 toegeneem het, het dit teen 'n seisoensaangesuiwerde jaarkoers vanaf R2 022 miljoen in September effens tot R1 990 miljoen in Oktober afgeneem.

Monetêre en banktoestand

Groot toename in hoeveelheid geld en kwasi-geld

Gedurende elkeen van die eerste drie kwartale van 1972 het die hoeveelheid geld en kwasi-geld teen 'n progressief vinniger koers toegeneem en vir die eerste nege maande van 1972 in sy geheel het dit teen 'n seisoensaangesuiwerde jaarkoers van meer as 13 persent gestyg. Die verhouding van die gemiddelde hoeveelheid geld en kwasi-geld tot die bruto binnelandse produk het gedurende die derde kwartaal van 1972 op 'n byna onveranderde peil van ongeveer 28,8 persent bly staan. Dit dui daarop dat as gevolg

Toename in die hoeveelheid geld en kwasi-geld

Seisoensaangesuiwerde jaarkoers

| Jaar | Kwartaal | Persentasie |
|--------------------|---------------|-------------|
| 1971 | | 7 |
| 1972-1ste kwartaal | | 9 |
| | -2de kwartaal | 12 |
| | -3de kwartaal | 18 |

Verhouding van geld en kwasi-geld tot bruto binnelandse produk



van die stygende pryse van goedere en dienste die redelik aansienlike toename in die hoeveelheid geld en kwasi-geld oor die afgelope drie kwartale slegs gelyke tred gehou het met die styging in die bruto binnelandse produk.

Oorsake van verandering in geld en kwasi-geld

Die toename in die hoeveelheid geld en kwasi-geld gedurende die derde kwartaal is weer eens, net soos gedurende die tweede kwartaal, grotendeels verklaar deur die volgehoue vinnige styging in die netto goud- en ander buitelandse reserwes. Bankkrediet aan die private sektor het gedurende die derde kwartaal egter ook aanmerklik gestyg en daardeur tot die toename in die hoeveelheid geld en kwasi-geld bygedra, terwyl dit gedurende die tweede kwartaal min verandering getoon het. Bankkrediet aan die regeringsektor het gedurende die derde kwartaal eweneens ietwat toe-

Oorsake van verandering in geld en kwasi-geld

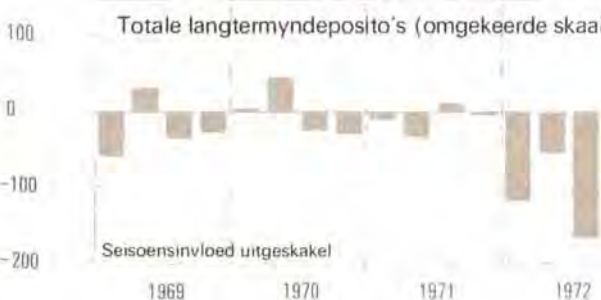
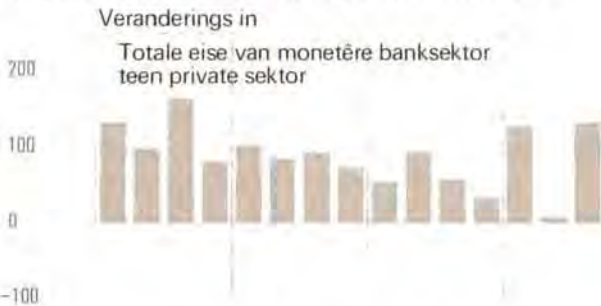
R miljoen

| | 1972 | | |
|---|------------|------------|------------|
| | 1ste kw. | 2de kw. | 3de kw. |
| Netto goud en ander buitelandse reserwes | 48 | 206 | 152 |
| Eise teen die regeringsektor: | | | |
| Bruto eise | 7 | 200 | 152 |
| Deposito's (toename -; afname +) | -103 | -139 | -123 |
| Netto eise | -96 | 61 | 28 |
| Eise teen die private sektor | 121 | -35 | 156 |
| Langtermyn private deposito's (toename -; afname +) | -117 | -31 | -164 |
| Netto ander laste en bates | -47 | 22 | 27 |
| Totale verandering in geld en kwasi-geld | -91 | 222 | 198 |

Monetêre ontleding



Oorsake van veranderings in geld en kwasi-geld



geneem, teenoor 'n daling gedurende die tweede kwartaal indien seisoensbewegings in ag geneem word. Die baie groot toename in die netto goud- en ander buitelandse reserwes sedert die begin van die jaar, en die uitwerking daarvan op die likwiditeit van die private sektor, het in werklikheid tot dusver nog nie gepaard gegaan met enige opmerkbare afname in die regeringsektor se netto skuldposisie teenoor die banksektor soos byvoorbeeld in 1968 die geval was nie. Langtermyndeposito's van die private sektor by die banksektor het, aan die ander kant, gedurende die derde kwartaal weer aansienlik gestyg en die toename in die geld- en kwasi-geld-aanbod verminder. Sedert die begin van 1972 het hierdie deposito's met heelwat meer as R300 miljoen toegeneem. Die gewildheid van langtermyndeposito's by banke sowel as bouverenigings was in werklikheid 'n belangrike kenmerk van die finansiële markte gedurende die eerste drie kwartale van 1972.

Bankkrediet aan die private sektor

'n Groot gedeelte (R87 miljoen) van die toename van R156 miljoen in bankkrediet aan die private sektor gedurende die derde kwartaal van 1972 word verklaar deur die seisoenstyging in kaskredietvoorskotte wat deur die Landbank toegestaan is. Die handelsbanke het hul krediet aan die private sektor gedurende die derde kwartaal met R33 miljoen verminder. Hoewel dit dui op 'n gebrek aan vraag na bankkrediet van sake-ondernemings teen die heersende uitleenkoerse, het die diskonteringe en voorskotte van die banke gedurende September taamlik aansienlik gestyg, terwyl voorlopige gegewens dui op 'n verdere aanmerkbare toename in die banke se uitleenbedrywighede gedurende Oktober. In teenstelling met die handelsbanke, het die krediet wat deur die aksepbanke en die monetêre huurkoop- en algemene banke aan die private sektor verleen is, gedurende die derde kwartaal met R106 miljoen gestyg, hoofsaaklik gedurende September. Diskonteringe en voorskotte was verantwoordelik vir R68 miljoen, waarvan ongeveer een-derde uit huurkoopkrediet bestaan het.

Nuwe metode van kredietbeheer

Die metode van kredietbeheer is verander met die aankondiging deur die Reserwebank van die afskaffing van die kredietplafonne vanaf 1 November 1972 en die instelling van aanvullende kontant- en likwiede batevereistes onder die gewysigde Bankwet wat eweneens vanaf daardie datum in werking getree het. Vanaf die datum van sertifisering van hul Maandopgawes ten opsigte van die einde van Oktober 1972 moet alle bankinstellings likwiede bates aanhou tot 'n bedrag wat minstens gelyk is aan die totaal van 45 persent van hul korttermynverpligtings, 28 persent van hul middeltermynverpligtings, 5 persent van hul langtermynverpligtings en 10 persent van hul aksepbankverpligtings. Daar is ook bepaal dat van die aanvul-

lende likwiede bates 'n bedrag van nie minder nie as 10 persent van hul korttermynverpligtings by die Nasionale Finansiële Korporasie gehou moes word.

Hoewel daar nog geen inligting beskikbaar is met betrekking tot die likwiditeitsposisie van die banke onder die nuwe voorskrifte nie, is die persentasies op so 'n peil vasgestel dat die oorskot likwiede bates van die banke ruimte vir verdere kredietverlening sal laat, veral in die lig van die stygende goud- en ander buitelandse reserwes wat hul likwiede bates laat toeneem. Onder die ou likwiede batevereistes het die oorskot-likwiede bateverhouding van die banke gedurende die derde kwartaal van 1972 tot meer as 6 persent gestyg, die hoogste verhouding sedert Februarie 1969.

Korttermynrentekoerse

Nadat dit in Augustus 1972 tot 'n lae peil gedaal het, het korttermynrentekoerse gedurende September en Oktober weer matig gestyg. So het die koers op VDS-e van 90 dae vanaf 5,0 persent op 25 Augustus tot 5,7 persent op 27 Oktober gestyg, terwyl die skatkiswissel-tenderkoers oor dieselfde tydperk vanaf 4,39 persent tot 4,92 persent gestyg het. Dit wil voorkom asof hierdie stygings verband gehou het met die laer koers van toename in die netto goud- en ander buitelandse reserwes, 'n verskuiwing van fondse na die regeringsektor, en die daling in krediet wat deur die Reserwebank en die Nasionale Finansiële Korporasie aan die Landbank verleen is.

Staatsfinansies

Met gegewens oor die Skatkisrekening tans vir die eerste helfte van die 1972/73 fiskale jaar beskikbaar d.w.s. vir die ses maande vanaf April tot September 1972, kan interessante vergelykings met die begrotingsramings gemaak word. Hierdie vergelykings toon byvoorbeeld 'n koers van toename in inkomste-belastingontvangstes gedurende die eerste helfte van die fiskale jaar wat aansienlik hoër is as waarvoor vir die fiskale jaar as geheel begroot is. Binnelandse inkomste-ontvangstes, hoofsaaklik in die vorm van inkomstebelasting, het gedurende die eerste helfte van die fiskale jaar met 23 persent gestyg, vergeleke met die ooreenstemmende tydperk die vorige fiskale jaar, teenoor 'n toename van 10 persent waarvoor in die begroting vir die 1972/73 fiskale jaar as geheel voorsien is. Terselfdertyd was leningsfondse wat deur die Skatkis veral aan organisasies soos die Suid-Afrikaanse Spoorweë, die Poskantoor, die Landbank en die provinsiale administrasies, voorsien is in totaal veel hoër gedurende die eerste helfte van die huidige fiskale jaar as gedurende voorafgaande jare, toe 'n groter gedeelte van hul leningsfondse gedurende die tweede helfte van die jaar opgeneem is. Gedurende die huidige fiskale jaar is 66 persent van die totale leningsbewilligings gedurende die eerste helfte van die jaar aan hierdie organisasies uitgereik, vergeleke met 28 persent gedurende die ooreenstemmende

tydperk die vorige jaar. Die netto resultaat van hierdie ontwikkelings was dat die tekort op die Skatkisrekening gedurende die eerste helfte van die fiskale jaar R403 miljoen bedra het, of ongeveer 50 persent van die tekort van R803 miljoen wat vir die 1972/73 fiskale jaar verwag word. Hierdie persentasie is heelwat hoër as dié van vorige jare en kan toegeskryf word aan die konsentrasie van leningsuitreikings gedurende die eerste helfte van die fiskale jaar, wat gewoonlik in die tweede helfte gemaak word.

'n Ander kenmerk van die staatsfinansies gedurende die eerste helfte van die 1972/73 fiskale jaar was dat die Skatkis nie slegs sy totale tekort deur middel van nie-bankbronne gefinansier het nie, maar ook sy netto skuldposisie teenoor die banksektor met R48 miljoen verminder het. Hierdie ontwikkeling, wat in skerp teenstelling met toestande gedurende die eerste helfte van die 1971/72 fiskale jaar staan, is hoofsaaklik teweeg gebring deur die gunstige reaksie op effekte-uitgiftes van die regering, hoofsaaklik gedurende Mei en Junie toe 'n netto bedrag van R472 miljoen opgeneem is, insluitende R78 miljoen deur die Staatsskuldkommissaris en R183 miljoen deur die private nie-banksektor. Op die nuwe uitgiftes gedurende Oktober 1972 is 'n netto bedrag van R47 miljoen ontvang, hoofsaaklik van die banksektor (R17 miljoen), versekeraars en pensioenfondse (R13 miljoen) en bouverenigings (R5 miljoen).

Die maatreëls wat deur die Regering aangekondig is om die ekonomie te stimuleer, soos die verslapping van huurkoopbeperkings, die verlaging van die Bankkoers en ander amptelike rentekoerse, die afskaffing van die kredietplafonne en die besluit om die 1966-leningsheffing in Desember terug te betaal, is in November uitgebrei toe verlagings in die verkoopreg op sekere produkte deur die Minister van Finansies aangekondig is. Dit het verskeie huishoudelike toerusting en toestelle, motors en ander passasiersvoertuie en sekere motorfietsse, outofietsse en fietsse met hulpmotors toegerus, ingesluit. Dié toegewings het op 17 November in werking getree.

Kapitaalmark

Die kapitaalmark het gedurende die derde kwartaal verder verruim. Bouverenigings het 'n groot bedrag aan bykomende fondse ontvang, die opbrengskoerse op vaste-rentedraende effekte het verder afgeneem en aandelepryse het hul styging volgehou.

Groot invloed van fondse na bouverenigings

Daar was gedurende die derde kwartaal 'n sterk toename in die vloei van fondse na depositonemende instellings. Nuwe beleggings in deposito's en bouverenigingaandele by handelsbanke, ander monetêre bankinstellings en bouverenigings het R447 miljoen of meer as dubbeld die vorige rekordinvloeiing gedurende die derde kwartaal van 1969, bedra. Soos die

Bouverenigings

R miljoene

| | Netto invloeiing van fondse | Toename in uitstaande voorskotte | Nuwe voorskotte toegestaan |
|---------------|-----------------------------|----------------------------------|----------------------------|
| 1971 | 329 | 342 | 583 |
| 1972—1ste kw. | 78 | 64 | 145 |
| —2de kw. | 111 | 74 | 208 |
| —3de kw. | 192 | 105 | 262 |

bygaande tabel aantoon, het die invloeiing van fondse na bouverenigings gedurende 1972, veral gedurende die derde kwartaal, aansienlik toegeneem. Die invloeiing van fondse gedurende die eerste nege maande van 1972 het in werklikheid reeds die totale invloeiing vir 1971 as geheel oorskry en alles dui daarop dat 1972 'n rekord-jaar vir die bouverenigings gaan wees. Hierdie groot invloeiing van fondse het voorgekom ten spyte daarvan dat die bouverenigings hul leenkoerse op 18 Augustus tot $\frac{1}{2}$ persent onder die maksimumkoerse wat onder bestaande rentekoersplafonne toelaatbaar is, verlaag het. Uitstaande voorskotte en nuwe voorskotte toegestaan het gedurende die derde

kwartaal van 1972 ook aanmerklik gestyg en nuwe rekordvlakke bereik. Boonop was dit ook vir bouverenigings moontlik om meer in staatseffekte en ander voorgeskrewe beleggings te belê.

Die toename in die invloeiing van fondse na bouverenigings het hulle in staat gestel om aan die grootste deel van die vraag na kleiner huislenings te voldoen, maar die bepaling in die Bouverenigingwet dat lenings groter as R15 000 nie meer as 25 persent van die verenigings se totale bates mag bedra nie, het dit moeiliker vir leners gemaak om groter lenings te bekom. Na samesprekings met die bouverenigings, het die owerhede hulle toegelaat om tydelik die 25 persent-perk met $2\frac{1}{2}$ persent te oorskry, tot tyd en wyl die Tegnieuse Komitee oor Bank- en Bouvereniging-wetgewing sy aanbevelings in dié verband gemaak het.

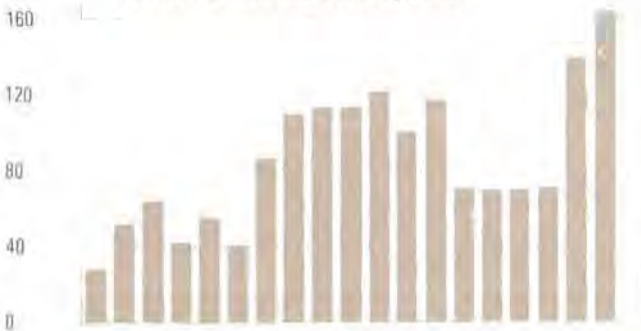
Verdere verruiming van die mark vir vaste-rentedraende effekte

Die opbrengskoers op langtermynstaatseffekte is op 10 Augustus 1972 vanaf $8\frac{1}{2}$ persent tot $8\frac{1}{4}$ persent en op 8 September tot $8\frac{3}{8}$ persent verlaag. Die opbrengskoerse wat op nuwe uitgiftes van langtermyn-semi-prima-effekte gekwoteer is, het reeds voor die

Bouverenigings

R miljoene

Toename in aandele en deposito's

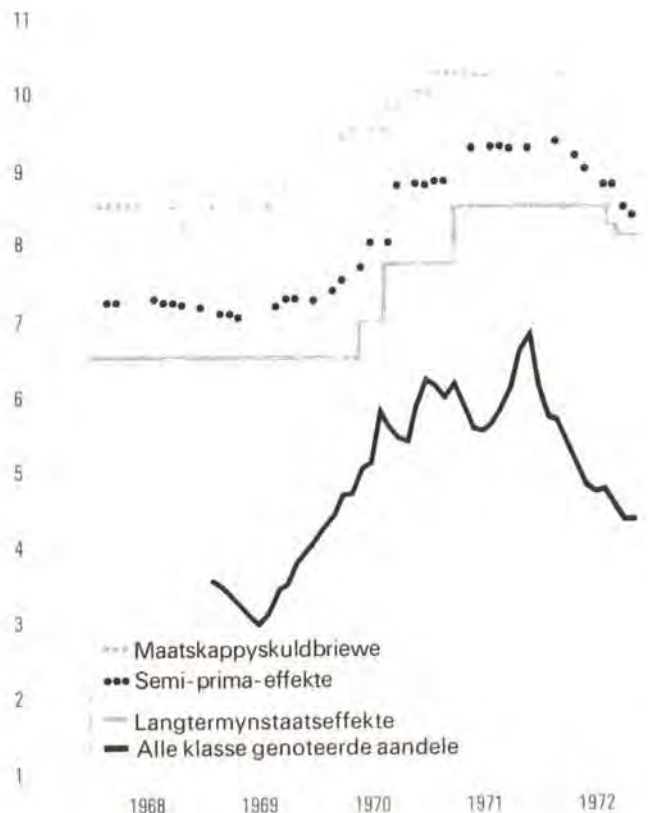


Nuwe verbandlenings toegestaan



Rente- en opbrengskoerse

%



afwaartse aanpassing in die opbrengskoers op staats-effekte begin afneem. Eersgenoemde koers het gedurende die eerste kwartaal van 1972 'n hoogtepunt van 9,35 persent bereik en daarná gedurende die daaropvolgende maande afgeneem tot 'n peil van 8,4 persent in Oktober 1972. Hierdie veranderings het tot gevolg gehad dat die gaping tussen hierdie opbrengskoers en dié op prima-effekte afgeneem het vanaf 0,85 persent gedurende die eerste kwartaal tot 0,26 persent in Oktober 1972. Hierdie marge is baie klein vergeleke met wat dit in die verlede was, en is inderdaad die laagste syfer wat die afgelope nege jaar aangeteken is. Dit is ook baie laer as die gemiddeld van 0,65 persent vir die afgelope dekade.

Volgehoue styging in aandelepryse

Die prysindeks vir alle klasse aandele het gedurende die derde kwartaal van 1972 verder gestyg en in Oktober min of meer onveranderd gebly. Die aantal aandele wat gedurende die derde kwartaal verhandel is, was egter kleiner as gedurende die voorafgaande kwartaal, gedeeltelik as gevolg van 'n afname in aankope deur buitelanders van aandele wat op die Johannesburgse Effektebeurs genoteer word. Bruto aankope deur buitelanders het vanaf R102 miljoen in die tweede kwartaal tot R62 miljoen in die derde kwartaal afgeneem, terwyl netto aankope 'n nog groter afname van R59 miljoen tot R3 miljoen in dieselfde tydperk getoon het. Hierdie afname kan in 'n groot mate toegeskryf word aan die instelling van valutabeheer op beleggings in sekere sterlinggebiedlande deur die owerhede in die Verenigde Koninkryk.

Dividendopbrengskoerse op aandele het verder afgeneem en het aan die einde van September 1972 4,4 persent vir alle klasse aandele bedra. Die omgekeerde rendementsgaping tussen hierdie opbrengskoers en dié op langtermynstaatseffekte het in September 1972 3,7 persent bedra, ongeveer dieselfde as in Junie.