

Quarterly economic review

General observations

National accounts data as well as other important economic indicators show that the South African economy has now been in the downward phase of the business cycle for about seven quarters. Although certain indicators pointed to a slightly higher rate of growth during the second half of 1975, information in respect of developments during the first quarter of 1976 clearly indicates that the lower turning point of the current business cycle has not as yet been reached.

At present the South African economy is faced with an unfavourable balance of payments, a rate of inflation which is still too high and a relatively low rate of economic growth. Although all efforts to improve productivity and to attain a better utilisation of production resources will continue, the authorities' highest priority remains the strengthening of the balance of payments and the reduction of the rate of inflation.

According to preliminary estimates, the real gross domestic product declined during the first quarter of 1976. This decline was attributable to a reduction in the real value added by agriculture, whereas the real domestic product of the non-agricultural sectors showed almost no change during this quarter. Declines in real economic activity were recorded in such sectors as manufacturing, construction, gold mining and the motor trade. On the other hand, relatively high rates of growth were experienced in the retail trade and by non-gold mining production. In the foreseeable future, a major contribution to increased exports and a general revival of real economic activity may be expected from the non-gold mining sector.

In contrast to the decline in domestic product, both at current and constant prices, gross domestic expenditure increased during the first quarter of the year. These developments led to a further increase in the shortfall between domestic supply of goods and services and domestic demand, which was also reflected in a substantial further increase in the deficit on the current account of the balance of payments. The further rise in domestic expenditure was caused by higher private and government consumption expenditure and a substantial increase in inventories, which was only partly offset by a decline in real fixed investment. The increase in inventories, which contributed to the further increase in imports and thus to the deterioration in the balance of payments on current account, was mainly in the form of commercial stocks. The build-

up of inventories at this juncture may possibly be attributed to expectations, towards the end of 1975 and the beginning of 1976, regarding changes in exchange rates and a possible tightening of import control. This investment in inventories was facilitated by the availability of domestic credit from the banking sector. Total gross domestic investment at current prices showed a substantial increase in the first quarter, which was entirely due to the increased inventory investment, whereas gross domestic saving showed a sharp decline and the use of foreign funds for the financing of domestic investment a marked increase.

The deterioration in the current account of the balance of payments to a seasonally adjusted annual deficit of R2 230 million during the first quarter of 1976 was brought about by increases in merchandise imports and net invisible payments to the rest of the world and declines in merchandise exports and the net gold output. The South African balance of payments on current account was detrimentally affected during the past few quarters by a number of developments abroad. Sharply rising import prices, *inter alia* because of the devaluation of the rand, a decline in the price of gold on the private market and relatively low prices for certain of South Africa's export commodities traded on international markets, led to a deterioration in South Africa's terms of trade, compared to the very favourable situation in 1973 and 1974. However, the fact that commodity prices started to rise during the first quarter of 1976, is likely to be beneficial to South Africa's export earnings in the near future. Furthermore, both the value and volume of South Africa's exports may in due course be expected to benefit from the revival of economic activity abroad, which in a number of important countries had started during the second half of 1975, and the advantages gained from the devaluation of the rand. The build-up of inventories during the first quarter as a result of expectations of a possible tightening of import control and exchange rate changes is unlikely to continue in view of the high financing costs, the relative scarcity of credit and the low level of domestic demand. In fact, a depletion of inventories is more likely which will also help the balance of payments. It may, therefore, be expected that the deficit on the current account will be substantially smaller during the second half of 1976 and early in 1977.

The deficit on current account during the first quarter of 1976 was financed almost entirely by a net inflow of capital from abroad. At times, the capital account was affected detrimentally by fluctuations in short-term capital movements resulting from leads in foreign payments

and lags in foreign receipts. Domestic bank credit was used to finance these leads and lags, particularly during January and the early part of February, and this led to a drain on the gold and other foreign reserves. In order to discourage the use of domestic bank credit for these purposes, direct quantitative restrictions on bank credit to the private sector were imposed on 17 February 1976.

Although still unacceptably high, the rate of increase in both consumer and wholesale prices showed encouraging declines after the third quarter of 1974. Notwithstanding the price-raising effects of the devaluation of the rand in September 1975, the rate of increase in consumer prices recorded in the first quarter of 1976 was the lowest since the third quarter of 1973. With the exception of the second quarter of 1975, the rise in wholesale prices in the first quarter was the lowest since the third quarter of 1972. However, the decline in the rate of increase in prices may not continue during the second quarter of 1976, owing *inter alia* to rises in rail tariffs, electricity rates, indirect taxes (including sales duty), steel prices, prices of maize and maize products, cement, vegetable oils and related products, milk and motor vehicles. The authorities, therefore, continue to give high priority to the curbing of inflation and are maintaining their efforts to reduce the increase in the money supply and to gain as much as possible from the collective campaign against inflation.

During the first quarter of 1976 the quantity of money and near-money increased at a lower rate than during the second half of 1975. At a seasonally adjusted annual rate, the increase during the first quarter amounted to somewhat more than 15 per cent, compared with 21 per cent during the second half of last year. Although an increase in bank credit to the private sector and in net bank credit to the government sector continued to account for most of the increase, there was a sharp deceleration in the extension of bank credit to these sectors in the course of the first quarter. During March bank credit to both these sectors actually declined, but then increased again in April 1976.

The decreasing rate of bank credit extension to the private sector was largely due to the banks' tight liquidity position during February and March and the imposition of credit ceilings in February. The banking institutions' excess liquidity position declined to a low level during January and February and then remained very tight during both March and April. At the end of April the excess liquid assets of the banking institutions amounted to only 1 per cent of their total liabilities to the public.

Conditions in the money market continued to tighten during the first quarter, but then eased noticeably during April and the first three weeks of May because of a large increase in the net claims of the Reserve Bank and the National Finance Corporation on the government sector. Private money market interest rates, which had increased during the first quarter, declined sharply

during the first few days of April but then tended to move upwards again, reflecting the effect of the stringent liquid asset requirements for banking institutions and the decline in the gold and other foreign reserves.

When presenting the 1976/77 Budget, the Minister of Finance stressed the need for a conservative budget. Although the government continued to attach the highest importance to the long-term growth of the economy, short-term monetary and fiscal policy called for restraint in order to improve the balance of payments and curb the prevailing high rate of inflation. In terms of this approach, provision was made in the Budget for a marked reduction in the rate of increase in government expenditure, and various direct and indirect taxes were increased in order not to employ government cash balances to any large extent. Although the Budget is not yet exerting its intended effect on the economy owing to the seasonal shift of funds to the private sector, its impact, in co-ordination with that of the present stringent monetary policy, should be considerable towards the end of the year.

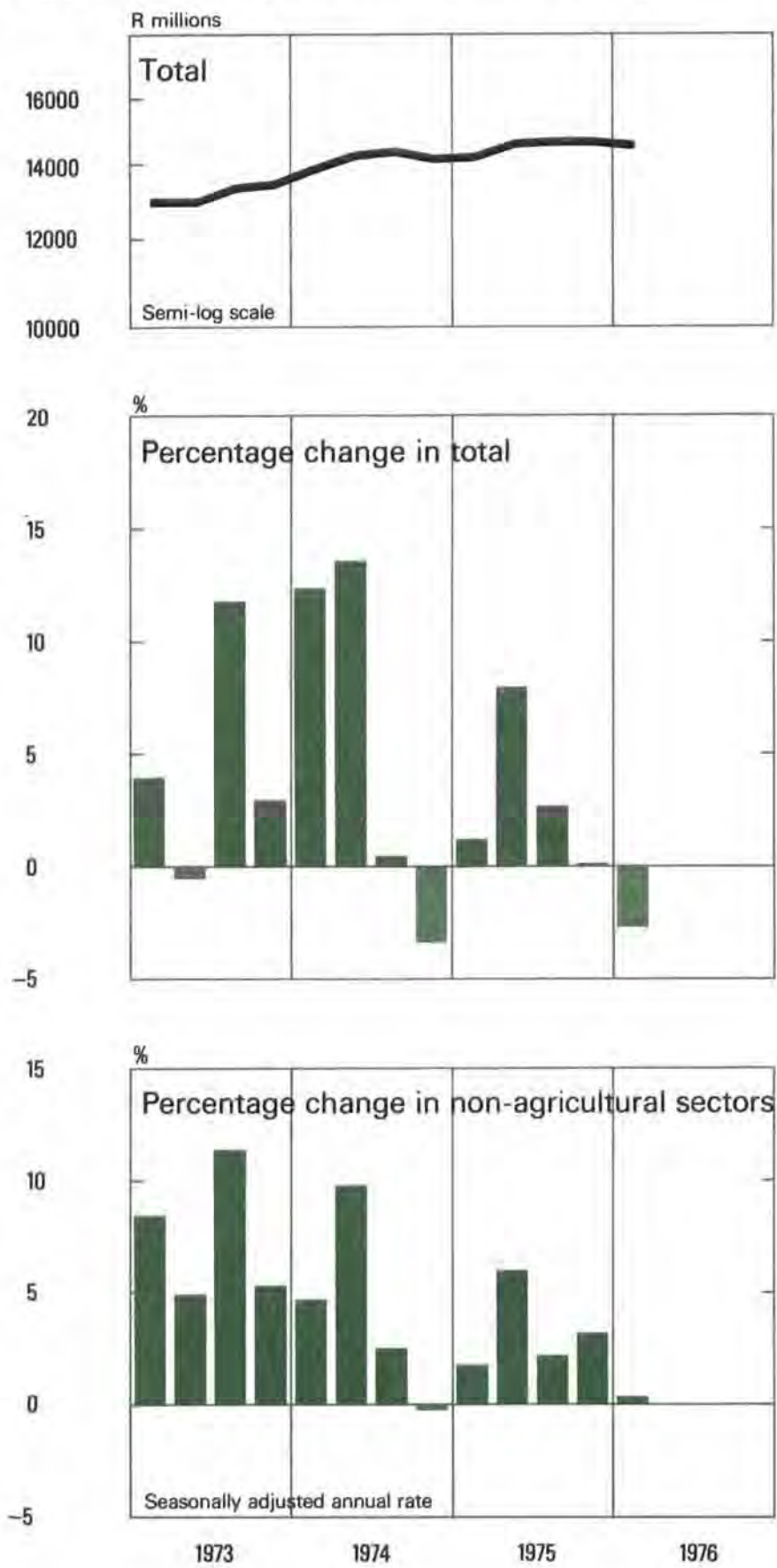
Capital market conditions remained tight notwithstanding the low level of investment activity, especially in the private sector. A substantial demand for loan funds by the public sector was the principal factor responsible for the continued tight market situation. The amount of new funds raised by this sector during the first quarter of 1976 by means of stock issues, excluding the increase in public sector borrowers' holdings of their own stock, was at an even higher level than in 1975 when an exceptionally large amount of funds was raised. In addition, the supply of loanable funds in the capital market was reduced by a lower level of personal saving. This was reflected in a decline in the flow of longer-term funds to financial institutions, especially to the building societies and banking institutions, in the course of the first quarter.

National accounts

Growth rate in gross domestic product

Quarterly estimates show that the real gross domestic product declined during the first quarter of 1976. A notable decline in the real value added by agriculture was the main cause of the decline in the real gross domestic product, whereas the value added by the non-agricultural sectors showed almost no change. Sectors such as manufacturing, construction, gold mining, and the motor trade all showed declines in real economic

Gross domestic product at constant 1970 prices



activity during the first quarter of this year. These declines were partly neutralised by increases in the real value added by the sectors electricity, gas and water, non-gold mining and wholesale and retail trade, and marginally higher real economic activity in the other tertiary sectors.

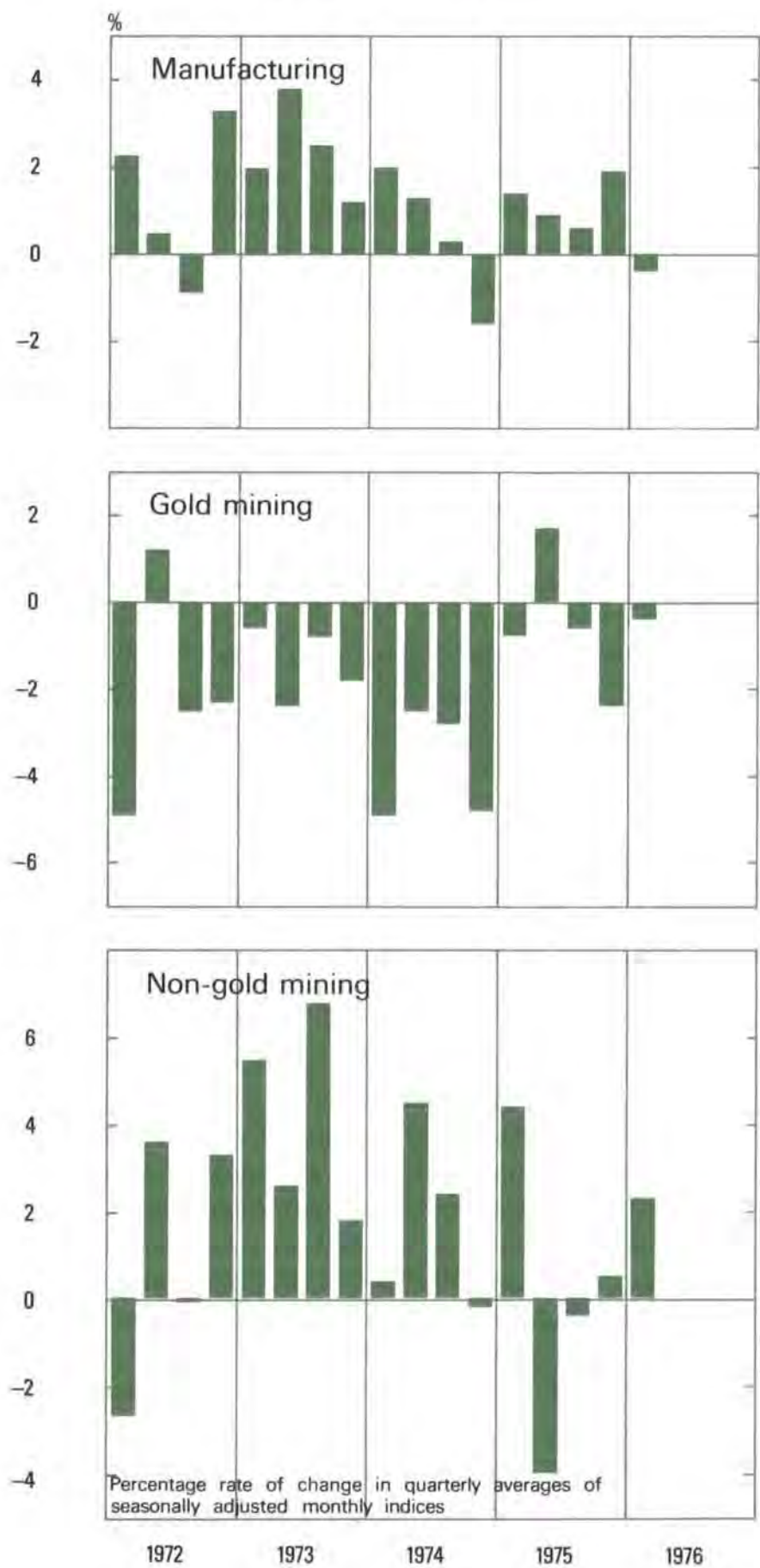
From an analysis of the national accounts, substantiated by tendencies in other important economic indicators, it is evident that the South African economy has now been in the downward phase of the business cycle for about seven quarters. During this period the real gross domestic product moved virtually horizontally with the actual level in the first quarter of 1976 only about 1 per cent above that of the second quarter of 1974. Although this is a disappointing growth performance for South Africa with its high growth potential, it still compares favourably with the growth record of most industrialised countries which recorded relatively large negative growth rates during 1974 and 1975.

As shown by the accompanying graph, the physical volume of manufacturing production, which had increased at relatively low but positive rates throughout 1975, declined during the first quarter of 1976.* After having risen by 1,9 per cent from the third to the fourth quarter of 1975, the volume of production declined by 0,4 per cent from the fourth quarter of 1975 to the first quarter of 1976. This decline in production was also reflected in an increase in the degree of under-utilisation of capacity in manufacturing during the first quarter, a decline in the ratio of overtime to ordinary hours worked and a lower rate of increase in employment. During April, however, the volume of manufacturing production increased again. The decline in gold mining production in the first quarter of 1976 was markedly smaller than during the fourth quarter. Non-gold mining production, which is expected to make a major contribution to an increase in future exports and thus to a general revival in real economic activity, showed a substantial increase.

At current prices, the gross domestic product was also slightly lower than during the fourth quarter of 1975 owing primarily to a sharp decline in the gross operating surplus. In contrast, remuneration of employees rose further during the first quarter of 1976, but the increase was below the fairly consistent increases recorded during all four quarters of 1975. The decline in the operating surplus was largely caused by a further downward movement in the operating surplus of agriculture, but moderate declines were also recorded in the operating surpluses of gold and non-gold mining and manufacturing. The operating surplus of commerce increased slightly whereas that of other sectors on the whole showed little change.

*The figures for the physical volume of manufacturing production have been revised by the Department of Statistics and the percentage changes during 1975 now differ from those used before.

Physical volume of production



Increase in domestic expenditure at constant prices

Contrary to the negative growth rate recorded for the real gross domestic product during the first quarter of 1976, the rate of increase in gross domestic expenditure at constant prices accelerated further to its highest level since the third quarter of 1974. The main contribution to this increase was made by a significant rise in real inventories which had declined during the preceding two quarters. Private and government con-

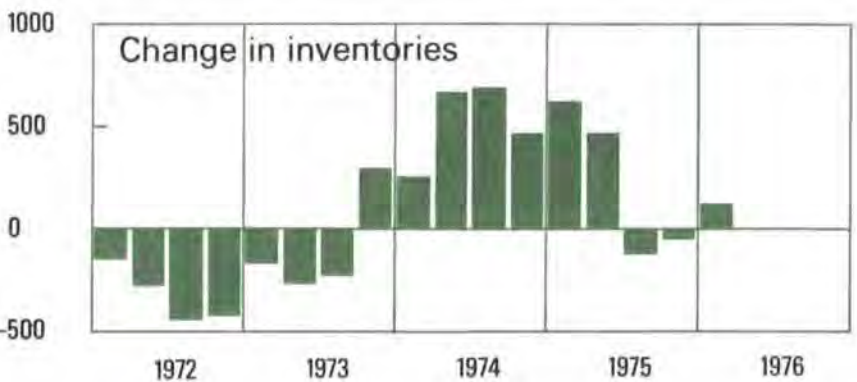
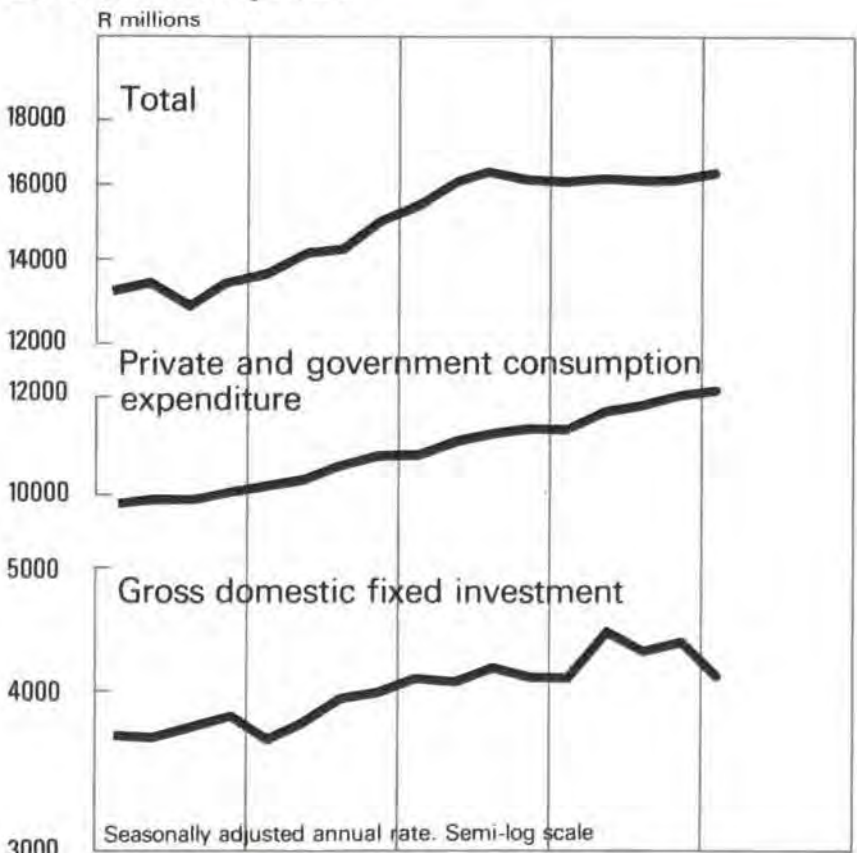
sumption expenditure at constant prices, in total the principal component of domestic demand, increased further during the first quarter but in both cases the percentage increases were less than that recorded in the fourth quarter of last year. In contrast, real gross fixed investment, which had risen moderately during the preceding quarter, declined during the first quarter of 1976.

As a reflection of the decline in the gross domestic product and a further increase in domestic expenditure, both at current prices, the deficit on the current account of the balance of payments increased from the fourth quarter of 1975 to the first quarter of this year.

Further rise in real private consumption expenditure

Private consumption expenditure at constant prices registered a further increase in the first quarter of 1976, but the rate of increase was lower than that recorded in the fourth quarter of 1975. The further rise in real consumption expenditure was reflected in an increase of 2,4 per cent in retail sales at constant prices during the

Gross domestic expenditure at constant 1970 prices



first quarter. The increase in real private consumption expenditure during the quarter under review resulted largely from higher outlays on durable consumer goods. Purchases of television sets, following the official commencement of the service in January 1976, made a major contribution to this increase and was only partly neutralised by a further decline in purchases of new motor cars. After having risen only marginally during the latter half of 1975, outlays on non-durable consumer goods also increased during the quarter under review. Estimates indicate a slight decline in outlays on semi-durable consumer goods, mainly in respect of clothing and footwear.

Available data suggest that a part of the increase in private consumption expenditure was on imported goods and, therefore, contributed towards the further deterioration in the balance of payments during the first quarter of 1976. Given a decline in personal income, the increase in consumer spending also caused the level of personal saving to decline. The latest estimates of consumer credit show an increase of about R400 million, or 17 per cent, during 1975 and indicate the extent to which consumer credit contributed to the lower level of personal saving.

Continued high level of real government consumption expenditure

As mentioned above, real government consumption expenditure increased further during the quarter under review but at a rate slightly below the percentage increase recorded in the fourth quarter of 1975. Increased defence expenditure was almost entirely responsible for this higher level of expenditure because remuneration of employees showed little change and purchases of other goods and services were actually below the level attained in the fourth quarter of 1975.

Further decline in real fixed investment

Real fixed investment expenditure has fluctuated noticeably since 1974 and provisional estimates show another decline during the first quarter of 1976. This decline occurred in various sectors but was particularly marked in the capital outlays of public authorities, both as far as their general departments and business enterprises (mainly the South African Railways and the Department of Posts and Telecommunication) were concerned. Real fixed investment by public corporations showed little change compared with the preceding quarter.

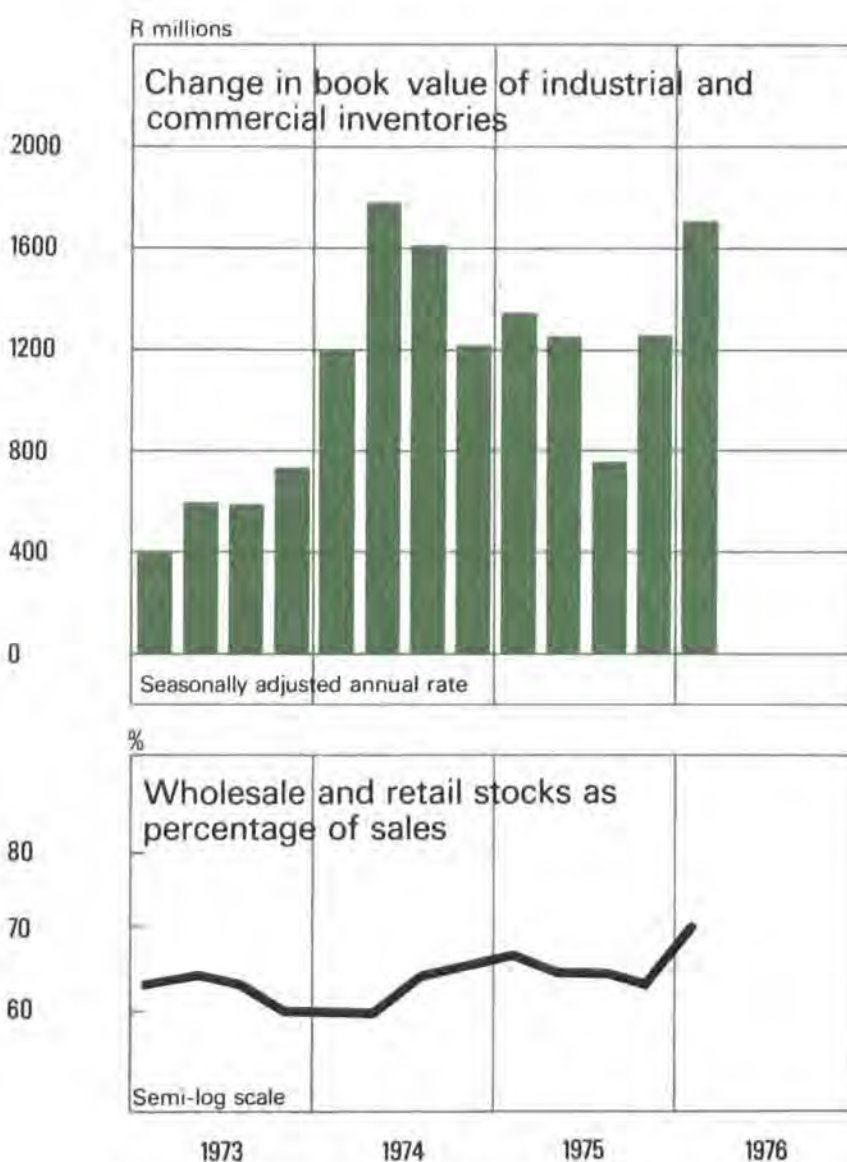
The level of real private fixed investment is currently below the average levels reached during calendar years 1974 and 1975. Within the private sector, practically all sectors recorded declines in their real capital outlays in the first quarter of 1976, but the declines in the agricultural and construction sectors were particularly noteworthy. Fixed investment by the private manufacturing sector showed some increase but this was mainly accounted for by fairly large outlays on machinery and

equipment, particularly by strategic industries. Notwithstanding this increase, total real fixed investment by private manufacturing was only marginally higher than the average level during the first half of 1975. In view of the decline in the utilisation of production capacity during the first quarter of 1976, coupled with the decline in the volume of production and in the value of unfilled orders, real fixed investment in private manufacturing is not expected to show any significant increase in the near future.

Build-up of inventories.

In contrast to the two preceding quarters, during which the total value of inventories at constant prices declined, real inventories showed a marked increase during the first quarter of 1976. The increase during the quarter in total real inventory investment largely resulted from an addition to stocks held by the wholesale and retail trade, but was partly neutralised by a decline in the inventories held by the manufacturing sector. The increase in wholesale and retail inventories, coupled with the further increase in the value of imports during the first quarter of 1976, would appear to indicate that the commercial sector increased substantially its imports of goods because of expectations regarding

Inventories



a possible further adjustment in the exchange rate of the rand and an expected tightening of import control. The higher imports and the concomitant higher level of commercial stocks were, furthermore, facilitated by the availability of domestic credit facilities, particularly during January and the earlier part of February 1976. As a result the present level of wholesale and retail stocks of locally manufactured as well as imported goods may prove to be high in relation to future sales as the ratio of inventories to sales of the commercial sector increased from a level of 63 per cent at the end of December 1975 to about 70 per cent at the end of March 1976. In contrast, the level of inventories of manufacturing as a percentage of sales would appear to have declined during the first quarter largely because of an increase in the latter. In total, the rising trend in the ratio of non-agricultural stocks to the comparable gross domestic product continued in the first quarter of 1976 and increased slightly further from 37,0 per cent in the third quarter of 1975 to 37,3 per cent in the first quarter of this year.

Increase in shortfall of domestic saving

Mainly owing to the sharp rise in inventory investment, aggregate investment at current prices showed a marked increase during the first quarter of 1976. In contrast, domestic saving declined sharply during the first quarter of 1976 with the result that the shortfall of domestic saving to finance domestic investment increased significantly from the already high level reached in the fourth quarter of 1975.

Except for provision for depreciation, which showed its normal upward trend, provisional estimates indicate a downward movement in all the other components of domestic saving, namely personal saving, corporate saving and the current surplus of general government.

Business cycle situation, labour and prices

Economy still in downward phase of the business cycle

Although certain business cycle indicators, such as the volume of merchandise imports, retail sales at constant prices and the value of residential building plans approved, are currently either showing an upward tendency or levelling out, the majority of economic time series indicate that the South African economy is still in the downward phase of the business cycle. This diagnosis is confirmed by an analysis of the national accounts, which shows a decline in the real gross domestic product during the first quarter of 1976. Other important business cycle indicators also show that the economy is still in the downward phase of the business cycle. These include the volume of manufacturing production, cement production, dispatches of steel to the domestic market, the sales of building materials at constant prices, wholesale sales at constant prices, the number of new motor vehicles sold and the number of registered unemployed Whites, Coloureds and Asians. Further evidence of the general slowdown in economic activity is provided by the low rate of increase in total employment in the non-agricultural sectors of the economy, a decline in the ratio of overtime to ordinary hours worked in manufacturing and construction, the degree of under-utilisation of production capacity in manufacturing and the decline in the rate of increase in unfilled orders in manufacturing. From the above it is clear that the slowdown in economic activity is, at this juncture, widely diffused throughout the economy.

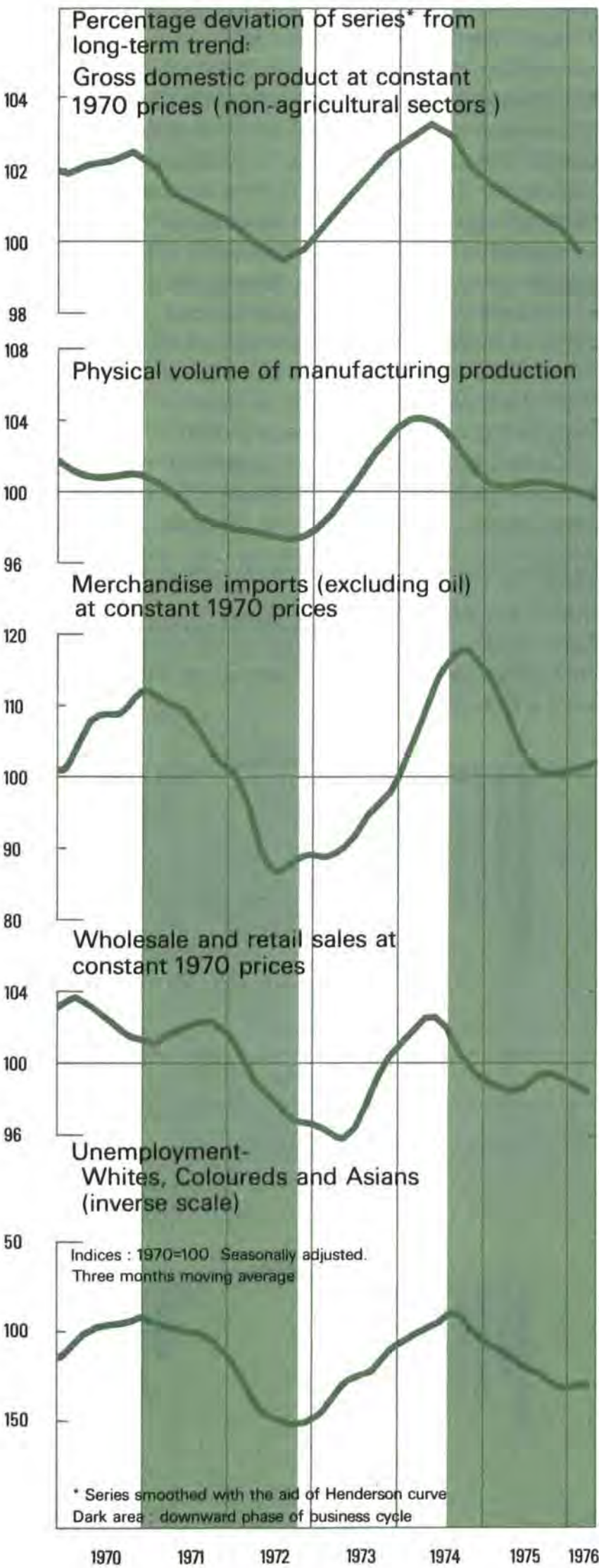
The length of the current downswing, which has now been in evidence for twenty months, is associated with the particularly severe and long recession experienced by most Western countries during 1974 and 1975.

Easy labour situation

The cooling-down in the economy since the third quarter of 1974 caused most sections of the labour market to ease. The number of registered unemployed Whites, Coloureds and Asians rose from 7 243 in August 1974 to 11 827 in November 1975, declined in December 1975 and January 1976 – possibly as a result of the temporary call-up of defence units – and then rose again to 11 947 in April 1976. Further evidence of the easier labour situation is the marked decline in the ratio of overtime to ordinary hours worked in both manufacturing and construction and the decrease in the relative importance assigned to the shortage of labour as a contributing factor to the under-utilisation of production capacity in manufacturing.

The average number of people employed in the non-agricultural sectors of the economy was 2,0 per cent higher during calendar year 1975 than during 1974, but the quarterly rate of increase became progressively smaller during the course of 1975 and was only 0,4 per

Business cycle indicators



cent higher in the fourth quarter of 1975 than in the third quarter. Relatively high rates of increase in employment were recorded in the public sector during 1975, e.g. 6,9 per cent by the S.A. Railways, 5,0 per cent by provincial administrations, 4,1 per cent by the central government, 4,0 per cent by the Department of Posts and Telecommunications and 3,1 per cent by the local authorities, whereas employment in the rest of the non-agricultural sectors increased by only 0,7 per cent.

Notwithstanding the easier labour situation, average salaries and wages rose sharply during calendar year 1975. At current prices average remuneration of Whites rose by 13,6 per cent, that of Non-Whites by 24,2 per cent and that of all races by 17,8 per cent. If the rise in the consumer price index is taken into consideration, real salaries and wages of Whites rose by only 0,1 per cent, that of Non-Whites by 9,4 per cent and that of all races by 3,8 per cent in 1975.

High rate of increase in prices

The rates of increase in consumer and wholesale prices showed an encouraging decline from the third quarter of 1974 to the first quarter of 1976, but are still high by South African standards. It has been gratifying that lower rates of increase in prices were recorded during the past two quarters notwithstanding the price-raising effects of the devaluation of the rand in September 1975. However, the decline in the rate of increase in prices may not continue in the second quarter of 1976 as a result of the recently announced increases in rail tariffs, electricity rates, indirect taxes (including sales duty), steel prices, prices of maize and maize products, milk, cement and vegetable oils and products thereof together with the continued high rates of increase in prices of motor vehicles, furniture and equipment, housing services and clothing and footwear and the secondary effects of the devaluation of the rand.

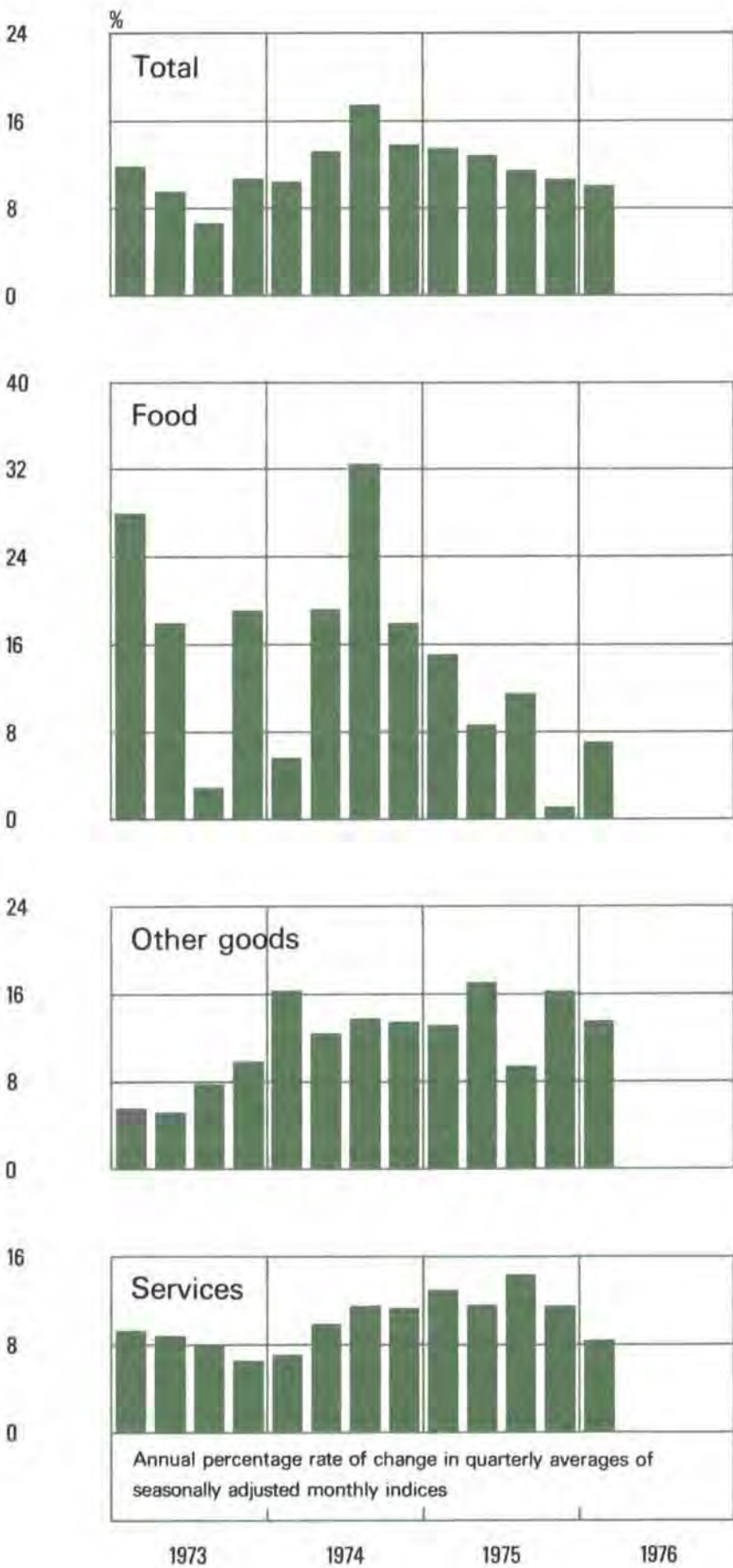
Consumer prices

The annual rate of increase in the seasonally adjusted consumer price index declined almost uninterruptedly from 17,5 per cent in the third quarter of 1974 to 11,4 per cent in the third quarter of 1975. Notwithstanding the price-raising effects of the devaluation of the rand in September 1975, the annual rate of increase in consumer prices declined further to 10,6 per cent from the third to the fourth quarter of 1975 and to only 10,1 per cent from the fourth quarter of 1975 to the first quarter of 1976. This improvement was caused mainly by lower rates of increase in the prices of food and services. The further improvement in consumer price movements in the first quarter of 1976 was attained in spite of an increase, at an annual rate, of 19,9 per cent in vehicle prices and 12,6 per cent in prices of furniture and equipment.

Compared with the corresponding month of the previous year, consumer prices rose by 11,7 per cent to

December 1975, 11,4 per cent to January 1976 and 10,9 per cent to February, before accelerating again to 11,5 per cent to March and 11,3 per cent to April 1976. The increase in April 1976 was partly attributable to the higher indirect taxes, including sales duty, announced by the Minister of Finance in the Budget and the increased rail tariffs and electricity rates effective from April.

Consumer prices



Wholesale prices

A marked improvement has also been recorded in the rate of increase in wholesale prices. After reaching a peak of 24,6 per cent in the third quarter of 1974, the annual rate of increase in the seasonally adjusted wholesale price index fluctuated downwards and amounted to 17,6 per cent in the third quarter of 1975. Mainly owing to a sharp rise in prices of imported goods, the rate of increase in wholesale prices rose slightly to 19,0 per cent in the fourth quarter but declined significantly to 12,7 per cent from the fourth quarter of 1975 to the first quarter of 1976. The latter decline can be attributed to a decline in the annual rate of increase in prices of goods produced in South Africa from 14,5 per cent in the last quarter of 1975 to 10,4 per cent in the first quarter of 1976 and to a decline from 33,2 per cent to 18,8 per cent in the prices of imported goods over the same period.

Compared with the corresponding month of the previous year, the rate of increase of wholesale prices amounted to 16,9 per cent to December 1975, then declined to 14,5 per cent to January and accelerated again to 14,9; 15,2 and 15,8 per cent to February, March and April 1976, respectively. From April 1975 to April 1976 prices of imported goods rose by 20,2 per cent and those of goods produced in South Africa by 14,3 per cent.

Balance of payments

Further large deficit on current account

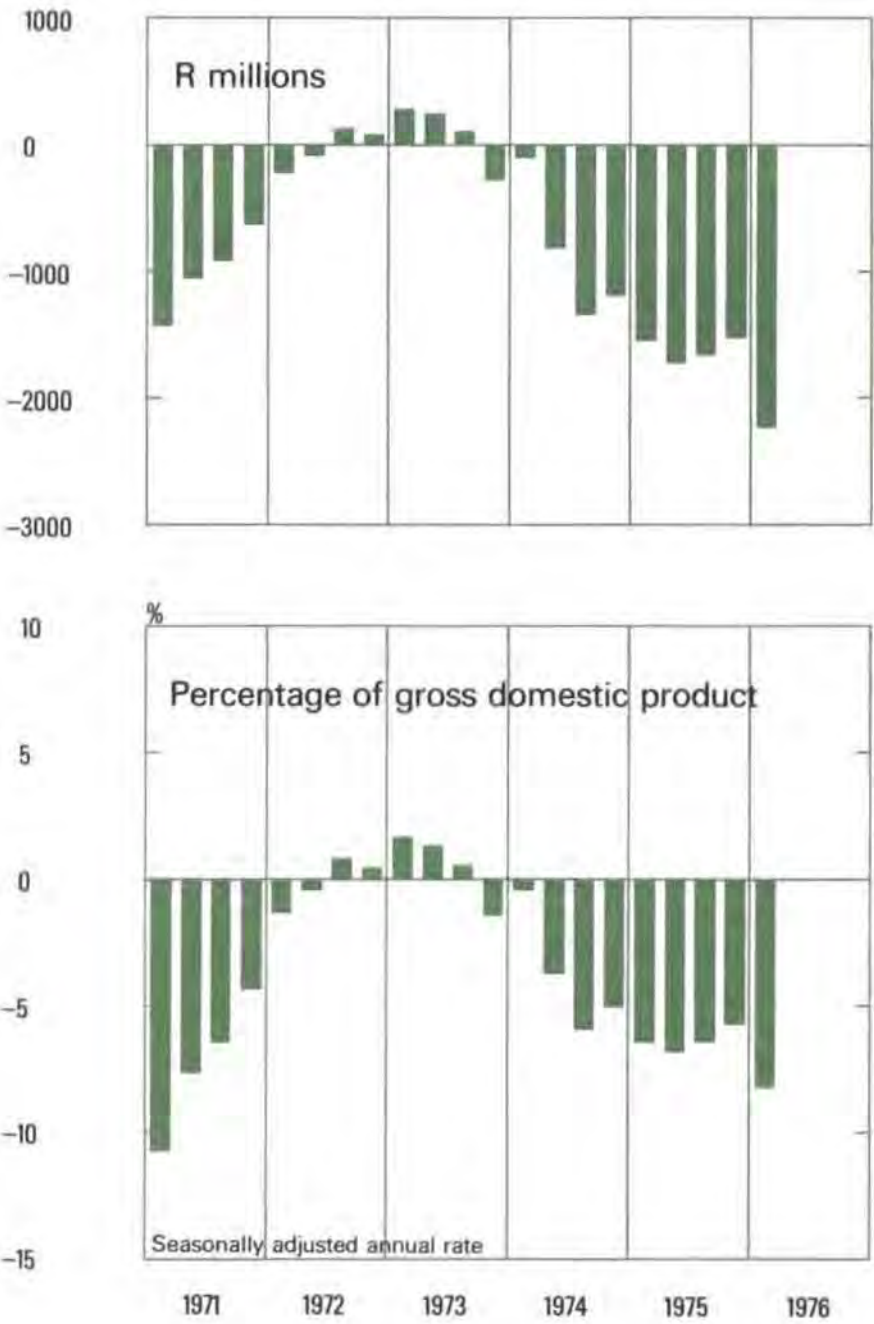
During the first quarter of 1976 the balance on current account showed a deficit of R543 million which, at a seasonally adjusted annual rate, represents an increase from R1 533 million in the fourth quarter of last year to R2 230 million in the first quarter of this year. As a percentage of the gross domestic product, the deficit on current account was about 8 per cent in the first quarter. As shown in the accompanying graph, this ratio has continued to show wide fluctuations in recent years and amounted to 11 per cent in the first quarter of 1971.

The persistently large deficit on current account during the current business cycle downswing may be attributed to a number of special factors. The recession in the Western world has been the severest and longest since the Second World War and has depressed international commodity prices considerably. Moreover, the price of gold on the private market dropped sub-

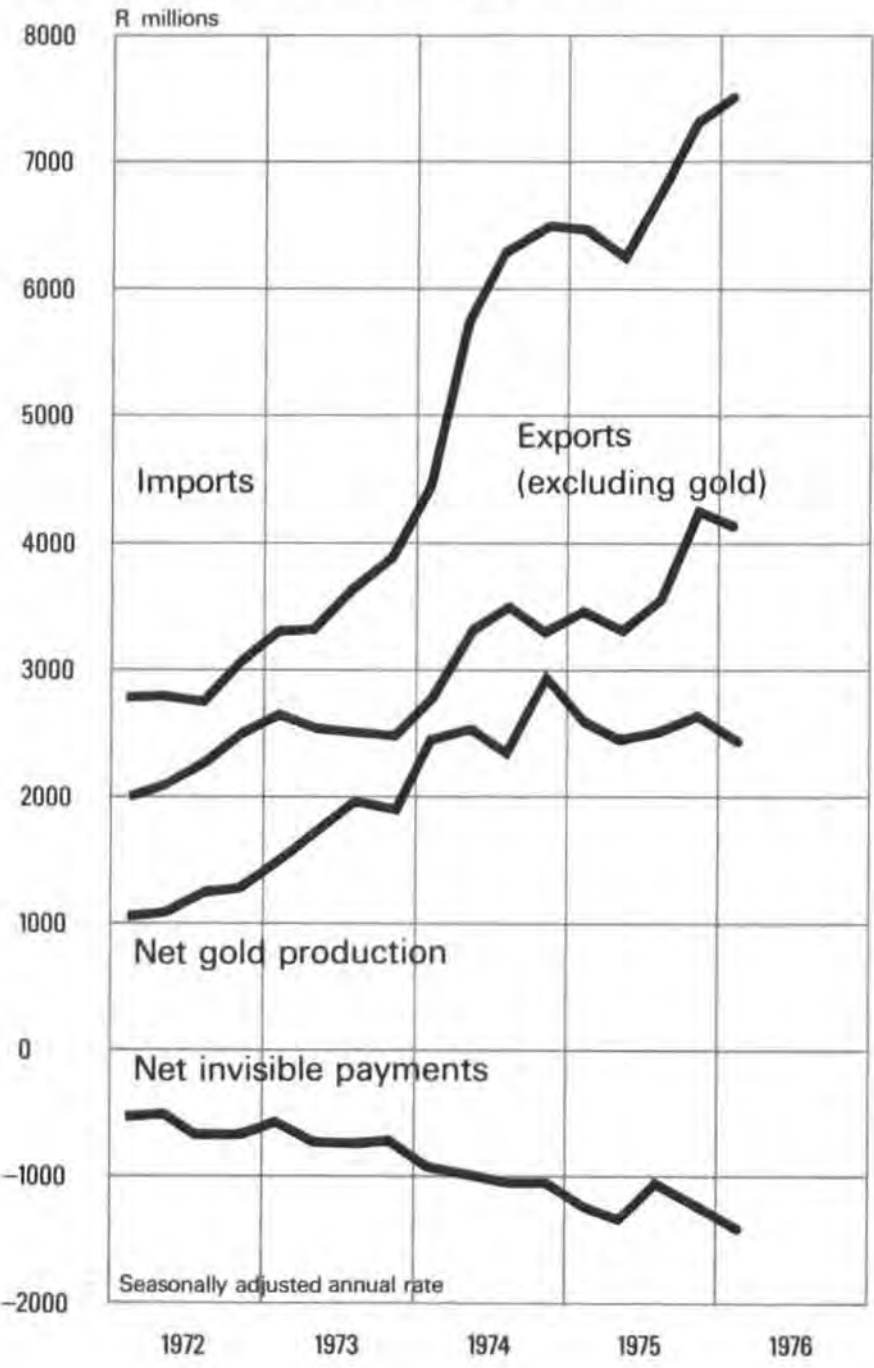
stantially from the beginning of 1975. However, up to the end of 1975 the prices of imported goods and services continued to increase at a high rate. Because South Africa's open economy is to a large extent affected by world economic conditions and prices, these developments depressed South Africa's export earnings and the value of its net gold output, and at the same time raised the cost of imported goods and services. The terms of trade, therefore, turned against South Africa throughout 1975 and the first quarter of 1976. On the domestic front increases in expenditure on durable consumer goods, particularly television sets, and on defence as well as the higher oil bill contributed to the increase in merchandise imports.

The deterioration in the current account during the past six months was, of course, also partly due to the expected temporary adverse effects of the devaluation of the rand in September 1975. The deficit, taken at a seasonally adjusted annual rate, increased from R1 692 million in the six months prior to the

Balance on current account



Balance of payments current account



devaluation of the rand to R1 882 million in the six months following the devaluation. More in particular, the further deterioration in the first quarter of this year was the result of a further increase in merchandise imports and net invisible payments to the rest of the world and a slight decline in merchandise exports and the net gold output.

Merchandise imports increased from a seasonally adjusted annual rate of R7 292 million in the fourth quarter of 1975 to R7 511 million in the first quarter of this year. As in 1975, the further increase in merchandise imports can mainly be ascribed to price increases of imported goods. However, notwithstanding the low rate of growth in real economic activity during the second half of 1975 and the actual decline registered in the first quarter of 1976, the volume of imports, after declining for almost a year, increased slightly during the second half of 1975 and remained at this relatively high level during the first quarter of 1976. This unexpected movement in the volume of imports during a downswing in economic activity may be attributed to expectations regarding further changes in the exchange rate of the rand and a tightening of import control, together with the availability of domestic credit to replace foreign sources of financing imports. During the fourth quarter of 1975 and, more particularly, during the first quarter of 1976, the relatively high level of real imports was also related to the further increase in real gross domestic expenditure, *inter alia* owing to increased expenditure on durable consumer goods (including television sets) in anticipation of further price increases, higher defence expenditure and an increase in inventories. The categories mainly responsible for the increase in merchandise imports at current prices during the past quarter were machinery and electrical equipment, transport equipment, chemical products, paper products and textiles, whereas imports of mineral products and base metals declined.

Net invisible payments to the rest of the world again increased markedly during the first quarter of 1976 mainly owing to a sharp rise in payments for services rendered by foreigners, which more than neutralised the small rise in receipts for services rendered to foreigners. The rise in service payments, in turn, can be attributed to a substantial increase in payments for international freight and insurance as a result of the introduction of higher tariffs during the last quarter of 1975. A decline occurred in dividend payments to foreigners owing to a decline in distributions made by gold mines resulting from the decline in the gold price, and this decline outweighed the increase in interest payments with the result that total payments on foreign investment declined during the first quarter of this year.

The value of merchandise exports declined slightly from a seasonally adjusted annual figure of R4 252 million in the fourth quarter of 1975 to R4 118 million in the first quarter of 1976. This decline was caused largely by a fall in the volume of exports and occurred

mainly in the exports of mineral and agricultural products. On the other hand, the value of base metals and precious and semi-precious stones exported increased markedly. However, the economic revival in most industrialised countries of the world, which in most cases had started during the second half of 1975, and the rise in commodity prices since the first quarter of 1976, will most likely have a beneficial effect on South Africa's exports in the near future.

The value of the net gold output also declined from a seasonally adjusted annual figure of R2 633 million in the fourth quarter of 1975 to R2 435 million in the first quarter of 1976. This decline was brought about by a decline of nearly 7 per cent in the average dollar price of gold on the private market and a small decline in the physical volume of gold production from the last quarter of 1975 to the first quarter of 1976.

Large inflow of capital

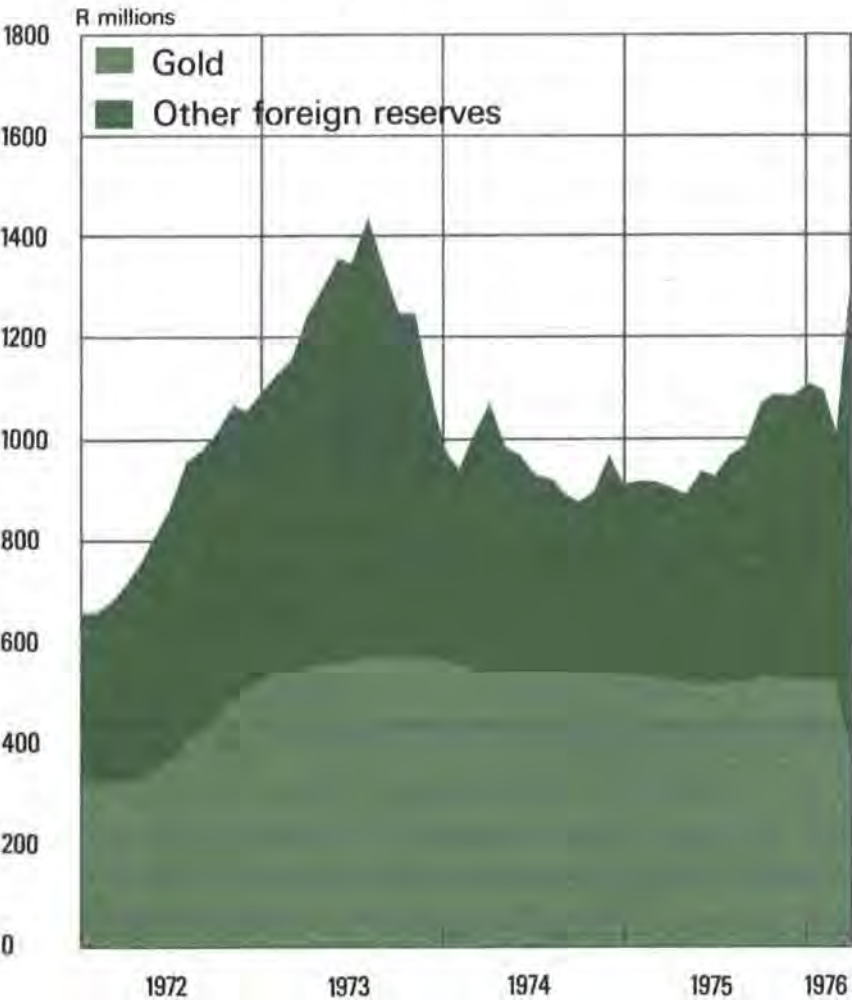
For the seventh consecutive quarter a large net inflow of capital from abroad was recorded during the first quarter of 1976. The net inflow of capital during the first quarter of this year amounted to R498 million, compared to the net inflow of R578 million in the fourth quarter of last year. Although this inflow was again mainly caused by foreign borrowing, with direct equity investment remaining at a low level, its composition differed in certain respects from the inflow recorded during the last quarter of 1975, as shown by the accompanying table. By far the largest part of the net inflow of capital during the first quarter of 1976 was obtained by the central government and banking sector, including an International Monetary Fund drawing of R81 million, whereas the private sector was mainly responsible for the net inflow during the fourth quarter of last year.

Net inflow of foreign capital		
R millions		
	1975 4th qtr.	1976 1st qtr.
Private sector	614	158
Long-term loans of public corporations	220	148
Other long-term capital	35	-76
Short-term capital, including errors and unrecorded transactions	359	86
Central government and banking sector	-36	340
Long-term loans by the central government	162	114
IMF loan	—	81
Other capital	-198	145
Total net inflow	578	498

Changes in the gold and other foreign reserves

The net result of the large deficit on current account and the net inflow of capital during the first quarter of 1976 was a slight decline of R45 million in the gross gold and other foreign reserves attributable to balance of payments transactions. If valuation adjustments, including the valuation adjustment attributable to the gold swap agreement, are taken into account, the gross gold and other foreign reserves increased by R246 million during the first quarter to a level of R1 346 million at the end of March. From the end of March until the end of May 1976, the gross gold and other foreign reserves of the Reserve Bank declined by R264 million to a level of R941 million. This decline was partly due to the repayment of official loans.

Gold and other foreign reserves



Monetary and banking situation

Changes in money and near-money

After having shown a fairly moderate increase during January and February 1976, the seasonally adjusted quantity of money and near-money advanced again during March and April 1976. The seasonally adjusted annual rate of increase during the first quarter of 1976 accordingly amounted to somewhat over 15 per cent, which was well below the rate of increase of approximately 21 per cent during the second half of last year. Excluding near-money, the narrowly defined money supply showed a small further decrease during the first quarter of 1976, after having declined at an annual rate of just over 6 per cent during the fourth quarter of 1975.

The further rise in the money and near-money supply and the decline in the gross domestic product caused the ratio of the money and near-money supply to the gross domestic product to increase further from 30,5 per cent during the fourth quarter of 1975 to 31,7 per cent during the first quarter of 1976.

Causes of changes in money and near-money

As during most of 1975, marked increases in bank credit to the private sector and in net bank credit to the government sector continued to account for most of the increase in money and near-money during the first quarter of 1976. Several important changes occurred, however, in the various causes of changes in private sector liquidity during the quarter, but special factors have to be kept in mind in their interpretation. The increase in bank credit to the private sector, for example, dropped markedly from January to February and actually became negative during March. Similarly, after increasing very sharply during both January and February, the net claims of the banking sector on the government sector, seasonally adjusted, showed a large decrease during March. During April 1976 the situation changed and the further increase in the quantity of money and near-money was caused by a sharp increase in the net claims of the banking sector on the government sector and by an increase in the bank credit to the private sector.

The net gold and other foreign reserves, after having declined markedly during January 1976, showed an exceptionally large decline during February before increasing again by well over R300 million (seasonally adjusted) during March. By far the greater part of the increase during March was, however, accounted for by the Reserve Bank's conversion of a part of its gold holdings into foreign exchange at a market-related gold price, in terms of the gold swap arrangements of 12 March. This procedure, of course, did not as such have any effect on the quantity of money and near-money. It would appear, however, that even after elimination of the effect of the gold swap, the net gold and other

Causes of changes in money and near-money, first quarter of 1976

R millions

	Not seasonally adjusted				Seasonally adjusted			
	Jan.	Feb.	March	1st qtr.	Jan.	Feb.	March	1st qtr.
Net gold and other foreign reserves	-158	-160	251	-68	-139	-213	315	-37
Claims on government sector:								
Gross claims	76	139	29	244				
Government deposits (increase —, decrease +)	-107	-98	-193	-398				
Net claims	-32	41	-164	-154	251	230	-272	209
Claims on private sector	144	105	-59	190	119	62	-75	106
Long-term deposits (increase —, decrease +)	-32	21	165	154	42	-96	182	128
Net other assets	-57	32	54	29				
Total causes of changes	-135	39	248	152	94	14	197	305

foreign reserves, seasonally adjusted, did show a not insignificant increase during March. The large increase in "other liabilities" of the Reserve Bank (and the banking sector) that occurred as the counterpart of the Reserve Bank's book profits on its gold sale was more than offset by increases in various "other assets".

Long-term deposits of the private sector, which had shown substantial quarterly increases throughout 1975, declined markedly during the first quarter of 1976, mainly as a result of a very large decrease in such deposits during March. To some extent, this reflected the shift from long-term into medium-term liabilities of deposits of long-term original maturities initially solicited by the banks after the increase in the liquidity requirements in August, October and November 1975.

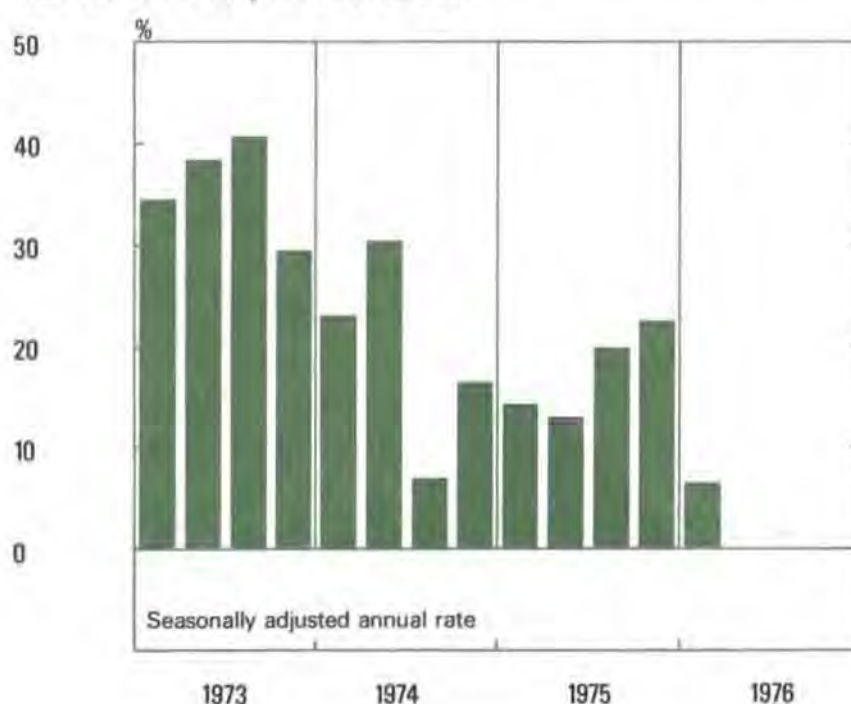
Bank credit to the private sector

During the first quarter of 1976 the banking sector's claims on the private sector increased by R190 million, before seasonal adjustment, or by R106 million after seasonal adjustment, i.e. at a seasonally adjusted annual rate of about 5 per cent. This compares with rates of over 20 per cent during the second half of 1975 and approximately 17 per cent during 1975 as a whole.

The increase in the total claims on the private sector during the first quarter of 1976 was more than fully accounted for by increases in the discounts and advances of the commercial banks and, to a much smaller extent, of the monetary hire-purchase and general banks. These discounts and advances actually rose by as much as R356 million during January and February, before declining by R79 million during March. Decreases also occurred during the quarter in the total investments of the banking sector in private-sector securities, and in the discounts and advances of the Land Bank, the merchant banks and the discount houses.

Several factors contributed to the sharp deceleration in the extension of bank credit in the course of the

Percentage change in claims of the banking sector on the private sector



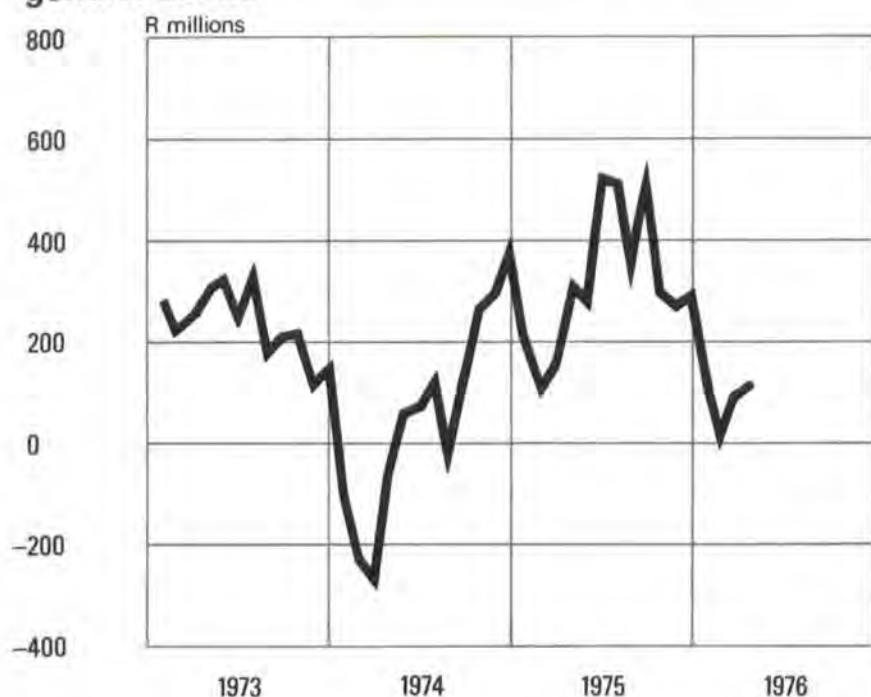
first quarter. These included the banks' tight liquidity position during February and March and the imposition of credit ceilings in February, based on the figures for the end of December 1975. The credit ceilings were applied strictly, although concessions had to be made for certain contractual commitments entered into before the introduction of the ceilings.

During the first four months of 1976, the discounts and advances of commercial banks, merchant banks and monetary hire-purchase and general banks increased by 3,7 per cent, whereas their investments declined by 1,6 per cent, together amounting to an increase of 3,0 per cent.

Liquidity of banking institutions

After having declined to very low levels during January and February 1976, the banks' excess liquidity position remained very tight during both March and April. At the end of April the excess liquid assets of the banking insti-

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



tutions amounted to only 1 per cent of their liabilities to the public. This is a low percentage if account is taken of the fact that a certain margin is required to accommodate fluctuations and shifts in liabilities. The tightening of the banks' liquidity position was due mainly to the seasonal movement of tax and loan funds to the government sector during January and February, continuing declines in the net gold and foreign exchange reserves, especially during April, and a relative shift to shorter deposits by the public during March, which increased the liquid asset requirements in April.

Money market conditions and interest rates

Conditions in the money market remained tight during March but then eased substantially during April and May, owing mainly to the large increase in the net claims of the Reserve Bank and the National Finance Corporation on the government sector.

Under these conditions Reserve Bank accommodation to the banks and discount houses, which was at a high level over the February month-end, declined sharply during March and became negligible at the beginning of April. Call loans with the discount houses, which had declined sharply to R508 million on 1 March, increased substantially during the remainder of March and during April and May (to R841 million at the end of May), allowing the discount houses to repurchase most of their Treasury bills still under discount with the Reserve Bank. Because the discount houses had been "turning away" call money due to the capital constraint of the Banks Act, the banks also substantially increased their balances, in excess of the supplementary cash requirements, with the National Finance Corporation. The amount of "free" balances with the

Money market interest rates



National Finance Corporation reached a peak of R276 million on 14 May, and then declined slightly to R227 million on 4 June.

After increasing further during March, private money-market interest rates declined sharply during the first few days of April but then moved upwards, reflecting, *inter alia*, the effect of the stringent liquid asset requirements. The 90-day NCD rate, for example, declined from 14,75 per cent on 26 March to 10,30 per cent on 9 April but subsequently increased to 12,00 per cent on 4 June. The discount rate on three-month bankers' acceptances declined from 11,75 per cent on 26 March to 10,50 per cent on 9 April, remained at this level until 21 May, and then increased to 10,75 per cent on 4 June. The Treasury bill tender rate, on the other hand, declined almost uninterruptedly from 7,28 per cent on 26 March to 7,19 per cent on 14 May, but increased to 7,28 per cent on 4 June.

Interest rates on deposits with banking institutions, which tended to move upwards during the first week of February, remained unchanged during the remainder of February and during March, April and the first three weeks of May.

Government finance

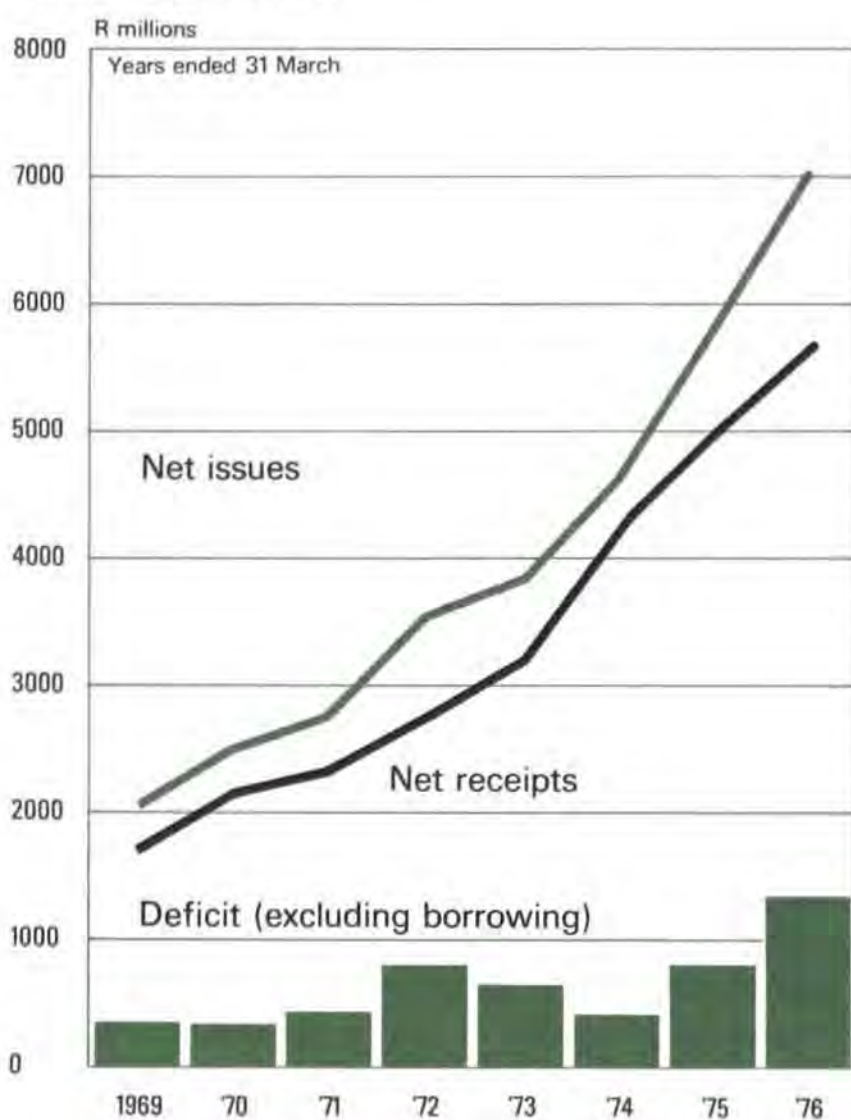
Exchequer issues and receipts

During the fiscal year 1975/76 Exchequer issues amounted to R7 016 million, representing an increase of 21 per cent compared with issues during the preceding fiscal year. Total Exchequer receipts (excluding borrowing) increased to R5 663 million, or by nearly 14 per cent. Income tax and lease payments by gold mines amounted to R642 million which reduced the relative importance of the gold mining industry as a source of current revenue for the central government to the 1973/74 level. These payments represented 11 per cent of total revenue in 1975/76, compared with about 15 per cent in 1974/75. Income tax receipts from other companies rose by R295 million, or 24½ per cent, those from individuals by R278 million, or 26 per cent, and customs and excise and sales duty receipts by R164 million, or 16 per cent.

Exchequer deficit

Exchequer Account issues exceeded receipts (excluding borrowing proceeds) by an amount of R1 353 million. As anticipated in the original budget, this deficit was substantially larger than the figure of R816 million recorded in the 1974/75 fiscal year.

Exchequer Account



In financing this deficit, only a limited contribution of funds was received from the Public Debt Commissioners and the Treasury had to rely extensively on other sources of finance. The Public Debt Commissioners experienced a substantial withdrawal of funds, in particular by the Department of Defence, the South African Railways, the Armaments Board, the provincial administrations and the National Road Fund. The Public Debt Commissioners' contribution of funds to the Exchequer, therefore, amounted to only R39 million, which was markedly lower than usual and substantially less than the figure for 1974/75. In an attempt to find other sources of finance, the Treasury launched a successful borrowing programme aimed at obtaining funds from the private non-banking sector. As a result, an amount of R431 million was raised in this sector and it accounted for the financing of almost one-third of the deficit and was also R291 million more than the amount raised during the preceding year. In addition to this programme, the Treasury increased its foreign borrowing to R347 million, of which R100 million represented drawings on the International Monetary Fund. This amount was R255 million more than the Treasury's foreign borrowing in 1974/75. The balance of the deficit, namely R536 million, was financed by an increase in the net indebtedness to the monetary banking sector. The net new investments of the monetary banking sector in government securities actually amounted to R848 million, but at the same time the Exchequer's cash balances increased by R312 million. At the end of March 1976 these cash balances amounted to R930 million, of which R822 million represented the balance on the Stabilization Account.

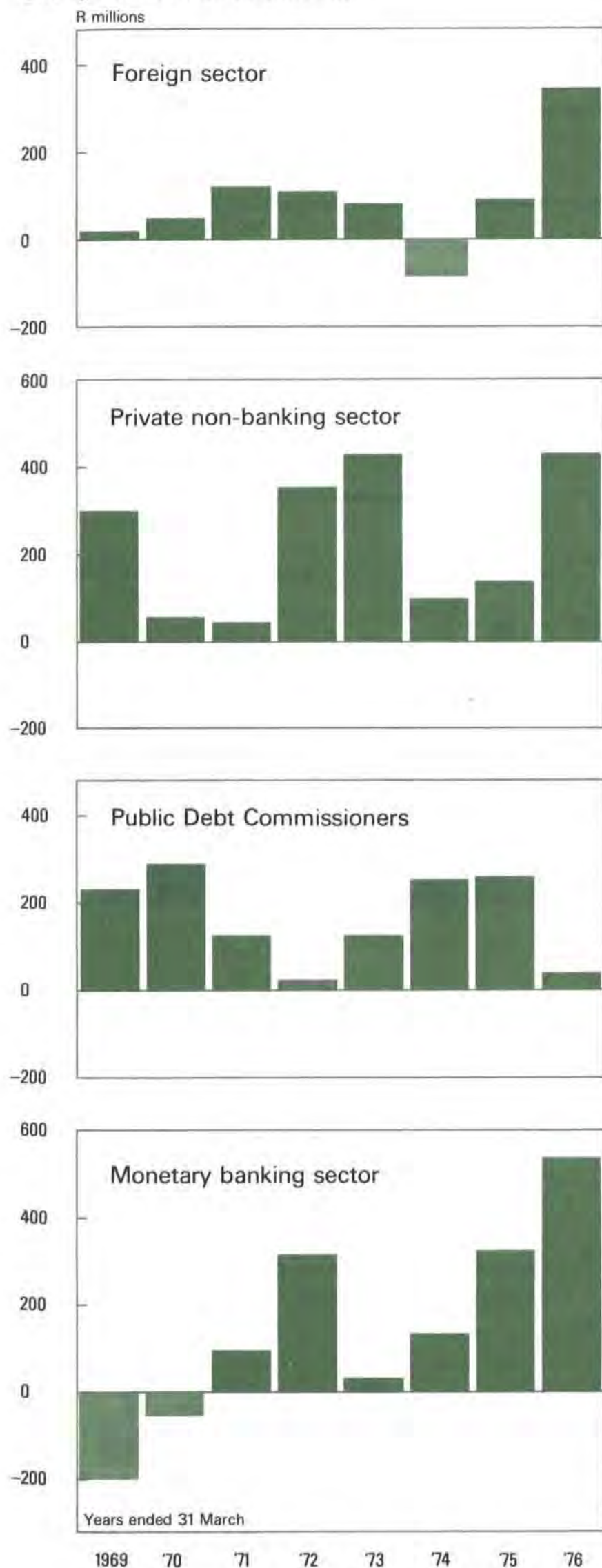
Between 1 and 8 June 1976 special 8 per cent Treasury Bills were made available to investors. These bills will be converted on redemption into two new government stock issues, which will be made available as from 1 July, when stock amounting to nearly R260 million will fall due for redemption. The Minister of Finance stated that the three-year stock issue will have a rate of not less than 8 per cent per annum.

The 1976/77 Budget

The need for a conservative budget, in the sense of curbing state expenditure where possible, was stressed by the Minister of Finance when he presented his 1976/77 Budget to Parliament on 31 March 1976. He stated that although the government continued to attach the highest importance to the long-term growth of the economy, there were several factors that necessitated an appropriate measure of financial discipline. Firstly, there were uncertainties regarding the duration of the unfavourable external factors which had been influencing the economy and in particular the balance of payments. Because it might be some time before more favourable external conditions would materialise, it was necessary to maintain strict control over aggregate demand in order not to expose the balance of pay-

Exchequer financing

Change in net indebtedness to



ments to undue strain. Secondly, the campaign against inflation also required restraint in fiscal policy. Although it was believed that cost-push, rather than demand-pull, factors were mainly responsible for the existing inflation, it was nevertheless important that adequate control should be maintained over the money supply. This was necessary to avoid an increase in inflationary pressures, caused by excessive monetary demand, once the economic growth rate started to increase. Monetary and credit policy was already directed towards that objective, but it was essential that these monetary measures should be reinforced by fiscal policy. However, balance and perspective in the application of fiscal policy had to be maintained and it would not be necessary to apply so restrictive a financial policy as to stultify economic growth. Due regard also had to be paid to social priorities.

In order to accommodate a substantial increase in defence expenditure and to ensure at the same time that total state expenditure would not increase in real terms, stricter economies were applied to other government departments. After taking into account proposals by the Minister to increase social and civil pensions, total expenditure for the 1976/77 fiscal year was estimated at R7 832 million, or 11 per cent above the estimated comparable expenditure for 1975/76. On the then existing basis of taxation, the Treasury was left with a substantial deficit. The policy approach adopted in the Budget required that a considerable portion of the shortfall be met from additional taxation rather than from the employment of available cash balances. Consequently, both indirect and direct taxes were increased. The former included increases in sales duties and in excise duty on beer, fortified and sparkling wines, spirits, tobacco and petroleum products and was expected to yield an additional R275 million during the fiscal year. Higher direct taxes, expected to raise R148 million, included an additional 5 per cent surcharge on basic taxes payable by individuals and companies (excluding diamond mining companies) and increases in the rates of non-resident shareholders' tax and undistributed profits tax. The Minister introduced a loan levy equal to 10 per cent of tax payable by individuals and increased the loan levy payable by companies from 5 per cent to 15 per cent.

The deficit (excluding borrowing) on the State Revenue Account was estimated at R1 463 million. The Minister expected to finance this amount through *net* domestic borrowing of R1 051 million (including R394 million by way of loan levies and R120 million through the issue of National Defence Bonds*) and net foreign

*On 10 June it was announced that subscription lists for the five-year Defence Bonds will open on 1 July. Interest will be paid half-yearly at a rate of 9.5 per cent per annum with a 3 per cent bonus interest at maturity. Investments may be redeemed at par prior to maturity; for estates at any time after six months and in all other cases any time after 12 months.

borrowing of R120 million. Available cash balances would be employed to the extent of R292 million, of which R240 million would represent part of the balance on the Stabilization Account.

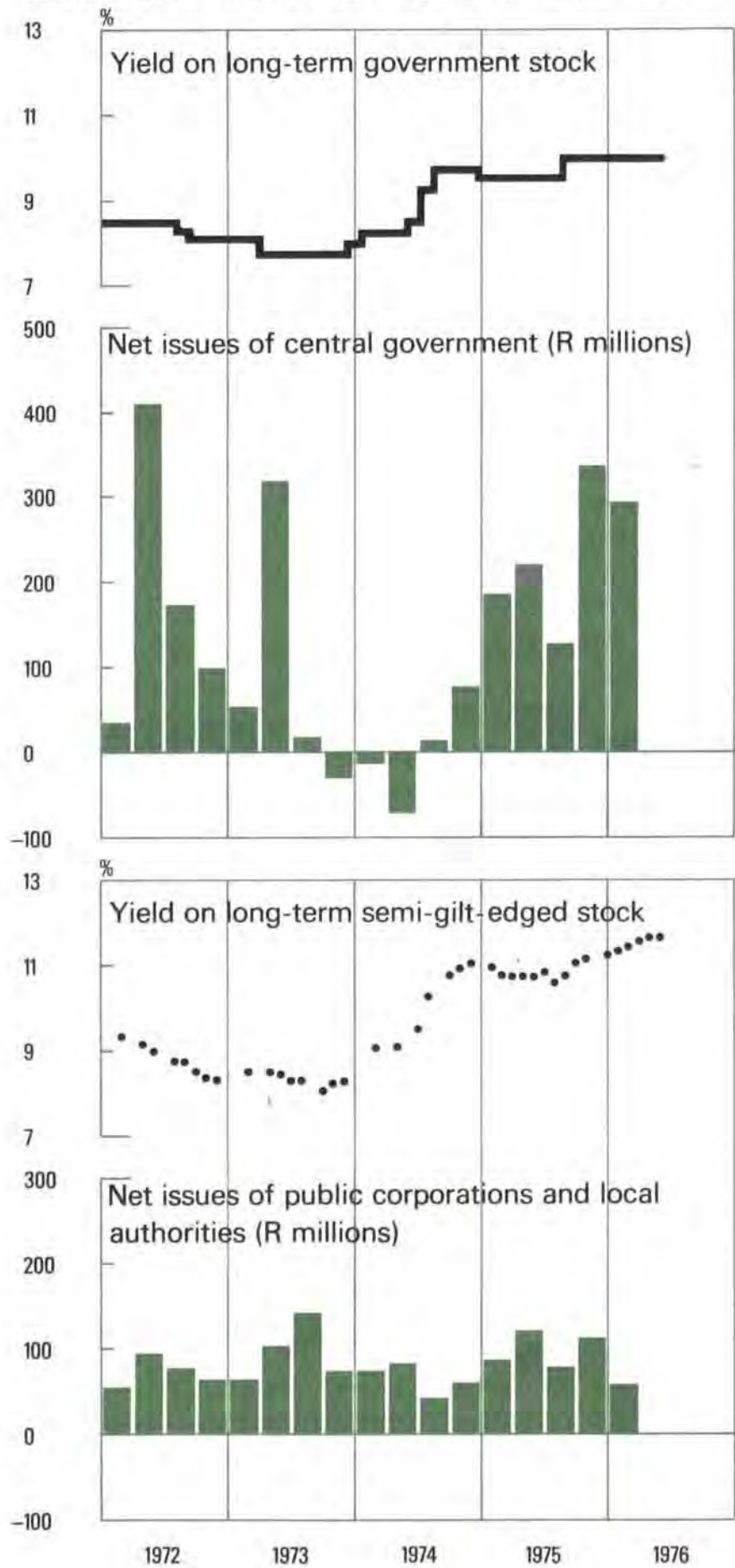
The Minister proposed that he be empowered, as suggested *inter alia* by the Commission of Enquiry into Fiscal and Monetary Policy, under certain conditions to raise or lower the loan levy between Budgets. He suggested that the maximum decrease, or increase, should be 10 per cent of the basic tax and that any such adjustment should be subject to Parliamentary approval during the following session.

Capital market

Large demand for funds in the fixed-interest security market

Conditions in the fixed-interest security market remained tight during the first four months of 1976. This was reflected in a further rise in some yields and in the under-subscription of a number of new issues

Yields and net issues of marketable stock, excluding borrowers' holdings of own securities



during this period. The yield on long-term government stock remained unchanged at 10,00 per cent, but during March and April stock traded at slightly lower yields in the secondary market. The representative yield on long-term semi-gilt-edged stock moved upwards during the first four months of 1976 to reach a figure of 11,65 per cent in April, compared with 11,35 per cent at the end of last year. Only one new issue of company debentures was made during the first four months of the year and it offered a yield to redemption of 13,375 per cent. This yield was still within the range of 13,25 to 13,50 per cent that had applied to immediately preceding issues. Secondary market yields on company debentures confirmed that there was virtually no change during this four-month period.

The rather tight market situation was due to the public sector's very large demand for loan funds. The amount of new funds raised in the fixed-interest security market by public sector borrowers during the first quarter, excluding the increase in their holdings of their own securities, was at an even higher level than in 1975 when an exceptionally large amount of funds was raised. At an annual rate, the figure for the first quarter amounted to R1 400 million, compared with R1 270 million in 1975. New funds raised during the first quarter of 1976 in the fixed-interest security market by companies listed on the Johannesburg Stock Exchange, however, was at a lower level than in 1975.

Continuation of depressed conditions on the stock exchange

The sharp decline in the price of gold in September 1975 led to a marked decrease in gold mining share prices during the period September 1975 to January 1976. During February and March these prices rose marginally, but during April they fell back again. In that month the prices of gold mining shares were on average 32 per cent lower than in August and 8 per cent lower than in December last year. Financial mining share prices continued to fluctuate downwards, whereas coal mining share prices increased noticeably during March and April and registered an increase of 12 per cent during the first four months of 1976. The prices of all the remaining classes of shares continued their downward trend during the period January to April and the decline in these classes of share prices ranged from 1 to 6 per cent.

The average dividend yield on all classes of shares increased from 8,2 per cent in December last year to 8,6 per cent in April. Compared with the yield on long-term government stock, the inverse yield gap narrowed from 1,8 per cent in December to 1,4 per cent in April.

Unit trusts experienced a further net outflow of funds during the first quarter of 1976. Net repurchases of units amounted to R2 million. Because of a net sale of securities and the decline in share prices, the market value of their net assets declined by R19 million to R293 million during these three months.

Reduced flow of funds to deposit-receiving and related institutions

The seasonally adjusted flow of longer-term funds to deposit-receiving and related institutions declined sharply during the first quarter of 1976. In the case of building societies, the seasonally adjusted increase in shares and deposits amounted to R155 million, compared with R233 million in the last quarter of 1975 and a quarterly average of R200 million for the year 1975 as a whole. In order to enable the building societies to compete more effectively for deposits and thereby to arrest the sharp decline in their net intake of funds, the Reserve Bank announced that with effect from 15 June 1976, the prescribed maximum interest rates which building societies and banking institutions may pay on deposits will apply to all individual deposits of R1 million or less, instead of only to individual deposits of R250 000 or less. At the same time it was announced by the Minister of Finance that the maximum allowable rate of interest on the special tax-free building society shares will be increased from 7½ to 8 per cent per annum. The maximum holding of these shares, however, remain unchanged at R10 000 per taxpayer. Banking institutions' savings and longer-term deposits, seasonally adjusted, actually decreased by R93 million during the first quarter, after an exceptionally large average quarterly increase of R242 million had been recorded during 1975. The flow of

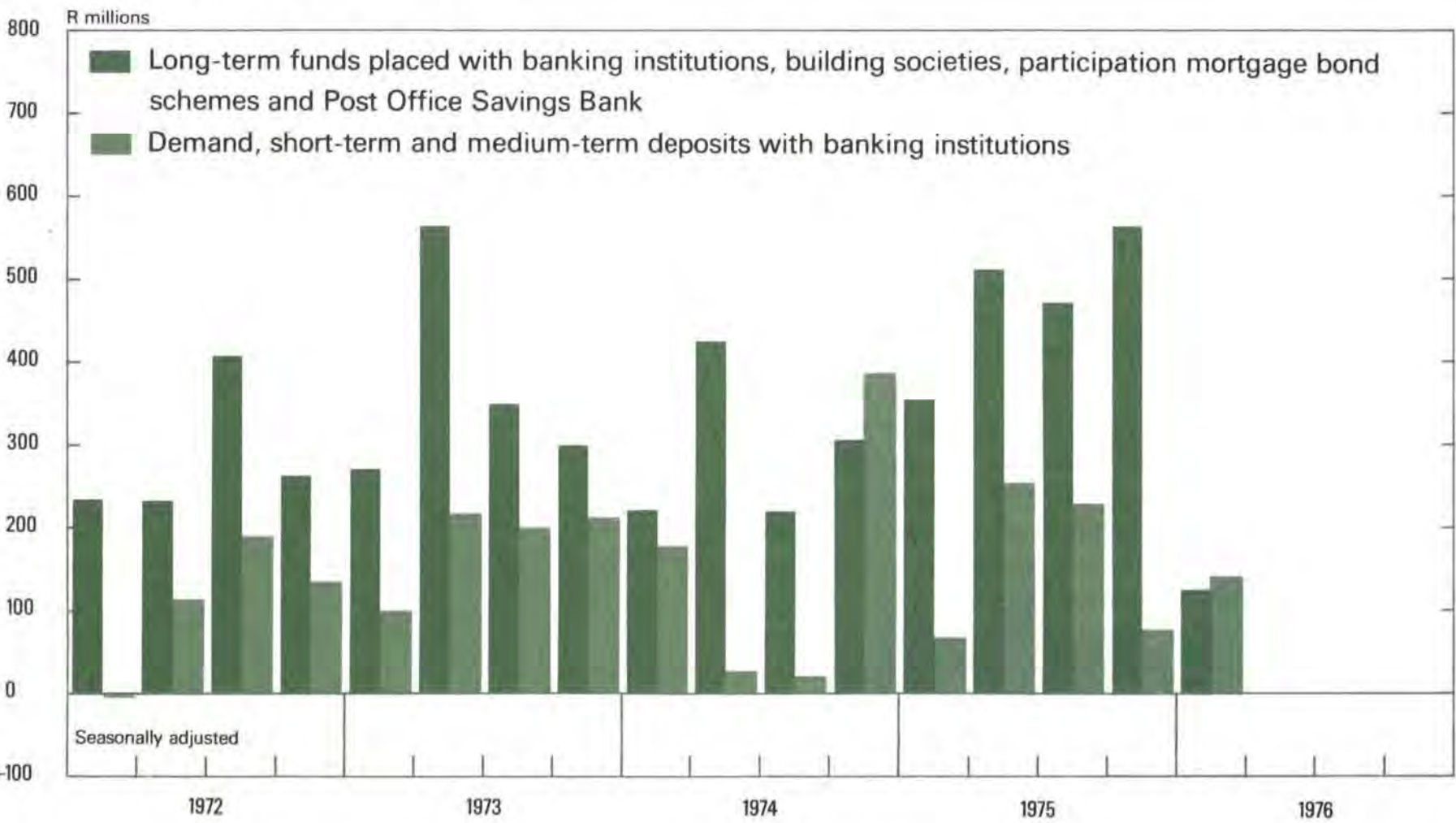
funds to participation mortgage bond schemes during the first quarter amounted to R21 million and it, therefore, remained at the somewhat higher level to which it had risen during the fourth quarter of last year. Similarly, the net investment in the Post Office Savings Bank, Savings Bank certificates and National Savings certificates, which amounted to R31 million during the first quarter, was maintained approximately at the same level as in 1975.

Together with a small investment in Treasury premium bonds, the total flow of funds to the above-mentioned institutions during the first quarter, at a seasonally adjusted annual rate, amounted to R504 million, compared with R1 904 million during 1975 as a whole. These aggregates, therefore, suggest that personal saving, which had shown a declining tendency during the last three quarters of 1975, moved to an even lower level during the first quarter of 1976.

Mortgage and real estate markets

A smaller flow of funds to mortgage market intermediaries during the first quarter of 1976 led to a decline in mortgage lending. The decline was most pronounced in the case of building societies. New mortgage loans granted by the societies during the first quarter amounted to R301 million which was R58 million, or 16 per cent, less than the corresponding

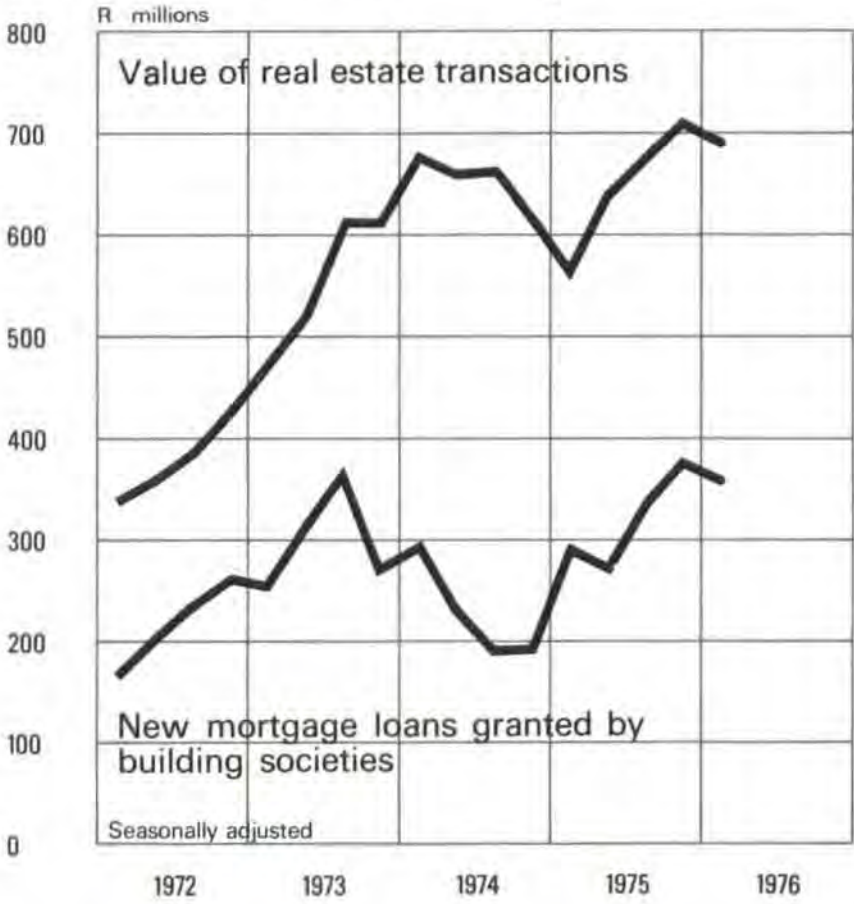
Flow of funds to financial institutions



amount for the fourth quarter of last year and also 5 per cent lower than the quarterly average for 1975. The smaller lending of the societies was accompanied by a reduction of their commitments in respect of new loans granted but not yet paid out, which declined by R30 million. This reduction meant that the amount actually paid out on new mortgages was maintained at only a slightly lower level than in the last quarter of 1975. New mortgage loans granted by participation mortgage bond schemes during the first quarter, amounted to R42 million, compared with R54 million in the fourth quarter of last year and a quarterly average of R30 million for 1975.

Activity in the real estate market, as measured by the value of real estate transactions, increased moderately during the last three quarters of 1975. Judging by the figures for the first two months of 1976, this increase did not continue into 1976 and the level of activity during the first two months was slightly lower than in the fourth quarter of last year.

Fixed property market



Kwartaallikse ekonomiese oorsig

Algemene opmerkings

Nasionale rekeninge-gegewens sowel as ander belangrike ekonomiese aanwysers toon dat die Suid-Afrikaanse volkshuishouding nou reeds vir ongeveer sewe kwartale in die afwaartse fase van die konjunkturgolf verkeer. Alhoewel sekere aanwysers 'n effens hoër groeikoers gedurende die tweede helfte van 1975 getoon het, toon inligting met betrekking tot ontwikkelings gedurende die eerste kwartaal van 1976 duidelik dat die onderste draaipunt van die konjunkturgolf tot nog toe nie bereik is nie.

Die Suid-Afrikaanse volkshuishouding word tans in die gesig gestaar deur 'n ongunstige betalingsbalans, 'n inflasiekoers wat nog steeds te hoog is, en 'n betreklik lae ekonomiese groeikoers. Alhoewel alle pogings om produktiwiteit te verbeter en die beter benutting van produksiebronne te verkry, voortgesit sal word, bly die owerhede se hoogste voorkeur die verbetering van die betalingsbalans en die vermindering van die inflasiekoers.

Volgens voorlopige ramings het die reële bruto binnelandse produk gedurende die eerste kwartaal van 1976 gedaal. Hierdie daling was toe te skryf aan 'n afname in die reële toegevoegde waarde van die landbou, terwyl die reële binnelandse produk van die nie-landbousektore gedurende hierdie kwartaal bykans geen verandering getoon het nie. Afnames in reële ekonomiese bedrywigheid is aangeteken in sulke sektore soos die fabriekswese, konstruksie, goudmynbou en die motorhandel. Aan die ander kant is betreklik hoë groeikoerse deur die kleinhandel en die nie-goudmynbrouproduksie ondervind. Binne afsienbare tyd kan 'n belangrike bydrae tot verhoogde uitvoere en 'n algemene oplewing van die reële ekonomiese bedrywigheid van die nie-goudmynbousektor verwag word.

In teenstelling met die afname in die binnelandse produk, teen sowel heersende as konstante pryse, het die bruto binnelandse besteding gedurende die eerste kwartaal van die jaar toegeneem. Hierdie ontwikkelings het tot 'n verdere toename in die ongunstige balans tussen die binnelandse aanbod van goedere en dienste en die aanvraag gelei, wat ook in 'n aansienlike verdere toename in die tekort op die lopende rekening van die betalingsbalans weerspieël is. Die verdere styging in die binnelandse besteding is veroorsaak deur toenames in die private en owerheidsverbruiksbesteding en 'n aansienlike toename in voorrade, wat slegs gedeeltelik deur 'n afname in die reële vaste investering geneutraliseer is. Die toename in voorrade, wat tot die verdere toename in invoere en derhalwe ook tot die ver-

swakking van die lopende rekening van die betalingsbalans bygedra het, was hoofsaaklik in die vorm van handelsvoorrade. Die opbouing van voorrade op hierdie tydstip kan moontlik toegeskryf word aan verwagtings, teen die einde van 1975 en die begin van 1976, aangaande veranderinge in wisselkoerse en 'n moontlike verskerping van invoerbeheer. Hierdie investering in voorrade is vergemaklik deur die beskikbaarheid van binnelandse krediet vanaf die banksektor. Die totale bruto binnelandse investering teen heersende pryse het gedurende die eerste kwartaal 'n aansienlike styging getoon, wat geheel en al aan die groter voorraadinvestering toegeskryf kon word, terwyl die bruto binnelandse besparing 'n skerp afname en die gebruik van buitelandse fondse vir die finansiering van die binnelandse investering 'n opvallende toename getoon het.

Die verswakking van die lopende rekening van die betalingsbalans tot 'n seisoensaangesuiwerde jaarlikse tekort van R2 230 miljoen in die eerste kwartaal van 1976 is meegebring deur toenames in goedere-invoere en netto onsigbare betalings aan die res van die wêreld en afnames in goedere-uitvoere en die netto goudproduksie. Die lopende rekening van die Suid-Afrikaanse betalingsbalans is gedurende die afgelope aantal kwartale ook nadelig deur 'n aantal ontwikkelings in die buiteland beïnvloed. Skerp stygende invoerpryse, onder andere as gevolg van die devaluasie van die rand, 'n daling in die prys van goud op die private mark en betreklike lae pryse vir sekere van Suid-Afrika se uitvoer-kommoditeite wat op internasionale markte verhandel word, het tot 'n verswakking van Suid-Afrika se ruilvoet gelei in vergelyking met die baie gunstige toestand in 1973 en 1974. Die feit dat kommoditeitspryse gedurende die eerste kwartaal van 1976 begin styg het, sal egter in die nabye toekoms waarskynlik 'n heilsame uitwerking op Suid-Afrika se uitvoerverdienste hê. Verder kan daar ook verwag word dat sowel die waarde as die volume van Suid-Afrika se uitvoere mettertyd baat sal vind by die herlewing van die ekonomiese bedrywigheid in die buiteland, wat in 'n aantal belangrike lande gedurende die tweede helfte van 1975 begin het, asook by die voordele wat uit die devaluasie van die rand verkry word. Die opbouing van voorrade gedurende die eerste kwartaal as gevolg van verwagtings van 'n moontlike verskerping van invoerbeheer en wisselkoersveranderinge sal waarskynlik nie voortduur nie as gevolg van die hoë finansieringskoste, die betreklike skaarste aan krediet en die lae vlak van die binnelandse vraag. In werklikheid is 'n intering op voorrade meer waarskynlik, wat ook die betalingsbalans sal help. Dit kan derhalwe verwag word dat die

tekort op die lopende rekening gedurende die tweede helfte van 1976 en vroeg in 1977 aansienlik kleiner sal word.

Die tekort op die lopende rekening gedurende die eerste kwartaal van 1976 is bykans geheel en al deur 'n netto invloeiing van kapitaal vanaf die buiteland gefinansier. Die kapitaalrekening is by tye ook nadelig beïnvloed deur skommelings in korttermynkapitaalbewegings wat uit vervroegings in buitelandse betalings en verdragings in buitelandse ontvangste voortgespruit het. Binnelandse bankkrediet is aangewend om hierdie vervroegings en verdragings te finansier, in die besonder gedurende Januarie en vroeg in Februarie, en dit het tot 'n afvloeiing van die goud- en ander buitelandse reserwes gelei. Ten einde die gebruik van binnelandse bankkrediet vir hierdie doeleindes te ontmoedig, is regstreekse kwantitatiewe beheer op bankkrediet aan die private sektor op 17 Februarie 1976 ingestel.

Alhoewel dit nog steeds onaanvaarbaar hoog is het die koers van toename in sowel verbruikers- as groot-handelspryse na die derde kwartaal van 1974 bemoedigende afnames getoon. In weerwil van die prysverhogende uitwerking van die devaluasie van die rand in September 1975, was die koers van toename in verbruikerspryse wat in die eerste kwartaal van 1976 aangeteken is, die laagste sedert die derde kwartaal van 1973. Met uitsondering van die tweede kwartaal van 1975, was die styging in groothandelspryse in die eerste kwartaal die laagste sedert die derde kwartaal van 1972. Die afname in die koers van styging in pryse mag egter moontlik nie gedurende die tweede kwartaal van 1976 voortduur nie, onder andere as gevolg van stygings in spoorwegtariewe, elektrisiteitstariewe, indirekte belastinge (insluitende verkoopreg), staalpryse, die pryse van mielies en mielieprodukte, sement, plantaardige olies en verwante produkte, melk en motorvoertuie. Die owerhede gaan derhalwe voort om hoë voorrang aan die bekamping van inflasie te gee en sit hulle pogings voort om die toename in die geldvoorraad te verminder en om soveel as moontlik voordeel uit die kollektiewe veldtog teen inflasie te trek.

Gedurende die eerste kwartaal van 1976 het die hoeveelheid geld en kwasi-geld teen 'n laer koers as gedurende die tweede helfte van 1975 toegeneem. Teen 'n seisoensaangesuiwerde jaarkoers het die toename gedurende die eerste kwartaal ietwat meer as 15 persent bedra, in vergelyking met 21 persent gedurende die tweede helfte van verlede jaar. Alhoewel 'n toename in bankkrediet aan die private sektor en in netto bankkrediet aan die regeringsektor nog steeds vir die grootste deel van die toename verantwoordelik was, was daar 'n skerp verlangsaaming in die verlening van bankkrediet aan hierdie sektore in die loop van die eerste kwartaal. Gedurende Maart het bankkrediet aan albei hierdie sektore in werklikheid gedaal maar daarna gedurende April 1976 weer gestyg.

Die dalende koers van bankkredietverlening aan die

private sektor was hoofsaaklik toe te skryf aan die banke se stram likwiditeitsposisie gedurende Februarie en Maart en die instelling van kredietplafonne in Februarie. Die bankinstellings se oorskot-likwiditeitsposisie het gedurende Januarie en Februarie tot 'n lae vlak gedaal en daarná gedurende sowel Maart as April baie stram gebly. Aan die einde van April het die oorskot likwiede bates van die bankinstellings slegs een persent van hulle totale verpligtings teenoor die publiek bedra.

Die toestand op die geldmark het gedurende die eerste kwartaal voortgegaan om te vernou, maar gedurende April en die eerste drie weke van Mei aanmerklik verruim as gevolg van 'n groot toename in die netto eise van die Reserwebank en die Nasionale Finansiële Korporasie teen die regeringsektor. Private geldmarkrentekoerse, wat gedurende die eerste kwartaal gestyg het, het gedurende die eerste paar dae van April skerp gedaal maar daarná weer geneig om opwaarts te beweeg as 'n weerspieëling van die hoë likwiede batevereistes vir bankinstellings en die afname in die goud- en ander buitelandse reserwes.

Toe hy sy Begroting vir 1976/77 ingedien het, het die Minister van Finansies die noodsaaklikheid van 'n konserwatiewe begroting beklemtoon. Alhoewel die regering voortgaan om die hoogste belang te heg aan die langtermyn groei van die volkshuishouding, vereis korttermyn monetêre en fiskale beleid beperkings ten einde die betalingsbalans te verbeter en om die heersende hoë inflasiekoers te beteuel. Ooreenkomstig hierdie benadering, is voorsiening in die Begroting gemaak vir 'n aansienlike verlaging in die koers van toename in owerheidsbesteding en verskeie direkte en indirekte belastinge is verhoog ten einde nie die kontantsaldo's van die regering in enige groot mate te gebruik nie. Alhoewel die Begroting nog nie sy beoogde effek op die volkshuishouding uitoefen nie, vanweë die seisoenale beweging van fondse na die private sektor, behoort sy uitwerking, tesame met dié van die huidige beperkende monetêre beleid, teen die einde van die jaar aansienlik te wees.

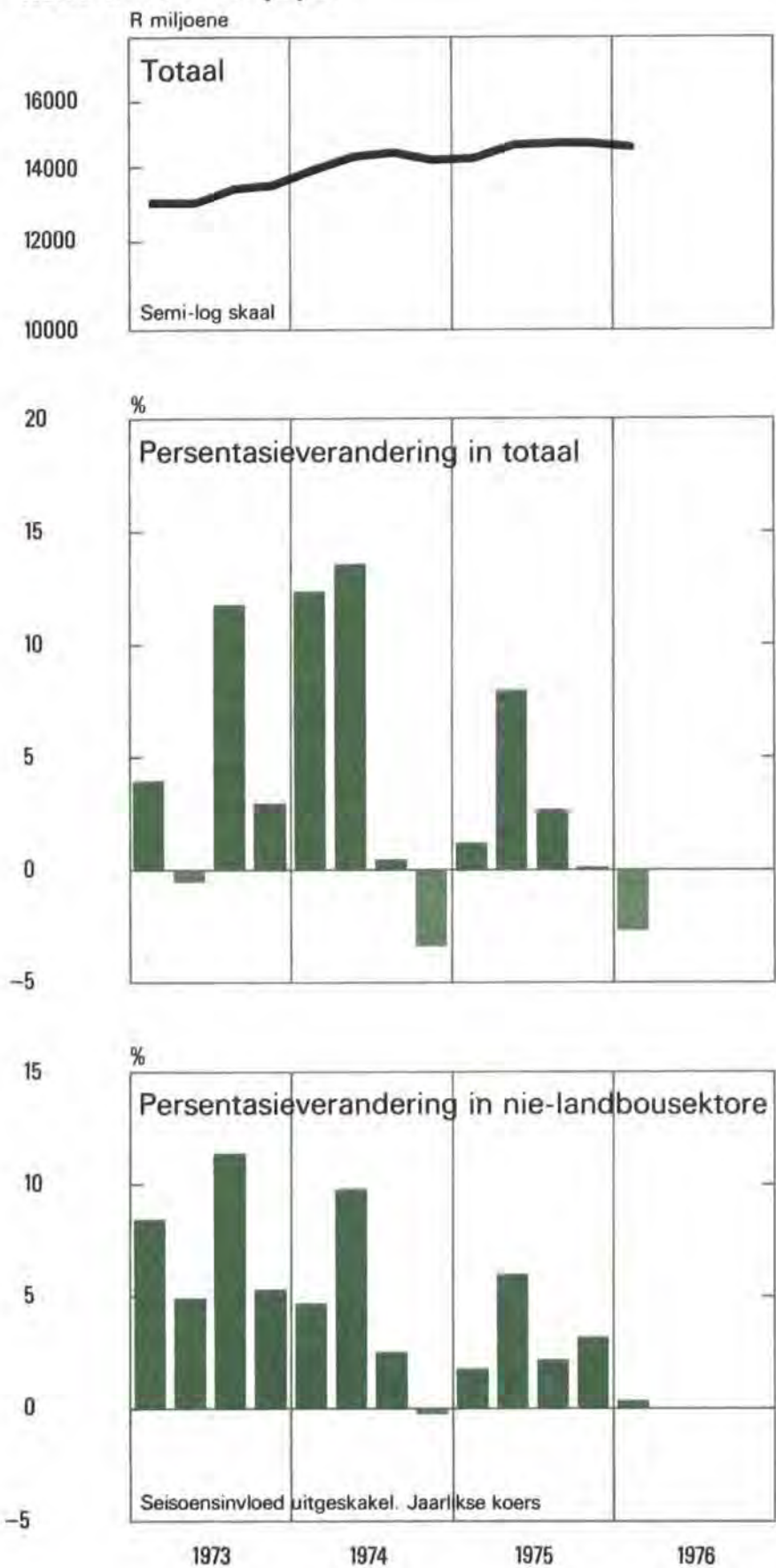
Die toestand op die kapitaalmark het, ten spyte van die lae vlak van die investeringsbedrywigheid, in die besonder in die private sektor, stram gebly. 'n Aansienlike vraag na leningsfondse deur die openbare sektor was die vernaamste faktor wat vir die voortgesette stram marktoestand verantwoordelik was. Die bedrag aan nuwe fondse wat gedurende die eerste kwartaal van 1976 by wyse van effekte-uitgiftes deur hierdie sektor opgeneem is, met uitsluiting van die toename in leners in die openbare sektor se besit aan hul eie effekte, was selfs op 'n nog hoër vlak as in 1975, toe 'n buitengewoon groot bedrag aan fondse opgeneem is. Boonop is die aanbod van uitleenbare fondse in die kapitaalmark verminder deur 'n lae vlak van persoonlike besparing. Dit is weerspieël in 'n afname in die vloei van langertermynfondse na finansiële instellings in die loop van die eerste kwartaal, in die besonder na die bouverenigings en bankinstellings.

Nasionale rekeninge

Groeikoers van die bruto binnelandse produk

Kwartaallikse ramings toon dat die reële bruto binnelandse produk gedurende die eerste kwartaal van 1976 gedaal het. 'n Opmerklike daling in die reële toegevoegde waarde deur die landbou was die hooforsaak van die daling in die reële bruto binnelandse produk, terwyl die toegevoegde waarde van die nie-

Bruto binnelandse produk teen konstante 1970-pryse



landbousektore feitlik geen verandering getoon het nie. Sektore soos die fabriekswese, konstruksie, goudmynbou en die motorhandel, het gedurende die eerste kwartaal van hierdie jaar almal dalings in die reële ekonomiese bedrywigheid getoon. Hierdie afnames is gedeeltelik geneutraliseer deur stygings in die reële toegevoegde waarde van die sektore elektrisiteit, gas en water, nie-goudmynbou en groot- en kleinhandel, en marginaal hoër reële ekonomiese bedrywigheid in die ander tersiêre sektore.

Uit 'n ontleding van die nasionale rekeninge, wat deur neigings in ander belangrike ekonomiese aanwysers bevestig word, is dit duidelik dat die Suid-Afrikaanse volkshuishouding nou reeds vir ongeveer sewe kwartale in die afwaartse fase van die konjunkturgolf verkeer. Gedurende hierdie tydperk het die reële bruto binnelandse produk feitlik horisontaal beweeg met die werklike vlak gedurende die eerste kwartaal van 1976 slegs ongeveer een persent bo dié van die tweede kwartaal van 1974. Hoewel dit vir Suid-Afrika met sy hoë groeipotensiaal 'n teleurstellende groeiprestasie is, vergelyk dit nogtans gunstig met die groeirekord van die meeste nywerheidslande wat gedurende 1974 en 1975 betreklik groot negatiewe groeikoerse aangeteken het.

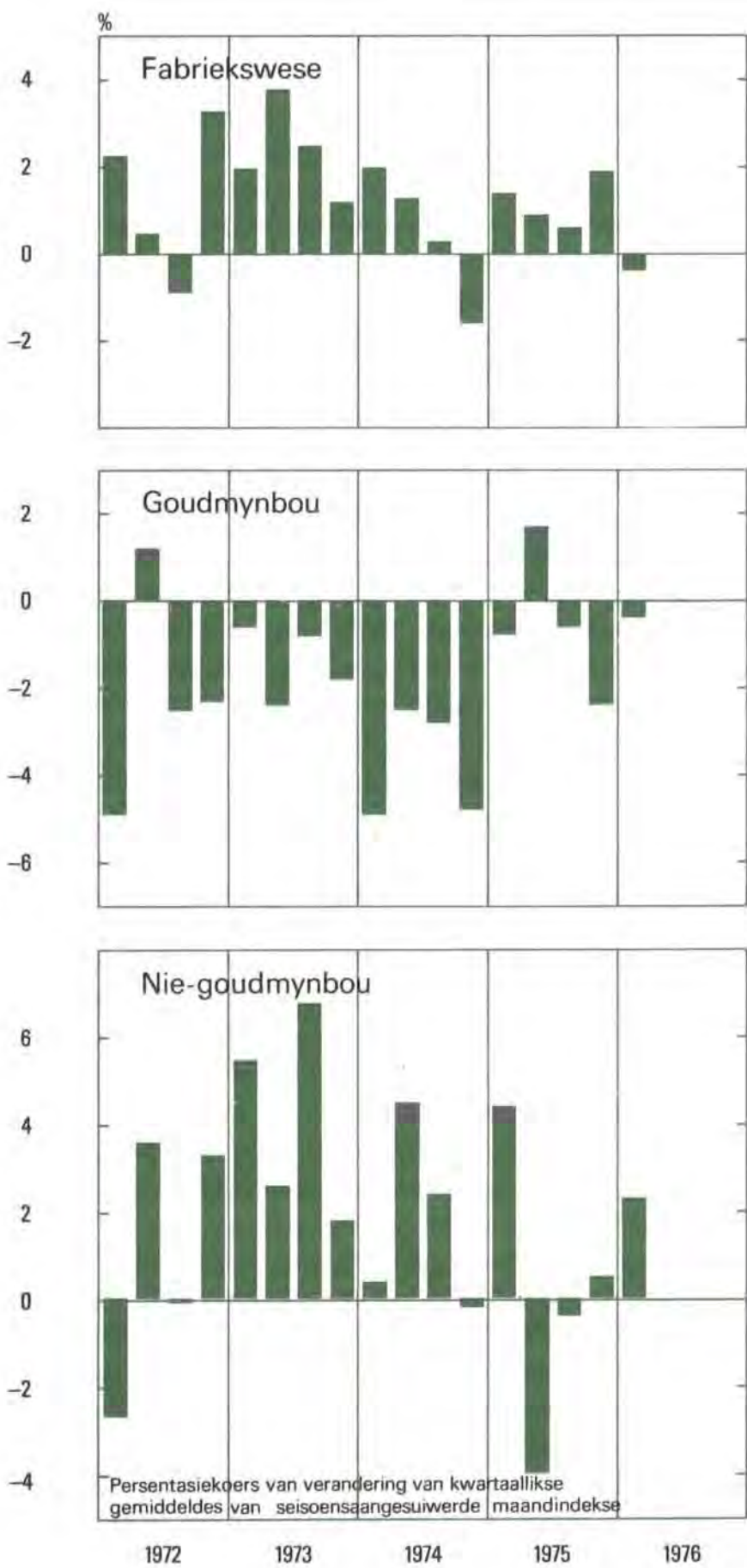
Soos deur die bygaande grafiek getoon word, het die fisiese volume van die fabrieksproduksie, wat regdeur 1975 teen betreklik lae maar positiewe koerse toegeneem het, in die eerste kwartaal van 1976 afgeneem.* Nadat die volume van die produksie vanaf die derde tot die vierde kwartaal van 1975 met 1,9 persent toegeneem het, het dit vanaf die vierde kwartaal van 1975 tot die eerste kwartaal van 1976 met 0,4 persent gedaal. Hierdie afname in produksie is ook weerspieël in 'n toename in die mate van onderbenutting van kapasiteit in die fabriekswese gedurende die eerste kwartaal, 'n afname in die verhouding van oortyd- tot gewone ure gewerk en 'n laer koers van toename in indiensneming. Gedurende April het die volume van fabrieksproduksie egter weer gestyg. Die daling in goudmynbrouproduksie gedurende die eerste kwartaal van 1976 was opmerklik kleiner as gedurende die vierde kwartaal. Die nie-goudmynbrouproduksie, wat na verwagting in die toekoms 'n belangrike bydrae tot 'n toename in uitvoere en daardeur ook tot 'n algemene herlewering in die reële ekonomiese bedrywigheid sal lewer, het 'n aansienlike styging getoon.

Teen heersende pryse was die bruto binnelandse produk ook ietwat laer as gedurende die vierde kwartaal van 1975, hoofsaaklik vanweë 'n skerp afname in die bruto bedryfsurplus. Daarteenoor het die vergoeding van werknemers gedurende die eerste kwartaal van 1976 verder toegeneem, maar hierdie styging was laer as die betreklik gelykmatige stygings wat gedurende al vier kwartale van 1975 aangeteken is. Die daling in die

*Die syfers vir die fisiese volume van fabrieksproduksie is deur die Departement van Statistiek hersien en die persentasieveranderinge gedurende 1975 verskil nou van dié wat vantevore gebruik is.

bedryfsurplus is hoofsaaklik veroorsaak deur 'n verdere afwaartse beweging in die bedryfsurplus van die landbou, maar matige dalings is ook in die bedryfsurplus van die goud- en nie-goudmynbou en die fabriekswese aangeteken. Die bedryfsurplus van die handel het effens toegeneem, terwyl dié van ander sektore oor die algemeen weinig verandering getoon het.

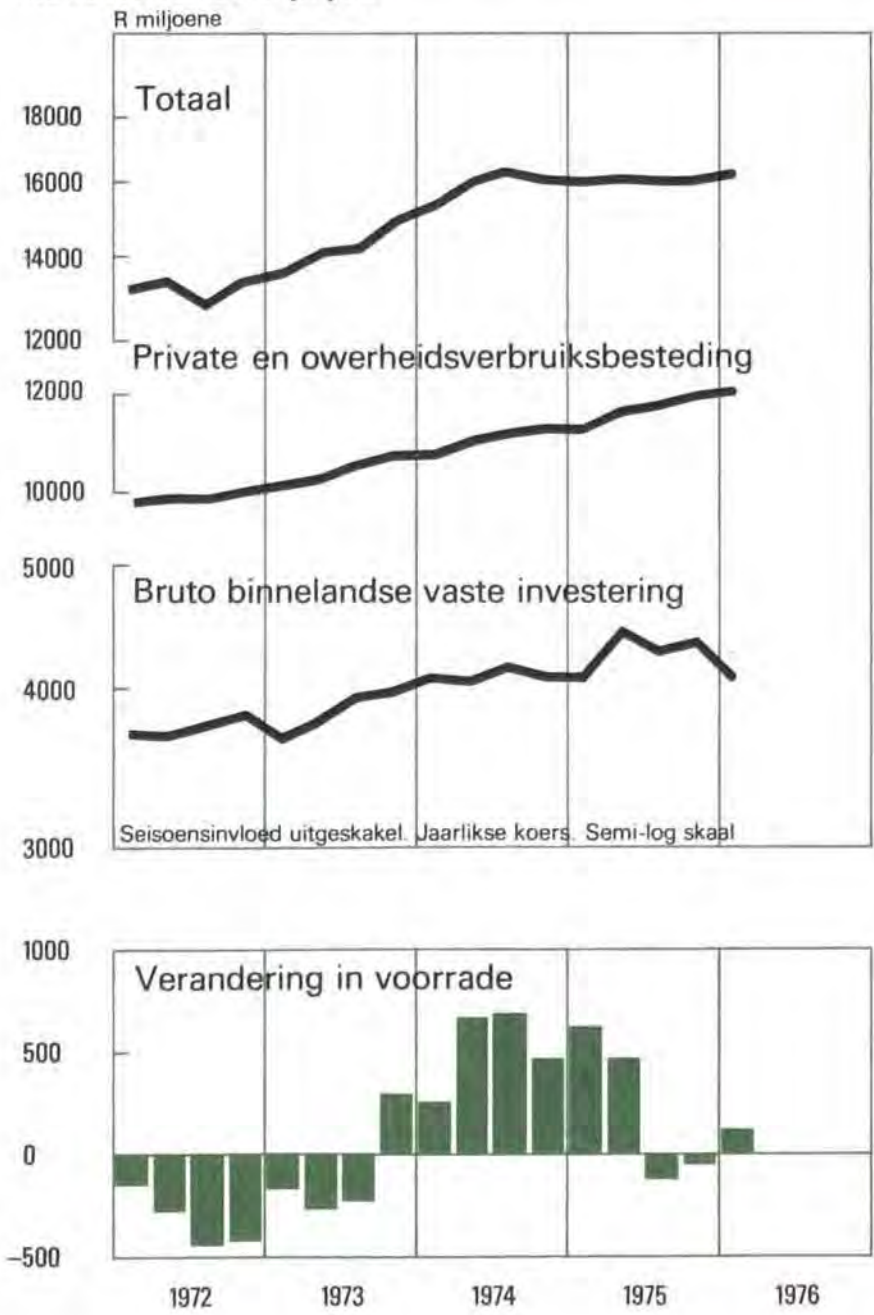
Fisiese volume van produksie



Toename in die binnelandse besteding teen konstante pryse

In teenstelling met die negatiewe groeikoers wat gedurende die eerste kwartaal van 1976 in die reële bruto binnelandse produk aangeteken is, het die koers van toename in die bruto binnelandse besteding teen konstante pryse verder versnel tot die hoogste vlak sedert die derde kwartaal van 1974. Die vernaamste bydrae tot hierdie toename is gemaak deur 'n aansienlike styging in reële voorrade wat gedurende die voorafgaande twee kwartale afgeneem het. Die private en owerheidsverbruiksbesteding teen konstante pryse, wat gesamentlik die vernaamste komponent van die binnelandse vraag verteenwoordig, het gedurende die eerste kwartaal verder toegeneem, maar in albei gevalle was die persentasietoenames laer as dié wat in die vierde kwartaal van verlede jaar voorgekom het. Daarteenoor het die reële bruto vaste investering, wat gedurende die vorige kwartaal matig gestyg het, gedurende die eerste kwartaal van 1976 gedaal.

Bruto binnelandse besteding teen konstante 1970-pryse



As 'n weerspieëling van die afname in die bruto binnelandse produk en 'n verdere toename in die binnelandse besteding, albei teen heersende pryse, het die tekort op die lopende rekening van die betalingsbalans van die vierde kwartaal van 1975 tot die eerste kwartaal van hierdie jaar toegeneem.

Verdere toename in reële private verbruiksbesteding

Private verbruiksbesteding teen konstante pryse het in die eerste kwartaal van 1976 'n verdere styging getoon, maar die koers van toename was laer as dié wat in die vierde kwartaal van 1975 voorgekom het. Die verdere toename in die reële verbruiksbesteding is weerspieël in 'n toename van 2,4 persent in kleinhandelsverkope teen konstante pryse gedurende die eerste kwartaal. Die toename in die reële private verbruiksbesteding gedurende die kwartaal onder beskouing het hoofsaaklik voortgespruit uit die hoër besteding aan duurzame verbruiksgoedere. Aankope van televisiestelle, wat op die amptelike instelling van die diens in Januarie 1976 gevolg het, het 'n belangrike bydrae tot hierdie styging gelewer en is slegs gedeeltelik deur 'n verdere afname in die aankope van nuwe motors geneutraliseer. Nadat dit gedurende die laaste helfte van 1975 slegs effens gestyg het, het die besteding aan nie-duursame verbruiksgoedere ook gedurende die kwartaal onder beskouing gestyg. Ramings toon 'n effense afname in die besteding aan semi-duursame verbruiksgoedere, hoofsaaklik in die geval van klerasie en skoeisel.

Beskikbare gegewens dui daarop dat 'n gedeelte van die toename in die private verbruiksbesteding uit ingevoerde goedere bestaan het en derhalwe bygedra het tot die verdere verswakking van die betalingsbalans gedurende die eerste kwartaal van 1976. Gegewe 'n daling in persoonlike inkome, het die styging in verbruiksbesteding ook 'n daling in die vlak van persoonlike besparing veroorsaak. Die jongste ramings van verbruikerskrediet toon 'n toename van ongeveer R400 miljoen, of 17 persent, gedurende 1975 en dui die mate aan waarin verbruikerskrediet bygedra het tot die laer vlak van persoonlike besparing.

Volgehoue hoë vlak van reële owerheidsverbruiksbesteding

Soos hierbo reeds genoem, het reële owerheidsverbruiksbesteding gedurende die kwartaal onder beskouing verder toegeneem, maar teen 'n koers wat ietwat laer was as die persentasietoename wat in die vierde kwartaal van 1975 aangeteken is. Hoër verdedigingsuitgawes was bykans geheel en al vir hierdie hoër vlak van die uitgawes verantwoordelik, aangesien die vergoeding van werknemers min verandering getoon het en die aankoop van ander goedere en dienste in werklikheid laer was as die vlak wat in die vierde kwartaal van 1975 bereik is.

Verdere afname in reële vaste investering

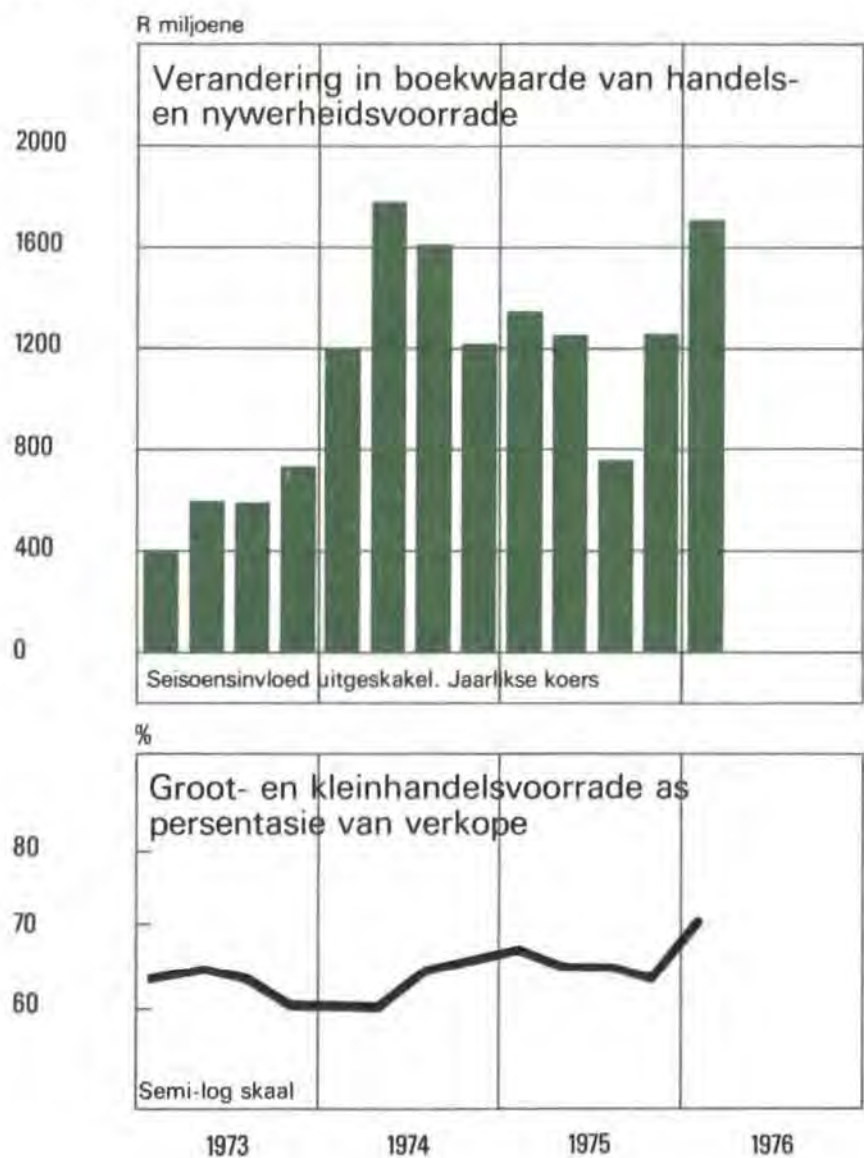
Reële vaste investering het sedert 1974 opmerklik geskommel en voorlopige ramings toon 'n verdere afname gedurende die eerste kwartaal van 1976. Hierdie afname het in verskeie sektore voorgekom maar was veral merkbaar in die kapitaalbesteding van openbare owerhede, wat sowel hulle algemene afdelings as hulle sake-ondernemings (hoofsaaklik die Suid-Afrikaanse Spoorweë en die Departement van Pos- en Telekommunikasie) betref. Die reële vaste investering deur openbare korporasies het in vergelyking met die vorige kwartaal min verandering getoon.

Die vlak van reële private vaste investering is tans laer as die gemiddelde vlakke wat gedurende die kalenderjare 1974 en 1975 bereik is. Binne die private sektor het feitlik alle sektore in die eerste kwartaal van 1976 afnames in hul reële kapitaalbesteding getoon, maar die dalings in die sektore landbou en konstruksie was veral opmerklik. Die vaste investering deur die private fabriekswesesektor het effens toegeneem maar dit was grotendeels die gevolg van taamlik groot besteding aan masjinerie en toerusting, veral deur strategiese nywerhede. Ondanks hierdie toename was die totale reële vaste investering deur die private fabriekswese slegs marginaal hoër as die gemiddelde vlak gedurende die eerste helfte van 1975. Vanweë die afname in die benutting van produksiekapasiteit gedurende die eerste kwartaal van 1976, tesame met die afname in die volume van produksie en in die waarde van onvoltooide bestellings, word nie verwag dat die reële vaste investering in die private fabriekswese in die nabye toekoms enige betekenisvolle toename sal toon nie.

Opbouing van voorrade

In teenstelling met die voorafgaande twee kwartale, toe die totale waarde van voorrade teen konstante pryse gedaal het, het die reële voorrade gedurende die eerste kwartaal van 1976 'n merkbare toename getoon. Die toename in die totale reële voorraadinvestering gedurende die kwartaal het grotendeels voortgespruit uit 'n toevoeging tot die voorrade wat deur die groot- en kleinhandel gehou is, maar is gedeeltelik geneutraliseer deur 'n afname in die voorrade van die fabriekswesesektor. Die toename in groot- en kleinhandelsvoorrade, tesame met die verdere toename in die waarde van invoere gedurende die eerste kwartaal van 1976, skyn daarop te dui dat die handelsektor sy invoere van goedere aansienlik opgestoot het op grond van verwagtings aangaande 'n moontlike verdere aanpassing in die wisselkoers van die rand en 'n verwagte verskerping van invoerbeheer. Die hoër invoere en die hoër vlak van die handelsvoorrade wat daarmee gepaard gegaan het, is boonop vergemaklik deur die beskikbaarheid van binnelandse kredietfasiliteite, veral gedurende Januarie en die eerste deel van Februarie 1976. Gevolglik mag dit blyk dat die huidige vlak van die groot- en kleinhandelsvoorrade van plaaslik-

Voorrade



vervaardigde sowel as ingevoerde goedere te hoog is in verhouding tot toekomstige verkope, aangesien die verhouding van voorrade tot verkope van die handelsektor vanaf 'n vlak van 63 persent aan die einde van Desember 1975 tot ongeveer 70 persent aan die einde van Maart 1976 toegeneem het. Daarteenoor wil dit voorkom asof die vlak van nywerheidsvoorrade as 'n persentasie van verkope gedurende die eerste kwartaal gedaal het, hoofsaaklik as gevolg van 'n styging in laasgenoemde. In totaal het die stygende neiging in die verhouding van die nie-landbouvoorrade tot die vergelykbare bruto binnelandse produk gedurende die eerste kwartaal van 1976 voortgeduur en effens verder toegeneem vanaf 37,0 persent in die derde kwartaal van 1975 tot 37,3 persent in die eerste kwartaal van hierdie jaar.

Toename in die tekort aan binnelandse besparing

Hoofsaaklik as gevolg van die skerp toename in voorraadinvestering, het die totale investering teen heersende pryse gedurende die eerste kwartaal van 1976 'n merkbare toename getoon. Daarteenoor het binnelandse besparing gedurende die eerste kwartaal van 1976 skerp gedaal, met die gevolg dat die tekort aan

binnelandse besparing om binnelandse investering te finansier aansienlik toegeneem het vanaf die alreeds hoë vlak wat in die vierde kwartaal van 1975 bereik is.

Met uitsondering van die voorsiening vir waardevermindering, wat sy normale opwaartse neiging getoon het, dui voorlopige ramings op 'n afwaartse beweging in al die ander komponente van binnelandse besparing, naamlik persoonlike besparing, maatskappybesparing en die lopende surplus van die algemene owerheid.

Konjunktuurtoestand, arbeid en pryse

Volkshuishouding nog steeds in afwaartse fase van die konjunkturgolf

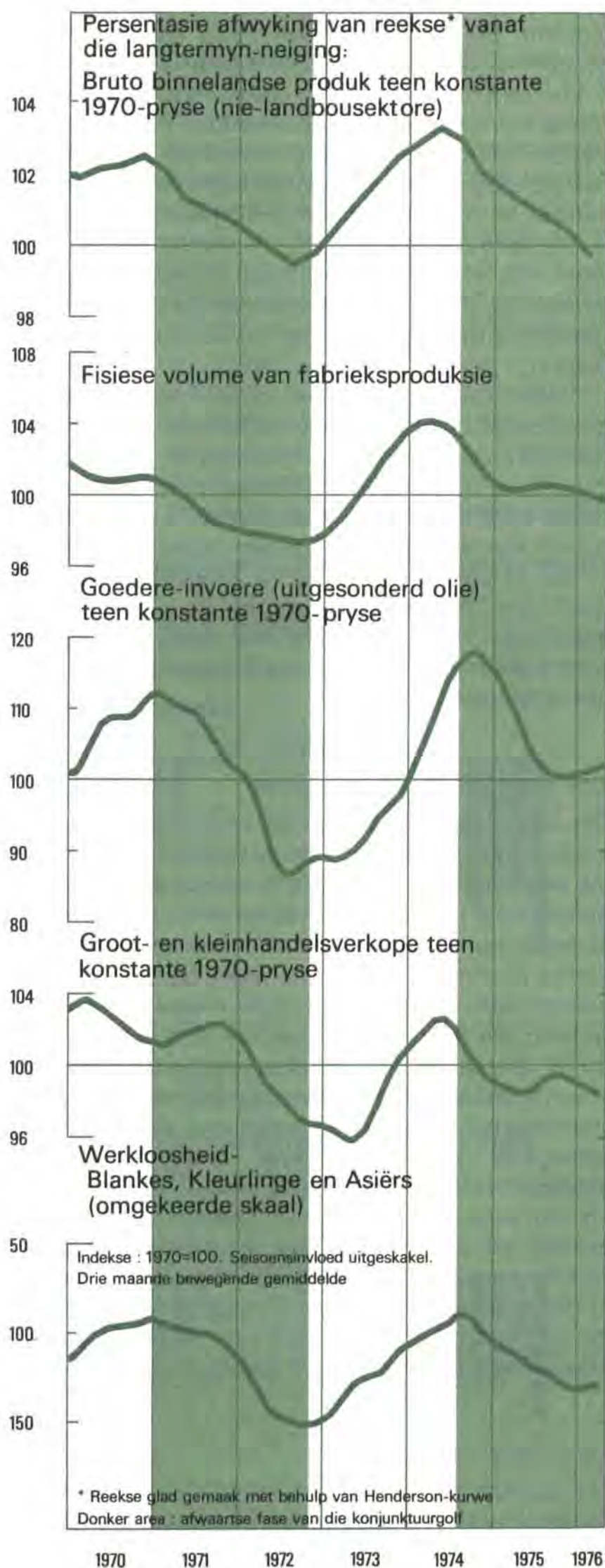
Alhoewel sekere konjunkturaanwysers, soos die volume van goedere-invoere, kleinhandelsverkope teen konstante pryse en die waarde van bouplanne van woongeboue goedgekeur, tans besig is om óf 'n opwaartse neiging te toon óf af te plat, dui die meerderheid ekonomiese tydreekse daarop dat die Suid-Afrikaanse volkshuishouding nog steeds in die afwaartse fase van die konjunkturgolf verkeer. Hierdie bevinding word bevestig deur 'n ontleding van die nasionale rekeninge wat 'n afname in die reële bruto binnelandse produk gedurende die eerste kwartaal van 1976 toon. Ander belangrike konjunkturaanwysers toon ook dat die volkshuishouding nog in die afwaartse fase van die konjunkturgolf verkeer. Hieronder tel die volume van die fabrieksproduksie, sementproduksie, versendings van staal na die binnelandse mark, die verkope van boumateriaal teen konstante pryse, groot-handelsverkope teen konstante pryse, die aantal nuwe motorvoertuie verkoop en die aantal geregistreerde werklose Blankes, Kleurlinge en Asiërs. Verdere aanduidings van die algemene verlangsaming in ekonomiese bedrywigheid is die lae koers van toename in totale werkverskaffing in die nie-landbousektore van die volkshuishouding, 'n afname in die verhouding van oortyd-ure tot gewone ure gewerk in die fabriekswese en konstruksie, die mate van onderbenutting van produksiekapasiteit in die fabriekswese, en die afname in die koers van toename in onvoltooide bestellings in die fabriekswese. Uit bostaande is dit duidelik dat die verlangsaming in die ekonomiese bedrywigheid, op hierdie tydstip, wyd deur die volkshuishouding versprei is.

Die lengte van die huidige afswaai, wat nou reeds twintig maande duur, hou verband met die besondere strawwe en lang resessie wat deur die meeste Westerse lande gedurende 1974 en 1975 ondervind is.

Ruimer arbeidstoestand

Die afkoeling van die volkshuishouding sedert die derde kwartaal van 1974 het meegebring dat die meeste afdelings van die arbeidsmark verruim het. Die aantal geregistreerde werklose Blankes, Kleurlinge en Asiërs het vanaf 7 243 in Augustus 1974 tot 11 827 in November 1975 gestyg, in Desember 1975 en Januarie 1976 – moontlik as gevolg van die tydelike oproeping van verdedigingseenhede – gedaal, en vervolgens weer tot 11 947 in April 1976 gestyg. Verdere aanduidings van die ruimer arbeidstoestand is die merkbare afname in die verhouding van oortyd-ure tot gewone ure gewerk in sowel die fabriekswese as konstruksie en die afname in die relatiewe belangrikheid wat aan die tekort aan arbeid as 'n bydraende faktor tot die onderbenutting van produksiekapasiteit in die fabriekswese toegeskryf word.

Konjunkturaanwysers



Die gemiddelde aantal werknemers in die nie-landbousektore van die volkshuishouding was gedurende die kalenderjaar 1975 2,0 persent hoër as gedurende 1974, maar die kwartaallikse koers van toename het in die loop van 1975 voortdurend afgeneem en was in die vierde kwartaal van 1975 slegs 0,4 persent hoër as in die derde kwartaal. Betreklik hoë koerse van toename in werkverskaffing het gedurende 1975 in die openbare sektor voorgekom soos byvoorbeeld 6,9 persent by die Suid-Afrikaanse Spoorweë, 5,0 persent by die provinsiale administrasies, 4,1 persent by die sentrale regering, 4,0 persent by die Departement van Pos- en Telekommunikasiewese en 3,1 persent by die plaaslike owerhede, terwyl die werkverskaffing in die res van die nie-landbousektore met slegs 0,7 persent toegeneem het.

Nieteenstaande die ruimer arbeidstoestand, het die gemiddelde salarisse en lone gedurende die kalenderjaar 1975 skerp gestyg. Teen heersende pryse het die gemiddelde vergoeding van Blankes met 13,6 persent toegeneem, dié van Nie-Blankes met 24,2 persent, en dié van alle rasse met 17,8 persent. Indien die toename in die verbruikersprysindeks in aanmerking geneem word, het die reële salarisse en lone van Blankes gedurende 1975 gemiddeld met slegs 0,1 persent gestyg, dié van Nie-Blankes met 9,4 persent, en dié van alle rasse met 3,8 persent.

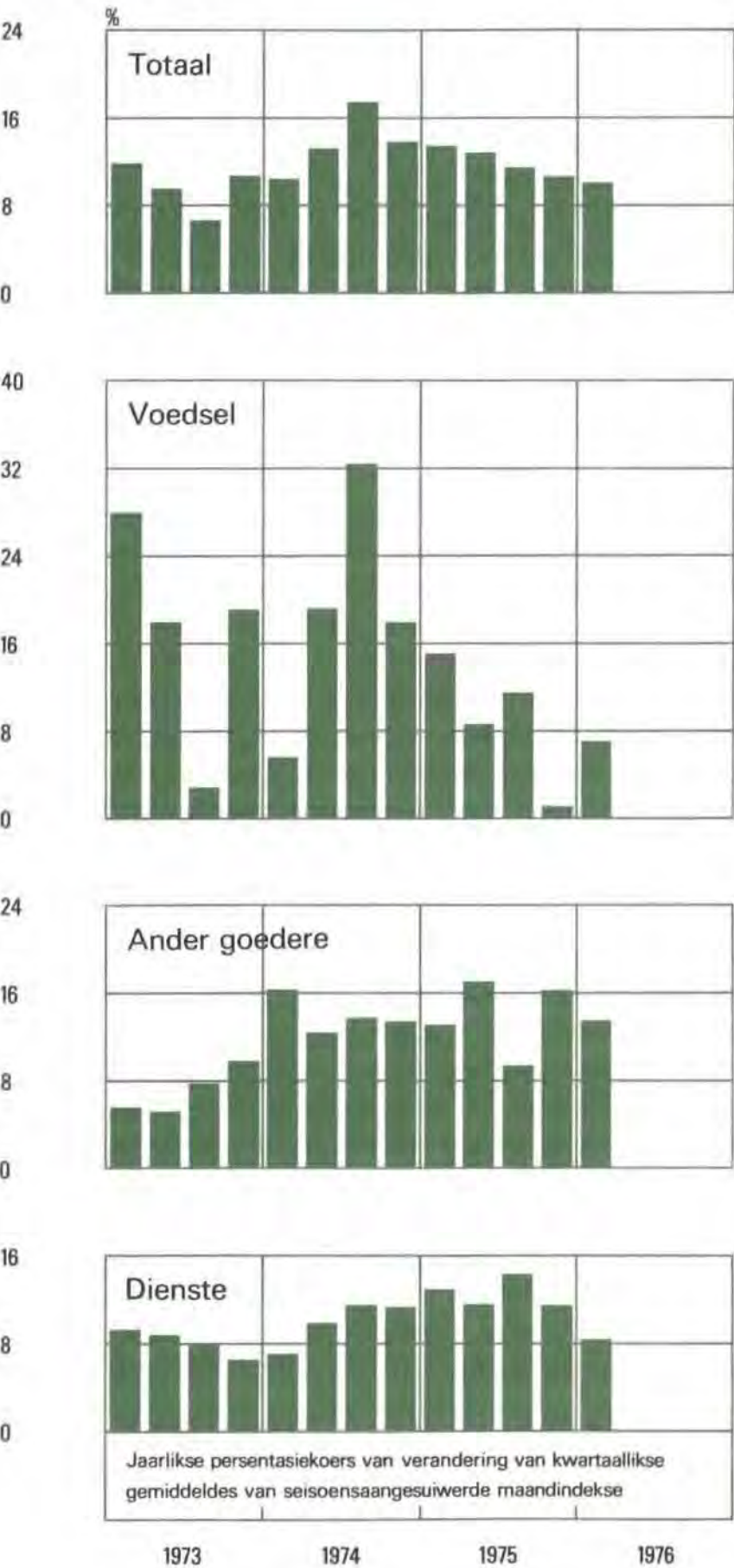
Hoë koers van toename in pryse

Die koerse van toename in die verbruikers- en groot-handelspryse het vanaf die derde kwartaal van 1974 tot die eerste kwartaal van 1976 'n bemoedigende daling getoon maar is volgens Suid-Afrikaanse standarde nog steeds hoog. Dit is verblydend dat laer koerse van toenames in pryse gedurende die afgelope twee kwartale waargeneem is in weerwil van die prysverhogende uitwerking van die devaluasie van die rand in September 1975. Die daling in die koerse van toename in pryse mag moontlik nie in die tweede kwartaal van 1976 voortduur nie as gevolg van die onlangs aangekondigde verhogings van spoortariewe, elektrisiteitstariewe, indirekte belastinge (insluitende verkoopreg), staalpryse en die pryse van mielies en mielieprodukte, melk, sement en plantaardige olies en produkte daarvan, tesame met die voortgesette hoë koerse van toename in die pryse van motorvoertuie, meubels en toerusting, behuisingsdienste en klerasie en skoeisel, en die sekondêre uitwerking van die devaluasie van die rand.

Verbruikerspryse

Die jaarlikse koers van toename in die seisoensaangesuiwerde verbruikersprysindeks het byna ononderbroke vanaf 17,5 persent in die derde kwartaal van 1974 tot 11,4 persent in die derde kwartaal van 1975 gedaal. Nieteenstaande die prysverhogende uitwerking van die devaluasie van die rand in September 1975, het die

Verbruikerspryse



jaarlikse koers van toename in verbruikerspryse verder tot 10,6 persent vanaf die derde na die vierde kwartaal van 1975 en tot slegs 10,1 persent van die vierde kwartaal van 1975 na die eerste kwartaal van 1976 gedaal. Hierdie verbetering is hoofsaaklik meegebring deur laer koerse van toename in die pryse van voedsel en dienste. Die verdere verbetering in die verloop van verbruikerspryse in die eerste kwartaal van 1976 het voorgekom ten spyte van 'n toename, teen 'n jaarlikse

koers, van 19,9 persent in voertuigpryse en 12,6 persent in die pryse van meubels en toerusting.

In vergelyking met die ooreenstemmende maand van die vorige jaar, het verbruikerspryse tot Desember 1975 met 11,7 persent, tot Januarie 1976 met 11,4 persent en tot Februarie met 10,9 persent gestyg, voordat dit tot 11,5 persent tot Maart en 11,3 persent tot April 1976 versnel het. Die toename in April 1976 is gedeeltelik toe te skryf aan die hoër indirekte belastinge, insluitende verkoopreg, wat deur die Minister van Finansies in die Begroting aangekondig is, en aan die verhoogde spoortariewe en elektrisiteitstariewe wat in April van krag geword het.

Groothandelspryse

'n Merkbare verbetering is ook waargeneem in die koers van toename in groothandelspryse. Nadat dit in die derde kwartaal van 1974 'n hoogtepunt van 24,6 persent bereik het, het die jaarlikse koers van toename in die seisoensaangesuiwerde groothandelsprysindeks afwaarts geskommel en in die derde kwartaal van 1975 op 17,6 persent te staan gekom. Hoofsaaklik as gevolg van 'n skerp styging in die pryse van ingevoerde goedere, het die koers van toename in groothandelspryse effens gestyg tot 19,0 persent in die vierde kwartaal maar aansienlik gedaal tot 12,7 persent vanaf die vierde kwartaal van 1975 na die eerste kwartaal van 1976. Laasgenoemde daling kan toegeskryf word aan 'n daling in die jaarlikse koers van toename in die pryse van goedere geproduseer in Suid-Afrika vanaf 14,5 persent in die laaste kwartaal van 1975 tot 10,4 persent in die eerste kwartaal van 1976 en aan 'n daling vanaf 33,2 persent tot 18,8 persent in die pryse van ingevoerde goedere oor dieselfde tydperk.

Vergeleke met die ooreenstemmende maand van die vorige jaar, het die koers van toename in groothandelspryse tot Desember 1975 16,9 persent beloop, daarná afgeneem tot 14,5 persent tot Januarie en weer versnel tot 14,9, 15,0 en 15,8 persent tot Februarie, Maart en April 1976, onderskeidelik. Vanaf April 1975 tot April 1976 het die pryse van ingevoerde goedere met 20,2 persent en dié van goedere geproduseer in Suid-Afrika met 14,3 persent gestyg.

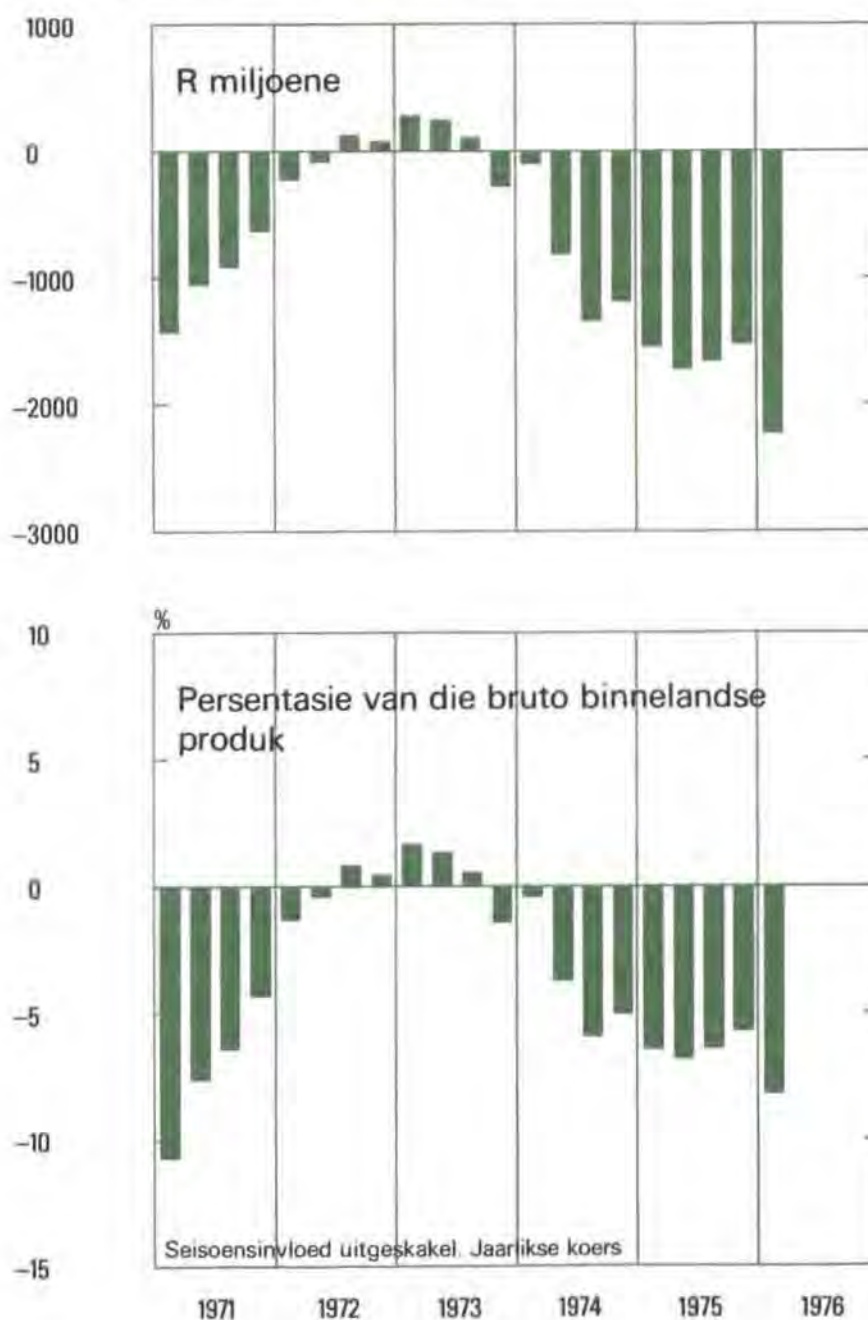
Betalingsbalans

Verdere groot tekort op die lopende rekening

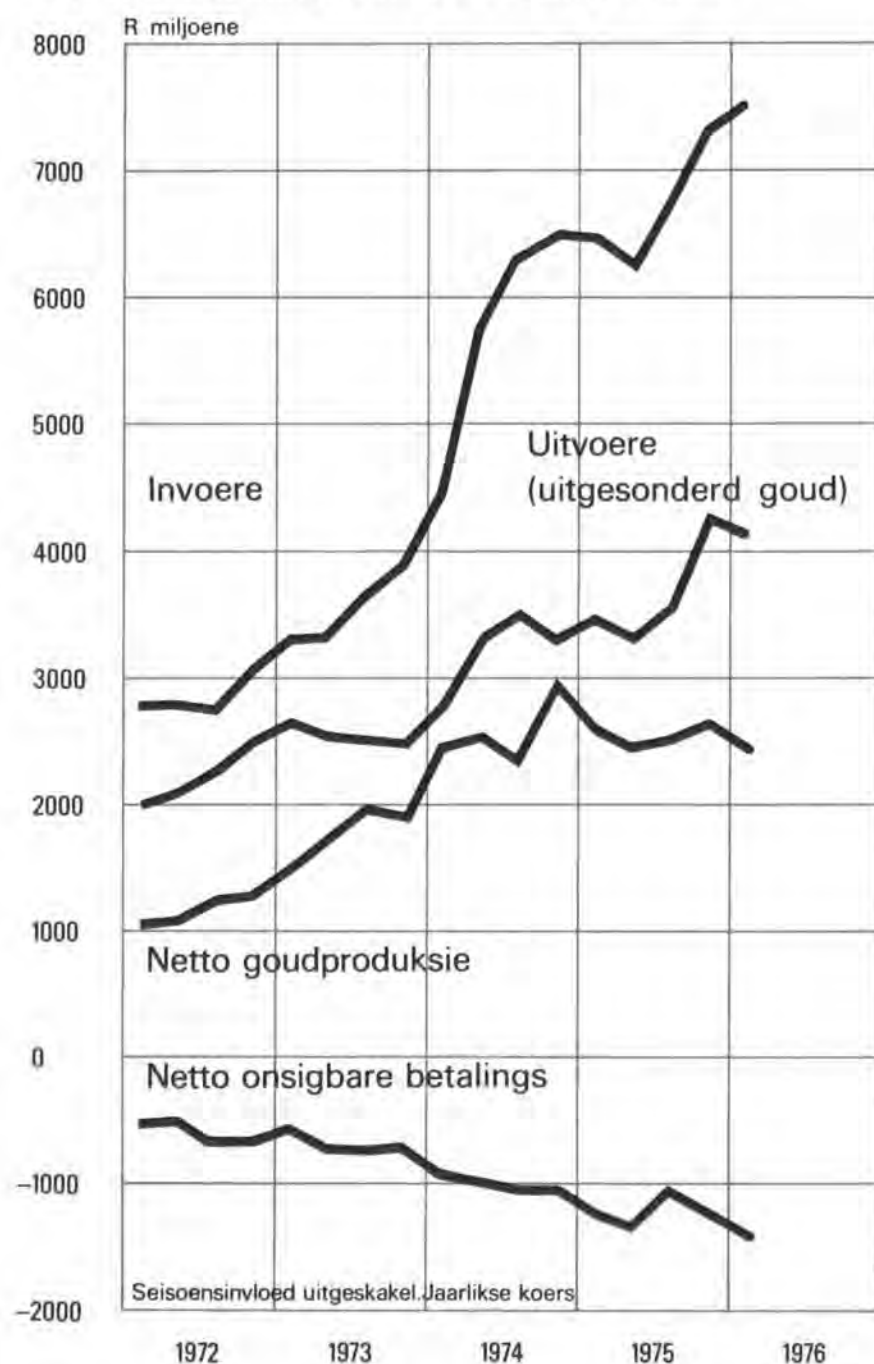
Gedurende die eerste kwartaal van 1976 het die saldo op die lopende rekening van die betalingsbalans 'n tekort van R543 miljoen getoon wat, teen 'n seisoensaangesuiwerde jaarkoers, 'n toename vanaf R1 533 miljoen gedurende die vierde kwartaal van verlede jaar tot R2 230 miljoen gedurende die eerste kwartaal van hierdie jaar verteenwoordig. As persentasie van die bruto binnelandse produk was die tekort op die lopende rekening gedurende die eerste kwartaal ongeveer 8 persent. Soos in die bygaande grafiek getoon word, het hierdie verhouding in onlangse jare voortdurend groot skommelings getoon en in die eerste kwartaal van 1971 11 persent bedra.

Die volgehoue groot tekort op die lopende rekening gedurende die huidige afwaartse fase van die konjunkturgolf kan aan verskeie spesiale faktore toegeskryf word. Die resessie in die Westerse lande was die ernstigste en langdurigste sedert die Tweede Wêreld-

Saldo op lopende rekening



Lopende rekening van die betalingsbalans



oorlog en het internasionale kommoditeitspryse heelwat laat daal. Hierbenewens het die goudprys op die private mark sedert die begin van 1975 aansienlik gedaal. Die pryse van ingevoerde goedere en dienste het egter tot aan die einde van 1975 volgehou om teen 'n hoë koers te styg. Omdat Suid-Afrika se oop volkshuishouding in 'n groot mate deur die ekonomiese toestand en pryse in die res van die wêreld beïnvloed word, het hierdie verwickelinge Suid-Afrika se uitvoerdienstes en die waarde van sy netto goudproduksie laat daal en terselfdertyd die koste van ingevoerde goedere en dienste laat styg. Gevolglik het die ruilvoet regdeur 1975 en die eerste kwartaal van 1976 teen Suid-Afrika gedraai. Op die tuisfront het toenames in die besteding aan duursame verbruiksgoedere, in die besonder televisiestelle, en aan verdediging, asook die hoër olie-rekening, tot die toename in goedere-invoere bygedra.

Die verswakking van die lopende rekening gedurende die afgelope ses maande was natuurlik ook gedeeltelik die gevolg van die verwagte tydelike

nadelige uitwerking van die devaluasie van die rand in September 1975. Teen 'n seisoensaangesuiwerde jaar-koers, het die tekort vanaf R1 692 miljoen gedurende die ses maande vóór die devaluasie van die rand tot R1 882 miljoen gedurende die ses maande ná die devaluasie toegeneem. Meer in die besonder was die verdere verswakking gedurende die eerste kwartaal van hierdie jaar die gevolg van 'n verdere styging in goedere-invoere en netto onsigbare betalings aan die res van die wêreld en 'n geringe afname in goedere-uitvoere en die netto goudproduksie.

Goedere-invoere het vanaf 'n seisoensaangesuiwerde jaar-koers van R7 292 miljoen in die vierde kwartaal van 1975 tot R7 511 miljoen in die eerste kwartaal van hierdie jaar gestyg. Soos in 1975, kan die verdere styging in goedere-invoere hoofsaaklik aan verhoogde pryse van ingevoerde goedere toegeskryf word. Nieteenstaande die lae groeikoers in reële ekonomiese bedrywigheid gedurende die tweede helfte van 1975 en die werklike daling wat gedurende die eerste kwartaal van 1976 aangeteken is, het die volume van invoere, nadat dit vir bykans 'n jaar gedaal het, gedurende die tweede helfte van 1975 nogtans matig gestyg en gedurende die eerste kwartaal van 1976 op hierdie relatief hoë vlak gebly. Hierdie onverwagte beweging in die volume van invoere gedurende 'n afwaartse fase van die ekonomiese bedrywigheid kan toegeskryf word aan verwagtings van verdere veranderinge in die wisselkoers van die rand en 'n verskerping van invoerbeheer, tesame met die beskikbaarheid van binnelandse krediet om buitelandse bronne van invoer-finansiering te vervang. Gedurende die vierde kwartaal van 1975 en meer in die besonder gedurende die eerste kwartaal van 1976 het die relatief hoë vlak van reële invoere ook verband gehou met die verdere styging in die reële bruto binnelandse besteding, onder andere as gevolg van verhoogde besteding aan duursame verbruiksgoedere (insluitende televisiestelle) in afwagting van verdere prysstygings, hoër verdedigingsuitgawes en 'n toename in voorrade. Die groepe masjinerie en elektriese toerusting, vervoer-toerusting, chemiese produkte, papierprodukte en tekstiele was hoofsaaklik vir die toename in goedere-invoere teen heersende pryse gedurende die afgelope kwartaal verantwoordelik, terwyl die invoer van mineraalprodukte en basiese onedelmetale gedaal het.

Netto onsigbare betalings aan die res van die wêreld het weer gedurende die eerste kwartaal van 1976 skerp gestyg, hoofsaaklik as gevolg van 'n skerp toename in die betalings vir dienste gelewer deur buitelanders wat die klein styging in die ontvangste vir dienste wat aan buitelanders gelewer is, meer as geneutraliseer het. Die styging in dienstebetalings kan op sy beurt weer toegeskryf word aan 'n aansienlike styging in betalings vir internasionale vrag en versekering as gevolg van hoër tariewe wat gedurende die laaste kwartaal van 1975 ingestel is. 'n Afname het in dividendbetalings aan buitelanders voorgekom vanweë 'n afname in die uit-

betalings van goudmyne, wat die gevolg was van die laer goudprys. Hierdie afname het die toename in rentebetalings oorskry, met die gevolg dat die totale betalings ten opsigte van buitelandse beleggings gedurende die eerste kwartaal van hierdie jaar afgeneem het.

Die waarde van goedere-uitvoere het effens gedaal vanaf 'n seisoensaangesuiwerde jaarsyfer van R4 252 miljoen in die vierde kwartaal van 1975 tot R4 118 miljoen in die eerste kwartaal van 1976. Hierdie daling is hoofsaaklik meegebring deur 'n daling in die volume van uitvoere en het grotendeels in die uitvoer van minerale en landbouprodukte voorgekom. Hierteenoor het die waarde van die basiese onedelmetale en edel- en halfedelgesteentes wat uitgevoer is, aansienlik gestyg. Die ekonomiese oplewing in die meeste nywerheidslande, wat in die meeste gevalle gedurende die tweede helfte van 1975 begin het, sal egter heel waarskynlik in die nabye toekoms 'n heilsame uitwerking op Suid-Afrika se uitvoere hê.

Die waarde van die netto goudproduksie het ook afgeneem vanaf 'n seisoensaangesuiwerde jaarsyfer van R2 633 miljoen in die vierde kwartaal van 1975 tot R2 435 miljoen in die eerste kwartaal van 1976. Hierdie afname is meegebring deur 'n afname van bykans 7 persent in die gemiddelde dollarprys van goud op die private mark en 'n klein afname in die fisiese volume van die goudproduksie vanaf die vierde kwartaal van 1975 tot die eerste kwartaal van 1976.

Groot kapitaalinvloeiing

Vir die sewende opeenvolgende kwartaal het 'n groot netto kapitaalinvloeiing vanaf die buiteland gedurende die eerste kwartaal van 1976 plaasgevind. Die netto kapitaalinvloeiing gedurende die eerste kwartaal van hierdie jaar het R498 miljoen beloop, vergeleke met 'n netto invloeiing van R578 miljoen in die vierde kwartaal van verlede jaar. Alhoewel hierdie invloeiing weer hoofsaaklik deur buitelandse lenings meegebring is,

Netto invloeiing van buitelandse kapitaal
R miljoene

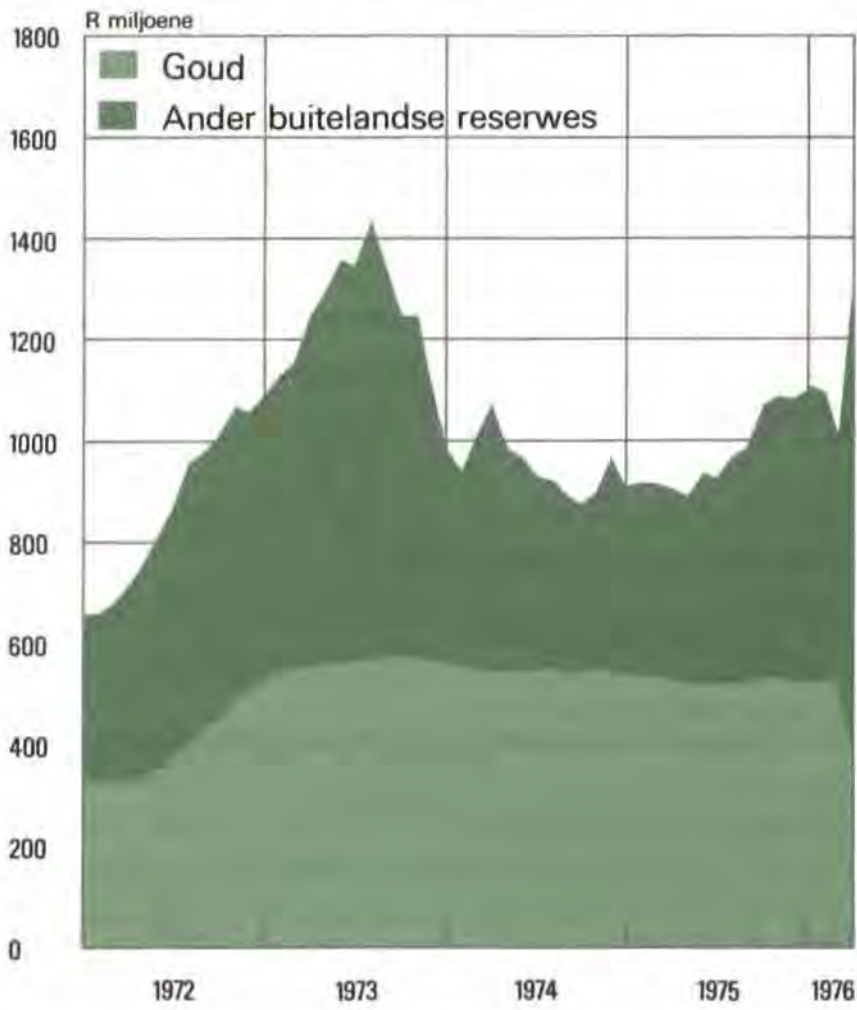
	1975 4e kw.	1976 1e kw.
Private sektor	614	158
Langtermynlenings van openbare korporasies	220	148
Ander langtermynkapitaal	35	-76
Korttermynkapitaal, insluitende foute en onaantekende transaksies	359	86
Sentrale regering en banksektor	-36	340
Langtermynlenings deur die sentrale regering	162	114
IMF-lening	—	81
Ander kapitaal	-198	145
Totale netto invloeiing	578	498

terwyl die regstreekse aandeelbelegging op 'n lae vlak gebly het, het die samestelling daarvan in sekere opsigte verskil van die invloeiing wat gedurende die laaste kwartaal van 1975 voorgekom het, soos in die bygaande tabel getoon word. Verreweg die grootste gedeelte van die netto invloeiing van buitelandse kapitaal gedurende die eerste kwartaal van 1976, insluitende 'n IMF-trekking van R81 miljoen, is deur die sentrale regering en banksektor verkry, terwyl die private sektor hoofsaaklik vir die netto invloeiing gedurende die vierde kwartaal van verlede jaar verantwoordelik was.

Veranderings in goud- en ander buitelandse reserwes

Die netto resultaat van die groot tekort op die lopende rekening en die netto invloeiing van kapitaal gedurende die eerste kwartaal van 1976 was 'n effense afname van R45 miljoen in die bruto goud- en ander buitelandse reserwes toeskryfbaar aan betalingsbalans-transaksies. Indien waardasie-aansuiwerings, met insluiting van dié ten opsigte van die goudruiloor-eenkoms, in berekening gebring word, het die bruto goud- en ander buitelandse reserwes gedurende die eerste kwartaal met R246 miljoen tot op 'n vlak van R1 346 miljoen aan die einde van Maart toegeneem. Vanaf die einde van Maart tot die einde van Mei 1976 het die bruto goud- en ander buitelandse reserwes van die Reserwebank met R264 miljoen tot op 'n vlak van R941 miljoen gedaal. Hierdie daling was gedeeltelik aan die terugbetaling van amptelike lenings toe te skryf.

Goud- en ander buitelandse reserwes



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terwyl die regstreekse aandeelbelegging op 'n lae vlak gebly het, het die samestelling daarvan in sekere opsigte verskil van die invloeiing wat gedurende die laaste kwartaal van 1975 voorgekom het, soos in die bygaande tabel getoon word. Verreweg die grootste gedeelte van die netto invloeiing van buitelandse kapitaal gedurende die eerste kwartaal van 1976, insluitende 'n IMF-trekking van R81 miljoen, is deur die sentrale regering en banksektor verkry, terwyl die private sektor hoofsaaklik vir die netto invloeiing gedurende die vierde kwartaal van verlede jaar verantwoordelik was.

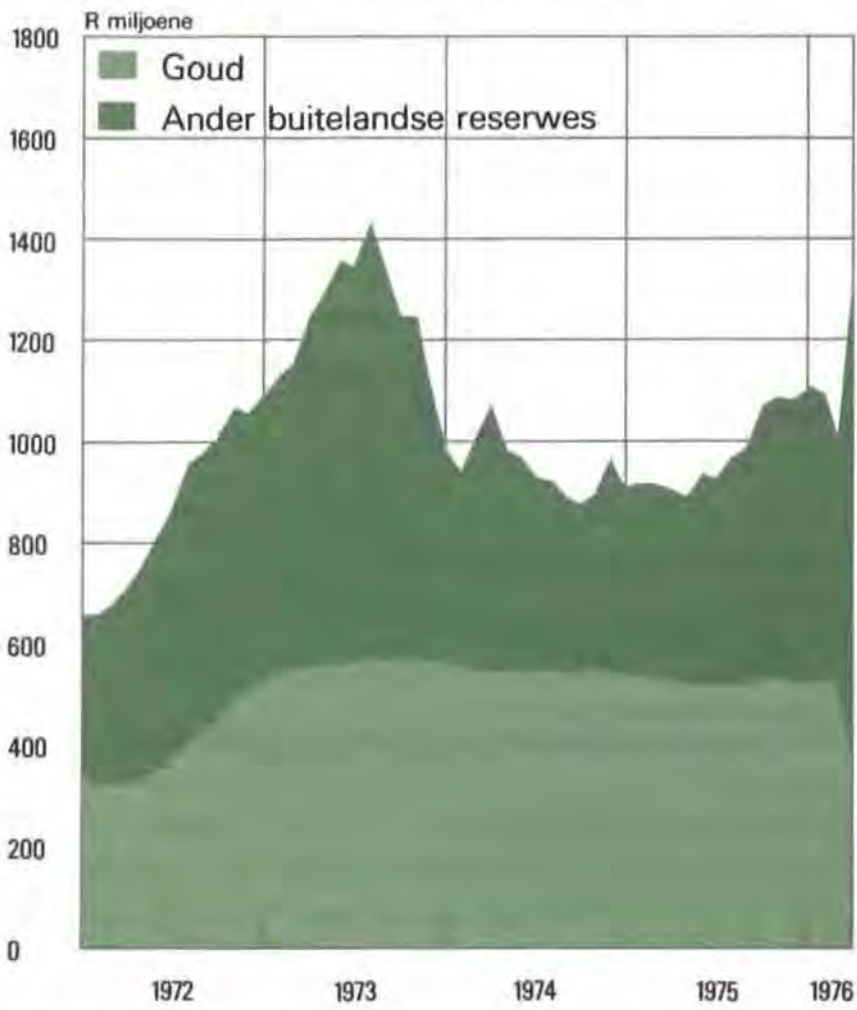
Veranderings in goud- en ander buitelandse reserwes

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Goud- en ander buitelandse reserwes



Monetêre en banktoestand

Veranderings in geld en kwasi-geld

Nadat dit gedurende Januarie en Februarie 1976 'n betreklik matige toename getoon het, het die seisoens-aangesuiwerde hoeveelheid geld en kwasi-geld gedurende Maart en April 1976 weer gestyg. Die seisoensaangesuiwerde jaarkoers van toename gedurende die eerste kwartaal van 1976 het gevolglik ietwat meer as 15 persent beloop, wat duidelik minder was as die koers van ongeveer 21 persent gedurende die tweede helfte van verlede jaar. Indien kwasi-geld uitgesluit word, het die eng gedefinieerde geldvoorraad gedurende die eerste kwartaal van 1976 'n klein verdere afname getoon nadat dit gedurende die vierde kwartaal van 1975 teen 'n jaarkoers van net meer as 6 persent gedaal het.

Die verdere styging in die hoeveelheid geld en kwasi-geld, en die daling in die bruto binnelandse produk, het meegebring dat die verhouding van geld en kwasi-geld tot die bruto binnelandse produk verder toegeneem het vanaf 30,5 persent gedurende die vierde kwartaal van 1975 tot 31,7 persent gedurende die eerste kwartaal van 1976.

Oorsake van veranderings in geld en kwasi-geld

Soos gedurende die grootste deel van 1975, was opmerklike toenames in bankkrediet aan die private sektor en in netto bankkrediet aan die regeringsektor nog steeds vir die grootste deel van die toename in geld en kwasi-geld gedurende die eerste kwartaal van 1976 verantwoordelik. Verskeie belangrike veranderings het egter gedurende die kwartaal in die verskillende oorsake van veranderings in die likwiditeit van die private sektor voorgekom, maar besondere faktore moet by die vertolking daarvan in gedagte gehou word. Die toename in bankkrediet aan die private sektor het byvoorbeeld van Januarie tot Februarie opmerklik gedaal en gedurende Maart in werklikheid negatief

geword. Op soortgelyke wyse het die netto eise van die banksektor teen die regeringsektor, seisoensaangesuiwerd, nadat dit gedurende sowel Januarie as Februarie baie skerp gestyg het, gedurende Maart 'n groot daling getoon. Gedurende April het die toestand verander en die verdere toename in die hoeveelheid geld en kwasi-geld is veroorsaak deur 'n skerp toename in die netto eise van die banksektor teen die regeringsektor en deur 'n toename in bankkrediet aan die private sektor.

Die netto goud- en ander buitelandse reserwes het, nadat dit gedurende Januarie 1976 opmerklik gedaal het, gedurende Februarie 'n buitengewoon groot afname getoon voordat dit gedurende Maart weer met meer as R300 miljoen (seisoensaangesuiwerd) gestyg het. Verreweg die grootste deel van die toename gedurende Maart is egter verklaar deur die Reserwebank se omsetting van 'n deel van sy goudbesit in buitelandse valuta teen 'n markverwante goudprys, kragtens die goudruilreëlings van 12 Maart. Hierdie prosedure het as sodanig natuurlik nie enige invloed op die hoeveelheid geld en kwasi-geld gehad nie. Dit wil egter voorkom asof die netto goud- en ander buitelandse reserwes, seisoensaangesuiwerd, selfs ná uitskakeling van die invloed van die goudruil, gedurende Maart 'n nie-onbeduidende styging getoon het. Die groot styging in „ander laste“ van die Reserwebank (en die banksektor) wat as die teenhanger van die Reserwebank se boekwins op sy verkoop van goud voorgekom het, is meer as geneutraliseer deur stygings in verskeie „ander bates“.

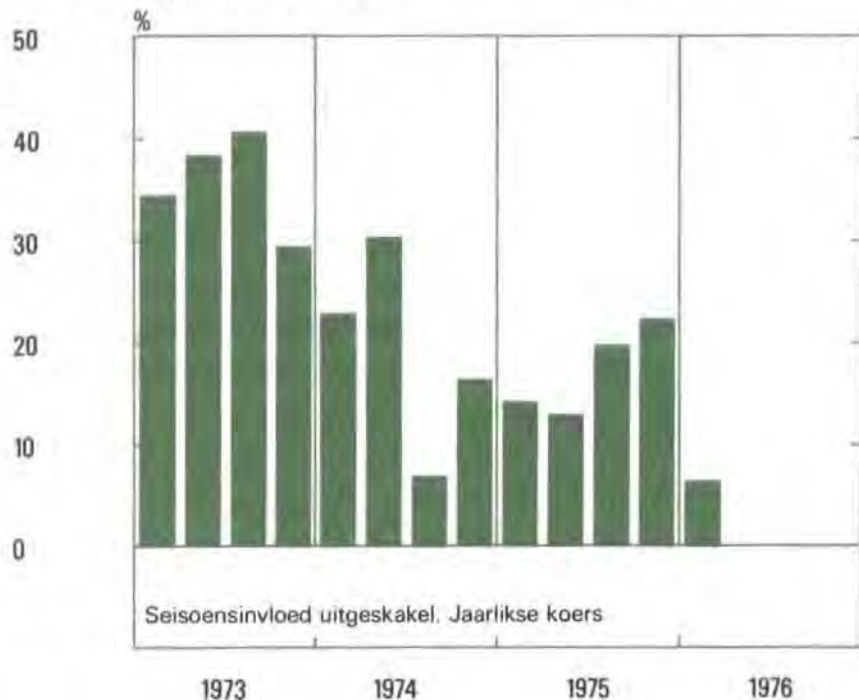
Die langtermyndeposito's van die private sektor, wat dwarsdeur 1975 aansienlike kwartaallike toenames getoon het, het gedurende die eerste kwartaal van 1976 opmerklik gedaal, hoofsaaklik as gevolg van 'n baie groot afname in hierdie deposito's gedurende Maart. Dit was in sekere mate 'n weerspieëling van die verskuiwing vanaf langtermyn na middeltermyn van deposito's met langtermyn-oorspronklike looptye wat

Oorsake van veranderings in geld en kwasi-geld, eerste kwartaal van 1976

R miljoene

	Seisoensinvloed nie uitgeskakel nie				Seisoensinvloed uitgeskakel			
	Jan.	Feb.	Maart	1e kw.	Jan.	Feb.	Maart	1e kw.
Netto goud- en ander buitelandse reserwes	-158	-160	251	-68	-139	-213	315	-37
Eise teen die regeringsektor:								
Bruto eise	76	139	29	244				
Regeringsdeposito's (toename -, afname +)	-107	-98	-193	-398				
Netto eise	-32	41	-164	-154	251	230	-272	209
Eise teen die private sektor	144	105	-59	190	119	62	-75	106
Langtermyndeposito's (toename -, afname +)	-32	21	165	154	42	-96	182	128
Netto ander bates	-57	32	54	29				
Totale oorsake van veranderings	-135	39	248	152	94	14	197	305

Persentasieverandering in eise van die banksektor teen die private sektor



aanvanklik ná die verhoging van die likwiditeitsvereistes in Augustus, Oktober en November 1975 deur die banke gewerf is.

Bankkrediet aan die private sektor

Gedurende die eerste kwartaal van 1976 het die eise van die banksektor teen die private sektor voor seisoensaansuiwering met R190 miljoen, of ná seisoensaansuiwering met R106 miljoen, toegeneem, d.w.s. teen 'n seisoensaangesuiwerde jaarkeers van ongeveer 5 persent. Dit vergelyk met koerse van meer as 20 persent gedurende die tweede helfte van 1975 en ongeveer 17 persent gedurende 1975 in sy geheel.

Die toename in die totale eise teen die private sektor gedurende die eerste kwartaal van 1976 is meer as volledig verklaar deur toenames in die diskonteringe en voorskotte van die handelsbanke en, in heelwat mindere mate, van die monetêre huurkoop- en algemene banke. Hierdie diskonteringe en voorskotte het gedurende Januarie en Februarie in werklikheid met nie minder nie as R356 miljoen gestyg voordat dit gedurende Maart met R79 miljoen gedaal het. Afnames het ook gedurende die kwartaal in die totale beleggings van die banksektor in effekte van die private sektor, en in die diskonteringe en voorskotte van die Landbank, die aksepanke en die diskontohuise, voorgekom.

Verskeie faktore het tot die skerp verlangsamings in die verlening van bankkrediet in die loop van die eerste kwartaal bygedra. Dit het die stram likwiditeitsposisie van die banke gedurende Februarie en Maart en die instelling van kredietplafonne in Februarie, gebaseer op die syfers soos aan die einde van Desember 1975, ingesluit. Die kredietplafonne is streng toegepas, hoewel toegewings gemaak moes word vir sekere

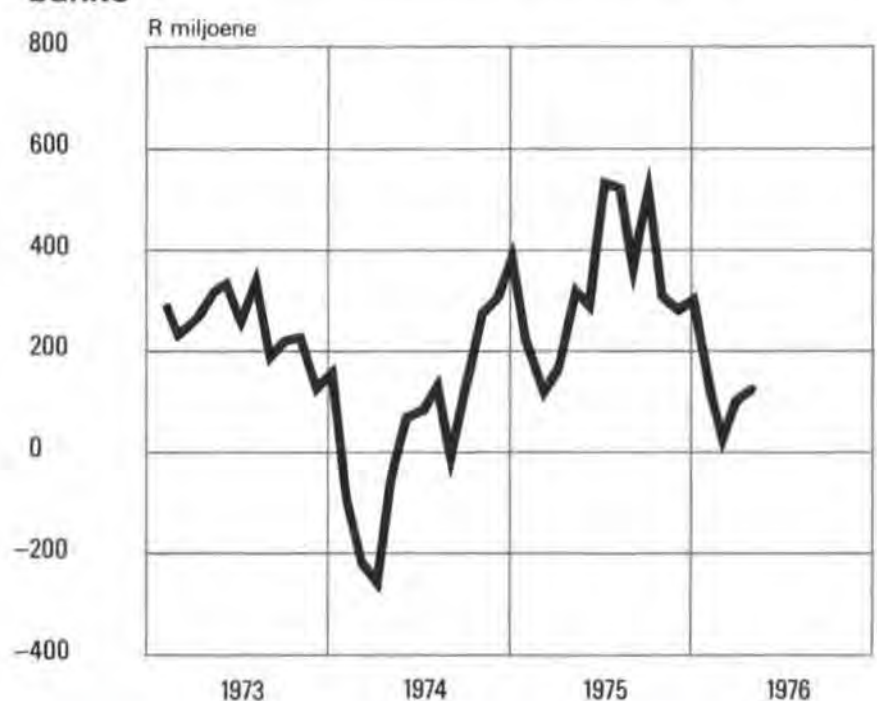
kontraktuele verbintenisse wat voor die instelling van die plafonne aangegaan is.

Gedurende die eerste vier maande van 1976 het die diskonteringe en voorskotte van die handelsbanke, aksepanke en monetêre huurkoop- en algemene banke met 3,7 persent toegeneem, terwyl hulle beleggings met 1,6 persent afgeneem het, wat tesame 'n styging van 3,0 persent bedra.

Likwiditeit van bankinstellings

Nadat dit gedurende Januarie en Februarie 1976 tot baie lae peile gedaal het, het die banke se oorskotlikwiditeitsposisie gedurende sowel Maart as April baie stram gebly. Aan die einde van April het die oorskotlikwiede bates van die banke slegs een persent van hul verpligtings teenoor die publiek bedra. Dit is 'n lae persentasie indien in aanmerking geneem word dat 'n sekere marge vereis word om te kan aanpas by skommelings in en verskuiwings van verpligtings. Die vernouing van die banke se likwiditeitsposisie was hoofsaaklik die gevolg van die seisoensbeweging van belasting- en leningsfondse na die regeringsektor gedurende Januarie en Februarie, voortgesette dalings in die netto goud- en buitelandse valuta-reserwes, veral in April, en 'n relatiewe verskuiwing na korter deposito's deur die publiek gedurende Maart wat die likwiede batevereistes in April verhoog het.

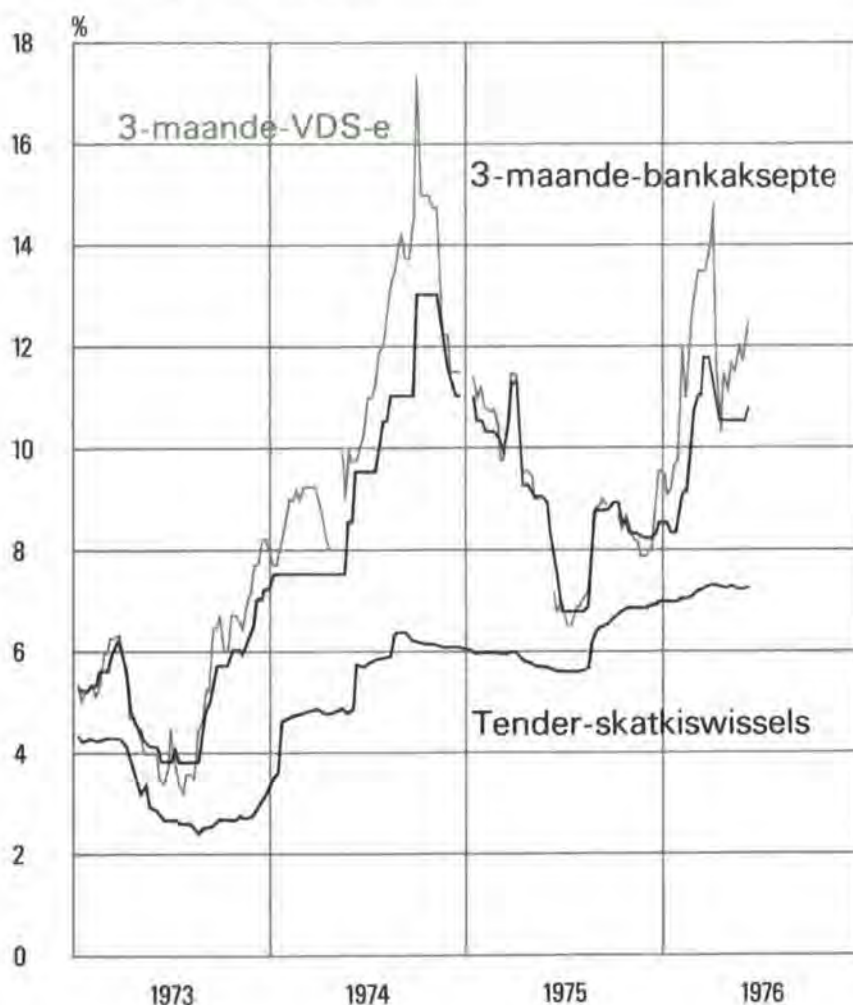
Oorskot-likwiede bates van handelsbanke, aksepanke en monetêre huurkoop en algemene banke



Toestand op die geldmark en rentekoerse

Die toestand op die geldmark het gedurende Maart stram gebly maar vervolgens gedurende April en Mei aansienlik verruim, hoofsaaklik as gevolg van die groot toename in die netto eise van die Reserwebank en die Nasionale Finansiële korporasie teen die regeringsektor.

Geldmarkrentekoerse



toegeneem. Die diskontokoers op bankaksepte van drie maande het vanaf 11,75 persent op 26 Maart tot 10,50 persent op 9 April gedaal, tot 21 Mei op hierdie peil gebly en daarna tot 10,75 persent op 4 Junie gestyg. Die skatkisswissel-tenderkoers, daarenteen, het byna ononderbroke vanaf 7,28 persent op 26 Maart tot 7,19 persent op 14 Mei gedaal, maar tot 7,28 persent op 4 Junie gestyg.

Die rentekoerse op deposito's by bankinstellings, wat gedurende die eerste week van Februarie geneig het om opwaarts te beweeg, het gedurende die res van Februarie en gedurende Maart, April en die eerste drie weke van Mei onveranderd gebly.

Onder hierdie omstandighede het die akkommodasie van die Reserwebank aan die banke en diskontohuise, wat oor die maandeinde van Februarie op 'n hoë vlak gestaan het, gedurende Maart skerp gedaal en aan die begin van April onbeduidend geword. Die daggeldlenings by die diskontohuise, wat skerp gedaal het tot R508 miljoen op 1 Maart, het gedurende die res van Maart en gedurende April en Mei aansienlik gestyg (tot R841 miljoen aan die einde van Mei), waardeur die diskontohuise in staat gestel is om die meeste van hul skatkisswissels wat nog by die Reserwebank onder diskonto was, terug te koop. Omdat die diskontohuise as gevolg van die kapitaalbeperking van die Bankwet daggeld „van die hand gewys het”, het die banke ook hul saldo's by die Nasionale Finansiële korporasie, bo en behalwe die aanvullende kontantvereistes, aansienlik vermeerder. Die bedrag van die „vrye” saldo's by die Nasionale Finansiële korporasie het op 14 Mei 'n hoogtepunt van R276 miljoen bereik en daarna effens afgeneem tot R227 miljoen op 4 Junie.

Nadat dit gedurende Maart verder gestyg het, het die private geldmarkrentekoerse gedurende die eerste paar dae van April skerp gedaal maar vervolgens opwaarts beweeg, onder andere as 'n weerspieëling van die invloed van die streng likwiede batevereistes. Die koers op VDS-e van 90 dae het byvoorbeeld vanaf 14,75 persent op 26 Maart tot 10,30 persent op 9 April gedaal maar daarna tot 12,00 persent op 4 Junie

Staatsfinansies

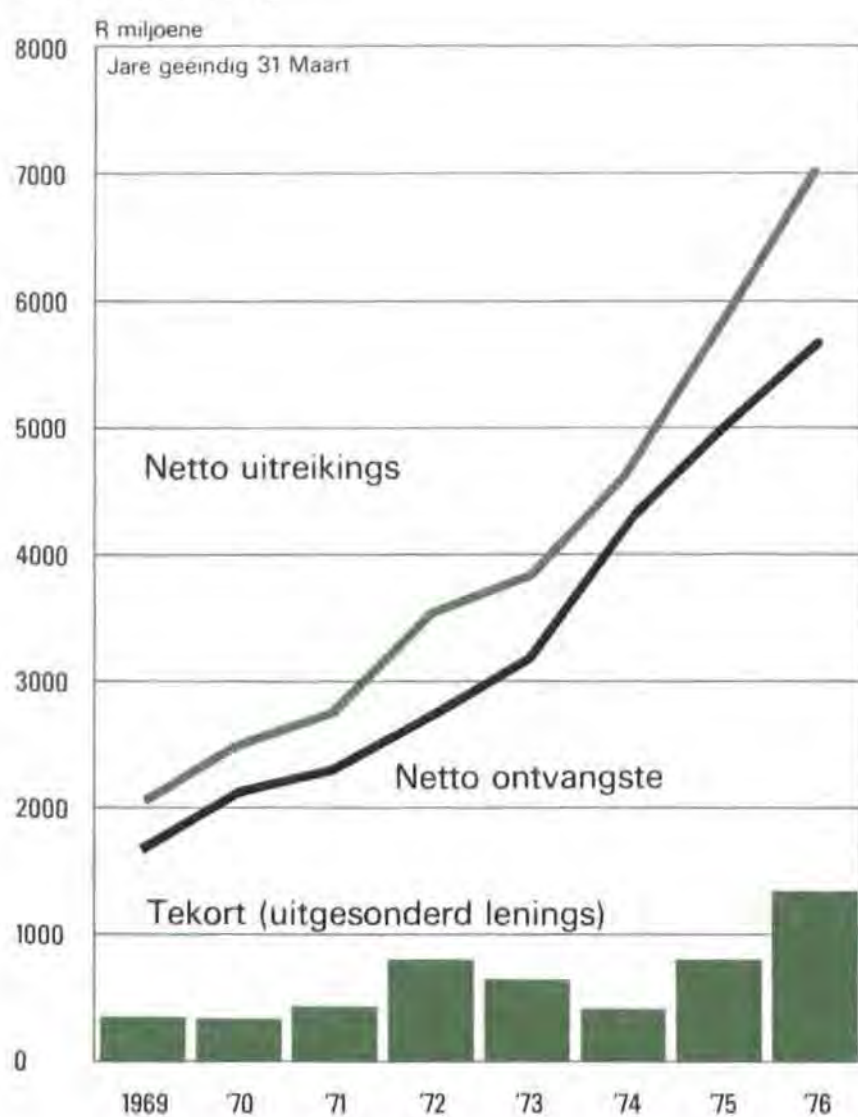
Skatkisuitreikings en -ontvangste

Gedurende die fiskale jaar 1975/76 het skatkisuitreikings R7 016 miljoen bedra wat 'n verhoging van 21 persent verteenwoordig vergeleke met uitreikings gedurende die voorafgaande fiskale jaar. Totale skatkis-ontvangste (uitgesonderd lenings) het tot R5 663 miljoen, of met bykans 14 persent, toegeneem. Betalings van inkomstebelasting en huurkontrakte deur goudmyne het R642 miljoen bedra, wat die relatiewe belangrikheid van die goudmynnywerheid as bron van lopende inkomste van die sentrale regering tot die 1973/74 vlak verminder het. Hierdie betalings het 11 persent van die totale inkomste in 1975/76 verteenwoordig vergeleke met ongeveer 15 persent gedurende 1974/75. Inkomstebelastingontvangste vanaf ander maatskappye het met R295 miljoen, of met 24½ persent, toegeneem, dié van individue met R278 miljoen, of 26 persent, en doeane-, aksyns- en verkoop-regontvangste met R164 miljoen, of 16 persent.

Skatkistekort

Skatkisuitreikings het -ontvangste (uitgesonderd lenings) met 'n bedrag van R1 353 miljoen oorskry.

Skatkisrekening



Soos in die oorspronklike Begroting voorsien is, was hierdie tekort aansienlik groter as die syfer van R816 miljoen wat in die 1974/75-fiskale jaar aangeteken is.

By die finansiering van hierdie tekort is slegs 'n beperkte bydrae van fondse vanaf die Staatskuldkommissaris ontvang en die Tesourie moes in 'n groot mate op ander bronne van finansiering steun. Die Staatskuldkommissaris het 'n aansienlike onttrekking van fondse ondervind, veral deur die Departement van Verdediging, die Suid-Afrikaanse Spoorweë, die Krygstuigraad, die provinsiale administrasies en die Nasionale Padfonds. Die Staatskuldkommissaris se bydrae van fondse tot die Skatkis het gevolglik slegs R39 miljoen bedra, wat aanmerklik laer as gewoonlik en aansienlik minder as die syfer vir 1974/75 was. In 'n poging om ander bronne van finansiering te vind, het die Tesourie 'n suksesvolle leningsprogram van stapel gestuur met die doel om fondse vanaf die private nie-banksektor te trek. Die gevolg was dat 'n bedrag van R431 miljoen van hierdie sektor verkry is en dit was vir die finansiering van bykans een-derde van die tekort verantwoordelik en was ook R291 miljoen meer as die bedrag wat gedurende die vorige jaar verkry is. Bykomend tot hierdie program, het die Tesourie sy buitelandse lenings tot R347 miljoen verhoog, waarvan R100 miljoen trekkings op die Internasionale Monetêre Fonds verteenwoordig het. Hierdie bedrag was R255 miljoen meer as die Tesourie se buitelandse lenings gedurende 1974/75. Die oorblywende deel van die tekort, naamlik R536 miljoen, is gefinansier deur 'n verhoging in die netto skuldposisie teenoor die monetêre banksektor. Netto nuwe beleggings in staatskuldbewyse deur die monetêre banksektor het in werklikheid R848 miljoen bedra, maar terselfdertyd het die Skatkis se kontantsaldo's met R312 miljoen toegeneem. Aan die einde van Maart 1976 het hierdie kontantsaldo's R930 miljoen bedra, waarvan R822 miljoen die saldo op die Stabilisasie-rekening verteenwoordig het.

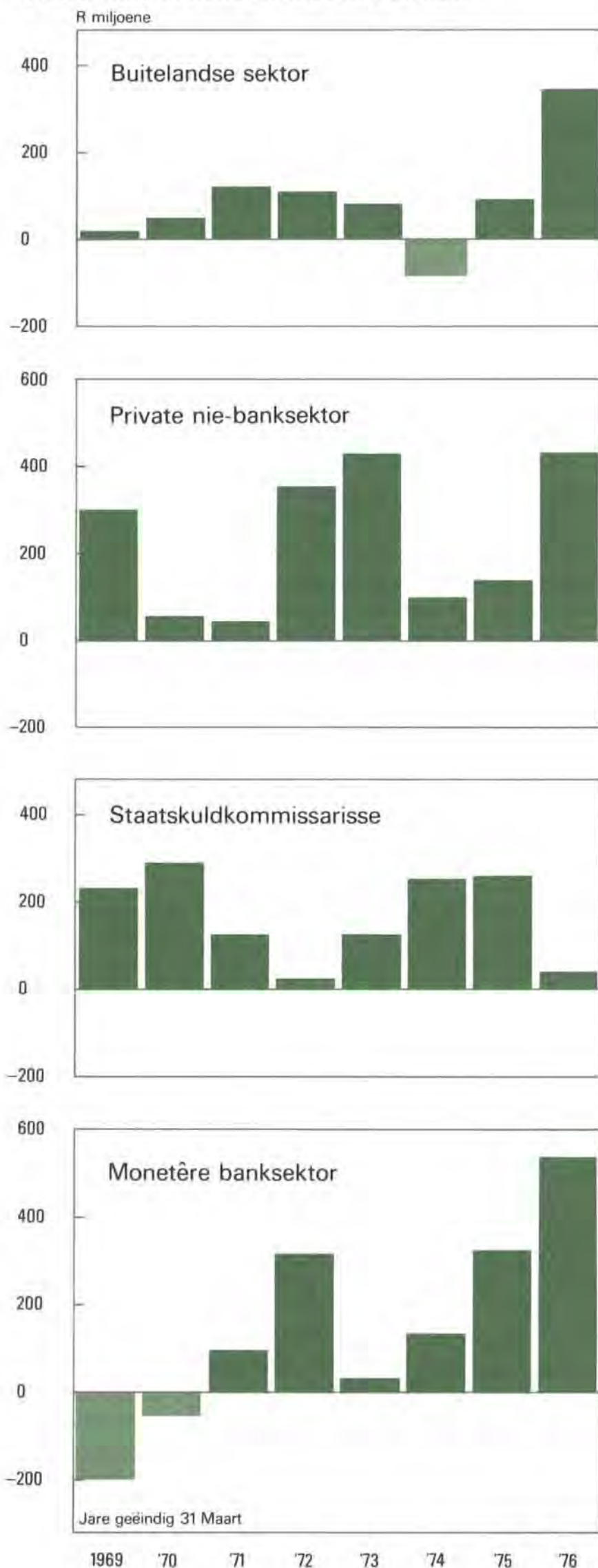
Tussen 1 en 8 Junie 1976 het die Tesourie spesiale 8 persent skatkiswissels aan beleggers beskikbaar gestel. Hierdie wissels sal by aflossing omgesit word in twee nuwe uitgiftes van staatseffekte, wat vanaf 1 Julie beskikbaar sal wees, wanneer effekte ten bedrae van bykans R260 miljoen sal verval. Die Minister van Finansies het verklaar dat die effekte-uitgifte van drie jaar 'n koers van nie minder nie as 8 persent per jaar sal hê.

Die 1976/77-Begroting

Die noodsaaklikheid van 'n konserwatiewe begroting, in die sin van 'n beteueling van Staatsuitgawes waar moontlik, is deur die Minister van Finansies benadruk toe hy sy 1976/77-Begroting op 31 Maart 1976 aan die Parlement voorgelê het. Hy het verklaar dat, alhoewel die regering steeds die hoogste waarde aan die langtermyn groei van die volkshuishouding heg, daar verskeie faktore is wat 'n gepaste mate van finansiële

Skatfinansiering

Verandering in netto skuldposisie teenoor



dissipline vereis. Eerstens is daar die onsekerhede aangaande die duur van die ongunstige eksterne faktore wat die volkshuishouding, en in besonder die betalingsbalans, beïnvloed. Aangesien dit nog 'n geruime tyd mag duur voordat meer gunstige eksterne toestande verwesenlik kan word, is dit nodig dat streng beheer oor totale vraag gehandhaaf word ten einde die betalingsbalans nie aan oormatige spanning bloot te stel nie. Tweedens vereis die veldtog teen inflasie ook 'n beperking in fiskale beleid. Hoewel daar geglo word dat koste-druk eerder as vraag-trekfaktore hoofsaaklik vir die heersende inflasie verantwoordelik is, is dit nietemin belangrik dat voldoende beheer steeds oor die geldvoorraad uitgeoefen word. Dit is nodig ten einde 'n toename in inflasionistiese druk, veroorsaak deur oormatige monetêre vraag, te vermy wanneer die ekonomiese groeikoers weer begin toeneem. Monetêre en kredietbeleid is reeds op hierdie doelwit toegespits, maar dit is noodsaaklik dat fiskale beleid hierdie monetêre maatreëls moet versterk. Dit is egter nodig om ewewig en perspektief in die toepassing van fiskale beleid te behou en dit is nie nodig om so 'n beperkende finansiële beleid toe te pas dat ekonomiese groei kragteloos gemaak word nie. Maatskaplike prioriteite moet ook behoorlik in ag geneem word.

Ten einde 'n aansienlike toename in verdedigingsuitgawes moontlik te maak en terselfdertyd te verseker dat totale staatsuitgawes nie in reële terme styg nie, is streng besuinigingsmaatreëls op ander staatsdepartemente toegepas. Nadat die voorstelle van die Minister om maatskaplike en siviele pensioene te verhoog, in ag geneem is, is totale uitgawes vir die 1976/77-fiskale jaar op R7 832 miljoen beraam, of 11 persent meer as die geraamde vergelykbare uitgawes vir 1975/76. Op die belasting-basis wat toe gegeld het, is die Tesourie met 'n aansienlike tekort gelaat. Die beleidsbenadering wat in die Begroting gevolg is, het vereis dat 'n aansienlike gedeelte van die tekort vanuit bykomstige belastings gedelg moes word eerder as deur die gebruikmaking van beskikbare kontantsaldo's. Sowel indirekte as direkte belastings is gevolglik verhoog. Eersgenoemde het verhogings in die verkoopreg en doeane- en aksynsregte op bier, gefortifiseerde en skuimwyn, spiritualieë, tabak en petroleum-produkte ingesluit, wat na verwagting 'n bykomstige R275 miljoen gedurende die fiskale jaar sal oplewer. Hoër direkte belastings, wat na verwagting R148 miljoen sal oplewer, het 'n addisionele toeslag van 5 persent op basiese belastings betaalbaar deur individue en maatskappye (uitgesonderd diamantmynmaatskappye) ingesluit, asook verhogings in die koerse van die belasting op buitelandse aandeelhouers en die belasting op onuitgekeerde winste. Die Minister het 'n leningsheffing gelykstaande aan 10 persent van belastings betaalbaar deur individue ingestel en die leningsheffing wat deur maatskappye betaal word, vanaf 5 persent tot 10 persent verhoog.

Die tekort (uitgesonderd lenings) op die Staatsinkomsterekening is op R1 463 miljoen beraam. Die Minister het verwag om hierdie bedrag te finansier deur middel van *netto* binnelandse lenings ten bedrae van R1 051 miljoen (insluitende R394 miljoen deur middel van leningsheffings en R120 miljoen deur die uitgifte van Nasionale Verdedigings-obligasies*) en netto buitelandse lenings van R120 miljoen. Beskikbare kontant-saldo's sal gebruik word tot die bedrag van R292 miljoen, waarvan R240 miljoen 'n gedeelte van die saldo op die Stabilisasierekening verteenwoordig.

Die Minister het voorgestel dat hy gemagtig word om, soos onder andere deur die Kommissie van Onderzoek na Fiskale en Monetêre Beleid aanbeveel is, die leningsheffings tussen Begrotings onder sekere voorwaardes te verhoog of te verlaag. Hy het aanbeveel dat die maksimumverhoging of -verlaging 10 persent van die basiese belasting sal wees, en dat enige sodanige aanpassing onderworpe moet wees aan Parlementêre goedkeuring gedurende die eersvolgende sitting.

*Daar is op 10 Junie aangekondig dat inskrywingslyste vir die vyf-jaar Verdedigings-obligasies op 1 Julie oopgestel sal word. Rente sal halfjaarliks betaal word teen 'n koers van 9,5 persent per jaar met 'n 3 persent bonusrente by aflossing. Beleggings mag teen pari afgelos word voor die vervaldatum, in die geval van boedels te enige tyd na ses maande en in alle ander gevalle enige tyd na 12 maande.

Kapitaalmark

Groot vraag na fondse in die mark vir vaste-rentedraende effekte

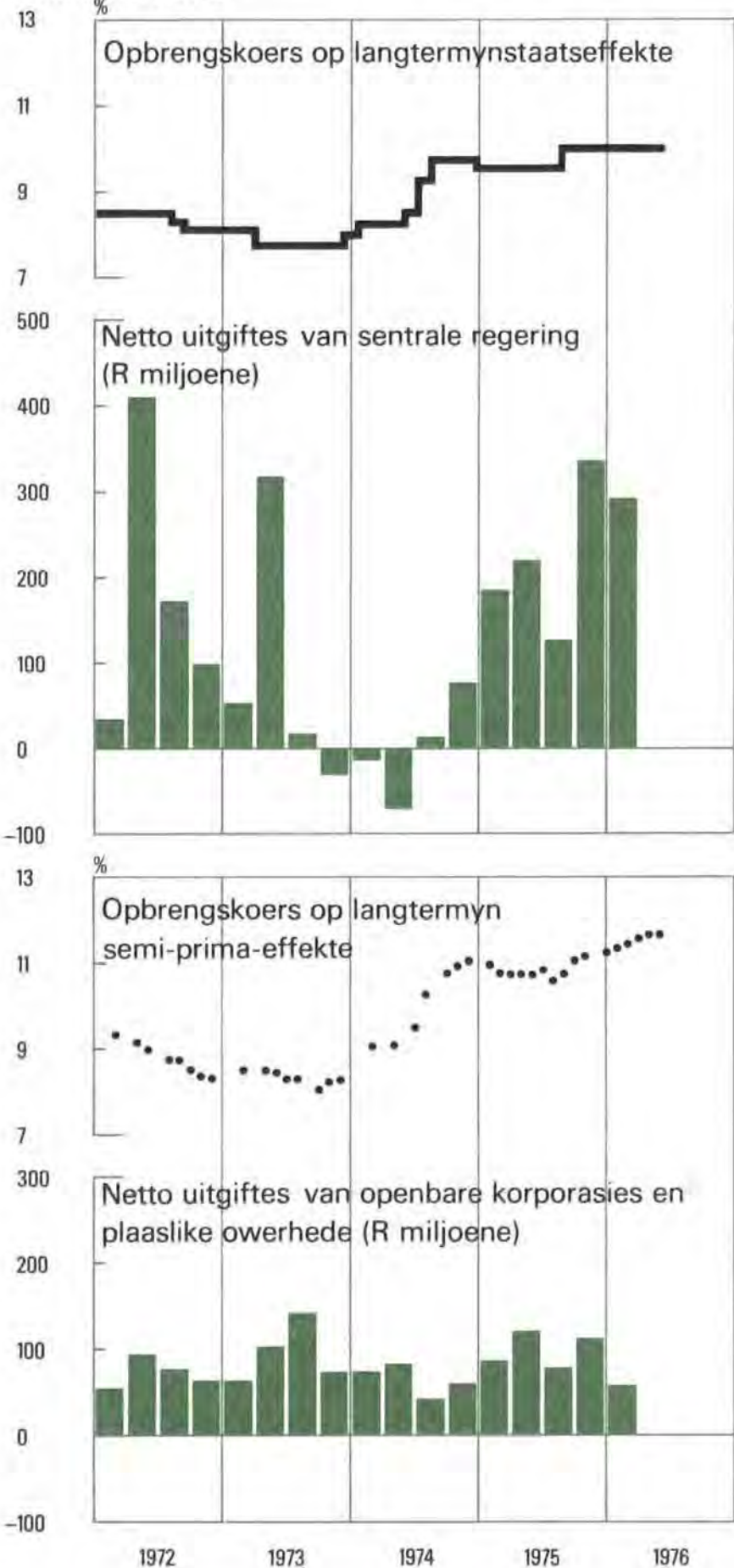
Die toestand in die mark vir vaste-rentedraende effekte het gedurende die eerste vier maande van 1976 stram gebly. Dit is in 'n verdere styging in sommige opbrengskoerse en die nie-volskrywing van 'n aantal nuwe uitgiftes gedurende hierdie tydperk weerspieël. Die opbrengskoers op langtermynstaatseffekte het onveranderd op 10,00 persent gebly, maar gedurende Maart en April is effekte teen effens laer opbrengskoerse in die sekondêre mark verhandel. Die verteenwoordigende opbrengskoers op langtermyn-semiprima-effekte het gedurende die eerste vier maande van 1976 opwaarts beweeg tot 11,65 persent in April, vergeleke met 11,35 persent aan die einde van verlede jaar. Slegs een nuwe uitgifte van maatskappyskuld-briewe, wat 'n opbrengskoers van 13,375 persent aangebied het, is gedurende die eerste vier maande van die jaar gemaak. Hierdie opbrengskoers was steeds binne die bestek van 13,25 tot 13,50 persent wat op onmiddellik voorafgaande uitgiftes van toepassing was. Opbrengskoerse op maatskappyskuld-briewe in die sekondêre mark bevestig dat daar feitlik geen verandering gedurende hierdie tydperk van vier maande plaasgevind het nie.

Die taamlike stram marktoestand was aan die openbare sektor se baie groot vraag na uitleenbare fondse toe te skrywe. Die bedrag aan nuwe fondse wat gedurende die eerste kwartaal deur die leners in die openbare sektor in die mark vir vaste-rentedraende effekte opgeneem is, uitgesonderd die toename in hul besit aan hul eie effekte, was op 'n selfs hoër vlak as in 1975 toe 'n buitengewoon groot bedrag aan fondse opgeneem is. Teen 'n jaarkoers bedra die syfer vir die eerste kwartaal R1 400 miljoen, vergeleke met R1 270 miljoen in 1975. Nuwe fondse wat gedurende die eerste kwartaal van 1976 deur maatskappye wat op die Johannesburgse Effektebeurs genoteer word, in die mark vir vaste-rentedraende effekte opgeneem is, was egter op 'n laer vlak as in 1975.

Voortsetting van terneergedrukte toestande op die Effektebeurs

Die skerp afname in die prys van goud in September 1975 het tot 'n merkbare afname in die pryse van goudmynaandele gedurende die tydperk September 1975 tot Januarie 1976 gelei. Gedurende Februarie en Maart het hierdie pryse marginaal gestyg, maar gedurende April weer gedaal. In daardie maande was die pryse van goudmynaandele gemiddeld 32 persent laer as in Augustus en 8 persent laer as in Desember verlede jaar. Die pryse van finansiële mynaandele het voortgegaan om afwaarts te skommel, terwyl die pryse van steenkoolmynaandele gedurende Maart en April aanmerklik toegeneem het en 'n styging van 12 persent gedurende die eerste vier maande van 1976 getoon

Opbrengskoerse en netto uitgiftes van bemarkbare effekte, uitgesonderd leners se besit aan eie effekte



het. Die pryse van al die oorblywende klasse aandele het hul afwaartse neiging gedurende die tydperk Januarie tot April voortgesit en die daling in die pryse van hierdie klasse aandele het vanaf 1 tot 6 persent gewissel.

Die gemiddelde dividendopbrengskoers op alle klasse aandele het vanaf 8,2 persent in Desember verlede jaar tot 8,6 persent in April toegeneem. Vergeleke met die opbrengskoers op langtermynstaats-

effekte, het die omgekeerde rendementsgaping vanaf 1,8 persent in Desember tot 1,4 persent in April vernou.

Effektetrusts het gedurende die eerste kwartaal van 1976 'n verdere netto uitvloeiing van fondse ondervind. Netto terugkope van onderaandele het R2 miljoen bedra. As gevolg van netto verkope van sekuriteite en die afname in aandelepryse, het die markwaarde van hul netto bates gedurende hierdie drie maande met R19 miljoen tot R293 miljoen afgeneem.

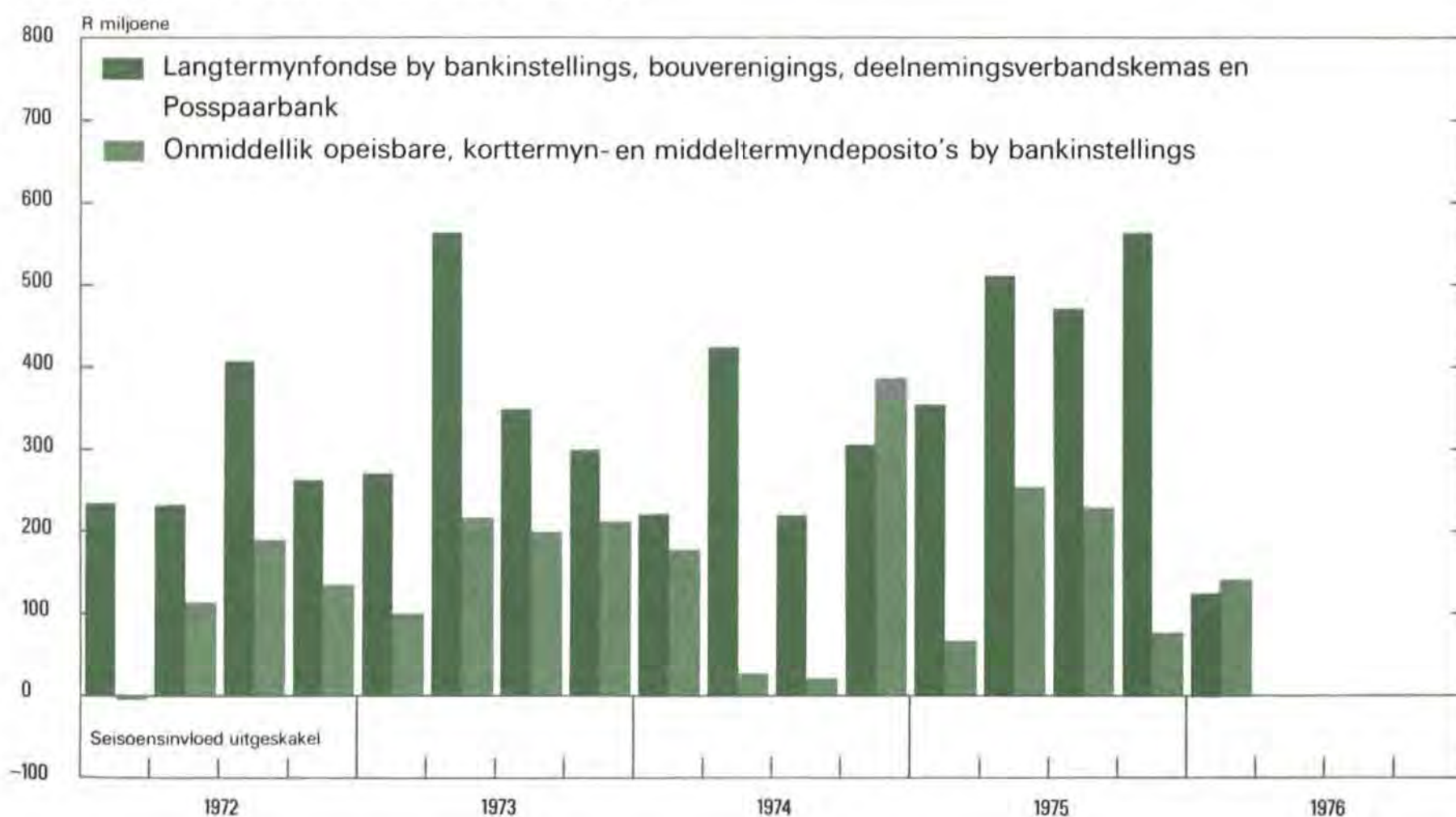
Kleiner beweging van fondse na depositonemende en verwante instellings

Die seisoensaangesuiwerde beweging van langertermynfondse na depositonemende en verwante instellings het gedurende die eerste kwartaal van 1976 skerp afgeneem. In die geval van die bouverenigings het die seisoensaangesuiwerde toename in aandele en deposito's R155 miljoen bedra, vergeleke met R233 miljoen gedurende die laaste kwartaal van 1975 en 'n kwartaallikse gemiddelde van R200 miljoen vir 1975 as geheel. Ten einde die bouverenigings in staat te stel om meer effektief om deposito's mee te ding en sodoende die skerp afname in hulle netto inname van fondse te stuit, het die Reserwebank aangekondig dat die voorgeskrewe maksimum rentekoerse wat bouverenigings

en bankinstellings op deposito's mag betaal, met ingang 15 Junie 1976 van toepassing sal wees op alle individuele deposito's van R1 miljoen of minder, in plaas van slegs op individuele deposito's van R250 000 of minder. Terselfdertyd het die Minister van Finansies aangekondig dat die maksimum toelaatbare rentekoers op die spesiale belastingvrye bouverenigingaandele vanaf $7\frac{1}{2}$ tot 8 persent per jaar verhoog sal word. Die maksimum besit van hierdie aandele bly egter onveranderd op R10 000 per belastingbetaler. Bankinstellings se spaar- en langertermyndeposito's, seisoensaangesuiwerd, het in werklikheid met R93 miljoen gedurende die eerste kwartaal afgeneem nadat 'n buitengewoon groot gemiddelde kwartaallikse toename van R242 miljoen gedurende 1975 aangeteken is. Die beweging van fondse na deelnemingsverbandskemas gedurende die eerste kwartaal het R21 miljoen bedra en het dus op die effens hoër vlak waartoe dit gedurende die vierde kwartaal van verlede jaar gestyg het, gebly. Insgelyks is die netto belegging in die Posspaarbank, Spaarbanksertifikate en Nasionale Spaarsertifikate, wat gedurende die eerste kwartaal R31 miljoen bedra het, op ongeveer dieselfde vlak as in 1975 gehandhaaf.

Tesame met 'n klein belegging in premie-obligasies van die Tesourie, het die totale beweging van fondse na bogenoemde instellings gedurende die eerste kwartaal,

Beweging van fondse na finansiële instellings



teen 'n seisoensaangesuiwerde jaarkoers, R504 miljoen bedra vergeleke met R1 904 miljoen gedurende 1975 as geheel. Hierdie totale dui dus daarop dat persoonlike besparing, wat gedurende die laaste drie kwartale van 1975 'n dalende neiging getoon het, gedurende die eerste kwartaal van 1976 tot 'n nog laer vlak beweeg het.

Verband- en vaste eiendomsmark

'n Kleiner beweging van fondse na verbandmark-tussengangers gedurende die eerste kwartaal van 1976 het tot 'n afname in verbandlenings gelei. Die afname was die skerpste in die geval van bouverenigings. Nuwe verbandlenings wat gedurende die eerste kwartaal deur bouverenigings toegestaan is, het R301 miljoen bedra wat R58 miljoen, of 16 persent, minder was as die ooreenstemmende bedrag vir die vierde kwartaal van verlede jaar, en ook 5 persent laer as die kwartaallikse gemiddelde vir 1975. Die kleiner uitleenbedrywighede van die verenigings het gepaard gegaan met 'n afname in hul verpligtings ten opsigte van nuwe verbandlenings toegestaan maar nog nie uitbetaal nie, wat met R30 miljoen afgeneem het. Hierdie afname beteken dat die bedrag wat in werklikheid op nuwe verbandlenings uitbetaal is, sleg op 'n effens laer vlak as in die laaste kwartaal van 1975 gehandhaaf is. Nuwe verbandlenings deur deelnemingsverbandskemas toegestaan, het gedurende die eerste kwartaal R42 miljoen bedra, vergeleke met R54 miljoen gedurende die vierde kwartaal van verlede jaar en 'n kwartaallikse gemiddelde van R30 miljoen vir 1975.

Die bedrywigheid in die vaste eiendomsmark, soos gemeet deur die waarde van vaste eiendoms-transaksies, het gedurende die laaste drie kwartale van 1975 matig toegeneem. Geoordeel aan die syfers vir die eerste twee maande van 1976, het hierdie toename nie tot in 1976 voortgeduur nie en die vlak van bedrywigheid gedurende die eerste twee maande was effens laer as in die vierde kwartaal van verlede jaar.

Mark vir vaste eiendom

