

Quarterly economic review

General observations

Economic developments in South Africa are influenced materially by the economic situation in the rest of the world because foreign trade forms such an important part of domestic economic activity (in 1974 imports constituted 35 per cent of the gross domestic product and exports 31 per cent) and South Africa still depends to a large extent on foreign capital to utilise its vast natural resources. The fact that the industrial world has been in a deep recession during the past two years, the most severe since the early thirties, has influenced economic developments in South Africa in various ways. The rate of economic growth, the balance of payments and the rate of inflation were all affected adversely by developments abroad. In these circumstances, South Africa's expected rates of economic growth during calendar year 1975, of slightly more than 2 per cent in the real gross domestic product and a possibly small negative figure for the real gross national product, still compare favourably with the small or negative growth rates recorded during 1974 and 1975 in most industrialised countries.

The sustainment of economic activity at a relatively satisfactory level stemmed mainly from the high rate of increase in current government expenditure from the fourth quarter of 1974, which not only led directly to increased domestic production in certain sectors of the economy, but also to an increase in the money and near-money supply, which, in turn, facilitated and stimulated increased economic activity. Although certain strategic production and other economic indicators showed increases during the first nine months of 1975, these tendencies should not be diagnosed as a general business cycle upturn, but should rather be interpreted to mean that the sharp decline in the fourth quarter of 1974 had been arrested and that a moderate positive rate of growth was maintained during the first nine months of 1975. It is important to note, however, that although the South African economy has in general remained in a downward phase of the business cycle for more than a year now, this situation in reality amounted to little more than a slowdown in economic activity to a level significantly lower than the long-term potential of the economy.

In a closed economy, the stimulation of economic activity through government spending at a time when the other components of domestic demand were sluggish, surplus production capacity existed and the labour and capital resources were not under pressure, might well have been desirable. Because the South African economy is a very open one, however, increased domestic expenditure led to increased imports, and with the world economy in a severe recession and consequently little immediate prospects for increased South African exports, the current account of the balance of payments deteriorated further as a result of government spending.

Apart from this influence on the current account of the balance of payments, various exogenous factors also affected South Africa's balance of payments detrimentally during the course of the past year. These included the unexpectedly long and severe recession experienced abroad coupled with a decline in the volume of world trade and commodity prices, substantial increases in the price of oil, the decline in the price of gold, and high rates of inflation prevailing abroad.

In addition to these adverse developments on the current account of the balance of payments, the authorities, from time to time, also had to cope with speculative foreign capital movements. As a result of expectations regarding possible changes in the exchange rate of the rand and changes in interest rate differentials, leads in payments for imports and lags in remitting export proceeds, as well as other speculative short-term capital movements, occurred from time to time. In these circumstances, the net inflow of capital, mainly in the form of long-term loans to the private and public sectors, was not sufficient to finance the deficit on the current account and the authorities had to resort to compensatory official borrowing to sustain the foreign reserves.

These adverse developments on both current and capital accounts of the balance of payments compelled the authorities, in addition to increased official borrowing, to take various measures to improve the balance of payments situation. These measures included the termination, on 27 June, of the exchange rate policy of independent managed floating which was followed by significant changes in exchange control and in the arrangements regarding forward exchange cover. In August, adjustments were also made to monetary policy, including an increase in Bank rate from 8 to 8½ per cent and an increase in the liquid asset requirements for banking institutions.

Before these measures could exert their full effect, the overall economic situation changed in two basic respects. Firstly, it became clear that the international recession was both deeper and longer than had been expected. Secondly, the price of gold started to decline sharply during September. Moreover, as a result of these two developments, the unfavourable leads and lags recurred in September.

The need was felt, therefore, for measures which would prevent an unduly sharp decline in real domestic economic growth and which would at the same time strengthen the balance of payments. The application of severe deflationary measures would have run the risk of unduly depressing the real rate of economic growth and aggravating the existing recessionary tendencies. The problem clearly could not be solved by continuing to rely on official short-term foreign borrowing which, moreover, would have had to be increased still further. In these circumstances, and after careful consideration of the pros and cons of various alternative measures,

it was decided to devalue the rand by 17.9 per cent effective from 22 September 1975.

Although it is too early to evaluate the effects of the devaluation, there are indications that it has succeeded in reversing the unfavourable leads and lags in foreign payments and receipts. The devaluation should also have an immediate expansionary effect on export and gold mining incomes with favourable secondary effects on domestic economic activity. In due course it should also assist the normal cyclical forces in improving the current account of the balance of payments. The main adverse effect of this policy measure will be to exert upward pressure on the general price level.

The adverse effects of the devaluation on the level of consumer prices may be divided into two parts, namely: (1) the direct and almost immediate effect through higher prices of imported consumer goods and (2) indirect effects which in due course will work through to the consumer level as a result of the higher prices of imported intermediate and capital goods used in local production of consumer goods. If the ratio of imported consumer goods to total consumption expenditure (6.7 per cent in 1974) is taken into account, it is obvious that the direct effect of the devaluation on consumer prices cannot be as large as it is sometimes thought to be and probably not more than 1.5 percentage points. The indirect effects of the devaluation are more difficult to assess, but will also be only a portion of the total increase in the prices of imported intermediate and capital goods. These effects of the devaluation came at a time when the rates of increase in consumer and wholesale prices were declining from their peaks reached in the third quarter of 1974. This declining tendency will, therefore, probably be arrested by the effects of the devaluation. However, it is hoped that the collective campaign against inflation, as set out in the manifesto of undertakings accepted by the government and the private sector organisations concerned, will not only break the expectations of further inflation and the general inflation psychosis, which at times feeds on itself, but will also through its various positive measures curtail the rate of increase in prices generally.

Because of the importance of moderating the rate of increase in the quantity of money and near-money in an anti-inflationary programme, it is to be welcomed that this rate showed a decline during the first nine months on 1975, after having reached an exceptionally high level during the fourth quarter of 1974. Bank credit to the government sector contributed materially to the increase in the money and near-money supply from the fourth quarter of 1974, whereas bank credit to the private sector increased moderately, except for a relatively sharp rise in September 1975, which was probably associated mainly with foreign exchange transactions. As mentioned earlier, the authorities pursued a more conservative monetary policy from August 1975 and increased Bank rate and the liquid asset requirements of the banks, while the Government also issued new medium- and long-term stocks at record interest rates to reduce the Exchequer's dependence on bank credit in the financing of its large deficit. These monetary measures were aimed at reducing inflationary pressures and to strengthen the balance of payments. After increasing during August and September 1975

in conformity with the tighter monetary policy, short-term interest rates declined slightly during October and the beginning of November.

Capital market conditions, which had become easier during the first two quarters of 1975, tightened again during the third quarter. A number of factors exerting a tightening influence on capital market conditions remained in force during the current slowdown of economic activity and assumed greater importance during the third quarter. In this regard, the public sector's demand for funds remained at a comparatively high level, current saving was affected adversely by the continuing high rate of inflation and the overall balance of payments failed to contribute materially to the supply of funds.

National accounts

Moderate rise in growth rate

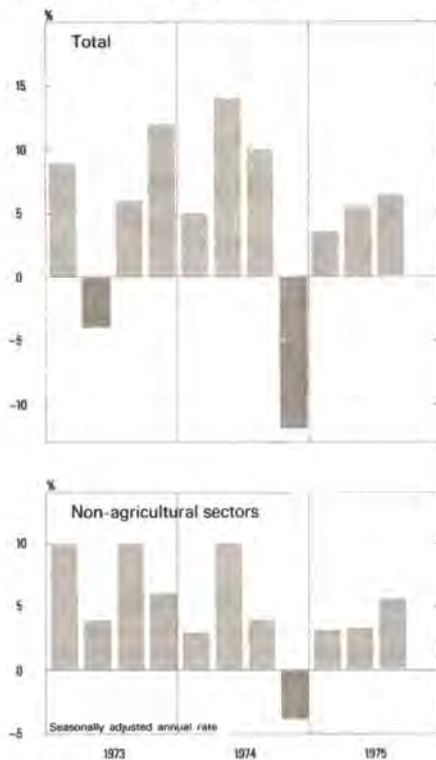
After having increased sharply up to the third quarter of 1974, the real gross domestic product declined substantially in the fourth quarter, but increased again at progressively faster rates during the first three quarters of 1975. The positive growth rates recorded during the first three quarters of 1975 should be viewed in relation to the very low level of real gross domestic product in the fourth quarter of 1974. In fact, the real gross domestic product for the first three quarters of 1975 was only moderately higher than that of the comparable period in 1974 and the level in the third quarter only slightly higher than the level reached in the third quarter of 1974. For the calendar year 1975 as a whole, a growth rate of slightly more than 2 per cent is expected in the real gross domestic product, whereas a small negative rate is expected in the real gross national product. Although low by South African standards, these rates are still relatively high if compared with the growth performances of most Western countries currently experiencing the longest and most severe recession since the early thirties. According to the latest estimates of the OECD (July 1975), the following real growth rates are expected for 1975:

	%
United States of America	-3½
United Kingdom	½
West Germany	-2
Japan	1½
Canada	-½
Australia	2
New Zealand	1
Total OECD - Europe	-½
Total OECD	-1½

The most recent estimates show an expected decline of 2½ per cent instead of 1½ per cent in the real growth rate of all the OECD countries for 1975.

The faster rate of growth recorded in South Africa during the first three quarters of 1975 stemmed mainly from the high rate of increase in, and consequently the high level of, government expenditure. In framing the 1975/76 Budget, the Minister of Finance took into

Percentage change in gross domestic product at constant 1970 prices



account that South Africa was facing a phase of slower economic growth. On the basis of expectations regarding a relatively early recovery in economic conditions of South Africa's main trading partners, a continued high price of gold and encouraging signs of a decline in the rate of inflation, the Minister suggested that the situation at that time called for a moderate stimulation of the economy. However, some of these expectations were not realised and it later became evident that government expenditure was increasing at a higher rate (partly due to increased spending by extra-budgetary funds and bodies and public corporations), and government revenue at a lower rate than anticipated in the Budget. The current rate of increase in the real gross domestic product would appear to be out of step with the depressed conditions experienced by most of South Africa's trading partners.

During the third quarter the sectors agriculture, manufacturing, and wholesale, retail and motor trade made major contributions to the increased growth rate. Although total manufacturing production increased noticeably during the third quarter of 1975, divergent tendencies were shown by the different industries. Thus, the production of chemicals and chemical products and non-metallic mineral products increased sharply, whereas the production of food, machinery and electrical machinery, transport equipment and basic metals and metal products declined and the production of textiles showed no change. The average level of production for the first nine months of 1975 was only 1,2 per cent higher than for the comparable period of 1974.

After declining almost uninterruptedly from 1970 up to the first quarter of 1975, gold mining production increased sharply in the second quarter and slightly further in the third quarter of 1975 owing to rises in the volume of gold ore milled. The volume of gold mining production was on average 7,0 per cent lower during the first ten months of 1975 than during the corresponding period of 1974. Non-gold mining production, in contrast, would appear to be levelling off. The value of wholesale and retail sales at constant prices were on average 1,3 and 2,1 per cent, respectively, higher during the first nine months of 1975 than during the corresponding period of 1974, whereas the number of new motor vehicles sold increased by 9,1 per cent during the first ten months of 1975 compared with the corresponding period of 1974.

The increase in the gross domestic product at current prices during the third quarter was mainly attributable to an increase in the remuneration of employees, particularly to employees in gold mining, manufacturing and construction. The gross operating surplus, which had increased sharply in the second quarter, rose only marginally in the third quarter.

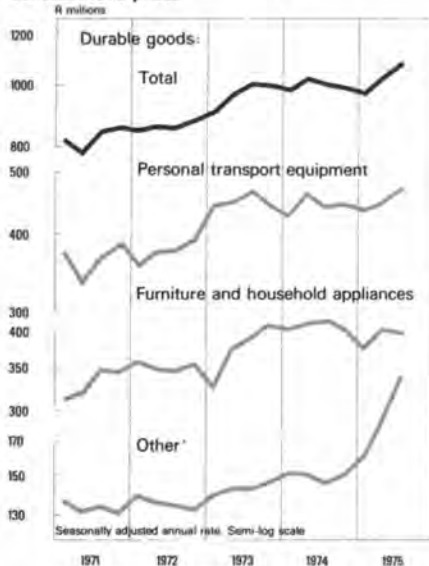
Further increase in real gross domestic expenditure

Although aggregate domestic demand, as measured by real gross domestic expenditure, rose further during the third quarter, the main components of expenditure showed divergent tendencies. Whereas the rate of increase in real private consumption expenditure accelerated moderately in the third quarter, real government consumption expenditure rose at a much lower rate than in the second quarter, and real fixed investment declined. The total value of inventories at constant prices increased only slightly further in the third quarter.

Higher real expenditure on durable consumer goods

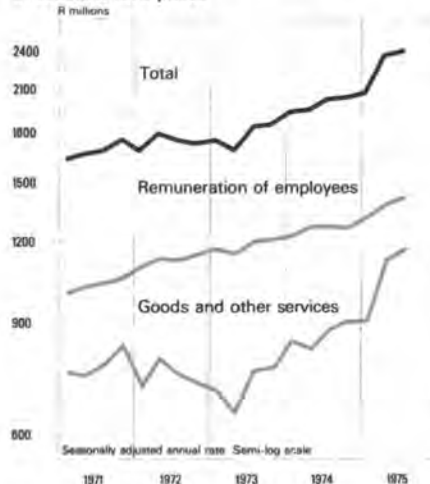
A significant increase in expenditure on durable consumer goods was mainly responsible for the further increase in real private consumption expenditure in the third quarter of 1975. Outlays on personal transport equipment increased fairly sharply as is evident from a rise of 5,6 per cent in the number of new motor cars sold during the third quarter, compared with sales in the preceding quarter. More important, however, was the contribution made by outlays on television sets. After a hesitant start in the first half of 1975, sales gained

Private consumption expenditure at constant 1970 prices



*Including expenditure on television sets

Government consumption expenditure at constant 1970 prices



momentum during the third quarter and added materially to the increase in expenditure on durable goods. Real outlays on furniture and household appliances, on the other hand, declined in conformity with the lower level of residential construction and a shift to purchases of television sets and motor cars.

After declining during the second quarter of 1975, real outlays on semi-durable goods rose again in the third quarter and real outlays on non-durable goods and services continued their moderately increasing tendencies.

Lower rate of increase in real government consumption expenditure

After having increased at a very high rate during the second quarter of 1975 the rate of increase in real consumption expenditure by public authorities slowed down appreciably during the third quarter of 1975 mainly as a result of a lower rate of increase in defence expenditure. However, government consumption expenditure on goods and services other than remuneration of employees still remained at a relatively high level. During the first three quarters of 1975, real government consumption expenditure was on average 16 per cent higher than during the corresponding period of the previous year, following upon an increase of 11 per cent in calendar year 1974.

Decline in real gross domestic fixed investment

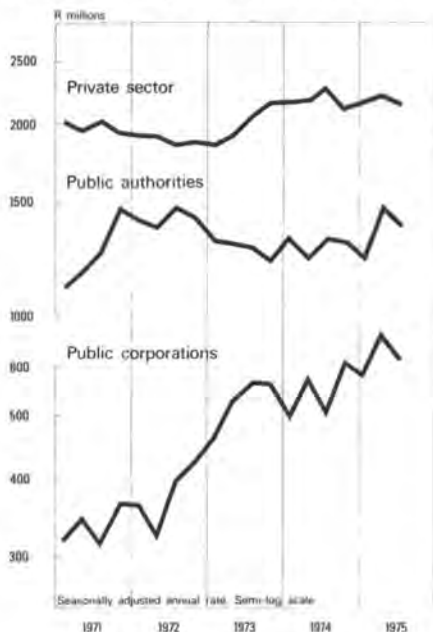
In contrast to the increases registered in respect of real private and government consumption expenditure, real gross domestic fixed investment by the private sector, public authorities as well as public corporations declined during the third quarter of 1975.

After having levelled off at a high level during the first half of 1975, real capital expenditure by the private sector declined during the third quarter of 1975. Although real capital outlays by almost all sectors showed declines, the largest declines were registered by agriculture, private manufacturing and residential construction. Real fixed capital outlays by commerce was marginally lower than during the second quarter, and that of the mining sector (mainly gold mining) levelled off during the first nine months of 1975, after it had increased substantially during 1973 and 1974.

Real fixed capital outlays by public authorities declined during the third quarter of 1975 after a substantial increase had been recorded during the second quarter. Notwithstanding a small decline during the third quarter, real fixed investment by the South African Railways and Harbours remained at a relatively high level and was to a large extent a reflection of purchases of transport equipment. Real fixed capital outlays by the Department of Posts and Telecommunications declined substantially during the third quarter of 1975.

Real gross domestic fixed investment by public corporations, which often shows irregular quarterly fluctuations, declined during the third quarter of 1975. In-creas-

Fixed investment at constant 1970 prices



Non-agricultural stocks as a percentage of gross domestic product excluding agriculture



Low level of gross domestic saving

As during the second quarter of 1975 gross domestic saving was again insufficient to finance the gross fixed and inventory investment requirements during the third quarter of 1975. Increases in personal saving and the provision for depreciation were approximately neutralised by declines in corporate saving and the current surplus of general government.

ed real capital expenditure on manufacturing plant, electricity and water works were more than neutralised by a large reduction in real outlays on the Sishen/Saldanha railway project.

Small increase in real inventory investment

Although the book value of total inventories increased further during the third quarter of 1975, the addition was smaller than during the preceding two quarters. As during the preceding two quarters, industrial and commercial inventories again made the largest contribution to the further accumulation of stocks. When increased costs are taken into account, real inventory investment increased only slightly during the third quarter. The ratio of non-agricultural stocks to the comparable gross domestic product declined from 35,4 per cent in the second quarter of 1975 to 34,9 per cent in the third quarter of 1975. From surveys of business conditions and company reports it would appear that, in general, the current levels of stocks are still regarded as being too high in relation to expected sales in the near future.

Business cycle situation, labour and prices

Business cycle situation

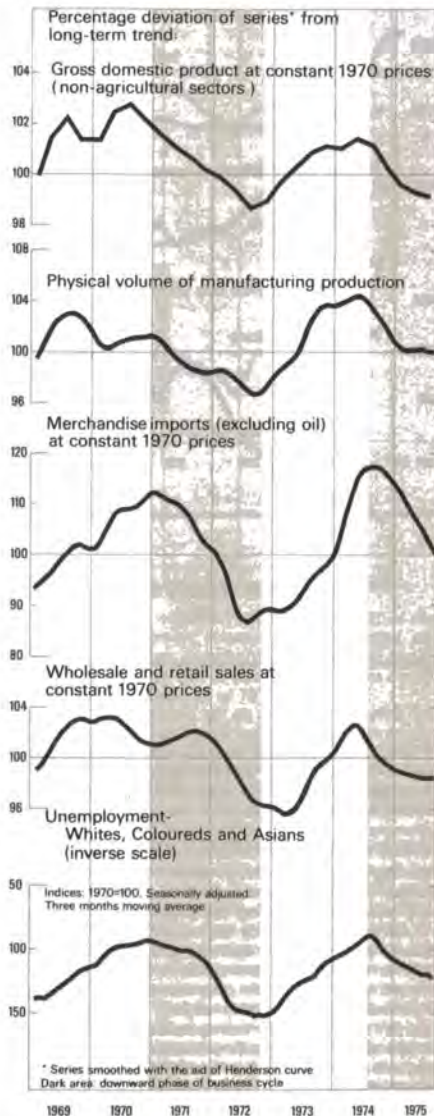
After having increased strongly up to the beginning of the third quarter of 1974, most economic indicators subsequently levelled off or declined. In the case of some of the most important single business cycle indicators, such as the real gross domestic product and the volume of manufacturing production, fairly substantial declines were recorded during the fourth quarter of 1974. Subsequently, however, these series showed moderate increases up to the third quarter of 1975. Retail and wholesale sales at constant prices and the number of new motor vehicles sold also rose during the first nine months of 1975. Other series, such as the volume of imports, non-gold mining production, buildings completed, and wholesale sales of building materials at constant prices, continued to level off or decline until the second or third quarters of 1975. Indicators such as the number of registered unemployed Whites, Coloureds and Asians, and employment of all races in the non-agricultural sectors of the economy, show that the labour situation remained relatively easy.

These divergent tendencies call for a cautious interpretation for the purpose of business cycle diagnosis. When compared with the rates of increase during the first three quarters of 1974, the rates of increase of some of the series mentioned above were significantly lower in 1975 and also lower than their long-term growth rates. In this situation, a general business cycle upturn cannot be diagnosed. It would appear rather that the strong downturn in the fourth quarter of 1974 was arrested and that a moderate rate of growth was maintained during the first nine months of 1975 although at a significantly lower level than that of the preceding year. The sustainment of growth stemmed mainly from the sharp rise in current government expenditure from the fourth quarter of 1974, which not only had a direct influence on the production activity in certain sectors of the economy, even if only after a short time lag, but also led to a substantial increase in the money and near-money supply. The latter, in turn, may have facilitated and stimulated increased economic activity.

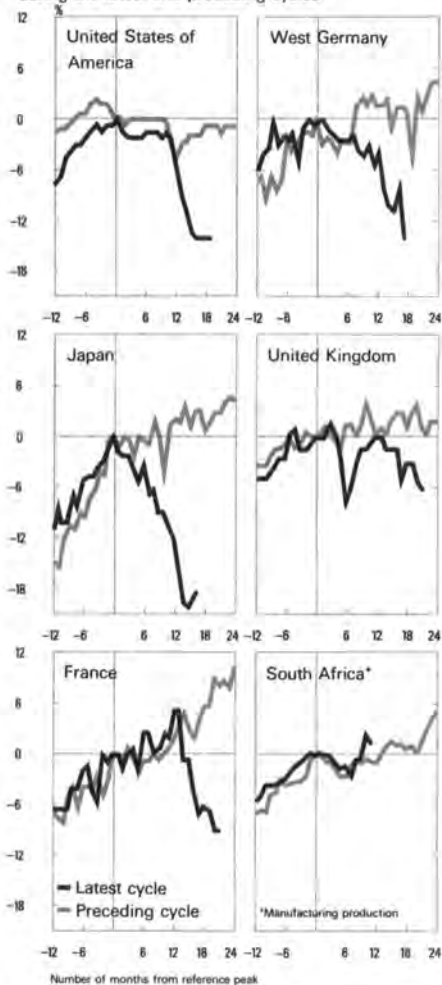
The above tendencies show that although the South African economy was still in a downward phase of the business cycle at the end of the third quarter of 1975, this situation could be described as a slowdown in economic activity to a level significantly lower than the long-term potential of the economy.

In the accompanying graph the percentage rates of change in industrial production (from the reference peaks of the latest and preceding business cycles) are shown for a number of countries. The mildness of the slowdown in economic activity in South Africa is evident when growth rates in South Africa are compared with the negative or very low growth rates which prevailed abroad during the past two years. These recessionary tendencies in the economies of South Africa's main trading partners contributed to the lower economic growth rate attained in South Africa during 1975, and the revival to a higher level of economic activity in South Africa will depend on the strength and timing of the economic upturn in the United States, Western Europe and Japan. It would appear that a lower turning

Business cycle indicators



Business cycle comparisons -
Changes in industrial production from reference peak during the latest and preceding cycles



point of the business cycle in the United States was reached during the second quarter of 1975, and that favourable signs of an improvement in economic conditions are also becoming evident in Japan, but that depressed conditions continue to exist in the economies of major European countries.

Labour situation

The relatively low rate of growth in domestic economic activity during the first three quarters of 1975 caused labour conditions to remain relatively easy. Employment in the non-agricultural sectors of the economy rose by only 1.8 per cent in the first half of 1975, compared with the corresponding period of the preceding year, as against an increase of 2.0 per cent in 1974. It is noteworthy that the number of people employed by the South African Railways continued to increase at a high rate throughout the first eight months of 1975 and that of the rest of the public authorities up to the second quarter (latest figure available). Further evidence of the easing of labour conditions is provided by the sharp increase in the seasonally adjusted number of unemployed Whites, Coloureds and Asians in September and October 1975 after it had declined slightly in July and August. After reaching a low point of 7 150 in August 1974, the seasonally adjusted number of unemployed rose to 11 108 in October 1975. This represents approximately 1/2 per cent of the comparable labour force and is still low by South African standards and negligible compared with the unemployment rates currently being experienced by our trading partners. The adjustment of labour to the lower rate of growth in economic activity has, therefore, been in the form of a decline in the number of hours worked and a decrease in overtime rather than in the form of a reduction in employment. As shown in the table, hours worked by production workers as well as overtime worked as a percentage of ordinary hours worked in manufacturing and construction declined up to the first quarter, but increased slightly in the second quarter without reaching the high levels previously attained.

Percentage rate of change in hours worked and overtime as percentage of ordinary hours worked

Quarter	Manufacturing		Construction	
	Hours worked by production workers	Overtime as % of ordinary hours	Hours worked by production workers	Overtime as % of ordinary hours
1974				
1st qtr.	1,9	0,8	3,2	1,8
2nd qtr.	1,1	1,7	1,7	0,9
3rd qtr.	0,4	-0,8	2,5	2,6
4th qtr.	-2,5	-1,7	-4,4	-0,9
1975				
1st qtr.	-1,4	-3,4	0,1	-10,3
2nd qtr.	2,4	3,5	2,6	6,7

The easing in the labour situation in general and the decline in overtime worked in manufacturing had a beneficial effect on productivity in this sector of the economy. Output per man-hour in manufacturing was no less than 2.4 per cent higher during the first eight months of 1975, compared with the corresponding period in 1974, as against a rise of only 1.1 per cent in 1974 as a whole.

Continued high rate of inflation

As in most other Western countries, the unacceptably high rate of inflation remains one of the most pressing economic problems facing South Africa. Apart from the large number of adverse effects of inflation, it is a matter of the utmost importance for South Africa to reduce its inflation rate to a lower level than those of its major trading partners, because its future growth depends to a large extent on its ability to compete in international markets in respect of both its primary and industrial products. The adverse effects of a high rate of inflation are fully appreciated by both the public authorities and the private sector, and the sincere intention of all parties concerned to contain and reduce the rate of inflation is embodied in the *Manifesto of firm undertakings accepted by the Government and the private sector organisations of the Republic of South Africa involved in order to launch a collective campaign against inflation*, signed by the relevant parties in Pretoria on 7 October 1975.

Consumer prices

After having increased sharply up to the third quarter of 1974, the rate of increase in consumer prices slowed down appreciably during the subsequent four quarters. In the third quarter of 1974, consumer prices rose at a seasonally adjusted annual rate of 18,2 per cent but this rate declined to 13,8 per cent in the fourth quarter of 1974 and the first quarter of 1975, to 12,4 per cent in the second quarter, and to 11,9 per cent in the third quarter of 1975. The devaluation of the rand in September and the increase in oil prices in October will unfortunately counteract this declining tendency.

The annual rate of increase of 11,9 per cent in consumer prices during the third quarter of 1975 was the net result of higher increases in the prices of services, such as home-owners' costs, attributable to rises in municipal rates and taxes, and transportation costs. As far as goods are concerned, prices of motor cars showed a rising trend as from the fourth quarter of 1974, and food prices, which had remained virtually unchanged from February to May 1975, rose in the following five months largely as a result of sharp increases in the prices of milk and milk products, grain products, fats, oils and margarine and vegetables.

From December 1974 to October 1975 the seasonally adjusted consumer price index rose at an annual rate of 11,7 per cent, which is substantially less than the rise by 14,0 per cent from December 1973 to December 1974.

Wholesale prices

After having declined markedly from a seasonally adjusted annual rate of increase of 26,3 per cent in the third quarter of 1974 to 9,4 per cent in the second quarter of 1975, the rate of increase in wholesale prices accelerated sharply to 19,1 per cent in the third quarter of 1975. This acceleration was caused by higher rates of increase in prices of both South African produced goods and imported goods. South African produced goods which made important contributions to the price rise during the third quarter were minerals, electricity, gas and water, manufactured basic metals and metal pro-

Prices



ducts, non-electrical machinery, transport equipment and food.

As in the case of consumer prices, wholesale prices rose at a substantially lower rate during the first nine months of 1975 than during 1974. From December 1974 to September 1975, the seasonally adjusted wholesale price index rose at an annual rate of 15,5 per cent, compared with an increase of 19,4 per cent between December 1973 and December 1974.

Balance of payments

Notwithstanding the cooling-down of the South African economy and the relative sluggish domestic demand since the third quarter of 1974, the deficit on the current account of the balance of payments continued to increase progressively until the third quarter of 1975. Although such an increase in the current account deficit during the early stages of the downswing in economic activity is in accordance with the traditional cyclical pattern, these deficits were larger and continued for a longer period than in previous downswings. A number of exogenous interrelated factors caused this unusual deterioration of South Africa's balance of payments; namely: (1) the prolonged and unexpectedly severe recession experienced by South Africa's main trading partners, while at the same time the South African economy continued to grow at a rate which, although moderate by South African standards, still exceeded the growth rates of its trading partners; (2) a decline in the volume of world trade; (3) a decline of commodity prices and the price of gold on international markets; (4) the increase in the price of oil, and (5) the generally high rates of inflation prevailing abroad. In addition, South Africa's expenditure on defence equipment, supplied partly from abroad, increased substantially.

Apart from these adverse developments on the current account of the balance of payments, the authorities, from time to time, also had to cope with speculative foreign capital movements. As a result of expectations regarding possible changes in the exchange rate of the rand and changes in interest rate differentials, leads in payments for imports and lags in remitting export proceeds, as well as other speculative short-term capital movements, occurred from time to time. In these circumstances the net inflow of capital, mainly in the form of long-term loans to the private and public sectors, was not sufficient to finance the deficit on the current account and the authorities had to resort to compensatory official borrowing to protect the foreign reserves.

Apart from the increased official borrowing, these adverse developments on both the current and capital accounts of the balance of payments compelled the authorities to take various steps to improve the balance of payments situation. These measures included the termination, on 27 June, of the exchange rate policy of independent managed floating, followed by significant changes in exchange control and the arrangements regarding forward exchange cover. In August adjustments were also made to monetary policy, including an increase in Bank rate from 8 to 8½ per cent and an increase in the liquid asset requirements for banking institutions.

Before these measures could have their full effect, the overall economic situation changed in two basic respects. Firstly, it became clear that the international recession was both deeper and longer than had been expected. The recovery in the United States is still not broadly based and in most other countries official forecasts of economic activity and real growth have been revised downwards quite sharply. Secondly, as already mentioned, the price of gold started to decline sharply during September. Moreover, as a result of these two developments, the unfavourable leads and lags tended

to flare up again.

The need was felt, therefore, to introduce measures which would prevent an unduly sharp decline in real economic growth and which would strengthen the balance of payments. The application of severe deflationary measures would have run the risk of unduly depressing the real rate of economic growth and aggravating the existing slowdown in economic activity. The problem clearly could also not be solved by continuing to rely on official short-term foreign borrowing which, moreover, would have had to be increased still further. In these circumstances, and after careful consideration of the pros and cons of various alternative measures, it was decided to devalue the rand by 17,9 per cent on 22 September 1975. In deciding upon the extent of the devaluation, the authorities took into account the need to establish the credibility of the new rand-dollar rate and to allow for the possibility of either a further strengthening of the dollar and/or a further temporary decline in the price of gold.

Although it is too early to evaluate the effects of the devaluation, there are indications that the devaluation has succeeded in reversing the unfavourable leads and lags in foreign payments and receipts. The devaluation should also have an immediate expansionary effect on export and gold mining incomes with favourable secondary effects on domestic economic activity. In due course it should also assist the normal cyclical forces in improving the current account of the balance of payments. As already indicated, the main adverse effect of this policy measure will be to exert upward pressure on the general price level.

Continued deficit on current account

From the accompanying table, it is clear that the current account of the balance of payments continued to deteriorate throughout 1974 and the first three quarters of 1975. The deficit for the calendar year 1975, is expected to be about double that of 1974.

The further slight deterioration of the deficit on current account on a seasonally adjusted basis during the third quarter was mainly attributable to a substantial rise in merchandise imports and a further slight decline in merchandise exports. This deterioration was partly offset by a decline in the net invisible payments to the rest of the world. The net gold output showed little change during the third quarter compared to the second quarter.

Current account of the balance of payments

R millions

	Not seasonally adjusted	Seasonally adjusted annual rate
1974: 1st quarter	-63	-91
2nd quarter	-109	-812
3rd quarter	-310	-1 342
4th quarter	-394	-1 235
1975: 1st quarter	-346	-1 518
2nd quarter	-457	-1 901
3rd quarter	-371	-1 936

Merchandise imports increased from a seasonally adjusted annual rate of R6 360 million in the second quarter to R6 768 million in the third quarter of 1975. Although further price increases of imported goods were partly responsible for this increase, the volume of imports also increased during the third quarter, after it had declined fairly sharply during the preceding three quarters. This may to a certain extent be ascribed to an increase in imports in anticipation of a devaluation of the rand. This is substantiated by the monthly figures of the Department of Customs and Excise, which in-

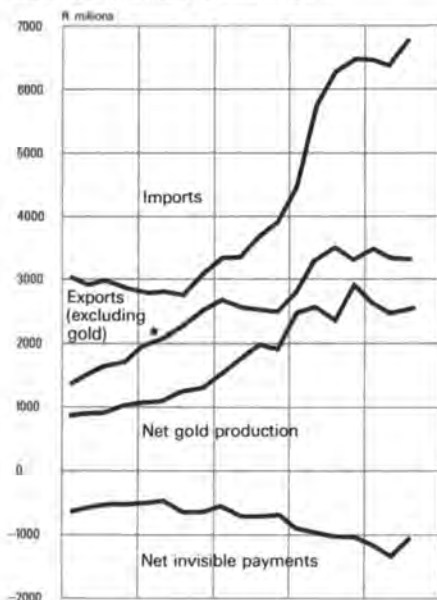
dicated that the value as well as the volume of merchandise imports declined substantially during October. Most categories of merchandise imports increased during the third quarter, whereas the imports of base metals, including steel, declined substantially. The imports of mineral products, in particular, increased sharply during the third quarter of 1975.

For the second consecutive quarter the value of merchandise exports declined, namely from a seasonally adjusted annual rate of R3 303 million in the second quarter of 1975 to R3 281 million in the third quarter. This slight decline was noticeable in almost all the main categories of goods exported and was mainly due to the depressed state of the world economy. Despite an increase in the international price of wool, exports of textiles declined sharply and exports of vegetable products also declined, but an increase was recorded in exports of mineral products during the third quarter. According to the monthly figures of the Department of Customs and Excise, the value of merchandise exports increased substantially during October, owing mainly to the higher rand proceeds after the devaluation of the rand.

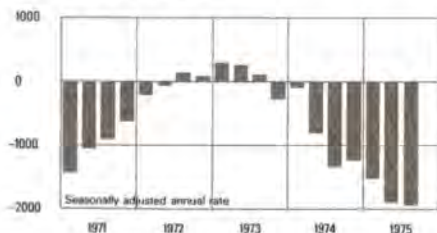
After increasing continuously for nearly ten consecutive quarters, net invisible payments to the rest of the world declined from a seasonally adjusted annual level of R1 280 million in the second quarter to R949 million in the third quarter. Although service and net transfer receipts from foreigners contributed to this decline, it was largely due to a sharp decrease in service payments to foreigners, particularly in the form of lower dividend payments. The decrease in dividend payments to the rest of the world was caused by the sharp rise in costs and the decline in the price of gold. The lower dividend payments outweighed the substantial increase in interest payments to foreigners.

The net gold output increased only slightly from a seasonally adjusted annual figure of R2 436 million in the second quarter to R2 500 million in the third quarter of 1975, notwithstanding the decline in the average dollar price on the private market and only a small increase in the volume of gold production. The fact that the net gold output remained on this relatively high level was attributable to the depreciation of the rand in terms of the dollar of 4,76 per cent announced on 27 June 1975, which increased the rand proceeds of the gold mines during the third quarter.

Balance of payments current account



Balance on current account

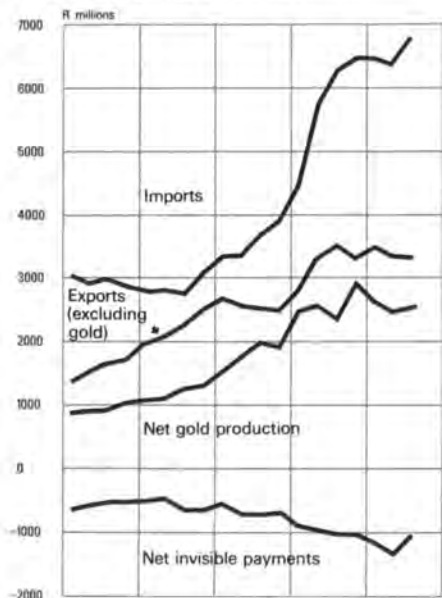


Substantial net inflow of foreign capital

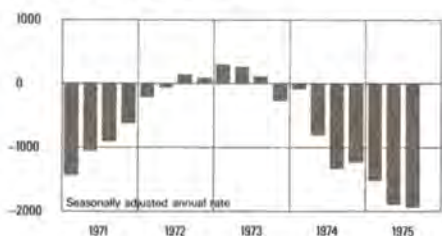
As the accompanying table shows, the capital account of the balance of payments continued to show a large net inflow of capital during the first three quarters of 1975. During the second and third quarters of 1975, the central government and banking sector contributed nearly 50 per cent of the net inflow of foreign capital, whereas no net inflow was recorded by this sector during the preceding six months. The substantial net inflow of capital during the past six months to the central government and banking sector consisted mainly of a net inflow of short-term capital resulting from compensatory official borrowing by the Reserve Bank and the Treasury to counter speculative outflows of short-term capital.

Merchandise imports increased from a seasonally adjusted annual rate of R6 360 million in the second quarter to R6 768 million in the third quarter of 1975. Although further price increases of imported goods were partly responsible for this increase, the volume of imports also increased during the third quarter, after it had declined fairly sharply during the preceding three quarters. This may to a certain extent be ascribed to an increase in imports in anticipation of a devaluation of the rand. This is substantiated by the monthly figures of the Department of Customs and Excise, which in-

Balance of payments current account



Balance on current account



dicated that the value as well as the volume of merchandise imports declined substantially during October. Most categories of merchandise imports increased during the third quarter, whereas the imports of base metals, including steel, declined substantially. The imports of mineral products, in particular, increased sharply during the third quarter of 1975.

For the second consecutive quarter the value of merchandise exports declined, namely from a seasonally adjusted annual rate of R3 303 million in the second quarter of 1975 to R3 281 million in the third quarter. This slight decline was noticeable in almost all the main categories of goods exported and was mainly due to the depressed state of the world economy. Despite an increase in the international price of wool, exports of textiles declined sharply and exports of vegetable products also declined, but an increase was recorded in exports of mineral products during the third quarter. According to the monthly figures of the Department of Customs and Excise, the value of merchandise exports increased substantially during October, owing mainly to the higher rand proceeds after the devaluation of the rand.

After increasing continuously for nearly ten consecutive quarters, net invisible payments to the rest of the world declined from a seasonally adjusted annual level of R1 280 million in the second quarter to R949 million in the third quarter. Although service and net transfer receipts from foreigners contributed to this decline, it was largely due to a sharp decrease in service payments to foreigners, particularly in the form of lower dividend payments. The decrease in dividend payments to the rest of the world was caused by the sharp rise in costs and the decline in the price of gold. The lower dividend payments outweighed the substantial increase in interest payments to foreigners.

The net gold output increased only slightly from a seasonally adjusted annual figure of R2 436 million in the second quarter to R2 500 million in the third quarter of 1975, notwithstanding the decline in the average dollar price on the private market and only a small increase in the volume of gold production. The fact that the net gold output remained on this relatively high level was attributable to the depreciation of the rand in terms of the dollar of 4,76 per cent announced on 27 June 1975, which increased the rand proceeds of the gold mines during the third quarter.

Substantial net inflow of foreign capital

As the accompanying table shows, the capital account of the balance of payments continued to show a large net inflow of capital during the first three quarters of 1975. During the second and third quarters of 1975, the central government and banking sector contributed nearly 50 per cent of the net inflow of foreign capital, whereas no net inflow was recorded by this sector during the preceding six months. The substantial net inflow of capital during the past six months to the central government and banking sector consisted mainly of a net inflow of short-term capital resulting from compensatory official borrowing by the Reserve Bank and the Treasury to counter speculative outflows of short-term capital.

Net inflow of foreign capital

R millions

	1975			
	1974	1st qtr.	2nd qtr.	3rd qtr.
Private sector	632	359	235	257
Long-term	591	136	207	174
Short-term	433	173	146	-25
Errors and unrecorded transactions	-392	50	-118	108
Central government and banking sector	143	-4	237	222
Long-term	137	32	108	-9
Short-term	6	-36	129	231
Total capital movements (net inflow +)	775	355	472	479

A sharp decline was recorded in the net inflow of capital to the private sector during the past six months, mainly owing to a decline in the inflow of private short-term capital. On the other hand, the long-term capital inflow to the private sector increased considerably. As during the preceding six months, this large net inflow of long-term capital to the private sector mainly took the form of foreign borrowing by public corporations, whereas direct investment from abroad was negligible. In contrast to the preceding six months, leads and lags in foreign payments and receipts occurred during the second and again during the third quarter of 1975, and were mainly responsible for the sharp reduction in the foreign short-term capital inflow to the private sector.

Sharp increase in the gold and other foreign reserves

After allowing for valuation adjustments, the reserves increased by R143 million during the third quarter to a level of R1 070 million at the end of September. On a *net* basis, i.e. after subtracting the short-term foreign liabilities of the Reserve Bank and the rest of the banking sector, the gold and other foreign reserves declined by R107 million during the third quarter. During October the gold and other foreign reserves of the Reserve Bank increased further by R39 million to a level of R972 million at the end of the month.

Causes of changes in money and near-money, 1975

R millions

	Net seasonally adjusted			Seasonally adjusted		
	1st qtr.	2nd qtr.	3rd qtr.	1st qtr.	2nd qtr.	3rd qtr.
Net gold and other foreign reserves	11	-253	-111	-25	-289	-99
Claims on government sector:						
Gross claims	237	310	178			
Government deposits (increase -; decrease +)	-211	176	-123			
Net claims	28	486	55	312	354	102
Claims on private sector	314	187	396	269	231	363
Long-term deposits (increase -; decrease +)	-50	-229	-24	-100	-123	-36
Net other assets	-205	104	48			
Total causes of changes	96	295	364	258	143	367

Monetary and banking situation**Money and near-money**

After having declined from 15 per cent during the first quarter of the year to less than 8 per cent during the second quarter, the annual rate of increase in the seasonally adjusted money and near-money supply rose sharply again to slightly below 21 per cent during the third quarter. For the first nine months of 1975, the annual rate of increase accordingly amounted to somewhat over 14 per cent. An unusually large rise in the narrowly defined money supply during September also caused a marked reduction in the difference between the growth rate of the money supply as compared with that of the money and near-money supply, which had existed during the first eight months of the year. The annual rate of increase of the narrowly defined money supply during the first three quarters of 1975 amounted to approximately 10 per cent.

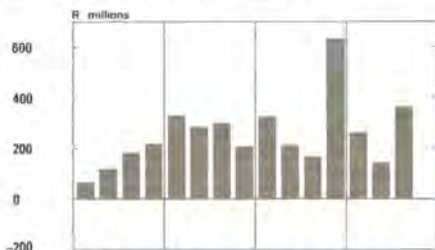
The ratio of money and near-money to the gross domestic product, both seasonally adjusted, which had increased from 30,1 per cent during the fourth quarter of 1974 to 31,7 per cent during the first quarter of 1975, declined to 30,6 per cent during the second quarter and then remained almost unchanged during the third quarter.

Causes of changes

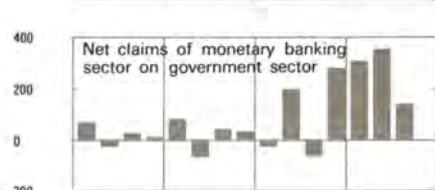
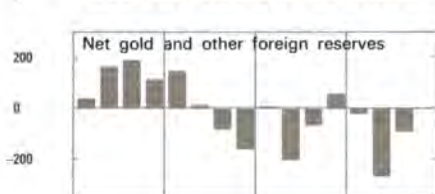
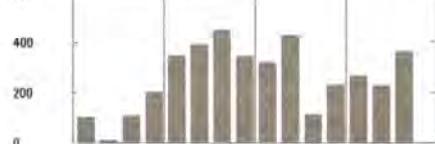
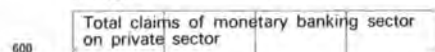
The pattern of the causes of changes in money and near-money during the third quarter of 1975 was essentially the same as during the preceding two quarters, i.e., marked further rises in domestic credit expansion, which were only partly offset by declines in the net gold and other foreign reserves and by increases in long-term deposits, continued to account for virtually the entire increase in the money and near-money supply. Contrary to developments during the preceding three quarters, however, a decline in the seasonally adjusted net claims of the banking sector on the government sector during September caused the increase in bank credit to the private sector during the third quarter of 1975 to be substantially larger than that in net bank credit to the government sector.

The decrease in the net gold and other foreign reserves was considerably smaller during the third quarter of

Changes in money and near-money



Causes of changes in money and near-money



Total long-term deposits (inverse scale)

Seasonally adjusted

1972 1973 1974 1975

1975 than during the second quarter. Similarly, long-term deposits of the private sector with the banking sector showed only a fairly small further increase during the third quarter as compared with the first and second quarters, and actually decreased during September.

Bank credit

The seasonally adjusted annual rate of increase in bank credit to the private sector increased again during the third quarter of 1975 when it amounted to 20 per cent, as compared with 16 and 13 per cent during the first and second quarters of the year, respectively, and 19 per cent during calendar year 1974. A substantial proportion (R179 million, or about 45 per cent) of the third-quarter increase of R396 million (not seasonally adjusted) in the claims of the banking sector on the private sector was, however, accounted for by the largely seasonal increase in the short-term advances of the Land Bank. During July and August, most of the increase in claims on the private sector, other than those of the Land Bank, consisted of increased investments in private sector securities by the commercial banks.

Discounts and advances of the commercial banks, merchant banks and monetary hire-purchase and general banks did, however, show a substantial increase (R173 million) during September. Several factors may have contributed to this development. Firstly, fears of an impending devaluation of the rand may have caused resort to local sources of bank credit for the repayment of trade and other foreign debts and for "speculative" money transfers. Secondly, expectations of post-devaluation increases in the prices of motor vehicles and other consumer goods may have contributed to the relatively large increase of R19 million in hire-purchase credit during that month. Finally, a certain proportion of the increase in hire-purchase credit and other forms of bank lending may have been associated with the sharply rising sales level of television sets.

Excess liquidity of banking institutions

The excess liquidity of monetary and other banking institutions, which had increased significantly during the second quarter of 1975 and then showed little further change during July, decreased markedly during August. After having increased during September, it declined markedly again during October.

The decline in the excess liquid assets of all banks of R175 million during August was largely a result of increases in the requirements regarding the banks' holdings of liquid assets, which were announced on 11 August and became effective from the 21st of that month. The marked recovery in the banks' excess liquid asset holdings during September may be attributed to a decline in their total liabilities to the public from the end of July to the end of August, a relative shift away from short-term liabilities between these two month-ends, and an increase of over R100 million in their holdings of liquid assets during September. The latter increase in the banks' actual holdings of liquid assets may *inter alia* be associated with increased net lending to both the government and the private sectors by the Reserve Bank and the National Finance Corporation during September.

Excess liquidity ratios of banking institutions, 1975

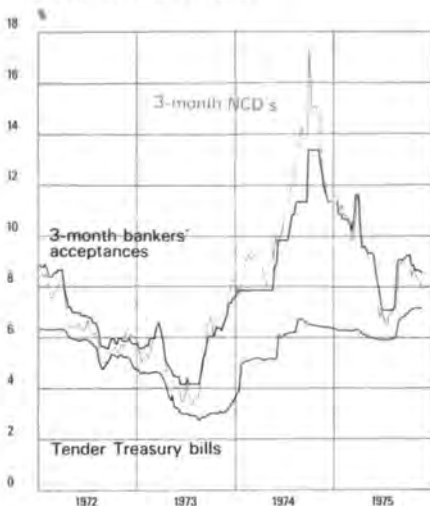
	Mar.	June	July	Aug.	Sept.	Oct.
Commercial banks	2,4	7,1	6,9	4,6	6,4	3,8
Merchant banks	0,9	1,1	2,3	0,8	2,4	1,3
Monetary hire-purchase and general banks	-0,6	0,7	0,8	0,8	1,6	0,6
Total, monetary banks:						
Ratio (%)	1,5	5,0	5,0	3,3	4,9	2,8
Amount (Rm)	147	521	513	337	513	293
Non-monetary banks	2,3	2,4	1,5	1,8	2,7	1,7
Total, all banks:						
Ratio (%)	1,6	4,9	4,8	3,2	4,8	2,7
Amount (Rm)	157	532	520	345	526	301

The decrease of R225 million in the excess liquid assets of all banking institutions during October (of which the commercial banks accounted for R183 million and all monetary banks for R220 million) was the net result of an increase of R390 million in their required liquid assets and an increase of R165 million in their actual holdings of liquid assets. Of the increase in the banks' required liquid asset holdings, an amount of R266 million was due to the raising of the minimum liquidity ratios which had been announced on 30 September and became effective from 21 October.

Money market conditions and interest rates

Conditions in the money market remained easy during September, October and the first half of November. Following the modest tightening over the August month-end, during which the banks used previously accumulated balances in excess of their requirements with the National Finance Corporation, the banks were able to increase these balances during September, October and November. The banks' excess balances with the NFC totalled R406 million on 7 November. Call loans with the discount houses, which had declined somewhat over the August and September month-ends, increased to an all-time high of R679 million on 11 November.

Money market interest rates, which had increased sharply after the increase in Bank rate from 8,00 to 8,50 per cent on 11 August, declined somewhat during October and the first half of November. The discount rate on 3-month bankers' acceptances, for example, increased to 9,00 per cent on 3 October, but then declined to 8,20 per cent on 14 November. Similarly, the 90-day NCD rate, which was quoted at 8,70 per cent on 3 October, declined to 7,90 per cent on 14 November. The Treasury bill tender rate, on the other hand, which had increased to 6,12 per cent immediately following the increase in Bank rate, increased further to 6,84 per cent on 24 October and then declined marginally to 6,82 per cent on 7 November. Following the further increase in the banks' liquid asset requirements, announced on 30 September, the prime lending rate of the banks was increased from 11½ per cent to 12 per cent on 1 October. Certain deposit interest rates were increased by 0,5 per cent by a number of banking institutions during the first week of October.

Money market interest rates

Government finance

Exchequer Account

During the first six months of the current fiscal year, i.e. the period April to September 1975, the Exchequer Account was characterised by a large excess of issues over receipts and the extent to which the government had to rely on the monetary banking sector in the financing of this shortfall. The large deficit on the Account was partly the result of revenue collections being less than anticipated, but arose mainly because issues increased well above Budget expectations.

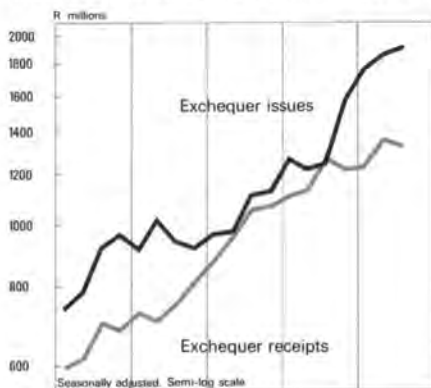
Revenue increase less than Budget expectations

If tax and other revenue collections during the past six months are compared with those for the same period in 1974, it is evident that the total increase realised, namely 7½ per cent, was well below the rise of 12,4 per cent expected in the Budget for the year as a whole. The smaller than anticipated increase was mainly the result of actual declines in income taxes and leases paid by gold mining companies. If these receipts are excluded, collections during the six months rose by about 11,6 per cent compared with the same period in 1974 and were only slightly below the increase of 12,8 per cent provided for in the Budget. Smaller increases than expected in inland revenue receipts were neutralised to some extent by higher than expected collections of customs, excise and sales duties. These duties rose by 12 per cent during the six months concerned, as against a growth of 9 per cent anticipated for the 1975/76 fiscal year as a whole.

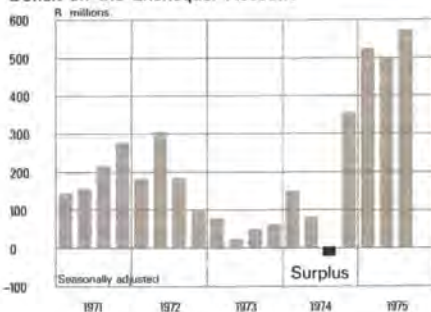
Acceleration in issues from Exchequer Account

During the period April to September 1975 issues from the Exchequer Account increased by no less than 48 per cent compared with the corresponding period in 1974 and thus substantially exceeded the 21 per cent increase provided for in the Budget for the 1975/76 fiscal year. Closer analyses of data show that this substantial increase was to a large extent due to the earlier withdrawal by government departments of funds from the Exchequer Account than had been the case during 1974. For example, on the Revenue Account, issues under the Defence Vote during the six-month period were double the amount requisitioned during the same period of 1974 and represented about 54 per cent of budgeted expenditure under this Vote for 1975/76. The comparable figure for 1974 was 33 per cent. A similar tendency was apparent on the Loan Account, particularly in respect of loan funds to the South African Railways and Harbours, the provincial administrations, and the Land Bank. As a result, issues from the Exchequer Account during the six months represented 51 per cent of total budgeted expenditure, as against 40 per cent in 1974. It may be expected, therefore, that aggregate issues during the remainder of the fiscal year will, according to present Budget estimates, not show any material increase compared with the second half of the 1974/75 fiscal year.

Receipts on and issues from Exchequer Account



Deficit on the Exchequer Account



Large deficit on Exchequer Account financed to an important degree by bank credit

The lower than expected rate of growth in revenue collections and the high level of issues resulted in a shortfall on the Exchequer Account of no less than R853 million during the first half of the fiscal year. This deficit actually exceeded the shortfall of R816 million recorded for the 1974/75 fiscal year as a whole and is particularly significant if viewed against the surplus of R67 million attained on the Exchequer Account during the first half of 1974/75. During October the deficit amounted to R206 million as compared with a shortfall of R128 million in the same month of 1974.

The Exchequer Account as analysed here represents only part of the government sector. Although the Exchequer's recourse to the banking sector as a source of finance may, therefore, differ from that of the govern-

Exchequer finance

R millions

	1974			1975		
	April-June	July-Sept.	Total	April-June	July-Sept.	Total
Total net receipts	917	1 509	2 427	1 076	1 573	2 649
Total net issues	1 047	1 312	2 359	1 578	1 924	3 501
Total deficit (-) or surplus (+) (excluding borrowing)	-130	197	67	-502	-351	-853
Financing:						
Change in net indebtedness to:						
Foreign sector	7	17	24	115	29	144
Private non-banking sector:						
Loan levies	3	6	9	12	23	36
Other	-1	-13	-14	63	154	218
Public Debt Commissioners and the Department of Posts and Telecommunications	49	-62	-13	15	12	27
Paymaster-General	—	—	—	120	50	170
Sub-total	58	-52	6	325	269	594
Monetary banking sector:						
Change in holdings of government securities field by South African Reserve Bank and NFC	-74	66	-8	-34	139	105
Other monetary banking institutions	-42	-57	-100	277	-66	211
Change in Exchequer balance*	188	-154	34	-67	9	-58
Sub-total	72	-146	-74	177	82	259
Total financing	130	-197	-67	502	351	853

*Increase —, decrease +. Including net transfers to the Stabilisation Account and to the IMF Deposit Account in respect of super gold tranche drawings.

ment sector as a whole, which *inter alia* also includes extra-budgetary funds and bodies, and provincial administrations, the analysis of the Exchequer Account also provides data regarding the other sources of finance used by the government. During the six months under review the Exchequer obtained loan funds from the private non-banking sector to a net amount of R254 million and R27 million from the Public Debt Commissioners. The Treasury also borrowed R170 million of the cash balances available on the Paymaster-General Account as well as a net amount of R144 million from the foreign sector. Aggregate non-bank borrowing, therefore, amounted to R594 million, or 70 per cent of the Exchequer Account deficit, and the Treasury was obliged to finance the remaining shortfall of R259 million by means of an increase in the Exchequer's net indebtedness to the monetary banking sector. This took the form of an increase of R316 million in that sector's holdings of government securities (of which the Reserve Bank and the National Finance Corporation contributed R105 million that was partly offset by an increase of R58 million in Exchequer deposits. At the end of September these deposits amounted to R676 million and rose to R702 million at the end of October. Only R16 million of the latter figure represented cash with the Reserve Bank. The remainder comprised balances available on the Stabilisation Account (R426 million) and advances of R260 million.

Stock issues

Between 25 August and 30 September, a long-term stock issue, with a historically high yield of 10 per cent, was made available to investors through the Reserve Bank. In total, stock of slightly more than R100 million was sold in this way. Public subscriptions to this issue as well as to a medium-term and a short-term issue were invited by the Treasury as from 1 October. When the lists were closed on 8 October, total applications from all sources, including the Public Debt Commissioners, amounted to R356 million. Applications from the Public Debt Commissioners and the Reserve Bank totalled R80 million each, and R141 million was subscribed by other monetary banking institutions. Insurers and pension funds together applied for R25 million.

No conversion facilities were provided to the holders of the two stock issues, totalling R78 million, which were redeemed on 1 October 1975. Stocks amounting to just over R58 million were held by the banking sector as a whole and R30 million by the Reserve Bank. After taking these redemptions into account, a net amount of R123 million was received in total from the private non-banking sector, R175 million from the banking sector and R80 million from the Public Debt Commissioners, totalling R378 million.

Exchequer finance

R millions

	1974			1975		
	April-June	July-Sept.	Total	April-June	July-Sept.	Total
Total net receipts	917	1 509	2 427	1 076	1 573	2 649
Total net issues	1 047	1 312	2 359	1 578	1 924	3 501
Total deficit (-) or surplus (+) (excluding borrowing)	-130	197	67	-502	-351	-853
Financing:						
Change in net indebtedness to:						
Foreign sector	7	17	24	115	29	144
Private non-banking sector:						
Loan levies	3	6	9	12	23	36
Other	-1	-13	-14	63	154	218
Public Debt Commissioners and the Department of Posts and Telecommunications	49	-62	-13	16	12	27
Paymaster-General	—	—	—	120	80	170
Sub-total	58	-52	6	325	269	594
Monetary banking sector:						
Change in holdings of government securities held by South African Reserve Bank and NFC	-74	66	-8	-34	139	105
Other monetary banking institutions	-42	-57	-100	277	-66	211
Change in Exchequer balance*	188	-154	34	-67	9	-58
Sub-total	72	-146	-74	177	82	259
Total financing	130	-197	-67	502	351	853

*Increase —, decrease + including net transfers to the Stabilization Account and to the IMF Deposit Account in respect of super gold tranche drawings.

ment sector as a whole, which *inter alia* also includes extra-budgetary funds and bodies, and provincial administrations, the analysis of the Exchequer Account also provides data regarding the other sources of finance used by the government. During the six months under review the Exchequer obtained loan funds from the private non-banking sector to a net amount of R254 million and R27 million from the Public Debt Commissioners. The Treasury also borrowed R170 million of the cash balances available on the Paymaster-General Account as well as a net amount of R144 million from the foreign sector. Aggregate non-bank borrowing, therefore, amounted to R594 million, or 70 per cent of the Exchequer Account deficit, and the Treasury was obliged to finance the remaining shortfall of R259 million by means of an increase in the Exchequer's net indebtedness to the monetary banking sector. This took the form of an increase of R316 million in that sector's holdings of government securities (of which the Reserve Bank and the National Finance Corporation contributed R105 million that was partly offset by an increase of R58 million in Exchequer deposits. At the end of September these deposits amounted to R676 million and rose to R702 million at the end of October. Only R16 million of the latter figure represented cash with the Reserve Bank. The remainder comprised balances available on the Stabilization Account (R426 million) and advances of R260 million.

Stock issues

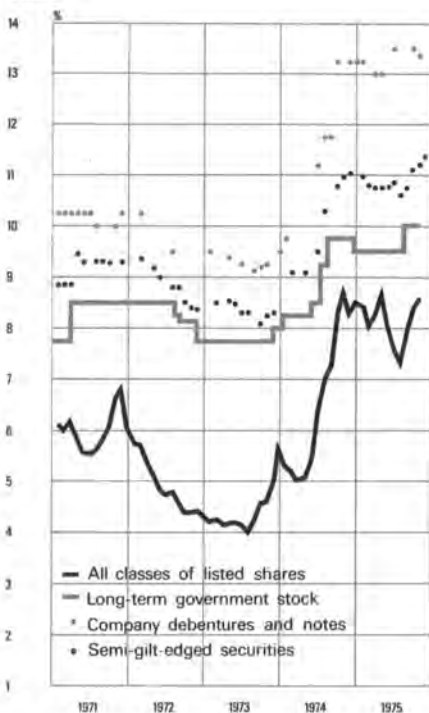
Between 25 August and 30 September, a long-term stock issue, with a historically high yield of 10 per cent, was made available to investors through the Reserve Bank. In total, stock of slightly more than R100 million was sold in this way. Public subscriptions to this issue as well as to a medium-term and a short-term issue were invited by the Treasury as from 1 October. When the lists were closed on 8 October, total applications from all sources, including the Public Debt Commissioners, amounted to R356 million. Applications from the Public Debt Commissioners and the Reserve Bank totalled R80 million each, and R141 million was subscribed by other monetary banking institutions. Insurers and pension funds together applied for R25 million.

No conversion facilities were provided to the holders of the two stock issues, totalling R78 million, which were redeemed on 1 October 1975. Stocks amounting to just over R58 million were held by the banking sector as a whole and R30 million by the Reserve Bank. After taking these redemptions into account, a net amount of R123 million was received in total from the private non-banking sector, R175 million from the banking sector and R80 million from the Public Debt Commissioners, totalling R378 million.

Capital market

Capital market conditions, which had become somewhat easier after the end of 1974, tightened slightly during the third quarter of 1975. A number of factors exerting a tightening influence on market conditions remained present during the current slowdown of economic activity and assumed greater importance during the third quarter. In this regard, the public sector's demand for funds remained at a comparatively high level, current saving was affected adversely by the continuing high rate of inflation and the overall balance of payments failed to contribute to the supply of funds. The measures introduced during August and September to strengthen the balance of payments and to encourage the financing of government expenditure from savings, confirmed the existence of such tightening influences during a business cycle phase that is normally characterised by easier market conditions.

Yields



Increase in fixed-interest security yields

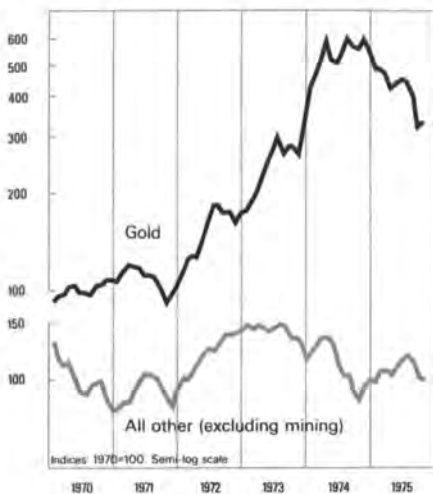
In the fixed-interest security market the yield on long-term government stock was raised in August 1975 from 9,5 per cent to a new record high of 10 per cent in accordance with the government's declared intention to finance its expenditure to a larger extent from current savings. This was followed by a rise of 0,60 percentage points in the long-term semi-gilt-edged yield to a level of 11,35 per cent in November. Yields on new issues of company debentures also reached a new high of between 13,38 to 13,50 per cent during September and October, after they had eased from about 13,25 to 13,00 per cent during the first half of 1975. Secondary market yields on company debentures actually increased slightly more than new issue yields during August and September, but declined again during October. Notwithstanding higher yields, some issues of semi-gilt-edged stock and company debentures during August and September were not fully subscribed. Because of the tightening of market conditions and the higher cost of borrowing, certain scheduled new issues of local authority stock were either postponed, cancelled or the amount of the issue reduced. The issues of medium and long-term government stock completed early in October, however, were fairly successful and an amount of R296 million was raised.

Net new issues of marketable fixed-interest securities by the public sector, which had increased markedly during the first half of 1975, remained at a high level during the third quarter and contributed to the tightening of market conditions during this period. The aggregate proceeds of such issues, excluding the increase in public sector borrowers' holdings of their own securities, amounted to R208 million during the third quarter and totalled R837 million for the first three quarters of 1975, as against R256 million for the year 1974 as a whole. New issues of fixed-interest securities by private sector companies during the third quarter amounted to R62 million which was almost the same as in the first half of the year and at a noticeably higher level than during 1974. In addition to the increased borrowing in the domestic market, the central government and especially the public corporations maintained a high level of borrowing in foreign markets. During the third quarter net foreign borrowing of the government and public corporations amounted to R236 million, bringing the total for the first three quarters of 1975 to R668 million which already exceeded the total of R596 million for 1974 as a whole.

Downward movement of share prices

The rise in interest rates and the introduction of more restrictive monetary policy measures at a time when the economy was cooling down, had a depressing effect on the share market. Share prices declined during August and this downward movement continued during September, but prices tended to stabilize during October. This downward movement represented a turnaround from the upward movement of most classes of share prices since the end of 1974. The prices of industrial and commercial shares and of financial shares, excluding financial mining shares, declined by 13 per cent and 18 per cent, respectively, during August and September and by a further 2 per cent and 3 per

Share prices

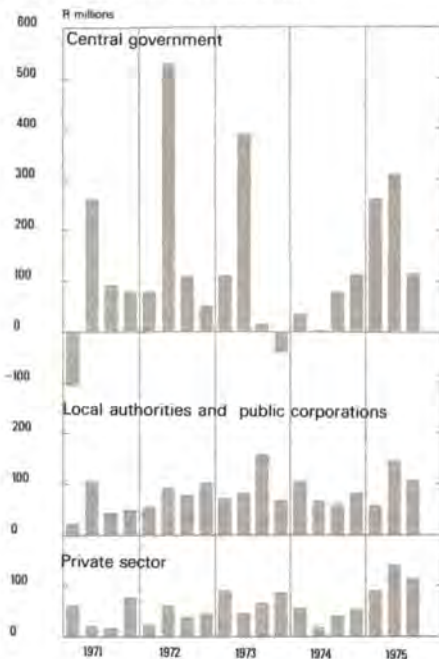


cent, respectively, during October, after they had increased by 24 per cent and 29 per cent, respectively, during the first seven months of 1975. Gold mining share prices and financial mining share prices, in addition, were affected adversely by the sharp decline in the price of gold during September, and declines of 27 per cent and 24 per cent, respectively, were recorded during August and September, compared with decreases of 21 per cent and 1 per cent, respectively, during the first seven months of the year. After the devaluation of the rand towards the end of September, however, the prices of all mining as well as financial mining shares firmed. The prices of gold mining shares and financial mining shares increased by 3 per cent and 4 per cent, respectively, during October.

The share price movements were reflected in the dividend yield on all classes of shares which rose from 7,3 per cent in July to 8,5 per cent in October. When the yield is compared with that on long-term government stock, the inverse yield gap narrowed from about 2,2 per cent in July to 1,5 per cent in October, but was still larger than the comparable figure of 1,0 per cent at the end of 1974.

New funds raised through share issues by companies listed on the stock exchange continued to be at a fairly high level during the third quarter. The relevant amount of R54 million brought the total for the first three quarters of 1975 to R228 million which was substantially in excess of the R56 million raised in 1974 as a whole.

Net issues of marketable securities



Further increase in the flow of longer-term funds to deposit-receiving and related institutions

The aggregate inflow of longer-term funds to such major deposit-receiving institutions as banks, building societies, participation mortgage bond schemes and the savings schemes of the Department of Posts and Telecommunications was higher during the third quarter than during the preceding quarter. The increasing trend that had been in evidence from the beginning of the year therefore continued during the third quarter when an inflow of R548 million was recorded, compared with R520 million and R320 million during the second and first quarters of 1975, respectively. The relative share in the inflow of funds during the third quarter, however, differed from that in the second quarter in that the building societies attracted relatively more funds, whereas banking institutions had the largest share of the inflow during the second quarter. Participation mortgage bond schemes, which had attracted very little new funds during the first half of 1975, recorded a somewhat larger inflow of funds during the third quarter.

In accordance with the general upward adjustment of interest rates during the third quarter, building

societies raised their rate on fixed deposits with a maturity of 2 to 5 years from 9,5 to 10,0 per cent during October. With the exception of a limited number of institutions, banking institutions, however, did not raise their rate on such deposits.

Easing of the mortgage and real estate markets

The increase in the flow of funds to major mortgage market intermediaries such as building societies and participation mortgage bond schemes during the third quarter, served to ease mortgage market conditions. The demand for industrial and commercial mortgages, reflecting the slowdown of economic activity and the availability of unleased office space, remained limited and it appeared that the building societies were able to meet the existing demand for home mortgages. New mortgage loans granted by the societies during the third quarter amounted to R375 million, compared with R284 million in the second and R244 million in the first quarter.

Because of the better balance between demand and supply in the mortgage market, mortgage bond rates did not increase to any considerable extent when interest rates in general tended to rise during the third quarter. However, a change in the structure of building society home mortgage rates was announced in September in terms of which a system of differential rates was introduced. Instead of the former uniform rate of 10,5 per cent on home mortgages, the rate on existing as well as new mortgage loans now range from 10,5 to 12,0 per cent, depending on the amount of the loan and the valuation of the mortgaged property.

Activity in the real estate market, which had declined during the last quarter of 1974 and the first quarter of 1975, increased again during the second quarter. Although information on real estate transactions during the third quarter is not yet available, the lightening of capital market conditions and the more moderate demand for mortgages would seem to indicate that real estate activity did not change significantly during this quarter.

Kwartaalike ekonomiese oorsig

Algemene opmerkings

Ekonomiese ontwikkelings in Suid-Afrika word in 'n aansienlike mate deur die ekonomiese toestand in die res van die wêreld beïnvloed aangesien buitelandse handel so 'n belangrike deel van die ekonomiese bedrywigheid uitmaak (in 1974 het invoere 35 persent van die bruto binnelandse produk bedra en uitvoere 31 persent) en Suid-Afrika nog in 'n groot mate op buitelandse kapitaal staatmaak vir die benutting van sy uitgebreide natuurlike hulpbronne. Die feit dat die geïndustrialiseerde wêreld vir die afgelope twee jaar in 'n diep resessie is — die strafte sedert die dertigerjare — het die ekonomiese ontwikkelings in Suid-Afrika op verskeie maniere beïnvloed. Die koers van ekonomiese groei, die betalingsbalans en die inflasiekoers is almal nadelig deur buitelandse ontwikkelings beïnvloed. Onder hierdie omstandighede vergelyk Suid-Afrika se verwagte koerse van ekonomiese groei gedurende kalenderjaar 1975, van effens meer as 2 persent in die reële bruto binnelandse produk en moontlik 'n klein negatiewe syfer vir die reële bruto nasionale produk, nog gunstig met die klein of negatiewe groeikoerse wat in 1974 en 1975 in die meeste nywerheidslande aangeteken is.

Die ondersteuning van die ekonomiese bedrywigheid op 'n breërlik bevredigende vlak het hoofsaaklik voortgespruit uit die hoër koers van toename in die lopende owerheidsbesteding vanaf die vierde kwartaal van 1974, wat nie net registreers tot groter binnelandse produksie in sekere sektore van die volkshuishouding gelei het nie, maar ook tot 'n toename in die hoeveelhede geld en kwasi-geld, wat, op sy beurt, groter ekonomiese bedrywigheid moontlik gemaak en gestimuleer het. Alhoewel sekere strategiese produksie- en ander ekonomiese aanwysers gedurende die eerste nege maande van 1975 stygings getoon het, kan hierdie neigings nie gedignoseer word as 'n algemene opswaai in die konjunktuur nie, maar moet hulle eerder gesien word as 'n aanduiding dat die skerp afname in die vierde kwartaal van 1974 gestuit is en dat 'n matige positiewe groeikoers gedurende die eerste nege maande van 1975 gehandhaaf is. Dit is egter ook van belang om daarop te let dat alhoewel die Suid-Afrikaanse volkshuishouding in die algemeen nog in die alwaartse fase van die konjunktuurloof gebly het, nou reeds vir meer as 'n jaar, hierdie toestand in werklikheid nie meer beteken as 'n verlangsaming van die ekonomiese bedrywigheid tot 'n vlak wat aansienlik laer is as die langtermyn-potensiaal van die volkshuishouding nie.

In 'n geslote ekonomie sal die stimulerings van die ekonomiese bedrywigheid deur owerheidsbesteding op 'n tydstip wanneer die ander komponente van die binnelandse vraag traag was, daar surplus-produksiekapasiteit bestaan het en die arbeids- en kapitaalbronne nie onder druk verkeer het nie, natuurlik wenslik kan wees. Aangesien die Suid-Afrikaanse volkshuishouding 'n baie ope een is, het die groter binnelandse besteding egter

tot groter invoere gelei, en, met die wêreld-ekonomie in 'n strawwe resessie en gevolglik met min onmiddellike vooruitsigte vir groter Suid-Afrikaanse uitvoere, het die lopende rekening van die betalingsbalans verder verswak as gevolg van die owerheidsbesteding.

Algesien van hierdie invloed op die lopende rekening van die betalingsbalans, het verskeie eksogene faktore ook gedurende die afgelope jaar die Suid-Afrikaanse betalingsbalans nadelig beïnvloed. Dit sluit in die onverwagte lang en strawwe resessie wat oorsê ondervind is tesame met 'n afname in die volume van die wêreldhandel en kommoditeitspryse, aansienlike verhogings van die prys van olie, die daling van die goudprys en die hoër inflasiekoerse wat oorsê heers.

Bykomend tot hierdie nadelige ontwikkelings op die lopende rekening van die betalingsbalans, moes die owerhede van tyd tot tyd die hoof bied aan spekulatiewe buitelandse kapitaalbewegings. As gevolg van verwagtings aangaande moontlike veranderings in die wisselkoers van die rand en veranderings in rentekoersverskille, het vervoerings van die betalings vir invoere en verdragings van die oorbetalings van uitvoerdiensies, sowel as ander spekulatiewe korttermynkapitaalbewegings, van tyd tot tyd voorgekom. Onder hierdie omstandighede was die netto invoeloening van kapitaal, hoofsaaklik in die vorm van langtermynlenings aan die private en openbare sektore, nie voldoende om die tekort op die lopende rekening te finansier nie en moes die owerhede hul toevlug neem tot kompenseernde ampelike lenings om die reserves aan te vul.

Hierdie nadelige ontwikkelings op sowel die lopende as die kapitaalrekening van die betalingsbalans het die owerhede genoop om, bykomend tot die groter ampelike lenings, verskeie maatreëls te tref om die betalingsbalans-toestand te verbeter. Hierdie maatreëls het die beëindiging, op 27 Junie, van die wisselkoersbeleid van onafhanklik beheerde swewing ingesluit, wat deur betekenisvolle veranderings in valutabeheer en in die reëlings met betrekking tot valutatermyndekking gevolg is. Verder is daar in Augustus ook aanpassings in die monetêre beleid aangebring, met insluiting van 'n verhoging van die Bankkoers van 8 na 8½ persent en 'n verhoging van die likwiede batevereistes van bankinstellings.

Voordat hierdie maatreëls hulle volle uitwerking kon hê, het die ekonomiese toestand in twee basiese opsigte verander. Eerstens het dit duidelik geword dat die internasionale resessie sowel strawwe is en langer duur as wat verwag is. Tweedens het die prys van goud gedurende September skerp begin daal. Bowendien het die ongunstige vervoerings en verdragings, as gevolg van hierdie twee verwikkelings, in September weer voorgekom.

Daar het gevolglik 'n behoefte ontstaan na maatreëls wat 'n oormatige skerp afname in die reële ekonomiese groei sou verhoed maar wat terselfdertyd die betalingsbalans sou versterk. Die toepassing van strawwe de-

flasionistiese maatreëls sou die risiko meegebring het dat die reële ekonomiese groeikoers oormatig ver afgedruk sou word en dat die bestaande resessioneëre neigings vererger sou word. Die probleem kon klaarblyklik nie opgelos word deur voort te gaan om by ampelike korttermyn buitelandse lenings, wat bowendien steeds verder uitgebrei sou moes word, staat te maak nie. Onder hierdie omstandighede, en ná deeglike oorweging van die voor- en nadele van verskillende alternatiewe maatreëls, is daar besluit om die rand met ingang 22 September 1975 met 17,9 persent te devalueer.

Alhoewel dit nog te vroeg is om die uitwerking van die devaluasie te beoordeel, is daar aanduidings dat dit daarin geslaag het om die ongunstige vervroegings en vertraging in die buitelandse betalings en ontvangste om te keer. Die devaluasie behoort ook 'n onmiddellike ekspansionistiese uitwerking op die uitvoer- en goudmyn-inkomste te hê, met 'n gunstige sekondêre uitwerking op die ekonomiese bedrywigheid. Met verloop van tyd behoort dit ook steun te verleen aan die normale sitiese kragte om die lopende rekening van die betalingsbalans te verbeter. Die vermaatsamde nadelige uitwerking van hierdie beleidsmaatregel sal wees dat dit opwaartse druk op die algemene pryspeil sal uitoefen.

Die nadelige uitwerking van die devaluasie op die vlak van verbruikerspryse kan in twee dele verdeel word, naamlik: (1) die regstreekse en feitlik onmiddellike effek deur die hoër pryse van ingevoerde goedere en (2) onregstreekse effekte wat met verloop van tyd sal deurwerk na die verbruikersvlak as gevolg van die hoër pryse van ingevoerde intermediêre en kapitaalgoedere wat in die plaaslike produksie van verbruikersgoedere aangewend word. Indien die verhouding van ingevoerde verbruikersgoedere in die totale verbruiksbesteding (6,7 persent in 1974) in aanmerking geneem word, is dit duidelik dat die direkte uitwerking van die devaluasie op verbruikerspryse nie so groot sal wees as wat soms gedink word nie en waarskynlik nie meer as 1,5 persentasiepunte nie. Die onregstreekse uitwerking van die devaluasie is moeiliker om te bepaal maar sal ook slegs 'n gedeelte van die totale styging in die pryse van ingevoerde intermediêre en kapitaalgoedere wees. Hierdie invloed van die devaluasie het gekom op 'n tydskop toe die koerse van toename in die verbruikers- en groot-handelspryse besig was om af te neem vanaf die hoogtepunte wat hulle in die derde kwartaal van 1974 bereik het. Hierdie dalende neiging sal dus waarskynlik as gevolg van die uitwerking van die devaluasie gestuit word. Dit word egter vertrou dat die kollektiewe veldtog teen inflasie soos in die manifest van ondernemings, wat deur die regering en die betrokke organisasies in die private sektor aanvaar is, uiteengesit word, nie net die verwagtings van verdere inflasie en die algemene inflasiepsigose, wat by tye op homself keer, sal breek nie, maar ook deur die verskillende positiewe maatreëls daarin die koers van styging van pryse in die algemeen aan bande sal lê.

As gevolg van die belangrikheid daarvan om die koers van toename in geld en kwasi-geld binne perke te hou in 'n teen-inflasionistiese program is dit te verwelkom dat hierdie koers gedurende die eerste negte maande van 1975 'n afname getoon het nadat dit gedurende die

vierde kwartaal van 1974 'n buitengewoon hoë peil bereik het. Bankkrediet aan die regeringsektor het vanaf die vierde kwartaal van 1974 aansienlik tot die styging in die hoeveelheid geld en kwasi-geld bygedra, terwyl bankkrediet aan die private sektor matig gestyg het as gevolg van 'n baie reëlik skerp styging in September 1975 wat waarskynlik hoofsaaklik met valutatransaksies in verband gebring kan word. Soos vroeër vermeld, het die owerhede vanaf Augustus 1975 'n meer konserwatiewe monetêre beleid gevolg en die Bankkoers en die likwiede batevereistes verhoog, terwyl die Regering ook nuwe middeltermyn- en langtermyn-effekte teen rekord rentekoerse uitgereik het ten einde die Skatkis se af-banklikheid van bankkrediet by die finansiering van sy groot tekort te verminder. Hierdie monetêre maatreëls was daarop gemik om die inflasionistiese druk te verminder en om die betalingsbalans te versterk. Nadat korttermynrentekoerse gedurende Augustus en September in ooreenstemming met die beperkende monetêre beleid gestyg het, het dit in Oktober en die begin van November effens gedaal.

Die kapitaalmarktoestand, wat gedurende die eerste twee kwartale van 1975 verruim het, het gedurende die derde kwartaal weer vernou. 'n Aantal faktore wat 'n vernouende invloed op die kapitaalmarktoestand gehad het, het gedurende die huidige verlangsaming van die ekonomiese bedrywigheid 'n rol bly speel en gedurende die derde kwartaal van groter belang geword. In hierdie verband het die openbare sektor se vraag na fondse op 'n betreklik hoë vlak gebly, die lopende besparing is ongunstig deur die voortgesette hoë inflasiekoers beïnvloed, en die betalingsbalans in sy geheel het nie daarin geslaag om aansienlik tot die aanbod van fondse by te dra nie.

Nasionale rekeninge

Matige styging in groeikoers

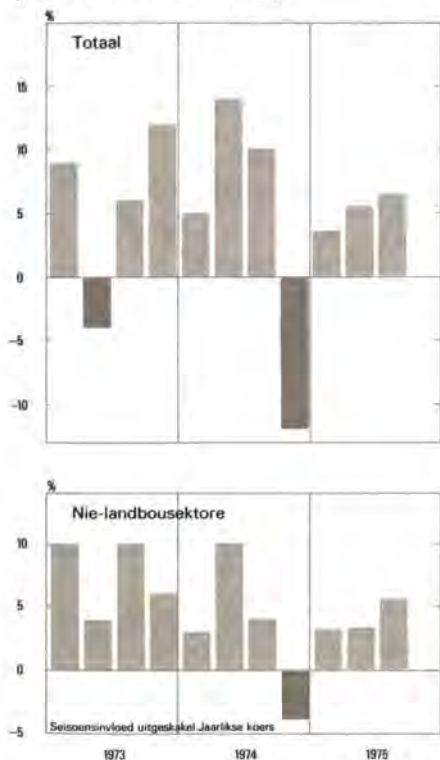
Nadat dit tot en met die derde kwartaal van 1974 skerp gestyg het, het die reële bruto binnelandse produk gedurende die vierde kwartaal aansienlik gedaal, maar gedurende die eerste drie kwartale van 1975 weer teen progressief vinniger koerse toegeneem. Die positiewe groeikoerse wat gedurende die eerste drie kwartale van 1975 aangeteken is, moet in verhouding met die baie lae vlak van die reële bruto binnelandse produk in die vierde kwartaal van 1974 gesien word. In werklikheid was die reële bruto binnelandse produk vir die eerste drie kwartale van 1975 slegs matig hoër as dié van die vergelykbare tydperk in 1974 en die vlak in die derde kwartaal slegs effens hoër as die vlak wat in die derde kwartaal van 1974 bereik is. Vir die kalenderjaar 1975 in die geheel, word 'n groeikoers van effens meer as 2 persent in die reële bruto binnelandse produk verwag, terwyl 'n klein negatiewe koers vir die reële bruto nasionale produk verwag word. Ofskoon dit volgens Suid-Afrikaanse standarde laag is, is hierdie koerse nogtans betreklik hoog indien dit vergelyk word met die groeiprestasies van die meeste Westerse lande wat tans die langste en strafte resessie sedert die vroeë dertigerjare ondervind. Volgens die jongste ramings van die

OESO (Julie 1975) word die volgende reële groeikoerse vir 1975 verwag:

	%
Verenigde State van Amerika	-3%
Verenigde Koninkryk	½
Wes-Duitsland	-2
Japan	1½
Kanada	-¼
Australië	2
Nieu-Seeland	1
Totaal OESO — Europa	-½
Totaal OESO	-1½

Die mees onlangse ramings toon 'n verwagte afname van 2½ persent in plaas van 1½ persent in die reële groeikoerse in 1975 vir al die OESO-lande.

Persentasieverandering in bruto binnelandse produk teen konstante 1970-pryse



Die vinniger groeikoerse wat gedurende die eerste drie kwartale van 1975 in Suid-Afrika aangeteken is, het hoofsaaklik voorgespruit uit die hoër koerse van toename in, en gevolglik die hoër vlak van, owerheidsbesteding. In die opstelling van die 1975/76-Begroting het die Minister van Finansies in aanmerking geneem dat Suid-Afrika voor 'n fase van stadiger ekonomiese groei te staan gekom het. Op die basis van verwagtings aangaande 'n betreklik vroeë herstel in ekonomiese toestande van Suid-Afrika se vernamste handelsvennote, 'n volgehoue hoë goudprys en bemoedigende tekens van 'n afname in die koerse van inflasie, het die Minister aangedui dat die toestand op daardie stadium 'n matige stimulering van die volkshuishouding geveer het. Sommige van hierdie verwagtings is egter nie bewaarheid nie en dit het later duidelik geword dat owerheidsbesteding teen 'n hoër koerse (deels as gevolg van toenemende besteding deur buitbegrotingsfondse en -liggame en openbare korporasies) en owerheidsinkomste teen 'n laer koerse as wat in die begroting verwag is, toegeneem het. Die huidige koerse van toename in die reële bruto binnelandse produk skyn dus uit pas te wees met die ternergedrukte toestande wat deur die meeste van Suid-Afrika se handelsvennote ondervind word.

Gedurende die derde kwartaal is die vernamste bydraes tot die verhoogde groeikoerse deur die sektore landbou, fabriekswese, en groot-, klein- en motorhandel gelewer. Ofskoon fabriekswese in totaal gedurende die derde kwartaal van 1975 opmerklik toegeneem het, is uiteenlopende neigings deur die verskillende nywerhede getoon. So het die produksie van chemikalieë en chemiese produkte en nie-metaalhoudende mineraalprodukte skerp gestyg, terwyl die produksie van voedsel, masjinerie, elektriese masjinerie, vervoertoerusting en basiese metale en metaalprodukte afgeneem het en die produksie van tekstiele geen verandering getoon het nie. Die gemiddelde vlak van produksie gedurende die eerste nege maande van 1975 was slegs 1,2 persent hoër as vir die vergelykbare tydperk van 1974.

Nadat dit feitlik ononderbroke vanaf 1970 tot en met die eerste kwartaal van 1975 gedaal het, het goudmynbrouproduksie in die tweede kwartaal skerp toegeneem en effens verder in die derde kwartaal gestyg as gevolg van toenames in die volume van gouderts gemaal. Die volume van goudmynbrouproduksie was gedurende die eerste tien maande van 1975 gemiddeld 7,0 persent laer as in die ooreenstemmende tydperk van 1974. Dit wil egter voorkom asof nie-goudmynbrouproduksie, daarenteen, geneig het om af te plat. Die waarde van groot- en kleinhandelsverkope teen konstante pryse was onderskeidelik 1,3 en 2,1 persent hoër gedurende die eerste nege maande van 1975 as in die ooreenstemmende tydperk van 1974, terwyl die aantal nuwe motorvoertuie verkoop gedurende die eerste tien maande van 1975 met 9,1 persent toegeneem het vergeleke met dieselfde tydperk van 1974.

Die toename in die bruto binnelandse produk teen heersende pryse gedurende die derde kwartaal was hoofsaaklik toe te skryf aan 'n toename in die vergoeding van werknemers, veral aan werknemers in goudmynbou, fabriekswese en konstruksie. Die bruto bedryfs-surplus, wat in die tweede kwartaal skerp gestyg het, het gedurende die derde kwartaal slegs marginaal toegeneem.

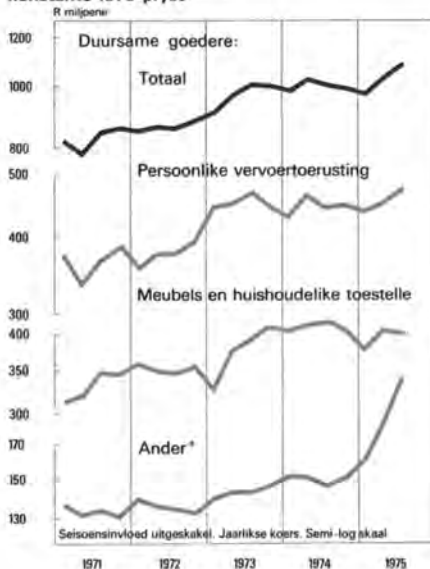
Verdere toename in reële bruto binnelandse besteding

Alhoewel die totale binnelandse vraag, soos gemeet deur reële bruto binnelandse besteding gedurende die derde kwartaal verder gestyg het, het die vernaamste komponente van besteding uiteenlopende neigings getoon. Tervyl die koers van toename in reële private verbruiksbesteding in die derde kwartaal matig versnel het, het reële owerheidsverbruiksbesteding teen 'n veel stadiger koers as in die tweede kwartaal toegeneem en reële vaste investering het afgeneem. Die totale waarde van voorrade teen konstante pryse het in die derde kwartaal slegs effens verder toegeneem.

Hoër reële besteding aan duursame verbruiksgoedere

'n Aansienlike toename in besteding aan duursame verbruiksgoedere was hoofsaaklik vir die verdere toename in reële private verbruiksbesteding in die derde kwartaal van 1975 verantwoordelik. Besteding aan persoonlike vervoertoerusting het betreklik skerp toegeneem soos duidelik blyk uit 'n styging van 5,6 persent in die aantal nuwe motors verkoop gedurende die derde kwartaal vergeleke met verkope in die vorige kwartaal. Van meer belang egter was die bydrae wat deur die besteding aan televisiestelle gelewer is. Na 'n weifelende begin in die eerste helfte van 1975, het verkope in die derde kwartaal stukrag gekry en wesenlik tot die toename in besteding aan duursame goedere

Private verbruiksbesteding teen konstante 1970-pryse



*Inskluitende besteding aan televisietoestelle

bygedra. Reële besteding aan meubels en huishoudelike toebehore het aan die ander kant gedaal in ooreenstemming met die laer vlak van woningboukonstruksie en 'n verskuiwing van aankope na televisiestelle en motors.

Na 'n afname gedurende die tweede kwartaal van 1975, het reële besteding aan semi-duursame goedere in die derde kwartaal weer gestyg en het reële besteding aan nie-duursame goedere en dienste voortgegaan met hul matig stygende neigings.

Owerheidsverbruiksbesteding teen konstante 1970-pryse



Laer koerse van toename in reële owerheidsverbruiksbesteding

Na dit gedurende die tweede kwartaal van 1975 teen 'n baie hoër koers gestyg het, het die koers van toename in reële verbruiksbesteding deur openbare owerhede gedurende die derde kwartaal van 1975 merkbaar afgeneem, hoofsaaklik as gevolg van 'n laer koers van toename in verdedigingsuitgawes. Nogtans het owerheidsverbruiksbesteding aan goedere en dienste, uitgesonderd vergoeding van werknemers, steeds op 'n betreklik hoë vlak gebly. Gedurende die eerste drie kwartale van 1975 was reële owerheidsverbruiksbesteding gemiddeld 16 persent hoër as gedurende die ooreenstemmende tydperk van die vorige jaar, ná 'n toename van 11 persent in kalenderjaar 1974.

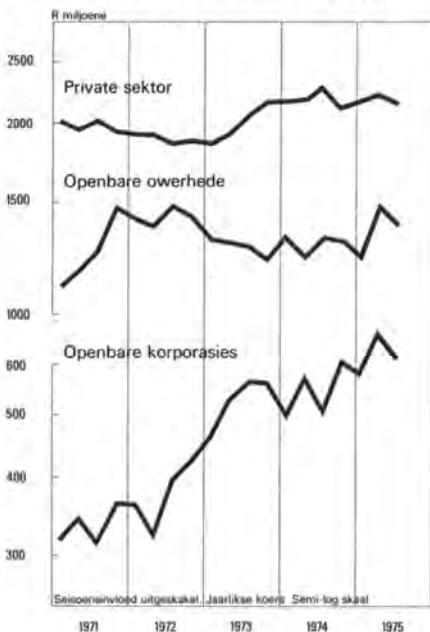
Afname in reële binnelandse vaste investering

In teenstelling met die toenames wat in die geval van reële private en owerheidsverbruiksbesteding aangeteken

is, het reële bruto binnelandse vaste investering deur die private sektor, openbare owerhede sowel as die openbare korporasies gedurende die derde kwartaal van 1975 gedaal.

Nadat dit gedurende die eerste helfte van 1975 op 'n hoë vlak afgeplat het, het reële kapitaalbesteding deur die private sektor gedurende die derde kwartaal van 1975 gedaal. Hoewel reële kapitaaluitgawes in feitlik al die sektore dalings getoon het, is die grootste dalings deur die landbou, private fabriekswese en woningboukonstruksie aangeteken. Reële vaste kapitaaluitgawes deur die handel was slegs marginaal laer as gedurende die tweede kwartaal en dié van die mynbou-sektor (hoofsaaklik goudmynbou) het gedurende die eerste nege maande van 1975 afgeplat nadat dit gedurende 1973 en 1974 aansienlik gestyg het.

Vaste investering teen konstante 1970-pryse



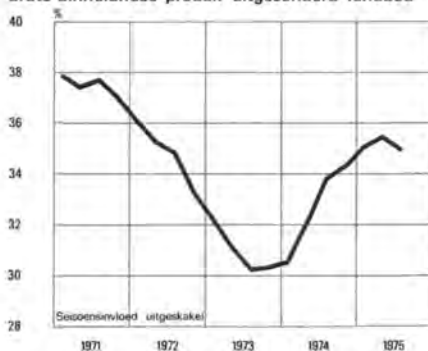
Reële vaste kapitaalbesteding deur openbare owerhede het gedurende die derde kwartaal van 1975 gedaal nadat 'n aansienlike styging in die tweede kwartaal aangeteken is. Nieteenstaande 'n klein toename gedurende die derde kwartaal, het reële vaste investering deur die Suid-Afrikaanse Spoorweë en Hawens op 'n betreklik hoë vlak gebly, en was in 'n groot mate 'n weerspieëling van die aankoop van vervoertoerusting. Reële vaste kapitaaluitgawes deur die Departement van Pos- en Telekommunikasiewese het gedurende die derde kwartaal van 1975 aansienlik gedaal.

Reële bruto binnelandse vaste investering deur openbare korporasies, wat dikwels onreëlmatige kwartaal-likse skommelings toon, het gedurende die derde kwartaal van 1975 gedaal. Groter reële kapitaalbesteding aan fabriekinstallasies, elektrisiteits- en waterwerke is meer as geneutraliseer deur 'n groot afname in reële uitgawes aan die Sishen/Saldanha-spoorlynprojek.

Klein toename in reële voorraadinvestering

Alhoewel die boekwaarde van totale voorrade gedurende die derde kwartaal van 1975 verder gestyg het, was die toevoeging kleiner as gedurende die voorafgaande twee kwartale. Net soos gedurende die voorafgaande twee kwartale het nywerheids- en handelsvoorrade die grootste bydrae tot die verdere opbouing van voorrade gelewer. Indien stygende kostes in berekening gebring word, het reële voorraadinvestering gedurende die derde kwartaal slegs 'n geringe styging getoon. Die verhouding van nie-landbouvoorrade tot die vergelykbare bruto binnelandse produk het vanaf 35,4 persent in die tweede kwartaal van 1975 tot 34,9 persent in die derde kwartaal van 1975 gedaal. Uit opnames van sake-toestande en uit maatskappyverslae wil dit voorkom asof die huidige vlak van voorrade in die algemeen as te hoog in vergelyking met verwagte verkope in die nabye toekoms beskou word.

Nie-landbouvoorrade as 'n persentasie van bruto binnelandse produk uitgesonderd landbou



Lae vlak van bruto binnelandse besparing

Soos gedurende die tweede kwartaal van 1975 was bruto binnelandse besparing weer eens onvoldoende om die bruto vaste en voorraadinvesteringsbehoefes gedurende die derde kwartaal van 1975 te finansier. Toenames in persoonlike besparing en die voorsiening vir waardevermindering is omtrent in gelyke mate deur afnames in maatskappybesparing en die lopende surplus van die algemene owerheid geneutraliseer.

Konjunktuurtoestand, arbeid en pryse

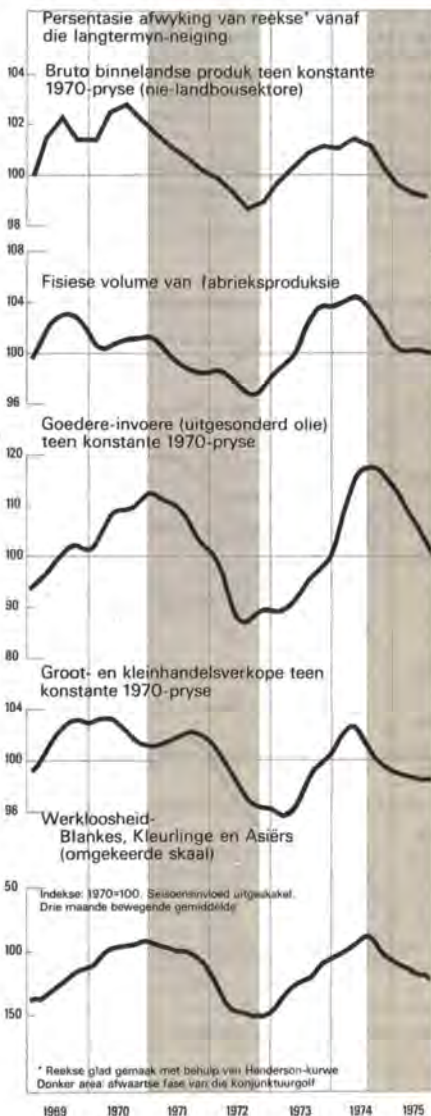
Konjunktuurtoestand

Na 'n skerp styging tot aan die begin van die derde kwartaal van 1974, het die meeste ekonomiese aanwysers daarna afgeplat of gedaal. In die geval van sommige van die belangrikste enkele konjunkturaanwysers, soos die reële bruto binnelandse produk en die volume van fabrieksproduksie, is redelik groot dalings gedurende die vierde kwartaal van 1974 aangeteken. Daarná het hierdie reekse egter tot die derde kwartaal van 1975 matige toenames getoon. Klein- en groothandelsverkope teen konstante pryse en die aantal nuwe motorvoertuie verkoop het ook gedurende die eerste nege maande van 1975 toegeneem. Ander reekse, soos die volume van invoere, nie-goudmynbouproduksie, geboue voltooi, en groothandelsverkope van boumateriale teen konstante pryse, het voortgegaan om af te plat of te daal tot die tweede of derde kwartaal van 1975. Aanwysers soos die aantal geregistreerde werklose Blankes, Kleurlinge en Asiërs en werkverskaffing van alle rasse in die nie-landbousektore van die volkshuishouding toon dat die arbeidstoestand nog betreklik ruim gebly het.

Hierdie uiteenlopende neigings noodsaak 'n versigtige vertolking vir die doel van konjunktuur-diagnose. Wanneer dit met die koerse van toename gedurende die eerste drie kwartale van 1974 vergelyk word, was die koerse van toename van sommige van die bogenoemde reekse in 1975 betekenisvol laer en ook laer as hul langtermyn-groei-koerse. In hierdie geval kan 'n algemene konjunktuurroepswaai nie gediagnoseer word nie. Dit wil eerder voorkom asof die skerp afname in die vierde kwartaal van 1974 gestuit is en dat 'n matige groei-koers gedurende die eerste nege maande van 1975 gehandhaaf is, alhoewel teen 'n opmerklik laer peil as dié vir die voorafgaande jaar. Die ondersteuning van die groei het hoofsaaklik voortgespruit uit die skerp styging van die lopende besteding van die algemene regering vanaf die vierde kwartaal van 1974, wat nie slegs 'n regstreekse invloed op produksiebedrywigheid in sekere sektore van die ekonomie gehad het nie, al was dit slegs na 'n kort tydsloering, maar ook gelei het tot 'n aansienlike styging in die hoeveelheid geld en kwasi-geld. Laasgenoemde mag op sy beurt weer ekonomiese bedrywigheid aangehelp en gestimuleer het.

Die bogenoemde neigings toon dat alhoewel die Suid-Afrikaanse volkshuishouding tot die derde kwartaal van 1975 nog in 'n afwaartse fase van die konjunkturgolf was, hierdie toestand beskryf kan word as 'n

Konjunkturaanwysers



verlamsaming in ekonomiese bedrywigheid na 'n vlak wat betekenisvol laer is as die langtermynpotensiaal van die ekonomie.

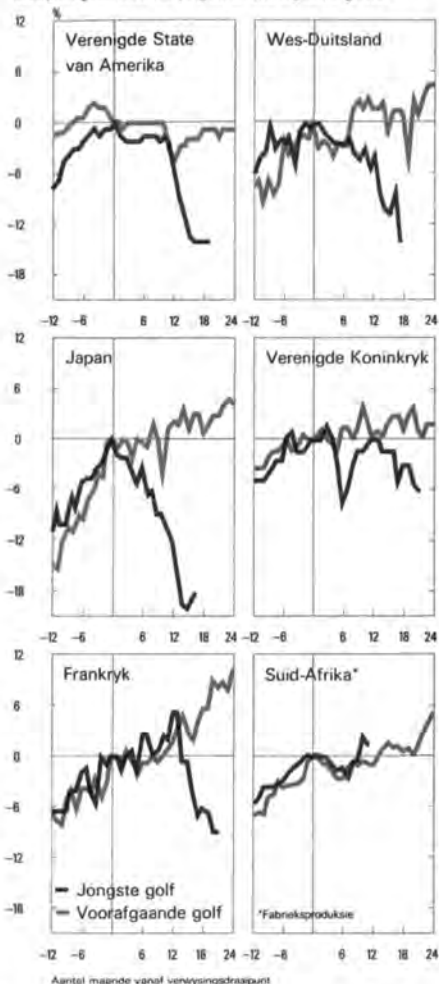
In die bygaande grafiek word die persentasiekoers van verandering in nywerheidsproduksie vanaf die boonste verwysingsdraaipunte van die jongste en voorafgaande konjunkturgolwe vir 'n aantal lande getoon. Die matigheid van die verlamsaming in ekonomiese bedrywigheid in Suid-Afrika is duidelik wanneer groeikoerse in Suid-Afrika vergelyk word met die negatiewe of baie lae groeikoerse wat gedurende die afgelope twee jaar in die buiteland aangeteken is. Hierdie resessionere neigings in die ekonomie van Suid-Afrika se vernaamste handelsvennote het tot die laer ekonomiese groeikoerse wat gedurende 1975 in Suid-Afrika verwag word, bygedra, en die herstel na 'n hoër peil van ekonomiese bedrywigheid in Suid-Afrika sal van die sterkte en tydsbepaling van die ekonomiese opswaai in die Verenigde State van Amerika, Wes-Europa en Japan afhang. Dit wil voorkom asof 'n onderste draaipunt van die konjunktuur in die Verenigde State gedurende die tweede kwartaal van 1975 bereik is, en dat gunstige tekens van 'n verbetering in ekonomiese toestande in Japan ook begin te blyk, maar dat resesietoestande nog steeds in die ekonomie van die vernaamste Europese lande heers.

Arbeidstoestand

Die betreklik lae groeikoerse in binnelandse ekonomiese bedrywigheid gedurende die eerste drie kwartale van 1975 het meegebring dat arbeidstoestande betreklik ruim gebly het. Werkverskaffing in die nie-landbou-sektore van die volkshuishouding het in die eerste helfte van 1975 met slegs 1,8 persent gestyg, vergeleke met die ooreenstemmende tydperk van die vorige jaar, teenoor 'n toename van 2,8 persent in 1974. Dit is betekenisvol om daarop te let dat die indiensneming van die Suid-Afrikaanse Spoorweë in die eerste agt maande van 1975 en dié van die res van die openbare owerhede tot die tweede kwartaal van 1975 (die jongste beskikbare syfers) voortgegaan het om teen 'n hoër koers toe te neem. Verdere aanduidings van die ruimer arbeidstoestande word verskaf deur die skerp toename in die seisoensangeseuwerde aantal werklose Blankes, Kleurlinge en Asiërs in September en Oktober 1975, nadat dit in Julie en Augustus effens afgeneem het. Nadat dit in Augustus 1974 'n laagtepunt van 7 150 bereik het, het die seisoensangeseuwerde aantal werkloses na 11 108 in Oktober 1975 gestyg. Dit verteenwoordig ongeveer 'n ½ persent van die vergelykbare arbeidsmag en is steeds laag volgens Suid-Afrikaanse standaarde en onbeduidend in vergelyking met die werkloosheidskoerse wat tans deur ons handelsvennote ondervind word. Die aanpassing van arbeid by die laer groeikoerse in ekonomiese bedrywigheid was derhalwe eerder in die vorm van 'n afname in die aantal ure gewerk en 'n afname in oortyd as in die vorm van 'n vermindering in werkverskaffing. Soos aangedui in die tabel, het ure gewerk deur produksiewerke asook oortyd as 'n persentasie van gewone ure gewerk in fabriekswese en konstruksie afgeneem tot en met die eerste kwartaal, maar het in die tweede kwartaal affens toegeneem sonder om die hoër vlakke wat voorheen behaal is, te bereik.

Konjunktuurvergelings -

Veranderings in nywerheidsproduksie vanaf boonste verwysingsdraaipunte gedurende die jongste en voorafgaande golwe



Persentasiekoers van verandering in ure gewerk en oortyd as 'n persentasie van gewone ure

Kwartaal	Fabriekswese		Konstruksie	
	Ure gewerk deur produksiewerkers	Oortyd as % van gewone ure	Ure gewerk deur produksiewerkers	Oortyd as % van gewone ure
1974:				
1e kw.	1,9	0,8	3,2	1,8
2e kw.	1,1	1,7	1,7	0,9
3e kw.	0,4	-0,8	2,5	2,6
4e kw.	-2,5	-1,7	-4,4	-0,9
1975:				
1e kw.	-1,4	-3,4	0,1	-10,3
2e kw.	2,4	3,5	2,6	6,7

Die veruiming van die arbeidstoestand in die algemeen en die afname in oortyd gewerk in fabriekswese het 'n voordelige invloed op produktiwiteit in hierdie sektor van die ekonomie gehad. Produksie per manuur in fabriekswese was nie minder nie as 2,4 persent hoër gedurende die eerste agt maande van 1975 vergeleke met die ooreenstemmende tydperk in 1974, teenoor 'n styging van slags 1,1 persent in 1974 as 'n geheel.

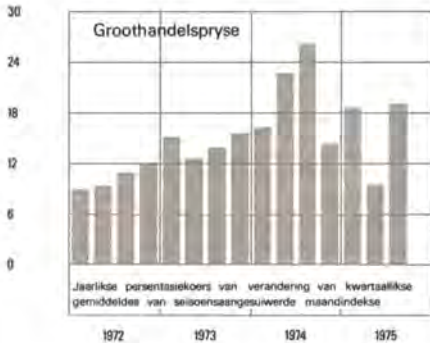
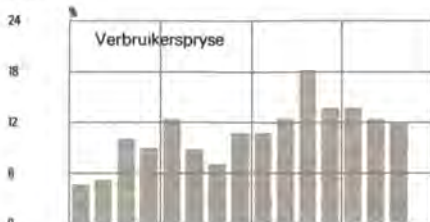
Voortgesette hoë inflasiekoers

Soos in die meeste ander Westerse lande, bly die onaanvaarbaar hoë koers van inflasie een van die mees dringende ekonomiese probleme wat Suid-Afrika in die gesig staar. Afgesien van die groot aantal nadelige gevolge van inflasie, is dit 'n saak van die grootste belang vir Suid-Afrika om die inflasiekoers tot 'n laer vlak as dié van sy belangrikste handelsvennote te verminder, aangesien sy toekomstige groei in 'n groot mate afhang van sy vermoë om op internasionale markte wat sowel sy primêre as nywerheidsprodukte betref, mee te ding. Die nadelige gevolge van 'n hoë inflasiekoers word ten volle beseef deur sowel die openbare owerhede as die private sektor, en die opregte voorneme van alle betrokke partye om die hoë inflasiekoers te beteuel en te verminder word omvat in die *Manifest van vaste verbintenisse deur die regering en die belanghebbende private sektor organisasies van die Republiek van Suid-Afrika aangegaan ten einde 'n gesamentlike veldtog teen inflasie van stapel te stuur*, wat op 7 Oktober 1975 deur die betrokke partye in Pretoria onderteken is.

Verbruikerspryse

Nadat dit tot en met die derde kwartaal van 1974 skerp gestyg het, het die koers van toename in verbruikerspryse gedurende die daaropvolgende vier kwartale merkbaar verlangsamer. In die derde kwartaal van 1974 het verbruikerspryse teen 'n seisoensaangesuiwerde jaar-koers van 18,2 persent gestyg, maar hierdie koers het algemeen na 13,8 persent in die vierde kwartaal van 1974 en die eerste kwartaal van 1975, tot 12,4 persent in die tweede kwartaal en tot 11,9 persent in die derde kwartaal van 1975. Die devaluasie van die rand in September en die styging in olie pryse in Oktober sal ongelukkig hierdie dalende neiging teenwerk.

Pryse



Die jaar-koers van toename van 11,9 persent in verbruikerspryse gedurende die derde kwartaal van 1975 was die netto resultaat van hoër toenames in die pryse van dienste, soos huiseienaarskoste, as gevolg van stygings in munisipale heffings en belastinge en vervoerkoste. Sover dit goedere aangaan, het die pryse van motors vanaf die vierde kwartaal van 1974 'n stygende neiging getoon, en voedselpryse, wat vanaf Februarie tot Mei 1975 feitlik onveranderd gebly het, het in die daaropvolgende vyf maande gestyg, hoofsaaklik as gevolg van 'n skerp toename in pryse van melk en melkprodukte, graanprodukte, vette, olies en margarien en groente.

Vanaf Desember 1974 tot Oktober 1975 het die seisoensaangesuiwerde verbruikersprysindeks teen 'n jaar-koers van 11,7 persent gestyg, wat aansienlik minder is as die styging van 14,0 persent vanaf Desember 1973 tot Desember 1974.

Groothandelspryse

Na 'n merkbare daling vanaf 'n seisoensaangesuiwerde jaar-koers van toename van 26,3 persent in die derde kwartaal van 1974 tot 9,4 persent in die tweede kwartaal van 1975, het die koers van toename in groothandelspryse skerp tot 19,1 persent in die derde kwartaal van 1975 versnel. Hierdie versnelling is veroorsaak deur

hoër koerse van toename in die pryse van sowel Suid-Afrikaans-vervaardigde goedere as ingevoerde goedere, Suid-Afrikaans-vervaardigde goedere wat belangrike bydraë tot die prysstyging gedurende die derde kwartaal gelewer het, was minerale, elektrisiteit, gas en water, vervaardigde basiese metale en metaalprodukte, nie-elektriese masjinerie, vervoertoerusting en voedsel.

Soms in die geval van verbruikerspryse, het groot-handelspryse gedurende die eerste nege maande van 1975 teen 'n aansienlik laer koers as gedurende 1974 gestyg. Vanaf Desember 1974 tot September 1975, het die seisoensargesuiverde groothandelsprysindeks teen 'n jaarakoers van 15,5 persent gestyg, vergeleke met 'n styging van 19,4 persent tussen Desember 1973 en Desember 1974.

Betalingsbalans

Ondanks die afkoeling van die Suid-Afrikaanse volkshuishouding en die betreklik traie binnelandse vraag sedert die derde kwartaal van 1974, het die tekort op die lopende rekening van die betalingsbalans tot die derde kwartaal van 1975 aangehou om progressief toe te neem. Alhoewel so 'n styging in die tekort op lopende rekening gedurende die vroeë fase van die afswaai in ekonomiese bedrywigheid in ooreenstemming met die tradisionele sikliese patroon is, was hierdie tekort groter en het vir 'n langer tydperk as in vorige afwaartse fases voortgeduur. 'n Aantal onderling afhanklike eksogene faktore het hierdie buitengewone verswakking van die betalingsbalans van Suid-Afrika meegebring, naamlik:

1) die langdurige en onverwags strawwe resessie wat deur Suid-Afrika se belangrikste handelsvennote ondervind is, terwyl die Suid-Afrikaanse volkshuishouding terselfdertyd aangehou het om te groei teen 'n koers wat, alhoewel matig volgens Suid-Afrikaanse standaarde, nogtans die groeikoerse van sy handelsvennote oortref het; 2) 'n afname in die volume van wêreldhandel; 3) 'n afname in kommoditeitspryse en die prys van goud op internasionale markte; 4) die styging in die prys van olie; en 5) die algemeen hoë inflasiekoerse wat oorse geheers het. Daarbenewens het die Suid-Afrikaanse uitgaue op verdedigingsoerusting, wat gedeeltelik ingevoer word, aansienlik gestyg.

Afgesien van hierdie nadelige verwickelings op die lopende rekening van die betalingsbalans, moes die owerhede ook van tyd tot tyd spekulatiewe buitelandse kapitaalbewegings die hoof bied. As gevolg van verwagtings ten opsigte van maontlike veranderings in die wisselkoers van die rand en veranderings in rentekoersverskille, het vervroegings in betalings vir invoere en vertraging in die oorbetalings van uitvoeropbrengste sowel as ander spekulatiewe korttermynkapitaalbewegings, van tyd tot tyd voorgekom. Onder hierdie omstandighede was die netto invoering van kapitaal, hoofsaaklik in die vorm van langtermynlenings aan die private en openbare sektore, nie voldoende om die tekort op die lopende rekening te finansier nie en die owerhede moes op kompenserende amptelike lenings terugval om die buitelandse reserwes te beskerm.

Afgesien van die groter amptelike lenings, het hierdie nadelige verwickelings op sowel die lopende as kapitaal-rekening van die betalingsbalans die owerhede verplig om verskeie stappe te doen om die betalingsbalans-toestand te verbeter. Hierdie maatreëls het ingesluit die beëindiging op 27 Junie van die wisselkoersbeleid van onafhanklik beheerde swewing gevolg deur belangrike veranderings in valutabeheerregulasies en die reëlings ten opsigte van valutatermyndeckking. In Augustus is aanpassings ook aan die monetêre beleid gemaak, wat 'n styging in die Bankkoers vanaf 8 tot 8½ persent en 'n verhoging van die likwiede barevereistes van die bankinstellings ingesluit het.

Voordat hierdie maatreëls hulle volle uitwerking kon hê, het die ekonomiese toestand in twee basiese opsigte verander. In die eerste plek het dit duidelik geword dat die internasionale resessie ernstiger en van 'n langer duur is as wat verwag is. Die herstel in die Verenigde State kom nog nie algemeen voor nie en in die meeste ander lande is amptelike vooruitskattings van ekonomiese bedrywigheid en reële groei redelik skerp afwaarts hersien. In die tweede plek, soos alreeds genoem, het die prys van goud gedurende September skerp gedaal. Daarbenewens, as gevolg van hierdie twee verwickelings, het die ongunstige vervroegings en vertraging weer voorgekom.

Die behoefte het derhalwe ontstaan na die instelling van maatreëls wat 'n oormatige skerp afname in reële ekonomiese groei kon voorkom en wat die betalingsbalans sou verstewig. Die toepassing van strawwe deflasionistiese maatreëls sou die risiko geloop het om die reële ekonomiese groeikoers oormatig te verlaag en die bestaande verlangsaming in ekonomiese bedrywigheid te vererger. Dit is duidelik dat die probleem ook nie opgelos kon word deur voortdurend op amptelike korttermynlenings, wat bowendien steeds verder sou moes toeneem, staat te maak nie. Onder hierdie omstandighede en na versigtige oërweging van die voor- en nadele van verskeie alternatiewe maatreëls, is besluit om die rand op 22 September 1975 met 17,9 persent te devalueer. By die besluit oor die omvang van die devaluasie, het die owerhede die behoefte in aanmerking geneem om 'n geloofwaardige nuwe rand-dollarkoers vas te stel en om ook vir die moontlikheid van 'n verstewiging in die dollar en/of 'n verdere tydelike afname in die prys van goud toe te laat.

Lopende rekening van die betalingsbalans

R miljoen

	Seisoensinvloed nie uitgeskakel nie	Seisoensinvloed uitgeskakel jaarkoers
1974: 1e kwartaal	-63	-91
2e kwartaal	-103	-812
3e kwartaal	-310	-1 342
4e kwartaal	-394	-1 235
1975: 1e kwartaal	-346	-1 518
2e kwartaal	-457	-1 901
3e kwartaal	-371	-1 936

Alhoewel dit nog te vroeg is om die uitwerking van die devaluasie te bepaal, is daar aanduidings dat die devaluasie daarin geslaag het om die ongunstige verhogings en verdragings in buitelandse betalings en ontvangste om te keer. Die devaluasie behoort ook onmiddellik 'n gunstige uitwerking op uitvoer- en goudmyninkomste tot gevolg te hê, met die gepaardgaande gunstige sekondêre uitwerking op die binnelandse ekonomiese bedrywigheid. Mettertyd behoort dit ook die normale siklusse kragte te ondersteun om die lopende rekening van die betalingsbalans te verbeter. Soos reeds aangedui, sal die vernaamste nadelige uitwerking van hierdie beleidsmaatregel die verhoogde druk wees wat dit op die algemene prysspeil sal uitoefen.

Volgehoue tekort op lopende rekening

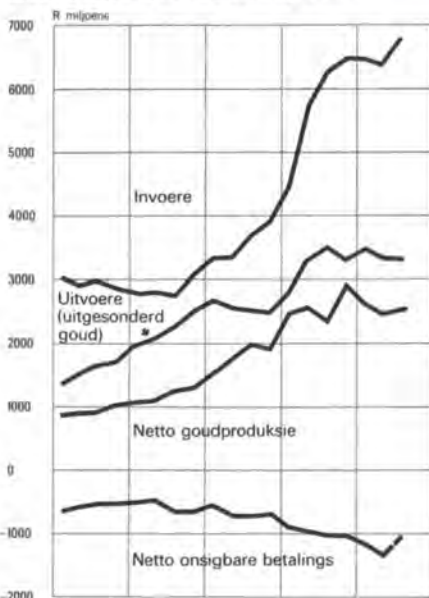
Uit die bygaande tabel is dit duidelik dat die lopende rekening van die betalingsbalans regeur 1974 en die eerste drie kwartale van 1975 voortdurend verswak het. Dit word verwag dat die tekort vir die kalenderjaar 1975 ongeveer twee keer so groot as dié in 1974 sal wees.

Die verdere effense verswakking van die tekort op die lopende rekening op 'n seisoensangesuiwerde basis gedurende die derde kwartaal was hoofsaaklik aan 'n aansienlike styging in goedere-invoere en 'n geringe verdere daling in goedere-uitvoere toe te skryf. Hierdie verswakking is gedeeltelik geneutraliseer deur 'n daling in die netto onsigbare betalings aan die res van die wêreld. Die netto goudproduksie het in vergelyking met die tweede kwartaal gedurende die derde kwartaal min verandering getoon.

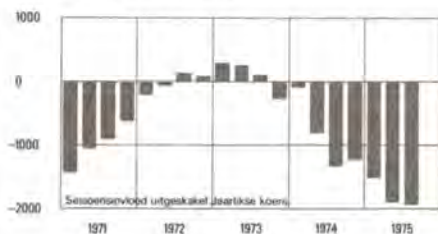
Goedere-invoere het vanaf 'n seisoensangesuiwerde jaarkoers van R 6 360 miljoen in die tweede kwartaal tot R6 768 miljoen in die derde kwartaal van 1975 toegeneem. Alhoewel verdere prysstygings van ingevoerde goedere gedeeltelik vir hierdie toename verantwoordelik was, het die volume van invoere in die derde kwartaal ook toegeneem nadat dit gedurende die voorafgaande drie kwartale redelik skerp afgeneem het. Dit kan in 'n sekere mate aan 'n verhoging in invoere in afwagting op 'n devaluasie van die rand toegeskryf word. Dit word bevestig deur die maandelikse handelsyfers van die Departement van Doene en Aksyns, wat toon dat die waarde sowel as die volume van goedere-invoere gedurende Oktober aansienlik gedaal het. Die meeste groepe van goedere-invoere het gedurende die derde kwartaal toenames getoon, terwyl die invoer van basiese metale, insluitende staal, aansienlik afgeneem het. In besonder het die invoer van mineraalprodukte gedurende die derde kwartaal van 1975 skerp gestyg.

Vir die tweede opeenvolgende kwartaal het die waarde van goedere-uitvoere gedaal, naamlik vanaf 'n seisoensangesuiwerde jaarkoers van R3 303 miljoen in die tweede kwartaal van 1975 tot R3 281 miljoen in die derde kwartaal. Hierdie klein afname was in bykans al die belangrikste groepe uitgevoerde goedere merkbaar en was hoofsaaklik te wyte aan die terneergedrukte toestand van die wêrelddekkonomie. Ten spyte van 'n styging in die internasionale wolkprys, het die uitvoer van tekstiele skerp afgeneem en die uitvoer van akkerbouprodukte het ook gedaal, maar 'n styging in die

Lopende rekening van die betalingsbalans



Saldo op lopende rekening



uitvoer van mineraalprodukte is gedurende die derde kwartaal aangestrem. Volgens die maandelikse yfers van die Departement van Doene en Aksyns, het die waarde van goedere-uitvoere, hoofsaaklik weens die hoër rand-opbrengs ná die devaluasie van die rand, gedurende Oktober aansienlik toegeneem.

Nadat dit ononderbroke vir amper tien opeenvolgende kwartale gestyg het, het netto onsigbare betalings aan die res van die wêreld vanaf 'n seisoensangesuiwerde jaarkoers van R1 280 miljoen in die tweede kwartaal tot R949 miljoen in die derde kwartaal gedaal. Alhoewel ontvangste vir dienste en netto oordragte vanaf

buitelanders tot hierdie daling bygedra het, is dit hoofsaaklik meegebring deur 'n skerp afname in betalings vir dienste aan buitelanders, veral in die vorm van laer dividendbetalings. Die afname in dividendbetalings aan die res van die wêreld is deur die skerp styging in koste en die daling in die goudprys veroorsaak. Die laer dividendbetalings het die aansienlike toename in rentebetalings aan buitelanders meer as geneutraliseer.

Die netto goudproduksie het slegs effens vanaf 'n seisoensaangesuiwerde jaarsyfer van R2 436 miljoen in die tweede kwartaal tot R2 500 miljoen in die derde kwartaal van 1975 toegeneem, ondanks die daling in die gemiddelde dollarprys op die private mark en slegs 'n klein toename in die volume van goudproduksie. Die feit dat die netto goudproduksie op hierdie betreklik hoë vlak gebly het, was toe te skryf aan die depresiasie van 4,76 persent van die rand in terme van die dollar wat op 27 Junie 1975 aangekondig is en wat die ontvangste in rand van die goudmyne gedurende die derde kwartaal verhoog het.

Aansienlike netto invloeiing van buitelandse kapitaal

Sous die bygaande tabel toon, het die kapitaalrekening van die betalingsbalans aangehou om 'n groot netto invloeiing gedurende die eerste drie kwartale van 1975 te toon. Gedurende die tweede en derde kwartale van 1975 het die sentrale regering en banksektor bykans 50 persent van die netto invloeiing van buitelandse kapitaal bygedra, terwyl geen netto invloeiing na hierdie sektor gedurende die voorafgaande ses maande aangeteken is nie. Die aansienlike netto invloeiing van kapitaal na die sentrale regering en banksektor gedurende die afgelope ses maande, het hoofsaaklik bestaan uit 'n netto invloeiing van korttermynkapitaal wat die gevolg was van kompenseerende amptelike lenings deur die Reserwebank en die Tesourie aangegaan ten einde spekulatiewe uitvloeiing van korttermynkapitaal teen te werk.

'n Skerp daling is gedurende die afgelope ses maande in die netto invloeiing van kapitaal na die private sektor aangeteken, hoofsaaklik weens 'n daling in die invloeiing van private korttermynkapitaal. Aan die ander kant het die invloeiing van langtermynkapitaal na die private sektor aansienlik toegeneem. Net soos gedurende die

voorafgaande ses maande, was hierdie groot netto invloeiing van langtermynkapitaal na die private sektor hoofsaaklik in die vorm van buitelandse lenings deur openbare korporasies, terwyl registreerde belegging vanaf die buiteland onbeduidend was. In teenstelling met die voorafgaande ses maande het vervoerings en vertraging in buitelandse betalings en ontvangste gedurende die tweede en weer gedurende die derde kwartaal van 1975 voorgekom, en was hoofsaaklik vir die skerp afname in die invloeiing van buitelandse korttermynkapitaal na die private sektor verantwoordelik.

Skerp toename in die goud- en ander buitelandse reserwes

Na voorsiening vir waardasie-aansuiwings, het die reserwes gedurende die derde kwartaal met R143 miljoen tot 'n vlak van R1 070 miljoen aan die einde van September toegeneem. Op 'n netto basis, d.w.s. na die aftrekking van die buitelandse korttermynlaste van die Reserwebank en die res van die banksektor, het die goud- en ander buitelandse reserwes gedurende die derde kwartaal met R107 miljoen gedaal. Die goud- en ander buitelandse reserwes van die Reserwebank het gedurende Oktober verder met R39 miljoen gestyg tot 'n vlak van R972 miljoen aan die einde van die maand.

Netto invloeiing van buitelandse kapitaal

R miljoene

	1975			
	1974	1e kw.	2e kw.	3e kw.
Private sektor	632	359	235	257
Langtermyn	591	136	207	174
Korttermyn	433	173	146	-25
Foute en onaangetekende transaksies	-392	50	-118	108
Sentrale regering en banksektor	143	-4	237	222
Langtermyn	137	32	108	-8
Korttermyn	6	-36	129	231
Totale kapitaalbewegings (netto invloeiing +)	775	355	472	479

Monetêre en banktoestand

Geld en kwasi-geld

Nadat dit vanaf 15 persent gedurende die eerste kwartaal van die jaar tot minder as 8 persent gedurende die tweede kwartaal gedaal het, het die jaarcoers van toename in die seisoensaangesuiwerde geld- en kwasi-geldvoorraad gedurende die derde kwartaal weer skerp tot ietwat minder as 21 persent gestyg. Vir die eerste nege maande van 1975 het die jaarlikse koers van toename gevolglik ietwat meer as 14 persent beloop. 'n Ongewoon groot styging in die eng gedefinieerde geldvoorraad gedurende September het ook 'n opvallende vermindering meegebring van die verskil tussen die groeiakoers in die geldhoeveelheid in vergelyking met dié van die geld- en kwasi-geldhoeveelheid, wat gedurende die eerste agt maande van die jaar bestaan het. Die jaarcoers van toename van die eng gedefinieerde geldvoorraad gedurende die eerste drie kwartale van 1975 het ongeveer 10 persent bedra.

Die verhouding van geld en kwasi-geld tot die bruto binnelandse produk, albei seisoensaangesuiwerd, wat vanaf 30,1 persent gedurende die vierde kwartaal van 1974 tot 31,7 persent gedurende die eerste kwartaal van 1975 gestyg het, het gedurende die tweede kwartaal tot 30,6 persent gedaal en daarna gedurende die derde kwartaal byna onveranderd gebly.

Oorsake van veranderinge

Die patroon van die oorsake van veranderinge in geld en kwasi-geld gedurende die derde kwartaal van 1975 was in wese dieselfde as gedurende die voorafgaande twee kwartale, d.w.s. dat opmerkbare verdere stygings in die binnelandse kredietverlening, wat slegs gedeeltelik deur dalings in die netto goud- en ander buitelandse reserwes en deur stygings in langtermyndeposito's geneutraliseer is, voortgegaan het om nagenoeg die hele toename in die hoeveelheid geld en kwasi-geld te verklaar. In teenstelling met die ontwikkelings gedurende die voorafgaande drie kwartale, het 'n daling in die seisoensaangesuiwerde netto eise van die banksektor teen die regeringsektor gedurende September egter meegebring dat die toename in bankkrediet aan die private sektor gedurende die derde kwartaal van 1975 aansienlik groter was as dié in netto bankkrediet aan die regeringsektor.

Die daling in die netto goud- en ander buitelandse reserwes was gedurende die derde kwartaal van 1975 aanmerklik kleiner as gedurende die tweede kwartaal. Op dieselfde manier het die langtermyndeposito's van die private sektor by die banksektor gedurende die derde kwartaal in vergelyking met die eerste en tweede kwartale slegs 'n betreklik geringe verdere styging getoon, en gedurende September in werklikheid gedaal.

Bankkrediet

Die seisoensaangesuiwerde jaarcoers van toename in bankkrediet aan die private sektor het gedurende die derde kwartaal van 1975 weer gestyg, toe dit 20 persent beloop het in vergelyking met 16 en 13 persent gedurende die eerste en tweede kwartale van die jaar, onderskeidelik, en 19 persent gedurende die kalenderjaar 1974. 'n Aansienlike deel (R179 miljoen, of ongeveer 45 persent) van die toename van R396 miljoen (nie seisoensaangesuiwerd nie) in die eise van die banksektor teen die private sektor gedurende die derde kwartaal is egter verklaar deur die grotendeels seisoenale styging in die korttermynvoorskotte van die Landbank. Gedurende Julie en Augustus het die grootste deel van die toename in die eise teen die private sektor, met uitsondering van dié van die Landbank, bestaan uit vermeerderde beleggings in effekte van die private sektor deur die handelsbanke.

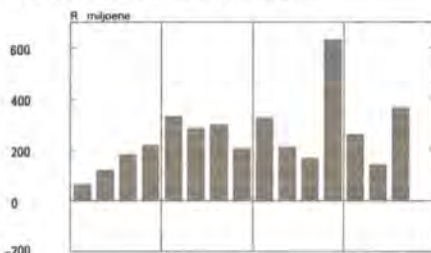
Gedurende September het die diskanteringe en voorskotte van die handelsbanke, aksepbanke, en monetêre huurkoop- en algemene banke, egter wel 'n aansienlike toename getoon (R173 miljoen). Verskeie faktore kon moontlik tot hierdie ontwikkeling bygedra het. Eerstens kon die vrees vir 'n ophande synde devaluasie van die rand meegebring het dat daar van plaaslike bronne van bankkrediet gebruik gemaak is vir die terugbetaling van handels- en ander buitelandse skulde en vir die „spekulatiewe“ oorpasing van fondse. Tweedens kon verwagtings van verhogings van die pryse van motorvoertuie en ander verbruikersgoedere na die devaluasie bygedra het tot die betreklik groot styging van R19 miljoen in huurkoopkrediet gedurende daardie maand. Laastens kon 'n sekere deel van die toename in huurkoopkrediet en ander soorte banklenings in verband gestaan het met die skerp stygende peil van die verkope van televisiestelle.

Oorsake van veranderinge in geld- en kwasi-geld, 1975

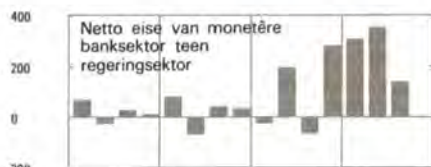
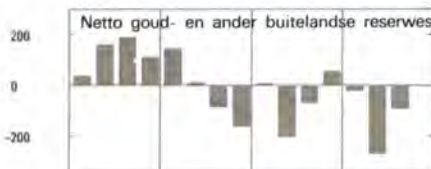
R miljoene

	Seisoensinvloed nie uitgeskakel nie			Seisoensinvloed uitgeskakel		
	1e kw.	2e kw.	3e kw.	1e kw.	2e kw.	3e kw.
Netto goud- en ander buitelandse reserwes	11	-253	-111	-25	-289	-99
Eise teen regeringsektor						
Bruto eise	237	310	178			
Regeringsdeposito's (toename - ,afname +)	-211	176	-123			
Netto eise	26	486	55	312	354	102
Eise teen die private sektor	314	187	396	269	231	383
Langtermyndeposito's (toename - ,afname +)	-50	-229	-24	-100	-123	-36
Netto ander bates	-205	104	48			
Totale oorsake van veranderinge	96	295	364	258	143	367

Veranderings in geld en kwasi-geld



Oorsake van veranderings in geld en kwasi-geld



Oorskot-likwiditeit van bankinstellings

Die oorskot-likwiditeit van monetêre en ander bankinstellings, wat gedurende die tweede kwartaal van 1975 betekenisvol gestyg het en vervolgens gedurende Julie min verdere verandering getoon het, het gedurende Augustus opmerklik gedaal. Nadat dit in September gestyg het, het dit in Oktober weer aanmerklik gedaal.

Die afname in die oorskot-likwiede bates van alle banke van R175 miljoen gedurende Augustus was grotendeels 'n gevolg van verhogings van die vereistes met betrekking tot die banke se besit aan likwiede bates wat op 11 Augustus aangekondig is en vanaf die 21ste van daarde maand van krag geword het. Die opmerklieke herstel van die banke se oorskot-likwiede batebesit gedurende September kan toegeskryf word aan 'n daling in hul totale verpligtings teenoor die publiek vanaf die einde van Julie tot die einde van Augustus, 'n relatiewe verskuiving weg van korttermynverpligtings tussen hierdie twee maandeindes, en 'n toename van meer as R100 miljoen in hul besit aan likwiede bates gedurende September. Laasgenoemde styging in die banke se werklike likwiede batebesit kan onder andere in verband gebring word met vermeerderde netto kredietvoorsiening aan sowel die regerings- as die private sektor deur die Reserwebank en die Nasionale Finansiële korporasie gedurende September.

Die afname van R225 miljoen in die oorskot-likwiede bates van alle bankinstellings gedurende Oktober (waarvan handelsbanke R183 miljoen en alle monetêre bankinstellings R220 miljoen bygedra het) was die netto resultaat van 'n toename van R390 miljoen in hul vereiste likwiede bates en 'n styging van R165 miljoen in hul werklike besit daaraan. Van die toename in die bankinstellings se besit aan vereiste likwiede bates, was die verhoging van die minimum likwiditeitsverhoudings, wat op 30 September aangekondig is en op 21 Oktober van krag geword het, vir 'n bedrag van R266 miljoen verantwoordelik.

Oorskot-likwiditeitsverhoudings van bankinstellings, 1975

	Mrt.	Jun.	Jul.	Aug.	Sept.	Okt.
Handelsbanke	2,4	7,1	6,9	4,6	6,4	3,8
Aksepbanke	0,9	1,1	2,3	0,8	2,4	1,3
Monetêre huurkoop- en algemene banke	-0,6	0,7	0,8	0,8	1,6	0,6
Totaal, monetêre banke:						
Verhouding (%)	1,5	5,0	5,0	3,3	4,9	2,8
Bedrag (Rm)	147	521	513	337	513	293
Nie-monetêre banke	2,3	2,4	1,5	1,8	2,7	1,7
Totaal, alle banke:						
Verhouding (%)	1,6	4,9	4,8	3,2	4,8	2,7
Bedrag (Rm)	157	532	520	345	526	301

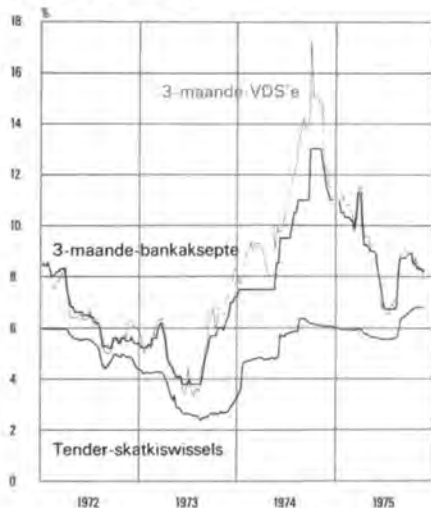
Toestand op die geldmark en rentekoerse

Die toestand op die geldmark het gedurende September, Oktober en die eerste helfte van November ruim gebly. Ná die matige vernouing oor die Augustus-maandeinde, waartydens die banke gebruik gemaak het van saldo's

bo hul vereistes wat hulle voorheen by die Nasionale Finansiële korporasie geakkumuleer het, was die banke in staat om hierdie saldo's gedurende September, Oktober en November te verhoog. Die banke se oorskot- saldo's by die Nasionale Finansiële korporasie het op 7 November R406 miljoen beloop. Daggeld by die diskontohuise, wat oor die maandeindes van Augustus en September effens gedaal het, het tot 'n ongeewenaarde hoogtepunt van R679 miljoen op 11 November gestyg.

Die rentekoerse in die geldmark wat ná die verhoging van die Bankkoers van 8,00 na 8,50 persent op 11 Augustus skerp gestyg het, het gedurende Oktober en die eerste helfte van November ietwat gedaal. Die diskontokoers op bankaksepte van drie maande het byvoorbeeld tot 9,00 persent op 3 Oktober gestyg maar vervolgens tot 8,20 persent op 14 November gedaal. Op soortgelyke wyse het die koers op VDS-e van 90 dae, wat op 3 Oktober op 8,70 persent gekwoteer is, tot 7,90 persent op 14 November gedaal. Die skatkiswisselentenderkoers, aan die ander kant, wat onmiddellik ná die verhoging van die Bankkoers tot 6,12 persent gestyg het, het verder gestyg tot 6,84 persent op 24 Oktober en toe marginaal tot 6,82 persent op 7 November gedaal. Ná die verdere verhoging van die banke se likwiede batevereistes wat op 30 September aangekondig is, is die prima-uitleenkoers van die banke op 1 Oktober vanaf 11½ persent na 12 persent verhoog. Sekere depositeurentekoerse is gedurende die eerste week van Oktober deur 'n aantal bankinstellings met 0,5 persent verhoog.

Geldmarkrentekoerse



Staatsfinansies

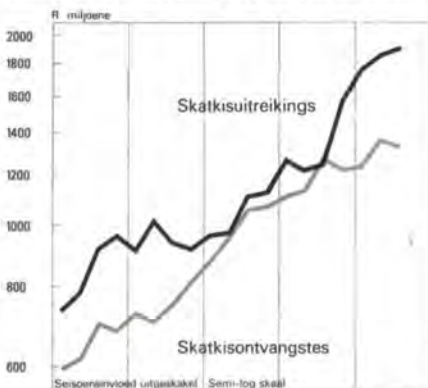
Skatkisrekening

Gedurende die eerste ses maande van die huidige fiskale jaar, d.w.s. die tydperk April tot September 1975, was die Skatkisrekening gekenmerk deur 'n groot oorskryding van ontvangste deur uitreikings en die mate waarin die regering op die monetêre banksektor moes staatmaak in die finansiering van hierdie tekort. Die groot tekort op die Rekening was gedeeltelik die gevolg van inkomste-invoorders wat laer was as wat verwag is, maar het hoofsaaklik ontstaan omdat uitreikings heelwat meer gestyg het as wat in die Begroting verwag is.

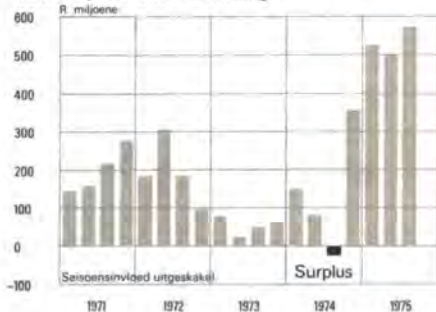
Toename in inkomste laer as Begrotingsverwagtings

Indien belasting en ander inkomste-invoorders gedurende die afgelope ses maande met dié in dieselfde tydperk in 1974 vergelyk word, is dit duidelik dat die

Ontvangstes en uitreikings op die Skatkisrekening



Tekort op die Skatkisrekening



totale toename wat behaal is, naamlik 7½ persent, heel-
 wat laer was as die styging van 12,4 persent wat in die
 Begroting vir die jaar in sy geheel voorsien is. Die
 kleiner as verwagte toename was hoofsaaklik die gevolg
 van werklike dalings in die inkomstebelasting en huur-
 kontrakte betaal deur goddymnmaatskappye. Indien
 hierdie ontvangste buite rekening gelaat word, het
 invorderings gedurende die ses maande met 11,6 persent
 in vergelyking met dieselfde tydperk in 1974 gestyg
 en was slegs ietwat laer as die toename van 12,8 persent
 wat in die Begroting voorsien is. Die kleiner stygings
 as wat verwag is in die ontvangste van binnelandse
 inkomste is in 'n mate geneutraliseer deur hoër as ver-
 wante invorderings van doeanes-, aksyns- en verkoop-
 regte. Hierdie regte het gedurende die ses maande met
 12 persent toegeneem teenoor die groei van 9 persent
 wat vir die fiskale jaar 1975/76 in sy geheel verwag is.

Versnelling van uitreikings op Skatkisrekening

Gedurende die tydperk April tot September 1975 het
 uitreikings op die Skatkisrekening met nie minder nie
 as 48 persent in vergelyking met die ooreenstemmende
 tydperk in 1974 gestyg en gevolglik die 21 persent
 toename wat in die Begroting vir die 1975/76 fiskale
 jaar voorsien is, aanmerklik oorskry. 'n Nadere ontleding
 van gegewens toon dat hierdie aansienlike styging in
 'n groot mate die gevolg was van die vroeëre onttrekking
 van fondse uit die Skatkisrekening deur staatsdeparte-
 mente as wat die geval gedurende 1974 was. Op die In-
 komsterekening was uitreikings onder die Begrotingspos
 Verdediging gedurende die ses-maande tydperk byvoor-
 beeld dubbel die bedrag wat gedurende dieselfde
 tydperk in 1974 aangewra is, en het 54 persent van

begrote uitgawes onder hierdie pos verteenwoordig.
 Die vergelykbare syfer vir 1974 was 33 persent. 'n
 Soortgelyke neiging was op die Leningsrekening waar-
 neembaar, veral met betrekking tot leningsfondse aan
 die Suid-Afrikaanse Spoorweë en Hawens, die provinsiale
 administrasies en die Landbank. Uitreikings op die
 Skatkisrekening gedurende die ses maande het gevolg-
 lik 51 persent van die totale begrote uitgawes verteen-
 woordig, teenoor 40 persent in 1974. Daar kan der-
 halwe verwag word dat, volgens huidige begrotings-
 ramings, die totale uitreikings gedurende die res van die
 fiskale jaar nie enige wesentliche toename in vergelyking
 met die tweede helfte van die 1974/75 fiskale jaar sal
 toon nie.

Groot tekort op Skatkisrekening in 'n belangrike mate deur bankkrediet gefinansier

Die laer as verwagte groei in invorderings van inkomste
 en die hoër vlak van uitreikings het 'n tekort van nie
 minder nie as R853 miljoen op die Skatkisrekening ge-
 dedurende die eerste helfte van die fiskale jaar tot gevolg
 gehad. Hierdie tekort het in werklikheid die tekort van
 R816 miljoen wat vir die 1974/75 fiskale jaar as geheel
 aangeteken is, oorskry en is veral betekenisvol indien
 dit gesien word teen die oorskot van R67 miljoen wat
 gedurende die eerste helfte van 1974/75 op die Skat-
 kisrekening behaal is. Gedurende Oktober het die
 tekort R206 miljoen bedra vergeleke met 'n tekort van
 R128 miljoen in dieselfde maand van 1974.

Soos dit hier ontleed word, verteenwoordig die Skat-
 kisrekening slegs 'n gedeelte van die regeringsektor.
 Alhoewel die Skatkis se beroep op die banksektor as
 'n bron van finansiering dus mag verskil van dié van
 die regeringsektor in sy geheel, wat onder andere ook

Skatkisfinansies

R miljoene

	1974			1975		
	April- Junie	Julie- Sept.	Totaal	April- Junie	Julie- Sept.	Totaal
Totale netto ontvangste	917	1 509	2 427	1 076	1 573	2 649
Totale netto uitreikings	1 047	1 312	2 359	1 578	1 924	3 501
Totale tekort (-) of surplus (+) (uitgesonderd lenings)	-130	197	67	-502	-351	-853
Finansiering:						
Verandering in netto skuldposisie teenoor:						
Buitelandse sektor	7	17	24	115	29	144
Private nie-banksektor						
Leningsheffings	3	6	9	12	23	36
Ander	-1	-13	-14	63	154	218
Staatskuldkommissarisse en die Departement van						
Pos- en Telekommunikasiewese	49	-62	-13	15	12	27
Betaalmeester-generaal	—	—	—	120	50	170
Sub-totaal	58	-52	6	325	269	594
Monetêre banksektor:						
Verandering in besit aan staatskuldbewyse gehou deur:						
S.A. Reserwebank en NFK	-74	66	-8	-34	139	105
Ander monetêre bankinstellings	-42	-57	-100	277	-66	211
Verandering in skatkissaldo*	188	-154	34	-67	9	-58
Sub-totaal	72	-146	-74	177	82	259
Totale finansiering	130	-197	-67	502	351	853

*Toename —, afname + insluitende netto posdrags op die Staatsskasrekening en na die IMF-reeksaanwysing 1 en 2 suget-quintraestrale rekening.

buitbegrotingsfondse en -liggame en provinsiale administrasies insluit, voorsien 'n ontleiding van die Skatkisrekening ook geëwens oor die ander bronne van finansiering wat deur die regering gebruik word. Gedurende die ses maande onder bespreking het die Skattis 'n netto bedrag aan leningsfondse van R254 miljoen van die private nie-banksektor en R27 miljoen van die Staatskuldkommissarisse verkry. Die Tesourie het ook R170 miljoen van die kontantsaldo's beskikbaar op die Betaalmeestergeneraalrekening sowel as 'n netto bedrag van R144 miljoen van die buitelandse sektor geleen. Totale nie-banklenings het derhalwe R594 miljoen bedra, of 70 persent van die Skattisrekeningtekort, en die Tesourie was genoodsaak om die oorblywende tekort van R259 miljoen deur middel van 'n toename in die Skattis se netto skuldposisie teenoor die monetêre banksektor te finansier. Dit het die vorm aangeneem van 'n toename van R316 miljoen in daardie sektor se besit aan staatskuldbewyse (waarvan die Reserwebank en die NFK R105 miljoen bygedra het) wat gedeeltelik geneutraliseer is deur 'n styging van R58 miljoen in Skattisdeposito's. Aan die einde van September het hierdie deposito's R676 miljoen bedra en het tot R702 miljoen aan die einde van Oktober toegeneem. Slegs R16 miljoen van laasgenoemde bedrag het kontantsaldo's by die Reserwebank verteenwoordig. Die oorblywende gedeelte het bestaan uit saldo's beskikbaar op die Stabilisiererekening (R426 miljoen) en voorskotte van R260 miljoen.

Effekte-uitgifte

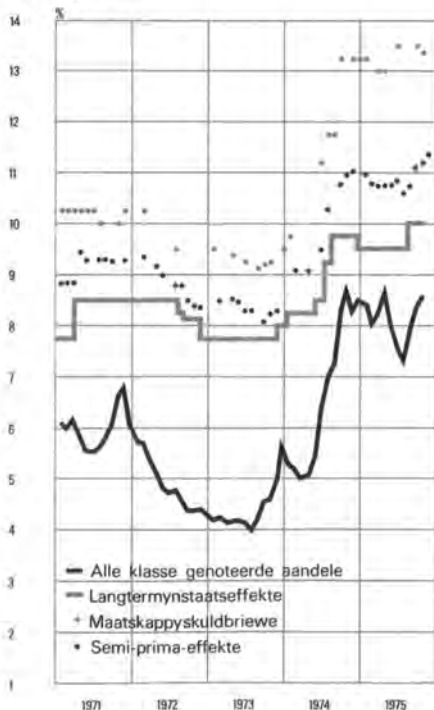
Tussen 25 Augustus en 30 September is 'n lantermyn-effekte-uitgifte, teen 'n historiese hoë opbrengskoers van 10 persent, deur middel van die Reserwebank aan beleggers beskikbaar gestel. In totaal is effekte van effens meer as R100 miljoen op hierdie wyse verkoop. Openbare inskrywings vir hierdie uitgifte asook vir 'n mediumtermyn- en 'n korttermynuitgifte is vanaf 1 Oktober deur Tesourie aanvaar. Toe die inskrywingslyste op 8 Oktober gesluit is, het totale aansoek uit alle bronne, insluitende die Staatskuldkommissarisse, R356 miljoen bedra. Aansoek deur die Staatskuldkommissarisse en die Reserwebank het elk R80 miljoen beloop en inskrywings deur ander monetêre bankinstellings het R141 miljoen bedra. Versekerars en pensioenfondse gesamentlik het vir effekte van R25 miljoen aansoek gedoen.

Geen omsettingsgeleenthede is aan die besitters van die twee effekte-uitgites, in totaal R78 miljoen, wat op 1 Oktober die vervaldatum bereik het, gebied nie. Effekte ten bedrae van net meer as R58 miljoen is deur die hele banksektor besit en R30 miljoen deur die Reserwebank. Indien hierdie aflossings in berekening gebring word, is in totaal 'n **netto** bedrag van R123 miljoen van die private nie-banksektor, R175 miljoen van die banksektor en R80 miljoen van die Staatskuldkommissarisse ontvang, wat gesamentlik R378 miljoen beloop het.

Kapitaalmark

Kapitaalmarktoestande, wat na die einde van 1974 ietwat veruim het, het gedurende die derde kwartaal van 1975 effens vernou. 'n Aantal faktore wat 'n vernouende invloed op die mark uitoefen, was geourende die huidige afname in ekonomiese bedrywigheid steeds aanwesig en het gedurende die derde kwartaal belangriker geword. In hierdie verband het die openbare sektor se vraag na fondse op 'n betreklik hoë vlak gebly, lopende besparing is nadelig getref deur die volgehoue hoë koers van inflasie en die betalingsbalans in sy geheel het nie tot die aanbod van fondse bygedra nie. Die maatreëls wat gedurende Augustus en September geneem is om die betalingsbalans te versterk en om die finansiering van owerheidsuitgawes uit besparing aan te moedig, het die bestaan van sodanige vernouende invloede gedurende 'n fase van die konjunkturgolf wat normaalweg deur ruimer marktoestande gekenmerk word, bevestig.

Opbrengskoerse



Toename in opbrengskoerse op vaste-rentedraende effekte

In die mark vir vaste-rentedraende effekte is die opbrengskoerse op langtermynstaatseffekte gedurende Augustus 1975 vanaf 9,5 persent tot 'n nuwe rekord-hoogte van 10 persent verhoog in ooreenstemming met die regering se verklaarde voorneme om sy uitgawes in 'n groter mate uit lopende besparing te finansier. Dit is gevolg deur 'n styging van 0,60 persentasiepunte in die opbrengskoerse op langtermyn-semiprima-effekte tot 'n peil van 11,35 persent gedurende November. Opbrengskoerse op nuwe uitgawes van maatskappyskuldbriewe het gedurende September en Oktober ook 'n nuwe hoogtepunt van tussen 13,38 en 13,50 persent bereik, nadat hulle gedurende die eerste helfte van 1975 vanaf 13,25 tot 13,00 persent gedaal het. Opbrengskoerse op maatskappyskuldbriewe in die sekondêre mark het gedurende Augustus en September in werklikheid effens meer gestyg as die opbrengskoerse op nuwe uitgawes maar het in Oktober weer afgeneem. Ondanks die hoër opbrengskoerse is sommige uitgawes van semiprima-effekte en maatskappyskuldbriewe gedurende Augustus en September nie heeltemal volskryf nie. As gevolg van die vernouing van marktoestande en die hoër koste van lenings, is sommige beplande nuwe uitgawes van plaaslike owerhede uitgestel, afgestel of die bedrag van die uitgifte verminder. Die uitgiftes van middel- en langtermynstaatseffekte wat vroeg in Oktober afgehandel is, was egter redelik suksesvol en 'n bedrag van R296 miljoen is opgeneem.

Netto nuwe uitgawes van bemerkbare vaste-rentedraende effekte deur die openbare sektor, wat gedurende die eerste helfte van 1975 aansienlik toegeneem het, het gedurende die derde kwartaal op 'n hoë vlak gebly en het tot die vernouing van marktoestande gedurende hierdie tydperk bygedra. Die totale opbrengs van sodanige uitgiftes, met die uitsluiting van die toename in leners in die openbare sektor se besit aan hul eie effekte, het gedurende die derde kwartaal R208 miljoen bedra en die totaal vir die eerste drie kwartale was R837 miljoen teenoor R256 miljoen vir die jaar 1974 in sy geheel. Nuwe uitgawes van vaste-rentedraende effekte deur maatskappye in die private sektor het gedurende die derde kwartaal R62 miljoen bedra wat bykans dieselfde as gedurende die eerste helfte van die jaar en op 'n duidelik hoër vlak as gedurende 1974 was. Bykomend tot die toename in lenings in die binnelandse mark, het die sentrale regering en veral die openbare korporasies se leenbedrywighede in buitelandse markte ook op 'n hoë vlak gebly. Die netto buitelandse lenings van die sentrale regering en die openbare korporasies het gedurende die derde kwartaal R236 miljoen bedra en het die totaal vir die eerste drie kwartale van 1975 op R668 miljoen te staan gebring wat reeds die totaal van R596 miljoen vir 1974 in sy geheel, oorskry het.

Afwaartse beweging van aandelepryse

Die styging in rentekoerse en die instelling van meer beperkende monetêre beleidsmaatreels op 'n tydstop toe die volkshuishouding aan die afkoel was, het 'n nederdrukkende invloed op die aandelemark gehad. Aandelepryse het gedurende Augustus gedaal en hierdie

Aandelepryse



afwaartse beweging het gedurende September voortgeduur maar gedurende Oktober het pryse geneig om te stabiliseer. Hierdie afwaartse beweging het 'n ommekeer van die opwaartse beweging van die meeste klasse aandelepryse sedert die einde van 1974 verteenwoordig. Die pryse van nywerheids- en handelsaandele en van finansiële aandele, uitgesonderd finansiële mynaandele, het gedurende Augustus en September onderskeidelik met 13 en 18 persent en gedurende Oktober met 'n verdere 2 persent en 3 persent onderskeidelik gedaal, nadat hulle onderskeidelik met 24 en 29 persent gedurende die eerste sewe maande van 1975 gestyg het. Goudmynaandelepryse en finansiële mynaandelepryse is ook nog nadelig geraak deur die skerp daling in die prys van goud gedurende September en dalings van onderskeidelik 27 persent en 24 persent in gedurende Augustus en September aangeteken, vergeleke met dalings van onderskeidelik 21 persent en 1 persent gedurende die eerste sewe maande van die jaar. Na die devaluasie van die rand teen die einde van September het die pryse van alle mynaandele sowel as finansiële mynaandele egter verstewig. Die pryse van goudmynaandele en finansiële mynaandele het gedurende Oktober met 3 persent en 4 persent onderskeidelik gestyg.

Die aandeleprysbewegings is weerspieël in die dividendopbrengskoerse op alle klasse aandele wat vanaf 7,3 persent in Julie tot 8,5 persent in Oktober gestyg het. As die opbrengskoerse vergelyk word met dié op langtermynstaatseffekte, het die omgekeerde rendementsgaping van ongeveer 2,2 persent in Julie tot 1,5 persent in Oktober vernou, maar was steeds groter

as die vergelykbare syfer van 1,0 persent aan die einde van 1974.

Nuwe fondse wat deur maatskappye wat op die effektebeurs genoteer is, deur middel van die uitgifte van aandele opgeneem is, het gedurende die derde kwartaal op 'n betreklik hoë vlak gebly. Die betrokke bedrag van R54 miljoen het die totaal vir die eerste drie kwartale van 1975 op R228 miljoen te staan gebring, wat aansienlik hoër was as die R56 miljoen wat gedurende 1974 in sy geheel opgeneem is.

met R520 miljoen en R320 miljoen gedurende die tweede en eerste kwartale van 1975 onderskeidelik. Die relatiewe aandeel in die invloeiing van fondse gedurende die derde kwartaal het egter van dié in die tweede kwartaal verskil omdat bouverenigings relatief meer fondse aangetrek het, terwyl bankinstellings die grootste aandeel in die invloeiing gedurende die tweede kwartaal gehad het. Deelnemingsverbandskemas, wat baie min nuwe fondse gedurende die eerste helfte van 1975 aangetrek het, het 'n ietwat groter invloeiing van fondse gedurende die derde kwartaal gehad.

In ooreenstemming met die algemene opwaartse aanpassing van rentekoerse gedurende die derde kwartaal, het bouverenigings gedurende Oktober hul rentekoers op vaste deposito's met 'n looptyd van 2 tot 5 jaar vanaf 9,5 tot 10,0 persent verhoog. Bankinstellings het egter, met die uitsondering van 'n beperkte aantal instellings, nie hul rentekoers op sulke deposito's verhoog nie.

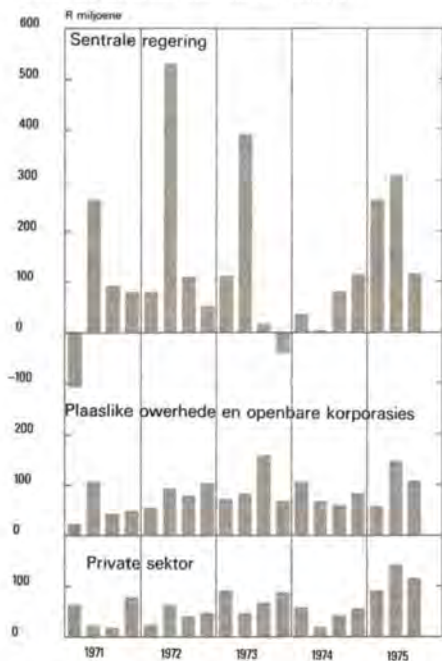
Verruiming van die verband- en vaste eiendomsmark

Die toename in die vloei van fondse na die belangrikste tussengangers in die verbandsmark soos bouverenigings en deelnemingsverbandskemas gedurende die derde kwartaal het gedien om verbandmarktoestande te verruim. Die vraag na nywerheids- en handelsverbande, wat die verlangsaming van ekonomiese bedrywigheid en die beskikbaarheid van onverhuurde kantoorkuimte weerspieël, het beperk gebly, en dit wil voorkom asof bouverenigings in staat was om aan die huidige vraag na huisverhandelings te voldoen. Nuwe verbandvoorskotte wat gedurende die derde kwartaal deur bouverenigings toegestaan is, het R375 miljoen bedra, vergeleke met R284 miljoen in die tweede en R244 miljoen in die eerste kwartaal.

As gevolg van die beter ewewig tussen die vraag en die aanbod in die verbandsmark, het verbandkoerse nie in enige noemenswaardige mate gestyg toe rentekoerse in die algemeen gedurende die derde kwartaal opwaarts geneig het nie. 'n Verandering in die struktuur van die bouverenigings en huisverbandkoerse, ingevolge waarvan 'n stelsel van gedifferensieerde koerse ingestel is, is egter gedurende September aangekondig. In plaas van die vorige eenvormige koers van 10,5 persent op huisverbande, wissel die koers op bestaande sowel as nuwe verbande nou tussen 10,5 en 12,0 persent, afhangelende van die bedrag van die lening en die waarde van die beswaarde eiendom.

Die bedrywigheid in die vaste eiendomsmark wat gedurende die laaste kwartaal van 1974 en die eerste kwartaal van 1975 afgeneem het, het gedurende die tweede kwartaal van 1975 weer toegeneem. Alhoewel gegewens in verband met transaksies in vaste eiendom gedurende die derde kwartaal nog nie beskikbaar is nie, skyn dit asof die vernouing van kapitaalmarktoestande en die matiger vraag na verbande daarop dui dat die bedrywigheid in die vaste eiendomsmark gedurende hierdie kwartaal nie wesenslik verander het nie.

Netto uitgiftes van bemerkbare effekte



Verdere toename in die vloei van langtermynfondse na depositonemende en verwante instellings

Die totale invloeiing van langtermynfondse na sulke belangrike depositonemende instellings soos banke, bouverenigings, deelnemingsverbandskemas en die spaarskemas van die Departement Pos- en Telekommunikasiewese was gedurende die derde kwartaal hoër as gedurende die voorafgaande kwartaal. Die stygende neiging wat sedert die begin van die jaar merkbaar was, het dus voortgeduur gedurende die derde kwartaal toe 'n invloeiing van R548 miljoen aangeteken is, vergeleke