

South African
Reserve Bank

Suid-Afrikaanse
Reserwebank

Quarterly Bulletin
June 1977

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Owing to the rounding of figures, the sum of the separate items will sometimes differ from the total shown.

- ... denotes not available
- denotes value equal to nil
- 0 denotes value equal to less than half the digit shown
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Weens die afronding van syfers sal die som van die onderskeie poste soms verskil van die totaal wat aangetoon word.

- ... dui aan nie beskikbaar nie
- dui aan 'n waarde gelyk aan nul
- 0 dui aan waarde gelyk aan minder as die helfte van die eenheid aangetoon
- * dui voorlopige syfers aan

Navrae i.v.m. hierdie *Kwartaalblad* moet gerig word aan

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Quarterly economic review

General observations

Although the South African economy has not yet overcome all its problems, good progress has been made from the second half of 1976 in solving some of them. The authorities' main policy objectives remain to strengthen the balance of payments further and to reduce the rate of inflation. Notwithstanding the adverse effects of political developments on the South African economy, the restrictive monetary and fiscal policies pursued by the authorities succeeded from the middle of 1976 in restraining the expansion of bank credit and the growth in the money supply and contributed to a marked improvement in the current deficit on the balance of payments as well as a noticeable decline in the rate of inflation up to the end of 1976.

Unfortunately these achievements were accompanied by a continued slowing down of economic activity, an increase in the number of business failures and a rise in unemployment. Although the authorities continue to attach high importance to satisfactory long-term economic growth, a healthy balance of payments and a lower rate of inflation are prerequisites to sound economic expansion and thus a reduction in unemployment in future. The Minister of Finance, therefore, indicated in his Budget speech that a general stimulation of the economy would be premature at that juncture, but that selective stimulation and measures to reduce unemployment could not be ruled out within the general framework of the present conservative monetary and fiscal policy. For this reason, the Minister approved substantial expenditure on housing in non-White residential areas and agreed to the electrification of certain Black townships.

The economic growth rate, as measured by the increase in the real gross domestic product, was $1\frac{1}{2}$ per cent during 1976 and preliminary figures indicate that the slowdown in activity, which had accelerated from the third quarter of 1976, continued during the first quarter of 1977. Taking into account the depth of the world recession, the decline in the gold price during 1975 and the first three quarters of 1976, and the political uncertainties in Southern Africa, this growth rate can still be regarded as satisfactory. Owing to favourable prospects for agricultural crops in 1977, and an expected further increase in the volume of mining production, the rate of increase in the real gross domestic product may still show a positive figure in the

1977 calendar year. The higher level of the gold price and the good prospects for increased exports are further favourable factors which could contribute to an upturn in economic activity in the not too distant future.

Although the rate of inflation still remains at an unacceptably high level, progress has been made during 1975 and 1976 in reducing the rate of increase in prices. The seasonally adjusted annual rate of increase in the consumer price index declined from the peak of 17,4 per cent reached in the third quarter of 1974 to 9,3 per cent during the fourth quarter of 1976. However, during the first quarter of 1977, the annual rate of increase accelerated to 13,3 per cent mainly due to increases in indirect taxes and a number of government-administered prices. In April 1977, the seasonally adjusted consumer price index was 11,5 per cent higher than in the corresponding month of the preceding year.

Salaries and wages per worker generally increased at a lower rate than the increase in consumer prices with the result that the real wages of certain sections of the labour force showed a decline. During 1976 the average real wages and salaries per White employee in the non-agricultural sectors of the economy was 1,4 per cent lower than during 1975, whereas in the case of non-Whites it was 4,4 per cent higher.

As indicated above, the balance of payments improved considerably in certain respects during the course of 1976 and the first quarter of 1977. The current account deficit on the balance of payments declined progressively during 1976 and the first quarter of 1977. This improvement was due to the combined effect of the slowing down in domestic demand and thus in the demand for imports, the economic revival in most of the industrial countries and the resultant favourable influence on South Africa's exports, the increase in the gold price from the fourth quarter of 1976, and the conservative fiscal and monetary policies pursued by the authorities which succeeded in restraining the expansion of bank credit and the increase in the money supply. A decline in imports and an increase in the net gold output contributed to the further improvement in the current account of the balance of payments in the first quarter of 1977. Although a substantially smaller net inflow of long-term capital occurred during the first quarter of 1977 than during the fourth quarter of 1976, the basic balance changed from a deficit in the fourth quarter to a surplus in the first quarter of 1977.

An adverse development during the first quarter of 1977 was the deterioration in the capital account of the balance of payments. Apart from the smaller net inflow of long-term capital, a substantial net outflow of short-term capital was recorded, compared with an inflow during the fourth quarter of 1976. This net outflow was caused by a large outflow of short-term capital not related to reserves which exceeded the net inflow of short-term capital related to reserves.

The net result of the transactions on the current and capital accounts during the first quarter of 1977 was that the gross gold and other foreign reserves declined by just over R100 million. If the increase in short-term liabilities related to reserves is taken into account, the net gold and other foreign reserves declined by R162 million during the first quarter of 1977. During April 1977, the Reserve Bank entered into new gold swap agreements which led to an increase of about R100 million in the gross gold and other foreign reserves of the Reserve Bank, after repayments of drawings under foreign credit facilities.

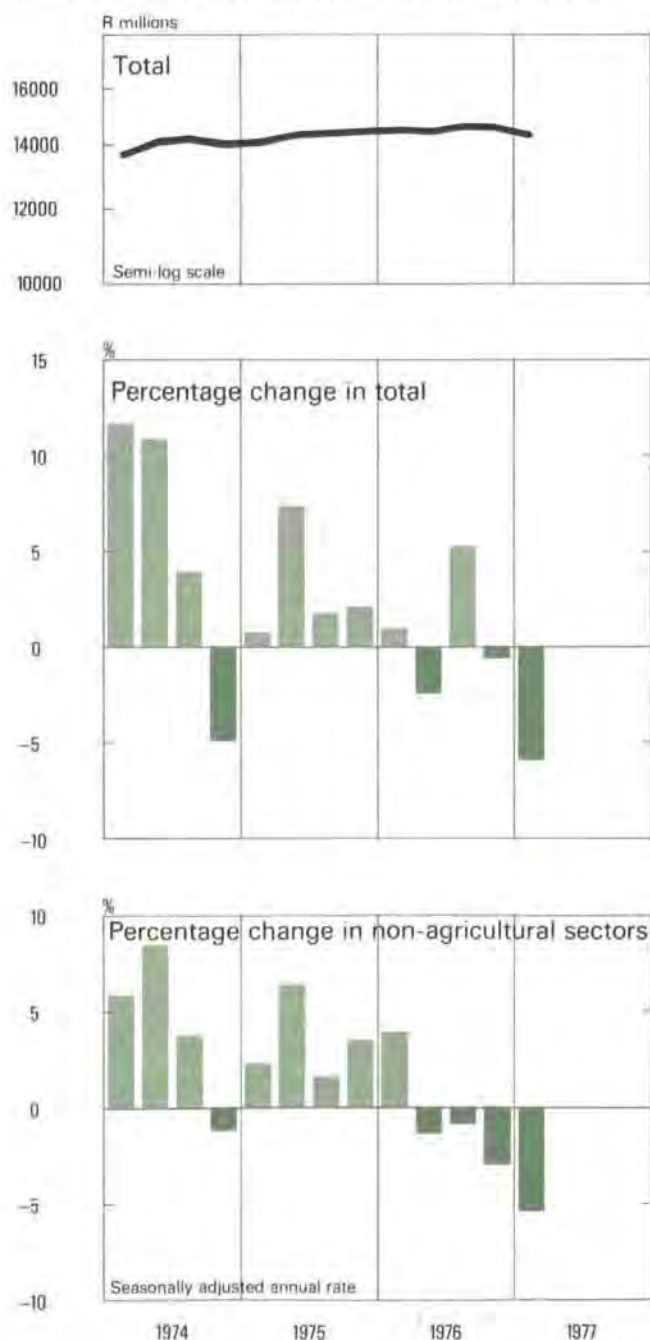
The monetary situation changed radically since the middle of 1976. After having slowed down markedly during the second half of 1976, the money and near-money supply declined during the first quarter of 1977. This welcome development resulted from the conservative monetary and fiscal policies which kept the extension of bank credit to the private sector at low levels, and at the same time reduced the net bank credit to the government sector. Interest rates generally remained high, although both short-term and long-term rates softened somewhat during recent months. Activity on the stock exchange remained sluggish and share prices in general moved downwards. The real estate and mortgage markets continued to be depressed although the inflow of longer-term funds to deposit-receiving and related institutions increased further.

National accounts

Decline in real gross domestic product

After having declined during both the second and fourth quarters of 1976, the gross domestic product at constant prices decreased again during the first quarter of 1977 and reached a level about 1 per cent lower than that of the first quarter of 1976. During the first quarter of 1977, increases were recorded in the real value added by the sectors providing essential services such

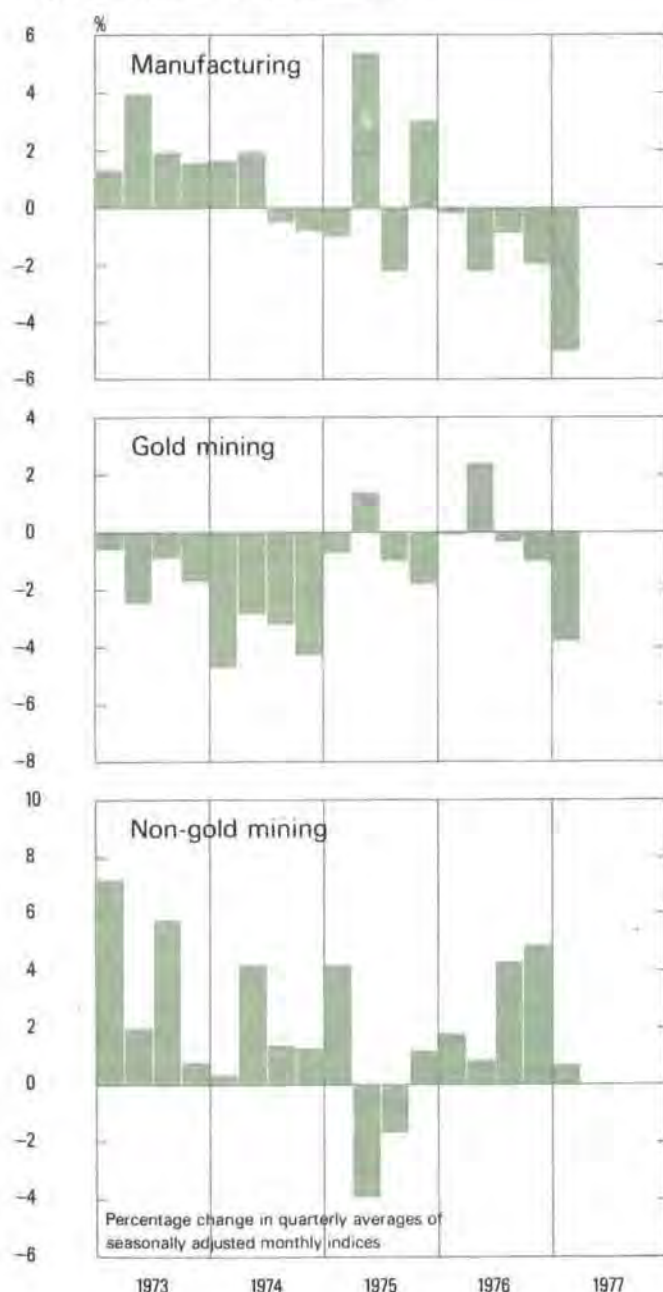
Gross domestic product at constant 1970 prices



as transport, communication, financial and general government services, and to a lesser extent by non-gold mining. The real income generated by all the other important sectors such as agriculture, gold mining, manufacturing and wholesale, retail and motor trade declined during this quarter. The real value added by the non-agricultural sectors declined for the fourth consecutive quarter – the longest uninterrupted quarterly decline recorded.

Manufacturing production declined substantially during the first quarter of 1977 to the lowest level for the past fourteen quarters. A further decline during the

Physical volume of production



first quarter of 1977 was consistent with other indicators such as the decline in sales and unfilled orders at constant prices and a further decline in the utilisation of production capacity from 85.4 per cent in the fourth quarter of 1976 to 83.9 per cent in the first quarter of 1977. Wholesale sales at constant prices showed a small further decline during the first quarter of 1977 – the fourth consecutive quarterly decline – and retail sales at constant prices also declined during this quarter. The number of new motor vehicles sold declined during the first quarter of 1977 to the lowest quarterly level recorded during the nineteen seventies, and in April it declined still further. In contrast, conditions in the mining sector improved in the first quarter. The volume of non-gold mining production, which had been rising steadily from the third quarter of 1975, increased further during the first quarter of 1977, but the volume of gold produced declined by about 4 per cent. The rise in the price of gold led to the mining of lower grade ore at higher costs, but improved the financial position of the gold mines.

Mainly as a result of the increase in the average price of gold on the private market, South Africa's terms of trade improved in the first quarter of 1977. Consequently, the real gross *national* product was about 1 per cent higher in the first quarter of 1977 compared with the corresponding quarter of 1976. Quarterly estimates of the gross domestic product at current prices show that both the remuneration of employees and the gross operating surplus increased at a lower rate during the first quarter of 1977 than during the preceding quarter.

Substantial decline in real aggregate domestic demand

Real aggregate domestic demand, as measured by real domestic expenditure declined further during the first quarter of 1977 to a level about 5 per cent lower than during the corresponding period of 1976. Except for real private consumption expenditure, which showed little change relative to the fourth quarter, all the other components of real gross domestic expenditure, viz. government consumption expenditure and gross domestic fixed and inventory investment contributed to the contraction of real aggregate demand.

At current prices and seasonally adjusted, gross domestic expenditure exceeded gross national product by a smaller margin than during the preceding quarter. This development was also reflected in the seasonally adjusted balance of payments on current account which showed a smaller deficit in the first quarter of 1977 than in the fourth quarter of 1976.

Little change in real private consumption expenditure

After having declined during the major part of 1976, real private consumption expenditure showed almost no change during the first quarter of 1977, but its level was still about 3 per cent lower than that of the corresponding quarter of 1976. Small increases in real out-

lays on services and on durable and non-durable goods were approximately neutralised by a marked decline in real expenditure on semi-durable goods, mainly clothing and footwear. It is notable that the level of real outlays on durable and semi-durable goods in the first quarter of 1977 was no less than 14 per cent lower than the level of the corresponding quarter of 1976. Declining real disposable personal income of a large part of the population may be singled out as the main reason for the sluggish conditions experienced in the market for durable and semi-durable goods. Owing to the essential nature of non-durable goods and services such as food, rent and medical services, real outlays on these main classes of expenditure increased moderately during the first quarter of 1977.

Further decline in real government consumption expenditure

Mainly as a result of reduced outlays on goods and services other than labour, real government consumption expenditure showed a moderate decline in the first quarter of 1977. Preliminary indications are that, on average, real defence expenditure increased at a lower rate than during calendar year 1976 as a whole, and that real expenditure by provincial administrations declined substantially during the first quarter. Remuneration of employees at constant prices showed a further small increase.

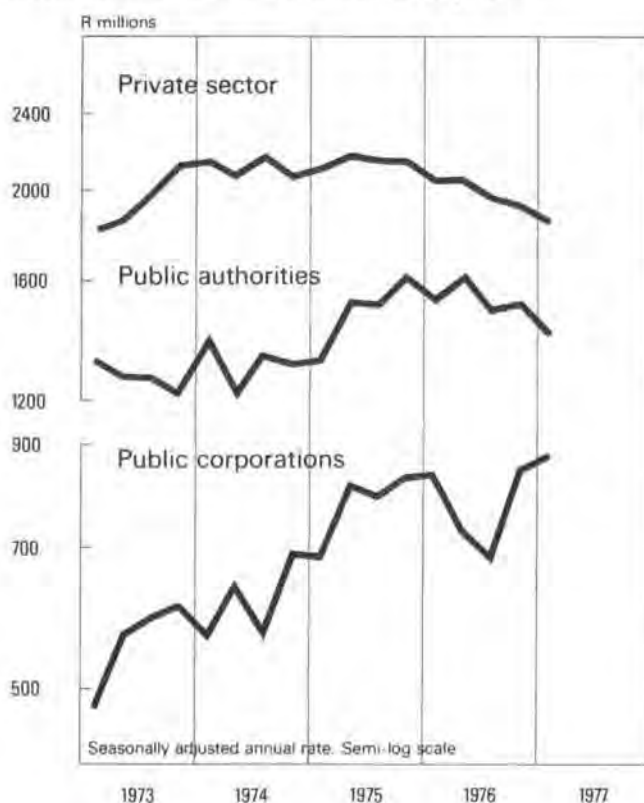
Pronounced further decline in real gross domestic fixed investment

The marked decline in real fixed capital outlays was again a major contributing factor to the overall decline in total real domestic expenditure during the first quarter of 1977. Real fixed investment by all the different sectors declined, except real capital outlays of public corporations. Real private fixed investment by agriculture, manufacturing, trade and on private residential buildings continued to decline uninterruptedly from about the middle of 1975 and real outlays by the sectors mining and finance levelled off on a relatively high level during the last quarter of 1976 and the first quarter of 1977. The low level of investment activity of the private sector was largely a reflection of the continued decline in aggregate domestic demand.

After it had declined in the second and third quarters of 1976, real capital expenditure of public corporations increased in the fourth quarter of 1976 and the first quarter of 1977, mainly owing to increased outlays by Escom and on the Sasol II project which began to gain momentum from the fourth quarter of 1976. These increases were, however, partly offset by lower real capital outlays by Iscor on mining ventures and on the Sishen/Saldanha project.

Continuing the trend noticeable from about the middle of 1976, real capital outlays by public authorities declined further in the first quarter of 1977. General government services made the largest contri-

Fixed investment at constant 1970 prices



bution to this decline but real outlays of the S.A. Railways also decreased moderately.

Further sharp decline in inventory investment at constant prices

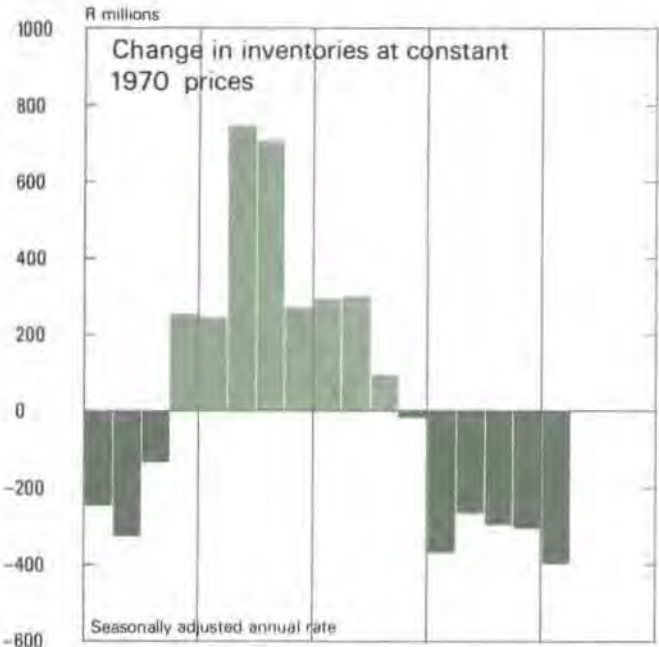
Total real inventories, which had declined during all four quarters of 1976, declined further in the first quarter of 1977 and once again contributed materially to the continued decline in real aggregate domestic demand and the substantial decline in real merchandise imports. Industrial and commercial inventories of the private sector at constant prices have now declined uninterruptedly from the middle of 1975 and made a substantial contribution to the overall decline in inventories in the first quarter of 1977. The largest contribution to the decrease in total inventories was made by real diamond stocks in trade, which declined markedly as a result of increased sales. In contrast, real inventories of the manufacturing concerns of public corporations showed sharp increases during the last quarter of 1976 and the first quarter of 1977 owing to sluggish demand conditions and real agricultural stocks in trade also increased notably in the first quarter of 1977. The latter increase may be ascribed to precautionary measures taken by several agricultural control boards to ensure an adequate domestic supply of their products.

The book value of industrial and commercial inventories showed only small increases in the first quarter of 1977. The value of wholesale and retail sales at current prices showed little change, with the result that the ratio of inventories to sales increased slightly from approximately 70 per cent in the first quarter of 1976 to about 73 per cent in the first quarter of 1977. Preliminary sales figures for the manufacturing sector in the first quarter of 1977 would seem to indicate that the ratio of inventories to sales in the manufacturing sector also increased from 88,6 per cent in the third quarter of 1976 to approximately 92½ per cent in the first quarter of 1977.

Increase in gross domestic saving

Notwithstanding a substantial increase in gross domestic saving in the first quarter of 1977, it was still insufficient to finance total fixed and inventory investment. However, foreign funds utilised to finance the shortfall was the lowest quarterly amount employed in three years. All components of gross domestic saving, i.e. personal and corporate saving, the current surplus of general government and provision for depreciation, increased during the first quarter of 1977 and in total was 33 per cent higher than the relatively low level reached during the corresponding quarter of 1976.

Inventories



Inventories as percentage of sales



Business cycle trends, labour and price developments

Business cycle trends

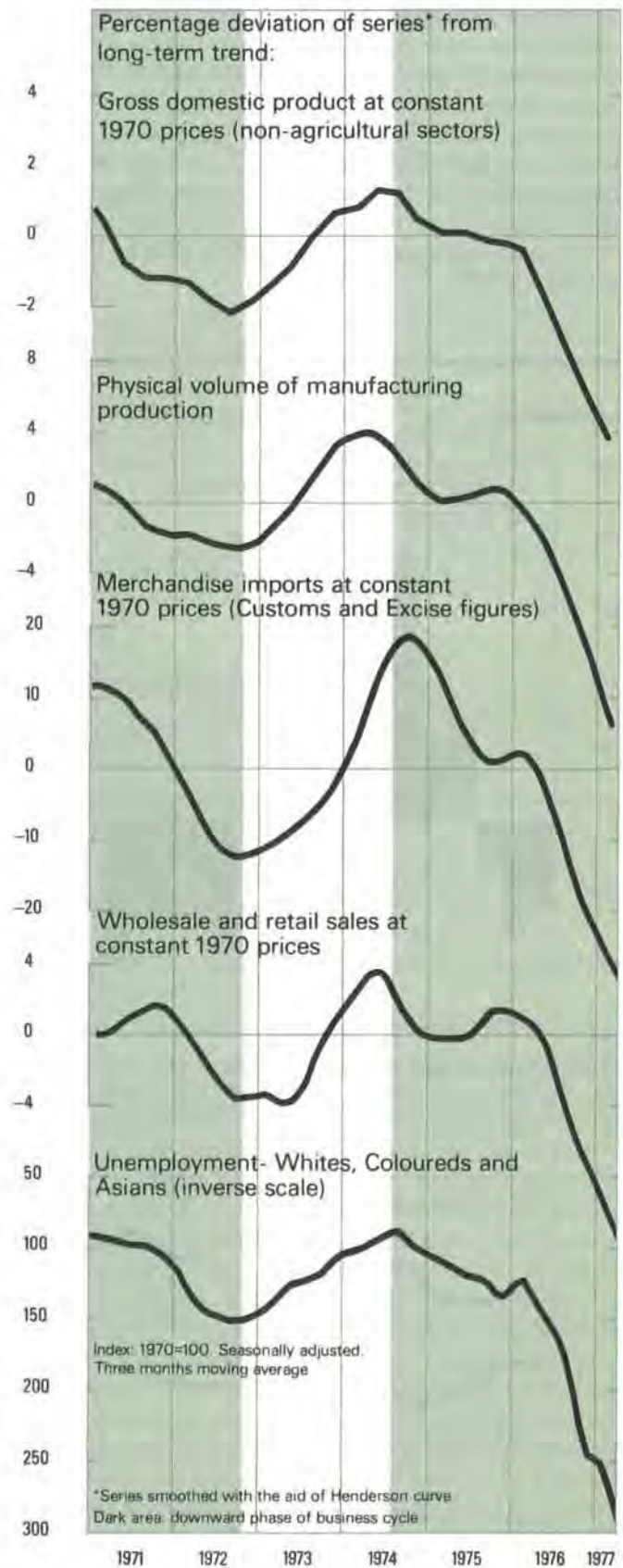
An analysis of a large number of economic indicators, including national accounts data, indicates that the South African economy is still in the downward phase of the business cycle. In fact, the level of economic activity in the non-primary sectors of the economy declined for the fourth consecutive quarter and was lower in the first quarter of 1977 than in the second quarter of 1975.

In contrast to the depressed conditions currently being experienced by the non-primary sectors, business conditions in the agricultural and mining sectors are satisfactory and are expected to improve further during the course of 1977. The volume of non-gold mining production showed a rise for the sixth consecutive quarter and the volume of agricultural production is expected to increase during 1977 owing to favourable climatic conditions. The more favourable conditions experienced by the gold mining sector in the first quarter of 1977 emanated from a marked improvement in the gold price on the private market. In addition to these favourable developments, the balance of payments on current account also improved markedly largely owing to an increase in the net gold output and a decline in merchandise imports. Although the capital account of the balance of payments still showed a deficit, the current fiscal and monetary policies pursued by the authorities are working towards establishing a sound basis for economic revival and higher long-term economic growth.

Labour situation

As a result of the low rate of increase in the real gross domestic product during the past two-and-a-half years and the decline in the real economic activity in the non-primary sectors during the four quarters up to March 1977, the creation of additional employment opportunities in 1976 did not match the growth in the labour force with the result that the number of unemployed increased markedly. Thus, the seasonally adjusted number of registered unemployed Whites, Coloureds and Asians rose from 11 214 in December 1975 to 21 957 in December 1976 and sharply further to 25 376 in April 1977. Although official statistics of the number of unemployed Blacks are not available, there can be no doubt that unemployment among Black workers increased during recent months. Business enterprises also cut down on overtime and worked shorter hours. Ordinary and overtime hours worked by production workers in manufacturing and construction, e.g., declined sharply during 1976. In fact, the total number of hours worked in manufacturing and construction declined by 4,0 and 13,5 per cent, respectively, from the fourth quarter of 1975 to the fourth

Business cycle indicators



Percentage rate of change in salaries and wages per worker in the non-agricultural sectors

	2nd half 1975 to 1st half 1976	1st half 1976 to 2nd half 1976	1976
Whites:			
At current prices	2,0	8,8	9,5
At constant prices	-3,2	3,3	-1,4
Non-Whites:			
At current prices	4,7	11,5	16,0
At constant prices	-0,6	5,9	4,4
All races:			
At current prices	3,2	10,0	12,1
At constant prices	-2,1	4,5	0,9

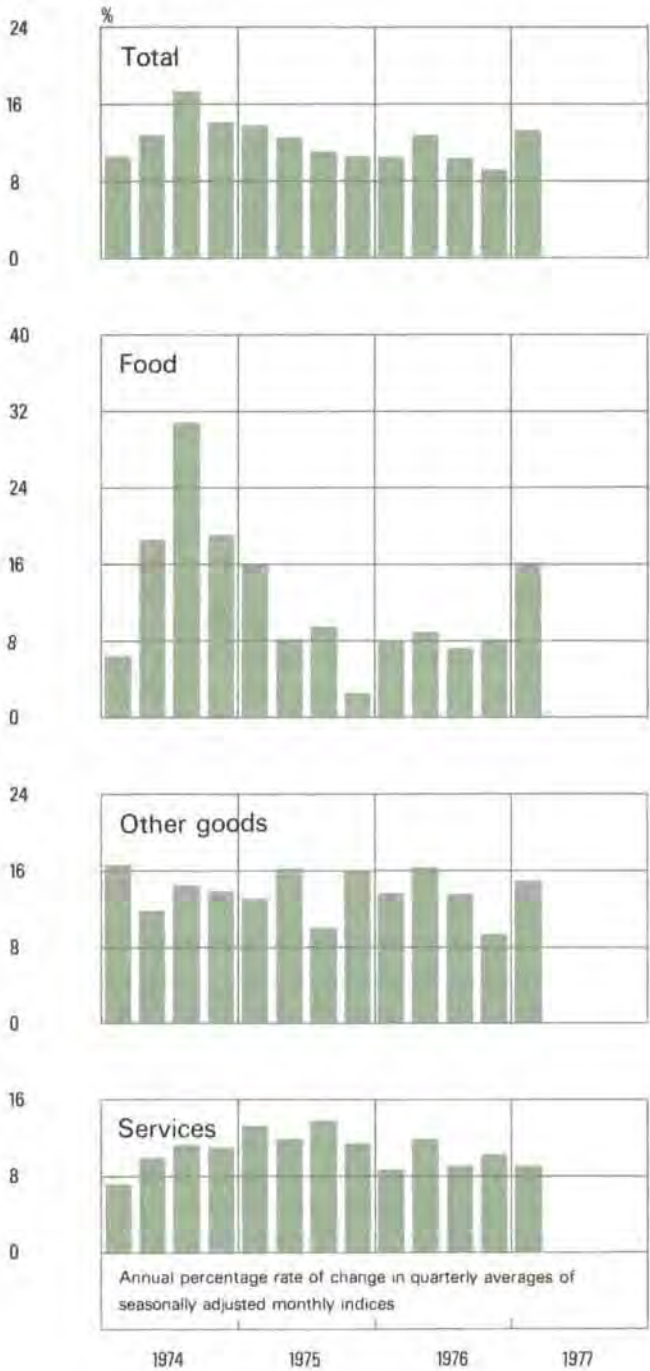
quarter of 1976. Although the number of employees in the non-agricultural sectors still rose by 2,0 per cent in 1976, compared with an increase of 2,4 per cent in 1975, the quarterly rates of increase declined during the first three quarters of 1976 and was negative in the fourth quarter.

Notwithstanding the depressed employment conditions, average remuneration per employee in the non-agricultural sectors still rose by 12 per cent in 1976. After taking the increase in the consumer price index into account, real salaries and wages per worker showed a decline during the first half of 1976 but increased during the second half of the year. The increase in the second half is possibly attributable to the primary and secondary effects of the general salary and wage adjustment in the public sector effective from July 1976. If the higher personal income tax payments, which became effective from the third quarter of 1976, are taken into account, real disposable personal income per worker probably continued to decline throughout 1976.

Prices

After having declined from a peak of 17,4 per cent at a seasonally adjusted annual rate in the third quarter of 1974 to 9,3 per cent in the fourth quarter of 1976, the rate of increase of the consumer price index rose again to 13,3 per cent in the first quarter of 1977. Sharp rises in transportation costs, i.e. in prices of motor cars, petrol and transport services, in prices of vegetables, fruit, sugar and allied products, and in servants' wages made major contributions to the high overall rate of increase in the first quarter. Compared with the corresponding month of the preceding year, the rate of increase in consumer prices for April 1977 was 11,5 per cent, compared with rises of 11,9 and 11,7 per cent for February and March, respectively. In view of upward adjustments in administered prices and increases in indirect taxes announced in the first quarter, it is expected that the rate of increase in consumer prices will remain high in the second quarter.

Consumer prices



Wholesale prices showed tendencies similar to those of consumer prices and after a reduction in the rate of increase from its peak reached in the second quarter of 1974 to the fourth quarter of 1976, the seasonally adjusted price index accelerated again in the first quarter of 1977 to an annual rate of 16 per cent. This acceleration mainly reflected the increased rate (18,2 per cent) recorded in the first quarter for South African produced goods, and in particular the sharp

risers in the prices of goods such as basic metals and electricity. The annual rate of increase in prices of imported goods rose from 7,4 per cent in the fourth quarter of 1976 to 10,0 per cent in the first quarter of 1977. The increased oil price, effective from the first quarter, was partly responsible for this higher rate.

Balance of payments

The balance of payments on current account improved throughout 1976 and in the first quarter of 1977 and, unadjusted for seasonal influences, showed a surplus in the first quarter after having recorded deficits for thirteen consecutive quarters. The basic balance also improved further during the first quarter of 1977, but owing to a much smaller long-term capital inflow, the improvement was less than that on the current account. Unfortunately, the capital account deteriorated and a substantial net outflow of short-term capital was recorded. The net result was that the gold and other foreign reserves declined during the first quarter of 1977.

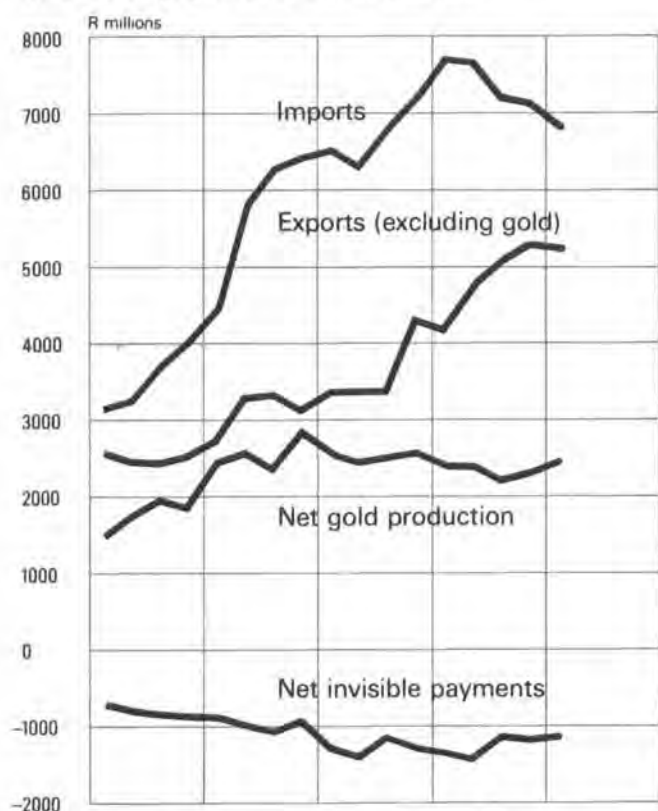
Sharp improvement on current account

The current account of the balance of payments showed a marked improvement from a deficit of R396 million in the fourth quarter of 1976 to a surplus of R39 million in the first quarter of 1977. After seasonal adjustment, the balance on current account at an annual rate declined from a record deficit of R2 405 million in the first quarter of 1976 to R693 million in the fourth quarter and then further to R242 million in the first quarter of this year. The further substantial improvement on current account in the first quarter of 1977 was the result of increases in the value of the net gold output and declines in the value of merchandise imports and net invisible payments to the rest of the world.

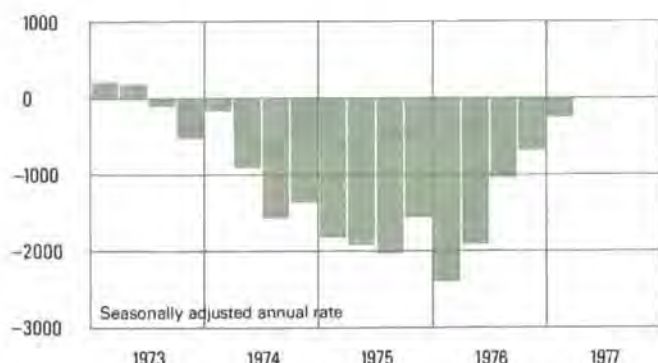
After having increased from a seasonally adjusted annual rate of R4 222 million in the first quarter of 1976 to R5 277 million in the fourth quarter of that year, merchandise exports declined slightly to R5 236 million in the first quarter of 1977. This decline occurred notwithstanding a sharp rise in the exports of diamonds, coal, iron ore and wool, and can mainly be attributed to a decrease in the value of maize and uranium exported.

A further decline in the value of merchandise imports from a seasonally adjusted annual rate of R7 132 million in the fourth quarter of 1976 to R6 851 million in the first quarter of 1977, contributed to the marked improvement in the balance of payments on current account. A further decline in the volume was a major cause of the lower value of imports. The volume of merchandise imports has now declined by about a third from the peak reached in the third quarter of 1974 to the first quarter of this year. The temporary import deposit scheme was abolished from 2 February 1977, but at the end of March 1977 the Minister of Finance announced a special revenue duty or surcharge of 15 per cent on all imported goods except those subject to GATT-bindings or other agreements and customs conventions, goods imported by the government and certain petroleum products. Although the import deposit scheme made a contribution to the further

Balance of payments current account



Balance on current account



decrease in merchandise imports during part of the first quarter of 1977, the sluggish domestic demand was probably the main contributory factor. More in particular, the decline in the number of new motor vehicles sold caused a sharp decline in the imports of transport equipment notwithstanding the importation of aircraft by the South African Airways. The imports of mineral products also declined sharply during the first quarter of 1977. On the other hand, the value of coffee imports increased significantly as a result of the substantial increase in the price of coffee on international markets. The value of textile imports also increased moderately.

A rise in the price of gold on the private market from an average of \$126,76 per fine ounce in the fourth quarter of 1976 to \$138,93 in the first quarter of 1977 was entirely responsible for the increase in the net gold output from a seasonally adjusted annual rate of R2 316 million to R2 478 million over the same period. The increase in the price of gold was partly offset by a decline in the physical volume of gold production.

Net invisible payments to the rest of the world declined from a seasonally adjusted annual rate of R1 154 million in the fourth quarter of 1976 to R1 105 million in the first quarter of 1977. This decrease can mainly be ascribed to a rise in receipts on investment in foreign countries during the first quarter of 1977. Service payments to the rest of the world again increased moderately from a seasonally adjusted annual rate of R2 652 million in the fourth quarter of 1976 to R2 738 million in the first quarter of 1977, owing to increases in interest payments on foreign loans.

In order to strengthen the balance of payments and to correct deficiencies in exchange control, the authorities decided to amend the directives for certain service and transfer payments. Firstly, foreign controlled South African enterprises, which had been allowed to declare dividends and transfer profits abroad from income earned after 1 January 1960, may now only make transfers from profits earned after 1 January 1975. Secondly, the facilities available to emigrants for the transfer of capital and income were made less liberal. Finally, legacies were made subject to securities and procedure.

Marked improvement in basic balance

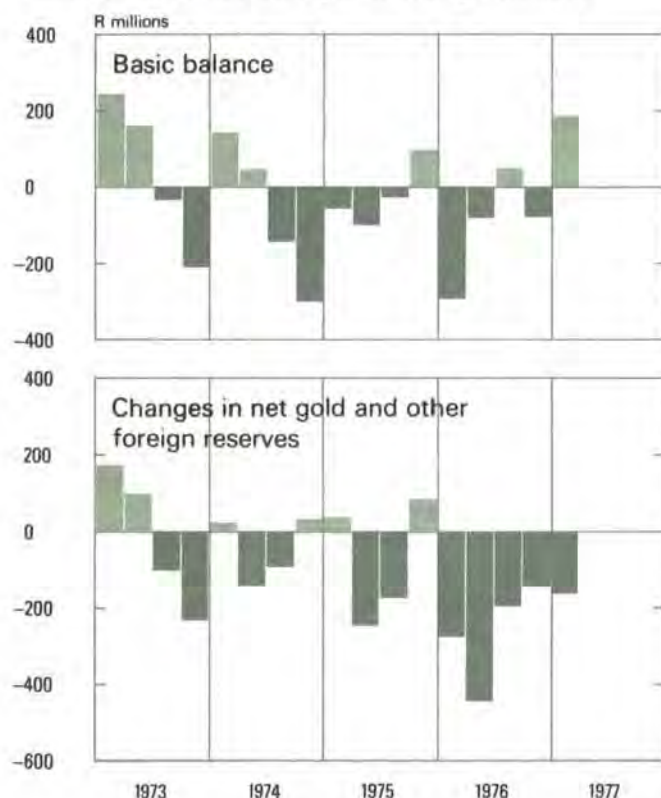
The basic balance changed from a deficit of R79 million in the fourth quarter of 1976 to a surplus of R187 million in the first quarter of 1977. This improvement was entirely attributable to the substantial improvement on the current account, because the net inflow of long-term capital declined from R317 million in the fourth quarter of 1976 to only R148 million in the first quarter of 1977. The smaller net inflow of long-term capital was the combined effect of an outflow of long-term capital from public corporations and local authorities and a decline in the net inflow of long-term capital to the private sector which more than offset the increase

Net long-term capital movements

R millions

	1976 4th qtr.	1977 1st qtr.
Central government and banking sector	60	114
Public corporations and local authorities	115	-26
Private sector	142	60
Total long-term capital	317	148

Basic balance and changes in foreign reserves

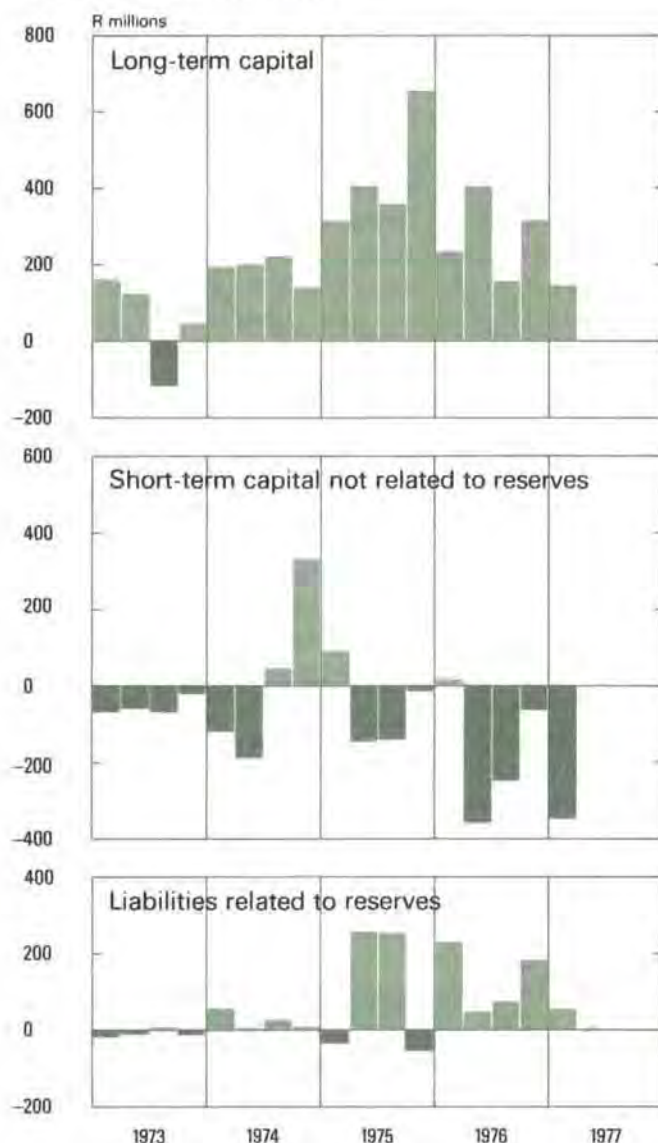


in the net inflow to the central government and banking sector. After borrowing considerable amounts abroad during the past three years, the foreign loan repayments of public corporations and local authorities during the first quarter of 1977 exceeded the amount of new foreign loans obtained by them. The reduced inflow of long-term capital to the private sector was largely due to changes in the balances of foreign branches. On the other hand, long-term loans obtained abroad by the private sector increased slightly and a substantial net inflow of long-term capital to the central government and banking sector occurred. This was mainly attributable to loans obtained abroad by the South African Railways and Harbours for the financing of the purchase of aircraft.

Substantial outflow of short-term capital

A further net outflow of short-term foreign capital not related to reserves, amounting to R349 million, occurred during the first quarter of 1977, following upon a net outflow of R62 million in the last quarter of 1976. This substantial net outflow occurred because of a sharp increase in the outflow of short-term capital from the private sector, including errors and unrecorded transactions, and only a slight net inflow to the sectors

Total capital movements



Net short-term capital movements, including errors and unrecorded transactions

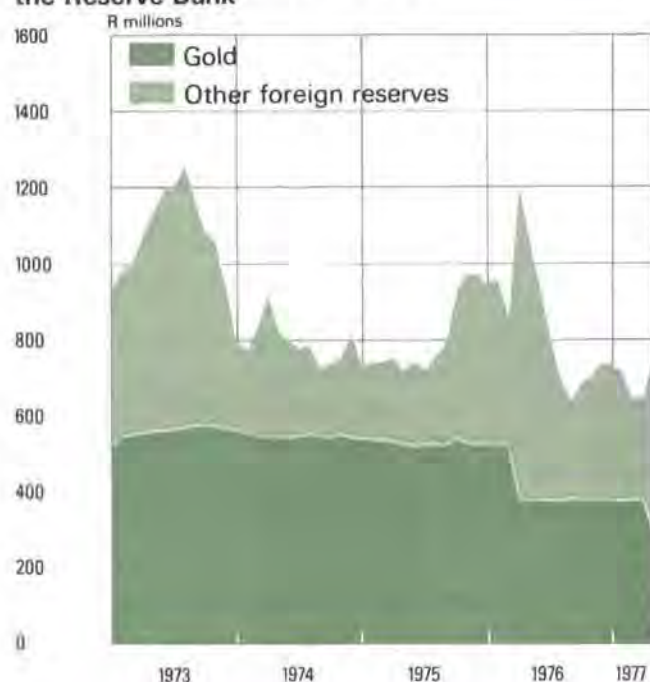
	Liabilities related to reserves	Other short-term capital	Total
1976:			
First quarter	232	18	250
Second quarter	44	-360	-316
Third quarter	74	-250	-176
Fourth quarter	186	-62	124
1977:			
First quarter	55	-349	-294

central government and banking, and public corporations and local authorities. The net inflow of short-term funds related to reserves declined from R186 million in the fourth quarter of 1976 to R55 million in the first quarter of 1977.

Decline in gold and other foreign reserves

The gross gold and other foreign reserves decreased by R106 million to a level of R781 million at the end of March 1977. This decline occurred particularly in the foreign exchange holdings of the Reserve Bank, although the foreign reserves of the rest of the banking sector also declined slightly. If changes in liabilities related to reserves and valuation adjustments are taken into account, the net gold and other foreign reserves owing to balance of payments transactions declined by R162 million during the first quarter of 1977. In April the gross gold and other foreign reserves of the Reserve Bank increased by R108 million to a level of R757 million, mainly owing to new gold swap agreements concluded in that month. This increase would have been even larger if the authorities had not made repayments of drawings under foreign credit facilities.

Gold and other foreign reserves of the Reserve Bank



Monetary and banking situation

Money and near-money

After having increased at seasonally adjusted annual rates of approximately 17 per cent and 1 per cent during the first and second halves of 1976, respectively, the money and near-money supply declined by 1,7 per cent, or by R38 million, during the first quarter of 1977. Added to a decrease of approximately R70 million during the fourth quarter of 1976, this means that during the six months up to the end of March 1977 the quantity of money and near-money has been decreasing at a seasonally adjusted annual rate of approximately 2½ per cent.

Reflecting the sharp deceleration in the growth rate of the money and near-money supply which became apparent in the second half of 1976, the quantity of money and near-money at the end of March 1977 was between 4 and 5 per cent above its level at the end of March 1976. Excluding near-money, the narrowly defined money supply increased by about 4 per cent during this period.

The ratio of the money and near-money supply to the gross domestic product, both seasonally adjusted, decreased from 31,2 per cent during the first quarter of 1976 and 30,5 per cent during the fourth quarter to 29,8 per cent during the first quarter of 1977.

Causes of changes in money and near-money

The small decrease in the seasonally adjusted money and near-money supply during the first quarter of 1977 mainly reflected a further rather substantial decline in the net gold and other foreign reserves of the monetary banking sector, a large rise in long-term deposits of the private sector with the banking sector, and a small decrease in claims of the banking sector on the private sector. However, net claims on the government sector, seasonally adjusted, which had decreased significantly during the fourth quarter of 1976, advanced fairly strongly again during the first three months of 1977. The unadjusted series declined by R239 million during the first quarter.

In spite of the renewed rise in the seasonally adjusted net claims on the government sector during the first quarter of 1977, the percentage increase in total domestic credit (i.e., the total of claims on the private sector and net claims on the government sector) during the preceding twelve months declined further from 19 per cent in June 1976 and 13 per cent in December to 10 per cent in March 1977.

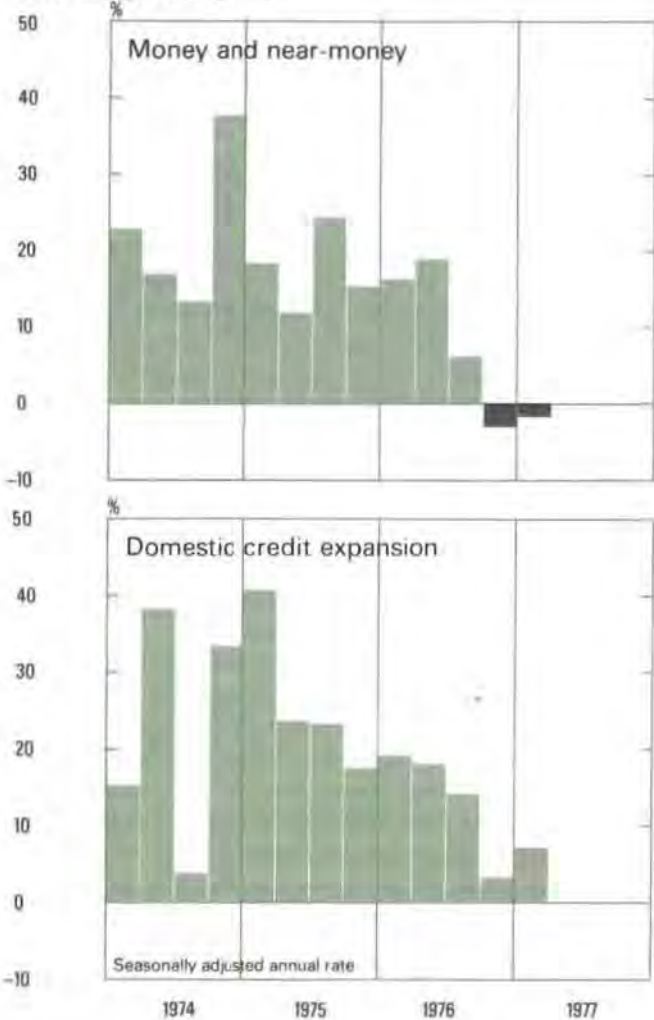
The decrease of R186 million in the seasonally adjusted net gold and other foreign reserves during the first quarter of 1977, mainly during January, followed upon a decline of rather more than R200 million during the fourth quarter of 1976. However, the total decrease of approximately R400 million (seasonally adjusted) from the end of September 1976 to the end of March

Causes of changes in money and near-money
R millions

	Not seasonally adjusted				Seasonally adjusted			
	1st half	3rd qtr.	4th qtr.	1st qtr.	1st half	3rd qtr.	4th qtr.	1st qtr.
Net gold and other foreign reserves	-536	-246	-131	-202	-524	-191	-211	-186
Claims on government sector:								
Gross claims	481	75	456	64				
Government deposits*	331	-35	-409	-303				
Net claims	811	40	48	-239	786	246	-152	222
Claims on private sector	144	195	216	59	161	144	250	-12
Long-term deposits*	126	-95	-25	-78	184	-143	-32	-131
Net other assets	75	149	4	238				
Total causes of changes	621	44	112	-222	698	135	-72	-38

*Increase —, decrease +.

Money and near-money and domestic credit expansion
Percentage change in:



1977 compares with a decrease of well over R600 million during the preceding six months.

The large rise of R131 million in long-term deposits of the private sector during the first quarter of 1977 represented a continuation of an upward movement during most of the second half of 1976. Since a low point had been reached in July 1976, these deposits have been rising at a seasonally adjusted annual rate of approximately 25 per cent.

Bank credit to the private sector

After having declined from May to August 1976 but having increased strongly again during the period September to November, claims on the private sector (seasonally adjusted) showed only a small further increase during December before decreasing slightly during the first quarter of 1977. The small decrease during the first three months of 1977, which amounted to a seasonally adjusted annual rate of less than 1 per cent, occurred in spite of a marked rise, after seasonal adjustment, in cash credit advances of the Land Bank. Although commercial bank discounts and advances to the private sector increased by approximately R100 million during the quarter, this rise was less than might have been expected on the basis of seasonal influences. Total claims on the private sector at the end of March 1977 were about 5 per cent above their level at the end of March 1976.

Several factors would appear to have contributed to the approximate standstill in the extension of monetary bank credit to the private sector after November 1976. Firstly, banks continued to be constrained by the credit ceilings as well as by the continuing relatively low levels of their excess liquidity during this period; for the banking system as a whole, however, relatively substantial amounts of unused facilities remained under the credit ceilings. Secondly, the demand for credit, after its temporary upsurge during the period September to November 1976, appears to have weakened

again in conformity with the prevailing sluggish business conditions. The effect on credit demand of the Import Deposit scheme was reversed from the end of January 1977, when repayment commenced of deposits collected since the beginning of August last year.

An analysis by types of credit shows a marked decline in holdings of the commercial banks, merchant banks and monetary hire-purchase and general banks of bankers' acceptances and other bills during the first quarter of 1977, as well as some decrease in hire-purchase discounts and advances.

In terms of an announcement by the Reserve Bank, the ceilings on the banks' discounts, loans and advances to the private sector and on their investments in private sector securities were frozen at their levels as at the end of March 1977 with effect from 1 April.

Bank liquidity

The excess liquidity of banking institutions returned to generally very low levels during the first quarter of 1977. This development reflected the renewed fairly substantial decline in the net gold and other foreign reserves during the first quarter as well as the seasonal flow of funds to the government sector, which was only partly offset by some decline in the relative share of the banks' short-term liabilities to the public in their total liabilities. Several banks actually experienced difficulties in meeting their liquid asset requirements and use was made of the "lifeboat" facilities arranged in February. The ratio of the banks' total holdings of liquid assets to total liabilities to the public at the end of March 1977 amounted to somewhat over 31 per cent.

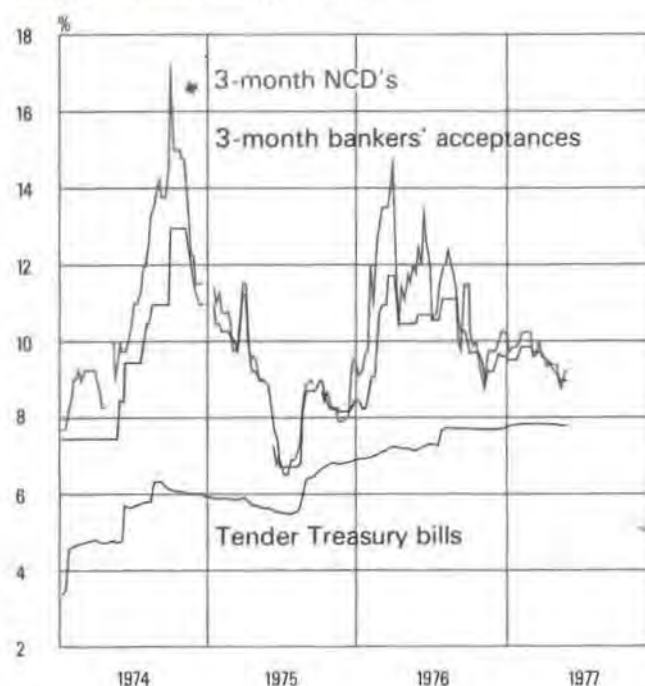
Excess liquidity ratios of banking institutions %

	1976 Dec.	1977		
		Jan.	Feb.	Mar.
Commercial banks	3,8	1,8	2,3	1,1
Other monetary banks	0,7	0,1	0,1	1,7
Other banks	0,4	-1,4	-1,3	-3,0
All banks	2,7	1,1	1,4	1,1

Money market conditions and interest rates

After having increased slightly during the latter part of 1976 and January and February 1977, the rates on private money market instruments, reflecting easier conditions in the money market, tended downward. The 3-month NCD rate, for example, declined from 10,25 per cent on 25 February to 9,00 per cent on 13 May. Similarly, the discount rate on 3-month bankers' acceptances declined from 9,90 per cent to 8,80 per cent over the same period. The Treasury bill tender rate, on the other hand, continued upward to 7,89 per cent on 1 April before declining to 7,82 per cent on 13 May. Call loans with the discount houses, except for brief

Money market interest rates



periods over the February and March month-ends and during the latter part of April, remained at a level of around R800 million. The banks' balances, in excess of requirements, with the NFC, which provides an indication of money market developments when the discount houses are constrained by the capital requirement of the Banks Act from accepting additional call funds, fluctuated rather markedly during this period, but generally showed a fairly large surplus. Interest rates on deposits with the largest commercial banks remained unchanged during this period.

Government finance

Developments on the Exchequer Account during 1976/77

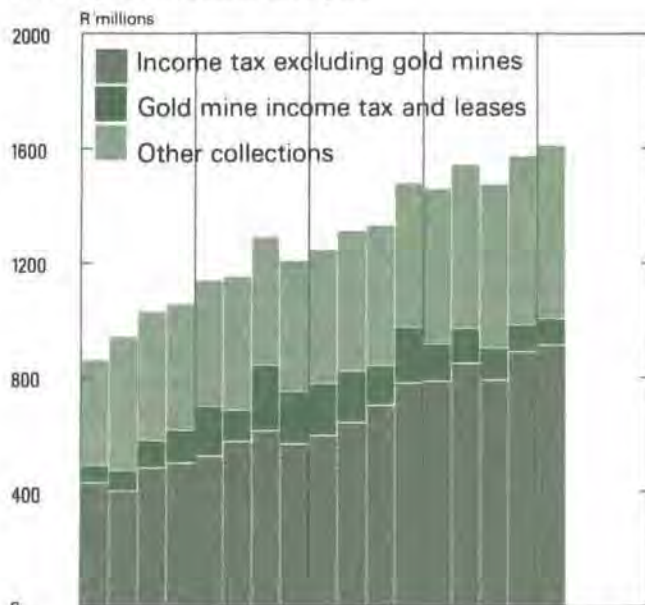
During the fiscal year which ended on 31 March 1977, collections of direct and indirect taxes by the central government conformed closely to Budget estimates and rose by about 10,5 per cent compared with the preceding year, instead of by 10,9 per cent as anticipated in the Budget. However, the different tax receipts showed divergent trends. Of particular significance was a decline of 8 per cent compared with 1975/76 in collections of customs duties, resulting from the general downward trend in imports. Similarly, collections of sales duties were influenced detrimentally by a lower rate of increase in consumption expenditure and the increase in these collections was mostly due to higher duty rates in 1976/77. Income tax and lease payments by gold mines continued their downward movement for the second consecutive year. Available data indicate that income tax payments by companies other than gold mines showed a considerably lower rate of growth than in 1975/76, whereas the rate of growth in income tax paid by individuals even exceeded that of 25,7 per cent recorded in 1975/76. Issues from the Exchequer Account remained at a relatively high level during 1976/77 and the percentage increase of 16 per cent, in relation to the preceding year, exceeded the revised Budget estimate of 13½ per cent. The rate of increase during 1976/77 was, nevertheless, well below the 21 per cent recorded in 1975/76. The deficit on the Exchequer Account (excluding borrowing and debt repayments) amounted to R1 971 million during the year under review or about R616 million more than in the preceding fiscal year.

The domestic non-banking sector made a major contribution of R1 083 million to the financing of the Exchequer's shortfall. Nevertheless, the Treasury still had to rely to a large extent on foreign borrowing (R356 million) and bank credit (R532 million) to finance its deficit. Contributions from the private non-banking sector included loan levies amounting to R335 million and import deposits of R232 million. The Public Debt Commissioners invested a net amount of R185 million in government securities, substantially more than the R39 million invested in 1975/76.

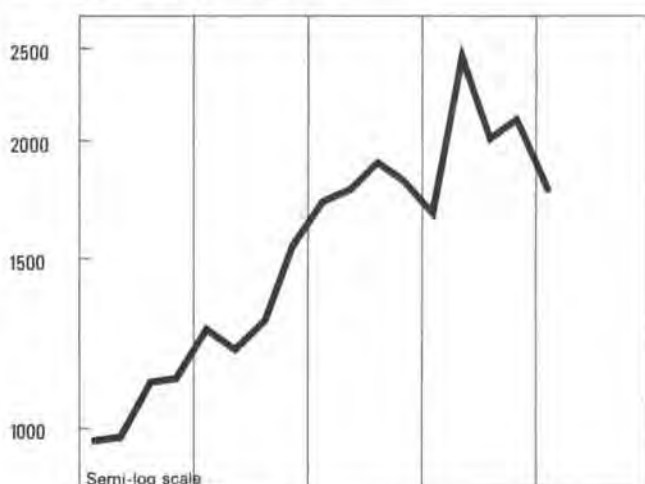
The 1977/78 Budget

In his Budget Speech, presented to Parliament on 30 March, the Minister of Finance stated that the main objectives of the government's financial policy were still to strengthen the country's balance of payments and to curb inflation. The main features of the 1977/78 Budget, therefore, were the substantial curtailment of government expenditure, proposals to increase indirect taxation, and measures to divert a larger proportion of domestic saving to the central government so as to

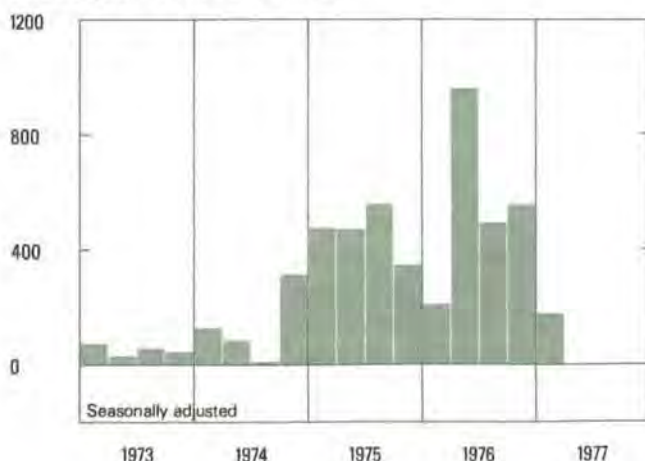
Exchequer Account receipts



Exchequer Account issues



Exchequer Account deficit



The 1977/78 Budget

	R millions	% change ¹
Revenue	7 404	16,2
Expenditure	8 992	7,8
Deficit (excluding borrowing and repayment of debt)	1 588	
Repayment of debt	991	
Total borrowing requirement	2 579	
Financing:		
Foreign loans	149	
Domestic borrowing:		
Public Debt Commissioners	450	
New and existing Defence Bonds	240	
Conversions and new stock issues	1 032	
Loan levies	462	
Other non-marketable issues	30	
Use of available cash balances	216	
Total financing	2 579	

¹On a comparable basis.

reduce its dependence on bank credit as a source of finance.

After pruning the original expenditure proposals of the various government departments by a large amount, the Minister proposed a further reduction of R200 million in expenditure. Consequently, total expenditure in 1977/78 is expected to increase by only 7,8 per cent in money terms. In real terms, this means a significant decline in expenditure. If proposed outlays on defence are excluded, estimates of expenditure at current prices show an increase of only 5,1 per cent above the 1976/77 figures.

In addition to increases in indirect taxes on a number of goods announced in the additional Budget in February, the Minister introduced a surcharge of 15 per cent on all imported goods excluding oil, provincial and central government purchases and goods subject to a GATT binding. The surcharge is expected to yield R400 million during the fiscal year.

The accompanying table is a brief summary of the 1977/78 Budget including the South West Africa Account. The deficit of R1 588 million in the State Revenue Fund is estimated to be R380 million lower than the expected shortfall for 1976/77. No provision was made for new foreign loans, but it is expected that, on a net basis, foreign loans of R31 million would be repaid. In addition, it is anticipated that a net amount of R1 403 million would be borrowed from domestic sources. The last-mentioned figure includes compulsory loan levies, estimated to raise a gross amount of R462 million during the year, a contribution of R450 million by the Public Debt Commissioners, a net investment in government securities of R500 million by insurers, pension funds, building societies and banks resulting from the proposed additional prescribed investment

requirements, and issues of new National Defence Savings Bonds amounting to R160 million. Available cash balances, including the Stabilization Account, would be employed to the extent of R216 million.

Successful stock issues

The first issues of government stock in the new fiscal year opened for public subscription on 15 April and met with considerable success. Expectations of a softening of interest rates and the new investment requirements for financial institutions announced in the Budget, contributed to the success of these stock issues. The rates of interest applicable to these issues were maintained at the previously existing levels, namely 8,75 per cent and 11 per cent for the short-term and the long-term issue, respectively. Applications amounted to R337 million for the short-term issue and R156 million for the long-term issue. Government stock amounting to R180 million fell due for redemption at the same time. Net new issues of government stock, therefore, amounted to R313 million, of which R145 million was subscribed by the monetary banking sector, R60 million by public sector investors and R108 million by the private non-banking sector. Of the last-mentioned amount, R46 million was contributed by insurers and R51 million by pension funds.

Expected developments during April, May and June 1977

Mainly owing to a seasonal decline in receipts and an increase in issues, the Exchequer Account recorded a deficit of R365 million during April. Part of this deficit was financed by bank credit. Furthermore, it is expected that Exchequer issues would again show a seasonal increase during May and June 1977, although it would appear that the percentage increase could be less than that for the comparable months in 1976. However, revenue collections are also expected to increase at a lower rate, with the result that the shortfall on the Exchequer Account could remain at a relatively high level during this period and would probably be financed partly by bank credit.

Capital market

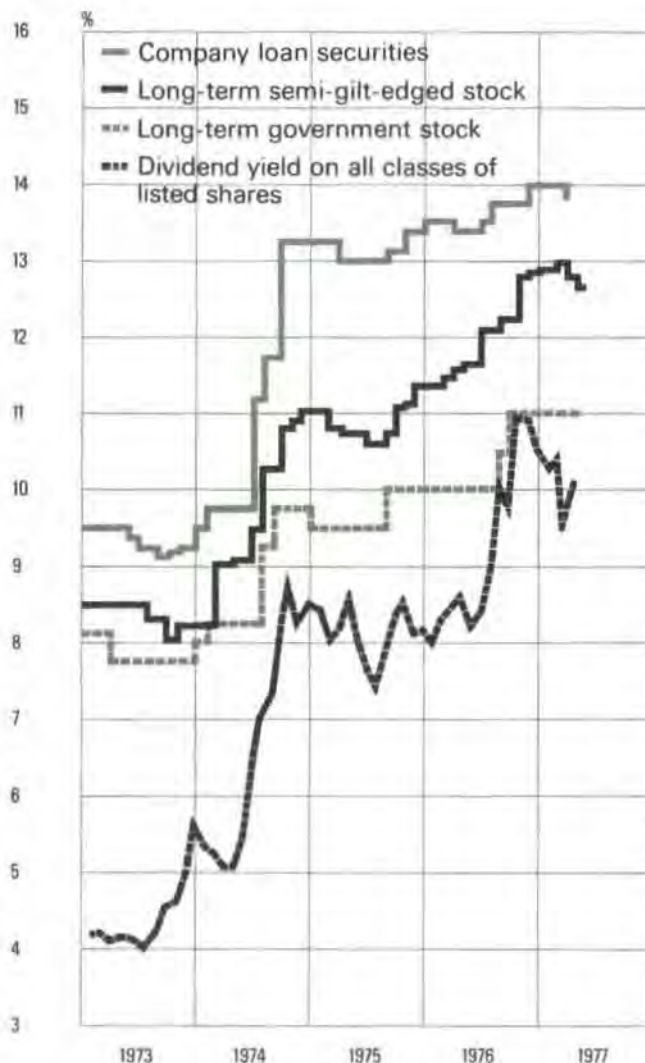
Fixed-interest security market

The tight conditions which had prevailed throughout 1976 and the first two months of 1977 in the fixed-interest security market, eased considerably during the subsequent three months. This easier trend was reflected in the over-subscription of virtually all new issues of semi-gilt-edged stock. Scheduled new issues of semi-gilt-edged stock, excluding short-term Land Bank debentures, during the period March to May amounted to R170 million, but drew subscriptions of no less than R258 million. The yield on new issues of the highest grade long-term semi-gilt-edged stock reached a peak of 12,98 per cent early in February before it adjusted to the easier market conditions and declined to 12,79 per cent in March and 12,65 per cent in April and May. The yield on new issues of long-term government stock, however, remained unchanged at 11,0 per cent and at this yield the successful new issue, which attracted applications of R156 million, was floated on 15 April. As a result of the changes in the semi-gilt-edged yield, the margin between gilt- and semi-gilt-edged yields, which had widened from 1,90 per cent in December 1976 to 1,98 per cent in February, narrowed to 1,65 per cent in April and May.

In accordance with the decline in semi-gilt-edged yields, the yield on new issues of company loan securities declined in March from 14,0 per cent to a new level of 13,8 per cent. It is clear, therefore, that long-term yields in general had peaked and moved to slightly lower levels, and that investors no longer expect a further increase in long-term interest rates but rather a decline.

The favourable response to gilt- and semi-gilt-edged stock issues, especially during April and May, was to some extent related to the new statutory investment requirements for financial institutions announced by the Minister of Finance in his Budget speech. In terms of the new requirements, banking institutions have to hold an amount equal to at least 15 per cent (previously 10 per cent) of their long-term liabilities to the public in prescribed investments which have to include government stock equal to 8,5 per cent of long-term liabilities (previously 5 per cent). The obligation of building societies to maintain prescribed investments, and not only liquid assets, that was suspended in 1971, was re-instituted. Such prescribed investments, including liquid assets, have to amount to at least 10 per cent of their liabilities to the public. Both short-term and long-term insurers have to maintain prescribed assets equal to at least 35 per cent (previously 30 per cent plus a voluntary 2 per cent) of their liabilities, net of re-insured liabilities. Prescribed assets have to include government securities equal to 17,5 per cent (previously 15 per cent plus a voluntary 2 per cent) of net liabilities. Private pension and provident funds have to maintain a

Security yields



minimum of 55 per cent (previously 50 per cent plus a voluntary 2 per cent) of their assets in the form of prescribed assets which have to include government securities equal to at least 22,5 per cent (previously 20 per cent plus a voluntary 2 per cent) of total assets. Specified prescribed investments or assets other than government securities consist of cash and deposit holdings and approved semi-gilt-edged securities and loans.

All institutions have to comply with the new requirements by the end of March 1978 and to ensure that the required levels of investment will be reached by that date. The existing requirements will be increased in stages on 30 September 1977, 31 December 1977 and 31 March 1978. To facilitate the investment in government securities, government stock will be available on tap at the Public Debt Commissioners.

Share market

After having increased somewhat during December 1976 and January 1977, non-gold mining share prices declined again during February, March and April 1977. Financial share prices and industrial and commercial share prices declined by 7 per cent and 9 per cent, respectively, during these three months. Gold mining share prices, however, continued their upward course until March, but declined markedly by 14 per cent in April. Coal mining share prices, which had been rising steadily during the past two years, declined slightly during March and were maintained at approximately the same level during April. Other metal and mineral share prices started to increase in December 1976 and maintained this upward movement throughout the first quarter of 1977 but declined by 5 per cent in April. The average dividend yield on all classes of shares declined from 10,46 per cent in December 1976 to 10,08 per cent in April 1977.

Unit trusts experienced a net outflow of funds during the first quarter of 1977. Net repurchases of units amounted to R2 million. Because of the downward trend in share prices, the market value of their net assets declined by R11 million to R272 million during these three months.

Flow of longer-term funds to deposit-receiving and related institutions

During the first quarter of 1977 capital and deposits with building societies increased by R188 million, compared with an increase of R138 million during the fourth quarter of 1976 and R172 million during the first quarter of 1976. However, if adjustments are made for seasonal influences, the flow of longer-term funds to building societies was well below the inflow during the

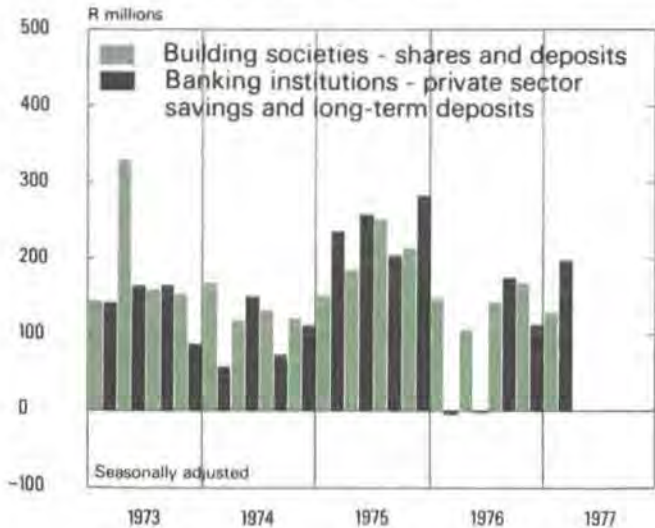
fourth quarter of 1976. The inflow during the first quarter, seasonally adjusted, amounted to R130 million, compared with R168 million during the last quarter of 1976. The seasonally adjusted flow of savings and long-term deposits to banking institutions showed a marked increase during the first quarter of 1977 and amounted to R198 million, compared with R112 million during the fourth quarter of 1976. At this level, it was also well above the average quarterly inflow of such deposits during 1976. The net investment in the Post Office Savings Bank and National Savings certificates, which amounted to R60 million during the first quarter, was 31 per cent higher than the average quarterly increase recorded during 1976. Participation mortgage bond schemes, however, experienced an outflow of R7 million during the first quarter, compared with an inflow of R11 million during the fourth quarter of 1976. This was the first quarterly outflow of funds from participation mortgage bond schemes that has been recorded since the movement's inception.

Mortgage and real estate markets

The smaller inflow of new funds to building societies during the first quarter was reflected in a lower level of new mortgage loans granted. New mortgage loans granted by the societies during the first quarter amounted to R250 million, which was R23 million, or 8 per cent, less than the corresponding amount during the fourth quarter of the last year. The smaller amount of new lending by the societies was also reflected in a smaller amount of new mortgages paid out which decreased from R284 million in the fourth quarter of 1976 to R253 million in the first quarter of 1977.

The declining trend in real estate transactions since the end of 1975 continued during the first quarter of 1977. The value of such transactions, seasonally adjusted, during the first quarter was on average 5 per cent lower than during the fourth quarter of 1976.

Flow of funds to financial institutions



Statement regarding suspension of gold reserve requirements

Issued by the Honourable Sen. O. P. F. Horwood, Minister of Finance

25 April 1977

When the new Articles of Agreement of the International Monetary Fund come into operation, probably before the end of 1977, the fixed official price of gold will be abolished. In anticipation of this development, I announced in February this year that the Reserve Bank's gold holdings would, at the appropriate time, be revalued at a market related price.

In the meantime, however, the Reserve Bank's practice of valuing its gold reserves at the statutory

price of R29,55 per fine ounce, at a time when the market price is in the vicinity of R130 per fine ounce, is understandably making it difficult for the Bank to comply at all times with the legal requirement to maintain a minimum gold reserve equal to 25 per cent of its liabilities to the public less foreign assets.

Under the power vested in me by the South African Reserve Bank Act, I have therefore decided to suspend, with immediate effect, the gold reserve requirements set out in Article 17 of that Act.

Statement regarding credit ceilings

Issued by the Governor of the South African Reserve Bank, Dr. T. W. de Jongh

30 March 1977

In terms of the quantitative restrictions imposed a year ago on bank credit to the private sector, banking institutions have been allowed, since the end of March 1976, to increase the ceilings on their discounts, loans and advances to the private sector and on their private sector investments, as defined, by $\frac{1}{2}$ per cent per month. After the usual consultation with the Treasury, the Reserve Bank has now decided to withdraw this concession as from 1 April 1977, which means that the respective ceilings established for each bank as at 31 March 1977 will apply from that date until further notice. The required notice to give effect to these restrictions will shortly appear in the Government

Gazette.

This step is taken as a temporary measure on account of the continued need to strengthen the balance of payments and to reduce the potential inflationary effects of excess liquidity in the economy, particularly in view of the expected large seasonal shift of government funds to the private sector during the second quarter of 1977, which could cause a substantial easing of the money market and banking situation. The temporary freezing of the ceilings does not mean that bank credit to the private sector cannot be increased during the coming months, as most banking institutions still have considerable scope under their existing ceilings.

Statement regarding further gold swap agreements

Issued by the Governor of the South African Reserve Bank, Dr. T. W. de Jongh

2 May 1977

After consultation with the Treasury, the Reserve Bank entered into further gold swap agreements with overseas parties during the week ended 29 April 1977. In terms of these agreements the Bank sold gold spot and repurchased it forward. The gold involved will not be disposed of on the private market, but will revert to the Bank on the various due dates of the agreements.

Since the Reserve Bank's gold holdings are still valued at the statutory price of R29,55 per fine ounce, whereas the swaps occurred at market-related prices, the effect of these transactions was to increase the Bank's foreign exchange reserves by a multiple of the decline in its gold holdings. This increase will not fully be reflected in the Bank's weekly statement for 29 April to be published on 4 May, largely because the Bank simultaneously availed itself of the opportunity to make

substantial repayments of drawings under foreign credit facilities which can be utilised again if necessary. The net result of these and other transactions was an increase of R94,4 million to a level of R756,9 million in the Bank's total gold and other foreign reserves during the week ended 29 April 1977.

The main purpose of the new gold swap transactions is to ensure the adequacy of the Bank's foreign exchange holdings during the period ahead. Although the seasonally adjusted current account of the balance of payments has improved considerably during each of the past four quarters and is expected to strengthen further, it is considered desirable to make advance provision for any possible adverse effect on foreign capital movements of the anticipated seasonal increase during May and June in net bank credit to the government sector.

Kwartaallikse ekonomiese oorsig

Algemene opmerkings

Alhoewel die Suid-Afrikaanse ekonomie nog nie al sy ekonomiese probleme te bowe gekom het nie, is daar vanaf die tweede helfte van 1976 goeie vordering met die oplossing van sommige daarvan gemaak. Die owerhede se vernaamste beleidsdoelstellings bly nog steeds om die betalingsbalans verder te versterk en om die inflasiekoers te verminder. In weerwil van die nadelige uitwerking van politieke ontwikkelings op die Suid-Afrikaanse ekonomie, het die beperkende monetêre en fiskale beleid wat deur die owerhede gevolg word, vanaf die middel van 1976 daarin geslaag om die uitbreiding van bankkrediet en die groei in die geldvoorraad aan bande te lê en het dit bygedra tot 'n aanmerkbare verbetering in die tekort op die lopende rekening van die betalingsbalans sowel as 'n opmerkbare afname in die inflasiekoers tot aan die einde van 1976.

Hierdie prestasies is ongelukkig vergesél deur 'n voortgesette verlangsamings van die ekonomiese bedrywigheid, 'n toename in die aantal bankrotstappe onder sake-ondernemings en 'n styging in die werkloosheid. Alhoewel die owerhede bevredigende langtermyn ekonomiese groei nog steeds as van groot belang beskou, is 'n gesonde betalingsbalans en 'n laer inflasiekoers 'n voorvereiste vir gesonde ekonomiese uitbreiding en derhalwe vir 'n vermindering van die werkloosheid in die toekoms. Die Minister van Finansies het gevolglik in sy Begrotingsrede te kenne gegee dat 'n algemene stimulering van die ekonomie op daardie tydstip voorbarig sou wees, maar dat selektiewe stimulering en maatreëls om die werkloosheid te bekamp binne die algemene raamwerk van die huidige konserwatiewe monetêre en fiskale beleid nie uitgesluit is nie. Op grond hiervan het die Minister aansienlike besteding aan behuising in die Nie-blanke woongebiede goedgekeur en toestemming verleen vir die elektrifisering van sekere Swart dorpsgebiede.

Die ekonomiese groeikoers, gemeet volgens die toename in die reële bruto binnelandse produk, het in 1976 $1\frac{1}{2}$ persent bedra en voorlopige gegewens dui daarop dat die verlangsamings in die ekonomiese bedrywigheid, wat vanaf die derde kwartaal van 1976 versnel het, gedurende die eerste kwartaal van 1977 voortgeduur het. Met inagneming van die diepte van die wêreldresessie, die daling in die goudprys gedurende 1975 en die eerste drie kwartale van 1976, en die politieke onsekerheid in Suidelike Afrika, kan hierdie groeikoers nogtans as bevredigend beskou word. Weens die gunstige vooruitsigte vir landbou-oeste in 1977 en 'n verwagte verdere toename in die volume van die mynbouproduksie, kan die koers van toename in die reële bruto binnelandse produk nog 'n klein positiewe syfer in die 1977-kalenderjaar toon. Die hoër

vlak van die goudprys en die goeie vooruitsigte vir groter uitvoere is verdere faktore wat tot 'n opswaai in die ekonomiese bedrywigheid in die afsienbare toekoms kan bydra.

Alhoewel die inflasiekoers nog steeds op 'n onaanvaarbare hoë vlak bly, is daar gedurende 1975 en 1976 vordering gemaak met die verlaging van die koers van toename in pryse. Die seisoensaangesuiwerde jaarkoers van toename in die verbruikersprysindeks het afgeneem vanaf die piek van 17,4 persent wat in die derde kwartaal van 1974 bereik is, tot 9,3 persent in die vierde kwartaal van 1976. Gedurende die eerste kwartaal van 1977 het die jaarkoers van toename egter weer versnel tot 13,3 persent, hoofsaaklik weens die verhoging van indirekte belastinge en 'n aantal staatsgeadministreerde pryse. In April 1977 was die seisoensaangesuiwerde prysindeks 11,5 persent hoër as in die ooreenstemmende maand van die vorige jaar.

Salarisse en lone per werknemer het oor die algemeen teen 'n laer koers as die toename in die verbruikerspryse gestyg, met die gevolg dat die reële lone van sekere dele van die arbeidsmag 'n afname getoon het. Gedurende 1976 was die gemiddelde reële lone en salarisse per Blanke werknemer in die nie-landbou-sektore van die ekonomie 1,4 persent laer as in 1975, terwyl dit in die geval van Nie-blankes 4,4 persent hoër was.

Soos hierbo aangedui is, het die betalingsbalans in die loop van 1976 en die eerste kwartaal van 1977 in sekere opsigte aansienlik verbeter. Die tekort op die lopende rekening van die betalingsbalans het gedurende 1976 en die eerste kwartaal van 1977 progressief verbeter. Hierdie verbetering was toe te skrywe aan die gesamentlike uitwerking van die verlangsamings in die binnelandse vraag en derhalwe in die vraag na invoere, die ekonomiese oplewing in die meeste nywerheidslande en die gevolglike gunstige invloed op Suid-Afrika se uitvoere, die styging in die goudprys vanaf die vierde kwartaal van 1976, en die konserwatiewe fiskale en monetêre beleid wat deur die owerhede gevolg is en wat daarin geslaag het om die uitbreiding van bankkrediet en die toename in die geldvoorraad te beteuel. 'n Afname in invoere en 'n toename in die netto goudproduksie het tot die verdere verbetering in die lopende rekening van die betalingsbalans in die eerste kwartaal van 1977 bygedra. Alhoewel 'n aansienlike kleiner netto invloeiing van langtermynkapitaal gedurende die eerste kwartaal van 1977 voorgekom het as gedurende die vierde kwartaal van 1976, het die basiese saldo verander vanaf 'n tekort in die vierde kwartaal na 'n oorskot in die eerste kwartaal van 1977.

'n Ongunstige ontwikkeling gedurende die eerste kwartaal van 1977 was die verslegting in die kapitaalrekening van die betalingsbalans. Afgesien van die

kleiner netto invloeiing van langtermynkapitaal, is 'n aansienlike netto uitvloeiing van korttermynkapitaal aangeteken in vergelyking met 'n invloeiing gedurende die vierde kwartaal van 1976. Hierdie netto uitvloeiing is meegebring deur 'n groot uitvloeiing van korttermynkapitaal nie verwant aan reserwes nie, wat die netto invloeiing van korttermynkapitaal verwant aan reserwes oorskry het.

Die netto resultaat van die transaksies op die lopende en kapitaalrekening gedurende die eerste kwartaal van 1977 was dat die bruto goud- en ander buitelandse reserwes met net meer as R100 miljoen gedaal het. Indien die toename in korttermynverpligtings verwant aan reserwes in berekening gebring word, het die netto goud- en ander buitelandse reserwes gedurende die eerste kwartaal van 1977 met R162 miljoen gedaal. Gedurende April 1977 het die Reserwebank nuwe goudruilooreenkomste aangegaan wat tot 'n toename van ongeveer R100 miljoen in die bruto goud- en ander buitelandse reserwes van die Reserwebank gelei het ná terugbetalings op trekkings onder buitelandse kredietfasiliteite.

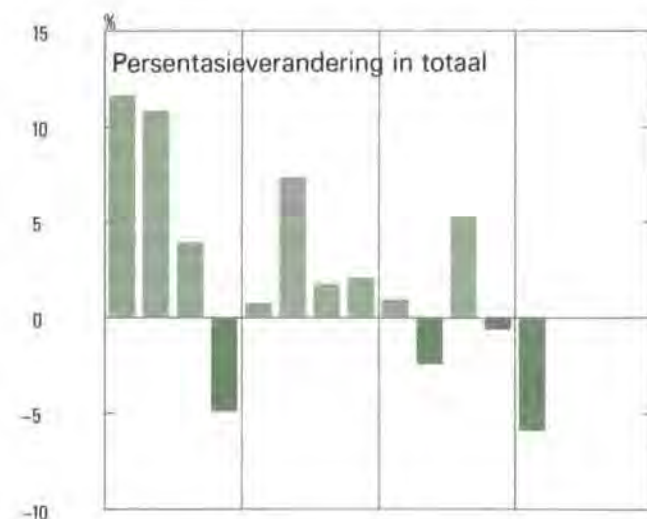
Die monetêre toestand het sedert die middel van 1976 radikaal verander. Nadat die hoeveelheid geld en kwasi-geld gedurende die tweede helfte van 1976 aansienlik verlangsaam het, het dit gedurende die eerste kwartaal van 1977 afgeneem. Hierdie welkome ontwikkeling het voortgespruit uit die konserwatiewe monetêre en fiskale beleid wat die verlening van bankkrediet aan die private sektor op lae vlakke gehou het en terselfdertyd die netto bankkrediet aan die regeringsektor verminder het. Rentekoerse het oor die algemeen hoog gebly, alhoewel sowel kort- as langtermynkoerse gedurende die afgelope paar maande effens gedaal het. Die bedrywigheid op die effektebeurs het traag gebly en aandelepryse het oor die algemeen afwaarts beweeg. Die vaste eiendomsmark en verbandmark het bedruk gebly, alhoewel die invloeiing van langertermynfondse na depositonemende en verwante instellings verder toegeneem het.

Nasionale rekeninge

Daling in die reële bruto binnelandse produk

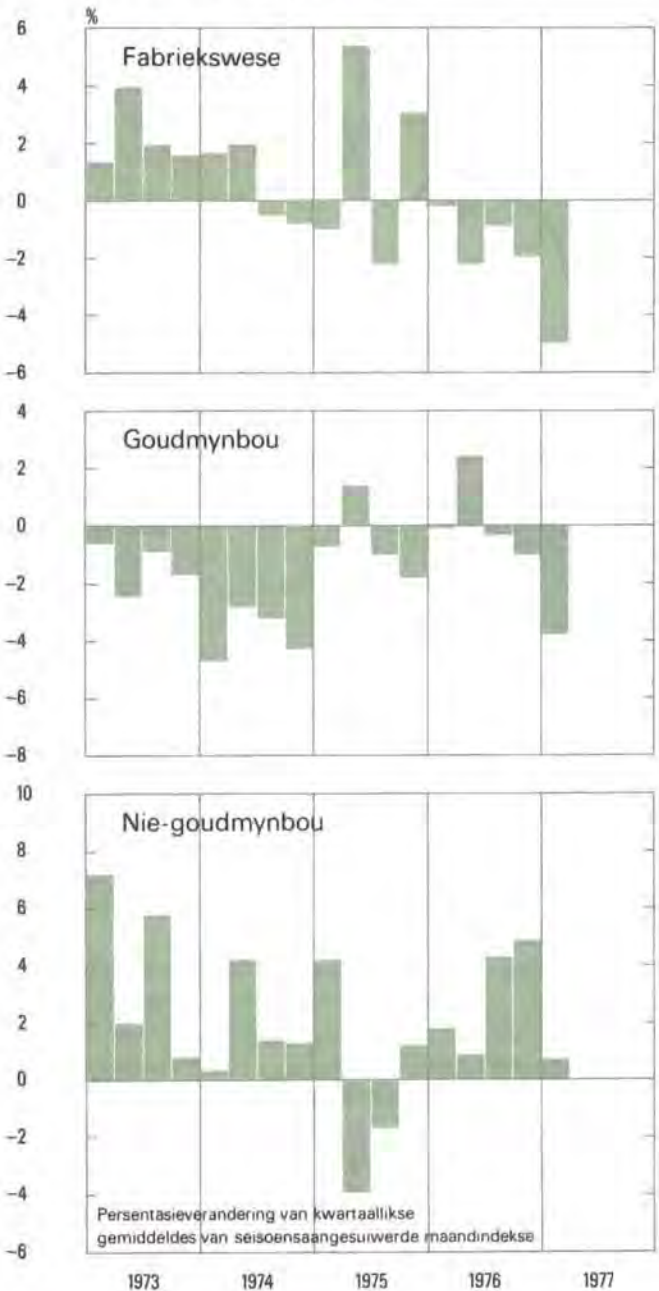
Nadat die bruto binnelandse produk teen konstante pryse gedurende sowel die tweede as die vierde kwartaal van 1976 gedaal het, het dit gedurende die eerste kwartaal van 1977 weer afgeneem en 'n vlak bereik wat ongeveer 1 persent laer was as dié van die eerste kwartaal van 1976. Gedurende die eerste kwartaal van 1977 is toenames aangeteken in die reële

Bruto binnelandse produk teen konstante 1970-pryse



toegevoegde waarde van die sektore wat noodsaaklike dienste soos vervoer-, kommunikasie-, finansiële en algemene owerheidsdienste voorsien, en in 'n mindere mate ook van die nie-goudmynbousektor. Die reële inkome wat deur al die ander belangrike sektore soos die landbou, goudmynbou, fabriekswese en groot-, klein- en motorhandel geskep is, het gedurende hierdie kwartaal gedaal. Die reële toegevoegde waarde van die nie-landbousektore het vir die vierde agtereenvolgende kwartaal gedaal – die langste ononderbroke kwartaallike daling wat aangeteken is.

Fisiese volume van produksie



Die fabriekswese produksie het gedurende die eerste kwartaal van 1977 gedaal tot die laagste vlak in die afgelope veertien kwartale. 'n Verdere afname gedurende die eerste kwartaal van 1977 was in ooreenstemming met ander aanwysers soos die daling in verkope en onvoltooide bestellings teen konstante pryse en 'n verdere afname in die benutting van die produksiekapasiteit vanaf 85,4 persent in die vierde kwartaal van 1976 tot 83,9 persent in die eerste kwartaal van 1977. Groothandelverkope teen konstante pryse het gedurende die eerste kwartaal van 1977 'n klein verdere afname getoon – die vierde opeenvolgende kwartaallike afname – en kleinhandelverkope teen konstante pryse het ook gedurende hierdie kwartaal gedaal. Die aantal nuwe motorvoertuie verkoop het gedurende die eerste kwartaal van 1977 gedaal tot die laagste kwartaallike vlak wat gedurende die sewentigerjare aangeteken is en in April het dit nog verder gedaal. Daarteenoor het toestand in die mynbousektor in die eerste kwartaal verbeter. Die volume van die nie-goudmynbouproduksie, wat vanaf die derde kwartaal van 1975 bestendig toegeneem het, het gedurende die eerste kwartaal van 1977 verder toegeneem, maar die volume goud geproduseer het met ongeveer 4 persent gedaal. Die styging in die prys van goud het tot die ontginning van 'n laer graad erts teen hoër koste aanleiding gegee, maar het die finansiële posisie van die goudmyne verbeter.

Hoofsaaklik as gevolg van die toename in die gemiddelde prys van goud op die private mark, het Suid-Afrika se ruilvoet gedurende die eerste kwartaal van 1977 verbeter. Gevolglik was die reële bruto nasionale produk in die eerste kwartaal van 1977 ongeveer 1 persent hoër vergeleke met die ooreenstemmende kwartaal van 1976. Kwartaallike ramings van die bruto binnelandse produk teen heersende pryse toon dat sowel die vergoeding van werknemers as die bruto bedryfsurplus gedurende die eerste kwartaal van 1977 teen 'n laer koers as gedurende die voorafgaande kwartaal toegeneem het.

Aansienlike afname in reële totale binnelandse vraag

Die reële totale binnelandse vraag, soos gemeet deur die reële binnelandse besteding, het gedurende die eerste kwartaal van 1977 verder gedaal tot 'n vlak wat ongeveer 5 persent laer was as gedurende die ooreenstemmende tydperk van 1976. Afsien van die reële private verbruiksbesteding, wat in vergelyking met die vierde kwartaal min verandering getoon het, het al die ander komponente van die reële bruto binnelandse besteding, naamlik owerheidsverbruiksbesteding en bruto binnelandse vaste en voorraadinvestering, tot die inkrimping van die reële totale vraag bygedra.

Teen heersende pryse en na seisoensaansuiwing het die bruto binnelandse besteding die bruto nasionale produk met 'n kleiner marge as in die vorige kwartaal oorskry. Hierdie ontwikkeling is ook weerspieël in die

seisoensaangesuiwerde lopende rekening van die betalingsbalans, wat gedurende die eerste kwartaal van 1977 'n kleiner tekort as in die vierde kwartaal van 1976 getoon het.

Min verandering in reële private verbruiksbesteding

Nadat reële private verbruiksbesteding gedurende die grootste deel van 1976 gedaal het, het dit gedurende die eerste kwartaal van 1977 bykans geen verandering getoon nie, maar die vlak daarvan was steeds ongeveer 3 persent laer as dié van die ooreenstemmende kwartaal van 1976. Klein toenames in die reële besteding aan dienste en aan duursame en nie-duursame goedere is min of meer geneutraliseer deur 'n opmerkbare afname in die reële besteding aan semi-duursame goedere, hoofsaaklik klerasie en skoetsel. Dit is opmerklik dat die vlak van die reële besteding aan duursame en semi-duursame goedere in die eerste kwartaal van 1977 nie minder nie as 14 persent laer was as die vlak van die ooreenstemmende kwartaal van 1976. Dalende reële beskikbare persoonlike inkome van 'n groot deel van die bevolking kan as die vernaamste rede vir die trae toestande wat in die mark vir duursame en semi-duursame goedere ondervind is, uitgesonder word. As gevolg van die noodsaaklike aard van nie-duursame goedere en dienste soos voedsel, huur en mediese dienste, het die reële besteding aan hierdie hoofklasse van die besteding gedurende die eerste kwartaal van 1977 matig toegeneem.

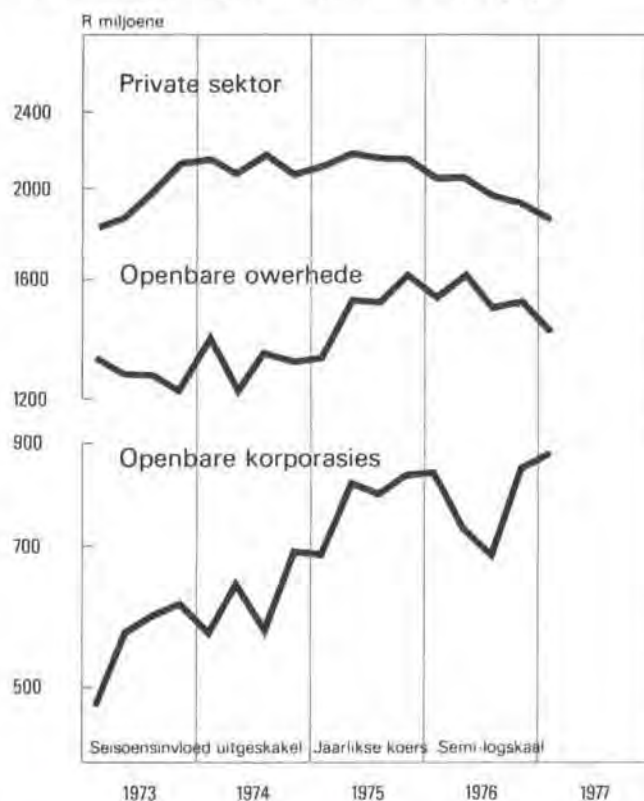
Verdere afname in reële owerheidsverbruiksbesteding

Hoofsaaklik as gevolg van verlaagde besteding aan goedere en dienste uitgesonderd arbeid, het reële owerheidsverbruiksbesteding gedurende die eerste kwartaal van 1977 'n matige afname getoon. Voorlopige aanduidings is dat die reële verdedigingsuitgawes gemiddeld teen 'n laer koers as gedurende die kalenderjaar 1976 in sy geheel, toegeneem het en dat die reële uitgawes deur provinsiale administrasies gedurende die eerste kwartaal aansienlik afgeneem het. Die vergoeding van werknemers teen konstante pryse het 'n verdere klein toename getoon.

Sterk verdere afname in reële bruto binnelandse vaste investering

Die aanmerklike afname in die reële vaste kapitaalbesteding was weer eens 'n groot bydraende faktor tot die totale afname in die totale reële binnelandse besteding gedurende die eerste kwartaal van 1977. Reële vaste investering deur al die verskillende sektore het afgeneem, met uitsondering van die kapitaalbesteding deur openbare korporasies. Reële private vaste investering deur die landbou, fabriekswese en handel en aan private woongeboue het voortgegaan om vanaf ongeveer die middel van 1975 ononderbroke te daal en die reële kapitaalbesteding deur die mynbou- en die finansiële sektor het gedurende die laaste kwartaal van 1976 en die eerste kwartaal van 1977 op 'n

Vaste investering teen konstante 1970-pryse



relatief hoë vlak afgeplat. Die lae vlak van die investeringsbedrywigheid van die private sektor was hoofsaaklik 'n weerspieëling van die volgehoue afname in die totale binnelandse vraag.

Nadat die reële kapitaaluitgawes van openbare korporasies in die tweede en derde kwartaal van 1976 afgeneem het, het dit in die vierde kwartaal van 1976 en die eerste kwartaal van 1977 toegeneem, hoofsaaklik as gevolg van groter besteding deur Evkom en aan die Sasol II-projek wat vanaf die vierde kwartaal van 1976 stukrag begin kry het. Hierdie toenames is egter gedeeltelik geneutraliseer deur laer reële kapitaalbesteding deur Yskor aan mynbou-ondernemings en aan die Sishen/Saldanha-projek.

As voortsetting van die neiging wat vanaf ongeveer die middel van 1976 merkbaar was, het die reële kapitaalbesteding deur die openbare owerhede gedurende die eerste kwartaal van 1977 verder gedaal. Algemene owerheidsdienste het die grootste bydrae tot hierdie afname gelewer maar die reële besteding van die S.A. Spoorweë het ook matig afgeneem.

Verdere skerp afname in voorraadinvestering teen konstante pryse

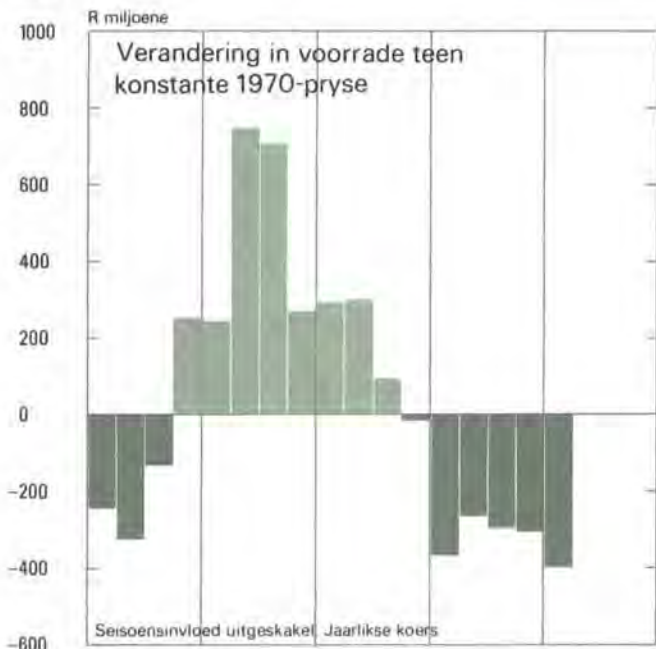
Die totale reële voorrade, wat gedurende al vier kwartale van 1976 afgeneem het, het in die eerste kwartaal van 1977 verder afgeneem en weer eens

weselik bygedra tot die volgehoue afname in die reële totale binnelandse vraag en die aansienlike afname in reële goedere-invoere. Die handels- en nywerheidsvoorrade van die private sektor teen konstante pryse het nou vanaf die middel van 1975 ononderbroke afgeneem en het 'n aansienlike bydrae gelewer tot die totale afname van die voorrade in die eerste kwartaal van 1977. Die grootste bydrae tot die afname in die totale voorrade is gelewer deur die reële diamantvoorrade in die handel, wat opmerklik afgeneem het as gevolg van verhoogde verkope. In teenstelling hiermee het die reële voorrade van die fabriekswese-ondernemings van openbare korporasies gedurende die laaste kwartaal van 1976 en die eerste kwartaal van 1977 skerp toenames getoon wat

aan trae vraagtoestande te wyte is en het die reële landbouvoorrade in die handel in die eerste kwartaal van 1977 ook opmerklik gestyg. Laasgenoemde toename kan toegeskryf word aan voorsorgmaatreëls wat deur verskeie landboubeheerrade getref is om 'n voldoende binnelandse aanbod van hulle produkte te verseker.

Die boekwaarde van die handels- en nywerheidsvoorrade het in die eerste kwartaal van 1977 slegs klein toenames getoon. Die waarde van groothandels- en kleinhandelsverkope teen heersende pryse het min verandering getoon, met die gevolg dat die verhouding van voorrade tot verkope effens toegeneem het vanaf ongeveer 70 persent in die eerste kwartaal van 1976 tot ongeveer 73 persent in die eerste kwartaal van 1977. Voorlopige verkoopsyfers vir die fabriekswese-sektor in die eerste kwartaal van 1977 dui daarop dat die verhouding van voorrade tot verkope in die fabriekswesesektor ook toegeneem het vanaf 88,6 persent in die derde kwartaal van 1976 tot ongeveer 92½ persent in die eerste kwartaal van 1977.

Voorrade



Toename in bruto binnelandse besparing

In weerwil van 'n aansienlike toename in die bruto binnelandse besparing in die eerste kwartaal van 1977 was dit nog steeds onvoldoende om die totale vaste en voorraadinvestering te finansier. Die buitelandse fondse wat benut is om die tekort te finansier was egter die kleinste kwartaallikse bedrag wat in drie jare aangewend is. Al die komponente van bruto binnelandse besparing, d.w.s. persoonlike en maatskappybesparing, die lopende surplus van die algemene owerheid en voorsiening vir waardevermindering, het gedurende die eerste kwartaal van 1977 toegeneem en was in totaal 33 persent hoër as die betreklik lae vlak wat gedurende die ooreenstemmende kwartaal van 1976 behaal is.

Voorrade as persentasie van verkope



Konjunktuerneigings, arbeid en prysontwikkelings

Konjunktuerneigings

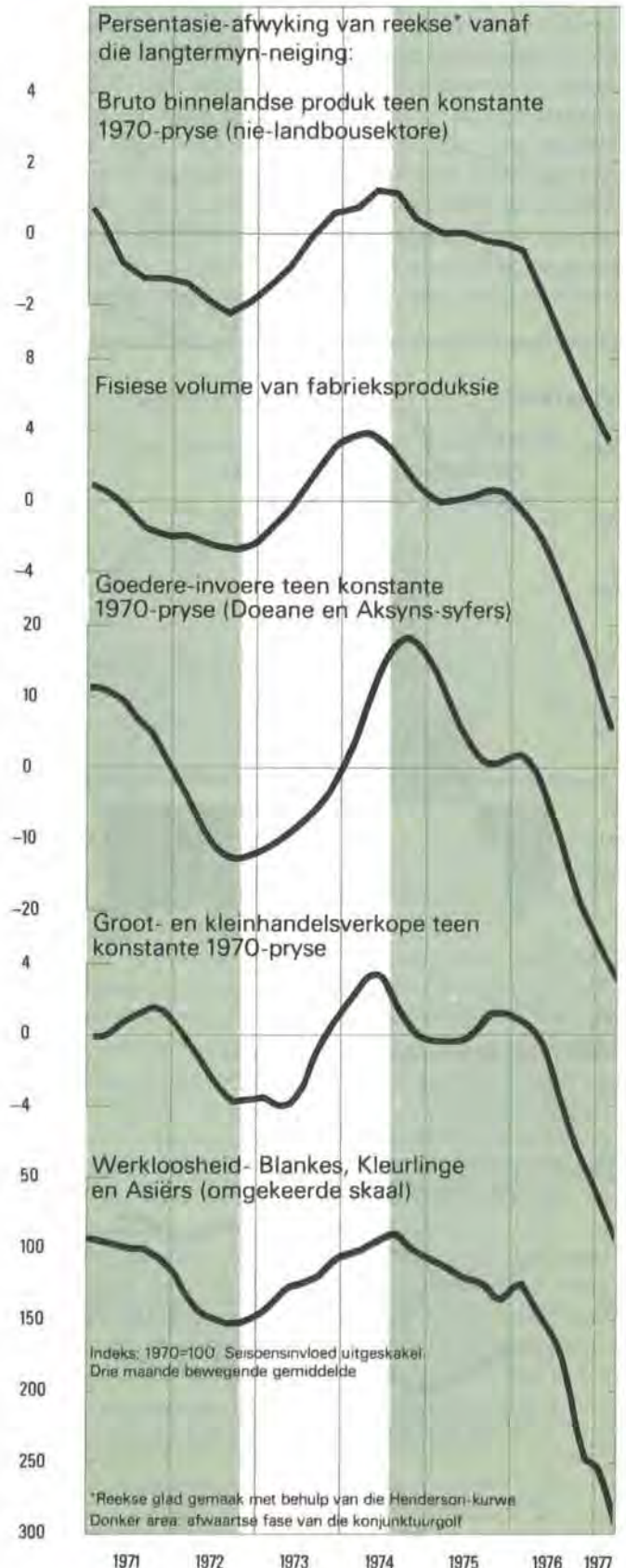
'n Ontleding van 'n groot aantal ekonomiese aanwysers, insluitende nasionale rekeningegegewens, toon dat die Suid-Afrikaanse ekonomie nog steeds in die afwaartse fase van die konjunkturgolf is. Die peil van die ekonomiese bedrywigheid in die nie-primêre sektore van die ekonomie het in werklikheid vir die vierde opeenvolgende kwartaal gedaal en was in die eerste kwartaal van 1977 laer as in die tweede kwartaal van 1975.

In teenstelling met die bedrukte ekonomiese toestande wat tans deur die nie-primêre sektore ondervind word, is die saketoestande in die landbou- en die mynbousektor bevredigend en word daar verwag dat dit gedurende die loop van 1977 verder sal verbeter. Die volume van die nie-goudmynbouproduksie het vir die sesde opeenvolgende kwartaal 'n styging getoon en daar word verwag dat die volume van die landbouproduksie gedurende 1977 sal toeneem as gevolg van gunstige klimaatstoestande. Die gunstiger toestande wat deur die goudmynbousektor in die eerste kwartaal van 1977 ondervind is, het voortgespruit uit 'n opmerklike verbetering in die prys van goud op die private mark. Behalwe hierdie gunstige ontwikkelings, het die lopende rekening van die betalingsbalans ook aanmerklik verbeter hoofsaaklik as gevolg van 'n toename in die netto goudproduksie en 'n daling in goedere-invoere. Alhoewel die kapitaalrekening van die betalingsbalans nog steeds 'n tekort toon, werk die huidige fiskale en monetêre beleid wat deur die owerhede gevolg word in die rigting van die bewerkstelling van 'n gesonde basis vir die ekonomiese herstel en 'n hoër langtermyn ekonomiese groei.

Arbeidstoestand

As gevolg van die lae koers van toename in die reële bruto binnelandse produk gedurende die afgelope twee-en-'n-half jaar en die afname in die reële ekonomiese bedrywigheid in die nie-primêre sektore gedurende die vier kwartale tot en met Maart 1977, het die skepping van bykomende werkgeleenthede in 1976 nie tred gehou met die groei van die arbeidsmag nie, met die gevolg dat die aantal werkloos aansienlik toegeneem het. Gevolglik het die seisoensangewende aantal geregistreerde werklose Blankes, Kleurlinge en Asiërs vanaf 11 214 in Desember 1975 tot 21 957 in Desember 1976 gestyg en daarna skerp verder toegeneem tot 25 376 in April 1977. Alhoewel amptelike statistiek van die aantal werklose Swartes nie beskikbaar is nie, kan daar geen twyfel bestaan dat werkloosheid onder Swart werkers in die afgelope paar maande toegeneem het nie. Sake-ondernemings het ook oortydwerk besnoei en het korter ure gewerk. Gewone en oortydure deur produksiewerkers in die fabriekswese en konstruksie gewerk, het bv. gedurende 1976 skerp afgeneem. In werklikheid het die totale

Konjunkturaanwysers



Persentasieverandering in salarisse en lone per werker in die nie-landbousektore

	2e helfte 1975 tot 1e helfte 1976	1e helfte 1976 tot 2e helfte 1976	1976
Blankes:			
Teen heersende pryse	2,0	8,8	9,5
Teen konstante pryse	-3,2	3,3	-1,4
Nie-blankes:			
Teen heersende pryse	4,7	11,5	16,0
Teen konstante pryse	-0,6	5,9	4,4
Alle rasse:			
Teen heersende pryse	3,2	10,0	12,1
Teen konstante pryse	-2,1	4,5	0,9

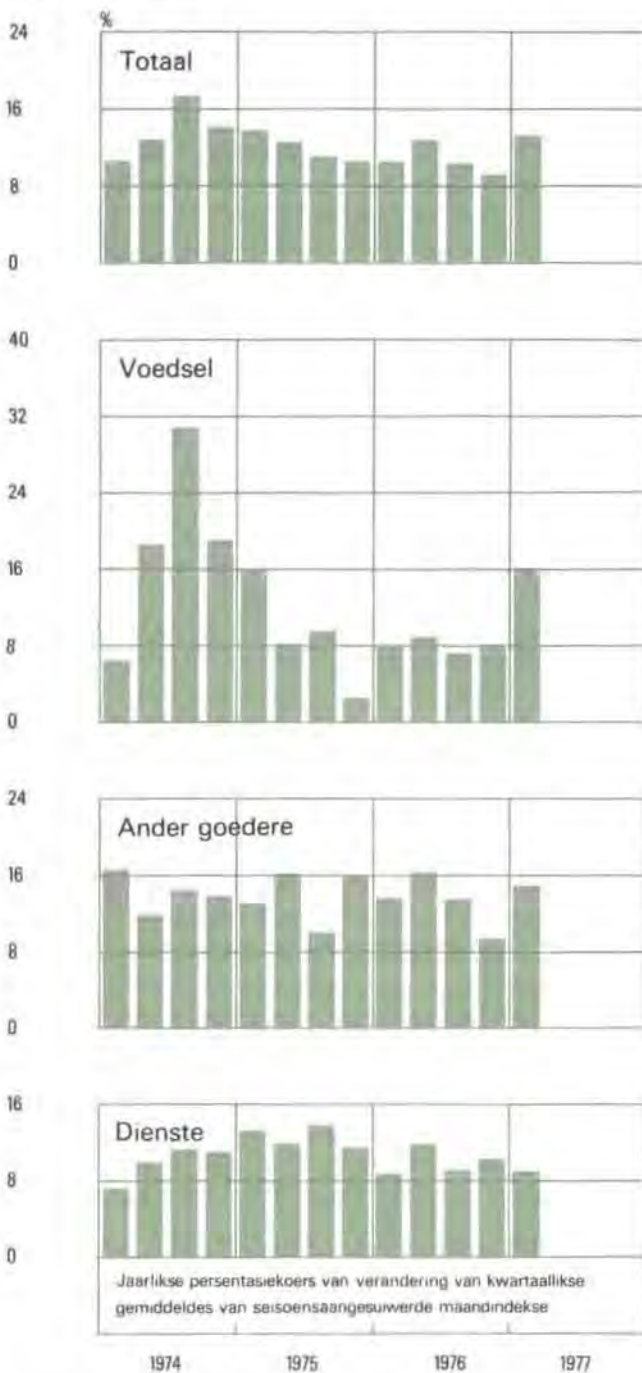
aantal ure in die fabriekswese en konstruksie gewerk vanaf die vierde kwartaal van 1975 tot die vierde kwartaal van 1976 met 4,0 en 13,5 persent, onderskeidelik, gedaal. Alhoewel die aantal werknemers in die nie-landbousektore in 1976 nog met 2,0 persent gestyg het, vergeleke met 'n toename van 2,4 persent in 1975, het die kwartaallike koerse van toename gedurende die eerste drie kwartale van 1976 afgeneem en was dit negatief in die vierde kwartaal.

Nieteenstaande die swak werkgeleentheidstoestand, het die gemiddelde vergoeding per werknemer in die nie-landbousektore in 1976 nog met 12 persent gestyg. Met inagneming van die styging in die verbruikersprysindeks, het reële salarisse en lone per werker gedurende die eerste helfte van 1976 'n afname getoon, maar gedurende die tweede helfte van die jaar gestyg. Die toename in die tweede helfte is moontlik aan die primêre en sekondêre invloed van die algemene salaris- en loonaanpassing in die openbare sektor, wat vanaf Julie 1976 in werking getree het, toe te skryf. Indien die hoër persoonlike inkomste-belastingbetalings, wat vanaf die derde kwartaal van 1976 van toepassing was, in berekening gebring word, het die reële persoonlike beskikbare inkomste per werker waarskynlik regdeur 1976 verder afgeneem.

Pryse

Nadat dit vanaf 'n hoogtepunt van 17,4 persent teen 'n seisoensaangesuiwerde jaarkoers in die derde kwartaal van 1974 tot 9,3 persent in die vierde kwartaal van 1976 afgeneem het, het die koers van toename in die verbruikersprysindeks weer tot 13,3 persent in die eerste kwartaal van 1977 gestyg. Skerp toenames in vervoerkostes, d.w.s. in die pryse van motors, petrol en vervoerdienste, in die pryse van groente, vrugte, suiker en verwante produkte, en in bediendelone, het belangrike bydraes tot die hoë totale koers van toename in die eerste kwartaal gelewer. In vergelyking met die ooreenstemmende maand van die vorige jaar was die koers van toename in verbruikerspryse in April 1977 11,5 persent, vergeleke met toenames van 11,9 en 11,7

Verbruikerspryse



persent in Februarie en Maart onderskeidelik. Met inagneming van die opwaartse aanpassings in geadmini-streerde pryse en die verhoging van indirekte belasting wat gedurende die eerste kwartaal aangekondig is, word verwag dat die koers van toename in verbruikerspryse in die tweede kwartaal hoog sal bly.

Groothandelspryse het soortgelyke neigings as verbruikerspryse getoon en ná 'n vermindering in die koers van toename vanaf die hoogtepunt wat in die tweede

kwartaal van 1974 bereik is tot die vierde kwartaal van 1976, het die seisoensaangesuiwerde prysindeks weer versnel na 'n jaarkoers van 16 persent in die eerste kwartaal van 1977. Hierdie versnelling het hoofsaaklik die hoër koers (18,2 persent) wat in die eerste kwartaal van 1977 t.o.v. Suid-Afrikaansgeproduseerde goedere aangeteken is, en in die besonder die skerp styging in die pryse van goedere soos basiese metale en elektrisiteit, weerspieël. Die jaarkoers van toename in die pryse van ingevoerde goedere het vanaf 7,4 persent in die vierde kwartaal van 1976 tot 10,0 persent in die eerste kwartaal van 1977 gestyg. Die verhoogde olieprys, wat vanaf die eerste kwartaal van krag geword het, was gedeeltelik vir hierdie hoër koers verantwoordelik.

Betalingsbalans

Die lopende rekening van die betalingsbalans het regeur 1976 en die eerste kwartaal van 1977 verbeter en het, voor aansuiwering vir seisoensinvloede, in die eerste kwartaal 'n oorskot getoon nadat tekorte vir dertien opeenvolgende kwartale aangeteken is. Die basiese saldo het ook gedurende die eerste kwartaal van 1977 verbeter, maar as gevolg van 'n baie kleiner invloeiing van langtermynkapitaal was die verbetering kleiner as dié op die lopende rekening. Die kapitaalrekening het ongelukkig verswak en 'n netto uitvloeiing van korttermynkapitaal is aangeteken. Die netto resultaat was dat die goud- en ander buitelandse reserves gedurende die eerste kwartaal van 1977 gedaal het.

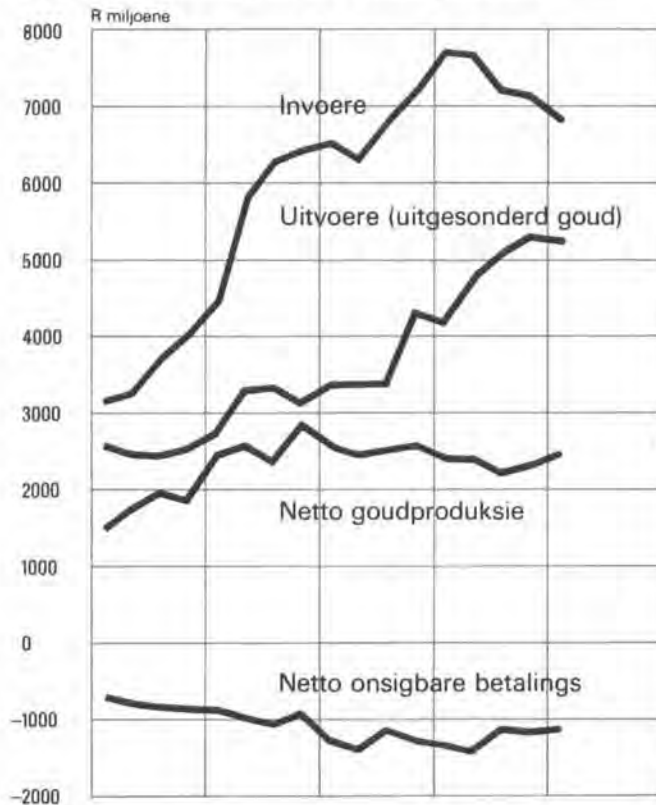
Skerp verbetering op lopende rekening

Die lopende rekening van die betalingsbalans het 'n opmerklike verbetering vanaf 'n tekort van R396 miljoen in die vierde kwartaal van 1976 tot 'n oorskot van R39 miljoen in die eerste kwartaal van 1977 getoon. Ná seisoensaansuiwerings het die saldo op lopende rekening teen 'n jaarkoers afgeneem vanaf 'n rekordtekort van R2 405 miljoen in die eerste kwartaal van 1976 tot R693 miljoen in die vierde kwartaal en daarna verder tot R242 miljoen in die eerste kwartaal van hierdie jaar. Die verdere aansienlike verbetering op die lopende rekening in die eerste kwartaal van 1977 was die resultaat van stygings in die waarde van die netto goudproduksie en afnames in die waarde van goedere-invoere en netto onsigbare betalings aan die res van die wêreld.

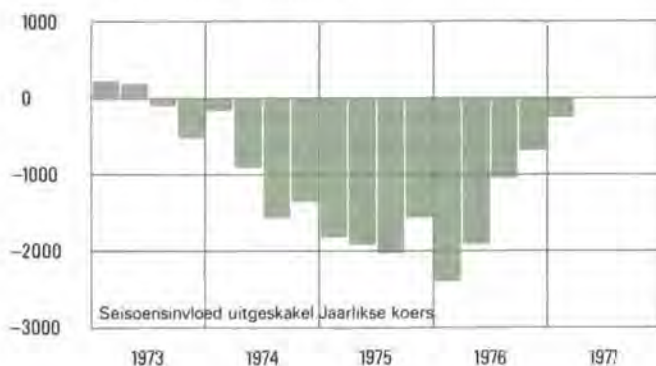
Nadat goedere-uitvoere toegeneem het vanaf 'n seisoensaangesuiwerde jaarkoers van R4 222 miljoen in die eerste kwartaal van 1976 tot R5 277 miljoen in die vierde kwartaal van daardie jaar, het dit gedurende die eerste kwartaal van 1977 effens gedaal tot R5 236 miljoen. Hierdie afname het voorgekom ondanks 'n skerp styging in die uitvoere van diamante, steenkool, ystererts en wol en kan hoofsaaklik toegeskryf word aan 'n daling in die waarde van die uitvoer van mielies en uraan.

'n Verdere daling in die waarde van goedere-invoere, vanaf 'n seisoensaangesuiwerde jaarkoers van R7 132 miljoen in die vierde kwartaal van 1976 tot R6 851 miljoen in die eerste kwartaal van 1977, het tot die opmerklike verbetering in die lopende rekening van die betalingsbalans bygedra. 'n Verdere afname in volume was 'n belangrike oorsaak van die laer waarde van invoere. Die volume van goedere-invoere het nou reeds met 'n derde gedaal vanaf die hoogtepunt wat in die derde kwartaal van 1974 bereik is tot die eerste kwartaal van hierdie jaar. Die tydelike invoerdeposito-skema is op 2 Februarie 1977 afgeskaf maar aan die einde van Maart 1977 het die Minister van Finansies 'n spesiale inkomstereg of toeslag van 15 persent aangekondig op alle ingevoerde goedere behalwe goedere wat aan AOTH-bindings of ander ooreenkomste of

Lopende rekening van die betalingsbalans



Saldo op lopende rekening



doeane-konvensies onderhewig is, goedere wat deur die owerheid ingevoer word, en sekere petroleumprodukte. Alhoewel die invoerdepositoskema 'n bydrae gelewer het tot die verdere afname in goedere-invoere gedurende 'n deel van die eerste kwartaal van 1977, was die trae binnelandse vraag waarskynlik die belangrikste bydraende faktor. Meer in die besonder het die afname in die aantal nuwe motorvoertuie verkoop 'n skerp daling in die invoer van vervoertoerusting veroorsaak, ondanks die invoer van vliegtuie deur die Suid-Afrikaanse Lugdiens. Die invoer van mineraalprodukte het gedurende die eerste kwartaal van 1977 ook skerp gedaal. Hierteenoor het die waarde van koffieinvoere

aansienlik toegeneem as gevolg van die aansienlike styging in die prys van koffie op internasionale markte. Die waarde van tekstielinvoere het ook matig toegeneem.

'n Styging in die goudprys op die private mark vanaf 'n gemiddelde van \$126,76 per fyn ons in die vierde kwartaal van 1976 tot \$138,93 in die eerste kwartaal van 1977 was geheel en al verantwoordelik vir die toename in die netto goudproduksie vanaf 'n seisoensaangesuiwerde jaarsyfer van R2316 miljoen tot R2478 miljoen gedurende dieselfde tydperk. Die toename in die goudprys is gedeeltelik geneutraliseer deur 'n afname in die fisiese volume van die goudproduksie.

Die netto onsigbare betalings aan die res van die wêreld het vanaf 'n seisoensaangesuiwerde jaarcoers van R1154 miljoen in die vierde kwartaal van 1976 afgeneem tot R1105 miljoen in die eerste kwartaal van 1977. Hierdie afname kan hoofsaaklik toegeskryf word aan 'n styging in ontvangste op beleggings in buitelandse gebiede gedurende die eerste kwartaal van 1977. Betalings vir dienste aan buitelanders het weer matig toegeneem vanaf 'n seisoensaangesuiwerde jaarcoers van R2652 miljoen in die vierde kwartaal van 1976 tot R2738 miljoen in die eerste kwartaal van 1977 as gevolg van toenames in rentebetalinge op buitelandse lenings.

Ten einde die betalingsbalans te versterk en tekortkomings in die valutabeheer uit te skakel, het die owerhede besluit om die voorskrifte vir sekere dienste en oordragbetalings te wysig. Eerstens mag buitelandsebeheerde Suid-Afrikaanse ondernemings wat voorheen dividende kon verklaar en winste na die buiteland kon oordra uit inkomste wat ná 1 Januarie 1960 verdien is, dit nou slegs doen uit winste wat na 1 Januarie 1975 verdien is. Tweedens is die fasiliteite wat bestaan het ten opsigte van die oordrag van kapitaal en inkomste deur emigrante, ingekort. Laastens is erflatings aan die effekterandprosedure onderhewig gemaak.

Duidelike verbetering in die basiese saldo

Die basiese saldo het vanaf 'n tekort van R79 miljoen in die vierde kwartaal van 1976 na 'n oorskot van R187 miljoen in die eerste kwartaal van 1977 verander. Hierdie verbetering was uitsluitlik toe te skryf aan die aansienlike verbetering op die lopende rekening, aangesien die netto invloeiing van langtermynkapitaal afgeneem het vanaf R317 miljoen in die vierde kwartaal van 1976 tot slegs R148 miljoen in die eerste kwartaal van 1977. Die kleiner netto invloeiing van langtermynkapitaal was die gesamentlike resultaat van 'n uitvloeiing van langtermynkapitaal vanaf openbare korporasies en plaaslike owerhede en 'n afname in die netto invloeiing van langtermynkapitaal na die private sektor wat die toename in die netto invloeiing na die sentrale regering en banksektor meer as geneutraliseer het. Nadat aansienlike bedrae oor die afgelope drie jaar in die buiteland geleen is, het terugbetalings van buite-

Netto langtermynkapitaalbewegings

R miljoene

	1976 4e kw.	1977 1e kw.
Sentrale regering en banksektor	60	114
Openbare korporasies en plaaslike owerhede	115	-26
Private sektor	142	60
Totale langtermynkapitaal	317	148

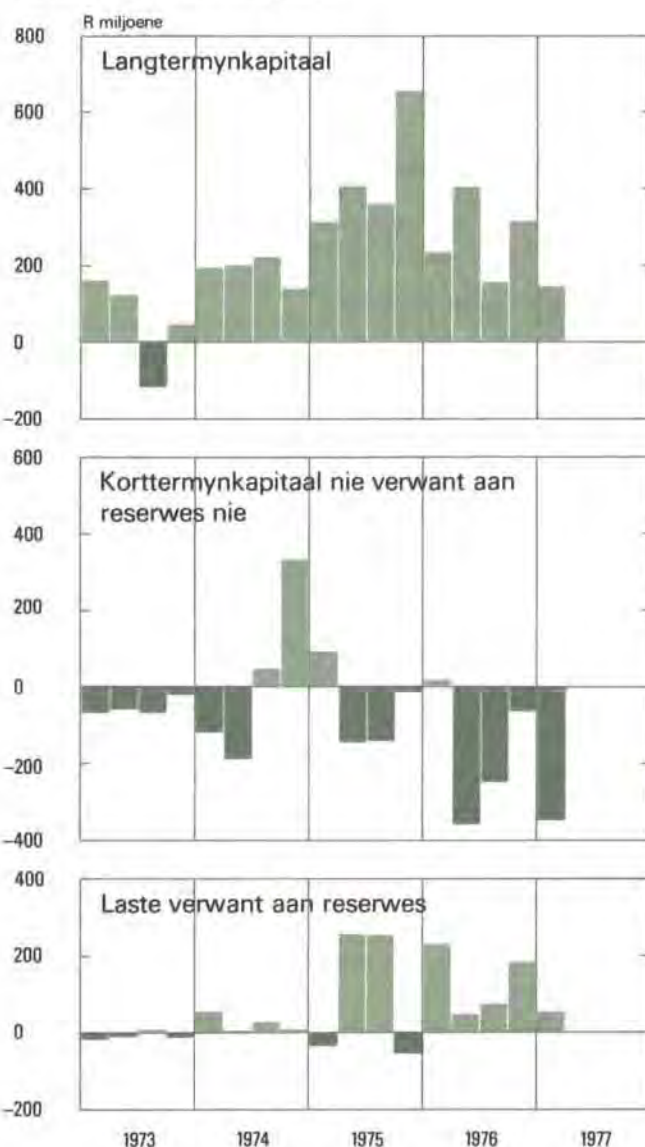
landse lenings van openbare korporasies en plaaslike owerhede gedurende die eerste kwartaal van 1977 die bedrag oortref van die nuwe buitelandse lenings wat deur hulle verkry is. Die kleiner invloeiing van langtermynkapitaal na die private sektor is hoofsaaklik meegebring deur veranderings in die buitelandse tak-saldo's. Aan die ander kant het langtermynlenings wat deur die private sektor in die buiteland verkry is effens toegeneem en het 'n aansienlike netto invloeiing van langtermynkapitaal na die sentrale regering en banksektor voorgekom. Dit was hoofsaaklik toe te skryf aan lenings wat deur die Suid-Afrikaanse Spoorweë en

Hawens oorsee verkry is vir die finansiering van die aankoop van vliegtuie.

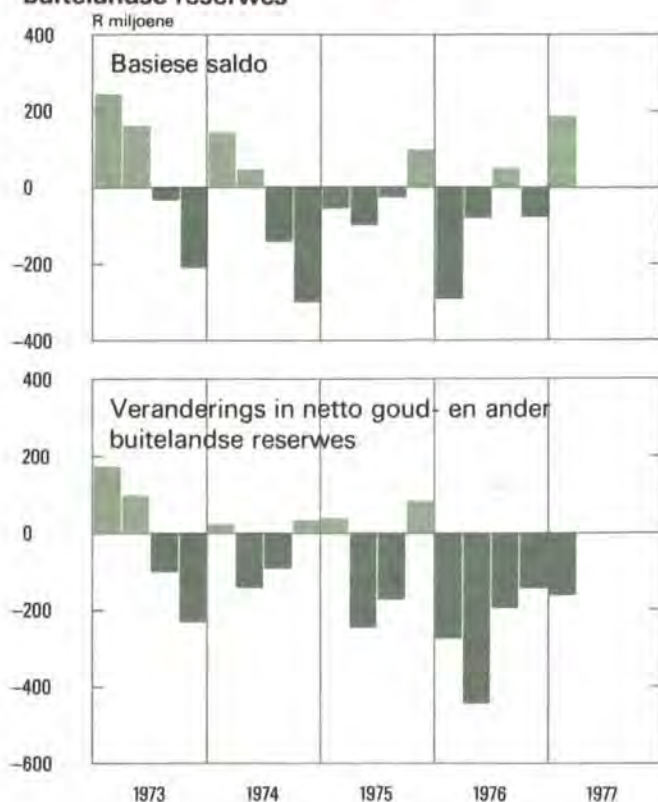
Aansienlike uitvloeiing van korttermynkapitaal

'n Verdere netto uitvloeiing van buitelandse korttermynkapitaal nie verwant aan reserwes nie, ten bedrae van R349 miljoen, het gedurende die eerste kwartaal van 1977 plaasgevind, nadat 'n netto uitvloeiing van R62 miljoen gedurende die laaste kwartaal van 1976 aangeteken is. Hierdie aansienlike netto uitvloeiing het voorgekom as gevolg van 'n skerp styging in die uitvloeiing van korttermynkapitaal vanaf die private sektor, insluitende foute en onaangetekende transaksies, en slegs 'n klein netto invloeiing na die sektore sentrale regering en banksektor en openbare

Totale kapitaalbewegings



Basiese saldo en veranderings in buitelandse reserwes



Netto korttermynkapitaalbewegings, insluitende foute en onaangetekende transaksies R miljoene			
	Laste verwant aan reserwes	Ander korttermyn-kapitaal	Totaal
1976:			
Eerste kwartaal	232	18	250
Tweede kwartaal	44	-360	-316
Derde kwartaal	74	-250	-176
Vierde kwartaal	186	-62	124
1977:			
Eerste kwartaal	55	-349	-294

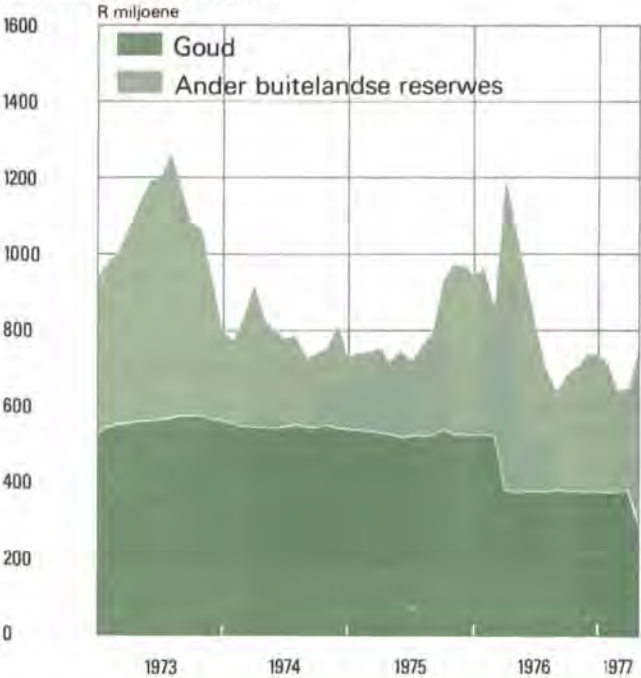
korporasies en plaaslike owerhede. Die netto invloeiing van korttermynfondse verwant aan reserwes het vanaf R186 miljoen in die vierde kwartaal van 1976 tot R55 miljoen in die eerste kwartaal van 1977 afgeneem.

Afname in goud- en ander buitelandse reserwes

Die bruto goud- en ander buitelandse reserwes het met R106 miljoen tot 'n vlak van R781 miljoen aan die einde van Maart 1977 afgeneem. Hierdie afname het veral in die Reserwebank se besit aan buitelandse valuta voorgekom, alhoewel die buitelandse reserwes van die res van die banksektor ook effens gedaal het. Indien veranderinge in die laste verwant aan reserwes en waardasie-aansuiwerings in berekening gebring word, het die netto goud- en ander buitelandse reserwes weens betalingsbalanstransaksies gedurende

die eerste kwartaal van 1977 met R162 miljoen afgeneem. In April het die bruto goud- en ander buitelandse reserwes van die Reserwebank met R108 miljoen na 'n vlak van R757 miljoen toegeneem, hoofsaaklik as gevolg van nuwe goudruilooreenkomste wat in daardie maand aangegaan is. Hierdie toename sou selfs nog groter gewees het as die owerhede nie terugbetalings op trekkings onder buitelandse krediet-fasiliteite gemaak het nie.

Goud- en ander buitelandse reserwes van die Reserwebank



Monetêre en banktoestand

Geld en kwasi-geld

Nadat dit gedurende die eerste en tweede helftes van 1976 teen seisoensaangesuiwerde jaarkoerse van ongeveer 17 persent en 1 persent, onderskeidelik, toegeneem het, het die hoeveelheid geld en kwasi-geld gedurende die eerste kwartaal van 1977 met 1,7 persent, of met R38 miljoen, gedaal. Tesame met 'n daling van ongeveer R70 miljoen gedurende die vierde kwartaal van 1976, beteken dit dat die hoeveelheid geld en kwasi-geld gedurende die ses maande tot die einde van Maart 1977 teen 'n seisoensaangesuiwerde jaarkoers van ongeveer 2½ persent afgeneem het.

As 'n weerspieëling van die skerp verlangsamings in die groeikoers van die geld- en kwasi-geldhoeveelheid wat in die tweede helfte van 1976 na vore gekom het, was die hoeveelheid geld en kwasi-geld aan die einde van Maart 1977 tussen 4 en 5 persent bo die peil daarvan soos aan die einde van Maart 1976. Indien kwasi-geld uitgesluit word, het die eng gedefinieerde geldvoorraad gedurende hierdie tydperk met ongeveer 4 persent toegeneem.

Die verhouding van die geld- en kwasi-geldhoeveelheid tot die bruto binnelandse produk, albei seisoensaangesuiwerd, het vanaf 31,2 persent gedurende die eerste kwartaal van 1976 en 30,5 persent gedurende die vierde kwartaal tot 29,8 persent gedurende die eerste kwartaal van 1977 gedaal.

Oorsake van verandering in geld en kwasi-geld

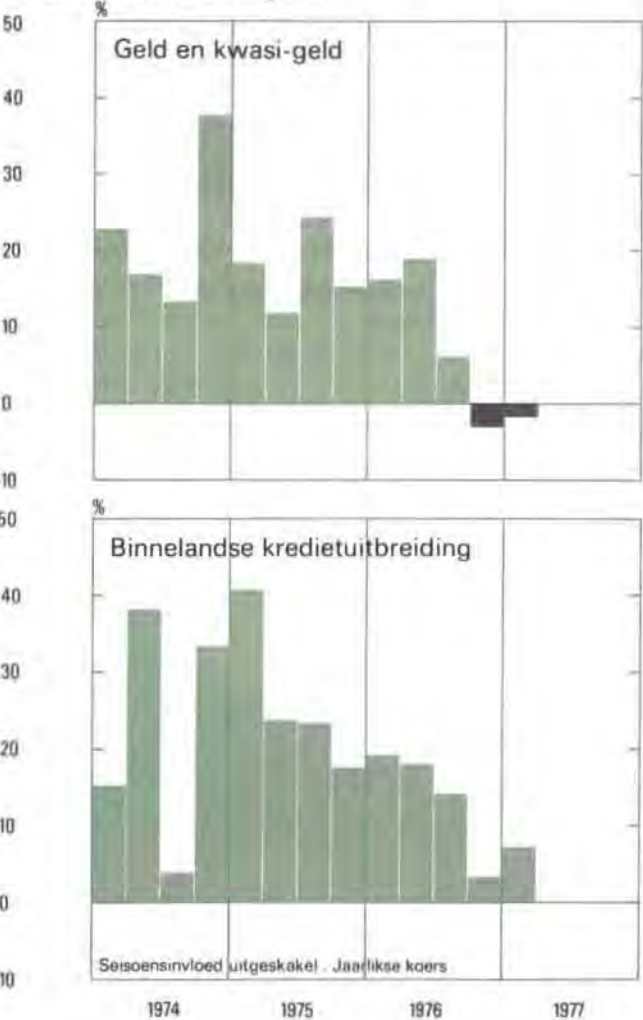
Die klein daling in die seisoensaangesuiwerde geld- en kwasi-geldvoorraad gedurende die eerste kwartaal van 1977 was hoofsaaklik 'n weerspieëling van 'n verdere taamlik aansienlike daling in die netto goud- en ander buitelandse reserves van die monetêre banksektor, 'n groot styging in langtermyn deposito's van die private sektor by die banksektor, en 'n klein afname in eise van die banksektor teen die private sektor. Die netto eise teen die regeringsektor, seisoensaangesuiwerd, wat gedurende die vierde kwartaal van 1976 aansienlik gedaal het, het gedurende die eerste drie maande van 1977 egter weer taamlik sterk toegeneem. Die onaan-gesuiwerde reeks het gedurende die eerste kwartaal met R239 miljoen gedaal.

In weerwil van die hernieuëde styging in die seisoensaangesuiwerde netto eise teen die regeringsektor gedurende die eerste kwartaal van 1977, het die persentasietoename in die totale binnelandse krediet (d.w.s. die totaal van eise teen die private sektor en netto eise teen die regeringsektor) gedurende die voorafgaande twaalf maande verder afgeneem vanaf 19 persent in Junie 1976 en 13 persent in Desember tot 10 persent in Maart 1977.

Die afname van R186 miljoen in die seisoensaangesuiwerde netto goud- en ander buitelandse reserves gedurende die eerste kwartaal van 1977, hoofsaaklik gedurende Januarie, het gevolg op 'n daling van effens meer as R200 miljoen gedurende die vierde kwartaal van 1976. Die totale daling van ongeveer R400 miljoen (seisoensaangesuiwerd) vanaf die einde van September 1976 tot die einde van Maart 1977 kan egter vergelyk word met 'n daling van heelwat meer as R600 miljoen gedurende die voorafgaande ses maande.

Die groot styging van R131 miljoen in langtermyn-deposito's van die private sektor gedurende die eerste kwartaal van 1977 het 'n voortsetting verteenwoordig van 'n opwaartse beweging gedurende die grootste deel van die tweede helfte van 1976. Nadat 'n laagtepunt in Julie 1976 bereik is, het hierdie deposito's teen 'n seisoensaangesuiwerde jaarkoers van ongeveer 25 persent gestyg.

Geld en kwasi-geld en binnelandse kredietuitbreiding
Persentasieverandering in:



Oorsake van veranderings in geld en kwasigeld
R miljoene

	Seisoensinvloed nie uitgeskakel nie				Seisoensinvloed uitgeskakel			
	1976		1977		1976		1977	
	1e helfte	3e kw.	4e kw.	1e kw.	1e helfte	3e kw.	4e kw.	1e kw.
Netto goud- en ander buitelandse reserves	-536	-246	-131	-202	-524	-191	-211	-186
Eise teen die regeringsektor:								
Bruto eise	481	75	456	64				
Regeringsdeposito's*	331	-35	-409	-303				
Netto eise	811	40	48	-239	786	246	-152	222
Eise teen die private sektor	144	195	216	59	161	144	250	-12
Langtermyndeposito's*	126	-95	-25	-78	184	-143	-32	-131
Netto ander bates	75	149	4	238				
Totale oorsake van verandering	621	44	112	-222	698	135	-72	-38

*Toename —, afname +.

Bankkrediet aan die private sektor

Nadat dit vanaf Mei tot Augustus gedaal maar gedurende die tydperk September tot November weer sterk gestyg het, het die eise teen die private sektor (seisoensaangesuiwerd) gedurende Desember slegs 'n klein verdere styging getoon voordat dit gedurende die eerste kwartaal van 1977 effens afgeneem het. Die klein afname gedurende die eerste drie maande van 1977, wat 'n seisoensaangesuiwerde jaarkoers van minder as 1 persent beloop het, het voorgekom ten spyte van 'n opmerklke styging, ná uitskakeling van die seisoensinvloed, in die kaskredietvoorskotte van die Landbank. Alhoewel die handelsbanke se diskonteringe en voorskotte aan die private sektor gedurende die kwartaal met ongeveer R100 miljoen gestyg het, was hierdie styging kleiner as wat op grond van seisoensinvloede verwag kon word. Die totale eise teen die private sektor aan die einde van Maart 1977 was ongeveer 5 persent bo die vlak daarvan soos aan die einde van Maart 1976.

Dit wil voorkom of verskeie faktore daartoe bygedra het dat die verlening van monetêre bankkrediet aan die private sektor ná November 1976 min of meer tot stilstand gekom het. Eerstens is die banke gedurende hierdie tydperk nog steeds deur die kredietplafonne, asook deur die voortgesette betreklik lae vlakke van hul oorskotlikwiditeit, aan bande gelê, vir die bankstelsel in sy geheel het daar egter nog betreklik aansienlike bedrae aan ongebruikte fasiliteite onder die kredietplafonne oorgebly. Tweedens wil dit voorkom of die vraag na krediet, ná die tydelike oplewing daarvan gedurende die tydperk September tot November 1976, weer verslap het in ooreenstemming met die heersende trae saketoestande. Die uitwerking van die Invoerdepositoskema op die kredietvraag is vanaf die einde van Januarie 1977 omgekeer, toe daar begin is met die terugbetaling van deposito's wat sedert die begin van Augustus verlede jaar ingevorder is.

'n Ontleding volgens soorte krediet toon 'n duidelike

daling in die handelsbanke, aksepbanke en monetêre huurkoop- en algemene banke se besit aan bankaksepte en ander wissels gedurende die eerste kwartaal van 1977, asook 'n sekere daling in huurkoopdiskonteringe en -voorskotte.

Ingevolge 'n aankondiging deur die Reserwebank, is die plafonne op die banke se diskonteringe, lenings en voorskotte aan die private sektor en op hul beleggings in effekte van die private sektor met ingang 1 April op die peil daarvan soos aan die einde van Maart 1977 bevries.

Banklikwiditeit

Die oorskotlikwiditeit van bankinstellings het gedurende die eerste kwartaal van 1977 teruggekeer na vlakke wat oor die algemeen baie laag was. Hierdie ontwikkeling was 'n weerspieëling van die hernieuide taamlik aansienlike daling in die netto goud- en ander buitelandse reserves gedurende die eerste kwartaal sowel as van die seisoenale vloei van fondse na die regeringsektor, wat slegs gedeeltelik deur 'n sekere afname in die relatiewe aandeel van die banke se korttermynverpligtings teenoor die publiek in hul totale verpligtings geneutraliseer is. Verskeie banke het in werklikheid probleme ondervind om aan hul likwiede batevereistes te voldoen en daar is gebruik gemaak van die "reddingsboot"-fasiliteite wat in Februarie gereël is. Die verhouding van die banke se totale besit aan likwiede bates tot hul totale verpligtings teenoor die publiek het

Oorskotlikwiditeitsverhoudings van bankinstellings
%

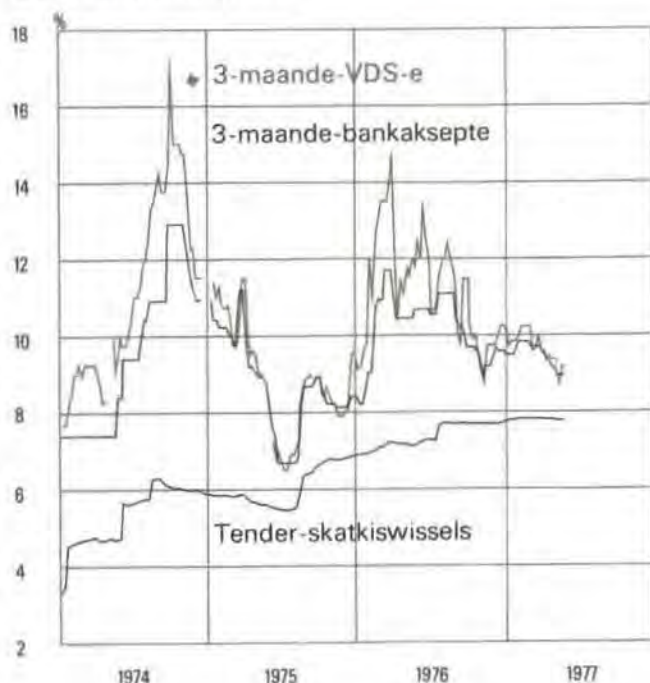
	1977			
	Des.	Jan.	Feb.	Mrt.
Handelsbanke	3,8	1,8	2,3	1,1
Ander monetêre banke	0,7	0,1	0,1	1,7
Ander banke	0,4	-1,4	-1,3	-3,0
Alle banke	2,7	1,1	1,4	1,1

aan die einde van Maart 1977 ietwat meer as 31 persent beloop.

Toestand op die geldmark en rentekoerse

Nadat dit gedurende die laaste deel van 1976 en gedurende Januarie en Februarie 1977 ietwat gestyg het, het die koerse op private geldmarkinstrumente, as 'n weerspieëling van 'n ruimer toestand op die geldmark, afwaarts geneig. Die koers op verhandelbare depositosertifikate van drie maande het byvoorbeeld vanaf 10,25 persent op 25 Februarie tot 9,00 persent op 13 Mei gedaal. Die diskontokoers op bankaksepte van drie maande het insgelyks oor dieselfde tydperk vanaf 9,90 persent tot 8,80 persent gedaal. Hierteenoor het die skatkiswissel-tenderkoers nog opwaarts beweeg tot 7,89 persent op 1 April voordat dit tot 7,82 persent op 13 Mei gedaal het. Die daggeldlenings by die diskontohuise het, met uitsondering van kort tydperke oor die maandeindes van Februarie en Maart en gedurende die laaste deel van April, op 'n vlak van ongeveer R800 miljoen gebly. Die banke se saldo's, bo en behalwe hul vereiste saldo's, by die Nasionale Finansiële korporasie, wat 'n aanduiding van ontwikkelings in die geldmark gee wanneer die diskontohuise deur die kapitaalvereiste van die Bankwet verhinder word om bykomende daggeldfondse te aanvaar, het gedurende hierdie tydperk taamlik opmerklik geskommel, maar oor die algemeen 'n taamlik groot surplus getoon. Die rentekoerse op deposito's by die grootste handelsbanke het gedurende hierdie tydperk onveranderd gebly.

Geldmarkrentekoerse



Staatsfinansies

Ontwikkelings op die Skatkisrekening gedurende 1976/77

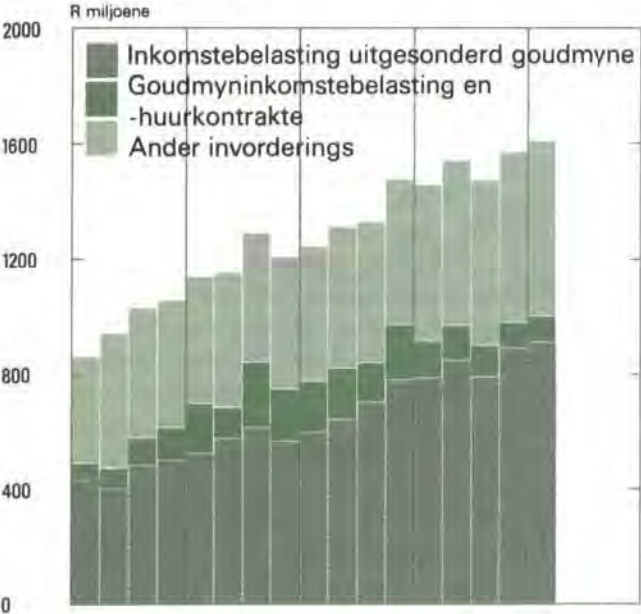
Gedurende die fiskale jaar wat op 31 Maart 1977 geëindig het, het invorderings van direkte en indirekte belastinge deur die sentrale regering nou ooreengekom met Begrotingsramings en het met ongeveer 10,5 persent in vergelyking met die voorafgaande jaar gestyg in plaas van met die 10,9 persent wat in die Begroting voorsien is. Die verskillende belastingontvangste het egter uiteenlopende neigings getoon. Veral betekenisvol was die afname van 8 persent in vergelyking met 1975/76 in invorderings van doeanereg wat uit die algemeen afwaartse neiging in invoere voortgespruit het. Net so is invorderings van verkoopreg nadelig beïnvloed deur 'n laer koers van toename in verbruiksbesteding en die toename in hierdie invorderings was grotendeels toe te skryf aan hoër koerse van verkoopreg in 1976/77. Inkomstebelasting en huurkontrakbetalings deur goudmyne het hul afwaartse neiging vir die tweede agtereenvolgende jaar voortgesit. Beskikbare gegewens dui daarop dat inkomstebelastingbetalings deur ander maatskappye as goudmyne 'n aansienlik laer groeikoers as in 1975/76 getoon het, terwyl die groeikoers van inkomstebelasting betaal deur individue selfs dié van 25,7 persent wat in 1975/76 aangeteken is, oorskry het. Uitreikings op die Skatkisrekening het gedurende 1976/77 op 'n betreklik hoë vlak gebly en die persentasietoename van 16 persent, in vergelyking met die voorafgaande jaar, het die gewysigde Begrotingsraming van 13½ persent oorskry. Die koers van toename gedurende 1976/77 was nietemin heelwat laer as die 21 persent wat in 1975/76 aangeteken is. Die tekort op die Skatkisrekening (uitgesonderd lenings en skuldaflettings) het gedurende die jaar onder beskouing R1971 miljoen bedra of ongeveer R616 miljoen meer as in die voorafgaande fiskale jaar.

Die binnelandse nie-banksektor het 'n belangrike bydrae van R1083 miljoen tot die finansiering van die Skatkistekort gemaak. Die Tesourie moes nietemin in 'n groot mate op buitelandse lenings (R356 miljoen) en bankkrediet (R532 miljoen) staatmaak om die tekort te finansier. Bydraes deur die private nie-banksektor het leningsheffings ten bedrae van R335 miljoen en invoerdeposito's van R232 miljoen ingesluit. Die Staatsskuldkommissaris het 'n netto bedrag van R185 miljoen in staatskuldbewyse belê, heelwat meer as die R39 miljoen wat in 1975/76 belê is.

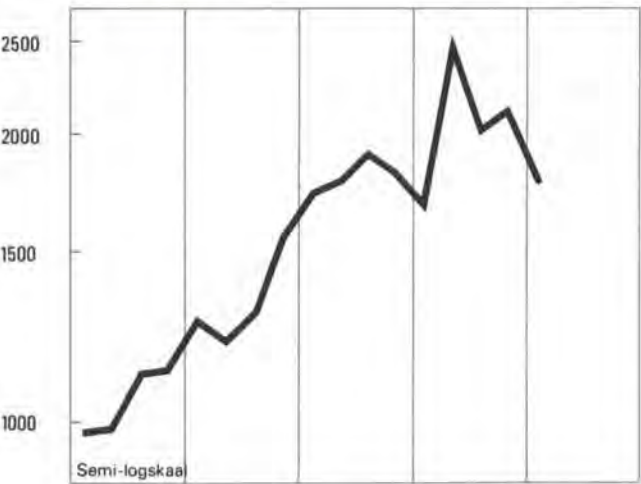
Die 1977/78-Begroting

In sy Begrotingsrede, wat op 30 Maart aan die Parlement voorgelê is, het die Minister van Finansies daarop gewys dat die hoofdoelstellings van die regering se finansiële beleid nog steeds die verstewiging van die

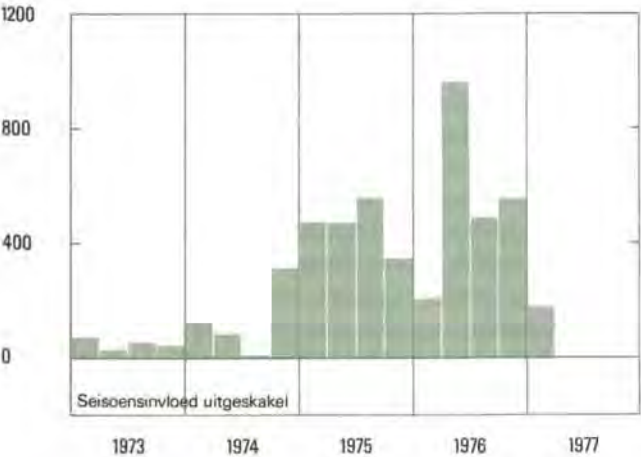
Skatkisontvangste



Skatkisuitreikings



Skatkistekort



land se betalingsbalans en die bekampings van inflasie was. Die hoofkenmerke van die 1977/78- Begroting was derhalwe die aansienlike besnoeiing van owerheidsbesteding, voorstelle om indirekte belasting te verhoog en maatreëls om 'n groter gedeelte van binnelandse besparing na die sentrale regering te kanaliseer om sodoende sy afhanklikheid van bankkrediet as 'n bron van finansiering te verminder.

Nadat die oorspronklike uitgawevoorstelle van die verskillende staatsdepartemente met 'n groot bedrag besnoei is, het die Minister voorgestel dat die uitgawes met 'n bykomstige R200 miljoen verminder word. Gevolglik sal totale uitgawes in 1977/78 na verwagting met slegs 7,8 persent in geldelike terme styg. In reële terme sal dit 'n betekenisvolle daling in uitgawes beteken. Indien voorgestelde uitgawes op verdediging buite rekening gelaat word, sal die geraamde uitgawes teen heersende pryse 'n toename van slegs 5,1 persent bo die 1976/77-syfers toon.

Benewens die verhoging van indirekte belasting op sekere goedere wat in die addisionele Begroting in Februarie aangekondig is, het die Minister 'n toeslag van 15 persent ingestel op alle ingevoerde goedere, uitgesonderd olie, aankope deur die provinsiale administrasies en die sentrale regering en goedere wat aan 'n AOTH-binding onderhewig is. Na verwagting sal die toeslag 'n opbrengs van R400 miljoen gedurende die fiskale jaar oplewer.

In die bygaande tabel word 'n kort samevatting van die 1977/78-Begroting, met inbegrip van die Suidwes-Afrikarekening, gegee. Die tekort van R1 588 miljoen in die Staatsinkomstefonds sal na raming R380 miljoen laer as die verwagte tekort vir 1976/77 wees. Geen voorsiening is vir nuwe buitelandse lenings gemaak nie.

Die 1977/78-Begroting

	R miljoene	% verandering ¹
Inkomste	7 404	16,2
Uitgawe	8 992	7,8
Tekort (uitgesonderd lenings)	1 588	
Terugbetaling van skuld	991	
Totale leningsbehoefte	2 579	
Finansiering:		
Buitelandse lenings	149	
Binnelandse lenings:		
Staatskuldkommissaris	450	
Nuwe en bestaande Verdedigings-obligasies	240	
Omsettings en nuwe effekte-uitgiftes	1 032	
Leningsheffings	462	
Ander nie-bemarkbare uitgiftes	30	
Aanwending van beskikbare kontantsaldo's	216	
Totale finansierings	2 579	

¹Op 'n vergelykbare basis.

maar daar word verwag dat daar op 'n netto basis lenings ten bedrae van R31 miljoen terugbetaal sal word. Daarbenewens word verwag dat 'n netto bedrag van R1403 miljoen van plaaslike bronne geleen sal word. Laasgenoemde bedrag sluit in verpligte leningsheffings wat na raming 'n bruto bedrag van R462 miljoen gedurende die jaar sal oplewer, 'n bydrae van R450 miljoen deur die Staatskuldkommissaris, 'n netto belegging van R500 miljoen in staatseffekte deur versekeraars, pensioenfondse, bouverenigings en banke wat uit die voorgestelde bykomstige voorgeskrewe beleggingsvereistes sal voortspruit, en uitgifte van nuwe Nasionale Verdedigingspaarobligasies ten bedrae van R160 miljoen. Beskikbare kontantsaldd's, met inbegrip van die Stabilisasierekening, sal tot 'n bedrag van R216 miljoen aangewend word.

Suksesvolle effekte-uitgifte

Die eerste uitgifte van staatseffekte in die nuwe fiskale jaar is met 'n groot mate van sukses op 15 April vir inskrywing oopgestel. Verwagtings aangaande 'n afname in rentekoerse en die nuwe beleggingsvereistes wat in die Begroting vir finansiële instellings aangekondig is, het tot die sukses van hierdie effekte-uitgifte bygedra. Die rentekoerse op hierdie uitgifte is onveranderd gehou op die koerse wat voorheen gegeld het, naamlik 8,75 persent en 11 persent onderskeidelik op die korttermyn en langtermyn uitgifte. Aansoek vir die korttermynuitgifte het R337 miljoen bedra en dié vir die langtermynuitgifte R156 miljoen. Terselfdertyd is staatseffekte ten bedrae van R180 miljoen afgelees. Netto nuwe uitgifte van staatseffekte het derhalwe R313 miljoen bedra waarvan R145 miljoen deur die monetêre banksektor, R60 miljoen deur beleggers in die openbare sektor en R108 miljoen deur die private nie-banksektor opgeneem is. Van die laasgenoemde bedrag het versekeraars R46 miljoen en pensioenfondse R51 miljoen bygedra.

Verwagte ontwikkelings gedurende April, Mei en Junie 1977

Hoofsaaklik as gevolg van 'n seisoenale afname in ontvangste en 'n toename in uitreikings het die Skatkisrekening gedurende April 'n tekort van R365 miljoen getoon. 'n Gedeelte van hierdie tekort is deur bankkrediet gefinansier. Daar word ook verwag dat skatkisuitreikings weer 'n seisoenale toename in Mei en Junie 1977 sal toon, alhoewel dit wil voorkom asof die persentasietoename kleiner sal wees as dié vir die ooreenstemmende maande van 1976. Na verwagting sal inkomste-invorderings egter ook teen 'n laer koers toeneem met die gevolg dat die tekort op die Skatkisrekening gedurende hierdie tydperk op 'n betreklik hoë vlak kan bly en waarskynlik gedeeltelik met bankkrediet gefinansier sal moet word.

Kapitaalmark

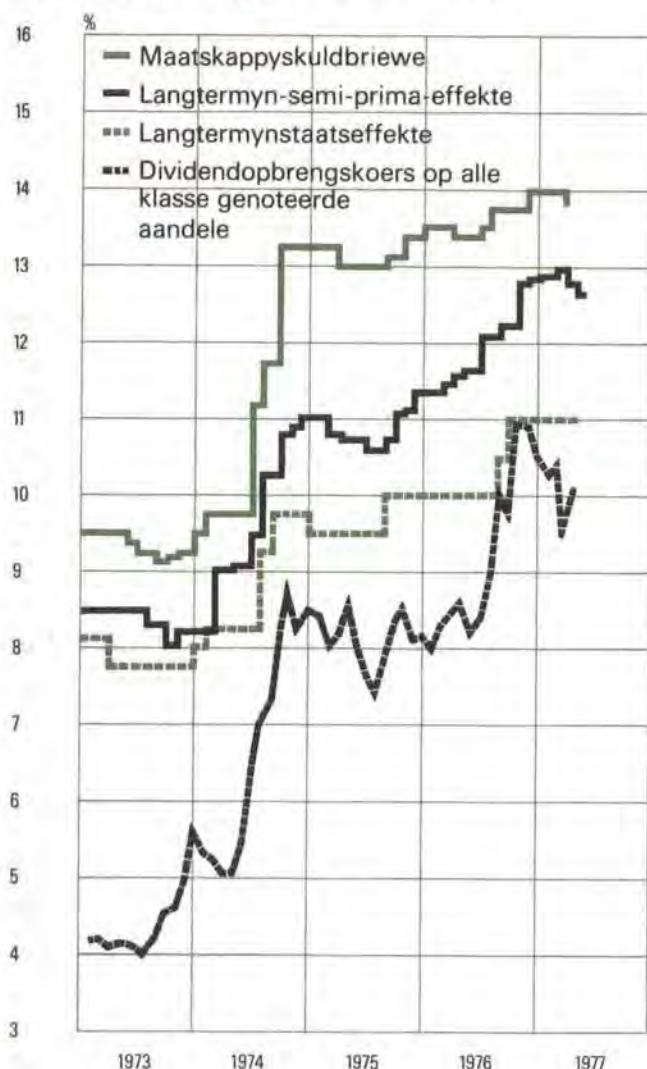
Mark vir vaste-rentedraende effekte

Die stram toestand wat regdeur 1976 en die eerste twee maande van 1977 in die mark vir vaste-rentedraende effekte geheers het, het gedurende die daaropvolgende drie maande aansienlik verruim. Hierdie verruiming is in die oorspronklike van bykans alle nuwe uitgifte van semi-prima-effekte weerspieël. Beplande nuwe uitgifte van semi-prima-effekte, uitgesonderd korttermynobligasies van die Landbank, gedurende die tydperk Maart tot Mei het R170 miljoen bedra, maar het inskrywings van nie minder nie as R258 miljoen getrek. Die opbrengskoers op nuwe langtermynuitgifte van die hoogste graad semi-prima-effekte het vroeg in Februarie 'n hoogtepunt van 12,98 persent bereik, voordat dit by die ruimer marktoestand aangepas het en tot 12,79 persent in Maart en 12,65 persent in April en Mei gedaal het. Die opbrengskoers op nuwe uitgifte van langtermynstaatseffekte het egter onveranderd op 11,0 persent gebly en teen hierdie opbrengskoers is die suksesvolle nuwe uitgifte, wat aansoek ten bedrae van R156 miljoen getrek het, op 15 April uitgeskryf. As gevolg van die veranderinge in die semi-prima-opbrengskoers, het die marge tussen die opbrengskoerse op prima- en semi-prima-effekte, wat vanaf 1,90 persent in Desember 1976 tot 1,98 persent in Februarie vergroot het, tot 1,65 persent in April en Mei vernou.

In ooreenstemming met die daling in die opbrengskoerse op semi-prima-effekte, het die opbrengskoers op nuwe uitgifte van maatskappyskuldbriewe in Maart vanaf 14,0 persent tot 'n nuwe vlak van 13,8 persent gedaal. Dit is gevolglik duidelik dat langtermynopbrengskoerse oor die algemeen 'n boonste draaipunt bereik het en na effens laer vlakke beweeg het, en dat beleggers nie meer 'n verdere toename in langtermynrentekoerse verwag nie, maar eerder 'n afname.

Die gunstige reaksie op uitgifte van prima- en semi-prima-effekte, veral gedurende April en Mei, het in 'n mate verband gehou met die nuwe wetlike beleggingsvoorskrifte vir finansiële instellings wat deur die Minister van Finansies in sy Begrotingsrede aangekondig is. Kragtens die nuwe voorskrifte moet bankinstellings 'n bedrag gelykstaande aan minstens 15 persent (voorheen 10 persent) van hul langtermynverpligtings teenoor die publiek, in die vorm van voorgeskrewe beleggings hou, waarby staatseffekte gelykstaande aan 8,5 persent (voorheen 5 persent) van langtermynverpligtings ingesluit moet word. Die verpligting van bouverenigings om voorgeskrewe beleggings, en nie slegs likwiede bates nie, in stand te hou en wat in 1971 opgeskort is, is heringestel. Sodanige voorgeskrewe beleggings, insluitende likwiede bates, moet minstens 10 persent van hul verpligtings teenoor die publiek bedra. Sowel kort- as langtermynversekeraars moet voorgeskrewe bates gelykstaande aan minstens

Opbrengskoerse op effekte en aandele



35 persent (voorheen 30 persent plus 'n vrywillige 2 persent) van hul verpligtings, netto ten opsigte van herversekerde verpligtings, in stand hou. Voorgeskrewe bates moet staatseffekte gelykstaande aan 17,5 persent (voorheen 15 persent plus 'n vrywillige 2 persent) van hul netto verpligtings, insluit. Private pensioen- en voorsorgfondse moet 'n minimum van 55 persent (voorheen 50 persent plus 'n vrywillige 2 persent) van hul bates hou in die vorm van voorgeskrewe bates wat staatseffekte gelykstaande aan minstens 22,5 persent (voorheen 20 persent plus 'n vrywillige 2 persent) van totale bates, moet insluit. Gespesifiseerde ander voorgeskrewe beleggings of bates as staatseffekte bestaan uit kontant en deposito's en goedgekeurde semi-prima-effekte en -lenings.

Alle instellings moet teen die einde van Maart 1978 aan die nuwe voorskrifte voldoen en ten einde te verseker dat die vereiste beleggingspeile op daardie datum bereik word, sal die bestaande voorskrifte

stapsgewys op 30 September 1977, 31 Desember 1977 en 31 Maart 1978 verhoog word. Ten einde die belegging in staatseffekte te vergemaklik, sal staats-effekte op 'n deurlopende grondslag by die Staatskuld-kommissaris beskikbaar wees.

Aandelemark

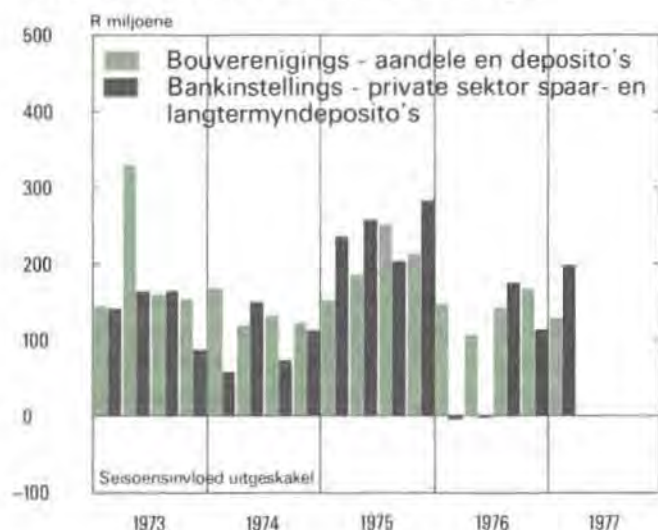
Na 'n effense styging gedurende Desember 1976 en Januarie 1977 het nie-goudmynaandelepryse weer gedurende Februarie, Maart en April 1977 gedaal. Finansiële aandelepryse en nywerheids- en handels-aandelepryse het gedurende hierdie drie maande met onderskeidelik 7 persent en 9 persent gedaal. Goudmynaandelepryse het egter tot Maart hul opwaartse verloop voortgesit, maar het in April opmerklik met 14 persent gedaal. Die pryse van steenkoolmynaandele, wat gedurende die afgelope twee jaar bestendig gestyg het, het gedurende Maart effens gedaal en is gedurende April op ongeveer dieselfde vlak gehandhaaf. Ander metaal- en mineraalaandelepryse het in Desember 1976 begin styg en het hierdie opwaartse beweging regdeur die eerste kwartaal van 1977 gehandhaaf, maar het in April met 5 persent gedaal. Die gemiddelde dividendopbrengskoers op alle klasse aandele het vanaf 10,50 persent in Desember 1976 tot 10,08 persent in April 1977 gedaal.

Effektetrusts het gedurende die eerste kwartaal van 1977 'n netto uitvloeiing van fondse ondervind. Netto terugkope van onderaandele het R2 miljoen bedra. As gevolg van die afwaartse neiging in aandelepryse, het die markwaarde van hul netto bates gedurende hierdie drie maande met R11 miljoen tot R272 miljoen gedaal.

Beweging van langertermynfondse na depositonemende en verwante instellings

Gedurende die eerste kwartaal van 1977 het die kapitaal en deposito's by bouverenigings met R188 miljoen toegeneem, vergeleke met 'n toename van R138 miljoen gedurende die vierde kwartaal van 1976 en R172 miljoen gedurende die eerste kwartaal van 1976. Indien 'n aansuiwering vir seisoensinvloede egter gemaak word, was die beweging van langertermynfondse na bouverenigings heelwat laer as die invloeiing gedurende die vierde kwartaal van 1976. Die seisoensaangesuiwerde invloeiing gedurende die eerste kwartaal het R130 miljoen bedra, vergeleke met R168 miljoen gedurende die laaste kwartaal van 1976. Die seisoensaangesuiwerde beweging van spaar- en langtermyndeposito's na bankinstellings het gedurende die eerste kwartaal van 1977 'n opmerklike toename getoon en het R198 miljoen bedra, vergeleke met R112 miljoen gedurende die vierde kwartaal van 1976. Op hierdie vlak was dit ook heelwat hoër as die gemiddelde kwartaallikse invloeiing van sodanige deposito's gedurende 1976. Die netto belegging in die Posspaarkbank en Nasionale Spaarsertifikate, wat gedurende die eerste kwartaal R60 miljoen bedra het, was 31 persent hoër as die gemiddelde kwartaallikse

Vloei van fondse na finansiële instellings



toename wat gedurende 1976 aangeteken is. Deelnemingsverbandskemas het egter gedurende die eerste kwartaal 'n uitvloeiing van R7 miljoen ondervind, vergeleke met 'n invloeiing van R11 miljoen gedurende die vierde kwartaal van 1976. Dit was die eerste kwartaallikse uitvloeiing van fondse vanaf deelnemingsverbandskemas wat sedert die ontstaan van die beweging aangeteken is.

Verband- en vaste eiendomsmark

Die kleiner beweging van nuwe fondse na bouverenigings gedurende die eerste kwartaal is weerspieël in 'n laer peil van nuwe verbandlenings toegestaan. Nuwe verbandlenings wat gedurende die eerste kwartaal deur bouverenigings toegestaan is, het R250 miljoen bedra, wat R23 miljoen, of 8 persent, minder as die ooreenstemmende bedrag gedurende die vierde kwartaal van verlede jaar was. Die kleiner bedrag aan nuwe lenings toegestaan deur die verenigings is ook weerspieël in 'n kleiner bedrag aan nuwe verbande uitbetaal wat vanaf R284 miljoen in die vierde kwartaal van 1976 tot R253 miljoen in die eerste kwartaal van 1977 afgeneem het.

Die dalende neiging in vaste eiendomstransaksies sedert die einde van 1975 is gedurende die eerste kwartaal van 1977 voortgesit. Gedurende die eerste kwartaal was die waarde van hierdie transaksies, seisoensaangesuiwerd, gemiddeld 5 persent laer as gedurende die vierde kwartaal van 1976.

Verklaring insake opheffing van goudreserwevereistes

Uitgereik deur Sy Edele sen. O. P. F. Horwood, Minister van Finansies

25 April 1977

Wanneer die nuwe Akte van Ooreenkoms van die Internasionale Monetêre Fonds in werking tree – waarskynlik voor die einde van 1977 – sal die vasgestelde amptelike goudprys opgehef word. Met hierdie verwikkeling in vooruitsig, het ek gedurende Februarie vanjaar aangekondig dat die Reserwebank se goudbesit op die gepaste tydstip teen 'n markverwante prys gerevalueer sal word.

In die tussentyd egter, maak die Reserwebank se praktyk om sy goudreserwe teen die statutêre prys van R29,55 per fyn ons te waardeer, op 'n tydstip wanneer die markprys in die omgewing van R130 per fyn ons is, dit begrypklarer vir die Bank moeilik om te alle tye aan die wetlike vereiste om 'n minimum goudreserwe gelyk aan 25 persent van sy verpligtinge teenoor die publiek min buitelandse bates in stand te hou, te voldoen.

Kragtens die bevoegdheid deur die Wet op die Suid-Afrikaanse Reserwebank aan my verleen, het ek gevolglik besluit om die goudreserwevereistes, soos in Artikel 17 van daardie Wet uiteengesit, met onmiddellike gevolg op te hef.

Verklaring insake kredietplafonne

Uitgereik deur die President van die Suid-Afrikaanse Reserwebank, dr. T. W. de Jongh

30 Maart 1977

Ingevolge die kwantitatiewe beperkings wat 'n jaar gelede op bankkrediet aan die private sektor ingestel is, is bankinstellings sedert die einde van Maart 1976 toegelaat om die plafonne op hul diskonteringe, lenings en voorskotte aan die private sektor en op hul private sektor-beleggings, soos omskryf, met 'n $\frac{1}{2}$ persent per maand te verhoog. Ná die gebruikelike oorlegpleging met die Tesourie, het die Reserwebank nou besluit om hierdie toegewing met ingang 1 April 1977 terug te trek, wat beteken dat die onderskeie plafonne wat vir elke bank soos op 31 Maart 1977 vasgestel is, vanaf daardie datum tot nadere kennisgewing van toepassing sal wees. Die nodige kennisgewing om aan hierdie beperkings uitvoering te gee, sal binnekort in die Staatskoerant verskyn.

Hierdie stap word gedoen as 'n tydelike maatreël vanweë die volgehoue behoefte om die betalingsbalans te verstewig en die potensiële inflasionistiese uitwerking van oorskotlikwiditeit in die ekonomie te verminder, gesien, in die besonder, die verwagte groot seisoenale verskuiwing van owerheidsfondse na die private sektor gedurende die tweede kwartaal van 1977, wat 'n aansienlike verruiming van die toestand op die geldmark en in die bankwese kan meebring. Die tydelike bevriesing van die plafonne beteken nie dat bankkrediet aan die private sektor gedurende die komende maande nie vermeerder kan word nie, aangesien die meeste banke nog aansienlike ruimte onder hul bestaande plafonne het.

Verklaring insake verdere goudruilooreenkomste

Uitgereik deur die President van die Suid-Afrikaanse Reserwebank, dr. T. W. de Jongh

2 Mei 1977

Ná oorlegpleging met die Tesourie het die Reserwebank gedurende die week geëindig 29 April 1977 verdere goudruilooreenkomste met buitelandse instansies aangegaan. Ingevolge hierdie ooreenkomste het die Bank goud verkoop en op 'n termynbasis teruggekoop. Die betrokke goud sal nie op die private mark van die hand gesit word nie, maar sal op die verskillende vervaldatums van die ooreenkomste na die Bank terugkeer.

Aangesien die Reserwebank se goudbesit nog steeds teen die statutêre prys van R29,55 per fyn ons gewaardeer word, terwyl die ruiltransaksies teen markverwante pryse aangegaan is, was die uitwerking van hierdie transaksies om die Bank se buitelandse valuta-reserwes met 'n veelvoud van die daling in sy goudbesit te laat toeneem. Hierdie toename sal nie ten volle in die Bank se weekstaat vir 29 April, wat op 4 Mei gepubliseer word, weerspieël word nie, in hoofsaak omdat die Bank terselfdertyd van die geleentheid gebruik gemaak het om aansienlike terugbetalings op trekkings onder buitelandse kredietfasiliteite te doen wat, indien nodig, weer benut kan word. Die netto resultaat van hierdie en ander transaksies was 'n styging van R94,4 miljoen gedurende die week geëindig 29 April 1977 in die Bank se totale goud- en ander buitelandse reserwes tot 'n vlak van R756,9 miljoen.

Die hoofdoel van die nuwe goudruilooreenkomste is om te verseker dat die Bank se buitelandse valutabesit gedurende die tydperk vorentoe voldoende sal wees. Alhoewel die seisoensaangesuiwerde lopende rekening van die betalingsbalans gedurende elk van die afgelope vier kwartale aansienlik verbeter het en na verwagting nog verder sal verstewig, word dit wenslik geag om vooruit voorsiening te maak vir enige moontlike nadelige uitwerking wat die verwagte seisoens-toename gedurende Mei en Junie in netto bankkrediet aan die regeringsektor op buitelandse kapitaalbewegings mag hê.