

Quarterly economic review

General observations

After showing a moderate revival during the fourth quarter of 1972 and the first half of 1973, real economic activity increased at a high rate during the third quarter. The available national accounts statistics and other general economic indicators show that all sectors, with the exception of agriculture, shared in this accelerated upward movement. The largest contributions to the acceleration in the growth rate of real gross domestic product were made by the non-gold mining, manufacturing, commerce and transport, storage and communication sectors.

Except for inventory investment, all the expenditure components of domestic demand, as well as the higher merchandise exports and net gold output, contributed to the further expansion of economic activity during the third quarter of 1973. Of particular importance was the sharp revival in gross domestic fixed investment. After declining during the previous two quarters, fixed investment by public authorities increased sharply while fixed capital expenditure by the private sector also increased at a somewhat faster rate. Although small increases were registered in fixed investment by private manufacturing during both the second and third quarters, the average level for the first three quarters of 1973 was still below that of the same period of 1972.

After showing a surplus for six consecutive quarters, the overall balance of payments recorded a deficit of R63 million in the third quarter of 1973. This deficit was the net result of a large net capital outflow and a substantial surplus on current account. Repayments of foreign loans by the central government and the private sector and the switching of the financing of foreign trade from overseas to domestic sources of finance owing to the lower level of interest rates in South Africa than abroad were mainly responsible for the net outflow of capital. The surplus on current account, however, increased substantially in the third quarter, mainly because of a larger increase in the total of merchandise exports and the net gold output than in merchandise imports. During October and November various foreign developments occurred which affected South Africa's balance of payments.

A most welcome development was a significant slowing-down in the rate of increase in consumer prices from about April to October 1973, which was primarily attributable to a decline in the rate of

increase in food prices. The rates of increase in prices, and more particularly wholesale prices are, however, still on a high level.

The monetary and banking situation during the third quarter of 1973 was characterised by a continued rapid rise in the quantity of money and near-money and sustained large increases in bank credit to the private sector. As the net gold and other foreign reserves showed a decline, the further sharp rise in the quantity of money and near-money during the third quarter was based almost exclusively on the expansion of bank credit.

Conditions in both the money and capital markets changed appreciably during the course of the third quarter. As a result of an exceptional coincidence of events, conditions in the money market tightened during the last two weeks of August and short-term interest rates on various money market instruments increased markedly. During September the position remained fairly tight but eased somewhat during October. Short-term interest rates, however, generally tended to remain at the higher levels reached during September. With effect from 15 November, the commercial banks increased their prime lending rate by $\frac{1}{2}$ per cent to 8 per cent. Conditions in the capital market likewise tended to become tighter towards the end of the third quarter, as was evident from the lack of support for new issues at the existing yields in the market for long-term fixed-interest securities. Both stock exchange turnover and prices, with the exception of gold and coal mining shares, declined during the third quarter and dividend yields increased. Although the inflow of funds to building societies declined to a lower level, the amount of new advances granted reached a new record during the third quarter.

A feature of government finance during the first six months of the current fiscal year was a substantial build-up of government deposits. The cash balance on Exchequer Account, including funds available on the Stabilisation Account, reached a record level of as much as R1 157 million towards the middle of September. This development, which had a marked influence on money market conditions in the third quarter, was the net result of a high level of tax receipts, actual declines in Loan Account issues and large investments in government securities, particularly by the monetary banking sector. In accordance with expectations, however, government deposits subsequently began to decline.

National accounts

Acceleration in economic growth rate

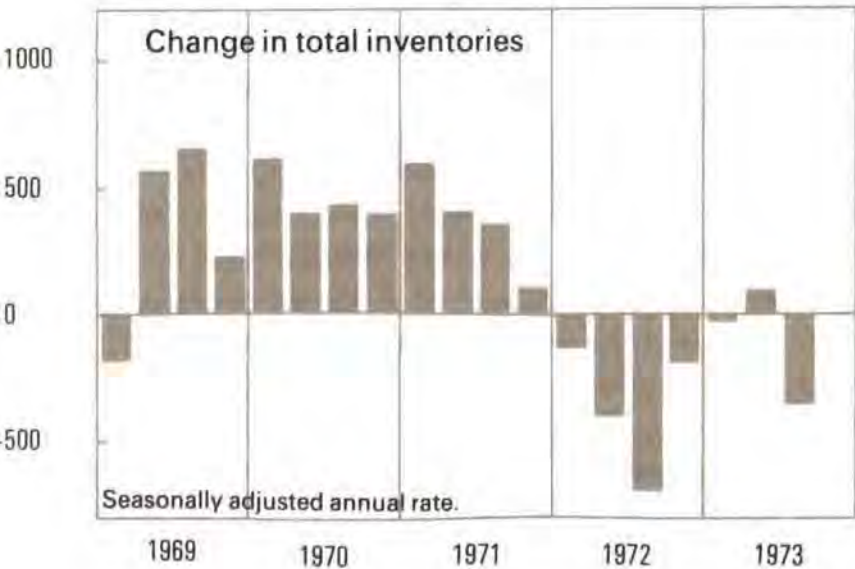
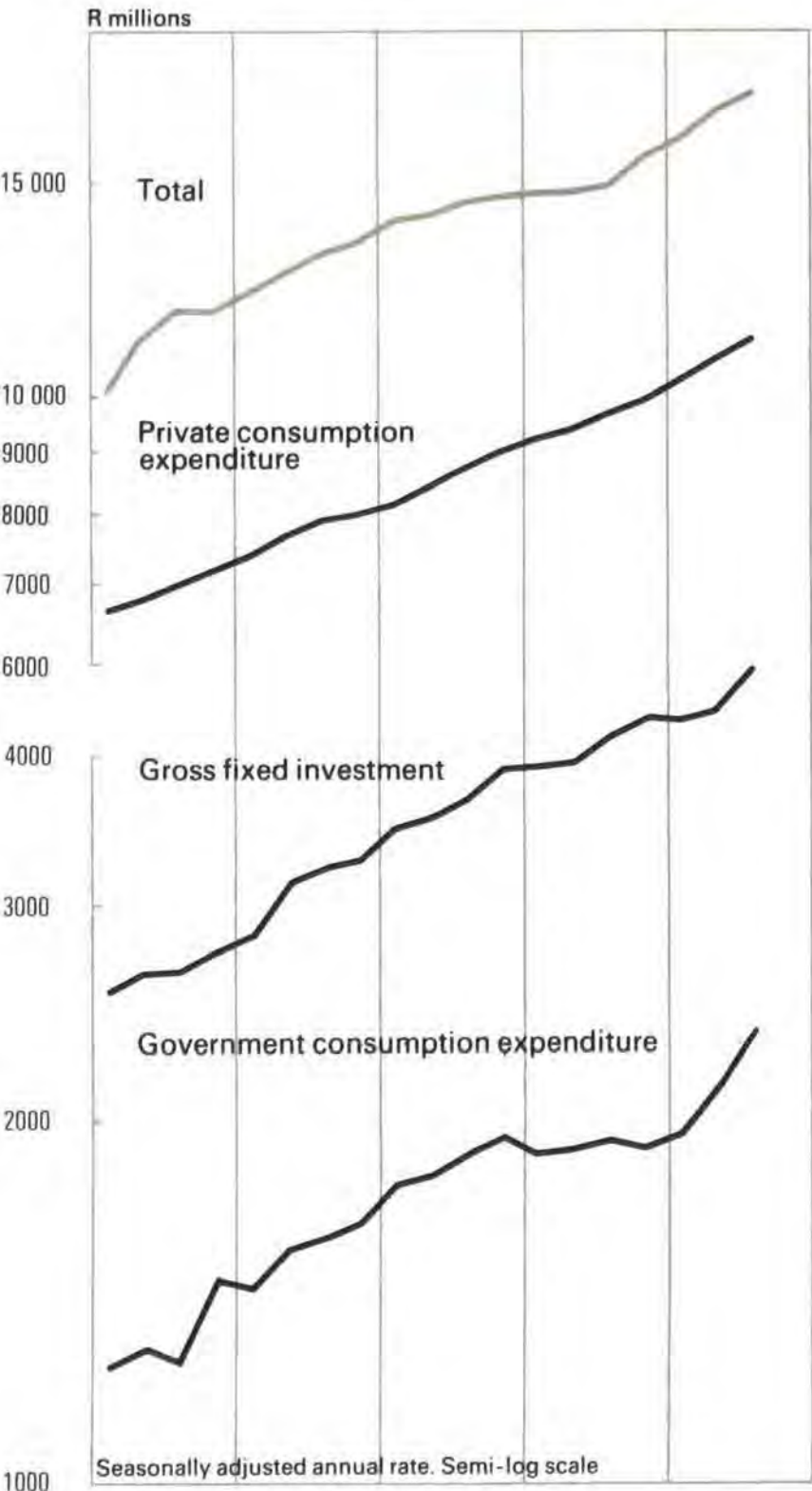
The moderate revival in real domestic economic activity experienced since the fourth quarter of 1972 gained further momentum during the third quarter. Although almost all sectors of the economy shared in the increase in real economic activity during this quarter, the largest contributions to the further acceleration in the growth rate were made by the sectors non-gold mining, manufacturing, commerce and transport, storage and communication. The improvement in the growth performance of the economy as a whole during the third quarter of 1973 was even more impressive when account is taken of the negative contribution to accelerated growth made by the agricultural sector.

At current prices, the exceptionally high rate of increase in gross domestic product recorded during the first quarter of 1973 was not maintained during the second quarter and declined slightly further during the third quarter. The reason for this disparity in changes in the rates of increase in the domestic product at constant and current prices was that the derived gross domestic product deflator, i.e. the measure of overall price movements in domestic production, increased at a much lower rate during the second and third quarters than in the first quarter of the year. The increase in gross domestic product at current prices recorded during the third quarter of 1973 was about equally distributed between the remuneration of employees and the gross operating surplus. Higher salaries and wages paid by the mining sector and public authorities were mainly responsible for the increase in remuneration of employees, while higher profits realised in the mining, manufacturing, and transport, storage and communication sectors accounted for the increase in the gross operating surplus. Although higher prices, such as the higher average gold price on the private market, contributed to the increase in profits, it would appear that the major contribution came from increased production, in particular in the non-gold mining and manufacturing sectors.

Pronounced further rise in total monetary demand

During the third quarter of 1973, total domestic demand as measured by total gross domestic expenditure increased at a high rate. All components of aggregate expenditure, with the exception of inventory investment, together with higher merchandise exports and net gold output, contributed to the further expansion of economic activity in the third quarter of 1973.

Gross domestic expenditure



Percentage change in private consumption expenditure

	1972	First three quarters of 1973
At current prices:	11	14
Durable goods	11	21
Semi-durable goods	8	14
Non-durable goods	12	16
Services	12	11
At constant 1963 prices:	3½	5
Durable goods	4	11
Semi-durable goods	2	6
Non-durable goods	4	4
Services	4	4

High rate of increase in private consumption expenditure at current prices

After increasing at a relatively high rate during the second quarter of 1973, private consumption expenditure at current prices increased at a markedly lower rate during the third quarter. This development was, however, mainly attributable to a notable decline in the rate of increase in consumer prices in general. Real private consumption expenditure increased at about the same rate as during the previous quarter.

Consumer outlays on durable and semi-durable goods, such as motor cars, furniture and household appliances, and clothing and footwear, at current as well as constant prices, continued to increase at relatively high rates. Expenditure on non-durable goods and services at current prices, on the other hand, registered a much lower rate of increase, mainly owing to a lower rate of price increase, particularly food prices. At constant prices, the rate of increase in expenditure on non-durable goods and services showed little change.

The overall upturn in consumer demand in general, and for durable and semi-durable goods in particular, is best illustrated by the accompanying table which shows the increase in consumer expenditure recorded for 1972 and for the first three quarters of 1973 compared with the same period of 1972.

Increase in government consumption expenditure

Current expenditure of general government on goods and services, which had already shown a rise during the second quarter of 1973 partly as a result of salary and wage adjustments effective from 1 April, showed another substantial increase during the third quarter of 1973. This was particularly noticeable in the consumption expenditure of both the central government and provincial administrations. In the case of the former the increase was of a general

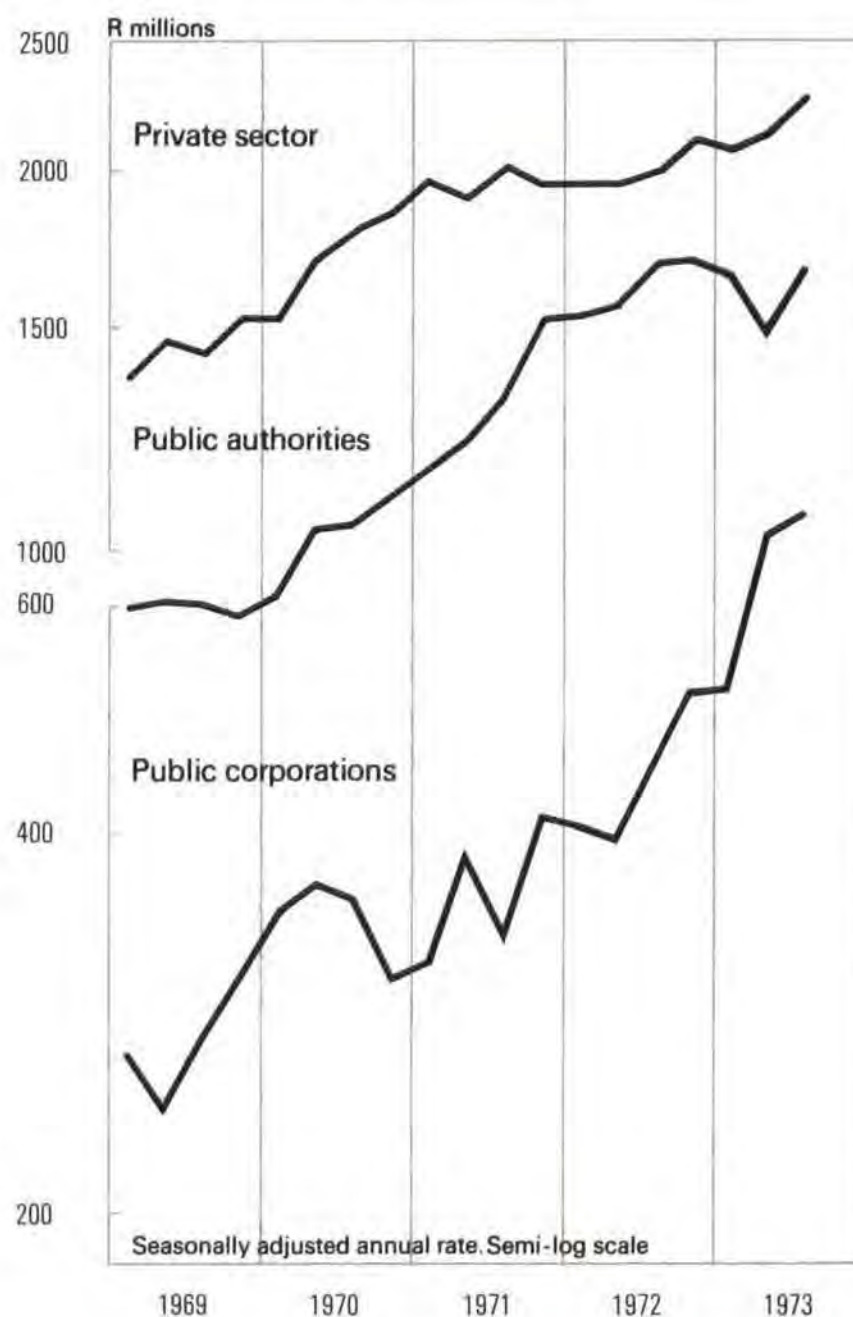
nature, whereas the upward movement in consumption expenditure of provincial administrations resulted particularly from higher current expenditure on education and the maintenance of roads and bridges.

Welcome revival in gross domestic fixed investment

Gross domestic fixed investment, which had remained sluggish during the first half of 1973, showed a marked increase during the third quarter of 1973. Increased outlays on new buildings and construction works and on new transport equipment and machinery and other equipment contributed about equally to this acceleration in total fixed investment.

The largest increase in fixed capital outlays during the third quarter of 1973 occurred in the case of public authorities. In fact, this increase marked a quite notable reversal of the downward trend observed since the beginning of 1973 and was mainly accounted for by higher fixed investment expenditures by the general departments of public authorities on com-

Gross domestic fixed investment at current prices



munity and social services and by increased outlays by the Post Office on new machinery and equipment.

Fixed capital outlays by the private sector also recorded a noteworthy increase during the third quarter of 1973, mainly in the form of larger expenditures on transport equipment and machinery and other equipment. The major portion of the increase in new outlays occurred in the mining sector and was about equally divided between gold mines and other mines. The new investment in gold mines was attributable to the sinking of new shafts, as a result of the favourable price of gold on the private market, whereas fixed capital expenditures of non-gold mines could be ascribed to new projects and extension programmes, especially by platinum mines. Revised estimates for private manufacturing indicate a small upturn in fixed investment during the second quarter of 1973 and this slight upward tendency was maintained during the third quarter. Nevertheless, the average level of fixed investment by private manufacturing during the first three quarters of 1973 was still substantially lower than the level of the corresponding period in 1972.

After increasing very strongly during the second quarter of 1973, fixed capital outlays by public corporations showed only a small further increase during the third quarter of 1973. The increase in expenditure of manufacturing concerns, in particular ISCOR, was almost neutralised by a reduction in the outlays of corporations providing electricity and water.

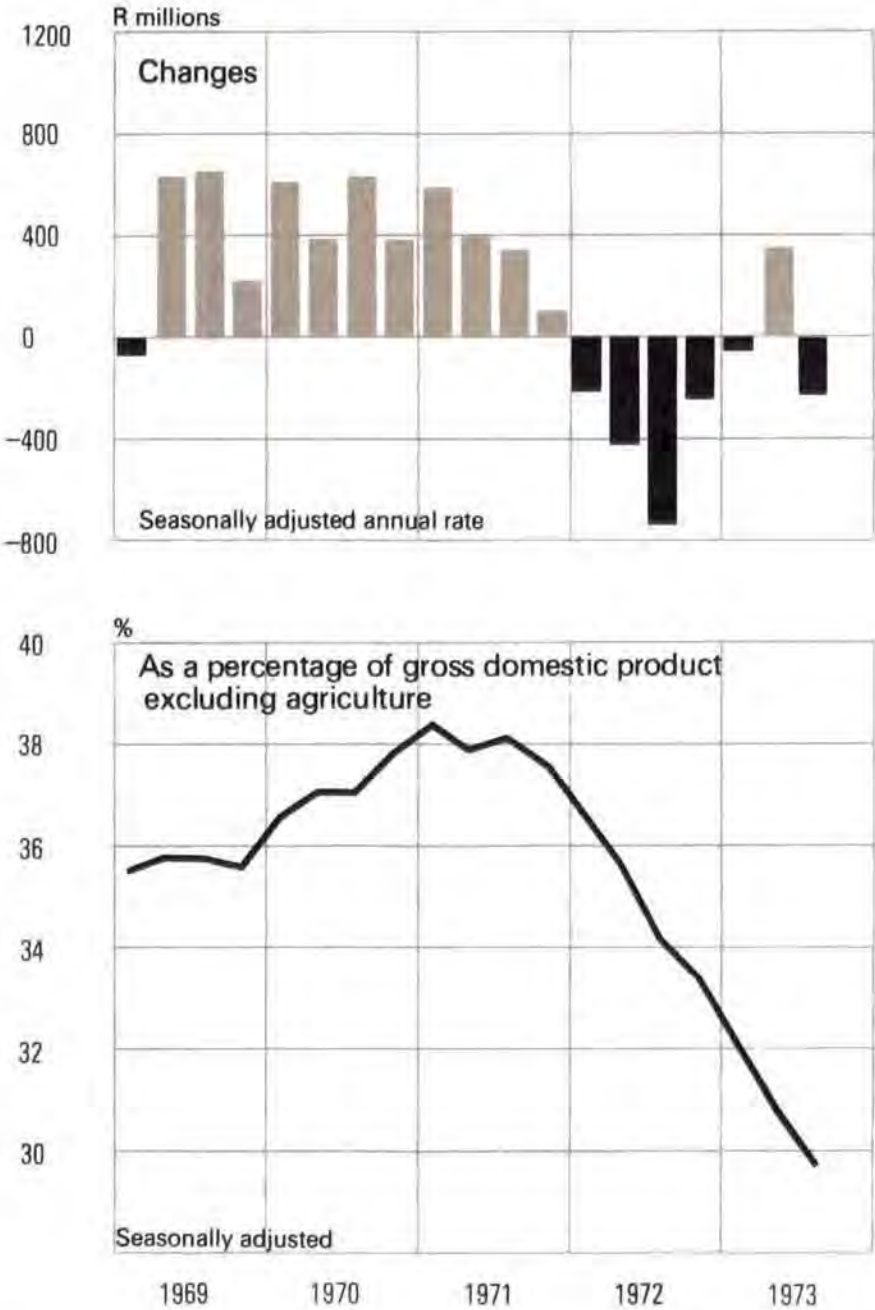
Decline in level of inventories

After a relatively small net addition to inventories in the second quarter of 1973, the level of inventories declined during the third quarter. This decline in inventories may possibly partly be ascribed to the worldwide shortage of certain basic raw materials. An increase in industrial and commercial inventories was more than neutralised by a decline in agricultural stocks in trade. It would appear, therefore, that the increases in domestic production and imports were completely taken up by higher consumption expenditure, fixed investment and exports and that little was left for addition to inventories.

Further increase in domestic saving

Mainly as a result of large increases in corporate saving and the current surplus of general government, gross domestic saving again exceeded gross domestic investment, with the result that funds were available to reduce South Africa's net indebtedness to the rest of the world. The increase in corporate saving was mainly attributable to larger profits in general while the increase in the current surplus of general government was due to a marked increase in tax receipts. Provision for depreciation showed its normal increase whereas personal saving remained at approximately the same level reached in the second quarter.

Total inventories excluding agricultural stocks

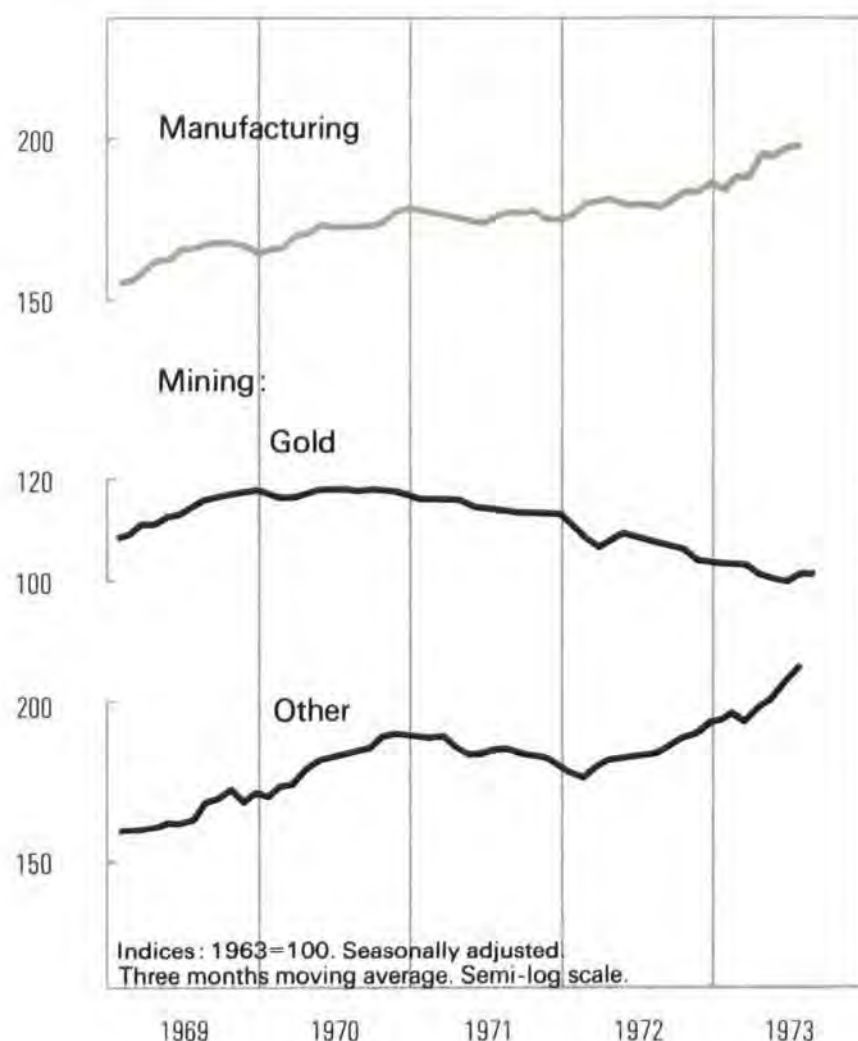


Production, trade and employment

With the rate of increase in the real gross domestic product increasing for the fourth consecutive quarter, there can be no doubt that the South African economy is in an upward phase of the business cycle. Various general economic indicators, reflecting mainly real economic activity, showed sharp increases during the second and third quarters of 1973. The upsurge in economic activity was furthermore accompanied by an increase in labour productivity and the better utilisation of production capacity.

After two years of very slow growth, manufacturing production increased at a relatively high rate during the first nine months of 1973. During this period, the seasonally adjusted index of the physical volume of

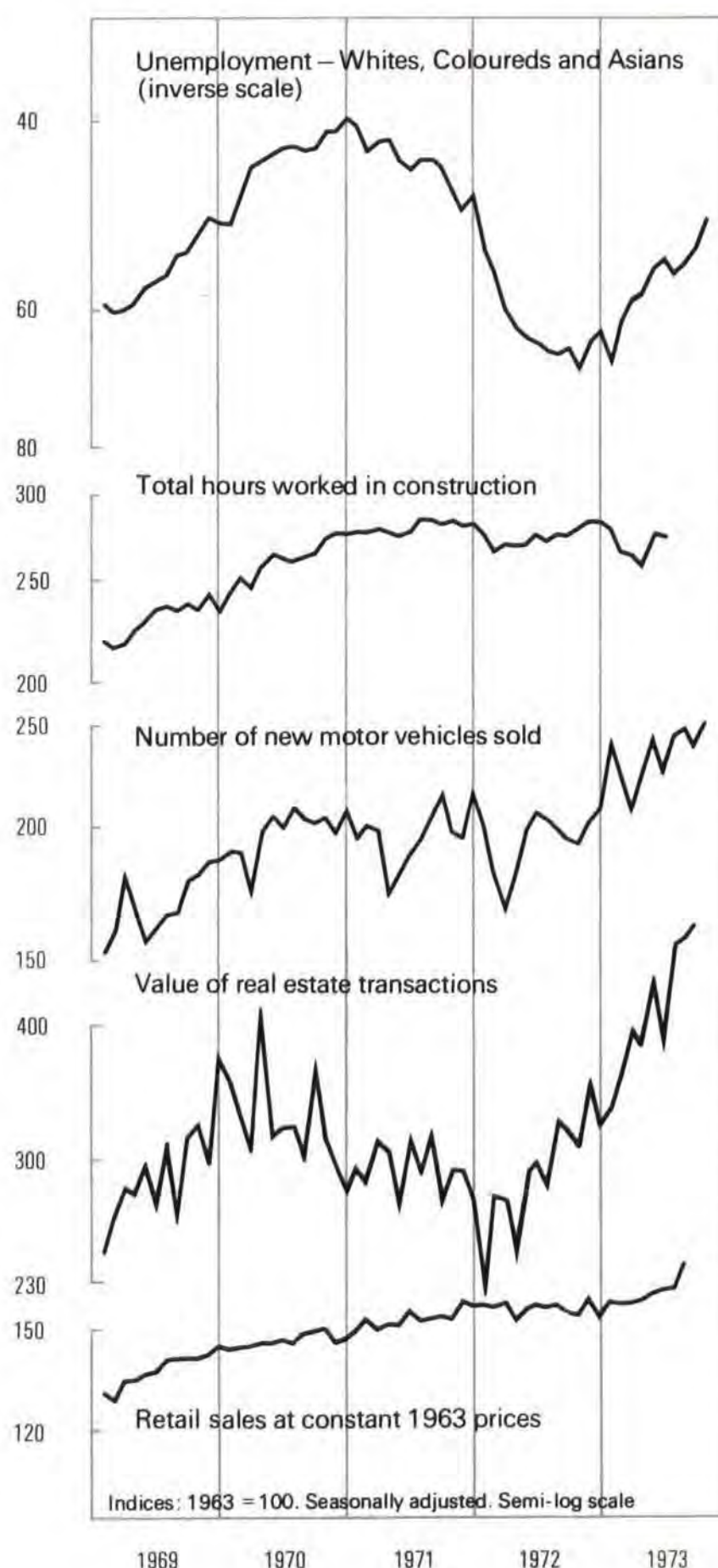
Physical volume of production



manufacturing production was on average nearly 9 per cent higher than during the corresponding period of 1972. This acceleration in the rate of increase in the volume of production was primarily the result of a higher rate of increase in the production of durable goods. Moreover, a very high rate of increase in the value of unfilled orders for both durable and non-durable goods recorded during the first three quarters of 1973, indicates that a further increase in manufacturing production may be expected during the remainder of 1973 and in early 1974. The acceleration in the rate of increase in manufacturing production was accompanied by a marked rise in the utilisation of production capacity.

In contrast to a decline of 4,4 per cent in total mining production recorded in 1972, the volume of production was on average 3,2 per cent higher in the first nine months of 1973 than in the comparable period of 1972. The upturn in mining production was particularly pronounced after April 1973, firstly as a result of a marked acceleration in the rate of increase of non-gold mining production and, secondly, as a result of a slight increase in gold mining production. The average of the index of non-gold mining production for the first nine months of 1973 was 14,1 per cent higher than during the comparable period

General economic indicators



of the previous year. Increases in the production of platinum, coal, manganese ore and building materials made the largest contributions to this high rate of increase. After declining almost continuously since the middle of 1970, the volume of gold production levelled out during the second quarter of 1973 and even showed a slight increase in the third quarter.

The value of residential building plans passed and residential buildings completed continued to rise strongly during the third quarter of 1973, whereas the comparable figures for non-residential construction showed little change. Residential construction was facilitated by a further sharp increase in new advances granted by building societies for new buildings during the third quarter. Judged by the relatively sharp and continued increase in cement production and the production of other non-metallic mineral products (mostly used by the construction industry) since the fourth quarter of 1972, building and construction activity in general would appear to be buoyant.

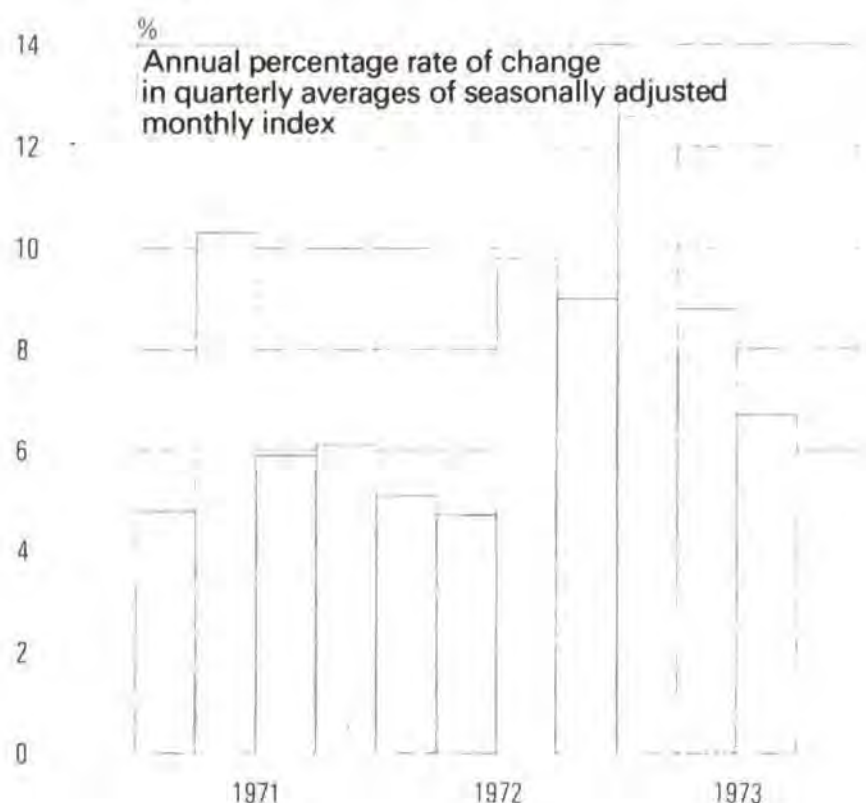
After increasing moderately during the first four months of 1973, the value of retail sales at constant prices rose markedly during the four months ended August. Mainly as a result of the sharply increasing tendency in motor car sales, the motor trade experienced buoyant trading conditions during the first nine months of 1973. During the first ten months of 1973, the total number of new motor vehicles sold rose by no less than 21½ per cent and the number of new motor cars sold increased by as much as 31 per cent when compared with the same period of the previous year. In contrast with the continued increasing tendency of motor car sales, the volume of commercial vehicle sales which had been attained in the first quarter of 1973 remained more or less unchanged in the subsequent months to October.

Marked increases in the value of transactions in fixed property, imports, exports and bank debits are further indicators of buoyant conditions experienced by most sectors of the economy. The upward trend in economic activity since the fourth quarter of 1972 was also reflected in the seasonally adjusted number of unemployed Whites, Coloureds and Asians, which declined from 13 326 in October 1972 to 9 677 in October 1973.

Prices

After increasing at the exceptionally high annual rate of 11,4 per cent from June 1972 to March 1973, the annual rate of increase in the seasonally adjusted index of consumer prices showed an encouraging decline to 7,8 per cent from March to October 1973. The slowing-down in the annual rate of increase was primarily attributable to a decline in the annual rate of increase in food prices from 20,8 to 9,5 per cent during these two periods. This favourable turn in the rate of increase in prices should be interpreted with caution as the rate of increase in food prices accelerated again during the three months ended October, resulting in a higher rate of increase in overall prices. Moreover, the increase in the prices of petroleum products effective from 25 October, will only be reflected in the official price indices from November.

Consumer prices



From December 1972 to September 1973, the seasonally adjusted consumer price index rose at an annual rate of 9,8 per cent. Prices of goods increased at an annual rate of 10,5 per cent during this period with the most important contributions to this increase coming from food prices, which rose at an annual rate of no less than 17,9 per cent, and clothing and footwear prices. Large contributions to the high annual rate of increase in food prices were, in turn, made by grain products (which rose at an annual rate of 21,0 per cent), meat (19,4 per cent), vegetables (28,2 per cent) and fruit and nuts (30,9 per cent). Prices of services continued to rise at a relatively rapid rate throughout the first ten months of 1973.

Consumer prices

Annual percentage rate of change in seasonally adjusted index.

	June 1972 to March 1973	March 1973 to Oct. 1973	Dec. 1972 to Oct. 1973
Services:	9,8	8,1	8,7
Housing	9,5	6,6	7,8
Other	10,2	10,8	10,2
Goods:	12,4	7,6	10,5
Food	20,8	9,5	17,9
Furniture and equipment	7,9	5,7	6,5
Clothing and footwear	6,8	10,3	10,2
Purchase of vehicles	6,3	3,8	1,3
Other	7,6	5,6	5,1
Total	11,4	7,8	9,8

From December 1972 to September 1973 the seasonally adjusted wholesale price index rose at an annual rate of no less than 15,7 per cent. A significant development observed during this period was the fact that prices of goods produced in South Africa registered a higher annual rate of increase than imported goods, viz. 16,5 per cent as against 13,3 per cent.

Balance of payments

Deficit on overall balance

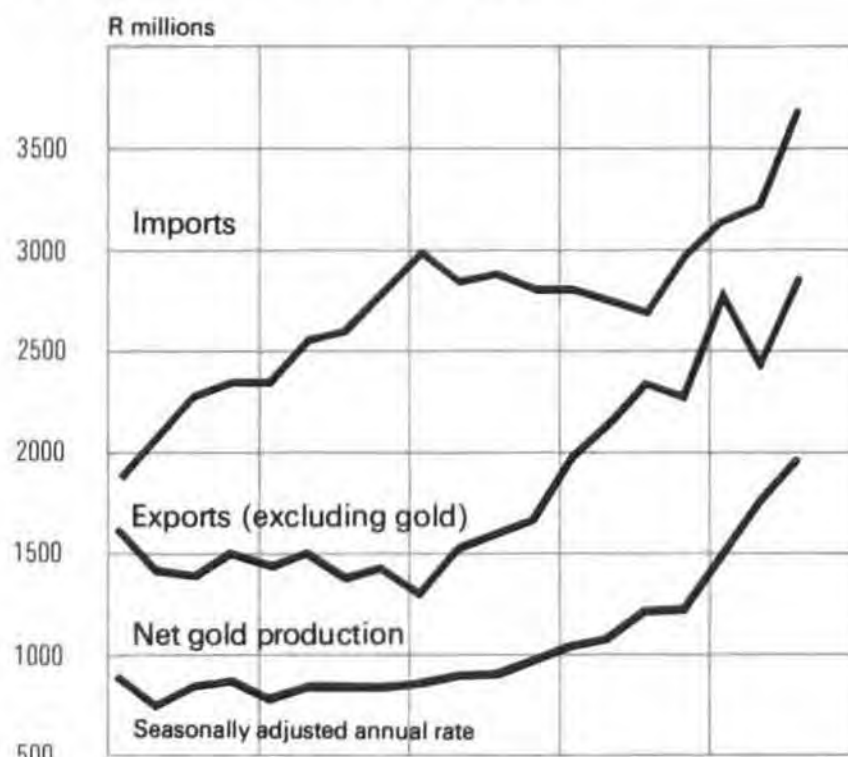
After the overall balance of payments had shown a surplus for six consecutive quarters, a deficit amounting to R63 million was recorded in the third quarter of 1973. For the first nine months of the year the surplus on the overall balance amounted to R220 million, compared with a surplus of R338 million in the corresponding period of 1972. This slight deterioration occurred notwithstanding the fact that the balance on current account continued to be favourable, and was caused by a substantial net outflow of capital during the third quarter. The outflow was mainly the result of repayments of foreign loans by the central government and the private sector, and the switching of the financing of foreign trade from overseas sources to local bank credit because of the lower level of interest rates prevailing in South Africa than abroad.

Large surplus on current account

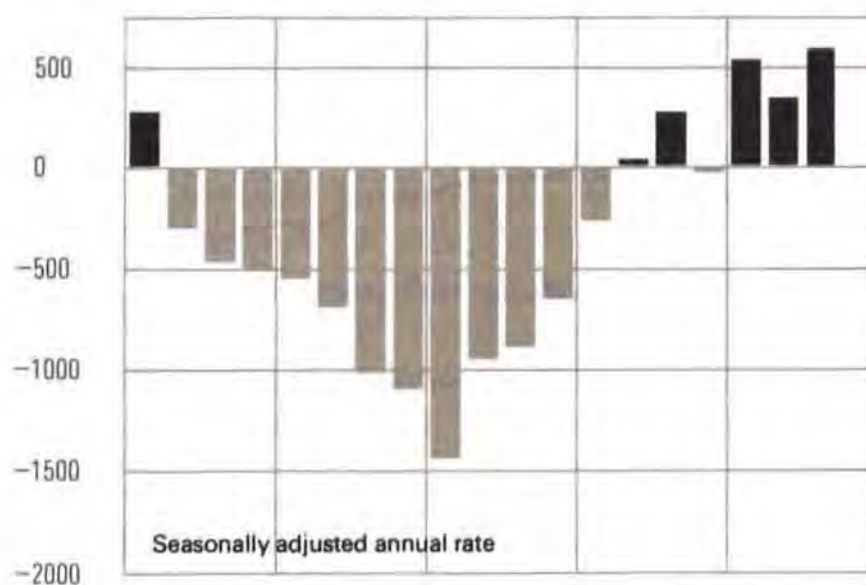
During the third quarter the balance of payments on current account showed a surplus of R162 million, this being the third consecutive quarterly surplus. This brought the total surplus for the first nine months of 1973 to no less than R396 million, compared with a surplus of only R69 million during the corresponding period of 1972. During the course of these three quarters the surplus on current account first declined from a seasonally adjusted annual rate of R533 million in the first quarter to R338 million in the second quarter, before increasing again to R519 million in the third quarter. The substantial increase in the surplus on current account during the past quarter was the net result of a sharp rise in merchandise exports and net gold output which more than offset the large increase in merchandise imports. Net invisible payments to the rest of the world remained on more or less the same level.

Merchandise exports increased substantially from a seasonally adjusted annual rate of R2 432 million in the second quarter to R2 867 million in the third quarter of 1973. During the latter quarter, however, important changes occurred in the contribution of the main categories of export products to the increase in exports. Whereas increases in the exports of agricultural products and diamonds had been mainly responsible for the revival in merchandise exports during the previous year and a half, diamonds, base

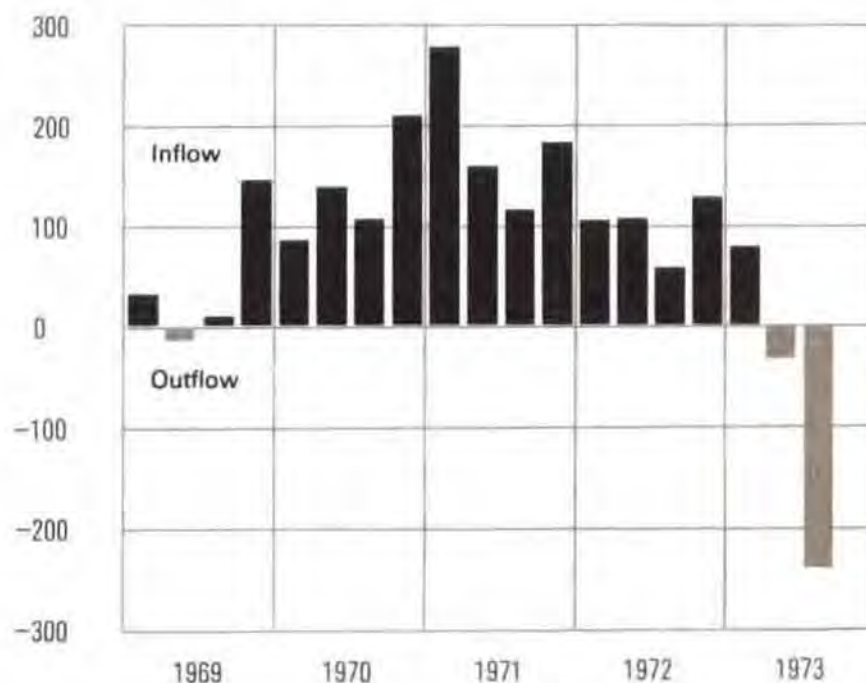
Balance of payments current account



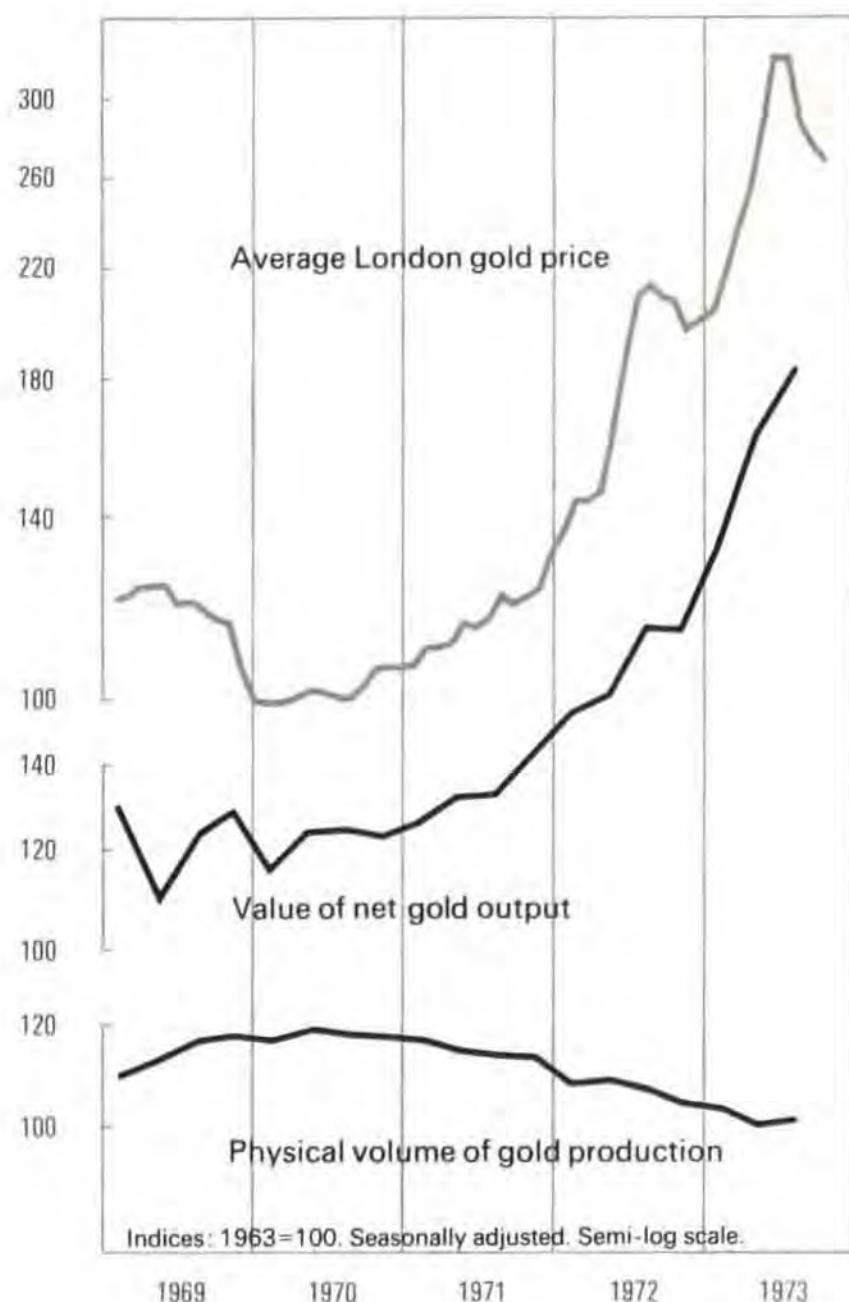
Balance on current account



Total capital movements



Net gold output



metals, textiles and mineral products made the largest contributions to the increase during the third quarter. During this quarter the value of exports of agricultural products actually declined.

The value of the net gold output again increased substantially during the third quarter and at a seasonally adjusted annual rate amounted to as much as R1 972 million. In contrast to the preceding quarters, the increase in net gold output in the third quarter was not only the result of an increase in the average gold price on the private market, but was also partly due to an increase in the volume of gold production.

The value of merchandise imports, which had started to rise in the fourth quarter of 1972, continued to increase during the third quarter of 1973. After having reached a seasonally adjusted annual rate of R3 235 million in the second quarter, imports increased to no less than R3 684 million in the third quarter of 1973. This substantial rise can be attributed not only to the higher prices of imported goods due to

high inflation rates experienced abroad, but also to an increase in the volume of imports as a result of an acceleration in domestic expenditure. Although most of the main categories of imported goods contributed to the increase in merchandise imports, particularly large increases occurred in the imports of machinery and electrical equipment, transport equipment, textiles and textile products, base metals and chemical products.

Substantial net outflow of capital

A substantial net outflow of capital amounting to R225 million was recorded during the third quarter of 1973. Together with the net inflow of capital measured during the first half of the year, the net outflow for the first nine months of 1973 amounted to R176 million, compared with a net inflow of R269 million during the corresponding period of 1972.

As shown in the accompanying table, the composition of capital movements in the third quarter of 1973 differed considerably from that in the second quarter. In contrast to the second quarter, when public corporations still borrowed a large net amount of funds abroad, a small net repayment was made on long-term loans by these organisations during the third quarter. In addition, both the private sector and the central government and banking sector showed large outflows of long-term capital during this quarter. The net outflow of short-term capital during the third quarter was, in turn, mainly accounted for by the switching by importers of a large amount of financing of international trade from foreign to domestic sources.

The substantial net capital outflow during the third quarter can to a large extent be attributed to the lower interest rate structure prevailing in South Africa than abroad and to the availability of funds in the domestic money and capital markets. In particular, these factors

Net capital movements

R millions

	1973	
	Second quarter	Third quarter
Private sector:	-17	-161
Foreign long-term loans by public corporations	58	-3
Other long-term capital	1	-69
Short-term capital, including trade credits, errors and unrecorded transactions	-76	-89
Central government and banking sector:	-13	-64
Long-term loans of central government	42	-68
Other	-55	4
Net capital movements	-30	-225

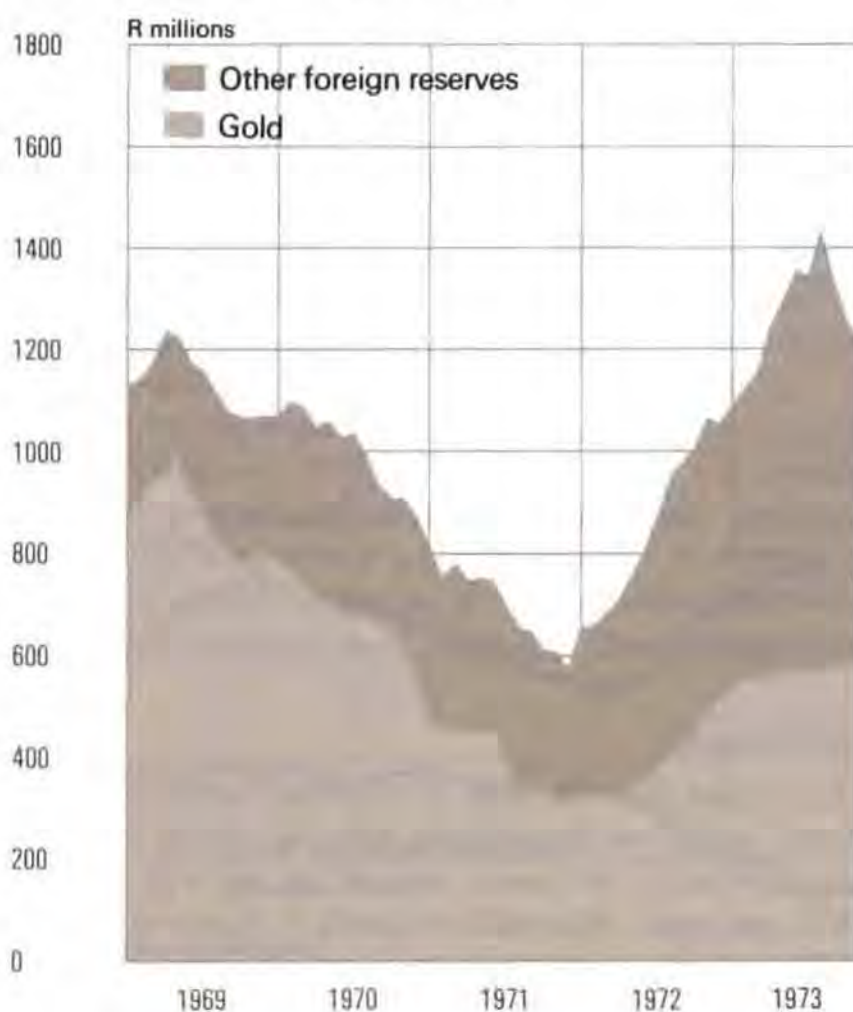
contributed to the large repayments of foreign loans by the central government.

Decrease in gold and other foreign reserves

As a net result of these various transactions on current and capital account, the gold and other foreign reserves declined by R63 million during the third quarter of 1973. If adjustments due to changes in the exchange rate of the rand are taken into account, the gold and other foreign reserves declined by as much as R98 million. This decline was reflected entirely in the foreign exchange holdings of the Reserve Bank, as the gold reserves of the Bank actually increased slightly during the quarter. The gold and other foreign reserves of the central government and other monetary banking institutions remained almost unchanged.

During the course of the third quarter changes in the gold and other foreign reserves showed wide fluctuations depending to a large extent on the date of repayment of foreign loans and the recording of valuation adjustments. After increasing by no less than R89 million in July to reach a record level of R1 430 million at the end of the month, the gold and other foreign reserves subsequently declined substantially by R187 million to a level of R1 243 million at the end of September, of which the Reserve Bank held R1 080 million.

Gold and other foreign reserves



Developments during October and November

From 30 September the gold and other foreign reserves held by the Reserve Bank increased by R23 million to R1 103 million on 26 October, before declining by R111 million to R992 million on 16 November. As during the third quarter, this decline was mainly reflected in the foreign exchange holdings of the Reserve Bank. The foreign reserves of the central government showed little change during October.

Monthly trade figures released by the Department of Customs and Excise showed a continued large deficit on the merchandise trade account which amounted to R104 million in October 1973. This deficit occurred notwithstanding a sharp increase in merchandise exports. After declining from a seasonally adjusted annual figure of R2 588 million in July to R2 183 million in September, merchandise exports increased to no less than R2 490 million in October. On the other hand, merchandise imports also increased considerably from a seasonally adjusted annual rate of R3 682 million in September to R3 810 million in October.

On the international front, various developments occurred during October and November which affected South Africa's balance of payments. On 6 October war broke out in the Middle East, which led to restrictions on oil exports by most of the oil producing countries in that area and also to higher oil prices. From the end of October the value of the dollar strengthened considerably and consequently a corresponding appreciation occurred in the external value of the rand. Overseas interest rates remained on a high level and tended to strengthen, while the average gold price on the London market declined. On 13 November the United States and six Western European countries (Belgium, West Germany, the United Kingdom, the Netherlands, Italy and Switzerland) agreed to terminate the 1968 gold agreement under which a two-tier market for gold was established. The initial effect of this development was a further lowering of the price of gold.

Monetary and banking situation

Money and near-money

During the third quarter of 1973 the seasonally adjusted quantity of money and near-money increased by R281 million or at an annual rate of 22 per cent. This compares with a seasonally adjusted annual rate of increase of 21 per cent during the second quarter and of no less than 40 per cent during the first quarter of the year. For the first nine months of 1973 as a whole the annual rate of increase amounted to 28 per cent. As a result of the third-quarter rise in money and near-money, the ratio of money and near-money to the gross domestic product, both seasonally adjusted,

rose slightly further from 29,5 per cent in the second quarter to 29,7 per cent in the third quarter.

The continued strong upward movement of money and near-money during the third quarter was due almost entirely to further large increases in bank credit, in particular to the private sector. The net gold and other foreign reserves of the banking sector, which had increased almost without interruption from the end of 1971 up to the end of July 1973, declined fairly substantially (by R110 million, seasonally adjusted) during August and September; a further mild decline would appear to have occurred during October. Net claims of the banking sector on the government sector, having decreased by roughly R200 million from the end of the first quarter of 1973 to the end of August, increased markedly by R126 million during September because of a decline in government deposits.

During the third quarter claims of the monetary banking sector on the private sector increased by R417 million or at an annual rate of 37 per cent; this compares with increases of R416 million and R371 million during the second and first quarters of the year, respectively. The total increase in bank credit to the private sector during the first nine months of the year accordingly amounted to slightly over R1 200 million or to an annual rate of increase of 39 per cent. Marked fluctuations occurred, however, in the monthly

amounts of these increases. Following upon a very large rise of R236 million during August, the September increase was only R59 million.

As during the second quarter of the year, the effect of the various factors contributing to the rise in money and near-money continued to be offset to a not insignificant extent by marked further rises in long-term deposits of the private sector with the monetary banking sector. During the third quarter of the year the seasonally adjusted increase in these deposits amounted to R119 million, which was, however, substantially less than the increase recorded during the preceding three months.

Bank credit

Contrary to developments during the second quarter of 1973, during which monetary banks also made substantial additions to their investments in private sector securities, the increase in banking sector claims on the private sector during the third quarter was entirely accounted for by increases in the banks' discounts and advances. Commercial banks, merchant banks and monetary hire-purchase and general banks actually increased their discounts and advances by R485 million compared with an increase in these forms of credit of R488 million for the banking sector as a whole. Among the various classes of monetary banking institutions, the fastest rate of increase in the expansion of discounts and advances to the private sector was once more recorded by the monetary hire-purchase and general banks. From the end of December 1972 up to the end of September 1973 the percentage increase in the discounts and advances to the private sector of these two classes of monetary banking institutions amounted to no less than 50 per cent. The corresponding percentage increases in lending by the commercial and merchant banks were 37 per cent and 39 per cent, respectively.

Lending by means of discounting of bankers' acceptances and trade and agricultural bills continued to rise faster than the total of the monetary banks' discounts and advances to the private sector. Indeed, during the third quarter of 1973 monetary banks' holdings of private bills of exchange and bankers' acceptances increased by no less than R130 million to R680 million, or by 24 per cent. Virtually all of this increase occurred, however, during July and August.

Bank liquidity

The excess liquidity ratio of monetary banking institutions, which at the end of July 1973 had been on approximately the same level as at the end of April (4,5 per cent), declined sharply to 2,3 per cent at the end of August and showed only a relatively mild recovery during September. Apart from reflecting the effects of the banks' rapid expansion of credit, the August decline in this ratio was also a result of factors,

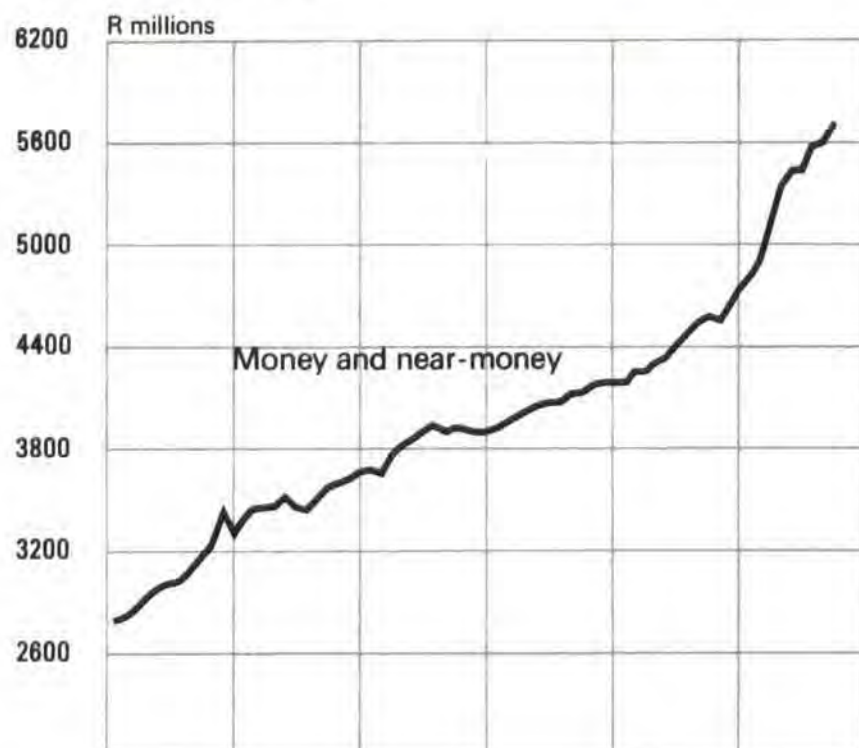
Causes of changes in money and near-money, 1973

R millions

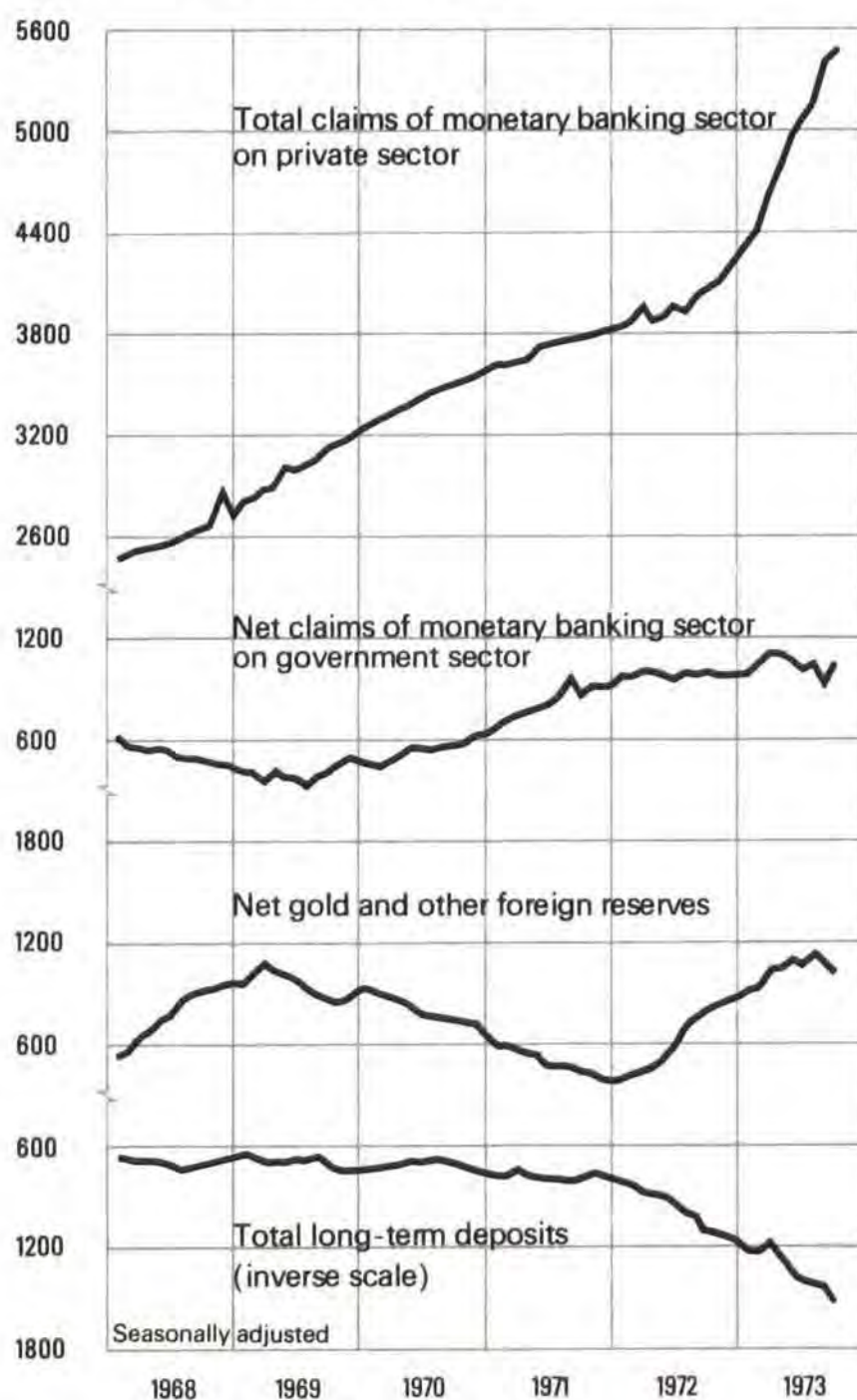
	Not seasonally adjusted			Seasonally adjusted		
	1st qtr.	2nd qtr.	3rd qtr.	1st qtr.	2nd qtr.	3rd qtr.
Net gold and other foreign reserves	169	105	-133	160	34	-64
Claims on government sector:						
Gross claims	143	286	104	143	286	104
Government deposits*	-228	-270	-78	-228	-270	-78
Net claims	-85	16	26	122	-113	49
Claims on private sector	361	363	475	371	416	417
Long-term private deposits*	-61	-164	-121	-18	-226	-119
Net other assets and liabilities	-185	63	58	-185	63	58
Total causes	199	383	305	415	258	281

*Increase —; decrease +

Monetary analysis



Causes of changes in money and near-money



Commercial banks, merchant banks and monetary hire-purchase and general banks

Excess liquidity ratios, July to September 1973 – (%)

	July	Aug.	Sept.
Commercial banks	5.3	3.0	3.2
Merchant banks	1.9	1.2	1.6
Monetary hire-purchase and general banks	3.4	0.8	2.0
Total	4.5	2.3	2.7

such as the increase in government deposits, a decline in the gold and other foreign reserves, and a marked rise in the amount of notes in circulation, which contributed to the sharp tightening of the money market during the second half of that month.

Money market conditions and short-term interest rates

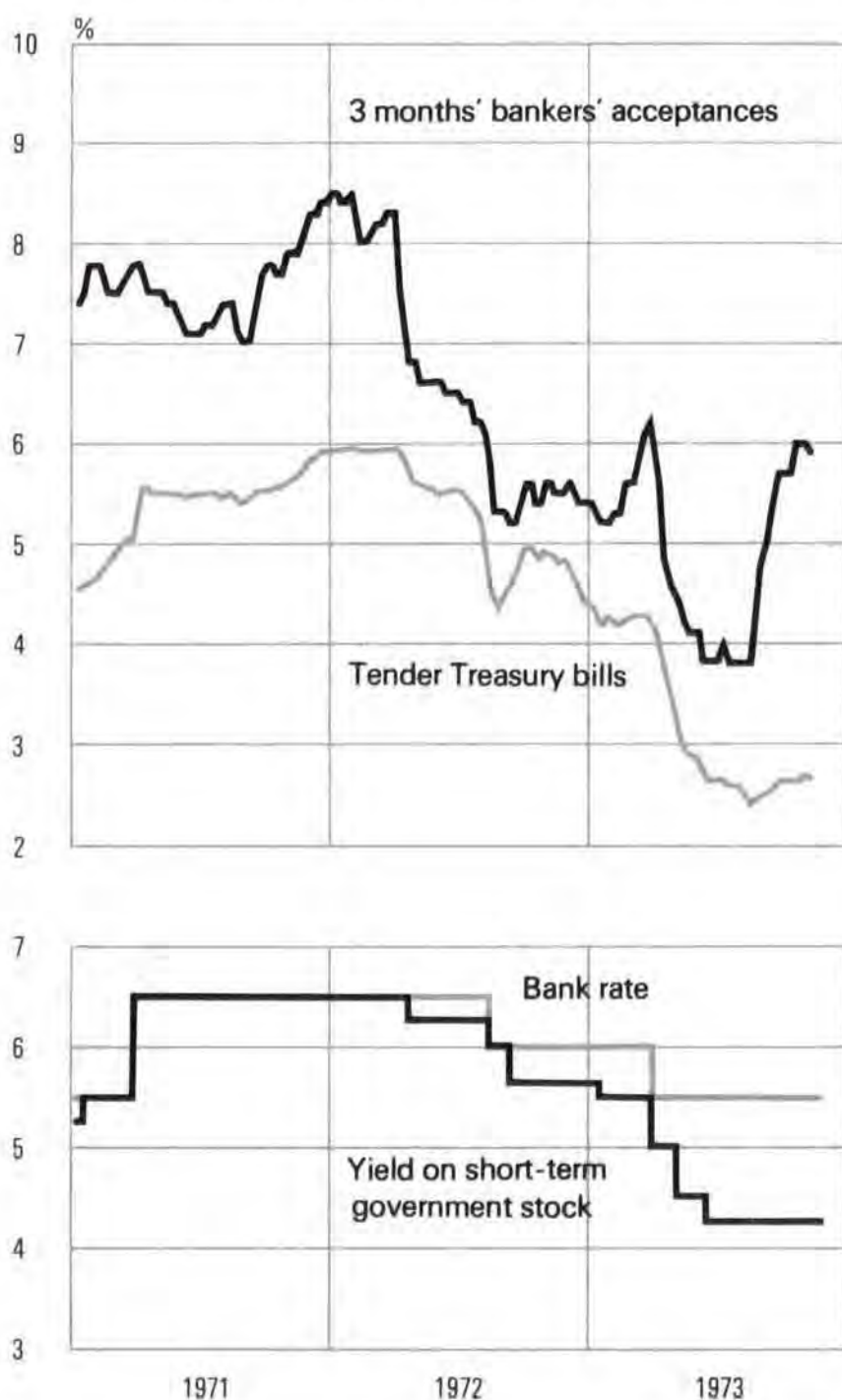
After a sharp tightening during the last two weeks of August, as a result of the exceptional coincidence of events referred to above, conditions in the money market remained relatively tight during September. This was largely the result of a further decline of R96 million in the net gold and foreign reserve holdings of the Reserve Bank which partly offset a decrease of R150 million in government deposits. In addition, the note circulation as at the end of September showed another fairly large increase over the preceding month-end, while Reserve Bank and NFC holdings of Land Bank bills declined after having reached their seasonal peak. Call loans with the discount houses, which had dropped to R254 million at the end of August, accordingly increased only slightly to R256 million at the end of September. Under these conditions, accommodation granted by the Reserve Bank to the discount houses under the new arrangements, plus accommodation provided to other banks by means of buy-back agreements, together amounted to R371 million at the end of September after having reached an amount of R338 million during the first few days of the month. In this connection it was also announced by the Chairman of the National Finance Corporation at the Corporation's Annual General Meeting on 30 October that, as from October, the gold premium payable to gold mines would henceforth be paid out shortly before the end of each month instead of early in the following month, in order to counteract the loss of funds to the money market which results from the month-end increase in the amount of notes in circulation.

A fairly substantial easing of the market during October, resulting *inter alia* from a continued decline in government deposits, caused call loans with the discount houses to reach a level of R331 million at the end of the month. Rates on money market instruments, however, tended to remain at the higher levels reached

during September. The rate on 3-month bankers' acceptances, for example, which had increased from 3,8 per cent on 10 August to 5,7 per cent on 21 September, amounted to 6,0 per cent at the end of October. The rate on 90-day NCDs, which had been 3,5 per cent on 10 August, was quoted at 6,75 per cent at the end of September and October and at 7,0 per cent in middle November. The Treasury bill tender rate rose from just over 2,5 per cent in middle September to 2,70 per cent on 16 November.

In line with the rising level of interest rates on money market instruments, banking institutions after the middle of September fairly generally tended to raise their interest rates on certain deposits to the maxima allowed under the deposit interest rate control regulations. This was followed by an increase of $\frac{1}{2}$ per cent to 8 per cent in the commercial banks' prime lending rate with effect from 15 November.

Money market and related interest rates



Government finance

Exchequer Account

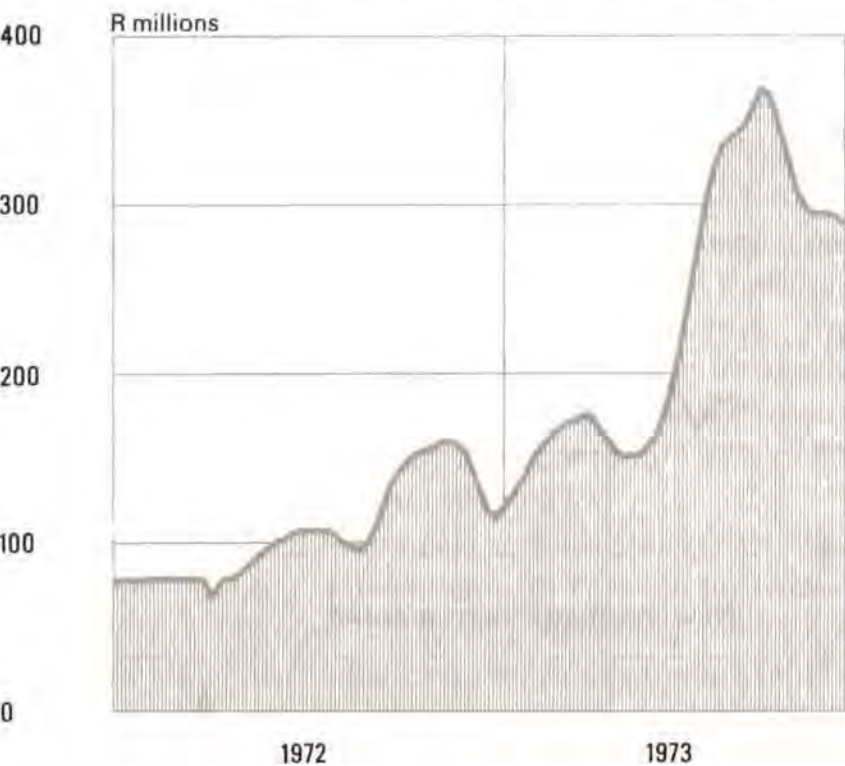
The outstanding feature of the Exchequer Account during the first half of the current fiscal year, i.e. from April to September 1973, was the substantial build-up of deposits, primarily as a result of current receipts being higher than anticipated, a low level of issues from the Loan Account and a substantial increase in the monetary banking sector's holdings of government securities. The latter increase was, however, more than offset by the increase in deposits with the result that the Exchequer's net indebtedness to the monetary banking sector showed a notable decline during the period.

Receipts (excluding borrowing) proved to be well above expectations and showed a rise of no less than 34 per cent compared with the same period a year ago. This percentage may be compared with a budgeted increase of 9 per cent for the fiscal year as a whole. Total issues from the Revenue, Loan and South West Africa Accounts, which had been expected to rise by nearly 20 per cent during the year as a whole, rose by a mere 6 per cent during the half-year period as compared with the period April to September 1972. Although the increase in issues from Revenue Account was also somewhat less than the budgeted rise, the lower than expected rate of increase in total issues during the last six months was primarily caused by an actual reduction of R100 million in funds made available from Loan Account compared with the same period a year ago.

These divergent trends in issues and receipts resulted in a deficit of only R32 million on the Exchequer Account during the first half of the fiscal year which was in sharp contrast to the shortfall of R403 million in the same period of 1972. In conjunction with this smaller deficit, the private non-banking sector invested a net amount of R121 million in government securities, including loan levies, and the Public Debt Commissioners contributed a further R77 million to Exchequer finance. As indicated above the monetary banking sector also invested heavily (R389 million) in government securities and the net result was that, even allowing for the redemption of R86 million of foreign debt, Exchequer deposits rose by R469 million during the six-month period. These deposits actually attained a record level of R1 157 million towards the middle of September but declined seasonally thereafter to R873 million at the end of October. During the period as a whole, therefore, the Exchequer's net indebtedness to the monetary banking sector was reduced by R80 million.

Although the monetary banking sector's holdings of both government stock and Treasury bills increased fairly substantially during the period under review, the increase in the latter was particularly noteworthy. The banking sector's holdings of Treasury bills, which did

Total marketable Treasury bills outstanding



not show material changes during the past three years, recorded a marked upward trend particularly since the beginning of 1973. As shown in the accompanying graph, outstanding marketable Treasury bills actually increased from R120 million at the end of 1972 to R372 million on 31 August before declining to R306 million on 31 October.

Stock issue and redemption

Between 24 and 31 October 1973 a further issue of the $7\frac{3}{4}$ per cent 1998 stock was made available for public subscription. It was also offered for conversion to holders of a R35 million stock issue due for redemption on 1 November. Investors applied for only about R5 million of the issue whereas R33 million of the issue due for redemption on 1 November had to be repaid in cash, including about R10 million to the Public Debt Commissioners.

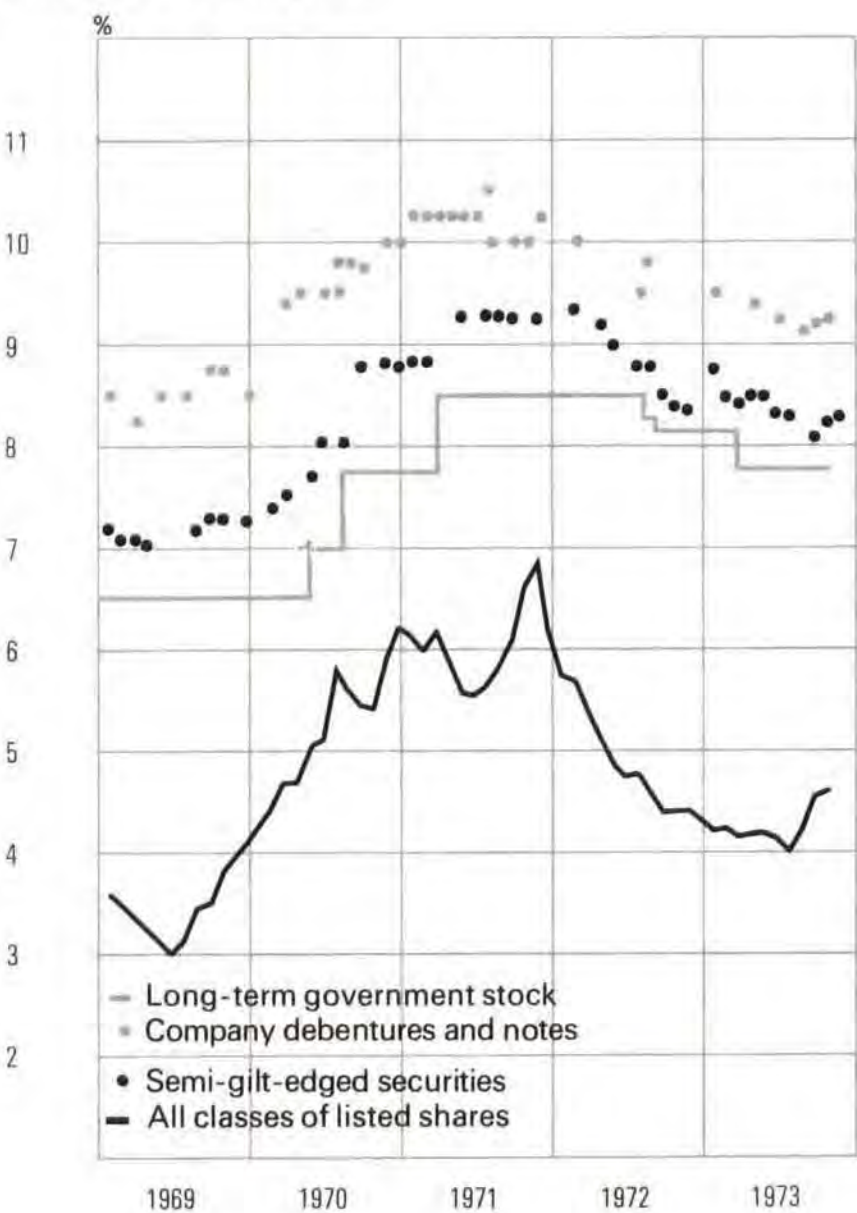
Capital market

Conditions in the capital market tended to tighten towards the end of the third quarter of 1973 after a period of relative ease during the first eight months of the year. Yields on long-term fixed-interest securities hardened somewhat, share prices drifted downwards and share yields increased, and the flow of funds to building societies declined to a lower level.

Market for fixed-interest securities

Conditions in the market for fixed-interest securities, which had been fairly easy during the first eight months of 1973, tended to tighten somewhat during September. This change was not so much reflected in an actual increase in yields as in a degree of reluctance on the part of investors to support new issues at the existing yields. Expectations that yields might increase in the near future probably accounted for this behaviour of investors. The predominant yield on new issues of long-term semi-gilt-edged securities, for example, decreased from about 8.75 per cent in January to about 8.03 per cent in the beginning of September and then moved upwards to an approximate level of

Interest rates and yields



8,25 per cent at the end of September. The yield on long-term government stock was lowered from 8,125 to 7,75 per cent in March 1973 and then remained unchanged at this level. However, the latest government stock issue at this yield during October attracted only a very limited amount of subscriptions. The yield on company debenture issues moved downwards from 9,50 per cent at the beginning of 1973 to 9,125 per cent in August and then increased to 9,25 per cent in October.

Share market

With the exception of prices of gold and coal mining shares, share prices tended to drift downwards from February to May 1973. During June and July there was an increase in the prices of most classes of shares but this improvement was not sustained during the remaining part of the third quarter and October. Stock exchange turnover, as measured by the number of shares traded, was also noticeably lower during the third quarter and October as compared with the first six months of 1973 and this lack of investors' interest contributed to the renewed decline in share prices especially during August and September. The behaviour of gold mining share prices was strongly influenced by changes in the gold price on the private market and transactions in these shares tended to dominate the stock exchange scene throughout the first ten months of 1973.

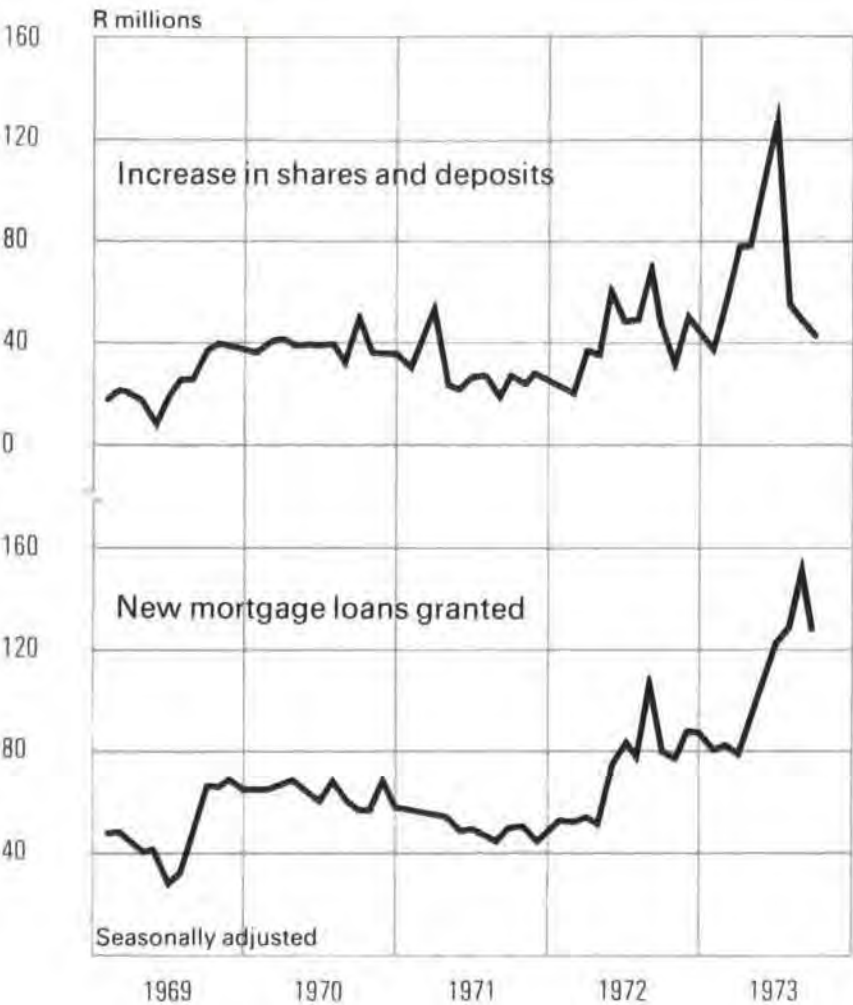
The dividend yield on all classes of shares, which had declined almost continuously from 4,30 per cent in December 1972 to 4,00 per cent in July 1973, increased to 4,62 per cent in October. Because the yield on long-term government stock did not increase, the inverse yield gap between this yield and the share dividend yield declined from 3,6 per cent in June 1973 to 3,1 per cent in October.

Reflecting the weaker trend on the stock exchange, unit trusts experienced an increased outflow of funds in the form of repurchases of units during the third quarter. The figure concerned amounted to R19 million, compared with R11 million in the second quarter. Consequently, the trusts were net sellers of securities and their cash and deposit holdings also declined from R20 million at the end of June to R16 million at the end of September 1973. On account of these developments and the general decline in share prices during August and September, the market value of the trusts' net assets declined from R500 million at the end of June to R413 million at the end of September.

Building societies

The flow of funds to building societies, which had been exceptionally large during the second quarter of 1973, decreased to a lower level during the third quarter. The societies' net inflow of funds during the first three quarters of 1973 already exceeded the record annual

Building societies



total registered in 1972. As indicated in the accompanying table, the increase in mortgage loans outstanding and the amount of new mortgage loans granted likewise exceeded the record annual figures recorded in 1972.

The smaller inflow of new funds during the third quarter induced the building societies to raise the interest rate on deposits of between 12 and 24 months to 7 per cent as from 15 September, after having reduced it only three months earlier to 6,5 per cent. With effect from 1 August 1973 most building societies had also reduced their mortgage rate in respect of dwellings and other buildings from 8,75 per cent and 9,50 per cent to 8,50 per cent and 9,00 per cent per annum, respectively.

Building societies

	Net inflow of funds	Increase in outstanding advances	New advances granted
1972	493	371	870
1973: 1st quarter	169	124	217
2nd quarter	271	130	329
3rd quarter	184	187	411
Total, three quarters	624	441	957

The higher tempo at which new advances had been granted led to an increase of R197 million, during the first three quarters of 1973, in the building societies' commitment in respect of advances granted but not yet paid out and brought the total amount of commitments outstanding to R458 million on 30 September. The accumulation of surplus funds in the form of increased holdings of liquid assets and the suspended other prescribed investments, however, did not keep pace with the rising commitment figure as these holdings increased by only R160 million. Consequently, the ratio of commitments outstanding to total liquid assets and the suspended other prescribed investments increased from 45 per cent at the end of 1972 to 61 per cent at the end of September 1973.

In terms of the amendments to the building Societies Act earlier this year, the Minister of Finance laid down that, from 1 October 1973, the following maximum percentages of total advances and re-advances granted during a year may be allocated to various classes of mortgages: 20 per cent in respect of dwelling houses where the outstanding amount exceeds R18 000; 15 per cent in respect of flats; and 3 per cent in respect of buildings for business purposes.

Kwartaallikse ekonomiese oorsig

Algemene opmerkings

Nadat die reële ekonomiese bedrywigheid gedurende die vierde kwartaal van 1972 en die eerste helfte van 1973 'n matige oplewing getoon het, het dit gedurende die derde kwartaal teen 'n hoër koers toegeneem. Die beskikbare nasionale rekeninge-statistiek en ander algemene ekonomiese aanwysers toon dat alle sektore, met uitsondering van die landbou, in hierdie versnelde opwaartse beweging gedeel het. Die grootste bydraes tot die versnelling in die groeikoers van die reële bruto binnelandse produk is gemaak deur die sektore nie-goudmynbou, fabriekswese, handel en vervoer, opberging en kommunikasie.

Behalwe voorraadinvestering, het al die bestedingskomponente van die binnelandse vraag, asook die hoër goedere-uitvoere en die netto goudproduksie, tot die verdere uitbreiding van die ekonomiese bedrywigheid gedurende die derde kwartaal van 1973 bygedra. Van besondere belang was die skerp oplewing in die bruto binnelandse vaste investering. Nadat dit gedurende die voorafgaande twee kwartale gedaal het, het vaste investering deur die openbare owerhede skerp toegeneem, terwyl vaste kapitaalbesteding deur die private sektor ook teen 'n ietwat vinniger koers gestyg het. Alhoewel daar gedurende sowel die tweede as die derde kwartaal klein toenames aangeteken is ten opsigte van die vaste investering deur die private fabriekswese, was die gemiddelde peil daarvan vir die eerste drie kwartale van 1973 nog steeds laer as dié vir die ooreenstemmende tydperk van 1972.

Nadat die betalingsbalans in sy geheel vir ses opeenvolgende kwartale 'n oorskot getoon het, is daar gedurende die derde kwartaal van 1973 'n tekort van R63 miljoen aangeteken. Hierdie tekort was die netto gevolg van 'n groot netto uitvloeiing van kapitaal en 'n aansienlike oorskot op die lopende rekening. Terugbetalings van buitelandse lenings deur die sentrale regering en die private sektor, en die omskakeling van finansiering van die buitelandse handel vanaf oorsese na binnelandse finansieringsbronne op grond van die laer peil van rentekoerse in Suid-Afrika as in die buitenland, was hoofsaaklik vir die netto kapitaaluitvloeiing verantwoordelik. Die oorskot op die lopende rekening het egter gedurende die derde kwartaal aansienlik toegeneem, hoofsaaklik as gevolg van 'n groter toename in die totaal van goedere-uitvoere en die netto goudproduksie as in goedere-invoere. Gedurende Oktober en November het verskeie buitelandse ontwikkelings wat Suid-Afrika se betalingsbalans beïnvloed het, plaasgevind.

'n Besonder welkome ontwikkeling was 'n betekenisvolle verlangsaming in die koers van toename van verbruikerspryse vanaf ongeveer April tot Oktober 1973, wat in die eerste plaas aan 'n afname in die

koers van toename van voedselpryse toegeskryf kon word. Die koers van toename in pryse, en meer in die besonder groothandelspryse, is egter nog steeds op 'n hoë peil.

Die monetêre en banktoestand is gedurende die derde kwartaal van 1973 gekenmerk deur 'n voortgesette vinnige styging in die hoeveelheid geld en kwasi-geld en volgehoue groot toenames in bankkrediet aan die private sektor. Aangesien die netto goud- en ander buitelandse reserwes 'n klein afname getoon het, was die verdere skerp styging in die hoeveelheid geld en kwasi-geld gedurende die derde kwartaal bykans uitsluitend gebaseer op die uitbreiding van bankkrediet.

Die toestand op sowel die geld- as die kapitaalmark het gedurende die loop van die derde kwartaal aansienlik verander. As gevolg van 'n buitengewone sameloop van omstandighede het die toestand op die geldmark gedurende die laaste twee weke van Augustus vernou en het die korttermynrentekoerse op verskillende geldmarkinstrumente aansienlik gestyg. Gedurende September het die toestand betreklik stram gebly maar gedurende Oktober ietwat verruim. Korttermynrentekoerse het in die algemeen egter geneig om op die hoër peile te bly wat gedurende September bereik is. Met ingang 15 November het die handelsbanke hulle prima uitleenkoerse met $\frac{1}{2}$ persent tot 8 persent verhoog. Die toestand op die kapitaalmark het eweneens geneig om teen die einde van die derde kwartaal strammer te word, soos geblyk het uit die gebrek aan ondersteuning vir nuwe uitgiftes teen die bestaande opbrengskoerse op die mark vir langtermyn- vaste-rentedraende effekte. Die omset op die effektebeurs sowel as aandelepryse, met uitsondering van goud- en steenkoolmynaandele, het gedurende die derde kwartaal gedaal en dividendopbrengskoerse het toegeneem. Alhoewel die vloei van fondse na die bouverenigings na 'n laer peil afgeneem het, het die bedrag aan nuwe voorskotte toegestaan gedurende die derde kwartaal 'n nuwe rekord behaal.

'n Kenmerk van die staatsfinansies gedurende die eerste ses maande van die lopende fiskale jaar was die aansienlike opbouing van regeringsdeposito's. Die kontantsaldo op die Skatkisrekening, insluitende fondse beskikbaar op die Stabilisasierekening, het teen die middel van September 'n rekordvlak van nie minder nie as R1 157 miljoen bereik. Hierdie ontwikkeling, wat gedurende die derde kwartaal 'n duidelike invloed op die toestand op die geldmark gehad het, was die netto gevolg van 'n hoë peil van belastingontvangste, werklike afnames in uitreikings op die Leningsrekening, en groot beleggings in staatseffekte, in die besonder deur die monetêre banksektor. Ooreenkomstig die verwagtings, het regeringsdeposito's daarna egter begin daal.

Nasionale rekeninge

Versnelling in ekonomiese groeikoers

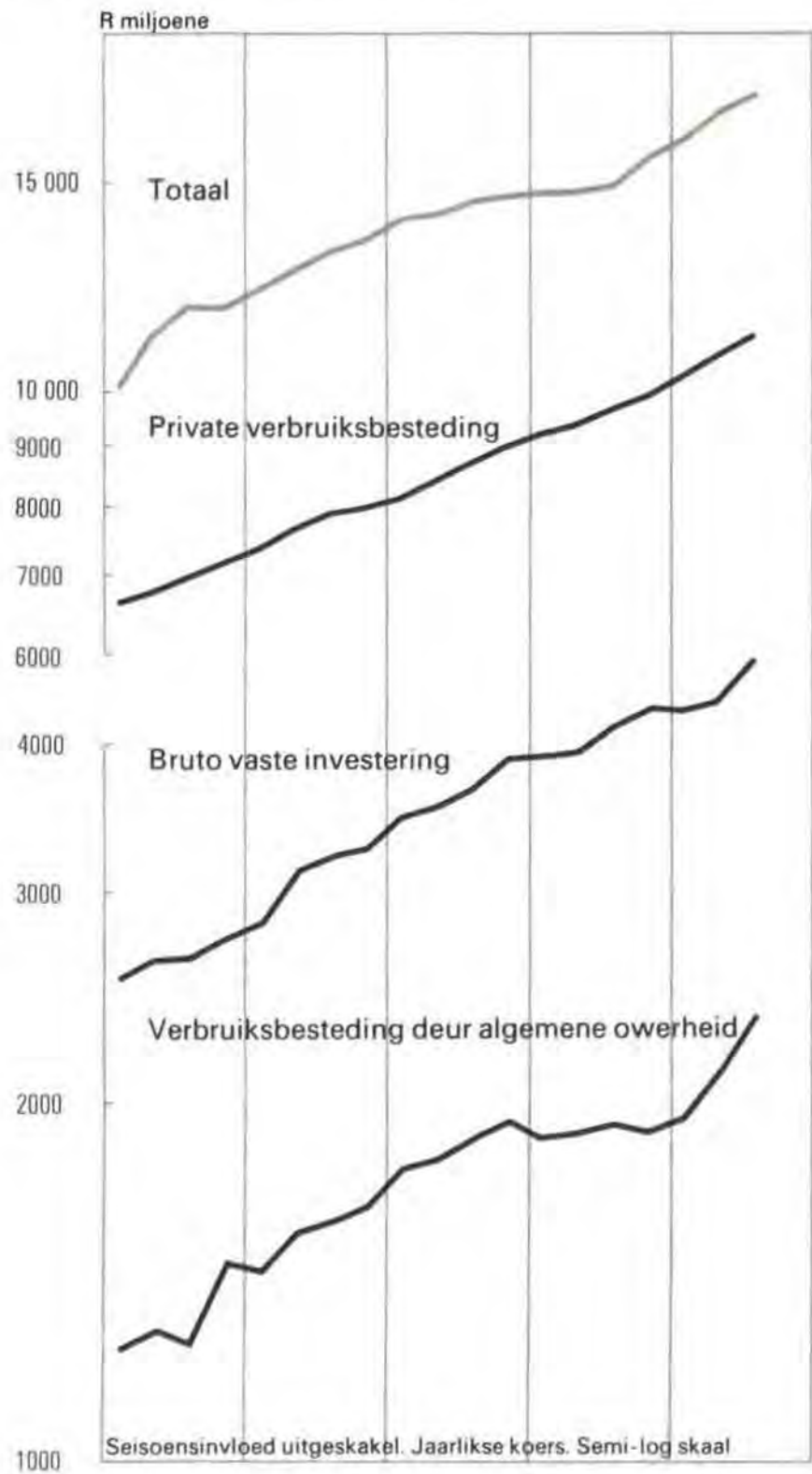
Die matige oplewing in die reële binnelandse ekonomiese bedrywigheid wat sedert die vierde kwartaal van 1972 ondervind is, het gedurende die derde kwartaal verdere stukrag gekry. Ofskoon byna alle sektore van die volkshuishouding deel gehad het aan die toename in die reële ekonomiese bedrywigheid gedurende hierdie kwartaal, is die grootste bydraes tot die verdere versnelling in die groeikoers deur die sektore nie-goudmynbou, fabriekswese, handel, en vervoer, opberging en kommunikasie gelever. Die verbetering in die groeiprestasie van die volkshuishouding in sy geheel gedurende die derde kwartaal van 1973 was nog meer indrukwekkend indien die negatiewe bydrae tot versnelde groei deur die landbousektor in aanmerking geneem word.

Teen heersende pryse is die buitengewoon hoë koers van toename in die bruto binnelandse produk wat gedurende die eerste kwartaal van 1973 behaal is, nie gedurende die tweede kwartaal gehandhaaf nie en het dit gedurende die derde kwartaal effens verder gedaal. Die rede vir hierdie afwyking tussen die veranderinge in die koerse van toename in die bruto binnelandse produk teen konstante en heersende pryse is dat die afgeleide bruto binnelandse produkdeflator, d.w.s. die maatstaf van totale prysbewegings in die binnelandse produksie, gedurende die tweede en derde kwartale teen 'n heelwat laer koers as gedurende die eerste kwartaal van die jaar toegeneem het. Die toename in die bruto binnelandse produk teen heersende pryse wat gedurende die derde kwartaal aange-teken is, was ongeveer gelykop verdeel tussen die vergoeding van werknemers en die bruto bedryfsurplus. Hoër salarisse en lone wat deur die mynbousektor en openbare owerhede betaal is, was hoofsaaklik vir die toename in die vergoeding van werknemers verantwoordelik, terwyl hoër winste wat in die mynbou-, die fabriekswese-, en die vervoer, opberging en kommunikasiesektore gerealiseer is, die toename in die bruto bedryfsurplus verklaar het. Ofskoon hoër pryse, soos die hoër gemiddelde goudprys op die private mark, tot die toename in winste bygedra het, wil dit voorkom asof die grootste bydrae van verhoogde produksie afkomstig was, in die besonder in die nie-goudmynbou- en fabriekswesesektore.

Skerp verdere styging in die totale monetêre vraag

Gedurende die derde kwartaal van 1973 het die totale binnelandse vraag, soos gemeet aan die hand van die bruto binnelandse besteding, teen 'n hoë koers toege-neem. Al die komponente van die totale besteding, met uitsondering van die voorraadinvestering, tesame met hoër goedere-uitvoere en netto goudproduksie, het tot die verdere uitbreiding van die ekonomiese bedrywigheid gedurende die derde kwartaal van 1973 bygedra.

Bruto binnelandse besteding



Persentasieverandering in private verbruiksbesteding

	1972	Eerste drie kwartale van 1973
Teen heersende pryse:	11	14
Duursame goedere	11	21
Semi-duursame goedere	8	14
Nie-duursame goedere	12	16
Dienste	12	11
Teen konstante 1963-pryse:	3½	5
Duursame goedere	4	11
Semi-duursame goedere	2	6
Nie-duursame goedere	4	4
Dienste	4	4

Hoë koers van toename in private verbruiksbesteding teen heersende pryse

Nadat die private verbruiksbesteding teen heersende pryse gedurende die tweede kwartaal van 1973 teen 'n betreklik hoë koers toegeneem het, het dit gedurende die derde kwartaal teen 'n opmerklik laer koers gestyg. Hierdie verwikkeling kon egter hoofsaaklik toegeskryf word aan 'n merkbare afname in die koers van toename in verbruikerspryse in die algemeen. Die reële private verbruiksbesteding het teen ongeveer dieselfde koers as gedurende die vorige kwartaal toegeneem.

Verbruiksbesteding aan duursame en semi-duursame goedere, soos motors, meubels en huishoudelike toestelle, en klerasie en skoeisel het teen sowel heersende as konstante pryse voortgegaan om teen betreklik hoë koerse toe te neem. Die besteding aan nie-duursame goedere en dienste teen heersende pryse, aan die ander kant, het 'n veel laer koers van toename aangeteken, hoofsaaklik as gevolg van 'n laer koers van prysstygings, veral voedselpryse. Die koers van toename in die besteding aan nie-duursame goedere en dienste teen konstante pryse het weinig verandering getoon.

Die totale opswaai in die verbruikersvraag in die algemeen, en na duursame en semi-duursame goedere in die besonder, word die beste toegelig deur die bygaande tabel wat die toenames in die verbruiksbesteding toon vir 1972 en vir die eerste drie kwartale van 1973 in vergelyking met dieselfde tydperk van 1972.

Toename in owerheidsverbruiksbesteding

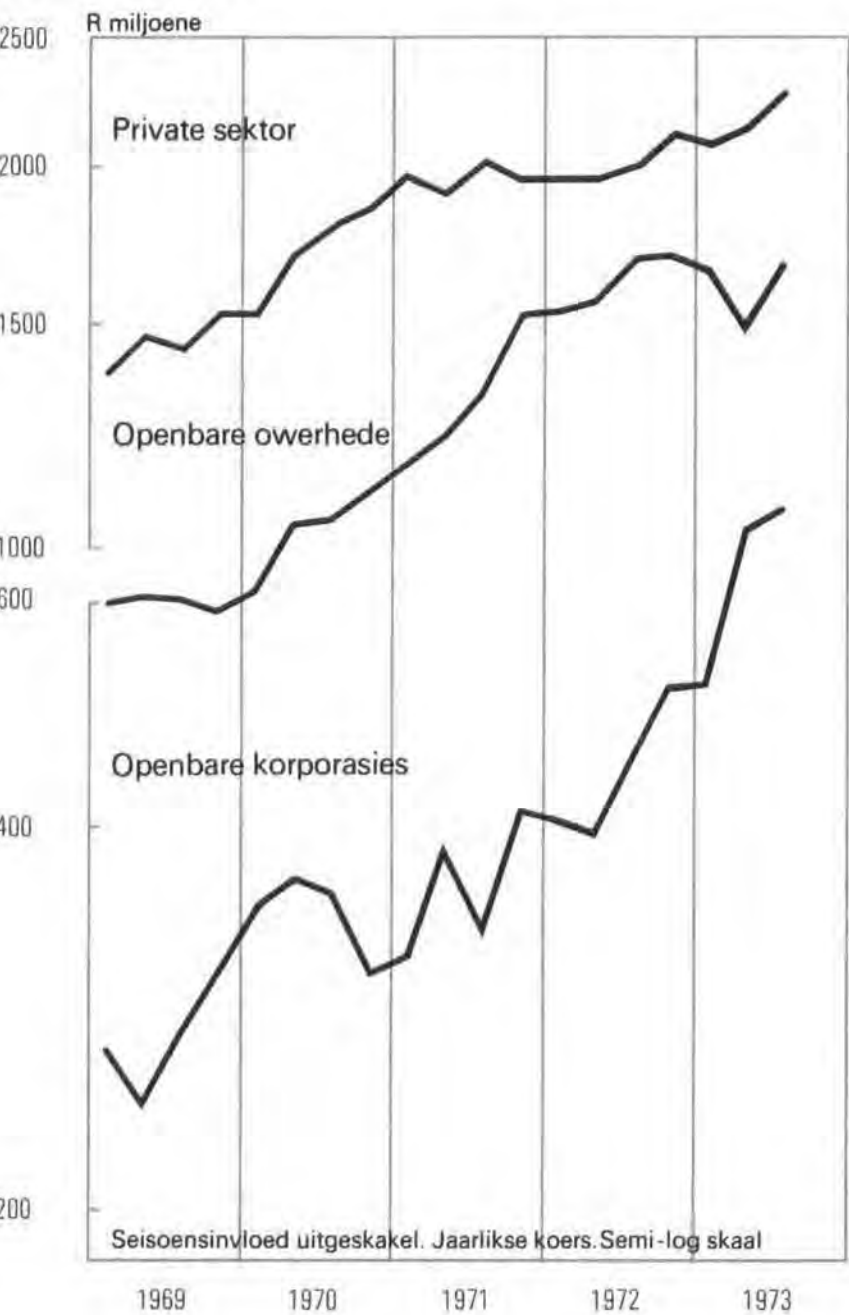
Die lopende besteding deur die algemene owerheid aan goedere en dienste, wat reeds gedurende die tweede kwartaal van 1973, gedeeltelik as gevolg van salaris- en loonaanpassings wat vanaf 1 April van krag geword het, 'n styging getoon het, het gedurende die

derde kwartaal van 1973 'n verdere aansienlike toename getoon. Dit was veral waarneembaar in die verbruiksbesteding van sowel die sentrale regering as van die provinsiale administrasies. In eersgenoemde geval was die toename van 'n algemene aard terwyl die opwaartse beweging in die verbruiksbesteding deur provinsiale administrasies hoofsaaklik uit groter lopende besteding aan onderwys en die onderhoud van paaie en brûe voortgespruit het.

Welkome oplewing in die bruto binnelandse vaste investering

Die bruto binnelandse vaste investering, wat gedurende die eerste helfte van 1973 traag gebly het, het gedurende die derde kwartaal 'n duidelike styging getoon. Verhoogde uitgawes aan geboue en konstruksiewerke en aan nuwe vervoertoerusting en masjinerie en ander toerusting het in ongeveer gelyke mate tot hierdie toename in die totale vaste investering bygedra.

Bruto binnelandse vaste investering teen heersende pryse



Die grootste toename in die vaste kapitaalbesteding gedurende die derde kwartaal van 1973 het in die geval van openbare owerhede voorgekom. Hierdie toename toon in werklikheid 'n duidelik merkbare ommekeer van die afwaartse neiging wat sedert die begin van 1973 waargeneem is en hoër vaste kapitaaluitgawes deur die algemene afdelings van openbare owerhede op gemeenskaps- en maatskaplike dienste en verhoogde kapitaaluitgawes deur die poswese aan nuwe masjinerie en toerusting was hoofsaaklik hiervoor verantwoordelik.

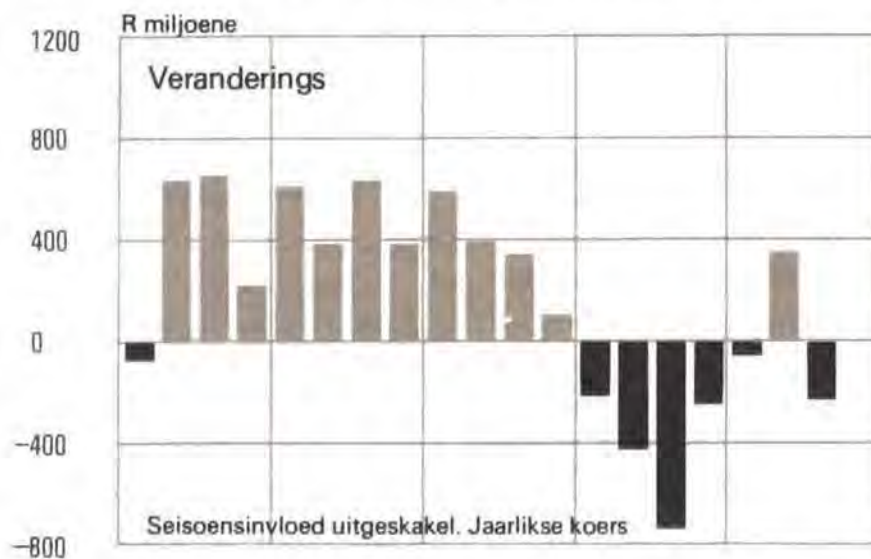
Vaste kapitaalbesteding deur die privaatsektor het ook gedurende die derde kwartaal van 1973 'n merkbare toename getoon, hoofsaaklik in die vorm van groter besteding aan vervoertoerusting en masjinerie en ander toerusting. Die belangrikste gedeelte van die toename in nuwe investering het in die mynbousektor voorgekom en was ongeveer gelykop verdeel tussen goudmyne en ander myne. Die nuwe investering in goudmyne kan toegeskryf word aan die sink van nuwe skagte, as gevolg van die gunstige prys van goud op die private mark, terwyl vaste kapitaaluitgawes van nie-goudmyne toegeskryf kan word aan nuwe projekte en uitbreidingsprogramme, hoofsaaklik deur platina-myne. Hersiene ramings vir die private fabriekswese dui op 'n klein opswaai in die vaste investering gedurende die tweede kwartaal van 1973 en hierdie effense opwaartse neiging is gedurende die derde kwartaal gehandhaaf. Die gemiddelde peil van die vaste investering deur die private fabriekswese gedurende die eerste drie kwartale van 1973 was nietemin nog steeds aansienlik laer as die peil gedurende die ooreenstemmende tydperk in 1972.

Nadat dit gedurende die tweede kwartaal van 1973 baie sterk gestyg het, het die vaste kapitaaluitgawes deur openbare korporasies gedurende die derde kwartaal van 1973 slegs 'n geringe verdere styging getoon. Die toename in uitgawes deur ondernemings in die fabriekswese, in die besonder Yskor, is bykans heeltemal geneutraliseer deur 'n afname in die uitgawes van korporasies wat elektrisiteit en water voorsien.

Afname in voorrade

Ná 'n betreklik klein netto toevoeging tot voorrade gedurende die tweede kwartaal van 1973, het die vlak van voorrade gedurende die derde kwartaal gedaal. Hierdie afname in voorrade kan moontlik gedeeltelik aan die wêreldwye tekort aan sekere basiese grondstowwe toegeskryf word. 'n Toename in nywerheids- en handelsvoorrade is meer as geneutraliseer deur 'n afname in diamantvoorrade en landbouvoorrade in die handel. Dit wil derhalwe voorkom asof die toenames in die binnelandse produksie en invoere geheel en al deur hoër verbruiksbesteding, vaste investering en uitvoere geabsorbeer is en dat daar min gelaat is vir 'n toevoeging tot voorrade.

Totale voorrade uitgesonderd landbouvoorrade



Verdere toename in die binnelandse besparing

Hoofsaaklik as gevolg van groot toenames in maatskappybesparing en in die lopende surplus van die algemene owerheid, het die bruto binnelandse besparing weer die bruto binnelandse investering oorskry, met die gevolg dat fondse beskikbaar was om Suid-Afrika se netto skuldposisie teenoor die buiteland te verminder. Die toename in maatskappybesparing kan hoofsaaklik aan groter winste in die algemeen toegeskryf word, terwyl die toename in die lopende surplus van die algemene owerheid aan 'n opmerklike toename in belastingontvangste te danke was. Voorsiening vir waardevermindering het sy normale toename getoon terwyl persoonlike besparing op ongeveer dieselfde vlak wat in die tweede kwartaal behaal is, gebly het.

Produksie, handel en werkgeleentheid

Met die koers van toename in die reële bruto binne-landse produk wat vir die vierde opeenvolgende kwartaal gestyg het, kan daar geen twyfel bestaan dat die Suid-Afrikaanse volkshuishouding in 'n opwaartse fase van die konjunkturgolf is nie. Verskeie algemene ekonomiese aanwysers, wat hoofsaaklik reële ekonomiese bedrywigheid weerspieël, het gedurende die tweede en derde kwartale van 1973 skerp toenames getoon. Die styging in ekonomiese bedrywigheid het ook met 'n toename in arbeidsproduktiwiteit en 'n beter benutting van produksiekapasiteit gepaard gegaan.

Ná twee jaar van baie stadige groei het die fabrieksproduksie gedurende die eerste nege maande van 1973 teen 'n betreklik hoë koers toegeneem. Gedurende hierdie tydperk was die seisoensaangesuiwerde indeks van die fisiese volume van fabrieksproduksie gemiddeld bykans 9 persent hoër as gedurende die ooreenstemmende tydperk van 1972. Hierdie versnelling in die koers van toename in die volume van die produksie was hoofsaaklik die gevolg van 'n hoër koers van toename in die produksie van duursame goedere. Verder dui 'n baie hoë koers van toename in die waarde van onvoltooide bestellings vir duursame sowel as vir nie-duursame goedere, wat gedurende die eerste drie kwartale van 1973 aangeteken is, daarop dat 'n

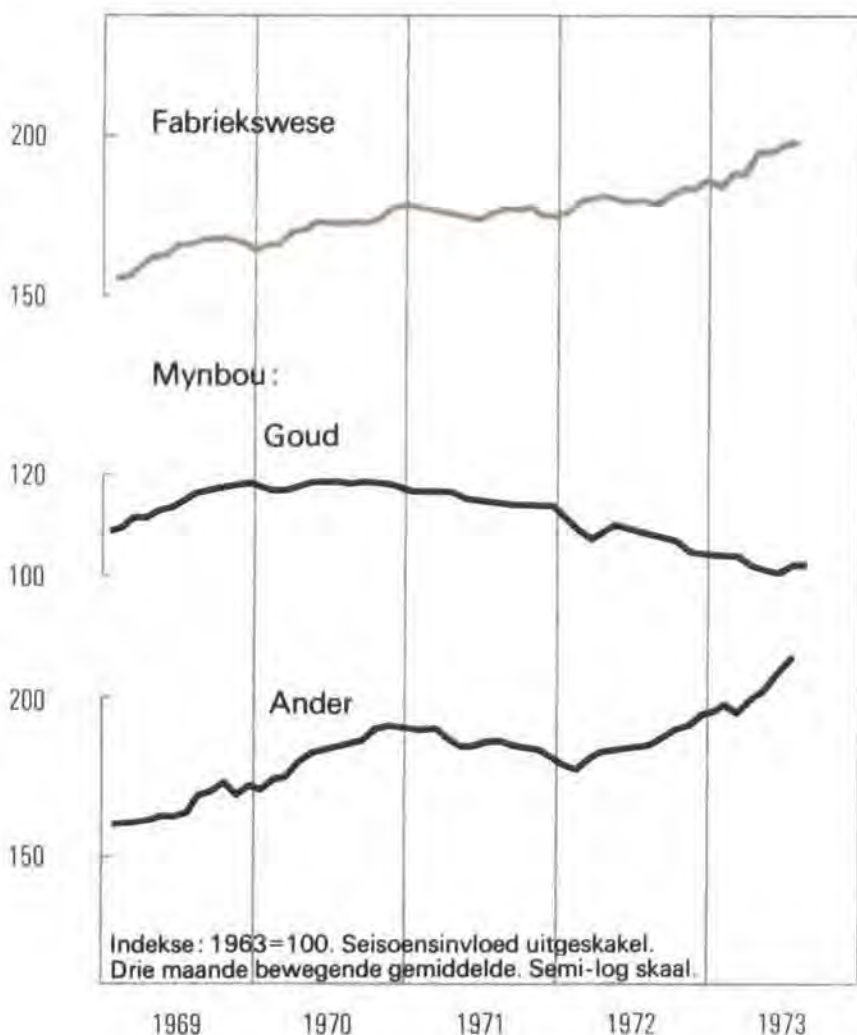
verdere toename in fabrieksproduksie gedurende die res van 1973 en vroeg in 1974 verwag kan word. Die versnelling in die koers van toename in die fabrieksproduksie het gepaard gegaan met 'n aansienlike styging in die benutting van produksiekapasiteit.

In teenstelling met 'n daling van 4,4 persent in die totale mynbouproduksie in 1972, was die volume van produksie in die eerste nege maande van 1973 gemiddeld 3,2 persent hoër as in die ooreenstemmende tydperk van 1972. Die opswaai in die mynbouproduksie was veral duidelik ná April 1973, ten eerste as gevolg van 'n aansienlike versnelling in die koers van toename van die nie-goudmynbouproduksie en ten tweede as gevolg van 'n geringe toename in die goudmynbouproduksie. Die gemiddelde indeks van die nie-goudmynbouproduksie was vir die eerste nege maande van 1973 14,1 persent hoër as gedurende die ooreenstemmende tydperk van die vorige jaar. Toenames in die produksie van platina, steenkool, mangaanerts en boumateriale het die grootste bydraes tot hierdie hoë koers van toename gemaak. Ná 'n byna voortdurende daling vanaf die middel van 1970, het die volume van die goudproduksie gedurende die tweede kwartaal van 1973 afgeplat en in die derde kwartaal selfs 'n geringe toename getoon.

Die waarde van bouplanne goedgekeur vir woongeboue en woongeboue voltooi het voortgegaan om gedurende die derde kwartaal van 1973 skerp te styg, terwyl die ooreenstemmende syfers vir die konstruksie van nie-woongeboue min verandering getoon het. Woongeboukonstruksie is aangehelp deur 'n verdere skerp styging in nuwe voorskotte wat deur bouverenigings gedurende die derde kwartaal vir nuwe geboue toegestaan is. Geoordeel volgens die betreklik skerp en volgehoue styging in sementproduksie en die produksie van ander nie-metaalhoudende mineraalprodukte (wat hoofsaaklik deur die konstruksiebedryf gebruik word) sedert die vierde kwartaal van 1972, wil dit voorkom asof die bou- en konstruksiebedrywigheid in die algemeen lewendig is.

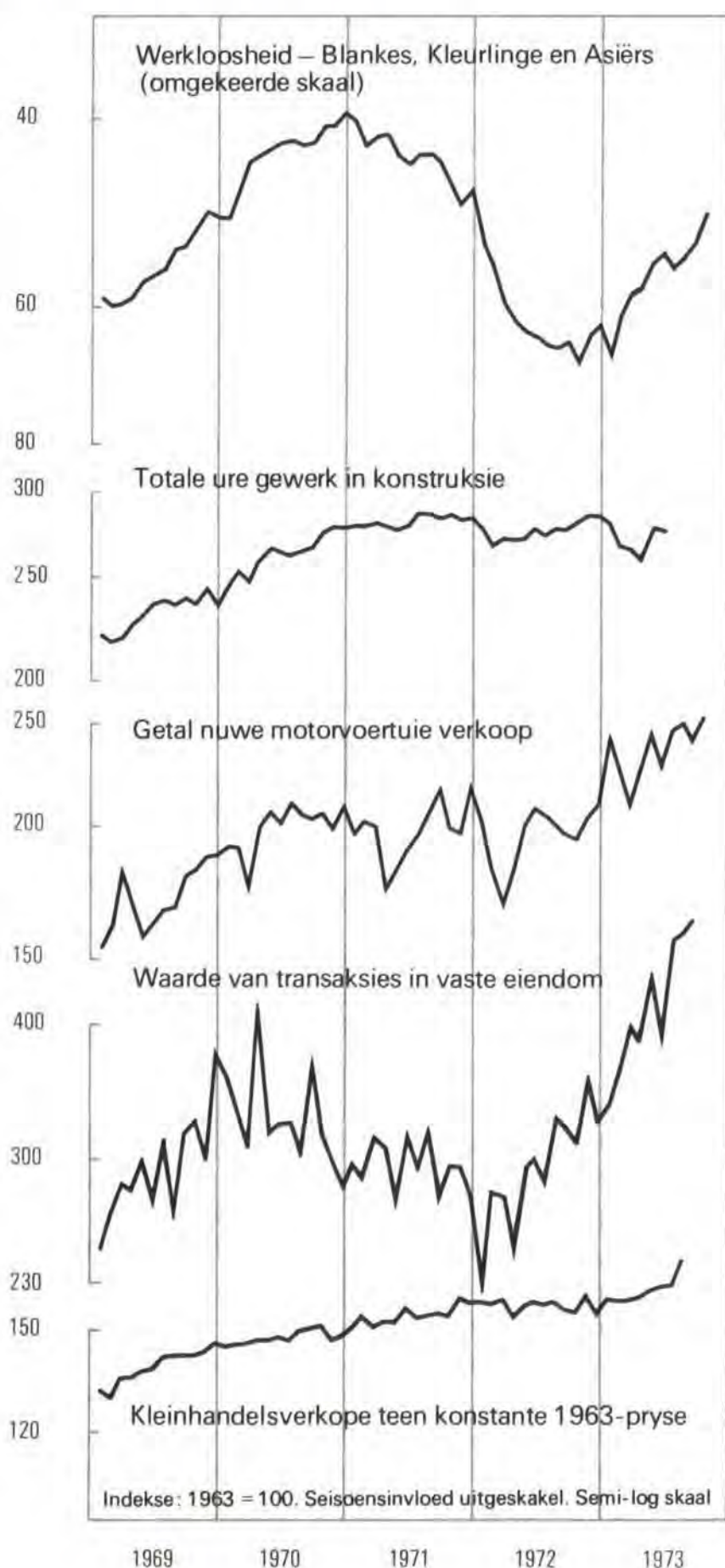
Ná 'n matige styging gedurende die eerste vier maande van 1973, het die waarde van kleinhandelsverkope teen konstante pryse, gedurende die vier maande geëindig Augustus duidelik gestyg. Hoofsaaklik as gevolg van die skerp stygende neiging in motorverkope, het die motorhandel gedurende die eerste nege maande van 1973 lewendige handelstoestande ondervind. Gedurende die eerste tien maande van 1973 het die totale aantal nuwe motorvoertuie verkoop met nie minder nie as $21\frac{1}{2}$ persent gestyg en het die aantal nuwe motors verkoop in vergelyking met dieselfde tydperk van die vorige jaar met soveel as 31 persent toegeneem. Teenoor die volgehoue stygende tendens van die motorverkope, het die omvang van handelsvoertuigverkope wat gedurende die eerste kwartaal van 1973 bereik is, in die daaropvolgende maande tot Oktober min of meer onveranderd gebly.

Fisiese volume van produksie



Duidelike toenames in die waarde van transaksies in vaste eiendom, invoere, uitvoere en bankdebiteringe, is verdere aanwysers van gunstige toestande wat deur die meeste sektore van die volkshuishouding ondervind word. Die opwaartse neiging in die ekonomiese bedrywigheid sedert die vierde kwartaal van 1972 is ook weerspieël in die seisoensaangesuiwerde aantal werklose Blankes, Kleurlinge en Asiërs, wat vanaf 13 326 in Oktober 1972 tot 9 677 in Oktober 1973 gedaal het.

Algemene ekonomiese aanwysers

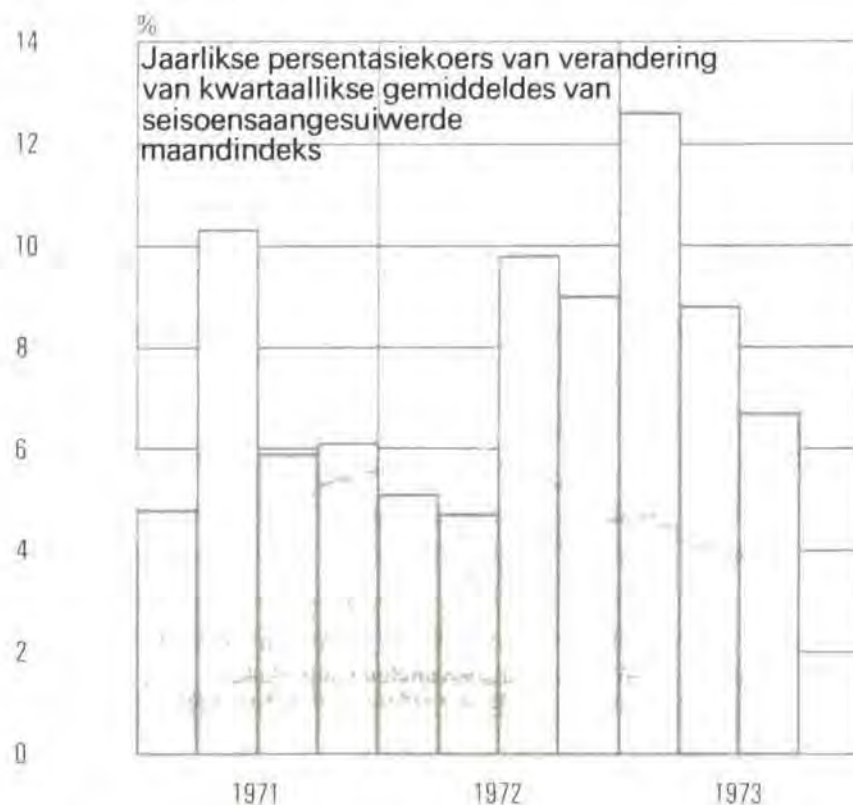


Pryse

Ná 'n buitengewone hoë jaarkoers van toename van 11,4 persent vanaf Junie 1972 tot Maart 1973, het die jaarkoers van toename in die seisoensaangesuiwerde verbruikersprysindeks 'n bemoedigende afname tot 7,8 persent vanaf Maart tot Oktober 1973 getoon. Die verlangsaming van die jaarkoers van toename kan hoofsaaklik toegeskryf word aan 'n afname in die jaarkoers van toename in voedselpryse vanaf 20,8 tot 9,5 persent gedurende hierdie twee tydperke. Hierdie gunstige verandering in die koers van toename in pryse moet versigtig vertolk word, aangesien die koers van toename in voedselpryse weer gedurende die drie maande geëindig Oktober versnel het, wat 'n hoër koers van toename in pryse in die algemeen tot gevolg gehad het. Boonop sal die verhoging in die pryse van petroleumprodukte met ingang 25 Oktober 1973 eers in die amptelike prysindekse vanaf November weerspieël word.

Vanaf Desember 1972 tot Oktober 1973 het die seisoensaangesuiwerde verbruikersprysindeks teen 'n jaarkoers van 9,8 persent gestyg. Pryse van goedere het gedurende hierdie tydperk teen 'n jaarkoers van 10,5 persent toegeneem, waarby die belangrikste bydraes tot hierdie styging van voedsel, wat teen 'n jaarkoers van nie minder nie as 17,9 persent gestyg het, en van klerasie- en skoeiselpryse afkomstig was. Groot bydraes tot die hoë jaarkoers van toename in voedselpryse is deur graanprodukte (wat teen 'n jaarkoers van 21,0 persent gestyg het), vleis (19,4 persent), groente (28,2 persent) en vrugte en neute (30,9 persent) gemaak. Pryse van dienste het regdeur die eerste tien maande van 1973 voortgegaan om teen 'n betreklik vinnige koers te styg.

Verbruikerspryse



Verbruikerspryse

Jaarkoers van verandering in seisoensaangesuiwerde indeks

	Junie 1972 tot Maart 1973 %	Maart 1973 tot Okt. 1973 %	Des. 1972 tot Okt. 1973 %
Dienste:	9,8	8,1	8,7
Behuising	9,5	6,6	7,8
Ander	10,2	10,8	10,2
Goedere:	12,4	7,6	10,5
Voedsel	20,8	9,5	17,9
Meubels en toebehore	7,9	5,7	6,5
Klerasie en skoeisel .	6,8	10,3	10,2
Voertuie	6,3	3,8	1,3
Ander	7,6	5,6	5,1
Totaal	11,4	7,8	9,8

Vanaf Desember 1972 tot September 1973 het die seisoensaangesuiwerde groothandelsprysindeks teen 'n jaarkoers van nie minder nie as 15,7 persent gestyg. 'n Betekenisvolle ontwikkeling wat gedurende hierdie tydperk waargeneem is, was die feit dat pryse van goedere geproduseer in Suid-Afrika 'n hoër jaar-koers van toename as ingevoerde goedere aangeteken het, nl. 16,5 persent teenoor 13,3 persent.

Betalingsbalans

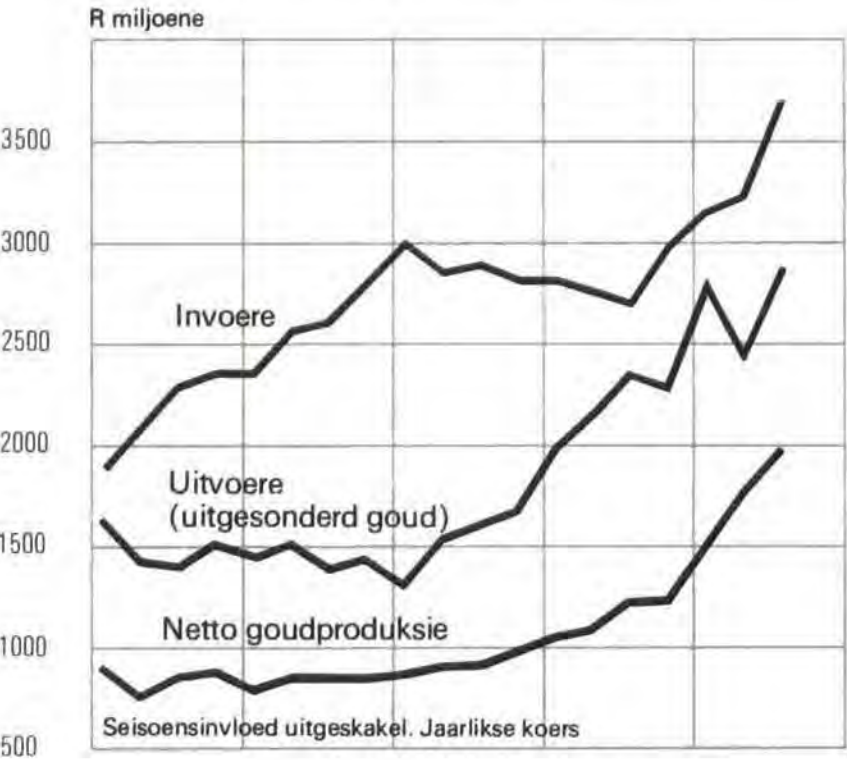
Tekort op betalingsbalans

Nadat die betalingsbalans in sy geheel vir ses opeenvolgende kwartale 'n oorskot getoon het, is 'n tekort ten bedrae van R63 miljoen gedurende die derde kwartaal van 1973 aangeteken. Vir die eerste nege maande van die jaar het die oorskot op die betalingsbalans in sy geheel R220 miljoen bedra, vergeleke met 'n oorskot van R338 miljoen in die ooreenstemmende tydperk van 1972. Hierdie effense verswakking het voorgekom ondanks die feit dat die saldo op lopende rekening gunstig gebly het, en is veroorsaak deur 'n aansienlike netto uitvloeiing van kapitaal gedurende die derde kwartaal. Die uitvloeiing was hoofsaaklik die gevolg van die terugbetaling van buitelandse lenings deur die sentrale regering en die private sektor, en 'n omskakeling in die finansiering van buitelandse handel vanaf buitelandse bronne na binnelandse bankkrediet as gevolg van die laer vlak van rentekoerse in Suid-Afrika as in die buiteland.

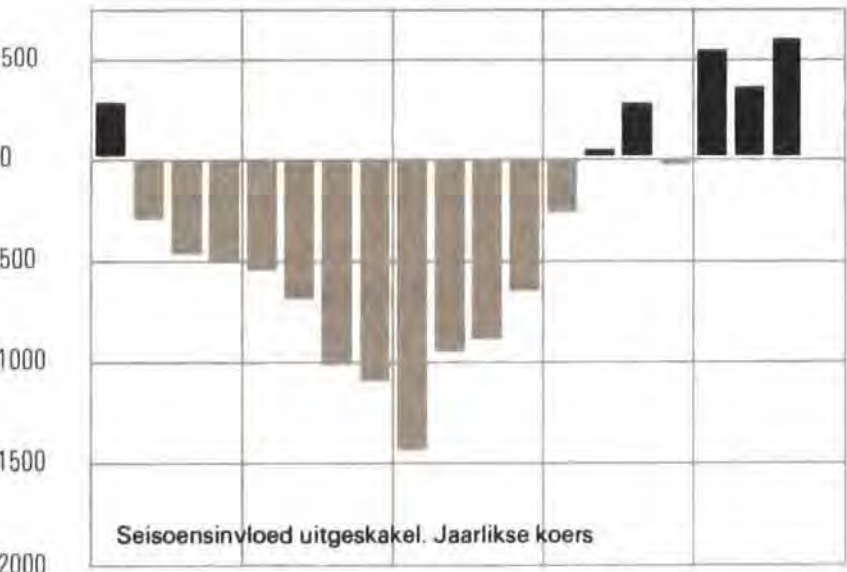
Aansienlike oorskot op lopende rekening

Gedurende die derde kwartaal het die lopende rekening van die betalingsbalans vir die derde opeenvolgende kwartaal 'n oorskot getoon en wel ten bedrae van R162 miljoen. Dit het die totale oorskot vir die eerste nege maande van 1973 op nie minder nie as

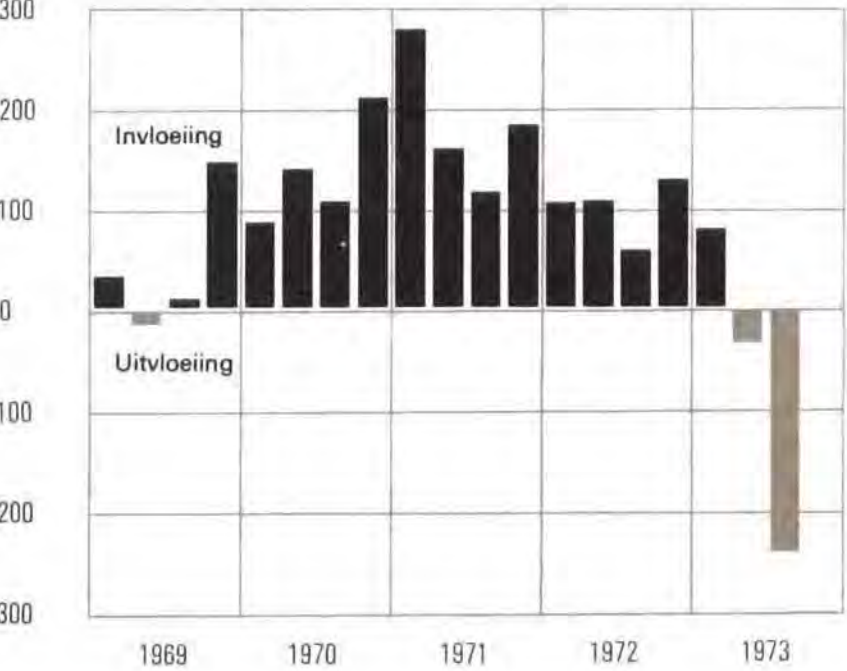
Lopende rekening van die betalingsbalans



Saldo op lopende rekening



Totale kapitaalbewegings



R396 miljoen te staan gebring, vergeleke met 'n oorskot van slegs R69 miljoen gedurende die ooreenstemmende tydperk van 1972. Gedurende die loop van hierdie drie kwartale het die oorskot op lopende rekening eers vanaf 'n seisoensaangesuiwerde jaar-koers van R533 miljoen in die eerste kwartaal tot R338 miljoen in die tweede kwartaal gedaal voordat dit weer in die derde kwartaal tot R519 miljoen toegeneem het. Die aansienlike toename in die oorskot op die lopende rekening gedurende die afgelope kwartaal was die netto gevolg van 'n skerp styging in goedere-uitvoere en die netto goudproduksie wat meer as vergoed het vir die aansienlike toename in goedere-invoere.

Goedere-uitvoere het aansienlik vanaf 'n seisoensaangesuiwerde jaar-koers ten bedrae van R2 432 miljoen gedurende die tweede kwartaal tot R2 867 miljoen gedurende die derde kwartaal van 1973 toegeneem. Gedurende laasgenoemde kwartaal het daar egter belangrike veranderings in die bydraes van die hoofgroepe van uitvoerprodukte tot die toename

in uitvoere voorgekom. Waar toenames in die uitvoere van landbouprodukte en diamante hoofsaaklik vir die oplewing in goedere-uitvoere gedurende die vorige een en 'n half jaar verantwoordelik was, het diamante, basiese metale en tekstiel- en mineraalprodukte die grootste bydraes gedurende die derde kwartaal gemaak. Gedurende hierdie kwartaal het die waarde van landbouprodukte uitgevoer in werklikheid gedaal.

Die waarde van die netto goudproduksie het gedurende die derde kwartaal weereens aansienlik toegeneem en teen 'n seisoensaangesuiwerde jaar-koers het dit soveel as R1 972 miljoen bedra. In teenstelling met die voorafgaande kwartale was die toename in die netto goudproduksie nie alleen die gevolg van 'n toename in die gemiddelde goudprys op die private mark nie, maar kan dit ook gedeeltelik aan 'n toename in die volume van goudproduksie toegeskryf word.

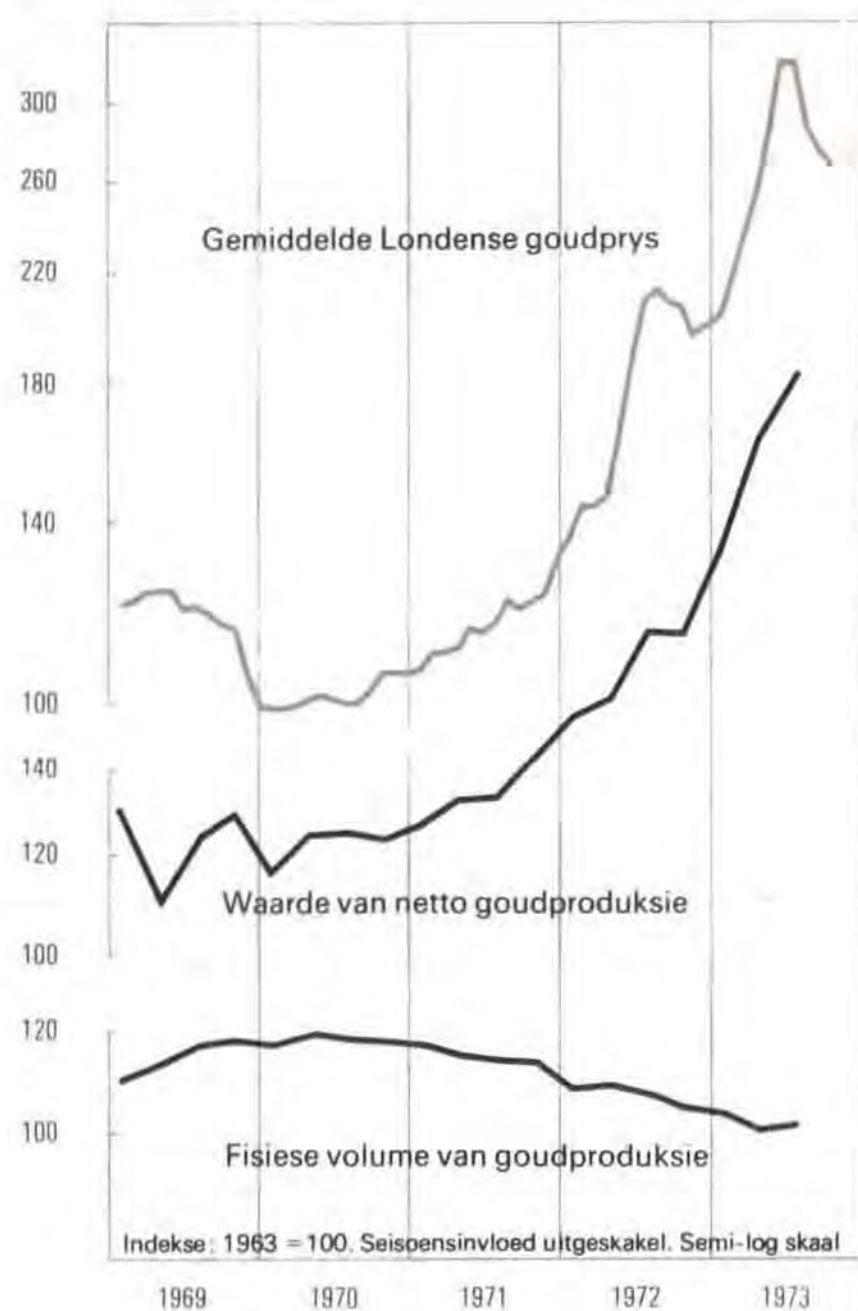
Die waarde van goedere-invoere, wat gedurende die vierde kwartaal van 1972 begin toeneem het, het gedurende die derde kwartaal van 1973 voortgegaan om te styg. Nadat invoere 'n seisoensaangesuiwerde jaar-koers van R3 235 miljoen in die tweede kwartaal bereik het, het dit in die derde kwartaal van 1973 tot nie minder nie as R3 684 miljoen toegeneem. Hierdie aansienlike toename kan nie alleen toegeskryf word aan die hoër pryse van ingevoerde goedere weens die hoë inflasiekoerse wat in die buiteland ondervind word nie, maar ook aan 'n toename in die volume van invoere as gevolg van 'n versnelling in die binnelandse besteding. Alhoewel die meeste hoofgroepe van ingevoerde goedere tot die toename in goedere-invoere bygedra het, het besonder groot toenames in die invoer van masjinerie en elektriese toerusting, vervoertoerusting, tekstiele en tekstielprodukte, basiese metale en chemiese produkte voorgekom.

Aansienlike netto uitvloeiing van kapitaal

'n Aansienlike netto uitvloeiing van kapitaal ten bedrae van R225 miljoen is gedurende die derde kwartaal van 1973 aangeteken. Tesame met die netto invloeiing van kapitaal wat gedurende die eerste helfte van die jaar aangeteken is het die *netto* uitvloeiing gedurende die eerste nege maande van 1973 op R176 miljoen te staan gekom, vergeleke met 'n netto invloeiing van R269 miljoen gedurende die ooreenstemmende tydperk van 1972.

Soos in die bygaande tabel aangetoon word, het die samestelling van kapitaalbewegings in die derde kwartaal van 1973 baie verskil van dié in die tweede kwartaal. In teenstelling met die tweede kwartaal toe openbare korporasies nog steeds 'n groot netto bedrag in die buiteland geleen het, het hierdie organisasies gedurende die derde kwartaal 'n klein netto terugbetaling op langtermynlenings gemaak. Hierbenewens het sowel die private sektor as die sentrale regering en banksektor groot uitvloeiings van langtermynkapitaal gedurende die derde kwartaal getoon. Die netto uitvloeiing van korttermynkapitaal gedurende die derde

Netto goudproduksie



Netto kapitaalbewegings

R miljoene

	1973	
	Tweede kwartaal	Derde kwartaal
Private sektor:	-17	-161
Buitelandse langtermynlenings van openbare korporasies	58	-3
Ander langtermynkapitaal	1	-69
Korttermynkapitaal, insluitende handelskrediete, foute en onaangetekende transaksies	-76	-89
Sentrale regering en banksektor:	-13	-64
Langtermynlenings van die sentrale regering	42	-68
Ander	-55	4
Netto kapitaalbewegings	-30	-225

kwartaal is weer op sy beurt hoofsaaklik teweeggebring deur die omskakeling deur invoerders van 'n groot bedrag van finansiering van buitelandse handel vanaf buitelandse na binnelandse bronne.

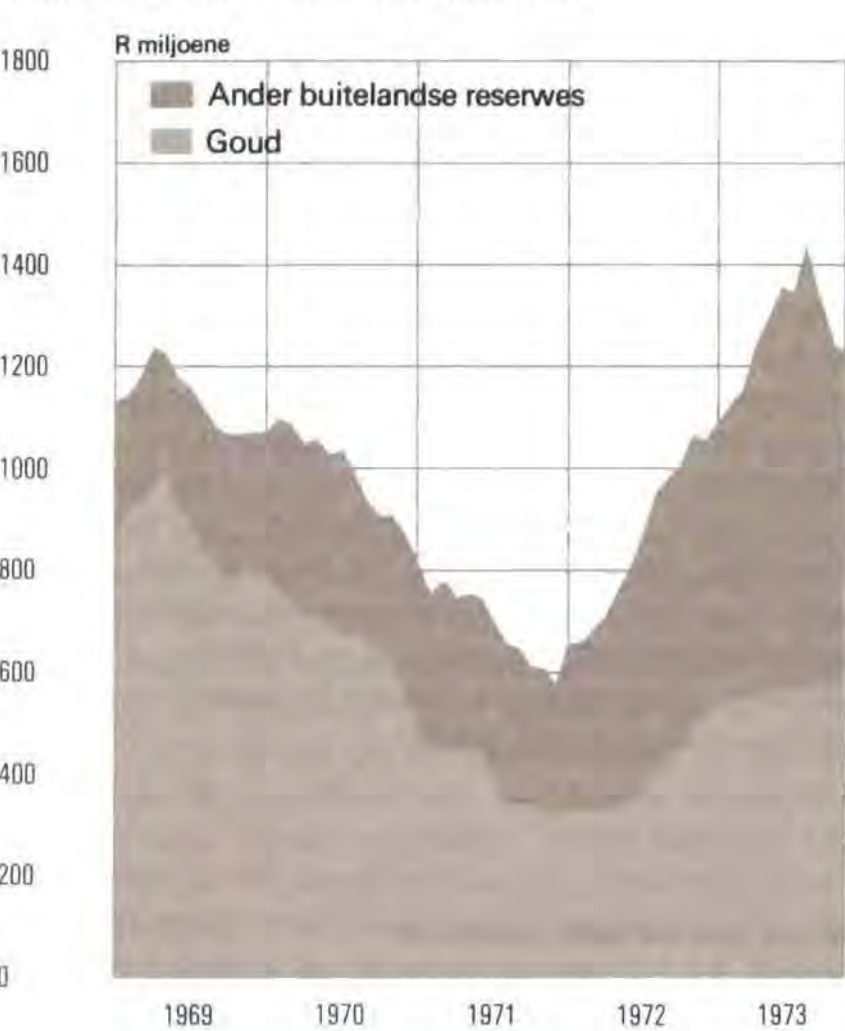
Die aansienlike netto kapitaaluitvloeiing gedurende die derde kwartaal kan in 'n groot mate toegeskryf word aan die laer rentekoersstruktuur in Suid-Afrika as in die buiteland en aan die beskikbaarheid van fondse in die binnelandse geld- en kapitaalmarkte. In die besonder het hierdie faktore tot die aansienlike terugbetaling van buitelandse lenings deur die sentrale regering.

Afname in goud- en ander buitelandse reserwes

Die netto resultaat van hierdie verskillende transaksies op die lopende en kapitaalrekening was dat die goud- en ander buitelandse reserwes gedurende die derde kwartaal met R63 miljoen gedaal het. Indien aansuiwerings as gevolg van veranderings in die wisselkoers van die rand in berekening gebring word, het die goud- en ander buitelandse reserwes met soveel as R98 miljoen gedaal. Hierdie afname is in sy geheel in die valuta-reserwes van die Reserwebank weerspieël, aangesien die goudreserwes van die Bank in werklikheid gedurende hierdie kwartaal effens gestyg het. Die goud- en ander buitelandse reserwes van die sentrale regering en ander monetêre bankinstellings het bykans onveranderd gebly.

Gedurende die loop van die derde kwartaal het veranderings in die goud- en ander buitelandse reserwes groot skommelings getoon, wat in 'n groot mate saamgehang het met die datums waarop buitelandse lenings terugbetaal is en die aantekening van waardasie-aansuiwerings. Nadat die goud- en ander buitelandse reserwes met nie minder nie as R89 miljoen in Julie toegeneem het om 'n rekordvlak van R1 430 miljoen aan die einde van die maand te bereik, het dit

Goud- en ander buitelandse reserwes



daarna aansienlik met R187 miljoen tot 'n vlak van R1 243 miljoen, waarvan die Reserwebank R1 080 miljoen gehou het, aan die einde van September gedaal.

Ontwikkelings gedurende Oktober en November

Vanaf 30 September het die goud- en ander buitelandse reserwes wat deur die Reserwebank gehou word met R23 miljoen tot R1 103 miljoen op 26 Oktober gestyg, voordat dit met R111 miljoen tot R992 miljoen op 16 November gedaal het. Soos in die derde kwartaal, is hierdie afname hoofsaaklik weerspieël in die Reserwebank se besit aan buitelandse valuta. Die buitelandse reserwes van die sentrale regering het gedurende Oktober min verandering getoon.

Maandelikse handelstatistiek wat deur die Departement Doeane en Aksyns vrygestel word, toon 'n voortgesette groot tekort op die goedere-handelsrekening wat in Oktober 1973 R104 miljoen bedra het. Hierdie tekort het voorgekom nie teenstaande 'n skerp styging in goedere-uitvoere. Nadat goedere-uitvoere vanaf 'n seisoensaangesuiwerde jaarsyfer van R2 588 miljoen in Julie tot R2 183 miljoen in September gedaal het, het dit in Oktober tot nie minder nie as R2 490 miljoen gestyg. Aan die ander kant het goedere-invoere ook aansienlik gestyg vanaf 'n seisoensaangesuiwerde jaarkoers van R3 682 miljoen in September tot R3 810 in Oktober.

Op die internasionale front was daar gedurende Oktober en November verskeie ontwikkelings wat Suid-Afrika se betalingsbalans beïnvloed het. Op 6 Oktober het oorlog in die Midde-Ooste uitgebreek en dit het gelei tot beperkings op olie-uitvoere deur die meeste van die olieproduserende lande in daardie gebied en ook tot hoër oliepryse. Vanaf die einde van Oktober het die waarde van die dollar aansienlik verstewig en 'n dienooreenkomstige appresiasie het gevolglik in die eksterne waarde van die rand voorgekom. Rentekoerse in die buiteland het op 'n hoë vlak gebly en geneig om te verstewig terwyl die gemiddelde goudprys op die Londense mark gedaal het. Op 13 November het die Verenigde State en ses Wes-Europese lande (België, Wes-Duitsland, die Verenigde Koninkryk, Nederland, Italië en Switserland) ooreengekom om die 1968-goudooreenkoms, waarvolgens 'n tweeprys-goudmark ingestel is, te beëindig. Die aanvanklike uitwerking van hierdie verwikkeling was 'n verdere daling van die goudprys.

Monetêre en banktoestand

Geld en kwasi-geld

Gedurende die derde kwartaal van 1973 het die seisoensaangesuiwerde hoeveelheid geld en kwasi-geld met R281 miljoen of teen 'n jaarkoers van 22 persent toegeneem. Dit kan vergelyk word met 'n seisoensaangesuiwerde jaarkoers van toename van 21 persent gedurende die tweede kwartaal en van nie minder nie as 40 persent gedurende die eerste kwartaal van die jaar. Vir die eerste nege maande van 1973 as geheel het die jaarkoers van toename 28 persent bedra. As gevolg van die styging in geld en kwasi-geld gedurende die derde kwartaal het die verhouding van geld en kwasi-geld tot die bruto binnelandse produk, albei ná uitskakeling van die seisoensinvloed, effens verder gestyg vanaf 29,5 persent in die tweede kwartaal tot 29,7 persent in die derde kwartaal.

Die volgehoue sterk opwaartse beweging van geld en kwasi-geld gedurende die derde kwartaal was byna geheel en al die gevolg van verdere groot toenames in bankkrediet, in die besonder aan die private sektor. Die netto goud- en ander buitelandse reserwes van die banksektor, wat vanaf die einde van 1971 tot die einde van Julie 1973 byna sonder onderbreking toegeneem het, het gedurende Augustus en September taamlik aansienlik (met R110 miljoen, seisoensaangesuiwer) gedaal; dit wil voorkom of daar gedurende Oktober 'n verdere geringe daling plaasgevind het. Die netto eise van die banksektor teen die regeringsektor het, nadat dit vanaf die einde van die eerste kwartaal van 1973 tot die einde van Augustus met ongeveer R200 miljoen gedaal het, gedurende September opmerklik gestyg met R126 miljoen as gevolg van 'n afname in regeringsdeposito's.

Oorsake van verandering in geld en kwasi-geld, 1973

R miljoene

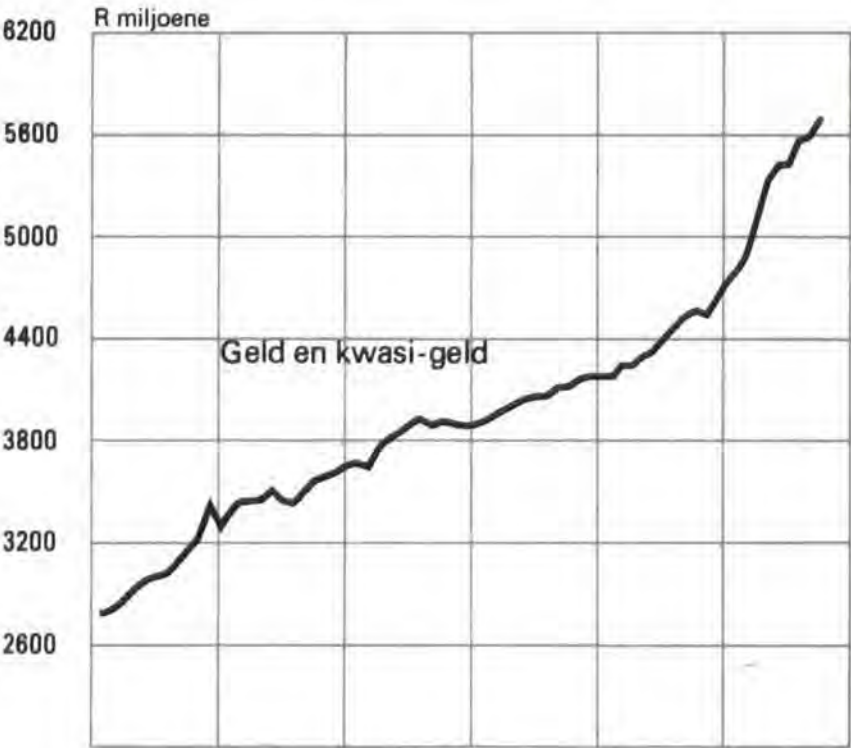
	Seisoensinvloed nie uitgeskakel nie			Seisoensinvloed uitgeskakel		
	1e kw.	2e kw.	3e kw.	1e kw.	2e kw.	3e kw.
Netto goud- en ander buitelandse reserwes	169	105	-133	160	34	-64
Eise teen die regeringsektor:						
Bruto eise	143	286	104
Regeringsdeposito's*	-228	-270	-78
Netto eise	-85	16	26	122	-113	49
Eise teen die private sektor	361	363	475	371	416	417
Langtermyn private deposito's*	-61	-164	-121	-18	-226	-119
Netto ander bates en laste	-185	63	58
Totale oorsake	199	383	305	415	258	281

*Toename - ; afname +

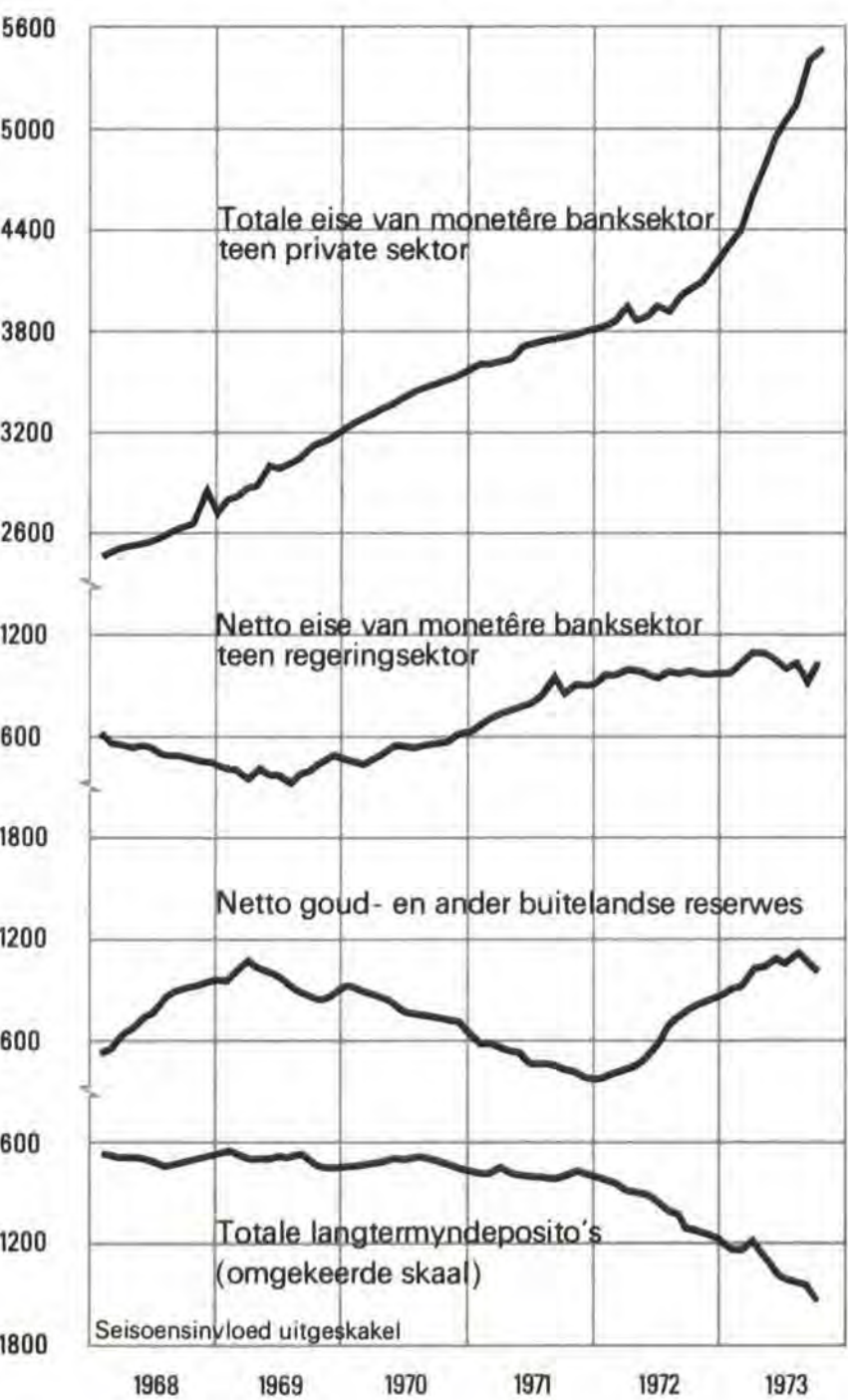
Gedurende die derde kwartaal het die eise van die monetêre banksektor teen die private sektor met R417 miljoen of teen 'n jaarkoers van 37 persent toegeneem; dit kan vergelyk word met toenames van R416 miljoen en R371 miljoen gedurende die tweede en eerste kwartaal van die jaar onderskeidelik. Die totale toename in bankkrediet aan die private sektor gedurende die eerste nege maande van die jaar het gevolglik te staan gekom op effens meer as R1 200 miljoen of op 'n jaarkoers van toename van 39 persent. Opvallende skommelings het egter in die maandelikse bedrae van hierdie toenames voorgekom. Ná 'n baie groot styging van R236 miljoen gedurende Augustus, was die toename in September slegs R59 miljoen.

Soos gedurende die tweede kwartaal van die jaar, is die uitwerking van die verskillende faktore wat tot die styging in geld en kwasi-geld bygedra het, nog steeds in 'n nie-onbeduidende mate deur opmerklike verdere stygings in die langtermyndeposito's van die private sektor by die monetêre banksektor geneutraliseer. Gedurende die derde kwartaal van die jaar het die seisoensaangesuiwerde toename in hierdie deposito's R119 miljoen bedra, wat egter aansienlik minder was as die toename wat gedurende die voorafgaande drie maande aangeteken is.

Monetêre ontleding



Oorsake van veranderings in geld en kwasi-geld



Bankkrediet

In teenstelling met ontwikkelings gedurende die tweede kwartaal van 1973, gedurende welke tyd die monetêre banke ook aansienlike toevoegings tot hul beleggings in effekte van die private sektor gemaak het, is die toename in die eise van die banksektor teen die private sektor gedurende die derde kwartaal geheel en al verklaar deur toenames in die banke se diskonteringe en voorskotte. Die handelsbanke, aksepbanke en monetêre huurkoop- en algemene banke het hul diskonteringe en voorskotte in werklikheid met R485 miljoen vermeerder, vergeleke met 'n toename in hierdie vorms van krediet van R488 miljoen vir die banksektor in sy geheel. Onder die verskillende klasse monetêre bankinstellings is die vinnigste koers van toename by die uitbreiding van diskonteringe en voorskotte aan die private sektor weer eens deur die monetêre huurkoop- en algemene banke aangeteken. Vanaf die einde van Desember 1972 tot die einde van September 1973 het die persentuele toename in die diskonteringe en voorskotte aan die private sektor van hierdie twee klasse monetêre bankinstellings nie minder nie as 50 persent bedra. Die ooreenstemmende persentuele toenames in die leningsvoorsiening deur die handels- en aksepbanke was 37 en 39 persent onderskeidelik.

Kredietvoorsiening deur middel van die verdiskontering van bankaksepte en handels- en landbouwissels het voortgegaan om vinniger te styg as die totaal van die monetêre banke se diskonteringe en voorskotte aan die private sektor. Gedurende die derde kwartaal van 1973 het die monetêre banke se besit aan private wissels en bankaksepte in werklikheid met nie minder nie as R130 miljoen tot R680 miljoen, of met 24 persent, toegeneem. Hierdie toename het egter feitlik geheel en al gedurende Julie en Augustus voorgekom.

Banklikwiditeit

Die oorskot-likwiditeitsverhouding van monetêre bankinstellings, wat aan die einde van Julie 1973 op ongeveer dieselfde vlak gestaan het as aan die einde van April (4,5 persent), het skerp gedaal tot 2,3 persent aan die einde van Augustus en gedurende September slegs 'n betreklik geringe herstel getoon. Afgesien daarvan dat dit die uitwerking van die banke se vinnige kredietuitbreiding weerspieël het, was die daling van hierdie verhouding in Augustus ook die gevolg van faktore, soos die toename in regeringsdeposito's, 'n daling van die goud- en ander buitelandse reserwes, en 'n opvallende styging van die bedrag aan note in omloop, wat gedurende die tweede helfte van daardie maand tot die skerp vernouing van die geldmark bygedra het.

Handelsbanke, aksepbanke en monetêre huurkoop- en algemene banke

Oorskot- likwiditeitsverhoudings, April tot September 1973-(%)

	Julie	Aug.	Sept.
Handelsbanke	5,3	3,0	3,2
Aksepbanke	1,9	1,2	1,6
Monetêre huurkoop- en algemene banke	3,4	0,8	2,0
Totaal	4,5	2,3	2,7

Toestand op die geldmark en korttermynrentekoerse

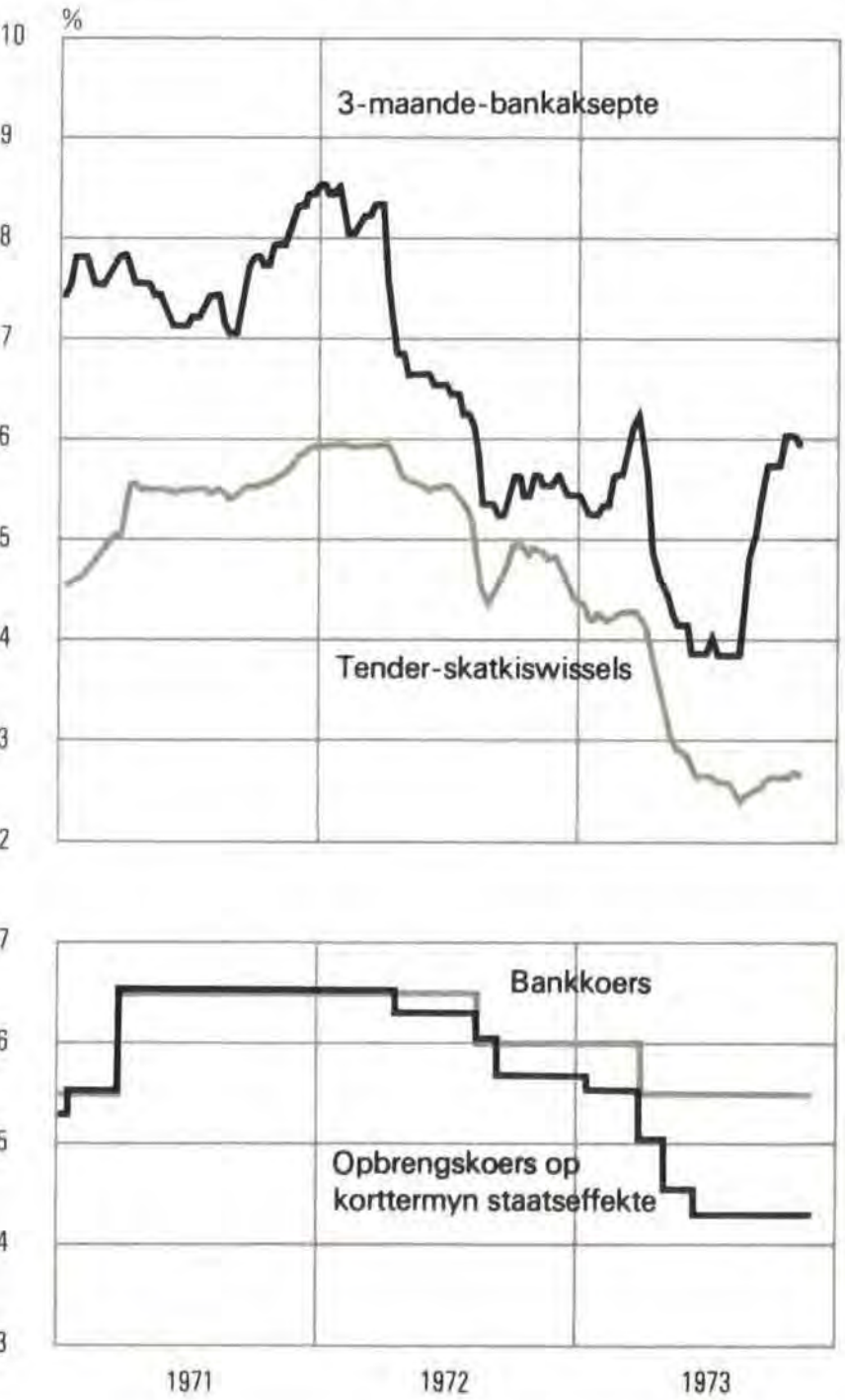
Ná 'n skerp vernouing gedurende die laaste twee weke van Augustus, as gevolg van die buitengewone sameloop van omstandighede waarna hierbo verwys is, het die toestand op die geldmark gedurende September betreklik stram gebly. Dit was grotendeels die gevolg van 'n verdere afname van R96 miljoen in die netto besit aan goud- en buitelandse reserwes van die Reserwebank wat 'n afname van R150 miljoen in regeringsdeposito's gedeeltelik geneutraliseer het. Hierbenewens het die notesirkulasie aan die einde van September 'n verdere betreklik groot toename in vergelyking met die vorige maandeinde getoon terwyl die Reserwebank en NFK se besit aan Landbankwissels afgeneem het nadat dit die seisoenale hoogtepunt bereik het. Daggeldlenings by die diskontohuise, wat aan die einde van Augustus tot R254 miljoen gedaal het, het gevolglik slegs effens tot R256 miljoen aan die einde van September gestyg. Onder hierdie omstandighede het die akkommodasie wat deur die Reserwebank onder die nuwe reëlings aan die diskontohuise verleen is, plus die akkommodasie verleen aan ander banke in die vorm van terugkoop-ooreenkomste, aan die einde van September gesamentlik R371 miljoen beloop nadat dit gedurende die eerste paar dae van die maand 'n bedrag van R338 miljoen bereik het. In hierdie verband is daar ook deur die Voorsitter van die Nasionale Finansiële Korporasie, tydens die korporasie se Jaarlikse Algemene Vergadering op 30 Oktober, aangekondig dat, met ingang Oktober, die goudpremie wat aan die goudmyne betaalbaar is, voortaan kort voor die einde van elke maand betaal sou word in plaas van vroeg in die volgende maand, ten einde die verlies aan fondse vir die geldmark wat ontstaan uit die toename in die bedrag aan note in sirkulasie met maandeindes, teen te werk.

'n Taamlik aansienlike verruiming van die geldmark gedurende Oktober, wat onder meer uit 'n voortgesette afname in regeringsdeposito's voortgespruit het, het meegebring dat daggeldlenings by die diskontohuise aan die einde van die maand 'n peil van R331 miljoen bereik het. Rentekoerse op geldmarkinstrumente het egter geneig om op die hoër peile te bly wat gedurende September bereik is. Die koers op bankaksepte van 3 maande, wat vanaf 3,8 persent op 10

Augustus tot 5,7 persent op 21 September gestyg het, het byvoorbeeld aan die einde van Oktober op 6,0 persent gestaan. Die koers op VDS-e van 90 dae wat op 10 Augustus 3,5 persent was, was 6,75 persent aan die einde van September en Oktober en 7,0 persent in die middel van November. Die skatkiswissel-tenderkoers het gestyg vanaf net meer as 2,5 persent in die middel van September tot 2,70 persent op 16 November.

In ooreenstemming met die stygende peil van rentekoerse op geldmarkinstrumente, het bankinstellings ná die middel van September betreklik algemeen geneig om hulle koerse op sekere deposito's te verhoog tot die maksima wat onder die depositokoersbeheerregulasies toegelaat word. Dit is gevolg deur 'n verhoging van $\frac{1}{2}$ persent, tot 8 persent, in die handelsbanke se prima uitleenkoers met ingang 15 November.

Geldmark- en verwante rentekoerse



Staatsfinansies

Skatkisrekening

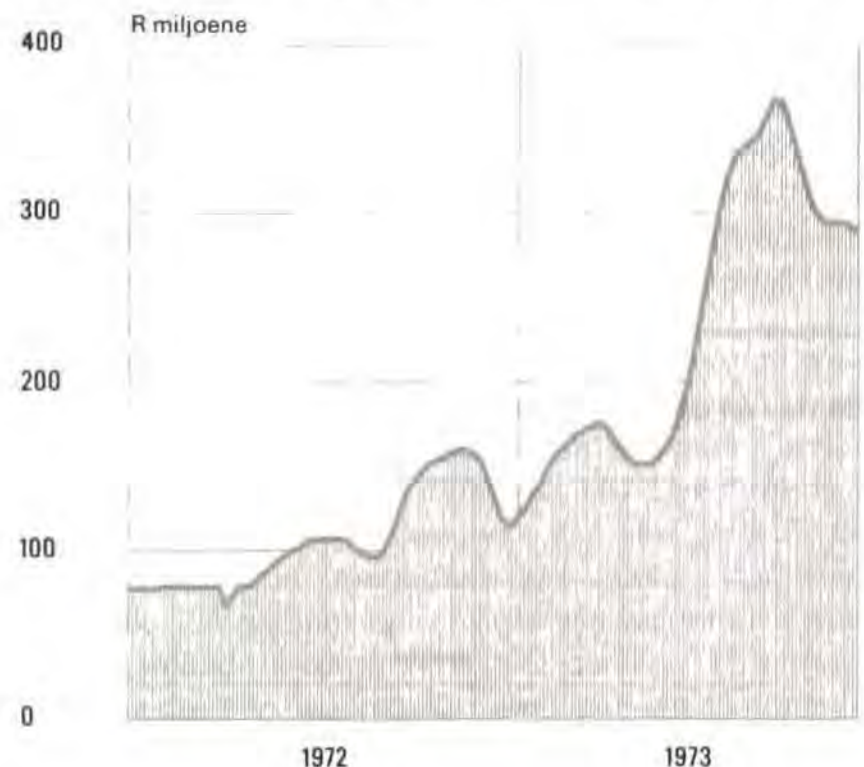
Die mees opvallende kenmerk van die Skatkisrekening gedurende die eerste helfte van die huidige fiskale jaar, d.w.s. vanaf April tot September 1973, was die aansienlike opbouing van deposito's, hoofsaaklik as gevolg van lopende ontvangste wat hoër was as wat verwag is, 'n lae peil van uitreikings uit die Leningsrekening en 'n aansienlike toename in die monetêre banksektor se besit aan staatskuldbewyse. Laasgenoemde toename is egter meer as geneutraliseer deur die toename in deposito's met die gevolg dat die Skatkis se netto skuldposisie teenoor die monetêre banksektor gedurende die tydperk 'n opmerklike daling getoon het.

Ontvangste (uitgesonderd lenings) was heelwat hoër as wat verwag is en het 'n toename van nie minder nie as 34 persent getoon vergeleke met dieselfde tydperk 'n jaar gelede. Hierdie persentasie kan vergelyk word met 'n begrote toename van 9 persent vir die fiskale jaar as geheel. Totale uitreikings uit die Inkomste-, Lenings- en Suidwes-Afrikarekening, waarvan verwag is dat dit gedurende die jaar as geheel met byna 20 persent sou styg, het gedurende die halfjaar-tydperk met slegs 6 persent toegeneem vergeleke met die tydperk April tot September 1972. Hoewel die toename in uitreikings op Inkomsterekening ook ietwat laer was as wat begroot is, is die laer as verwagte koers van toename in die totale uitreikings gedurende die afgelope ses maande grotendeels veroorsaak deur 'n werklike afname van R100 miljoen in die fondse wat uit Leningsrekening beskikbaar gestel is, vergeleke met dieselfde tydperk 'n jaar gelede.

Hierdie uiteenlopende neigings van uitreikings en ontvangste het gelei tot 'n tekort op die Skatkisrekening van slegs R32 miljoen gedurende die eerste helfte van die fiskale jaar, wat 'n skerp teenstelling gevorm het met die tekort van R403 miljoen in dieselfde tydperk van 1972. Tesame met hierdie kleiner tekort, het die private nie-banksektor 'n netto bedrag van R121 miljoen in staatskuldbewyse, insluitende leningsheffings, belê en die Staatskuldkommissaris het 'n verdere R77 miljoen tot die skatkisfinansies bygedra. Soos hierbo aangetoon, het die monetêre banksektor ook groot bedrae (R389 miljoen) in staatskuldbewyse belê en die netto resultaat was dat, selfs met inagneming van die delging van R86 miljoen van buitelandse skuld, die skatkisdeposito's gedurende die tydperk van ses maande met R469 miljoen gestyg het. Hierdie deposito's het in werklikheid teen die middel van September 'n rekordvlak van R1 157 miljoen bereik maar daarna seisoenaal tot R873 miljoen aan die einde van Oktober gedaal. Gedurende die tydperk as geheel is die Skatkis se netto skuldposisie teenoor die monetêre banksektor gevolglik met R80 miljoen verminder.

Alhoewel die monetêre banksektor se besit aan sowel staatseffekte as skatkiswissels gedurende die tydperk onder beskouing taamlik aansienlik gestyg het, was veral die toename in laasgenoemde opmerklik. Die monetêre banksektor se besit aan skatkiswissels, wat gedurende die afgelope drie jaar geen noemenswaardige verandering getoon het nie, het veral sedert die begin van 1973 'n opvallende opwaartse tendens getoon. Soos in die bygaande grafiek getoon word het uitstaande bemarkbare skatkiswissels in werklikheid vanaf R120 miljoen aan die einde van 1972 tot R372 miljoen op 31 Augustus gestyg voordat dit tot R306 miljoen op 31 Oktober afgeneem het.

Totale bemarkbare skatkiswissels uitstaande



Effekte-uitgifte en -aflossing

Tussen 24 en 31 Oktober 1973 is 'n verdere uitgifte van die 7 $\frac{3}{4}$ persent 1998-effek vir openbare inskrywing beskikbaar gestel. Dit is ook aan die besitters van 'n effekte-uitgifte van R35 miljoen wat op 1 November verval het, vir omsetting aangebied. Beleggers het vir slegs ongeveer R5 miljoen van die uitgifte aansoek gedoen terwyl R33 miljoen van die uitgifte wat op 1 November verval het, in kontant terugbetaal moes word, insluitende ongeveer R10 miljoen aan die Staatskuldkommissaris.

Kapitaalmark

Die toestand op die kapitaalmark het teen die einde van die derde kwartaal van 1973 geneig om strammer te word na 'n tydperk waarin die toestand betreklik ruim was gedurende die eerste agt maande van die jaar. Opbrengskoerse op langtermyn- vaste-rentedraende effekte het ietwat verstewig, aandeelpryse het afwaarts beweeg en opbrengskoerse op aandele het toegeneem en die vloei van fondse na die bouverenigings het afgeneem na 'n laer vlak.

Mark vir vaste-rentedraende effekte

Die toestand in die mark vir vaste-rentedraende effekte, wat gedurende die eerste agt maande van 1973 taamlik ruim was, het gedurende September geneig om ietwat strammer te word. Hierdie verandering is nie soseer in 'n werklike styging in opbrengskoerse weerspieël nie maar eerder in die traagheid aan die kant van beleggers om nuwe uitgiftes teen die heersende opbrengskoerse te ondersteun. Verwagtings dat opbrengskoerse in die nabye toekoms sou kon styg verklaar waarskynlik dié gedrag van beleggers. Die oorheersende opbrengskoers op nuwe uitgiftes van langtermyn-semi-prima-effekte het byvoorbeeld

vanaf ongeveer 8,75 persent in Januarie tot ongeveer 8,03 persent aan die begin van September afgeneem en daarna weer gestyg tot 'n peil van ongeveer 8,25 persent aan die einde van September. Die opbrengskoers op langtermynstaatseffekte is gedurende Maart 1973 vanaf 8,125 persent na 7,75 persent verlaag en het daarna onveranderd op hierdie peil gebly. Die jongste uitgifte van staatseffekte teen dié opbrengskoers gedurende Oktober het egter slegs 'n baie beperkte bedrag aan inskrywings getrek. Die opbrengskoers op maatskappy-obligasies het vanaf 9,50 persent aan die begin van 1973 tot 9,125 persent in Augustus afgeneem en daarna weer tot 9,25 persent in Oktober gestyg.

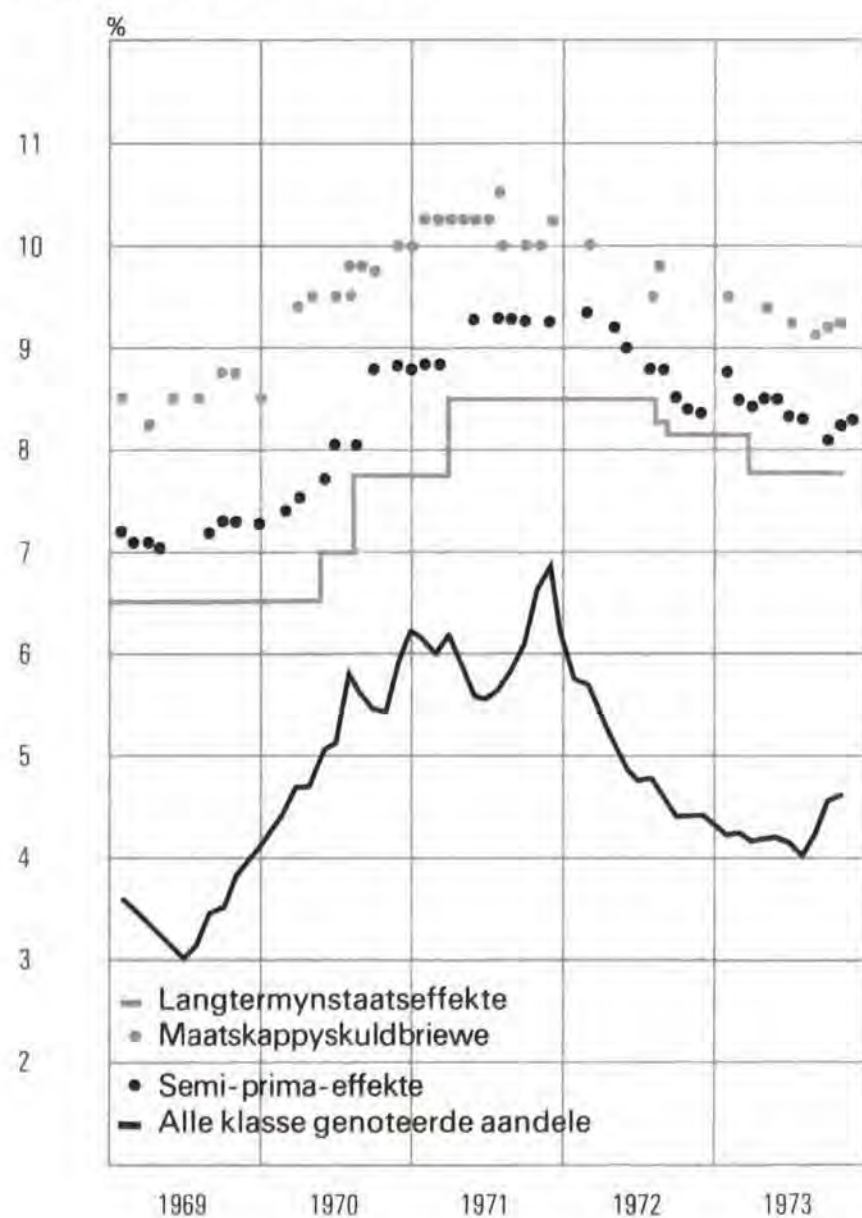
Aandelemark

Met uitsondering van goud- en steenkoolmynaandele, het aandeelpryse vanaf Februarie tot Mei 1973 geneig om afwaarts te beweeg. Gedurende Junie en Julie was daar 'n toename in die pryse van die meeste klasse aandele maar die verbetering is nie gedurende die oorblywende deel van die derde kwartaal en Oktober volgehou nie. Die effektebeursomset, soos gemeet volgens die aantal aandele wat verhandel is, was gedurende die derde kwartaal en Oktober ook merkbaar laer vergeleke met die eerste ses maande van 1973 en hierdie gebrek aan beleggersbelangstelling het bygedra tot die hernieude afname in aandeelpryse veral gedurende Augustus en September. Die verloop van goudmynaandeelpryse is sterk beïnvloed deur veranderinge in die prys van goud op die private mark en transaksies in hierdie aandele het geneig om die effektebeurstoneel regdeur die eerste tien maande van die jaar te oorheers.

Die dividendopbrengskoers op alle klasse aandele, wat feitlik deurlopend vanaf 4,30 persent in Desember 1972 tot 4,00 persent in Julie 1973 gedaal het, het gedurende Oktober tot 4,62 persent gestyg. Aangesien die opbrengskoers op langtermynstaatseffekte nie toegeneem het nie, het die omgekeerde rendementsgaping tussen hierdie opbrengskoers en die dividendopbrengskoers op aandele afgeneem vanaf 3,6 persent in Junie 1973 tot 3,1 persent in Oktober.

Effektetrusts het, in ooreenstemming met die swakker neiging op die effektebeurs gedurende die derde kwartaal, 'n toenemende uitvloeiing van fondse in die vorm van terugkope van eenhede ondervind. Die betrokke bedrag het R19 miljoen beloop, vergeleke met R11 miljoen gedurende die tweede kwartaal. Die trusts was gevolglik netto verkopers van effekte terwyl hulle besit aan kontant en deposito's ook vanaf R20 miljoen aan die einde van Junie tot R16 miljoen aan die einde van September 1973 afgeneem het. As gevolg van hierdie verwikkelings en die algemene daling in aandeelpryse gedurende Augustus en September, het die markwaarde van die trusts se netto bates afgeneem vanaf R500 miljoen aan die einde van Junie tot R413 miljoen aan die einde van September.

Rente- en opbrengskoerse



Bouverenigings

Die vloei van fondse na die bouverenigings, wat gedurende die tweede kwartaal van 1973 uitsonderlik groot was, het gedurende die derde kwartaal tot 'n laer vlak afgeneem. Die verenigings se netto invloeiing van fondse gedurende die eerste drie kwartale van 1973 het alreeds die rekord jaartotaal wat gedurende 1972 aangeteken is, oorskry. Soos in die bygaande tabel getoon word, het die toename in verbandlenings uitstaande en in nuwe verbandlenings toegestaan eweneens die rekord jaarsyfers wat in 1972 aange-teken is, oorskry.

Die kleiner invloeiing van nuwe fondse gedurende die derde kwartaal het die bouverenigings genoop om hul rentekoers op deposito's van tussen 12 en 24 maande vanaf 15 September tot 7 persent te verhoog nadat hulle dit slegs drie maande vroeër tot 6,5 persent verlaag het. Die meeste bouverenigings het ook met ingang Augustus 1973 hul verbandkoerse ten opsigte van woonhuise en ander geboue vanaf 8,75 persent en 9,50 persent tot 8,50 persent en 9,00 persent per jaar onderskeidelik verlaag.

Die vinniger tempo waarteen nuwe verbande toegestaan is, het gedurende die eerste drie kwartale van 1973 gelei tot 'n toename van R197 miljoen in die bouverenigings se verpligtings ten opsigte van verbande toegestaan maar nog nie uitbetaal nie en het hul totale uitstaande verpligtings op 30 September

Bouverenigings

R miljoene

	Netto invloeiing van fondse	Toename in uit- staande voorskotte	Nuwe voorskotte toegestaan
1972	493	371	870
1973: 1ste kw.	169	124	217
2de kw.	271	130	329
3de kw.	184	187	411
Totaal, drie kwartale	624	441	957

1973 op R458 miljoen te staan gebring. Die akkumulasie van surplusfondse in die vorm van toenames in hul besit aan likwiede bates en die opgeskorte ander voorgeskrewe beleggings het egter nie tred gehou met hul stygende verpligtings nie aangesien dié besit met slegs R160 miljoen toegeneem het. Die verhouding van uitstaande verpligtings tot die totaal van likwiede bates en die opgeskorte ander voorgeskrewe beleggings het gevolglik toegeneem vanaf 45 persent aan die einde van 1972 tot 61 persent aan die einde van September 1973.

Ingevolge die wysigings tot die Bouverenigingwet vroeër vanjaar, het die Minister van Finansies die volgende maksimum persentasies van alle voorskotte of hervorskotte wat vanaf 1 Oktober 1973 gedurende 'n jaar toegestaan word en wat aan die verskillende soorte verbande toegedeel kan word, vasgestel, naamlik: 20 persent ten opsigte van woonhuise waar die uitstaande bedrag R18 000 oorskry; 15 persent ten opsigte van woonstelle; en 3 persent ten opsigte van geboue vir sakedoeleindes.

Bouverenigings

