

# Quarterly economic review

## General observations

Economic conditions and developments during the year that ended on 30 June 1975 and, in some cases also during July and the early part of August, were reviewed in detail in the Governor's Address at the Reserve Bank's Annual General Meeting on 26 August, in the Reserve Bank's *Annual Economic Report* published before that meeting, and in various statements by the Minister of Finance and the Governor of the Reserve Bank on changes in the exchange rate, exchange control and monetary policy, published in this issue of the *Quarterly Bulletin*. This review will therefore be confined to a brief survey of main developments during the second quarter of the year, supplemented by observations on subsequent developments.

The main features of economic developments and conditions during the period under review may be summarised as follows:

1. An analysis of national accounts data and other economic indicators confirms that the South African economy remained in the downward phase of the current business cycle during the period under review. Nevertheless, the rate of growth in the real gross domestic product increased fairly sharply during the second quarter, mainly owing to a substantially higher contribution by agriculture. If the contribution of agriculture is excluded, the growth rate of the real gross domestic product improved only slightly during the second quarter of 1975. As a result of the sluggish economic conditions, unused production capacity in manufacturing increased further, real activity in the building sector declined and the number of unemployed Whites, Coloureds and Asians increased further during the second quarter of the year. Real domestic demand increased during the second quarter as a result of increases in private and government consumption expenditure and fixed investment.

2. Although the balance of payments on current account showed a further deterioration during the second quarter of 1975, the total net foreign capital inflow to the private and the central government and banking sectors exceeded the deficit on current account, with the result that the gold and other foreign reserves in fact increased by R23 million. However, a considerable part of the net inflow of capital consisted of official loans to protect the balance of payments, and if these loans are taken into account, the Reserve Bank's *net* gold and other foreign reserves, in fact,

declined substantially during recent months.

3. Expectations regarding possible changes in the exchange rate of the rand during the period under review caused unfavourable leads and lags in foreign payments and receipts and thereby adversely affected short-term foreign capital movements. The authorities consequently decided to change their exchange rate policy, with effect from 27 June 1975, from one of independent managed floating to a policy in terms of which the rand-dollar rate will be kept fixed for longer periods and will only be adjusted upwards or downwards if considered essential in the event of any *basic* change in domestic or international economic circumstances.

4. To strengthen the balance of payments in general and, in particular, to correct the unfavourable leads and lags situation, the Minister of Finance and the Governor of the Reserve Bank on 11 August 1975 announced a number of exchange control and monetary policy measures. These measures included firstly, a number of exchange control relaxations to facilitate and encourage an inflow of capital and secondly, a more conservative monetary policy designed to reduce excess liquidity and to prevent interest rates from declining further.

5. Recently the overall economic situation changed in two basic respects, namely (1) it became clear that the present world economic recession was both deeper and of longer duration than had been expected; and (2) the price of gold on the private market declined substantially to \$135 per fine ounce on 19 September. Under these changed circumstances, the Government decided to devalue the rand in terms of the US dollar by 17,9 per cent with effect from 22 September 1975. This devaluation is intended not only to strengthen the overall balance of payments, but also to prevent the present slowdown in domestic economic activity from proceeding too far. In this announcement, the Minister of Finance also stated that the liquid asset requirements of the banks would be increased further as from the date of certification of their September month-end statements.

6. The rate of increase in money and near-money during the four-month period April to July 1975 was substantially lower than that during the first quarter and during the calendar year 1974. Although the seasonally adjusted money and near-money supply increased by only R226 million during this period, the seasonally adjusted claims of the banking sector on



the private sector increased by R437 million and those on the government sector by no less than R555 million. These further increases in domestic credit were, however, partly offset by a sharp decline in the net gold and other foreign reserves and marked increases in private long-term deposits. During the second quarter and July 1975, the liquidity position of monetary banking institutions improved substantially. Conditions in the money market remained relatively easy and interest rates continued their declining trend into July. However, following upon the increase in the Bank rate from 8 to 8½ per cent on 11 August and the increase in the liquid asset requirements of the banks, money market interest rates increased substantially.

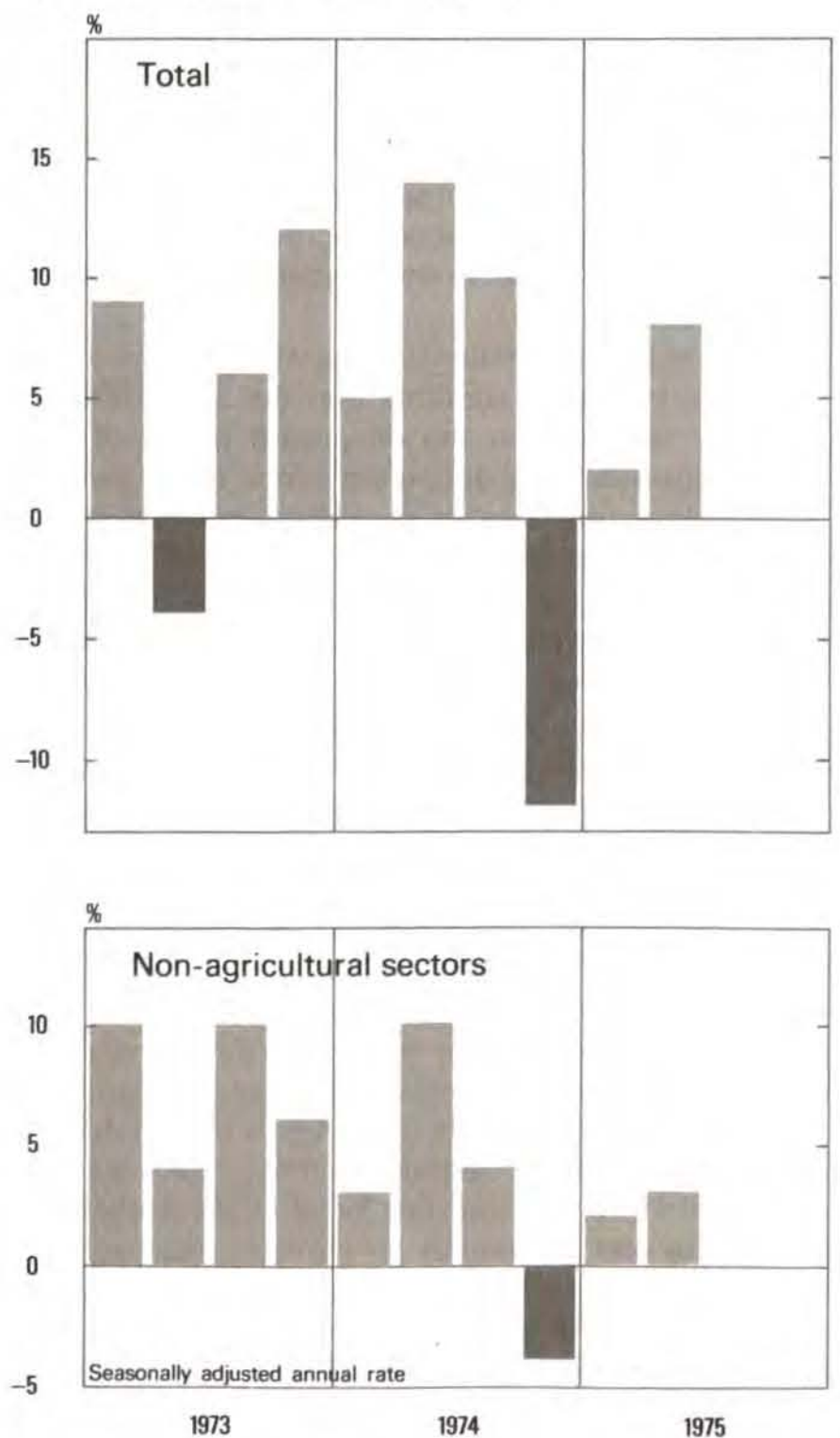
7. Mainly as a result of the high rate of increase in Exchequer issues, the Exchequer Account showed a deficit of R633 million for the four-month period April to July 1975. To reduce the Government's reliance on the banking sector in financing the Exchequer deficit, a new 25-year stock issue will be opened for general public subscription on 1 October at a historically high yield of 10 per cent. Special arrangements have been made with the Reserve Bank to issue this stock to investors on application as from 25 August. As part of the anti-inflationary drive the Government also intends to economise on expenditure and requested other levels of government to do likewise.

### National accounts

After having declined during the fourth quarter of 1974, the real gross domestic product rose marginally during the first quarter and then increased fairly sharply during the second quarter of 1975. The acceleration in the growth rate during the second quarter, however, was attributable almost entirely to a substantially larger contribution by the agricultural sector. The rate of increase in economic activity in the non-agricultural sectors of the economy during the second quarter improved slightly from the relatively low level recorded in the first quarter of the year.

During the second quarter of 1975, remuneration of employees at current prices continued to increase at approximately the same rate as during the first quarter

**Percentage change in gross domestic product at constant 1970 prices**





but the gross operating surplus, which had declined during the preceding quarter, increased substantially. Main contributions to the latter increase were made by agriculture, manufacturing and wholesale, retail and motor trade.

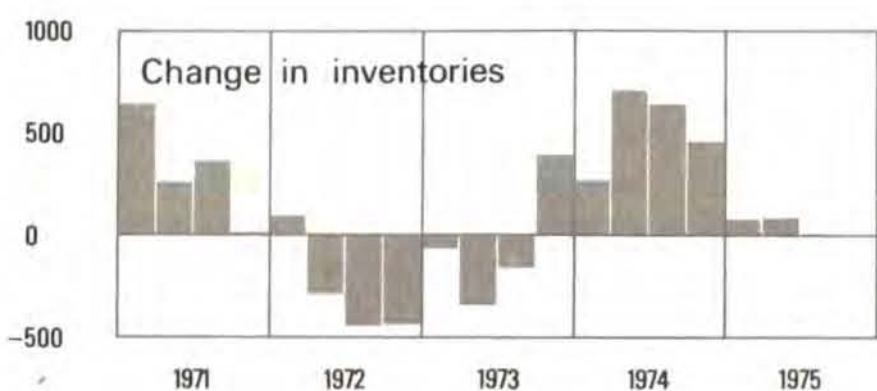
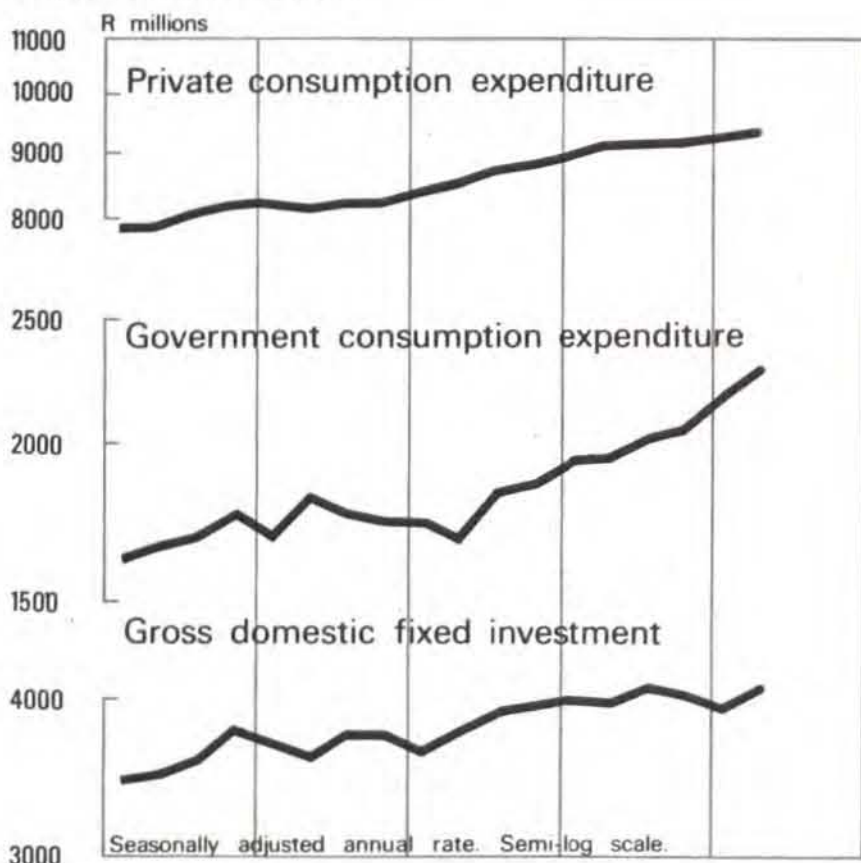
Real domestic demand, as measured by real gross domestic expenditure, increased sharply during the second quarter of 1975, after having shown almost no change during the first quarter. The main component of gross domestic expenditure, namely private consumption expenditure, increased faster during the second quarter than during the first quarter of 1975, mainly on account of higher outlays on durable goods. It is significant that real outlays on new motor cars and expenditure on television sets, following upon the introduction of television test transmissions in May 1975, increased noticeably. Government consumption expenditure at constant prices continued its sharply rising trend up to the second quarter. Defence expenditure in particular increased at a high rate.

Real gross domestic fixed investment, which had declined during the preceding two quarters, increased sharply during the second quarter of 1975, mainly on account of higher real capital expenditure by the public sector. The increase in real capital outlays by public authorities occurred over a broad spectrum, but the largest contributions came from the Department of Posts and Telecommunications on telecommunication services, the South African Railways on rolling stock and the central government and provincial administrations on water works, roads and bridges. Increased real fixed investment by Iscor on the Sishen-Saldanha project and on manufacturing plants resulted in a further substantial increase in real capital outlays by public corporations. Real fixed investment by the private sector showed a further small decrease. This was the net result of lower real outlays by commerce and on residential construction which together more than offset the increases registered by manufacturing and transport.

The book value of total inventories increased further during the second quarter of 1975, mainly as a result of additions to industrial and commercial inventories. However, the net addition to industrial and commercial inventories during the second quarter of 1975 was substantially lower than that recorded during any of the preceding five quarters.

As in the first quarter, gross domestic saving in the second quarter was again insufficient to finance gross domestic investment. With domestic saving showing little change and fixed and inventory investment increasing sharply, more extensive use of foreign funds had to be made during the second quarter of 1975. The increases in corporate saving and provision for depreciation were offset more or less by declines in personal saving and the current surplus of general government.

**Gross domestic expenditure at constant 1970 prices**





## Business cycle developments, labour situation and prices

### *Business cycle developments*

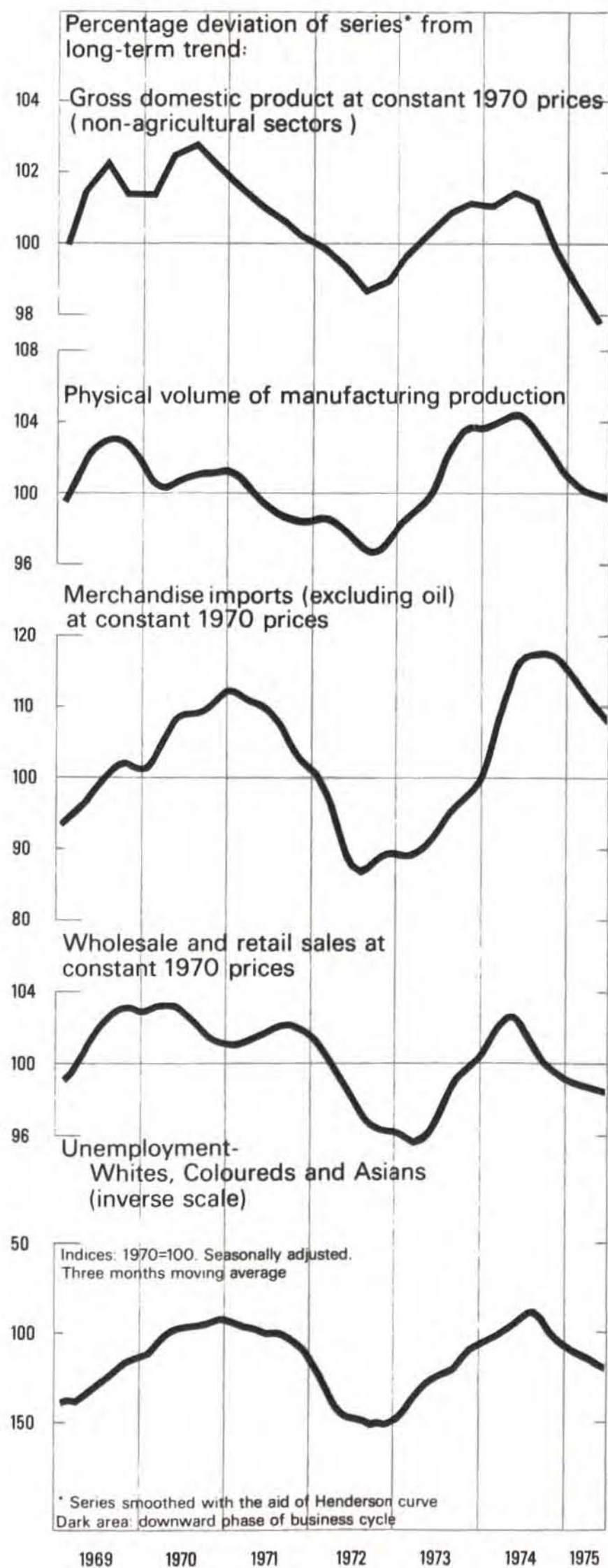
From an analysis of national accounts data and other economic indicators, it is clear that the South African economy is still in the downward phase of the current business cycle. This conclusion is clearly illustrated by cyclical movements of a selected number of series, shown on the accompanying graph, which normally coincide with the business cycle. Although the decline in the rate of increase in economic activity was fairly widely diffused in the economy, the degree of deceleration differed markedly between sectors. Conditions in the manufacturing sector, in particular, remained slack as was reflected in a further decrease in capacity utilisation during the second quarter of 1975. Insufficient demand remained the most important single reason for the further increase in unused production capacity. If the high rate of increase in building and construction costs is taken into account, building activity, as reflected by the value of buildings completed and building plans passed, declined to relatively low levels in the second quarter of 1975.

Although the economy has now been in the downward phase of the business cycle for more than a year, it is important to note that slight improvements occurred in certain sectors of the economy in the first and second quarters of 1975. For example, after declining in the fourth quarter of 1974, real gross domestic product, excluding agriculture, showed a small positive growth rate in the first quarter of 1975 and improved slightly further in the second quarter. Furthermore, slight improvements in the second quarter were noticeable in series such as the physical volume of manufacturing production, gold mining production, wholesale sales at constant prices, and the number of new motor cars and commercial vehicles sold. The above improvements, however, must be seen in relation to changes in the preceding quarters and cannot be taken to indicate a lower turning point in the business cycle.

### *Labour conditions*

As a consequence of the lower rate of increase in economic activity recorded during the past four quarters, labour conditions continued to ease until the second quarter of 1975. During the second quarter the number of ordinary as well as overtime hours worked in both manufacturing and construction were well below the levels reached in the third quarter of 1974. The seasonally adjusted registered number of unemployed Whites, Coloureds and Asians also increased further from 9 530 in March to 10 431 in June before declining slightly to 10 152 in August 1975.

## Business cycle indicators





## Prices

Although the present rates of increase in consumer and wholesale prices are still unacceptably high, they have slowed down significantly during the three quarters ended June 1975.

After rising at annual rates of 18,2 per cent in the third quarter of 1974 and 13,8 per cent in both the fourth quarter of 1974 and the first quarter of 1975, the rate of increase in consumer prices slowed down to 12,4 per cent in the second quarter. The latter change was mainly attributable to a relatively low rate of increase in food prices, although the rate of increase in the prices of most other items also slowed down from the first to the second quarter of the year. The slowdown in the rate of increase during the second quarter is even more significant in view of the rises in government-administered prices and higher customs and excise duties on certain goods and services which became effective in that quarter. Notwithstanding these increases and the relatively sharp increase in home-owners' costs in July, mainly owing to rises in municipal rates, the seasonally adjusted consumer price index increased at an annual rate of 12,5 per cent from December 1974 to August 1975.

### Prices: Annual percentage rate of change in seasonally adjusted average level per quarter

	2nd qtr. 1974 to 3rd qtr. 1974	3rd qtr. 1974 to 4th qtr. 1974	4th qtr. 1974 to 1st qtr. 1975	1st qtr. 1975 to 2nd qtr. 1975
<b>Consumer prices</b> . . .	<b>18,2</b>	<b>13,8</b>	<b>13,8</b>	<b>12,4</b>
Total goods . . . . .	21,1	15,2	14,0	13,0
Food . . . . .	35,0	17,3	14,9	6,9
Services . . . . .	12,2	11,2	13,0	11,0
<b>Wholesale prices</b> . . .	<b>26,3</b>	<b>14,4</b>	<b>18,7</b>	<b>9,4</b>
Goods produced in SA	20,9	11,3	18,5	8,2
Imported goods . . .	44,2	23,8	19,1	13,4

The rate of increase in the seasonally adjusted wholesale price index declined significantly in the second quarter of 1975, and reached its lowest level since the first quarter of 1972. As a result of slower increases in prices of domestically produced and imported goods during the second quarter, namely at annual rates of 8,2 and 13,4 per cent, respectively, the total index rose at an annual rate of only 9,4 per cent. This figure compared favourably with increases of 26,3, 14,4 and 18,7 per cent recorded during the preceding three quarters respectively. During July 1975, the rate of increase in wholesale prices accelerated again owing to sharp increases in prices of basic metals and metal products manufactured in South Africa. From December 1974 to July 1975, the seasonally adjusted wholesale price index rose at an annual rate of 15,8 per cent.

## Balance of payments

After having shown substantial deficits during the second and third quarters of 1974, the overall balance of payments, as measured by changes in the gold and other foreign reserves due to balance of payments transactions, improved and surpluses were recorded in the following three quarters. This improvement was entirely attributable to large capital inflows, mostly in the form of foreign loans, which more than offset the substantial deficits on current account. However, a considerable part of the net inflow of capital during the second quarter consisted of official loans to protect the balance of payments, and if these loans are taken into account, the Reserve Bank's *net* gold and other foreign reserves, in fact, declined substantially during recent months.

A large deficit of no less than R457 million was recorded on the current account of the balance of payments in the second quarter of 1975. Taken at a seasonally adjusted annual rate, the deficit on current account increased from R1 518 million in the first quarter to R1 901 million in the second quarter of the year. This further deterioration on current account occurred in spite of a slight decline in merchandise imports and was the result of a sharp rise in service payments to foreigners coupled with small decreases in the net gold output and merchandise exports.

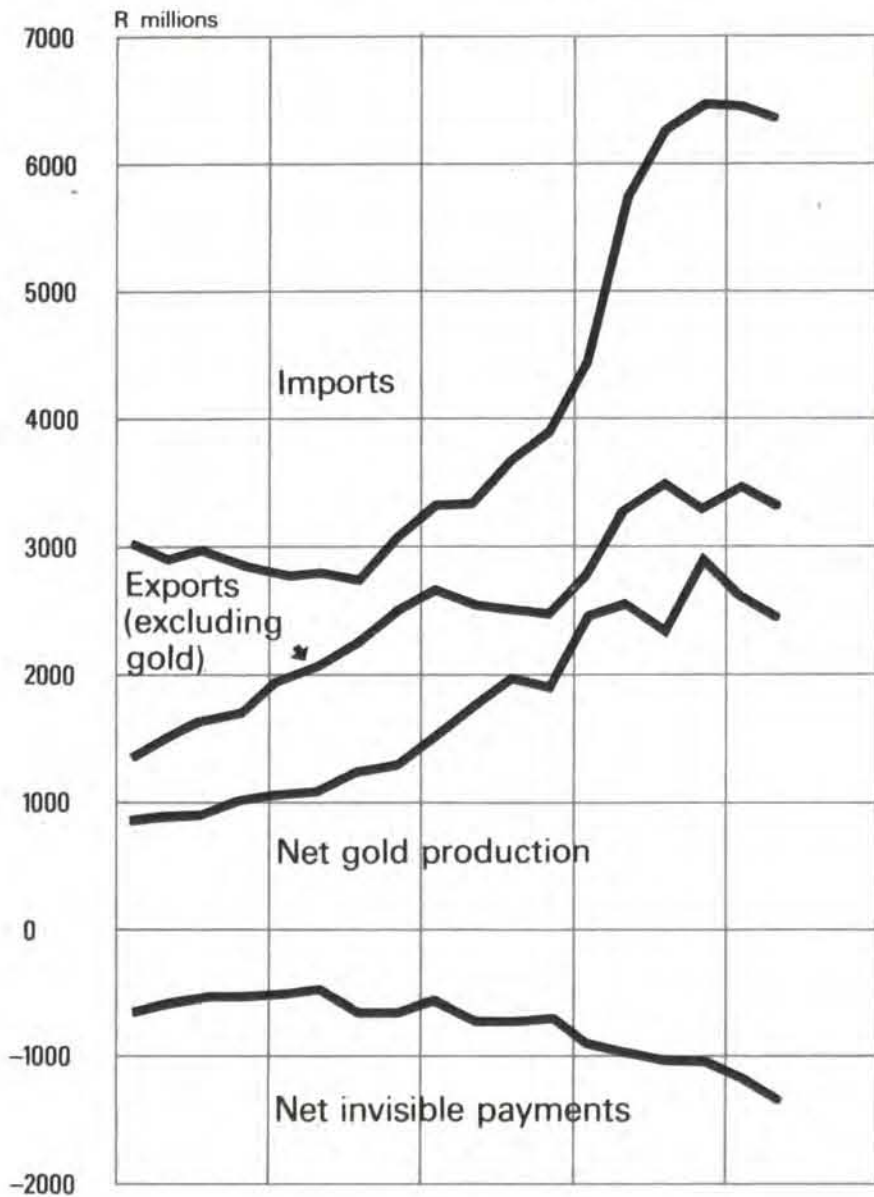
After levelling off from the third quarter of 1974, the value of merchandise imports actually declined from a seasonally adjusted annual figure of R6 456 million in the first quarter to R6 360 million in the second quarter of 1975. Although this decline occurred in most commodity groups, a particularly sharp decrease was recorded in the imports of base metals. On the other hand, the imports of machinery and electrical equipment and transport equipment continued to increase at high rates. A further sharp increase in these latter categories, together with an increase in chemical products, was mainly responsible for the sharp rise in the import figures of the Department of Customs and Excise for July 1975. In August 1975, however, the value of merchandise imports, as calculated by the Department of Customs and Excise, declined sharply.

Merchandise exports declined from a seasonally adjusted annual figure of R3 449 million in the first quarter to R3 303 million in the second quarter of 1975, i.e. by about 4 per cent, mainly owing to a decline in the exports of diamonds which more than offset the slight increases in the value of exports of most other commodity groups.

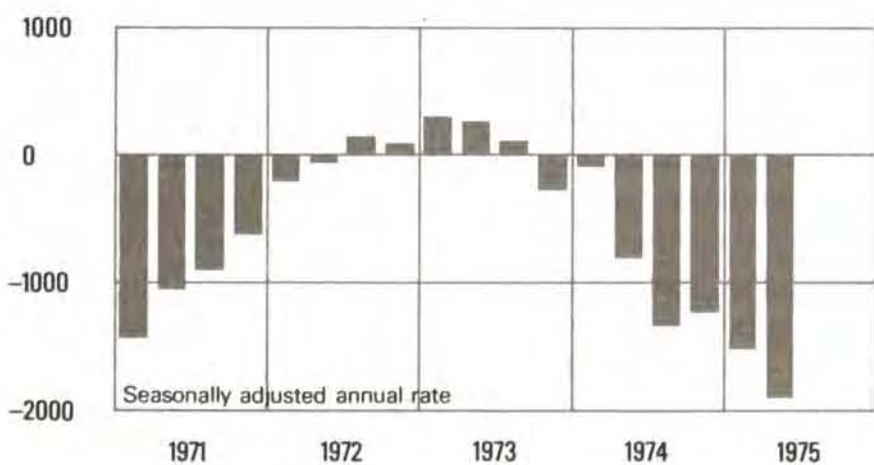
The value of the net gold output declined for the second consecutive quarter to a seasonally adjusted annual figure of R2 436 million in the second quarter of 1975. This further decline was caused by a sharp decrease in the gold price on the London market from an average of \$178,11 per fine ounce during the first quarter to \$167,18 per fine ounce during the second



### Balance of payments current account



### Balance on current account



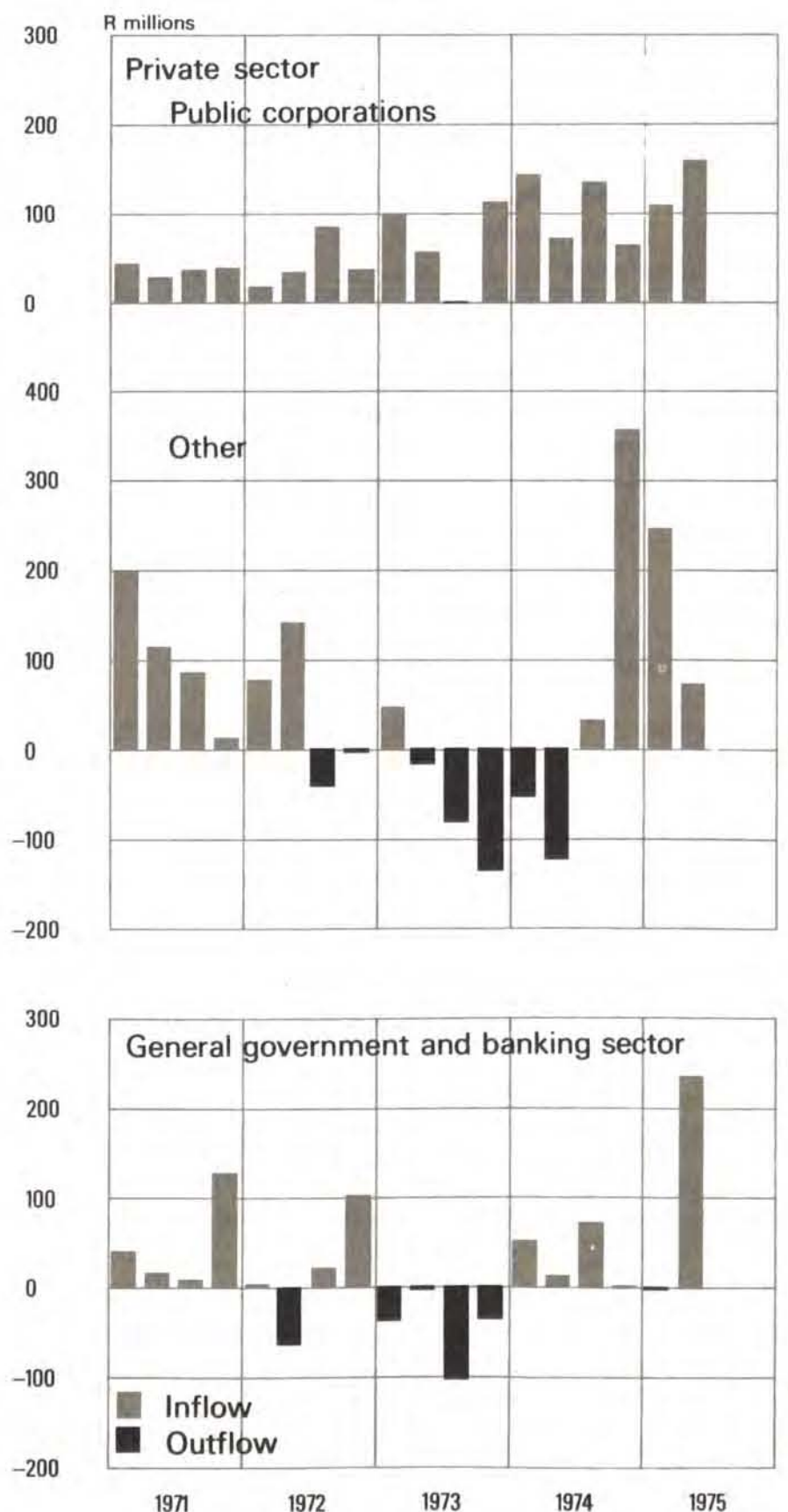
quarter, and was only partly offset by an increase in the volume of gold production. During July and August the gold price continued to decline gradually before falling sharply to \$135 per fine ounce on 19 September 1975.

From the beginning of 1973 service payments to foreigners have shown a continuously rising trend and amounted to no less than R2 583 million on a seasonally adjusted annual basis in the second quarter of this year. The further rise in these payments during the second quarter was mainly attributable to increases in interest

payments on foreign loans and international freight and insurance payments on merchandise imports.

A further substantial net inflow of foreign capital, amounting to as much as R472 million, was recorded during the second quarter of 1975, compared with an inflow of R355 million in the first quarter of the year. In contrast to the preceding two quarters, when the net inflow accrued entirely to the private sector, the net inflow of capital in the second quarter was about equally divided between the private sector and the central government and banking sector. The marked increase in the net inflow to the latter sector in the

### Net foreign capital movements





second quarter was due mainly to a sharp rise in the amount of official loans obtained in foreign countries to strengthen the balance of payments. The net inflow of foreign capital to the private sector consisted mainly of long-term loan capital obtained abroad, more particularly by public corporations, to finance development expenditure.

A considerable net inflow of private short-term capital occurred during the fourth quarter of 1974 and the first quarter of 1975, but expectations regarding possible changes in the exchange rate of the rand again caused leads and lags in short-term foreign payments and receipts to turn against South Africa. Consequently, the net short-term private capital inflow, including errors and unrecorded transactions, declined sharply from R223 million in the first quarter of 1975 to only R28 million in the second quarter. The authorities therefore decided on 27 June 1975 to change their exchange rate policy from one of independent managed floating to a policy in terms of which the rand-dollar rate will be kept constant for longer periods and only to effect adjustments if these are considered essential because of basic changes in the domestic and/or international situation. Recently the overall economic situation changed in two basic respects, namely (1) it became clear that the present world economic recession was both deeper and of longer duration than had been expected; and (2) the price of gold on the private market declined substantially to \$135 per fine ounce on 19 September. Under these changed circumstances, the Government decided to devalue the rand in terms of the US dollar by 17,9 per cent with effect from 22 September 1975. This devaluation is intended not only to strengthen the overall balance of payments, but also to prevent the present slowdown in domestic economic activity from proceeding too far.

The authorities also announced on 11 August 1975 that a more conservative monetary policy would be pursued, including, *inter alia*, a reduction of the ability of banks to extend domestic credit to replace foreign trade financing, and that exchange control would be relaxed in order to encourage an inflow of capital. Furthermore, with the announcement of the devaluation of the rand, effective from 22 September, the Minister of Finance stated that the liquid asset requirements of the banks would be increased further as from the date of certification of their September month-end statements.

The substantial deficit on current account together with the large net inflow of capital in the second quarter of 1975 and valuation adjustments resulted in an increase of R23 million in the total gold and other foreign reserves to a level of R927 million at the end of June 1975. During July and August the gold and other foreign reserves of the Reserve Bank increased considerably by R74 million to a level of R794 million on 31 August 1975.

### Monetary and banking situation

The seasonally adjusted annual rate of increase in the money and near-money supply, although accelerating somewhat during July, amounted to only 9 per cent during the four-month period April to July 1975. This rate of increase was lower than that during the first quarter of the year (15 per cent), and markedly lower than the 22 per cent recorded during calendar year 1974. For the first seven months of 1975 the annual rate of increase was somewhat less than 12 per cent and the narrowly defined money supply actually increased at an annual rate of only 6 per cent during this period.

Further large increases in bank credit continued to account for the rise in the money and near-money supply during the second quarter and July 1975. During this period, domestic credit expansion (consisting of the seasonally adjusted increase in claims of the banking sector on the private sector and in *net* claims on the government sector) amounted to as much as R992 million, of which claims on the private sector accounted for R437 million and net claims on the government sector for R555 million. During July alone, net claims on the government sector increased by R201 million. These large increases in bank credit were, however, offset to a large extent by a substantial decline in the net gold and other foreign reserves, particularly during the second quarter, and marked further increases in long-term deposits, notably during July.

The seasonally adjusted annual rate of increase in bank credit to the private sector increased slightly from 16 per cent during the first quarter of 1975 to 19 per cent during the four months from April to July. These rates, as well as the average rate of approximately 18 per cent during the first seven months of the year, were on about the same level as the increase of 19 per cent during calendar year 1974. A significant proportion of the increase in bank credit to the private sector during the second quarter and July 1975 was, however, accounted for by a marked rise in the short-term advances of the Land Bank, in particular during July.

From the end of March 1975 to the end of July, sharp rises were recorded in the monetary banks' (including the discount houses') holdings of trade bills and bankers' acceptances (R138 million), and in leasing and hire-purchase finance extended by the commercial banks, monetary hire-purchase and general banks, and merchant banks (R94 million). The former would appear to have been related to the decline in money market interest rates up to July 1975 and a switching by importers from foreign to domestic sources of finance. "Other" advances of commercial banks, merchant banks and monetary hire-purchase



## Causes of changes in money and near-money, 1975

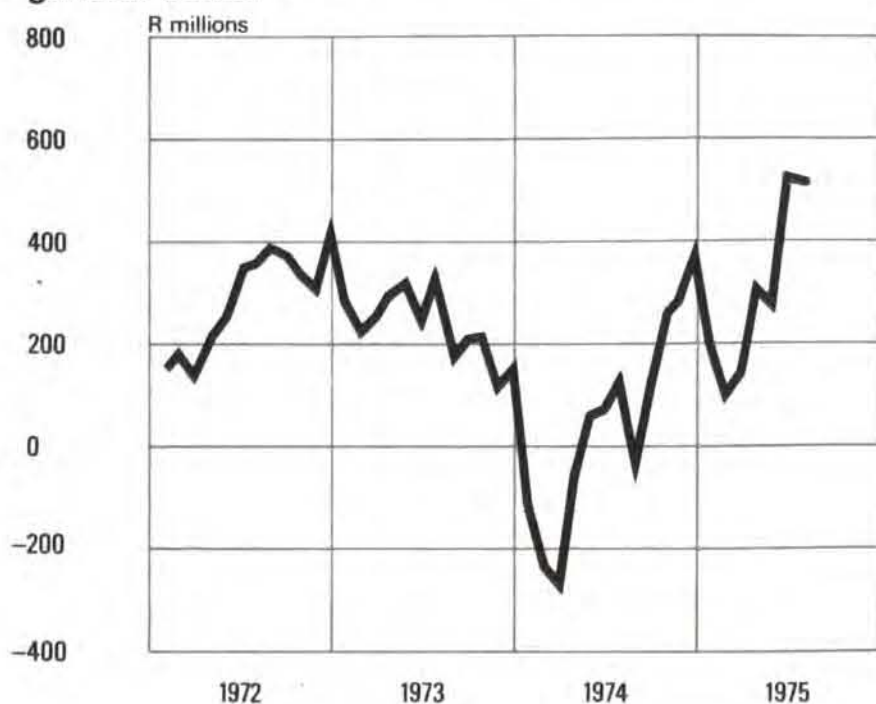
R millions

	Not seasonally adjusted			Seasonally adjusted		
	1st qtr. 1975	2nd qtr. 1975	July 1975	1st qtr. 1975	2nd qtr. 1975	July 1975
Net gold and other foreign reserves . . . . .	11	-253	-47	-25	-289	-59
Claims on government sector:						
Gross claims . . . . .	237	310	69	...	...	...
Government deposits (Increase-; decrease+). . . . .	-211	175	27	...	...	...
Net claims . . . . .	26	485	97	312	354	201
Claims on private sector . . . . .	314	187	136	269	231	206
Private long-term deposits (Increase-; decrease+). . . . .	-50	-229	-87	-100	-123	-95
Net other assets . . . . .	-205	104	-45	...	...	...
<b>Total causes of changes . . . . .</b>	<b>96</b>	<b>295</b>	<b>53</b>	<b>258</b>	<b>143</b>	<b>83</b>

and general banks, however, declined by R100 million during the four months concerned.

The excess liquidity ratio of the commercial banks, merchant banks, and monetary hire-purchase and general banks increased significantly during the second quarter of 1975 from 1,5 per cent at the end of March to 5,0 per cent at the end of June, and then remained at approximately this level at the end of July. An increase in the liquid asset requirements, raising the required ratio in respect of short-term liabilities from 45 to 49 per cent for commercial banks and from 45 to 47 per cent for all other banks with effect from the date of the banks' certification of their monthly returns for July, was announced by the Reserve Bank on 11 August 1975. With the announcement of the devaluation of the rand, effective from 22 September, the Minister of Finance stated that the liquid asset requirements of the banks would be in-

### Surplus liquid assets of commercial banks, merchant banks and monetary hire-purchase and general banks



### Excess or deficit liquidity ratios of monetary banking institutions

%

	1975				
	Mar.	Apr.	May	June	July
Commercial banks . . . . .	2,4	4,3	4,4	7,1	6,9
Merchant banks . . . . .	0,9	1,3	1,2	1,1	2,3
Monetary hire-purchase and general banks . . . . .	-0,6	0,8	-1,0	0,7	0,8
All above monetary banks:					
Ratio (%) . . . . .	1,5	3,1	2,8	5,0	5,0
Amount (R millions) . . . . .	147	306	276	521	513

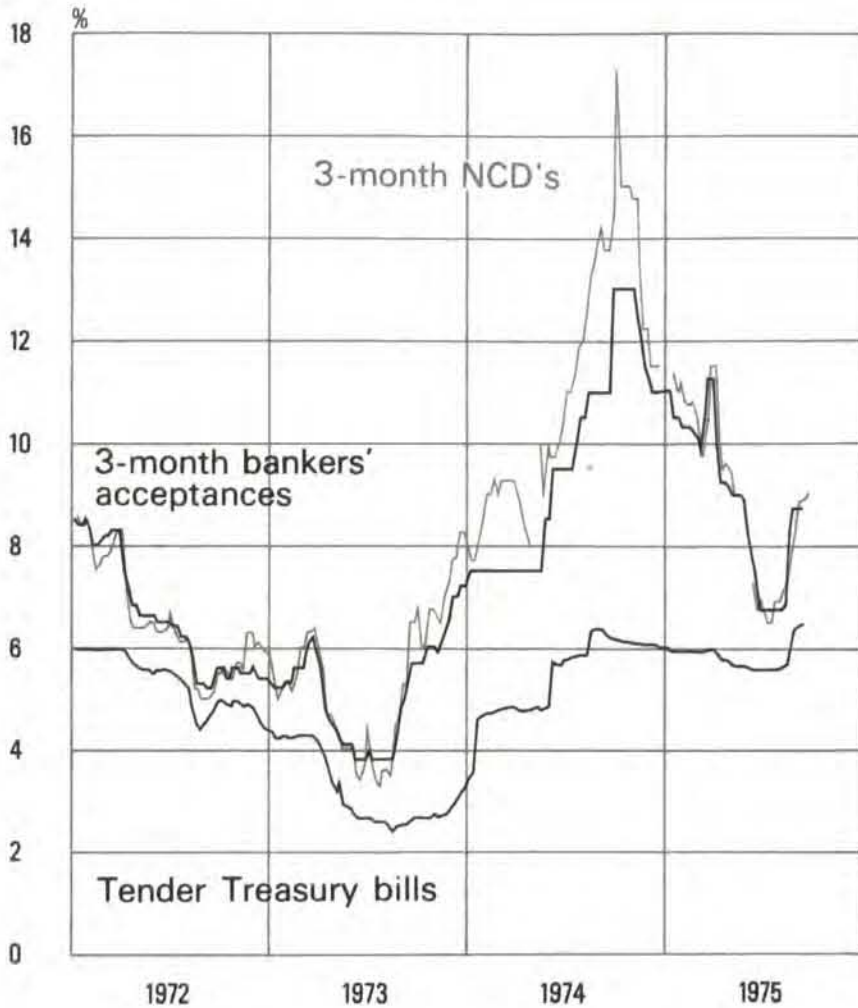
creased further as from the date of certification of their September month-end statements.

Conditions in the money market remained relatively easy during June, July and August. As might have been expected, however, the market tightened modestly over the June and August month-ends, and banks used previously accumulated balances in excess of requirements with the NFC during these periods. Call loans with the discount houses, which had increased to R663 million on 1 August, declined marginally during the August month-end to R614 million on 3 September. Reserve Bank accommodation to the banks and discount houses which usually increases substantially over the August month-end, was negligible.

Money market interest rates continued their decline during June and most of July. Following upon the increase in Bank rate from 8,00 to 8,50 per cent on 11 August, however, money market interest rates increased substantially. The rate on 90-day NCD's for example, which had declined to 6,50 per cent on 11 July, increased to 7,25 per cent on 8 August and then to 9,00 per cent on 5 September. Similarly, the Treasury bill tender rate, which had declined to 5,54 per cent on 18 July, increased to 5,61 per cent on 8 August and then to 6,57 per cent on 19 September. Interest rates on deposits with banking institutions were reduced in the beginning of July from the



### Money market interest rates



maxima as allowed by the interest rate control regulations. While the rate on short-term deposits declined by 1 per cent in most cases, the rate on longer-term deposits declined by only 0,5 per cent. These rates were generally maintained at these levels after the increase in Bank rate. The rate on call deposits with the discount houses, however, which had been declining since March to 5,45 per cent during the second half of June and during July, increased to 6,50 per cent on 19 September.

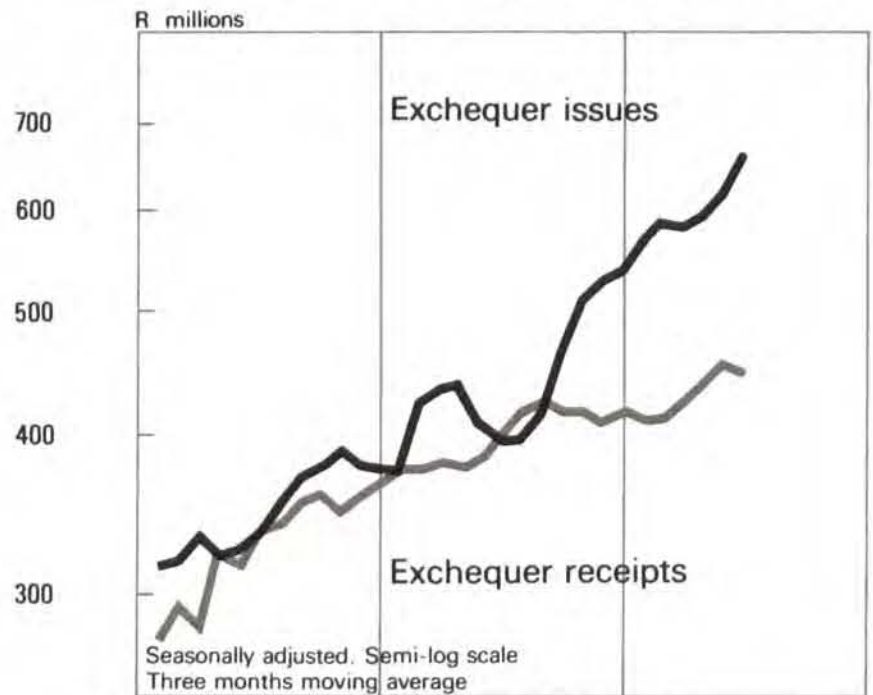
As already indicated in the Reserve Bank's *Annual Economic Report*, the prime overdraft rate, i.e., the lowest rate at which the clearing banks will lend on overdraft, which is set at between 2,5 and 3,5 per cent above Bank rate, was increased from 11 to 11,5 per cent when Bank rate was increased on 11 August.

### Government finance

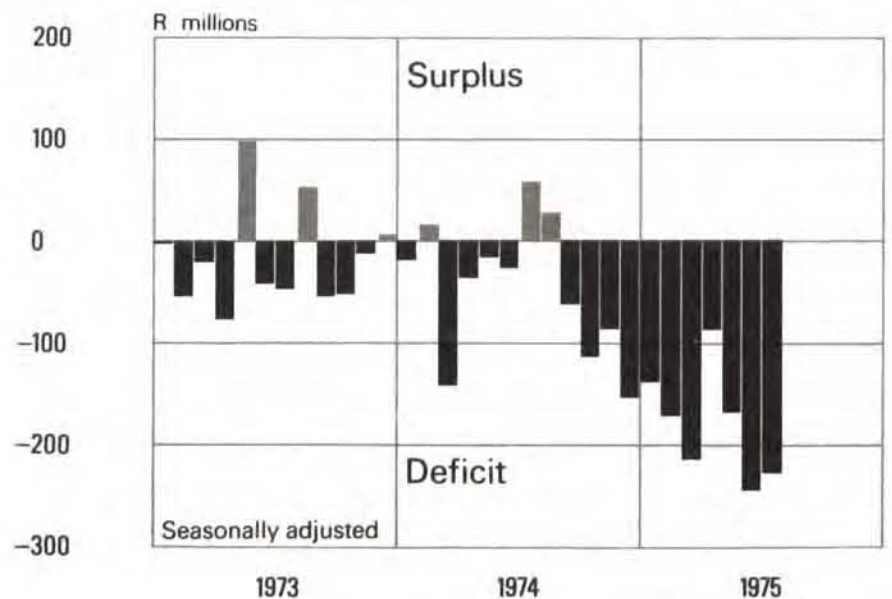
During the second quarter of 1975 the deficit on the Exchequer Account reached a level of just over R500 million, which was only marginally less than the shortfall recorded during the preceding quarter but well above the figure of R130 million for the corresponding quarter in 1974. During July, the Exchequer Account showed a deficit of R131 million as against a surplus of R97 million during the same month of 1974.

Substantially higher Exchequer issues were mainly responsible for this development. During the second quarter of 1975 the total issues of R1 578 million, although below the level reached during the preceding quarter, exceeded the issues during the corresponding period of 1974 by as much as R531 million, or 51 per cent. Receipts on the Exchequer Account during the second quarter of 1975 totalled R1 076 million and were also below the level attained during the

### Receipts on and issues from Exchequer Account



### Deficit or surplus on the Exchequer Account





preceding quarter. Compared with the same quarter of 1974, receipts rose by about 17 per cent, largely as a result of a more than seasonal inflow of tax receipts during April and May.

Of the shortfall of R502 million during the second quarter of 1975, R325 million was financed from sources other than the monetary banking sector. This included the employment of R120 million of the cash balances available on the Paymaster-General Account and R115 million raised by the Treasury through net foreign borrowing. The increase in the Exchequer's net indebtedness to the monetary banking sector amounted to R177 million, being the net result of an increase of R243 million in that sector's holdings of government securities and a rise of R67 million in total Exchequer deposits. During July the Treasury's net recourse to the monetary banking sector increased by a further R95 million.\*

In view of the large deficit on the Exchequer Account and the existing inflationary situation, the Minister of Finance announced on 21 August the Government's intention to finance the Exchequer deficit as far as possible from current savings and with less reliance on banking institutions as a source of finance. For this purpose a new 25-year stock issue will be made available for general public subscription on 1 October at a historically high yield of 10 per cent. As from 25 August the issue has been placed at the disposal of investors by the Reserve Bank in amounts of not less than R100 000 and applications will be accepted by the Bank until the end of September. Apart from this long-term issue, short- and medium-term stocks will also be made available for subscription on 1 October, on which date two existing government stocks, totalling R78 million, will be due for redemption.

The Minister also stated that as part of the anti-inflationary drive, the Government will be making every effort to economise on expenditure, wherever this is possible, and relies on the full co-operation of the provincial administrations, local authorities and other public bodies to do likewise.

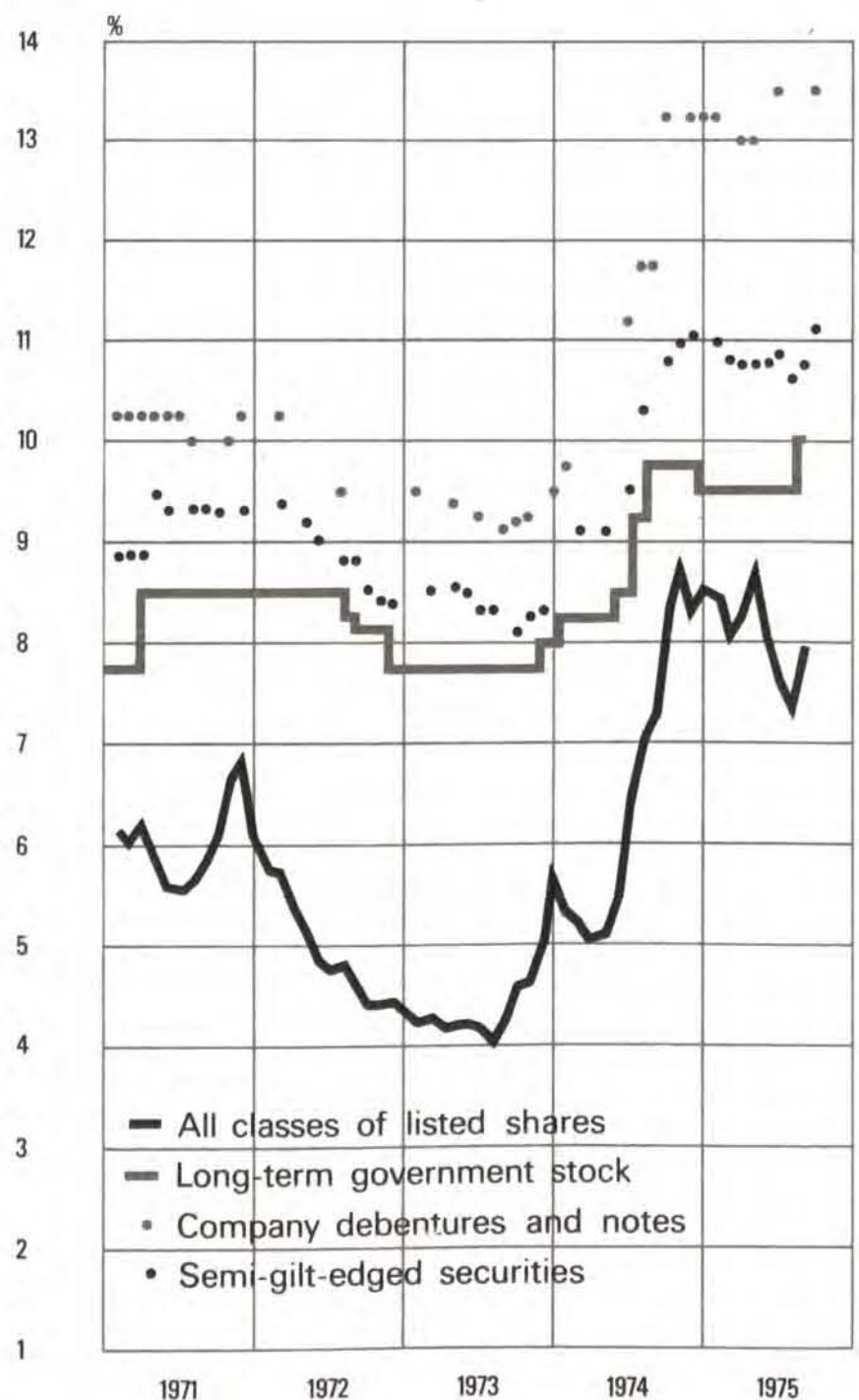
\*Because of differences in coverage, the change in the Exchequer's net indebtedness to the monetary banking sector does not correspond to changes in that sector's claims on the government sector. Figures in respect of changes in the monetary banking sector's net claims on the government sector during the period April to July 1975, referred to in the money and banking section above, was influenced not only by transactions recorded in the Exchequer Account, but particularly by loans made to extra-budgetary funds and by changes in deposits of the Paymaster-General, the Public Debt Commissioners and provincial administrations.

## Capital market

Capital market conditions eased slightly towards the end of 1974 and during the early part of 1975, reflecting the normal lagged reaction to the downswing in economic activity which began in the third quarter of 1974. However, capital market conditions were affected during April and May mainly by balance of payments developments and again during August by developments in the balance of payments as well as in government finance. In both instances a tightening of market conditions occurred.

The temporary tightening of the market for fixed-interest securities during April and May was reflected in the under-subscription of a number of new issues of semi-gilt-edged stock. New issue yields, however, did not rise above the levels to which they had declined towards the end of 1974 and early in 1975, but secondary market yields rose temporarily during the

## Yields





relevant two months. The measures announced by the authorities in August to strengthen the balance of payments and facilitate the financing of central government expenditure, caused market yields to rise. Specifically, the yield on the new issue of long-term government stock made available through the Reserve Bank from 25 August, was fixed at 10 per cent, compared with a previous new issue yield of 9,5 per cent. Subsequently, the yield on new issues of long-term semi-gilt-edged stock rose from 10,75 to 11,09 per cent and the secondary market yield on these stock increased by an approximately similar margin of 0,35 per cent. The yield margin between gilt and semi-gilt-edged stock, which had widened to 1,25 per cent during the downward adjustment phase at the end of 1974 and beginning of 1975, was restored to its previous level of about 1,1 per cent by the recent yield changes.

The trend in capital market conditions in general was also reflected in the share market. With the exception of gold mining and mining financial shares, the prices of all other classes of shares, which had been rising from the last quarter of 1974, declined temporarily during April. Thereafter these prices resumed their upward course until July, but declined noticeably during August. The prices of gold mining and mining financial shares, which had been fluctuating downwards after August 1974, also declined fairly sharply during August 1975.

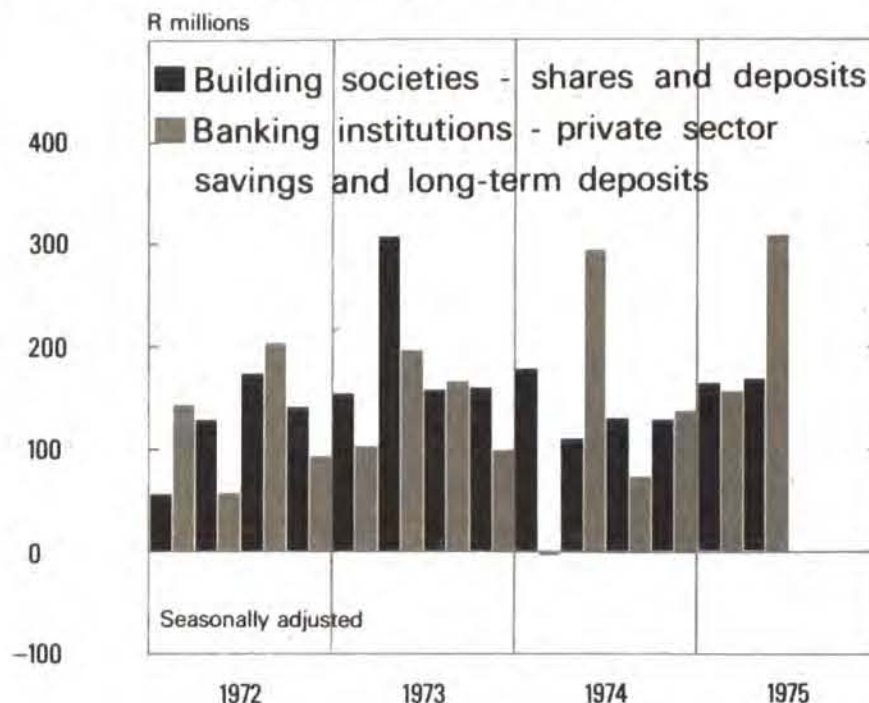
The general improvement in share prices during the first half of 1975 was accompanied by an increase in the amount of new capital raised in the share market. New share issues during the second quarter of 1975 by companies listed on the stock exchange amounted to R115 million, compared with R46 million during the first quarter and R56 million for the year 1974 as a whole. This relatively high figure during the second quarter resulted almost entirely from a few large issues namely by a mining company, a mining house and two of the major banks.

The flow of longer-term funds to banking institutions and building societies, which had increased significantly during the first quarter of 1975, was even higher during the second quarter when it amounted to R492 million, compared with R293 million in the first quarter. During July the inflow of funds to building societies showed a further sharp increase and on a seasonally adjusted basis amounted to R92 million as against a monthly average of R59 million during the second quarter.

Because of the higher inflow of funds, the building societies were able to increase their lending activities. New mortgage loans granted by the societies amounted on average to R105 million per month during the period April to July 1975, compared with R81 million during the first quarter.

On 19 September the Association of Building Societies announced that the Government has ap-

### Flow of funds to financial institutions



proved an increase in the interest rate payable on mortgage loans and the introduction of a system of differential lending rates on home mortgages. The higher rates on new advances apply as from 22 September and those on existing loans as from 1 November 1975.

The new sliding scale of mortgage interest rates is as follows:

1. On all new and existing loans with an outstanding balance of up to R10 000, the present rate of 10,5 per cent remains unchanged;
2. On all new and existing loans between R10 000 and R15 000 the rate has been increased to 10,75 per cent;
3. On existing loans above R15 000 the rate has been increased by 0,5 per cent to 11,0 per cent;
4. On new loans above R15 000 the following rates apply to the full amount:
  - 11,0 per cent on properties with a building society valuation of between R15 000 and R28 000;
  - 11,5 per cent on properties valued between R28 000 and R40 000; and
  - 12,0 per cent on valuations above R40 000.

The authorities have also decided to increase the percentage of total new advances that a building society may grant in the form of loans of more than R18 000 from 25 to 30 per cent.

Activity in the real estate market, which had declined during the fourth quarter of 1974 and the first quarter of 1975, improved noticeably during the second quarter and was on average about 16 per cent higher than during the first quarter.



# Kwartaallikse ekonomiese oorsig

## Algemene opmerkings

Ekonomiese toestande en ontwikkelings gedurende die jaar wat op 30 Junie 1975 geëindig het, en in sommige gevalle ook gedurende Julie en die begin van Augustus, is breedvoerig bespreek in die Presidentsrede tydens die algemene jaarvergadering van die Reserwebank op 26 Augustus, in die Reserwebank se *Jaarlikse Ekonomiese Verslag* wat voor daardie vergadering vrygestel is, en in verskeie verklarings deur die Minister van Finansies en die President van die Reserwebank oor veranderinge in die wisselkoersdeviesebeheer- en monetêre beleid, wat elders in hierdie uitgawe van die *Kwartaalblad* gepubliseer word. Hierdie oorsig sal derhalwe beperk word tot 'n kort oorsig van die belangrikste ontwikkelings gedurende die tweede kwartaal van die jaar, aangevul met waarnemings oor daaropvolgende ontwikkelings.

Die hoofkenmerke van die ekonomiese ontwikkelings en toestande gedurende die tydperk onder beskouing kan soos volg opgesom word:

1. 'n Ontleding van nasionale rekeninge-gegewens en ander ekonomiese aanwysers bevestig dat die Suid-Afrikaanse ekonomie in die tydperk onder beskouing nog steeds in die afwaartse fase van die konjunkturgolf verkeer het. Die groeikoers van die reële bruto binnelandse produk het desnieteenstaande gedurende die tweede kwartaal taamlik skerp gestyg, hoofsaaklik as gevolg van 'n aansienlike bydrae deur die landbou. Indien die landbou se bydrae uitgesluit word, het die groeikoers van die reële bruto binnelandse produk in die tweede kwartaal van 1975 slegs 'n geringe verbetering getoon. As gevolg van die traë ekonomiese toestande, het die ongebruikte produksiekapasiteit in die fabriekswese verder gestyg, die reële bedrywigheid in die bousektor gedaal, en die aantal werklose Blankes, Kleurlinge en Asiërs gedurende die eerste kwartaal van die jaar verder gestyg. Die reële binnelandse vraag het gedurende die tweede kwartaal as gevolg van toenames in private en owerheidsverbruiksbesteding en vaste investering gestyg.

2. Alhoewel die lopende rekening van die betalingsbalans gedurende die tweede kwartaal van 1975 verder verswak het, het die totale netto buitelandse kapitaalinvloeiing na die private en die sentrale regering en banksektor egter die tekort op die lopende rekening oorskry, met die gevolg dat die goud- en ander buitelandse reserwes in werklikheid met R23 miljoen toegeneem het. 'n Aansienlike gedeelte van die netto invloeiing van kapitaal het egter bestaan uit amptelike lenings om die betalingsbalans te beskerm

en indien hierdie lenings in berekening gebring word, het die Reserwebank se *netto* goud- en ander buitelandse reserwes in werklikheid gedurende die afgelope paar maande aansienlik gedaal.

3. Verwagtings aangaande moontlike veranderinge in die wisselkoers van die rand gedurende die tydperk onder beskouing het tot ongunstige vervroegings en vertraginge in buitelandse betalings en ontvangste gelei, wat buitelandse korttermynkapitaalbewegings nadelig beïnvloed het. Die owerhede het gevolglik besluit om met ingang van 27 Junie 1975 hul wisselkoersbeleid te verander vanaf een van onafhanklike beheerde swewing na 'n beleid waarvolgens die rand-dollar-koers vir langer tydperke konstant gehou sal word en slegs opwaarts of afwaarts aangepas sal word indien dit noodsaaklik geag word in die geval van enige *basiese* verandering in binnelandse of internasionale ekonomiese omstandighede.

4. Ten einde die betalingsbalans in die algemeen te verstewig en in die besonder om die ongunstige toestand van vervroegings en vertraginge reg te stel, het die Minister van Finansies en die President van die Reserwebank op 11 Augustus 1975 'n aantal deviesebeheer- en monetêre beleidsmaatreëls aangekondig. Hierdie maatreëls het ingesluit, eerstens, 'n aantal verslappings van deviesebeheermaatreëls om 'n invloeiing van kapitaal te vergemaklik en aan te moedig, en tweedens, 'n meer konserwatiewe monetêre beleid wat daarop gemik is om die oorskot-likwiditeit te verminder en om te verhoed dat rentekoerse verder daal.

5. Onlangs het die ekonomiese toestand oor die algemeen in twee basiese opsigte verander, naamlik (1) dit het duidelik geword dat die huidige ekonomiese resessie in die wêreld sowel dieper is en langer duur as wat verwag is; en (2) die prys van goud op die private mark het aansienlik gedaal tot \$135 per fyn ons op 19 September 1975. Onder hierdie veranderende omstandighede het die Regering besluit om met ingang 22 September 1975 die rand in terme van die VSA-dollar met 17,9 persent te devalueer. Hierdie devaluasie is nie alleen daarop gemik om die betalingsbalans in sy geheel te versterk nie maar ook om te verhoed dat die huidige verlangings in die binnelandse ekonomiese bedrywigheid te ver gaan. In hierdie aankondiging het die Minister van Finansies ook verklaar dat die likwiede batevereistes van die banke verder verhoog sal word vanaf die datum van sertifisering van hulle maandopgawes vir September.

6. Die koers van toename in geld en kwasi-geld gedurende die tydperk van vier maande vanaf April tot Julie 1975 was aansienlik laer as dié gedurende die eerste kwartaal en gedurende die 1974-kalenderjaar.



Alhoewel die seisoensaangesuiwerde hoeveelheid geld en kwasi-geld gedurende hierdie tydperk met slegs R226 miljoen toegeneem het, het die seisoensaangesuiwerde eise van die banksektor teen die private sektor met R437 miljoen gestyg en dié teen die regeringsektor met nie minder nie as R555 miljoen. Hierdie verdere toenames in binnelandse krediet is egter gedeeltelik deur 'n skerp afname in die netto goud- en ander buitelandse reserwes en opmerkbare stygings van langtermyndeposito's teengewerk. Gedurende die tweede kwartaal en Julie 1975 het die likwiditeitstoestand van monetêre bankinstellings aansienlik verbeter. Die toestand in die geldmark het betreklik ruim gebly en rentekoerse het gedurende Julie hul afwaartse neiging voortgesit. Ná die verhoging van die Bankkoers vanaf 8 tot 8½ persent op 11 Augustus en die verhoging van die likwiede batever-eistes van die banke, het geldmarkrentekoerse egter aansienlik gestyg.

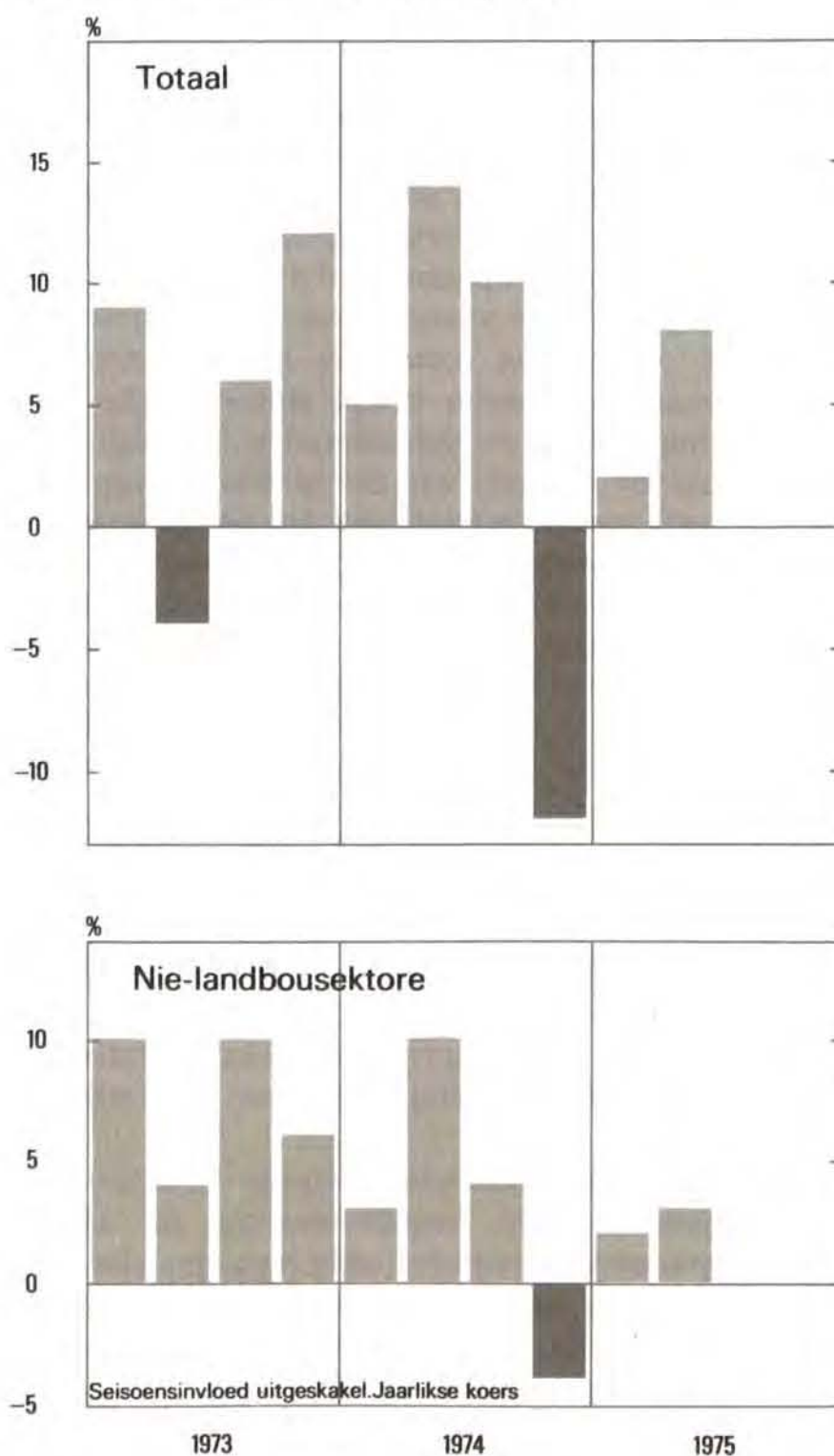
7. Hoofsaaklik as gevolg van die hoë koers van toename in skatkisuitreikings, het die Skatkisrekening in die tydperk van vier maande vanaf April tot Julie 1975 'n tekort van R633 miljoen getoon. Ten einde die Regering se afhanklikheid van die banksektor in die finansiering van die skatkistekort te verminder, sal 'n nuwe effekte-uitgifte van 25 jaar op 1 Oktober vir algemene openbare inskrywing teen 'n histories hoë opbrengskoers van 10 persent oopgestel word. Spesiale reëlins is met die Reserwebank getref om hierdie effekte op aanvraag aan beleggers beskikbaar te stel vanaf 25 Augustus. As deel van die teen-inflasionistiese aksie is die Regering ook van voorneme om op besteding te besuinig en het hy ander owerheidsliggame versoek om dieselfde te doen.

## Nasionale rekeninge

Ná 'n daling gedurende die vierde kwartaal van 1974, het die reële bruto binnelandse produk gedurende die eerste kwartaal van 1975 effens gestyg en daarna gedurende die tweede kwartaal van 1975 redelik skerp toegeneem. Die versnelling in die groeikoers gedurende die tweede kwartaal was egter bykans geheel en al aan 'n aansienlik groter bydrae deur die landbou-sektor toe te skryf. Die koers van toename in ekono-miese bedrywigheid in die nie-landbousektore van die volkshuishouding het gedurende die tweede kwartaal effens verbeter vanaf die betreklik lae peil wat in die eerste kwartaal van die jaar aangeteken is.

Gedurende die tweede kwartaal van 1975 het die vergoeding van werknemers teen heersende pryse

### Persentasieverandering in bruto binnelandse produk teen konstante 1970-pryse





voortgegaan om teen ongeveer dieselfde koers as gedurende die eerste kwartaal toe te neem, maar die bruto bedryfsurplus, wat gedurende die voorafgaande kwartaal gedaal het, het aansienlik gestyg. Die vernameste bydraes tot laasgenoemde toename is deur die landbou, die fabriekswese en die groot-, klein- en motorhandel gelewer.

Die reële binnelandse vraag, soos gemeet aan die reële bruto binnelandse besteding het gedurende die tweede kwartaal van 1975 skerp toegeneem, nadat dit gedurende die eerste kwartaal bykans geen verandering getoon het nie. Die hoofkomponent van die bruto binnelandse besteding, naamlik private verbruiksbesteding, het gedurende die tweede kwartaal vinniger as gedurende die eerste kwartaal van 1975 toegeneem, hoofsaaklik as gevolg van hoër besteding aan duursame goedere. Dit is betekenisvol dat die reële besteding aan nuwe motors en televisietoestelle, wat op die instelling van televisietoetsuitsendings in Mei 1975 gevolg het, merkbaar toegeneem het. Verbruiksbesteding deur die algemene owerheid teen

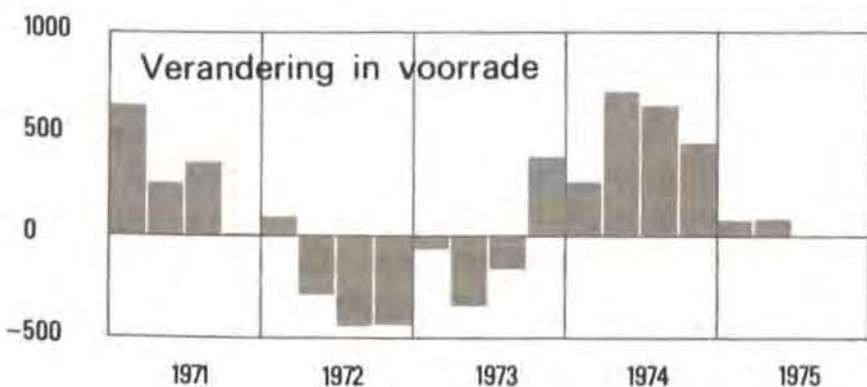
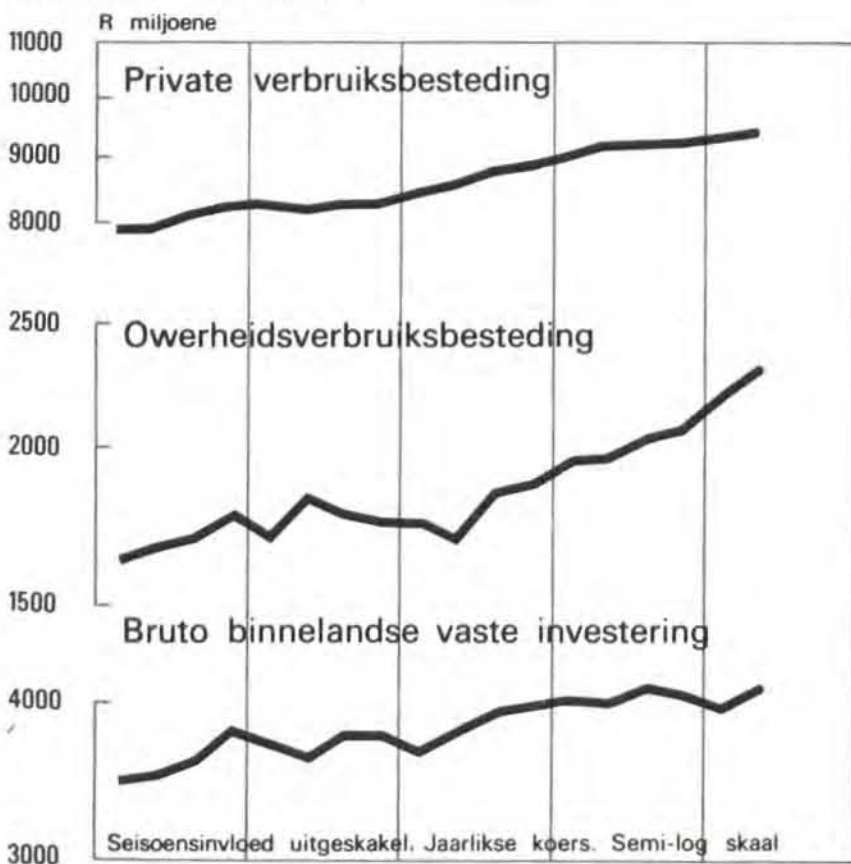
konstante pryse het sy skerp stygende neiging tot en met die tweede kwartaal voortgesit. Verdedigingsuitgawes in die besonder, het teen 'n hoër koers toegeneem.

Die reële bruto binnelandse vaste investering, wat gedurende die voorafgaande twee kwartale gedaal het, het gedurende die tweede kwartaal van 1975 skerp toegeneem, hoofsaaklik as gevolg van hoër reële kapitaalbesteding deur die openbare sektor. Die toename in reële kapitaalbesteding deur openbare owerhede het oor 'n breë spektrum voorgekom, maar die grootste bydraes het gekom van die Departement van Pos- en Telekommunikasiewese aan telekommunikasiedienste, die Suid-Afrikaanse Spoorweë en Hawens aan rollende materiaal, en die sentrale regering en provinsiale administrasies aan waterwerke, paaie en brûe. Verhoogde reële vaste investering deur Yskor aan die Sishen-Saldanha-projek en aan fabriekstoerusting het tot 'n verdere aansienlike toename in die reële kapitaalbesteding deur openbare korporasies gelei. Die reële vaste investering deur die private sektor het 'n verdere afname getoon. Dit was die netto resultaat van laer reële besteding deur die handel en aan woningboukonstruksie, wat gesamentlik die toenames wat deur die fabriekswese en vervoer aangeteken is, meer as geneutraliseer het.

Die boekwaarde van die totale voorrade het gedurende die tweede kwartaal van 1975 verder toegeneem, hoofsaaklik as gevolg van toevoegings tot nywerheids- en handelsvoorraad. Die netto toevoeging tot nywerheids- en handelsvoorraad gedurende die tweede kwartaal van 1975 was egter aansienlik laer as dié wat gedurende enige van die voorafgaande vyf kwartale aangeteken is.

Soos in die eerste kwartaal, was die bruto binnelandse besparing in die tweede kwartaal weer onvoldoende om die bruto binnelandse investering te finansier. Met binnelandse besparing wat min verandering getoon het en vaste en voorraadinvestering wat skerp toegeneem het, moes daar gedurende die tweede kwartaal van 1975 op groter skaal van buitelandse fondse gebruik gemaak word. Die toenames in maatskappybesparing en voorsiening vir waardevermindering is min of meer deur afnames in persoonlike besparing en die lopende surplus van die algemene owerheid geneutraliseer.

### Bruto binnelandse besteding teen konstante 1970-pryse



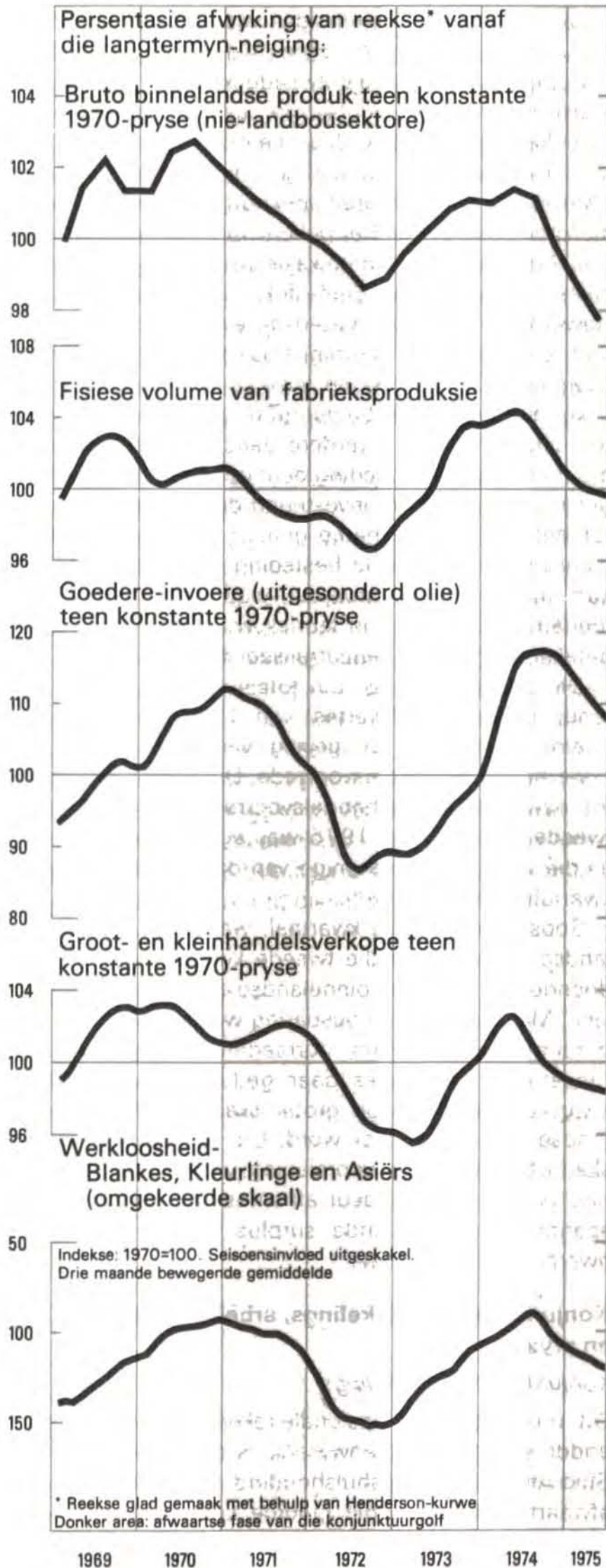
### Konjunktuur-ontwikkelings, arbeidstoestand en pryse

#### Konjunktuur-ontwikkelings

Uit 'n ontleding van nasionale rekeninge-gegewens en ander ekonomiese aanwysers, is dit duidelik dat die Suid-Afrikaanse volkshuishouding nog steeds in die afwaartse fase van die huidige konjunkturgolf verkeer. Hierdie gevolgtrekking word duidelik geïllustreer deur die sikliese bewegings van 'n uitgesoekte aantal reekse, soos in die bygaande grafiek getoon, wat normaalweg met die konjunkturgolf saamval. Alhoewel



## Konjunkturaanwysers



die afname in die koers van toename in die ekonomiese bedrywigheid taamlik wydverspreid in die ekonomie voorgekom het, het die mate van afname opmerklik tussen sektore verskil. Die toestand in die fabriekswesesektor, in die besonder, het traag gebly, soos deur 'n verdere afname in die benutting van kapasiteit gedurende die tweede kwartaal van 1975 weerspieël is. Onvoldoende vraag was nog steeds die belangrikste enkele rede vir hierdie verdere toename in onbenutte produksiekapasiteit. Indien die hoë koers van toename in bou- en konstruksiekoste in aanmerking geneem word, het die boubedrywigheid, soos weerspieël deur die waarde van geboue voltooi en bouplanne goedgekeur, in die tweede kwartaal van 1975 tot betreklik lae peile afgeneem.

Alhoewel die ekonomie hom nou reeds vir meer as 'n jaar in die afwaartse fase van die konjunkturgolf bevind het, is dit belangrik om daarop te let dat klein verbeterings in sekere sektore van die ekonomie in die eerste en tweede kwartale van 1975 voorgekom het. Ná 'n afname in die vierde kwartaal van 1974 het die reële bruto binnelandse produk, uitgesonderd landbou in die eerste kwartaal van 1975 byvoorbeeld 'n klein positiewe groeikoers getoon en het dit in die tweede kwartaal ietwat verder verbeter. Verder kon daar in die tweede kwartaal ook geringe verbeterings opgemerk word in reekse soos die fisiese volume van fabrieksproduksie, goudmynbouproduksie, groothandelsverkope teen konstante pryse, en die aantal nuwe motors en handelsvoertuie verkoop. Die bogenoemde verbeterings moet egter gesien word in verhouding tot veranderinge in die voorafgaande kwartale en kan nie aanvaar word as aanduidings van 'n onderste draaipunt van die konjunkturgolf nie.

### Arbeidstoestand

As gevolg van die laer koers van toename in die ekonomiese bedrywigheid wat gedurende die afgelope vier kwartale aangeteken is, het die arbeidstoestand tot die tweede kwartaal van 1975 verder verruim. Gedurende die tweede kwartaal was die aantal gewone sowel as oortydure wat in die fabriekswese sowel as konstruksie gewerk is, heelwat laer as die peile daarvan wat in die derde kwartaal van 1974 bereik is. Die seisoensaangesuiwerde geregistreerde aantal werklose Blankes, Kleurlinge en Asiërs het ook verder toegeneem vanaf 9 530 in Maart tot 10 431 in Junie voordat dit effens afgeneem het tot 10 152 in Augustus 1975.

### Pryse

Alhoewel die huidige koerse van toename in verbruikers- en groothandelspryse nog steeds onaanvaarbaar hoog is, het hulle gedurende die drie kwartale geëindig Junie 1975 betekenisvol verlangsaam.

Ná stygings teen jaarlikse koerse van 18,2 persent in die derde kwartaal van 1974 en 13,8 persent in



**Pryse: Jaarlikse persentasiekoers van verandering in die seisoensaangesuiwerde gemiddelde vlak per kwartaal**

	2e kw. 1974 tot 3e kw. 1974	3e kw. 1974 tot 4e kw. 1974	4e kw. 1974 tot 1e kw. 1975	1e kw. 1975 tot 2e kw. 1975
Verbruikerspryse . . . .	18,2	13,8	13,8	12,4
Totale goedere . . . .	21,1	15,2	14,0	13,0
Voedsel . . . . .	35,0	17,3	14,9	6,9
Dienste . . . . .	12,2	11,2	13,0	11,0
Groothandelspryse . .	26,3	14,4	18,7	9,4
Goedere geproduseer in S.A. . . . .	20,9	11,3	18,5	8,2
Ingevoerde goedere .	44,2	23,8	19,1	13,4

sowel die vierde kwartaal van 1974 as die eerste kwartaal van 1975, het die koers van toename in verbruikerspryse verlangsaam tot 12,4 persent in die tweede kwartaal. Laasgenoemde verandering was hoofsaaklik aan 'n betreklik lae koers van toename in voedselpryse toe te skryf, alhoewel die koers van toename in die pryse van die meeste ander items ook vanaf die eerste na die tweede kwartaal van die jaar verlangsaam het. Die verlangsaaming in die koers van toename gedurende die tweede kwartaal is selfs nog meer betekenisvol in die lig van die verhogings van staats-geadministreerde pryse en hoër doeane- en aksynsregte op sekere goedere en dienste wat gedurende daardie kwartaal van krag geword het. Nieteenstaande hierdie stygings en die betreklik skerp styging in huiseienaarskoste in Julie, hoofsaaklik as gevolg van stygings in munisipale heffings, het die seisoensaangesuiwerde verbruikersprysindeks vanaf Desember 1974 tot Augustus 1975 teen 'n jaarlikse koers van 12,5 persent toegeneem.

Die koers van toename in die seisoensaangesuiwerde groothandelsprysindeks het in die tweede kwartaal van 1975 aanmerklik afgeneem en die laagste vlak sedert die eerste kwartaal van 1972 bereik.

As gevolg van stadiger toenames in die pryse van binnelandsgeproduseerde en ingevoerde goedere gedurende die tweede kwartaal, naamlik teen jaar-koerse van 8,2 en 13,4 persent, onderskeidelik, het die totale indeks teen 'n jaar-koers van slegs 9,4 persent gestyg. Hierdie syfer het gunstig vergelyk met die toenames van onderskeidelik 26,3, 14,4 en 18,7 persent gedurende die voorafgaande drie kwartale. Gedurende Julie 1975 het die koers van toename in die groothandelspryse weer versnel as gevolg van skerp stygings in die pryse van basiese metale en metaalprodukte vervaardig in Suid-Afrika. Vanaf Desember 1974 tot Julie 1975 het die seisoensaangesuiwerde groothandelsprysindeks teen 'n jaarlikse koers van 15,8 persent gestyg.

**Betalingsbalans**

Nadat dit gedurende die tweede en derde kwartale van 1974 aansienlike tekorte getoon het, het die betalingsbalans in sy geheel, soos gemeet deur veranderinge in die goud- en ander buitelandse reserwes as gevolg van betalingsbalansstransaksies, verbeter en oorskotte is in die volgende drie kwartale aangeteken. Hierdie verbetering kan geheel en al toegeskryf word aan groot kapitaalinvloeiings, hoofsaaklik in die vorm van buitelandse lenings wat die aansienlike tekorte op die lopende rekening meer as geneutraliseer het. 'n Aansienlike deel van die netto invloeiing van kapitaal gedurende die tweede kwartaal het egter bestaan uit amptelike lenings om die betalingsbalans te beskerm en indien hierdie lenings in berekening gebring word, het die Reserwebank se *netto* goud- en ander buitelandse reserwes in werklikheid gedurende die afgelope paar maande aansienlik gedaal.

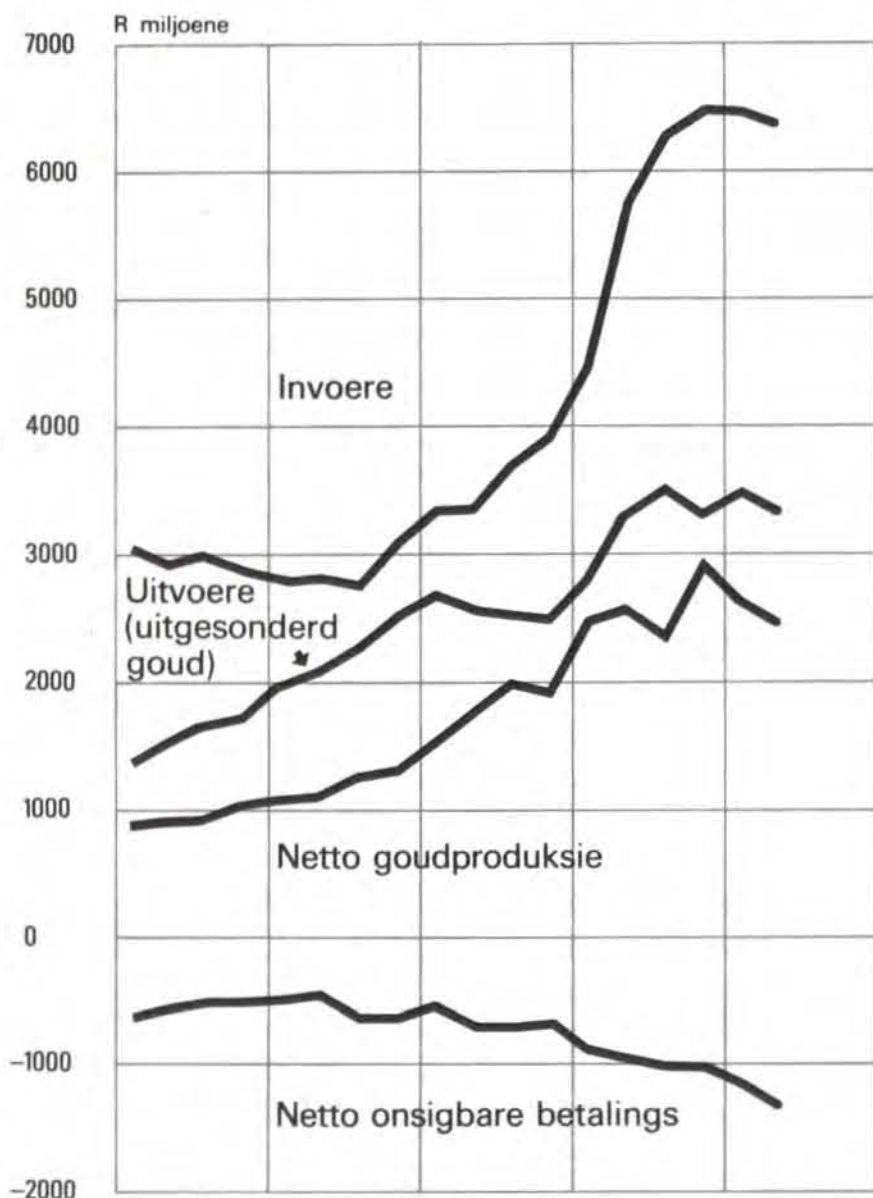
'n Groot tekort van nie minder nie as R457 miljoen is in die tweede kwartaal van 1975 op die lopende rekening van die betalingsbalans aangeteken. Teen 'n seisoensaangesuiwerde jaar-koers het die tekort op lopende rekening vanaf R1 518 miljoen in die eerste kwartaal tot R1 901 miljoen in die tweede kwartaal van die jaar toegeneem. Hierdie verdere verswakking op lopende rekening het voorgekom ten spyte van 'n effense afname in goedere-invoere en was die resultaat van 'n skerp styging in dienstebetalings aan buitelanders tesame met klein afnames in die netto goudproduksie en goedere-uitvoere.

Nadat die waarde van goedere-invoere vanaf die derde kwartaal van 1974 afgeplat het, het dit in werklikheid vanaf 'n seisoensaangesuiwerde jaarsyfer van R6 456 miljoen in die eerste kwartaal tot R6 360 miljoen in die tweede kwartaal van 1975 afgeneem. Alhoewel hierdie afname in die meeste kommoditeitsgroepe voorgekom het, is 'n besondere skerp afname in die invoere van basiese metale aangeteken. Aan die ander kant het die invoere van masjinerie en elektriese toerusting en vervoertoerusting aangehou om teen hoë koerse toe te neem. 'n Verdere skerp toename in laasgenoemde groepe, tesame met 'n toename in chemiese produkte, was hoofsaaklik vir die skerp styging in die invoersyfers van die Departement van Doeane en Aksyns vir Julie 1975 verantwoordelik. In Augustus 1975 het die waarde van goedere-invoere, soos deur die Departement van Doeane en Aksyns bereken, egter skerp gedaal.

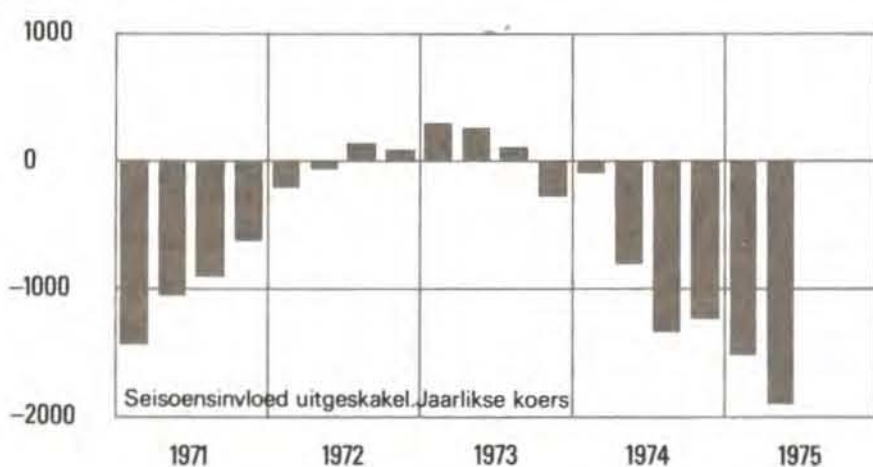
Goedere-uitvoere het vanaf 'n seisoensaangesuiwerde jaarsyfer van R3 449 miljoen in die eerste kwartaal afgeneem tot R3 303 miljoen in die tweede kwartaal van 1975, d.w.s. met ongeveer 4 persent, hoofsaaklik as gevolg van 'n afname in die uitvoer van diamante wat die effense toename in die waarde van die uitvoer van die meeste ander kommoditeitsgroepe meer as geneutraliseer het.



## Lopende rekening van die betalingsbalans



## Saldo op lopende rekening

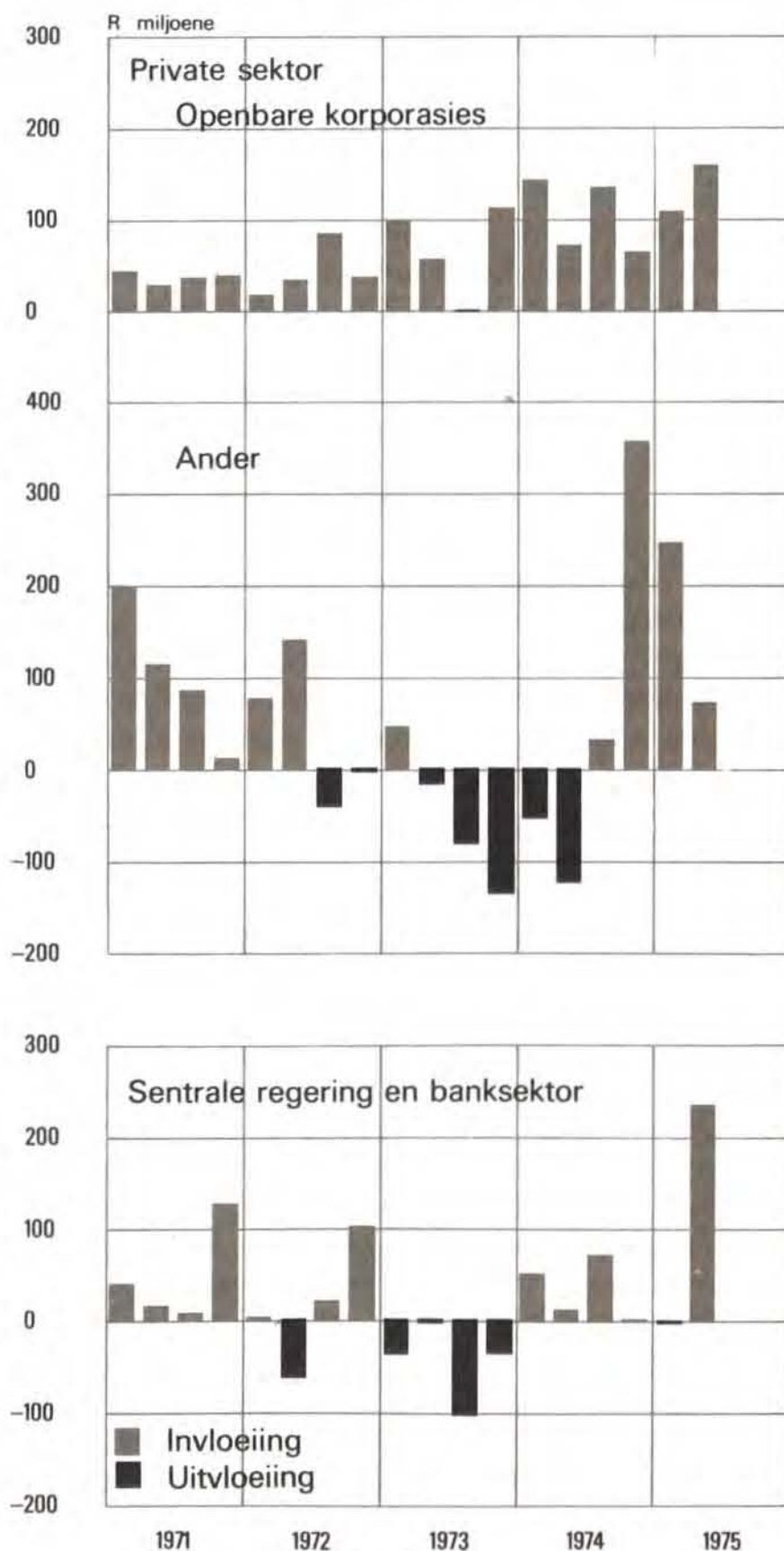


Die waarde van die netto goudproduksie het vir die tweede opeenvolgende kwartaal afgeneem tot 'n seisoensaangesuiwerde jaarsyfer van R2 436 miljoen in die tweede kwartaal van 1975. Hierdie verdere afname is veroorsaak deur 'n skerp daling in die goudprys op die Londense mark vanaf 'n gemiddelde van \$178,11 per fyn ons gedurende die eerste kwartaal tot \$167,18 per fyn ons gedurende die tweede kwartaal, en is slegs gedeeltelik deur 'n toename in die volume van die goudproduksie geneutraliseer. Gedurende Julie en Augustus het die goudprys voortgegaan

om geleidelik te daal voordat dit skerp tot \$135 per fyn ons op 19 September 1975 gedaal het.

Vanaf die begin van 1973 het dienstebetalings aan buitelanders 'n volgehoue stygende neiging getoon en teen 'n seisoensaangesuiwerde jaarsyfer in die tweede kwartaal van hierdie jaar nie minder nie as R2 583 miljoen bedra. Die verdere styging in hierdie betalings gedurende die tweede kwartaal kan hoofsaaklik aan 'n toename in rentebetalinge op buitelandse lenings en internasionale vrag- en versekeringsbetalings op goedere-invoere toegeskryf word.

## Netto buitelandse kapitaalbewegings





'n Verdere aansienlike netto invloeiing van buitelandse kapitaal wat nie minder nie as R472 miljoen bedra het, is gedurende die tweede kwartaal van 1975 aangeteken, vergeleke met 'n invloeiing van R355 miljoen gedurende die eerste kwartaal van die jaar. In teenstelling met die voorafgaande twee kwartale, waartydens die netto invloeiing geheel en al na die private sektor gegaan het, was die netto invloeiing van kapitaal gedurende die tweede kwartaal ongeveer gelykop tussen die private sektor en die sentrale regering en banksektor verdeel. Die opmerklike toename in die netto invloeiing na laasgenoemde sektor gedurende die tweede kwartaal was hoofsaaklik toe te skryf aan 'n skerp toename in die bedrag aan amptelike lenings wat in die buiteland verkry is om die betalingsbalans te versterk. Die netto invloeiing van buitelandse kapitaal na die private sektor het hoofsaaklik bestaan uit langtermynleningskapitaal wat in die buiteland verkry is, in besonder deur die openbare korporasies, om ontwikkelingsuitgawes te finansier.

'n Aansienlike netto invloeiing van private korttermynkapitaal het gedurende die vierde kwartaal van 1974 en die eerste kwartaal van 1975 plaasgevind, maar verwagtings aangaande moontlike veranderings in die wisselkoers van die rand het weer eens veroorsaak dat die vervroegings en vertraging van buitelandse korttermynbetalings en -ontvangste teen Suid-Afrika gedraai het. Gevolglik het die netto invloeiing van korttermyn private kapitaal, insluitende foute en onaangetekende transaksies, skerp gedaal vanaf R223 miljoen gedurende die eerste kwartaal van 1975 tot slegs R28 miljoen gedurende die tweede kwartaal. Die owerhede het gevolglik op 27 Junie 1975 besluit om hul wisselkoersbeleid te verander van een van onafhanklike beheerde swewing na 'n beleid waarvolgens die rand-dollar-koers vir langer tydperke konstant gehou sal word en aanpassings slegs gemaak sal word as dit op grond van basiese veranderinge in die binnelandse en/of internasionale toestand noodsaaklik geag word. Onlangs het die ekonomiese toestand oor die algemeen in twee basiese opsigte verander, naamlik (1) dit het duidelik geword dat die huidige ekonomiese resessie in die wêreld sowel dieper is en langer duur as wat verwag is; en (2) die prys van goud op die private mark het aansienlik gedaal tot \$135 per fyn ons op 19 September 1975. Onder hierdie veranderde omstandighede het die Regering besluit om met ingang 22 September 1975 die rand in terme van die VSA-dollar met 17,9 persent te devalueer. Hierdie devaluasie is nie alleen daarop gemik om die betalingsbalans in sy geheel te versterk nie maar ook om te verhoed dat die huidige verlangsaaming in die binnelandse ekonomiese bedrywigheid te ver gaan.

Die owerhede het op 11 Augustus ook aangekondig dat 'n meer konserwatiewe monetêre beleid gevolg sal word, waarby onder andere 'n vermindering van die vermoë van die banke om binnelandse krediet

in die plek van buitelandse handelskrediet te verleen, ingesluit sal wees en dat valutabeheer verslap sal word om die invloeiing van kapitaal aan te moedig. Verder het die Minister van Finansies, met die aankondiging van die devaluasie van die rand met ingang 22 September, aangekondig dat die likwiede bateverreistes van die banke verder verhoog sal word vanaf die datum van sertifisering van hulle maandopgawes vir September.

Die aansienlike tekort op lopende rekening, tesame met die groot netto invloeiing van kapitaal gedurende die tweede kwartaal van 1975 sowel as waardasie-aansuiwerings, het tot gevolg gehad dat die totale goud- en ander buitelandse reserwes met R23 miljoen tot 'n peil van R927 miljoen aan die einde van Junie 1975 gestyg het. Gedurende Julie en Augustus het die goud- en ander buitelandse reserwes van die Reserwebank 'n aansienlike styging van R74 miljoen tot 'n vlak van R794 miljoen op 31 Augustus 1975 getoon.



## Monetêre en banktoestand

Die seisoensaangesuiwerde jaarkoers van toename in die hoeveelheid geld en kwasi-geld het, alhoewel dit gedurende Julie ietwat versnel het, gedurende die tydperk van vier maande vanaf April tot Julie 1975 slegs 9 persent beloop. Hierdie koers van toename was laer as dié gedurende die eerste kwartaal van die jaar (15 persent), en opmerklik laer as die 22 persent wat gedurende die kalenderjaar 1974 aangeteken is. Vir die eerste sewe maande van 1975 was die jaarkoers van toename ietwat minder as 12 persent en die eng gedefinieerde geldvoorraad het gedurende hierdie tydperk in werklikheid teen 'n jaarkoers van slegs 6 persent toegeneem.

Verdere groot stygings in bankkrediet was gedurende die tweede kwartaal en Julie 1975 nog steeds vir die toename in die hoeveelheid geld en kwasi-geld verantwoordelik. Gedurende hierdie tydperk het die binnelandse kredietuitbreiding (bestaande uit die seisoensaangesuiwerde toename in eise van die banksektor teen die private sektor en in *netto* eise teen die regeringsektor) nie minder nie as R992 miljoen bedra, waarvan eise teen die private sektor R437 miljoen en *netto* eise teen die regeringsektor R555 miljoen verklaar het. Gedurende Julie alleen het die *netto* eise teen die regeringsektor met R201 miljoen toegeneem. Hierdie groot stygings in bankkrediet is egter in 'n ongewoon groot mate deur 'n aansienlike daling in die *netto* goud- en ander buitelandse reserwes, in die besonder gedurende die tweede kwartaal, en opmerklike verdere stygings in langtermyndeposito's, in die besonder gedurende Julie, geneutraliseer.

Die seisoensaangesuiwerde jaarkoers van toename in bankkrediet aan die private sektor het effens gestyg vanaf 16 persent gedurende die eerste kwartaal van 1975 tot 19 persent gedurende die vier maande vanaf April tot Julie. Hierdie koerse, sowel as die gemiddelde koers van ongeveer 18 persent gedurende die eerste sewe maande van die jaar, was op ongeveer dieselfde peil as die toename van 19 persent gedurende

kalenderjaar 1974. 'n Beduidende deel van die toename in bankkrediet aan die private sektor gedurende die tweede kwartaal en Julie 1975 is egter verklaar deur 'n opmerklieke styging in die korttermynvoorskotte van die Landbank, in die besonder gedurende Julie.

Vanaf die einde van Maart 1975 tot die einde van Julie is daar skerp stygings aangeteken in die monetêre banke (met insluiting van die diskontohuise) se besit aan handelswissels en bankaksepte (R138 miljoen), en in die verhurings- en huurkoopfinansiering wat deur die handelsbanke, monetêre huurkoop- en algemene banke, en aksepbanke verleen is (R94 miljoen). Dit wil voorkom asof eersgenoemde styging verband gehou het met die daling in geldmarkrente koerse tot Julie 1975, en met die omskakeling deur invoerders vanaf buitelandse na binnelandse finansieringsbronne. „Ander” voorskotte van die handelsbanke, aksepbanke en monetêre huurkoop- en algemene banke het gedurende die betrokke vier maande egter met R100 miljoen gedaal.

Die oorskot-likwiditeitsverhouding van die handelsbanke, aksepbanke, en monetêre huurkoop- en algemene banke het gedurende die tweede kwartaal van 1975 betekenisvol vanaf 1,5 persent aan die einde

### Verhoudings van oorskotte of tekorte aan likwiditeit van monetêre bankinstellings

	1975				
	Mrt.	Apr.	Mei	Jun.	Jul.
Handelsbanke . . . . .	2,4	4,3	4,4	7,1	6,9
Aksepbanke . . . . .	0,9	1,3	1,2	1,1	2,3
Monetêre huurkoop- en algemene banke . . . . .	-0,6	0,8	-1,0	0,7	0,8
Alle bostaande monetêre banke:					
Verhouding (%) . . . . .	1,5	3,1	2,8	5,0	5,0
Bedrag (R miljoene) . . . . .	147	306	276	521	513

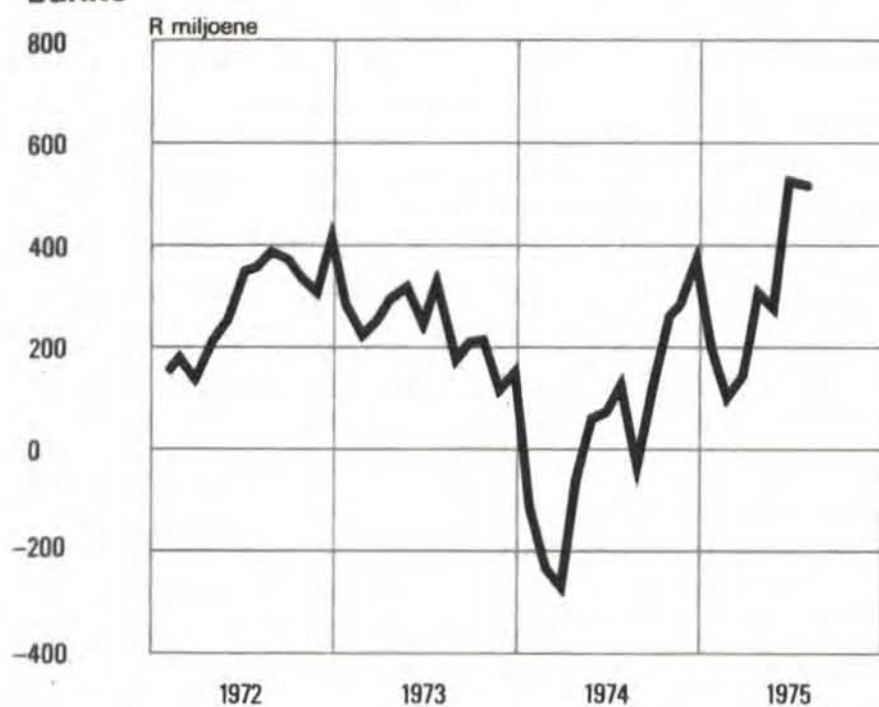
### Oorsake van veranderings in geld en kwasi-geld, 1975

R miljoene

	Seisoensinvloed nie uitgeskakel nie			Seisoensinvloed uitgeskakel		
	1e kw. 1975	2e kw. 1975	Julie 1975	1e kw. 1975	2e kw. 1975	Julie 1975
Netto goud- en ander buitelandse reserwes . . . . .	11	-253	-47	-25	-289	-59
Eise teen die regeringsektor:						
Bruto eise . . . . .	237	310	69	...	...	...
Regeringsdeposito's (Toename-; afname+) . . . . .	-211	175	27	...	...	...
<i>Netto</i> eise . . . . .	26	485	97	312	354	201
Eise teen die private sektor . . . . .	314	187	136	269	231	206
Private langtermyndeposito's (Toename-; afname+) . . . . .	-50	-229	-87	-100	-123	-95
Netto ander bates . . . . .	-205	104	-45	...	...	...
<b>Totale oorsake van veranderings . . . . .</b>	<b>96</b>	<b>295</b>	<b>53</b>	<b>258</b>	<b>143</b>	<b>83</b>



### Oorskot likwiede bates van handelsbanke, akseptbanke en monetêre huurkoop en algemene banke

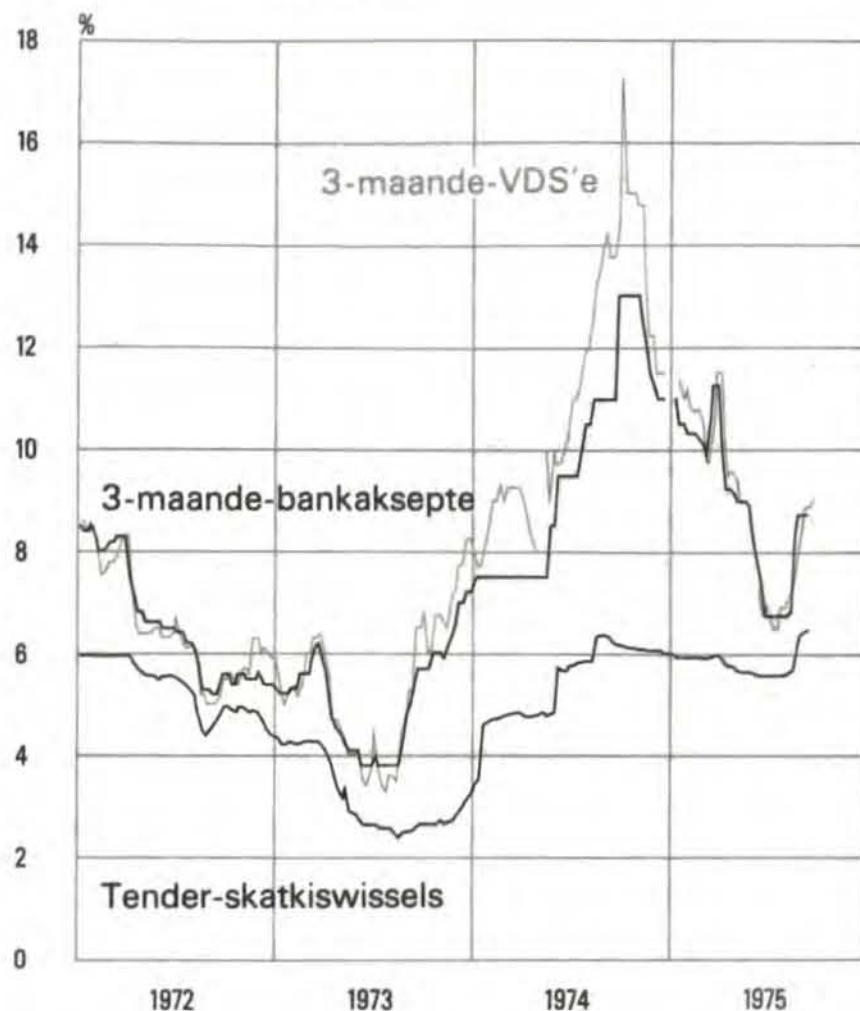


van Maart tot 5,0 persent aan die einde van Junie gestyg en vervolgens aan die einde van Julie op ongeveer hierdie peil gebly. 'n Verhoging van die likwiede batevereistes, waardeur die vereiste verhouding ten opsigte van korttermynverpligtings met ingang van die datum van die banke se sertifisering van hul maandopgawes vir Julie vanaf 45 tot 49 persent vir die handelsbanke en vanaf 45 tot 47 persent vir alle ander banke verhoog is, is op 11 Augustus 1975 deur die Reserwebank aangekondig. Tesame met die aankondiging van die devaluasie van die rand met ingang 22 September het die Minister van Finansies verklaar dat die likwiede batevereistes van die banke verder verhoog sal word vanaf die datum van sertifisering van hulle maandopgawes vir September.

Die toestand op die geldmark het gedurende Junie, Julie en Augustus betreklik ruim gebly. Soos te verwagte was, het die mark oor die Junie- en Augustusmaandeindes egter matig vernou, en die banke het gedurende hierdie tydperke gebruik gemaak van voorheen geakkumuleerde saldo's bo die vereiste minimum bedrae by die NFK. Daggeld by die diskontohuise, wat tot R663 miljoen op 1 Augustus toeneem het, het gedurende die Augustusmaandeinde marginaal tot R614 miljoen op 3 September gedaal. Akkommodasie van die Reserwebank aan die banke en diskontohuise, wat gewoonlik oor die Augustusmaandeinde aansienlik toeneem, was onbeduidend.

Die geldmarkrentekoerse het gedurende Junie en die grootste deel van Julie hul daling voortgesit. Ná die verhoging van die Bankkoers vanaf 8,00 na 8,50 persent op 11 Augustus het die geldmarkrentekoerse egter aansienlik gestyg. Die koers op VDS-e van 90 dae, byvoorbeeld, wat tot 6,50 persent op 11 Julie

### Geldmarkrentekoerse



gedaal het, het tot 7,25 persent op 8 Augustus en vervolgens tot 9,00 persent op 5 September gestyg. Op soortgelyke wyse het die skatkisswissentenderkoers, wat tot 5,54 persent op 18 Julie gedaal het, tot 5,61 persent op 8 Augustus en vervolgens tot 6,57 persent op 19 September gestyg. Rentekoerse op deposito's by bankinstellings is in die begin van Julie verlaag vanaf die maksima wat deur die rentekoersbeheerregulasies toegelaat word. Terwyl die koers op korttermyndeposito's in die meeste gevalle met 1 persent verlaag is, het die koers op langertermyndeposito's met slegs 0,5 persent gedaal. Hierdie koerse is oor die algemeen ná die verhoging van die Bankkoers op hierdie vlakke gehandhaaf. Die koers op daggelddeposito's by die diskontohuise wat sedert Maart tot 5,45 persent gedurende die tweede helfte van Junie en in Julie gedaal het, het egter toeneem tot 6,50 persent op 19 September.

Soos alreeds in die Reserwebank se *Jaarlikse Ekonomiese Verslag* aangedui is, is die prima-oortrekkingskoers, d.w.s. die laagste koers waarteen die verrekeningsbanke op oortrokke rekening sal uitleen, wat op 'n peil van tussen 2,5 en 3,5 persent bo die Bankkoers vasgestel word, vanaf 11 tot 11,5 persent verhoog toe die Bankkoers op 11 Augustus verhoog is.

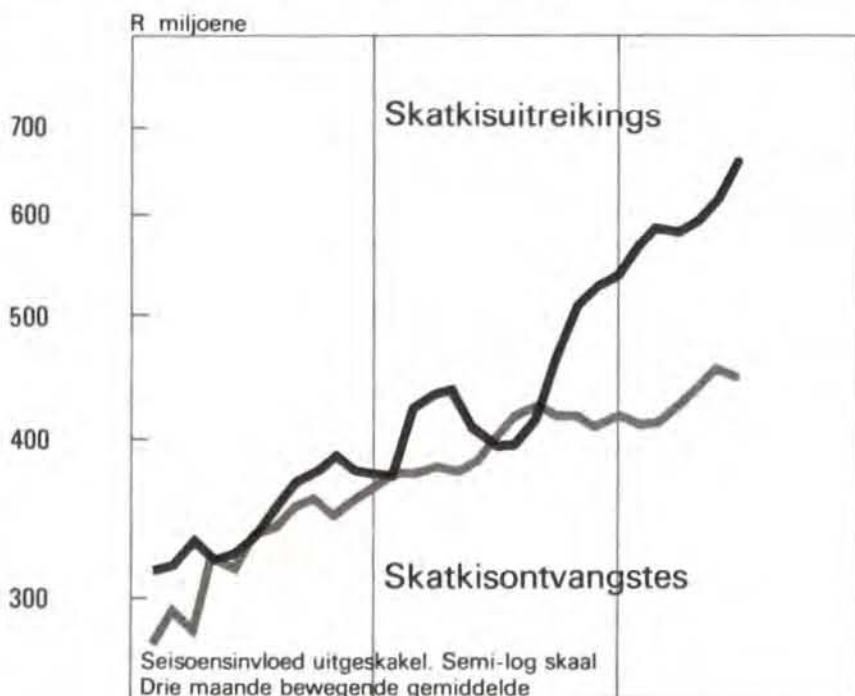


## Staatsfinansies

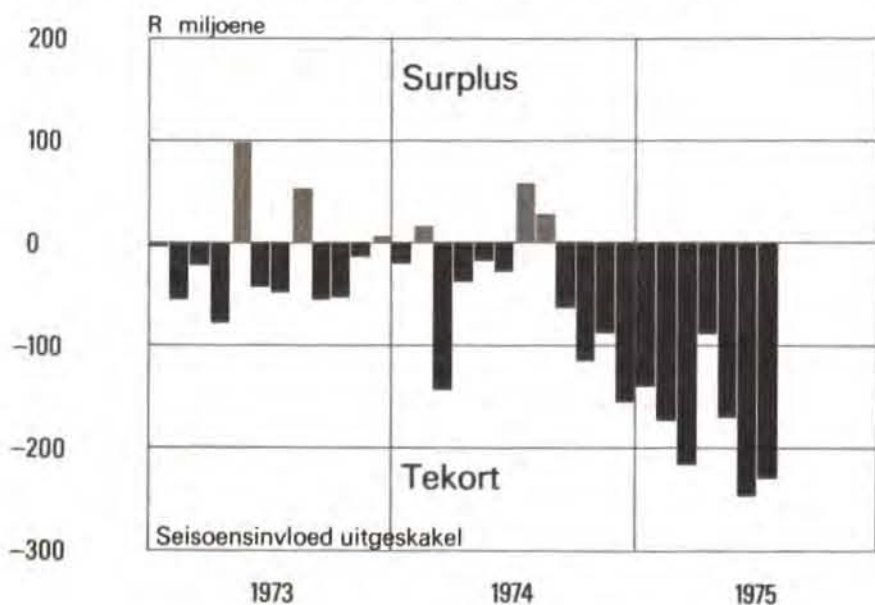
Gedurende die tweede kwartaal van 1975 het die tekort op die Skatkisrekening 'n vlak van net oor die R500 miljoen bereik wat slegs marginaal kleiner was as die tekort wat gedurende die voorafgaande kwartaal aangeteken is, maar aansienlik hoër as die syfer van R130 miljoen vir die ooreenstemmende kwartaal in 1974. Gedurende Julie het die Skatkisrekening 'n tekort van R131 miljoen getoon teenoor 'n surplus van R97 miljoen gedurende dieselfde maand van 1974.

Aansienlik hoër skatkisuitreikings was hoofsaaklik vir hierdie verwickeling verantwoordelik. Gedurende die tweede kwartaal van 1975 het die totale uitreikings van R1 578 miljoen, hoewel laer as die vlak wat in die voorafgaande kwartaal bereik is, die uitreikings gedurende die ooreenstemmende tydperk in 1974 met soveel as R531 miljoen, of 51 persent, oorskry.

## Ontvangstes en uitreikings op die Skatkisrekening



## Tekort of surplus op die Skatkisrekening



Gedurende die tweede kwartaal van 1975 het die ontvangste op die Skatkisrekening R1 076 miljoen bedra en was ook laer as die vlak wat in die voorafgaande kwartaal bereik is. Vergeleke met dieselfde kwartaal van 1974, het ontvangste met ongeveer 17 persent toegeneem, hoofsaaklik as gevolg van 'n meer as seisoenale toevloei van belastingontvangste gedurende April en Mei.

Van die tekort van R502 miljoen gedurende die tweede kwartaal van 1975 is R325 miljoen uit ander bronne as die monetêre banksektor gefinansier. Dit het die gebruik van R120 miljoen van die kontant-saldo's beskikbaar op die Betaalmeester-generaalrekening en R115 miljoen wat die Tesourie deur middel van netto buitelandse lenings verkry het, ingesluit. Die toename in die Skatkis se netto skuldposisie teenoor die monetêre banksektor het R177 miljoen bedra en was die netto resultaat van 'n toename van R243 miljoen in daardie sektor se besit aan staatskuldbewyse en 'n toename van R67 miljoen in totale skatkisdeposito's. Gedurende Julie het die Tesourie se netto beroep op die monetêre banksektor met 'n verdere R95 miljoen toegeneem.\*

Met die oog op die groot tekort op die Skatkisrekening en die heersende inflasionistiese toestand het die Minister van Finansies op 21 Augustus die Regering se voorneme bekend gemaak om die skatkistekort sover moontlik uit lopende besparings te finansier en om minder op bankinstellings as 'n bron van finansiering staat te maak. Vir hierdie doel sal 'n nuwe effekte-uitgifte van 25 jaar op 1 Oktober vir algemene openbare inskrywing teen 'n historiese hoë opbrengskoers van 10 persent gemaak word. Vanaf 25 Augustus is dié uitgifte deur die Reserwebank tot beskikking van beleggers gestel in bedrae van nie minder nie as R100 000 en aansoeke sal tot aan die einde van September deur die Bank ontvang word. Afgesien van hierdie langtermynuitgifte sal kort- en mediumtermynuitgiftes ook op 1 Oktober vir intekening beskikbaar gestel word op welke datum twee bestaande staats-effekte, ten bedrae van R78 miljoen, sal verval.

Die Minister het ook verklaar dat die Regering as deel van die teen-inflasionistiese veldtog alle pogings sal aanwend om sover moontlik op uitgawes te besuinig en maak staat op die heilhartige samewerking van die provinsiale administrasies, plaaslike owerhede en ander openbare liggame om dieselfde te doen.

\*As gevolg van die verskil in dekking stem die verandering in die Skatkis se netto skuldposisie teenoor die monetêre banksektor nie ooreen met veranderinge in daardie sektor se eise teen die regeringsektor nie. Syfers ten opsigte van die veranderinge in die monetêre banksektor se netto eise teen die regeringsektor gedurende die tydperk April tot Julie 1975, waarna in die afdeling oor die geld- en bankwese hierbo verwys is, is nie alleen beïnvloed deur transaksies op die Skatkisrekening nie, maar in besonder deur lenings gemaak aan buitebegrotingsfondse en deur veranderinge in die deposito's van die Betaalmeester-generaal, die Staatskuldkommissaris en die provinsiale administrasies.



## Kapitaalmark

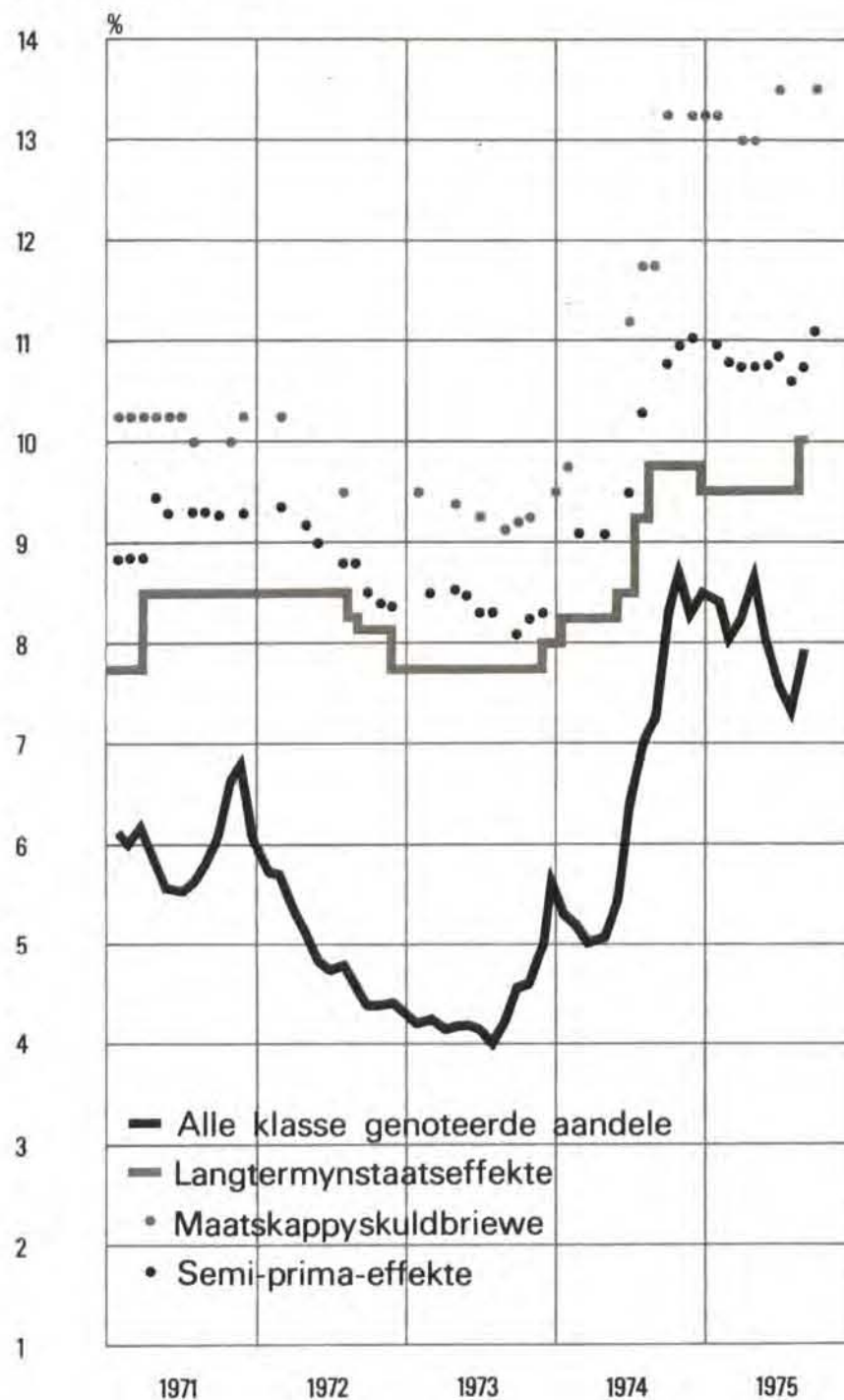
Toestande in die kapitaalmark het teen die einde van 1974 en die eerste gedeelte van 1975 ietwat verruim en het die normale gesloerde reaksie op die afswaai in ekonomiese bedrywigheid wat gedurende die derde kwartaal van 1974 begin het, weerspieël. Kapitaalmarktoestande is egter gedurende April en Mei hoofsaaklik deur betalingsbalansverwikkelings en weer gedurende Augustus deur betalingsbalans- sowel as staatsfinansieverwikkelings beïnvloed. In albei gevalle het 'n vernouing van marktoestande voorgekom.

Dié tydelike vernouing van die mark vir vaste-rentedraende effekte gedurende April en Mei is weerspieël in 'n aantal uitgiftes van semi-prima-effekte wat nie volskryf is nie. Opbrengskoerse op nuwe uitgiftes het egter nie tot bó die vlakke waartoe hulle teen die einde van 1974 en vroeg in 1975 gedaal het, gestyg nie, maar opbrengskoerse in die sekondêre mark het gedurende die betrokke twee maande tydelik gestyg. Die maatreëls wat in Augustus deur die owerhede aangekondig is om die betalingsbalans te versterk en die finansiering van die sentrale regering se besteding te vergemaklik, het tot gevolg gehad dat markopbrengskoerse gestyg het. Meer in die besonder is die opbrengskoers op die nuwe uitgifte van langtermynstaatseffekte wat vanaf 25 Augustus deur bemiddeling van die Reserwebank beskikbaar gestel is, op 10 persent vasgestel, vergeleke met die vorige koers van 9,5 persent op nuwe uitgiftes. Daarná het die opbrengskoers op nuwe uitgiftes van langtermyn-semi-prima-effekte vanaf 10,75 tot 11,09 persent gestyg en die opbrengskoers op hierdie effekte in die sekondêre mark het met ongeveer dieselfde marge van 0,35 persent toegeneem. Die gaping tussen die opbrengskoerse op prima- en semi-prima-effekte, wat gedurende die afwaartse aanpassingsfase teen die einde van 1974 en die begin van 1975 tot 1,25 persent vergroot het, is weer deur die onlangse opbrengskoersverandering op die vorige vlak van ongeveer 1,1 persent herstel.

Die neiging in kapitaalmarktoestande in die algemeen is ook in die aandelemark weerspieël. Met die uitsondering van goudmyn- en finansiële mynaandele, het die pryse van alle ander klasse aandele, wat sedert die laaste kwartaal van 1974 gestyg het, gedurende April tydelik gedaal. Daarná het hierdie pryse hul stygende verloop hervat tot in Julie, maar het in Augustus merkbaar gedaal. Die pryse van goudmyn- en finansiële mynaandele wat sedert Augustus 1974 afwaarts geskommel het, het ook gedurende Augustus 1975 redelik skerp gedaal.

Die algemene verbetering in aandelepryse gedurende die eerste helfte van 1975 het gepaard gegaan met 'n toename in die bedrag aan nuwe kapitaal wat in die aandelemark opgeneem is. Nuwe uitgiftes van aandele deur maatskappye wat op die effektebeurs genoteer is, het gedurende die tweede kwartaal van 1975 R115 miljoen beloop, vergeleke met R46 mil-

## Opbrengskoerse



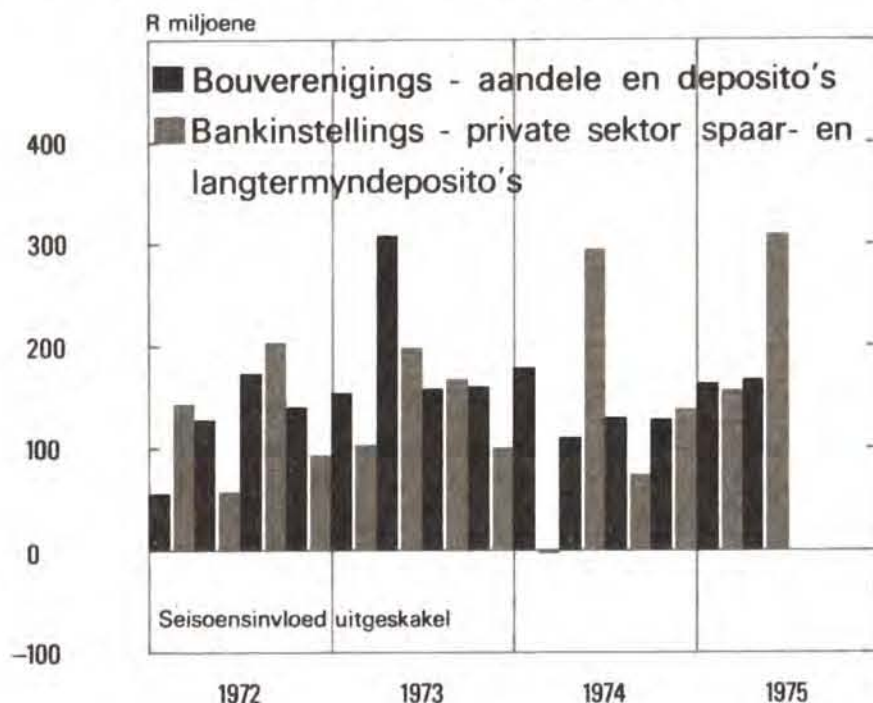
joen gedurende die eerste kwartaal en R56 miljoen vir die jaar 1974 as geheel. Hierdie betreklik hoë syfer in die tweede kwartaal het bykans uitsluitlik voortgespruit uit 'n paar groot uitgiftes naamlik dié deur 'n mynboumaatskappy, 'n mynhuis en twee van die groot banke.

Die vloei van langtermynfondse na bankinstellings en bouverenigings, wat gedurende die eerste kwartaal van 1975 aansienlik toegeneem het, was gedurende die tweede kwartaal selfs nog hoër toe dit R492 miljoen bedra het vergeleke met R293 miljoen gedurende die eerste kwartaal. Die invloeiing van fondse na die bouverenigings het gedurende Julie 'n verdere skerp toename getoon en het, op 'n seisoensaangesuiwerde basis, R92 miljoen bedra, vergeleke met 'n maandelikse gemiddelde van R59 miljoen gedurende die tweede kwartaal.

As gevolg van die groter invloeiing van fondse was die bouverenigings in staat om hul leenbedrywighe



## Vloei van fondse na finansiële instellings



Die bedrywigheid in die vaste eiendomsmark, wat gedurende die vierde kwartaal van 1974 en die eerste kwartaal van 1975 afgeneem het, het gedurende die tweede kwartaal van 1975 merkbaar verbeter en was gemiddeld ongeveer 16 persent hoër as gedurende die eerste kwartaal.

uit te brei. Nuwe verbandvoorskotte wat deur die verenigings toegestaan is, het gedurende die tydperk April tot Julie 1975 gemiddeld R105 miljoen per maand bedra, vergeleke met R81 miljoen gedurende die eerste kwartaal.

Die Genootskap van Bouverenigings het op 19 September aangekondig dat die Regering 'n verhoging van die rentekoers betaalbaar op verbandvoorskotte asook die instelling van 'n stelsel van gedifferensieerde uitleenkoerse op woonhuisverbande goedgekeur het. Die hoër koerse op nuwe voorskotte is vanaf 22 September van toepassing terwyl dié op bestaande lenings vanaf 1 November 1975 van krag sal wees.

Die nuwe glyskaal van verbandrentekoerse is as volg:

1. Op alle nuwe en bestaande lenings met 'n uitstaande saldo van tot R10 000 bly die huidige koers van 10,5 persent onveranderd;

2. Op alle nuwe en bestaande lenings tussen R10 000 en R15 000 word die koers tot 10,75 persent verhoog;

3. Op bestaande lenings bo R15 000 word die koers met 0,5 persent tot 11,0 persent verhoog;

4. Op nuwe lenings bo R15 000 is die volgende koerse op die hele bedrag van toepassing:

11,0 persent op eiendomme met 'n bouverenigingwaardasie van tussen R15 000 en R28 000;

11,5 persent op eiendomme gewaardeer teen tussen R28 000 en R40 000; en

12,0 persent op waardasies bo R40 000.

Die owerhede het ook besluit om die persentasie van alle nuwe verbande wat 'n bouvereniging in voorskotte van meer as R18 000 mag toestaan vanaf 25 tot 30 persent te verhoog.