

South African
Reserve Bank

Suid-Afrikaanse
Reserwebank

Quarterly Bulletin

Kwartaalblad

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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
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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

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Quarterly economic review

General observations

Economic indicators confirm that the cyclical downswing in real economic activity, which had been in evidence since the third quarter of 1974, came to an end in the last quarter of 1977. The subsequent behaviour of the economic indicators during the first quarter of 1978 pointed to the beginning of a cyclical recovery, but the expansionary tendencies during this period appeared to be modest.

The cyclical change in economic activity was reflected most clearly in a fairly sharp rise in the real gross domestic product of the non-primary sectors of the economy during the first quarter, following a small rise in the last quarter of 1977. Even if declines in the real value added by agriculture and non-gold mining during the first quarter are taken into account, the small positive growth rate in the aggregate gross domestic product in the fourth quarter of last year was maintained during the first quarter.

The slightly higher level of economic activity during the last quarter of 1977 was reflected in a small increase in employment in the non-agricultural sectors of the economy. During the first four months of 1978 a further improvement in employment conditions was indicated by a decline in the number of registered unemployed Whites, Coloureds and Asians.

The increase in the real gross domestic product of the non-primary sectors during the first quarter stemmed from an increase in real private consumption expenditure, particularly expenditure on durable goods, real government consumption expenditure and real gross fixed investment by public authorities. The other major components of real gross domestic expenditure, namely private fixed investment and inventory investment, continued to decline. Excess production capacity remained substantial and thus had a discouraging effect on private fixed investment expenditure. The decline in real inventories resulted in a further decrease in the ratio of real non-agricultural inventories to the comparable real gross domestic product. These phenomena are consistent with the normal course of events during the early stages of an economic recovery when increased demand is initially satisfied by a further depletion of inventories.

Notwithstanding the higher level of aggregate domestic demand, gross domestic expenditure at current prices was still less than the gross national product and this was again reflected in a surplus on the current account of the balance of payments. However, the seasonally adjusted surplus in the first quarter was only about half of that in the last quarter of 1977. The smaller surplus reflected the net effect of a marked decline in merchandise exports, a moderate increase in

merchandise imports, a sharp rise in net invisible payments to the rest of the world, and a partly offsetting increase in the net gold output.

A further substantial net outflow of capital, comprising a net outflow of short-term as well as long-term capital, occurred during the first quarter. Taken together, however, the surplus on the current account, before adjustment for seasonal influences, and the net outflow of long-term capital gave rise to a larger basic balance surplus than in the last quarter of 1977. As the net outflow of capital exceeded the current account surplus, the gross gold and other foreign reserves declined slightly further during the first quarter. In contrast, the net gold and other foreign reserves increased for the second consecutive quarter as a result of a reduction of liabilities related to reserves. During April the gold reserves of the Reserve Bank showed a substantial increase on account of their valuation at a market-related price for gold.

During the first quarter the supply of money and near-money continued to increase at a modest rate. This low rate of growth was caused by a decline in net claims of the monetary banking sector on the government sector and an increase in long-term deposits of the private sector with monetary banking institutions which off-set most of the moderate increase in the net gold and other foreign reserves of the monetary banking sector and in this sector's claims on the private sector. The increase in bank lending to the private sector and the seasonal movement of funds to the government contributed to a decline in the excess liquidity of banking institutions during the first quarter. The excess liquidity ratios of all groups of institutions were at low levels at the end of March.

Notwithstanding a substantial rise in Exchequer issues during the last quarter of the 1977/78 fiscal year, the increase in issues during the fiscal year as a whole was only slightly higher than the original Budget estimate. Revenue collections during the fiscal year fell short of original Budget figures, largely because of lower collections of customs duties and of income tax and mining lease payments by gold mining companies. Nevertheless, the deficit on the Exchequer Account that had to be financed by means of borrowing, was only slightly higher than in the preceding fiscal year. Successful borrowing from the private non-banking sector, together with a substantially larger net investment in government securities by the Public Debt Commissioners, enabled the government to repay part of its foreign debt and to limit the increase in its net indebtedness to the monetary banking sector.

Government borrowing from the private non-banking sector was greatly facilitated by an easing of the market for fixed-interest securities. Notwithstanding the raising

of a substantial amount of new funds in this market, yields declined continuously during the last nine months of 1977, and this downward trend was maintained during the first quarter of 1978 and the subsequent two months. As regards the other sections of the capital market, share prices and stock exchange turnover declined temporarily during February and March before resuming an upward trend in April, a larger inflow of funds and an apparent increase in the demand for mortgage finance enabled mortgage market intermediaries to increase their lending; and activity in the real estate market remained at a low level.

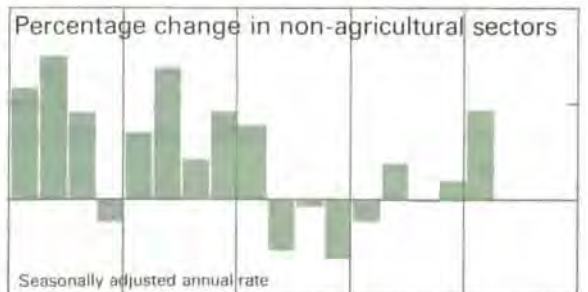
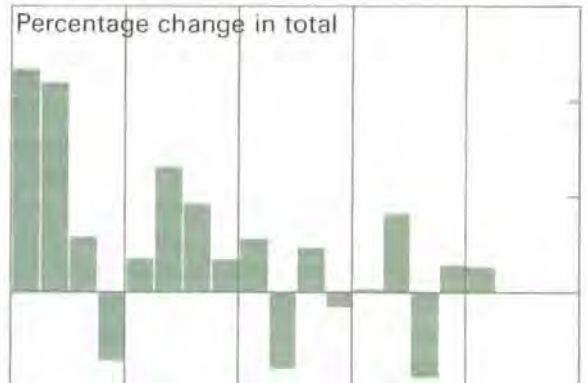
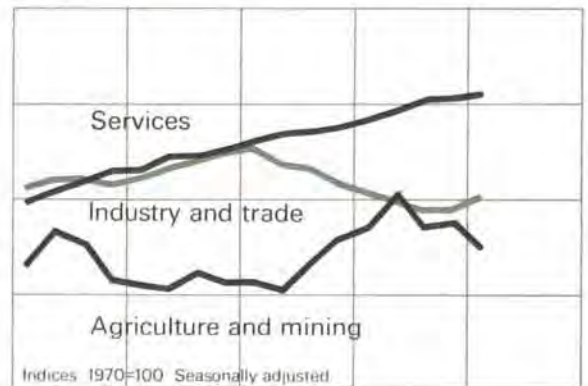
The rates of increase in wholesale and consumer prices, which had declined significantly in the course of 1977, accelerated again in January, largely because of increases in government-administered prices and higher prices of food and imported goods. Subsequently, however, the rates of increase slowed down again.

In view of the progress that had been made towards achieving the policy objectives of improving the balance of payments and eliminating demand-related causes of inflation, a further shift of emphasis in economic policy from selective stimulation to a mild general stimulation of the economy was announced in the 1978/79 Budget. It was emphasized, however, that policy would be aimed at encouraging economic growth within a framework of financial discipline. Monetary policy also became slightly more accommodating. With effect from 18 May the ceilings on bank credit to the private sector were raised by 4 per cent of the base figures as at the end of December 1975, and the amount of credit extension to the private sector, as defined for purposes of the credit ceilings, which a banking institution may not exceed without becoming subject to the ceiling requirements, was increased.

National accounts*

Higher rate of economic growth in non-primary sectors
Economic activity in the non-primary sectors of the economy, as reflected in real gross domestic product figures, expanded significantly during the first quarter of 1978 compared with the last quarter of 1977. Notwithstanding declines in the real value added by agriculture and non-gold mining, the rate of growth in

Gross domestic product at constant 1970 prices



* Unless indicated otherwise, this section of the review is based on seasonally adjusted quarterly estimates of the national accounts.

the total real gross domestic product in the first quarter equalled the rate of growth in the fourth quarter of 1977.

The more pronounced increase in the real gross domestic product of the secondary and tertiary sectors of the economy in the first quarter was preceded by a small rise in the fourth quarter of 1977, prior to which declines had been recorded for six consecutive quarters. The main reason for this favourable development was the sharp reversal of quarterly changes in the real value added by industry and commerce from declines during 1976 and 1977 to an increase in the first quarter of 1978. The volume of manufacturing production during the first quarter of 1978 was about 2½ per cent higher than during the last quarter of 1977, after the downward trend had levelled off during the second half of 1977. The value of wholesale sales at constant prices increased by about 1 per cent in the first quarter of 1978, compared with the fourth quarter of 1977, after having declined for eight consecutive quarters. The value of retail sales at constant prices, which had stabilised at a relatively low level during the last three quarters of 1977, showed little change during the first quarter of 1978. The number of new motor vehicles sold during the first quarter of 1978 was about 12 per cent higher than the figure for the fourth quarter of 1977. In addition, the real value added by the sector electricity, gas and water showed further moderate increases during the first quarter of 1978, while the decline in the real product of construction during the preceding eight quarters did not continue in the first quarter of 1978. Notwithstanding these improvements, the real value added by industry and commerce in the first quarter of 1978 was still about 1 per cent lower than the level in the first quarter of 1977 and about 8 per cent below the most recent peak reached during the first quarter of 1976.

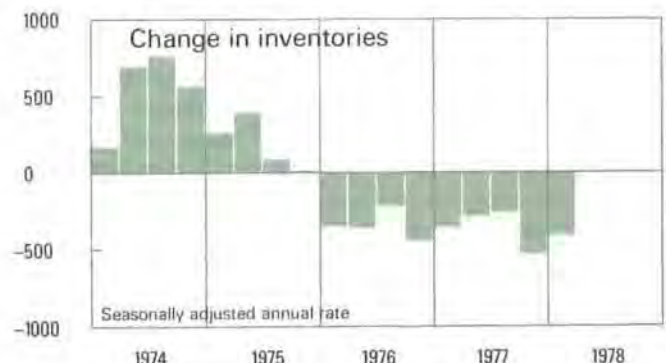
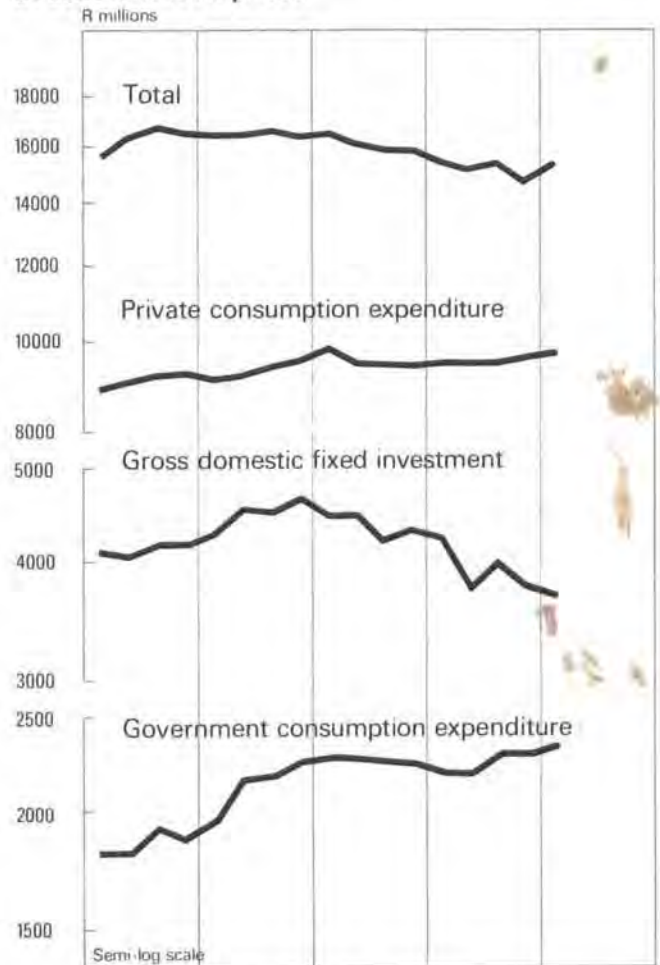
In contrast to the increase in real economic activity in industry and commerce and a moderate further increase in real income generated by the services sector, the real value added by agriculture declined sharply in the first quarter of 1978, whereas that of mining declined moderately after having stabilised at a high level during the second half of 1977. The volume of gold mining production increased by about 2 per cent in the first quarter of 1978, but the volume of non-gold mining production declined for the second consecutive quarter. The divergent contributions to growth by the various sectors during recent quarters are shown on the accompanying graph.

Quarterly estimates of the gross domestic product at current prices show that the remuneration of employees as well as the gross operating surplus increased further during the first quarter of 1978. Increases in the gross operating surplus of mining, manufacturing and the wholesale, retail and motor trade were partly neutralised by declines registered by agriculture, and transport, storage and communication.

Rise in real gross domestic expenditure

The increase in real gross domestic product in the non-primary sectors of the economy in the first quarter of 1978 stemmed predominantly from an increase in real aggregate domestic demand, as measured by real gross domestic expenditure. Notwithstanding this increase, real gross domestic expenditure during the first quarter of 1978 was still about 2 per cent lower than in the corresponding quarter of 1977.

Gross domestic expenditure at constant 1970 prices



The main components of real aggregate domestic demand showed varied tendencies during the first quarter of 1978. Compared with the fourth quarter of 1977, real private consumption expenditure, particularly on durable goods, real gross domestic fixed investment by public authorities and real government consumption expenditure increased. In contrast, real private consumption expenditure on semi-durable goods, private fixed investment and real inventory investment declined, whereas real fixed investment by public corporations showed little change relative to the fourth quarter of 1977.

At current prices, gross domestic expenditure was exceeded by gross national product, but the difference was smaller than in the fourth quarter of 1977. This development was also reflected in the balance of payments on current account, which showed a smaller surplus in the first quarter of 1978 compared with the preceding quarter.

Increase in real private consumption expenditure

The increase in private consumption expenditure during the first quarter of 1978 contributed materially to the rise in real aggregate domestic demand. The largest increase was observed in the case of real outlays on durable goods, particularly on personal transport equipment (new motor cars), whereas real expenditure on furniture and household appliances increased more moderately. The decline in real outlays on recreational and entertainment goods in the first quarter of 1978 should be considered in conjunction with the increase recorded in the fourth quarter of 1977 as a result of a sharp increase in sales of portable television sets. Real expenditure on semi-durable goods (mainly clothing, footwear, glassware and household furnishings) decreased, but real outlays on non-durable goods and on services increased at about the same rate as during the preceding quarter.

Small rise in real government consumption expenditure

After having shown a small decline during the fourth quarter of 1977, real government consumption expenditure increased moderately during the first quarter of 1978. As defence expenditure declined slightly during this period, the increase was accounted for by a rise in salaries and wages as well as in outlays on goods and other services. Particularly noticeable was the rise in real current expenditure by the central government, excluding defence spending, as against smaller increases in the case of other levels of general government.

Decline in real gross domestic fixed investment

Contrary to the rise in private and government consumption expenditure at constant prices, real gross domestic fixed investment declined during the first quarter of 1978, after having increased moderately during the second half of 1977. However, real capital outlays by different sectors displayed divergent

tendencies. Real private fixed investment, which had increased during both the third and fourth quarters of 1977, declined markedly during the first quarter of 1978 to a level slightly lower than in the second quarter of 1977. The reason for this turnabout was the inclusion of ships acquired for the containerisation programme and the export of iron ore, in the figures for the second half of 1977. Real fixed investment by private manufacturing also declined during the first quarter of 1978, but real capital expenditure by the rest of the private sector showed little change, compared with the fourth quarter of 1977. It would appear that the decrease in real private residential construction levelled out during the fourth quarter of 1977 and the first quarter of 1978.

Real fixed capital expenditure by public authorities increased moderately during the first quarter of 1978, after having declined to a relatively low level in the fourth quarter of 1977. Increases in capital outlays on government housing projects during the first quarter of 1978, were counterbalanced to some extent by lower capital expenditure of the South African Railways. Mainly as a result of new projects and extension programmes, real fixed investment by public corporations remained at a relatively high level during the first quarter of 1978.

Further decline in real inventory investment

The book value of total real inventories (excluding livestock), which had declined throughout 1977 at annual rates ranging from approximately R250 million in the third to as much as R500 million in the fourth quarter, declined further during the first quarter of 1978. The decrease during the first quarter of 1978 was somewhat larger than the average for 1977, but smaller than the decline in the fourth quarter of that year. The larger decrease during the first quarter of 1978 was mainly attributable to the rise in real consumption expenditure. Major contributions to the overall decline in total real inventories were made by private industrial and commercial inventories, agricultural stocks in trade and diamond stocks. The level of real motor trade inventories and manufacturing stocks of public corporations showed little change in the first quarter of 1978, compared with the preceding quarter.

The further decline in total real non-agricultural inventories and the marked increase in the comparable real gross domestic product, lowered the ratio of these inventories to 31,0 per cent of the real gross domestic product of the non-agricultural sectors in the first quarter of 1978, compared with 31,7 per cent in the fourth quarter of 1977 and the most recent peak of 36,1 per cent in the third quarter of 1975. The further decline in this ratio during the first quarter of 1978 is consistent with its normal behaviour during the early stages of an economic recovery, when increased demand is initially satisfied by a further running-down of inventories.

Decline in gross domestic saving

Although gross domestic saving declined during the first quarter of 1978 from the exceptionally high level attained in the fourth quarter of 1977, it was still about 15 per cent higher than in the first quarter of 1977, and also exceeded the amount required to finance gross fixed and inventory investment. The resulting surplus of domestic savings was employed to reduce the country's net indebtedness to the rest of the world. Corporate saving, the current surplus of general government, and provision for depreciation increased, but personal saving decreased markedly during the first quarter, mainly as a result of a substantial decline in net agricultural income.

Business cycle trends, labour situation and prices

End of cyclical downswing

Economic indicators show that the cyclical downswing in real economic activity, which had been in evidence since the third quarter of 1974, came to an end in the fourth quarter of 1977. Although the downward movement of a number of indicators classified as coinciding with changes in the business cycle, was reversed towards the end of last year, their behaviour during the first quarter of 1978 appeared to reflect only a hesitant take-off of economic activity on a cyclically upward course.

In this regard, the real gross domestic product of the non-agricultural sectors of the economy, which had shown successive quarterly declines, from the second quarter of 1976 to the third quarter of 1977, with the exception of the second quarter of 1977, increased moderately during the fourth quarter of 1977 and at a somewhat higher rate during the first quarter of 1978. An even more pronounced increase occurred in real economic activity in the non-primary sectors of the economy. This upward trend during the first quarter was confirmed in more modest terms by indicators such as the volume of manufacturing production, wholesale and retail sales at constant prices, the volume of imports, and unemployment among Whites, Coloureds and Asians. Economic indicators of building and construction activity did not show any reversal of the declining trend, but the downward movement tended to level out. Employment figures are not yet available for the first quarter, but a slight improvement in overall employment occurred towards the end of last year.

Slight improvement in labour situation

Following the same course as real economic activity, employment in the non-agricultural sectors of the economy declined during the first quarter of 1977, remained more or less unchanged during the second and third quarters, and rose slightly during the fourth quarter. Employment in these sectors, on average, was 0,1 per cent lower in 1977 than in the preceding year. As far as individual sectors are concerned, employment in the public sector, excluding local authorities, continued to rise in all four quarters of 1977; local authority employment, as well as employment in private manufacturing declined during the first three quarters but increased during the fourth quarter; employment in private construction decreased in all four quarters, but the rate of decline was noticeably smaller in the fourth quarter; gold mining employment increased during the second half of 1977, the increase being especially large during the last quarter; and employment in non-gold mining decreased during the second half of last year, with the rate of decline actually rising during the fourth quarter.

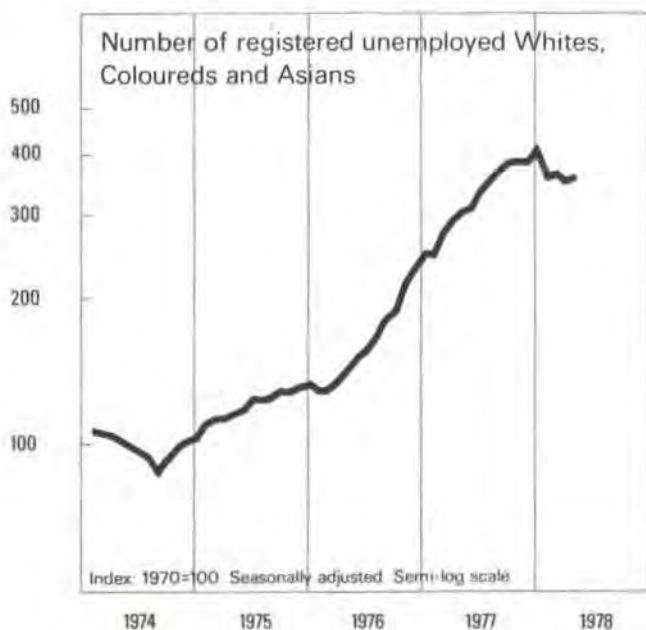
Hours worked by production workers in manufacturing and construction, 1977

	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	Year
Percentage change in total hours worked:					
Manufacturing	3,1	-2,3	-1,2	-0,5	-1,4
Construction	3,4	-3,9	-2,2	-4,3	-7,0
Overtime hours as percentage of ordinary hours worked:					
Manufacturing	10,7	10,1	10,2	10,5	10,4
Construction	10,8	9,2	9,5	9,6	9,8

The slight improvement in overall employment towards the end of 1977 was confirmed by a decline in unemployment among some population groups during the first four months of 1978. The registered number of unemployed Whites, Coloureds and Asians, which had risen from 21 084 in December 1976 to 34 641 in December 1977, decreased to 30 229 in April. It is estimated that in the first quarter of 1978 unemployment among these groups, on average, represented about 1,5 per cent of the corresponding labour force.

The total number of hours worked by production workers in manufacturing and construction decreased during the last three quarters of 1977. In the case of manufacturing, however, the rate of decline decreased noticeably in the fourth quarter. The average number of weekly overtime hours worked by production workers in

Unemployment



the two sectors concerned increased slightly during the last two quarters of 1977 and this was reflected in the ratio of overtime to ordinary hours worked. In the fourth quarter the number of overtime hours worked in manufacturing and construction was on average 7 per cent and 8 per cent, respectively, higher than in the fourth quarter of 1976.

Temporary acceleration of rate of price increases

After the rates of increase in wholesale and consumer prices had declined significantly in the course of 1977, they accelerated again in the first quarter of 1978, largely because of an increase in government-administered prices and higher prices of food and imported goods. However, a slight deceleration of both rates of increase occurred in March.

On a quarterly basis, the seasonally adjusted annual rate of increase in consumer prices rose from 9,8 per cent in the fourth quarter of 1977 to 10,2 per cent in the first quarter of 1978. The rise in the first three months was largely due to higher food prices, particularly of sugar, grain and grain products. However, if the effect of food prices on the consumer price index is excluded, the declining trend in the rate of increase in the index which had been observed during 1977,

Prices

Percentage change over twelve months



continued during the first quarter of 1978. Compared with the corresponding month in the preceding year, consumer prices had increased by 11,3 per cent in January, 10,6 per cent in February, 9,9 per cent in March, and 9,7 per cent in April.

The seasonally adjusted annual rate of increase in wholesale prices accelerated from 6,5 per cent in the fourth quarter of 1977 to 13,8 per cent in the first quarter of 1978. This was largely due to higher rates of increase in the prices of coal and locally manufactured basic metals, metal products and food, in electricity tariffs, and in prices of imported goods. The sharper rise in prices of imported goods was partly attributable to the decline in the exchange rate of the rand, reflecting the depreciation in line with the American dollar. Compared with the corresponding month in the preceding year, the wholesale price index had increased by 10,2 per cent in January, 10,4 per cent in February, 9,5 per cent in March and 9,7 per cent in April 1978.

Annual percentage change in quarterly averages of seasonally adjusted monthly indices
%

	4th qtr. 1976 to 1st qtr. 1977	1st qtr. 1977 to 2nd qtr. 1977	2nd qtr. 1977 to 3rd qtr. 1977	3rd qtr. 1977 to 4th qtr. 1977	4th qtr. 1977 to 1st qtr. 1978
Consumer prices					
Goods	13,0	11,2	11,2	9,8	10,2
Services	14,5	11,5	10,6	9,6	10,9
Total, excluding food	9,8	10,2	12,4	10,3	7,9
Wholesale prices					
South African produced goods	12,3	12,1	12,0	9,5	7,9
Imported goods	16,0	13,1	6,9	6,5	13,8

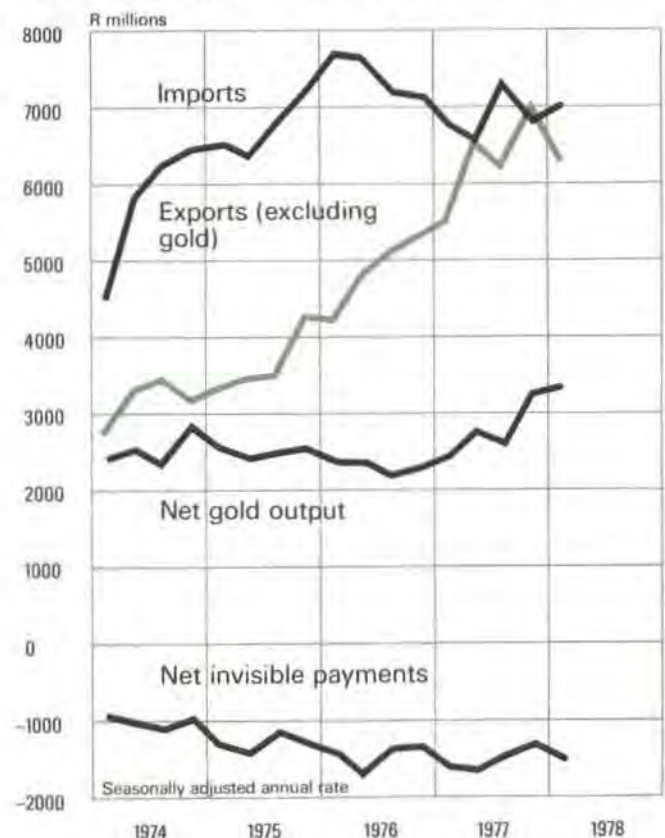
Balance of payments

Further surplus on current account

The current account of the balance of payments again showed a surplus in the first quarter of 1978, the fourth consecutive quarterly surplus to be recorded since the balance on the current account turned favourable early in 1977. The surplus of R503 million in the first quarter was substantially larger than the corresponding figure of R205 million in the fourth quarter of last year, but this increase was due to seasonal influences. At a seasonally adjusted annual rate, the surplus declined from R2 192 million in the last quarter of 1977 to R1 193 million in the first quarter of 1978. This decrease represented the combined effect of a marked decline in merchandise exports, a moderate increase in merchandise imports, a sharp rise in net invisible payments to the rest of the world, and an only partly off-setting increase in the net gold output.

At a seasonally adjusted annual rate, merchandise exports declined to R6 319 million in the first quarter of 1978, after having increased substantially during 1977 to reach the high level of R7 034 million in the last

Balance of payments current account



quarter. This decline occurred notwithstanding the fact that the prices of most of South Africa's main export products showed a more favourable trend on international commodity markets. Sharp increases were recorded, for example, in the prices of platinum and maize, whereas the rate of decline in the prices of copper and wool decreased considerably. The lower level of exports during the first quarter was almost entirely due to smaller diamond and sugar exports. The seasonally adjusted value of diamond exports declined substantially, partly due to the introduction in March of a levy of 40 per cent on diamond sales by the Central Selling Organisation. The decrease in sugar exports was attributable to the new International Sugar Agreement which came into effect at the beginning of 1978. After sales had been advanced during 1977 in anticipation of the implementation of the new agreement, the volume of sugar exports declined substantially during the first three months of 1978.

Merchandise imports, at a seasonally adjusted annual rate, rose moderately from R6 818 million in the fourth quarter of 1977 to R7 037 million in the first quarter of 1978, reflecting price as well as volume increases. The rate of increase in import prices accelerated notably in the first quarter because of higher rates of inflation in most trading-partner countries and a depreciation of the effective exchange rate of the rand. The volume of merchandise imports fluctuated considerably during the past five quarters and, after having declined in the fourth quarter of 1977, increased again in the first quarter of 1978. The increase in the value of merchandise imports occurred in most categories of imported goods, but large increases were recorded in imports of machinery and electrical equipment, chemical products, textiles and minerals. In contrast, imports of transport equipment declined sharply.

The increase in service payments to foreigners exceeded the rise in service receipts, while net invisible payments to the rest of the world, at a seasonally adjusted annual rate, increased sharply from R1 298 million in the last quarter of 1977 to R1 465 million in the first quarter of 1978. The increase in service payments was caused by a marked rise in payments for transportation services and higher dividend payments on foreign investment. An increase in the value of stores provided to foreign vessels and in earnings on investment in other countries, accounted for most of the increase in service receipts from foreigners during the first quarter.

At a seasonally adjusted annual rate, the net gold output increased further from the high level of R3 274 million in the fourth quarter of 1977 to R3 376 million in the first quarter of 1978. This was due mainly to a rise in the price of gold. The average price of gold per fine ounce on the London market increased from \$160,48 in the fourth quarter of 1977 to \$178,39 in the first quarter of 1978, or by 11,2 per cent. The price of gold reached a peak of \$190,00 per fine ounce on 8

March before declining to a low of \$167,65 on 25 April. Subsequently, the price improved again to \$179,20 on 22 May 1978.

Substantial net outflow of capital

A substantial net outflow of capital, amounting to R531 million, was recorded during the first quarter of 1978, compared with an outflow of R264 million in the preceding quarter. The outflow during the first quarter consisted of a net outflow of short-term as well as long-term capital. However, the surplus on the current account, not seasonally adjusted, improved to such an extent that even after taking into account the long-term capital outflow, the basic balance increased from a surplus of R263 million in the fourth quarter of 1977 to a surplus of R392 million in the first quarter of 1978.

The net outflow of long-term capital during the first quarter was partly accounted for by the central government's further repayments on foreign loans. These repayments were facilitated by the improvement in the current account of the balance of payments and the government's successful borrowing operations in the domestic capital market. The appearance of a fairly large net outflow of long-term capital from the private sector was mainly due to an increase in foreign branch balances stemming from diamond sales towards the end of March. In addition, the still low level of domestic investment and the existence of surplus production capacity offered little inducement to an inflow of foreign capital and instead, net repayments were made on long-term foreign loans. In contrast to these outflows of long-term capital, the net inflow of such capital to public corporations and local authorities increased sharply during the first quarter. As in the preceding quarter, new loans were obtained for the financing of Sasol's oil-from-coal project and Escom's nuclear power station. Public corporations, however, were also net borrowers abroad, largely for the financing of other infra-structural development projects.

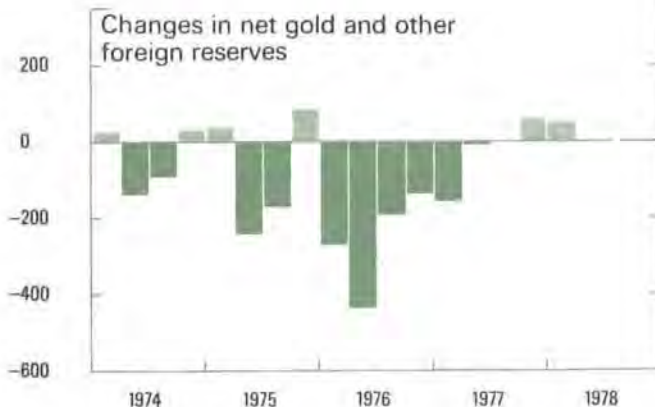
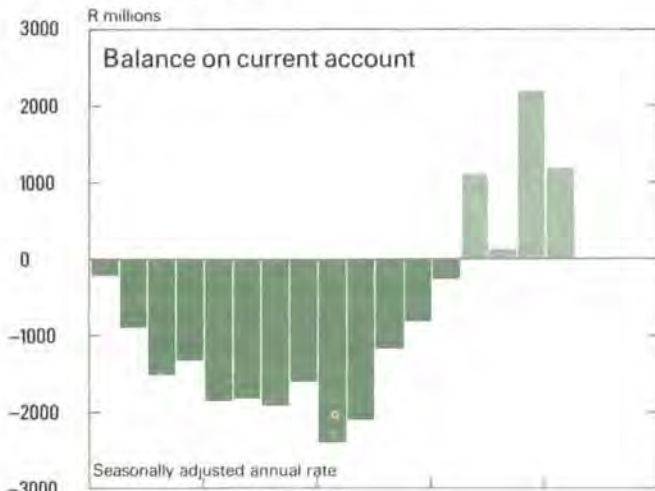
Regarding the net outflow of short-term capital, further repayments were made by the monetary authorities on short-term foreign loans obtained previously for the purpose of supporting the level of foreign reserves.

Net capital movements

R millions

	1977 4th qtr.	1978 1st qtr.
Long-term capital		
Central government and banking sector	-166	-92
Public corporations and local authorities	53	119
Private sector	171	-138
Total	58	-111
Short-term liabilities related to reserves	-118	-78
Other short-term capital, including unrecorded transactions	-204	-342
Total net capital movements	-264	-531

Balance of payments



Short-term liabilities related to reserves, therefore, declined further during the first quarter, bringing the total decline during the past four quarters to R354 million. The net outflow of short-term capital not related to reserves was responsible for the largest part of the overall net capital outflow during the first quarter. This outflow may still have been related to political uncertainties in Southern Africa and a decline in financing abroad of foreign trade transactions. During the first quarter the effective cost of trade financing in US dollars and sterling remained below the corresponding cost of domestic financing. During April a decline in

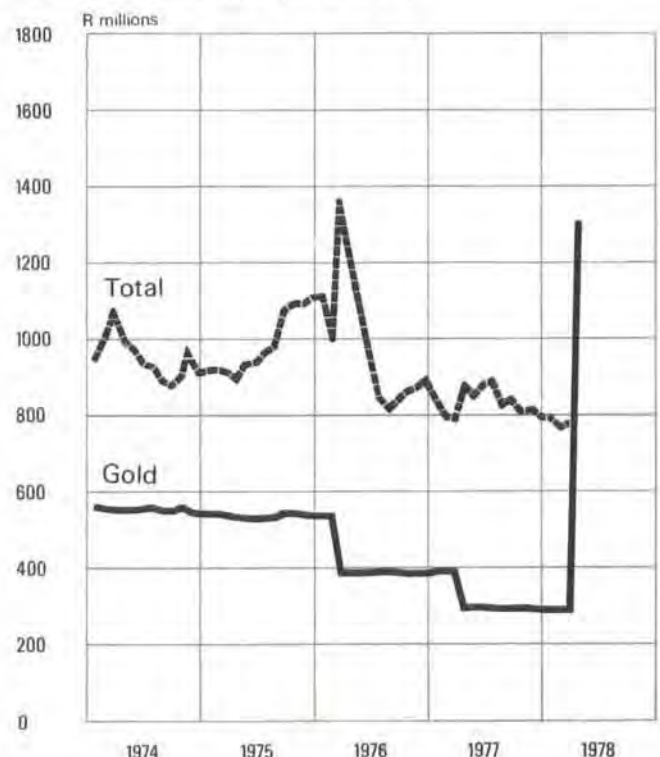
domestic short-term interest rates and, at the same time, an increase in such rates in the United States, caused the margin between the effective cost of trade financing in rand and in US dollars to disappear. However, after having declined early in April, the margin between the effective cost of trade financing in rand and in sterling returned to its former level by the end of the month.

Gold and other foreign reserves

The surplus on the current account and positive valuation adjustments were exceeded by the net outflow of capital, with the result that the gross gold and other foreign reserves declined by R16 million during the first quarter of 1978 to R772 million at the end of March. The net reduction of liabilities related to reserves caused an increase in the net gold and other foreign reserves of R50 million during the first quarter, compared with an increase of R59 million in the preceding quarter. Although the gross gold and other foreign reserves declined by R64 million from the end of September to the end of March, the net gold and other foreign reserves increased by R109 million over this period.

During April the gold and other foreign reserves of the Reserve Bank increased by R1 025 million to a level of R1 659 million at the end of the month, largely as a result of the revaluation of the gold reserves in accordance with the announcement made by the

Gold and other foreign reserves



Minister of Finance on 10 April 1978. Formerly the Bank's gold reserves were valued at the statutory price of R29,55 per fine ounce. On 1 April 1978 the amended Articles of Agreement of the International Monetary Fund came into effect, which means, *inter alia*, that the official price of gold has been abolished and that the monetary authorities of Fund member countries are now legally free to buy and sell gold at market related prices. In accordance with these new arrangements, the Reserve Bank's gold holdings will in future be valued at the end of every calendar month at a price equal to 90 per cent of the average of the last ten London fixing prices before the end of the month. The price determined according to this formula amounted to R132,28 per fine ounce at the end of April.

Monetary and banking situation

*Low rate of increase in money and near-money**

The annual rate of increase in the money and near-money supply, which had declined sharply from 23 per cent during the second quarter of 1977 to only 2 per cent during the fourth quarter, remained at the same low level during the first quarter of 1978. At the end of March 1978 the quantity of money and near-money was only about 1 per cent, i.e., R98 million, higher than at the end of September 1977.

After having declined at an annual rate of 3 per cent during the second half of 1977, the narrowly defined money supply increased at an annual rate of nearly 4 per cent during the first quarter of 1978. However, at the end of March 1978, it was still slightly lower than at the end of June 1977.

Causes of changes in money and near-money

The small increase in the money and near-money supply during the first quarter of 1978 was caused by moderate increases in the net gold and other foreign reserves of the monetary banking sector and in this sector's claims on the private sector. These increases were almost completely offset by a decline in the net claims of the monetary banking sector on the government sector and a further sharp increase in long-term deposits of the private sector with monetary banking institutions.

Net claims on the government sector, which on balance had shown no increase during the second half of 1977, decreased slightly by R65 million during the first quarter of 1978. A substantial increase in government deposits was largely responsible for this decline. Claims of the monetary banking sector on the government sector did not increase over the past year and were actually about 1 per cent lower at the end of March 1978 than at the end of March 1977.

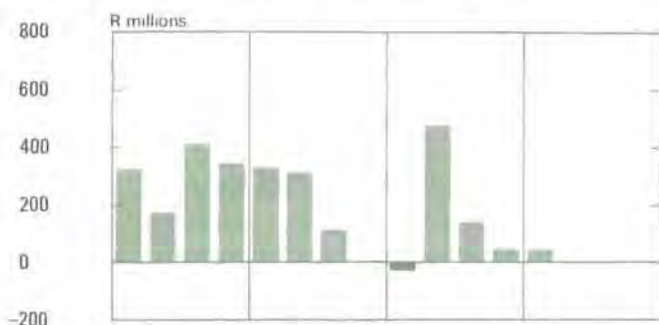
* Unless indicated otherwise, changes in the supply of money and near-money and causes of such changes are calculated from seasonally adjusted data.

Causes of changes in money and near-money

R millions

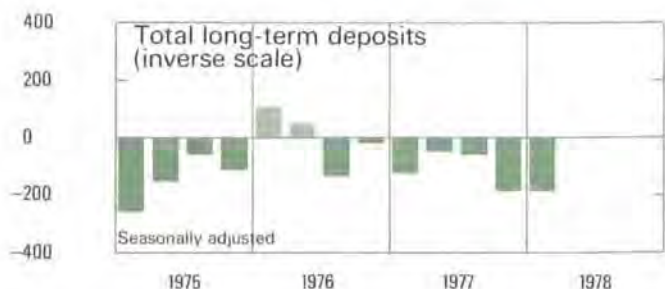
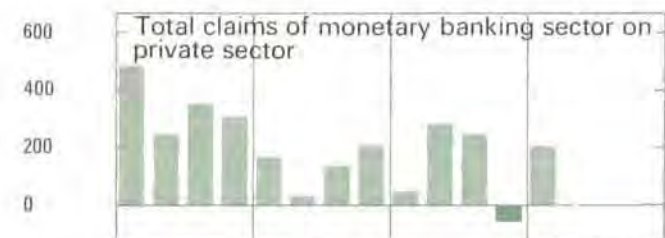
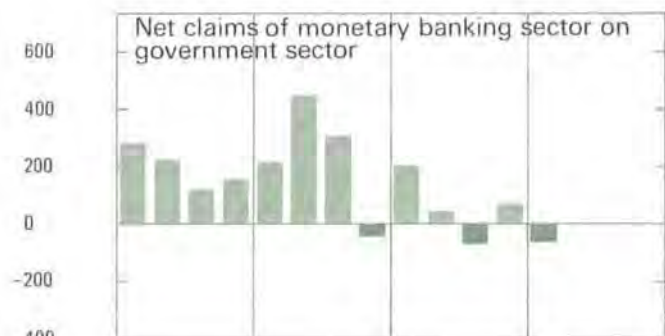
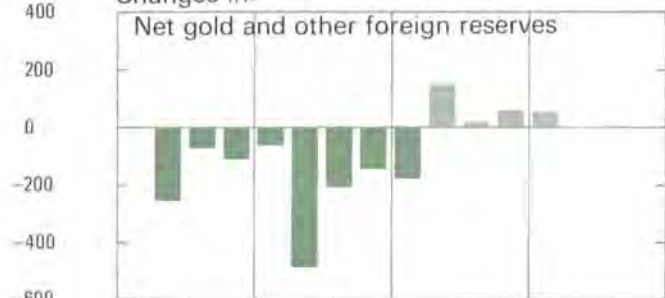
	Not seasonally adjusted			Seasonally adjusted		
	1977		1978	1977		1978
	3rd qtr	4th qtr	1st qtr	3rd qtr	4th qtr	1st qtr
Net gold and other foreign reserves	-6	80	45	20	63	57
Claims on government sector:						
Gross claims	348	77	-47			
Government deposits (increase—, decrease +)	-732	41	-306			
Net claims	-384	118	-353	-71	71	-65
Claims on private sector	322	-61	215	247	-60	204
Long-term deposits (increase—, decrease +)	-12	-196	-128	-61	-187	-186
Net other assets	134	207	82			
Total causes of changes	54	158	-139	140	50	48

Changes in money and near-money



Causes of changes in money and near-money

Changes in:



The net gold and other foreign reserves of the monetary banking sector, which had increased during the last three quarters of 1977, rose further by R57 million in the first quarter of 1978. Long-term deposits of the private sector with the banking sector, which had been increasing since the third quarter of 1976, continued to rise during the first quarter of 1978. This rise amounted to about 7 per cent or R186 million, bringing the total increase from the low level reached at the end of July 1976 to R782 million.

Increase in bank credit to the private sector

Claims of the monetary banking sector on the private sector, which had increased markedly during the period from April to July 1977, fluctuated considerably during the remainder of the year and on balance showed a small decrease during the last five months of 1977. Fluctuations continued during the first three months of 1978, and for the first quarter as a whole, the claims of monetary banks on the private sector increased by R204 million, representing an annual rate of increase of almost 9 per cent. This exceeded the rate of 6 per cent for the year 1977, and was apparently due to a fairly general increase in the private sector's demand for bank credit. Preliminary data in respect of the discounts and advances of the five largest banking institutions and their subsidiaries, suggest, however, that this increase in bank lending may not have been sustained during April.

An analysis of the claims on the private sector, not seasonally adjusted, shows that the discounts, loans and advances of the commercial banks, merchant banks and monetary hire-purchase and general banks rose by R269 million during the first quarter of 1978, the increase during March alone being R99 million. This may be compared with a decline of R157 million during the fourth quarter of 1977 and an increase of only R117 million during 1977 as a whole. Although hire-purchase credit showed very little change during the first quarter of 1978, leasing finance increased by R59 million. Bills discounted by monetary banking institutions and cash credit advances of the Land Bank, on the other hand, declined by R119 million and R99 million, respectively.

As a result of the relatively large increase in bank lending to the private sector, the amount of unused facilities under the ceilings on credit to the private sector declined by R116 million during the first quarter of 1978. In the case of certain banking groups, the remaining facilities under the ceilings at the end of March left relatively little scope for further credit expansion.

To provide more scope for credit extension, the credit ceilings were raised by an additional 4 per cent of the base figures as at 31 December 1975, with effect from 1 May. In addition, the total amount of credit extension to the private sector, as defined for purposes of the credit ceilings, which a banking institution may

not exceed without becoming subject to the ceiling requirements, was increased from R10 million to R15 million. The arrangement whereby the ceilings are raised each month by $\frac{1}{2}$ per cent of the base figures, continues to apply.

Seasonal decline in bank liquidity

The excess liquidity of banking institutions, which had been fairly substantial at the end of December 1977, showed a largely seasonal decline during the first three months of 1978. The excess liquidity ratio in respect of all banks declined from 3,3 per cent at the end of December to 1,0 per cent at the end of February, before rising slightly to 1,2 per cent at the end of March. These developments reflected mainly the seasonal movement of funds to the government as well as the fairly large increase in bank lending during the first quarter. In the case of the commercial banks, the decline in excess liquidity was even more pronounced, namely from 4,7 per cent at the end of December to 1,3 per cent at the end of both February and March.

Excess liquidity ratios of banking institutions
%

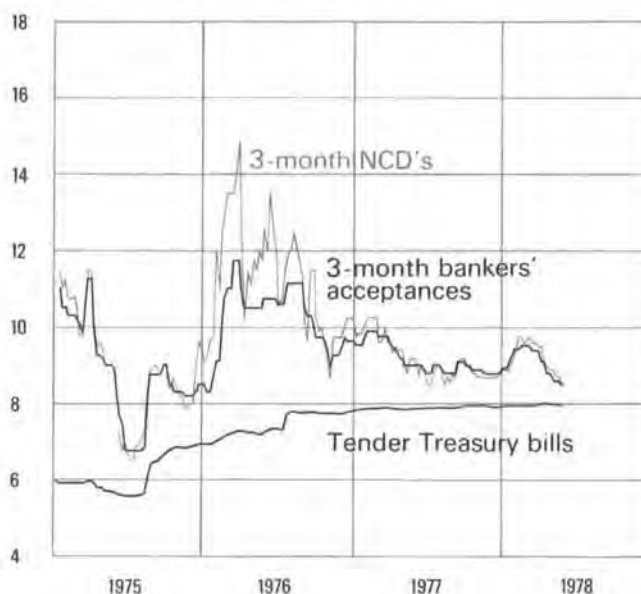
	1977		1978	
	Dec.	Jan.	Feb.	Mar.
Commercial banks	4,7	1,8	1,3	1,3
Other monetary banks	0,9	0,7	0,7	1,3
Other banks	-1,1	-0,8	-1,3	-1,3
All banks	3,3	1,3	1,0	1,2

Money market

Money market conditions were moderately easy at the beginning of 1978, but tightened progressively throughout January and February, with the market experiencing its tightest conditions over the February month-end and during the first week of March. Thereafter the market eased only slightly during the rest of March but significantly during April and the first two weeks of May. Throughout the first few months of the year the most important cause of change in money market conditions was the flow of funds to and from the government, tax revenues being largely responsible for the tightening during January and February while government spending caused the rapid easing during April.

Call loans with the discount houses reached their lowest level this year over the February month-end, amounting to R607 million on 3 March. After having increased moderately during March, these loans rose rapidly throughout April and early May, reaching an amount of approximately R866 million on 12 May. The net free balances of monetary banking institutions with the Reserve Bank and the National Finance Corporation similarly showed seasonally low levels over the February month-end and early in March. After having shown little change during the remainder of March, the

Money market interest rates



monetary banks' net free balances with the Reserve Bank and the National Finance Corporation increased, however, by R255 million from the end of March to 12 May. Reserve Bank accommodation to the discount houses, which had amounted to over R200 million at the end of February, declined to approximately R93 million at the end of March and to nil on 12 May.

Short-term interest rates reflected these changes in the availability of funds in the money market. Having reached a peak during the first few days of March, they eased slightly during the rest of the month and more markedly throughout April and early May. The 3-month NCD rate, for example, eased from 9,75 per cent on 3 March to 9,5 per cent on 31 March, before declining steadily to 8,55 per cent on 12 May. Similarly, the rate on 3-month bankers' acceptances declined from 9,5 per cent to 9,4 per cent during March and then to 8,6 per cent on 12 May. The discount house call rate decreased from 8,5 per cent on 31 March to 7,8 per cent on 12 May. The Treasury bill tender rate hardened slightly from 7,97 per cent to 8,00 per cent during March, but declined again to 7,98 per cent on the second Friday in May.

During the first four months of 1978 the Reserve Bank continued to absorb excess liquidity by selling short-term, medium-term and long-term government securities in the open market to banking institutions, the discount houses and institutional investors. The Bank's total sales of such securities during this period amounted to slightly more than R85 million.

Government finance

Increase in Exchequer issues during last quarter of fiscal year

Following the less than budgeted increase in Exchequer issues during the first nine months of the 1977/78 fiscal year, issues during the last quarter of the fiscal year, i.e. the period January to March 1978, were as much as 34 per cent higher than during the last quarter of the 1976/77 fiscal year. Exchequer receipts (excluding borrowing), which had started to increase at a faster rate towards the end of 1977, were 20 per cent higher in the last quarter of the 1977/78 fiscal year than in the corresponding period of the preceding fiscal year. This increase, which was considerably larger than the rise of 12 per cent during the first nine months of the fiscal year, was due to increased collections of customs, excise and sales duties and of income tax and other payments by gold mining companies.

The high level of issues during the three-month period concerned resulted in an Exchequer deficit of R378 million. However, domestic non-bank borrowing of R391 million more than covered this revenue shortfall. As the Treasury also repaid R119 million on foreign loans, its net indebtedness to the monetary banking sector increased by R106 million, largely because of a decline in the cash balance on the Exchequer Account.

The 1977/78 fiscal year

During the fiscal year that ended on 31 March 1978, Exchequer issues amounted to R9 268 million, or 11.3 per cent more than in 1976/77. Although higher than the original Budget estimate, this percentage increase

was substantially lower than the 17 per cent recorded in 1976/77 and reflected the policy of financial restraint adopted in the 1977/78 Budget. Revenue collections during the fiscal year amounted to R7 370 million, or 16 per cent more than in 1976/77, but fell short of Budget expectations.

The lower than anticipated collection of revenue was evident in virtually all revenue items, but especially in customs duties, which were affected adversely by the decline in imports, and in income tax receipts. In particular, income tax and mining lease payments by gold mining companies remained well below Budget estimates, notwithstanding the substantial increase during the last quarter of the fiscal year when the effect of the earlier sharp rise in the price of gold on mining profitability became evident.

The deficit on the Exchequer Account during the fiscal year under review amounted to R2 013 million, or R41 million more than in 1976/77. Successful domestic borrowing enabled the Treasury to finance the major part of this shortfall from non-banking sources and at the same time to repay a substantial portion of its foreign debt. Repayments on foreign loans amounted to R157 million, against an increase of R356 million (including drawings on the International Monetary Fund) in foreign debt during 1976/77. Borrowing from the private non-banking sector amounted to R1 222 million, even after taking into account the repayment of import deposits of R232 million, and this amount exceeded the corresponding figure for 1976/77 by R324 million. Funds were raised in the private non-banking sector largely by means of stock issues. Net new issues of marketable stock amounted to R866 million and were well supported by financial institutions which had to comply with higher prescribed investment requirements at a time of limited

Revenue collections – State Revenue Fund

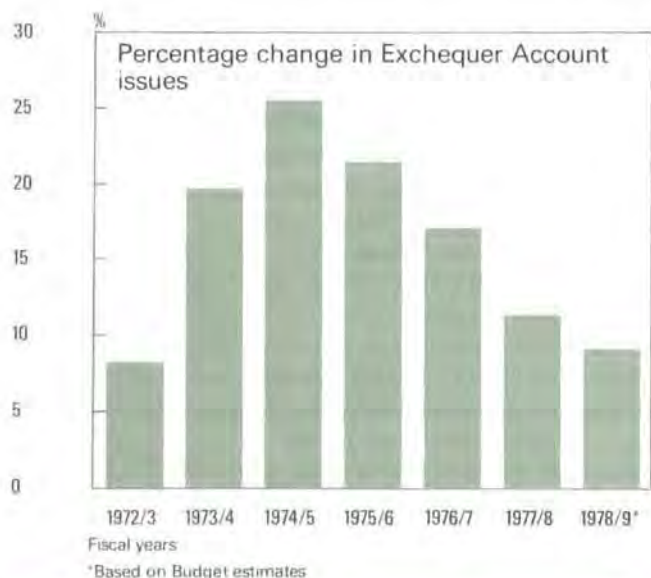
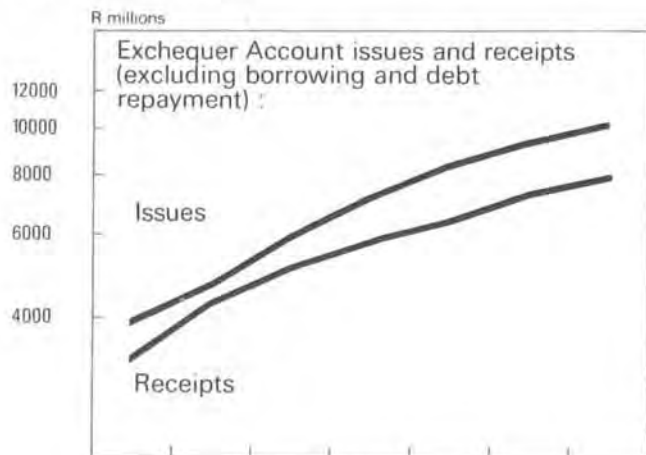
R millions

	Jan.–Mar.		Fiscal years ended 31 March		
	1977	1978	1977	1978	
				Budget estimate	Actual
Customs, excise and sales duties¹					
Customs duties	73	170	324	741	673
Excise duties	219	247	834	894	883
Sales duties	66	95	273	337	337
Total	358	512	1 432	1 972	1 892
Inland revenue					
Income tax (excluding payments by gold mines)	1 075	1 179	3 395	3 822	3 732
Payments by gold mines ²	98	173	408	560	445
Other	363	415	1 145	1 195	1 299
Total	1 536	1 767	4 948	5 577	5 477
Total revenue collections	1 895	2 280	6 379	7 548	7 370

1. Including collections in respect of payments to neighbouring countries in terms of customs agreements.

2. Comprising income tax and gold mining lease payments.

Exchequer Account

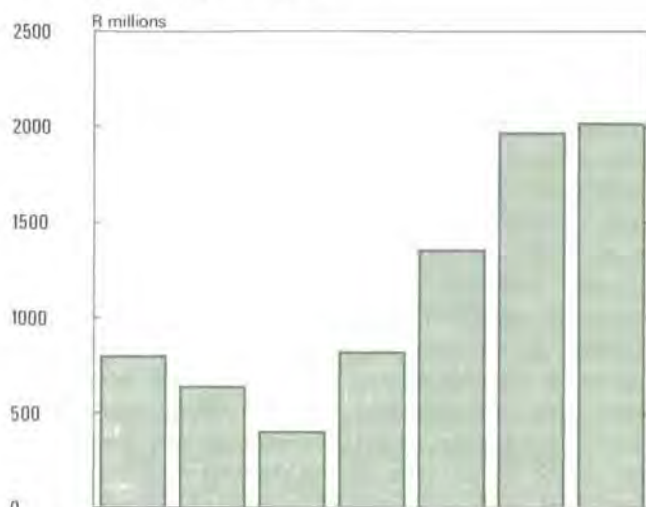


alternative investment opportunities in the private sector. The Public Debt Commissioners' net investment in government securities increased from R185 million in 1976/77 to R573 million in 1977/78, and would have been higher still had they not invested an amount of R375 million with the National Finance Corporation and the discount houses at the end of the fiscal year. The Treasury's net indebtedness to the monetary banking sector increased by R374 million during 1977/78, or by R158 million less than during the preceding fiscal year. This sector's investment in government securities rose by R446 million, but at the same time the Exchequer balance increased by R71 million.

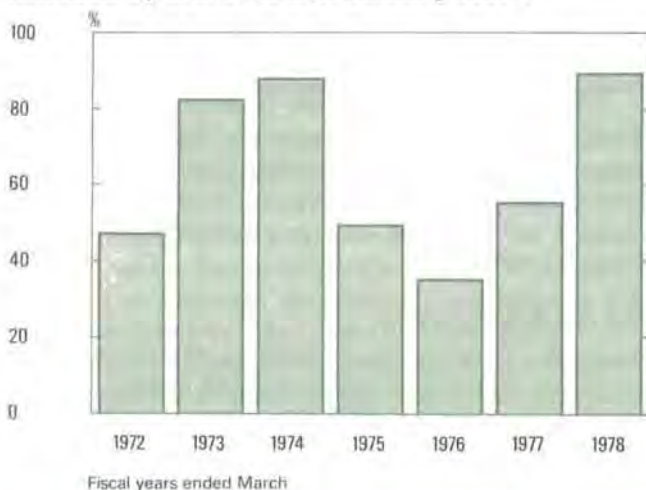
The 1978/79 Budget

The short-term policy strategy embodied in the central government Budget, presented by the Minister of Finance to Parliament on 29 March 1978, was one of encouraging economic growth within a framework of

Exchequer Account deficit



Percentage of Exchequer Account deficit financed by domestic non-banking sector



financial discipline. This approach was adopted in view of the success that had been achieved during the past year in improving the balance of payments. The Minister expressed the view that not only was the stage set for a new business cycle upswing, but important expansionary influences were already at work in the economy. The need for a shift of emphasis in economic policy had already been pointed out by the Minister in August 1977 and steps had been taken in that direction, notably in November last year, by the adoption of mildly stimulative measures. In order to provide further momentum to this shift of emphasis, the Budget aimed to remove those restraints on economic expansion which no longer served the purpose of either improving the overall balance of payments or reducing the rate of inflation.

As regards expenditure, the policy of financial restraint adopted in 1977/78 was broadly maintained in the Budget. However, certain expenditure items were considered to warrant special attention. Substantial

increases in expenditure were accordingly announced by the Minister in respect of export promotion, housing, public works, and the new oil-from-coal project, while pension and social benefits were raised significantly. Total expenditure in 1978/79 is expected to rise by slightly more than 9 per cent, or by about 2 percentage points less than in 1977/78. The major reason for this relatively low rate of increase is an actual decline of almost 6 per cent in the Defence Vote. Excluding defence, expenditure is expected to increase by almost 13 per cent, compared with 9 per cent in 1977/78.

As envisaged in the 1977/78 Budget speech, the Minister proposed the introduction of a general sales tax at the retail level as from 3 July 1978. This tax, to be levied at a rate of 4 per cent, is expected to yield R650 million during 1978/79. The existing sales duties will be retained for the time being, but were reduced by 5 percentage points *ad valorem*. The Minister accepted in principle the proposal by the Standing Commission on Taxation Policy to convert the existing sales duties on certain selected less essential goods, which are subject to relatively high rates, into *ad valorem* excise duties. It is intended that this change will be implemented later in the fiscal year. Because of the need for additional income, the temporary 15 per cent surcharge on imports, imposed in March 1977, was not abolished but reduced to 12,5 per cent. However, the Minister stated his intention to reduce the surcharge further, with a possibility of phasing it out as and when fiscal circumstances permit. He also estimated that the imposition of the general sales tax and the reduction of the sales duties and the import surcharge will result in net receipts of R395 million during 1978/79. In order to reduce the regressive nature of the new tax, the Minister provided R20 million to help stabilise the prices of basic foodstuffs and also abolished the fixed tax levied on adult Black males.

In accordance with the general aim of the Budget, various other concessions were made, the most important being the reduction by $2\frac{1}{2}$ percentage points of the surcharge on normal tax payable by all companies and the abolition of the 10 per cent surcharge payable by individuals. The loss of revenue during the 1978/79 fiscal year resulting from these concessions, is estimated at R48 million and R132 million, respectively. The compulsory loan levy payable by companies and individuals was maintained at existing rates, but in order to improve taxpayers' cash flows the Minister proposed that the 1972 loan levy, which was due to be repaid in February 1979, be repaid in July this year.

As shown in the accompanying table, total expenditure is estimated to rise by 9.1 per cent above its 1977/78 level, and revenue by 8.8 per cent. The deficit before borrowing is estimated at R2 143 million, or R200 million (10.4 per cent) more than the estimated shortfall for 1977/78. Taking loan repayments of R1 754 million into account, the government's total

The 1978/79 Budget

	R millions	Per- centage change
Expenditure	9 811	9,1
Revenue	7 668	8,8
Deficit (excluding borrowing and debt repayment)	2 143	10,4
Debt repayment:		
Domestic	1 522	
Foreign	232	
Total borrowing requirement	3 897	
Financing:		
Domestic loans:		
Public Debt Commissioners	650	
Reinvestment of maturing stock	1 230	
New stock issues	750	
Non-marketable debt	795	
Foreign loans	75	
Use of available cash balances	397	
Total financing	3 897	

borrowing requirement is estimated at R3 897 million. The Minister expected that R3 425 million, or about 88 per cent, of this amount will be financed by domestic borrowing, while available cash balances will be employed to the extent of R397 million. New foreign borrowing during the fiscal year is estimated at only R75 million, and it is anticipated that the government's indebtedness to the foreign sector will be reduced by R157 million during the 1978/79 fiscal year.

Capital market

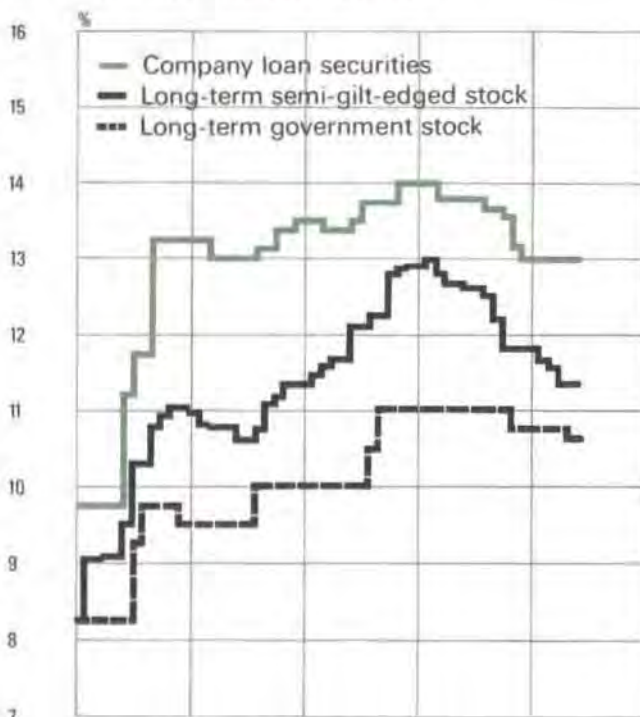
Further easing of market for fixed-interest securities

The easing of conditions in the market for fixed-interest securities, which had been in progress during the last three quarters of 1977, continued during the first five months of 1978. This was reflected in a further decline in security yields and in the over-subscription of new issues. The yield on new issues of the highest grade long-term semi-gilt-edged stock, for example, decreased from 11,80 per cent at the end of 1977 to 11,34 per cent in April. Yield declines in the secondary market for semi-gilt-edged stock during this period were even

more pronounced. The yield on a new issue of long-term government stock in February remained unchanged at 10,75 per cent, but the yield on a new issue in May was lowered to 10,625 per cent. No issues of company loan securities were made during the first five months of 1978, but secondary market yields on such securities showed a decline of the same order as those on semi-gilt-edged securities. The yield margin between long-term semi-gilt-edged and gilt-edged stock narrowed from 1,05 per cent at the end of 1977 to 0,71 per cent in May. This margin was appreciably lower than the average of 1,20 per cent for the preceding five years.

Virtually all new issues of semi-gilt-edged stock during the period January to April 1978 were over-subscribed. New stock issues of R157 million, excluding short-term Land Bank debentures, were offered for subscription during this period, but subscriptions of more than R235 million were received. Some issues scheduled for this period were postponed in anticipation of a still further decline in borrowing rates.

Yields on fixed-interest securities



Yield margin between long-term semi-gilt and gilt-edged stock



Interruption of upward trend in share prices

The upward trend in share prices during the second half of 1977 and January 1978 was temporarily interrupted during February and March, but resumed during April. Only the prices of gold mining shares declined further during April, largely because of a decrease in the price of gold. The main reasons for the behaviour of share prices were, at first, a growing concern that the recovery of economic activity would take longer to materialise than had been anticipated earlier, and a pre-Budget view that the need to maintain a surplus on the current account of the balance of payments and reduce the rate of inflation would preclude a general stimulation of the economy. Thereafter, market sentiment improved because of the policy of mild general stimulation of the economy adopted in the Budget and the emerging signs of economic recovery.

Gold mining share prices declined by 16 per cent during the period February to April; coal mining share prices decreased by 16 per cent during February and March before increasing by 8 per cent during April; and the prices of other metal and mineral shares declined by 6 per cent during February and March and then remained unchanged during April. Financial and industrial and commercial share prices, which had shown equal declines of 8 per cent during February and March, rose again by 3 per cent and 4 per cent, respectively, during April. The comprehensive share price index, covering all classes of shares listed on the stock exchange, declined by 9 per cent during both February and March and improved only marginally by 1 per cent during April because of the further decline in gold mining share prices. Share price movements during the period February to April were closely correlated with stock exchange turnover. Turnover

Stock exchange



during February and March, on average, was 30 per cent lower than in January, and in April it remained more or less at the same level as in March.

The average dividend yield on all classes of shares rose from 7,84 per cent in January to 8,13 per cent in March before decreasing to 8,00 per cent in April. The inverse yield gap between long-term government stock and ordinary shares narrowed marginally from 2,91 per cent in January to 2,75 per cent in April.

Further marked increase in flow of longer-term funds to deposit-receiving institutions and related savings facilities

The flow of longer-term funds to deposit-receiving and related institutions and government savings facilities, which had risen markedly during the fourth quarter of 1977, increased still further during the first quarter of 1978. Seasonally adjusted, this flow was 16 per cent higher during the first quarter than during the preceding quarter and 38 per cent higher than the quarterly average for 1977.

As during the preceding quarter, banking institutions were the largest recipients of longer-term funds during the first quarter, and their relative share in the inflow of new funds was noticeably larger than in the fourth quarter of last year. The inflow of funds to building societies also increased during the first quarter, but their relative share in the larger total inflow remained approximately the same as in the preceding quarter. The net investment in Treasury bonds, which had increased markedly during the third and fourth quarters of 1977 following the introduction of a new series of bonds, declined during the first quarter. The net investment in the Post Office Savings Bank and in National Savings Certificates during the first quarter was maintained at the same level as the quarterly average for 1977. Following upon small quarterly net inflows of funds to participation mortgage bond schemes during the last three quarters of 1977, the schemes experienced a net outflow of funds during the first quarter of 1978.

Seasonally adjusted flow of longer-term funds to deposit receiving and related institutions

R millions

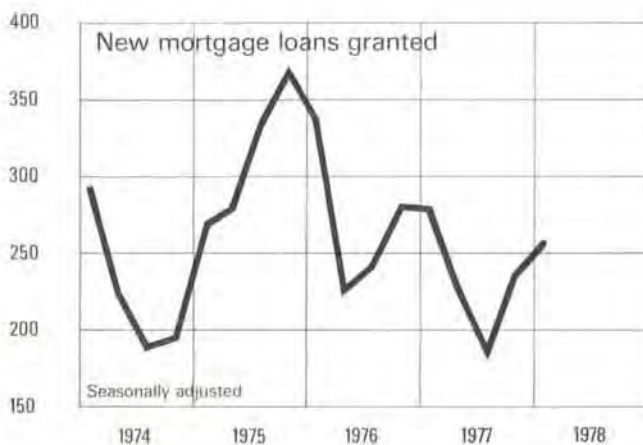
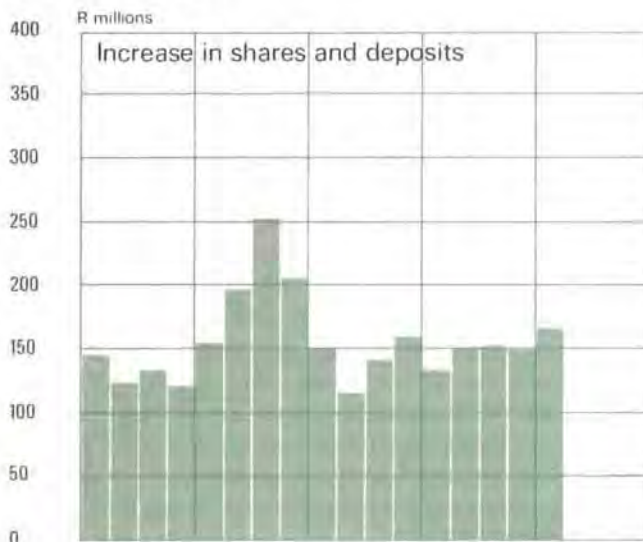
	1977					1978
	First quarter	Second quarter	Third quarter	Fourth quarter	Quarterly average	First quarter
Building societies	134	150	151	149	146	166
Banking institutions	200	141	99	221	165	306
Participation mortgage bond schemes	-7	10	7	4	4	-9
Post Office Savings Bank and National Savings Certificates	57	59	51	45	53	53
Other government savings facilities	1	8	47	54	27	27
Total	385	368	355	473	395	543

Increase in mortgage lending but further decline in real estate transactions

After having declined during the first three quarters of 1977, mortgage lending by building societies increased during the fourth quarter and the rising trend in new mortgage loans granted was maintained during the first quarter of 1978. New loans granted by the societies during this quarter, seasonally adjusted, amounted to R257 million, compared with R236 million during the preceding quarter and a quarterly average of R231 million for 1977. Mortgage lending by building societies was influenced not only by the availability of funds and the demand for housing loans, but also by their obligation to meet the new statutory investment requirements introduced in the 1977/78 Budget. The societies' total prescribed investments increased by R122 million during the last nine months of 1977 and by a further R34 million during the first quarter of 1978.

The real estate section of the capital market remained depressed during the first two months of 1978. The value of real estate transactions continued to show a downward trend and transactions during January and February, on average, were 2 per cent lower than in the last quarter of 1977.

Building societies



Statement regarding the revaluation of South Africa's official gold reserves

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

10 April 1978

On more than one occasion in the past I have stated that, once the proposed new Articles of Agreement of the International Monetary Fund came into effect, the gold holdings of the South African Reserve Bank would be revalued at market related prices. The new Fund Articles came into operation on 1 April this year, which means, among other things, that the official price of gold has been abolished and that the monetary authorities of Fund member countries are now legally free to buy and sell gold at market related prices. I therefore propose to proceed immediately with the planned gold revaluation, and I hereby announce that South Africa's official gold reserves will be revalued with effect from tomorrow, 11 April 1978.

Under the old IMF system of so-called "stable but adjustable exchange rates", South Africa, like all other member countries, had to declare a fixed "parity" price of gold in terms of its own currency. In addition, legal provision was made in South Africa for a "statutory" price at which the Reserve Bank had to value its gold holdings. This latter price was based on the parity price but set at a slightly lower level to provide for the costs incurred by the Bank in realising gold on overseas markets.

The statutory price was determined by Section 8 of the Currency and Exchanges Act, No. 9 of 1933 and, in the event of devaluations or revaluations of the currency, this price was usually changed by means of proclamations under Section 9 of the same Act. The last occasion on which this happened, was on 25 October 1972, when the statutory price was fixed at its present level of R29,55 per fine ounce, based on a parity price of R29,75 per fine ounce. When the rand was devalued in September 1975, the parity and statutory prices were not adjusted in accordance with the usual practice, as the IMF par value system had by that time already fallen into disuse.

Now that the new Fund Articles have come into operation and the official price of gold has been abolished, the South African rand, like all other Fund member currencies, no longer has a gold parity. The existing South African statutory price of R29,55 therefore no longer has any international legal basis. Moreover, since the gold price on the private market is currently about five times higher than the present South African statutory price, the latter has clearly become totally unrealistic. I have therefore decided that the time has now arrived to value South Africa's official gold holdings on a market related basis.

The necessary legal provision for the revaluation of our official gold holdings was made last year when

Parliament passed the South African Reserve Bank Amendment Act, 1977. As provided for in Section 6 of that Act, the State President has today, by Proclamation in the Government Gazette, determined that the sections of the Act relating to revaluation and related matters, namely Sections 3 and 5, will come into operation on 11 April 1978.

Under the new IMF Articles there is no prescribed method of valuing official gold holdings. For the time being, many countries will probably continue to value their gold reserves at the old official price, a practice which will, no doubt, be encouraged by those who wish to reduce the monetary role of gold. However, countries such as France, Italy and Australia have already revalued their gold reserves on a market related basis, using different methods, and now that the new Articles are in operation I would not be surprised if several other countries were to follow suit.

After consultation with the Reserve Bank, I have decided that the new statutory or valuation price for the Reserve Bank's gold holdings will normally be fixed at the end of every calendar month at a level equal to the average of the last ten London fixing prices during that month, less 10 per cent. The first price to be determined according to the latter formula, with effect from tomorrow, will be R141,97 per fine ounce, which at the present rand-dollar exchange rate is equivalent to the average of the last ten London fixing prices in March, less 10 per cent, namely \$163,27 per fine ounce.

This is just one of several different valuation methods which could have been employed, but for a central bank which actually deals in gold on a substantial scale, this method has the advantage that the valuation price will tend to follow the movements of the market price reasonably closely. The 10 per cent deduction merely constitutes conservative bookkeeping designed to minimise the chances of the statutory price *exceeding* the market price by any significant amount for any length of time. In practice, therefore, the Reserve Bank's gold holdings will normally still be undervalued, but, of course, to a much smaller extent than at present.

I shall be taking this action under the new Section 17A(1) of the South African Reserve Bank Act, 1944, as amended, which comes into operation tomorrow and which confers upon the Minister of Finance the power to change the statutory price from time to time after consultation with the Reserve Bank. It follows from this that, if deemed desirable, I can at any time amend the valuation formula which I have just outlined.

In present circumstances, the proposed revaluation of the Reserve Bank's gold holdings will naturally result in a large book profit. The Bank at present holds nearly

* Speech delivered in the House of Assembly

9.5 million ounces of gold, which at the old price of R29,55 is valued at about R280 million. At the new statutory price of R141,97 this gold will have a value of about R1 348 million. This means that the revaluation profit on the Bank's actual gold holdings will be about R1 068 million. To this must be added the profit on the gold involved in the Bank's existing swop arrangements. In total, the revaluation profit will then amount to about R1 690 million.

In terms of Section 8 *bis* of the Currency and Exchanges Act of 1933, any such profit shall accrue to the Government. This section is now being repealed, but the same principle is carried over into the new Section 17A of the Reserve Bank Act which comes into operation tomorrow. In terms of this latter section the Reserve Bank will be required to establish a new Gold Price Adjustment Account, in which it shall account for any profit or loss relating to gold as a result of a change in the statutory price as well as any difference between the statutory price and the price at which it buys or sells gold, after due allowance for handling and realisation costs. The gold revaluation profit will therefore immediately be credited to this Account.

From the point of view of monetary and fiscal policy, the way in which the large initial gold revaluation profit is to be used, is a matter of the greatest importance. The use of any significant part of this profit to finance government spending could, for example, have adverse consequences for the balance of payments and, in the long run, also for the rate of inflation. Using the gold revaluation profit in this way would increase the money supply substantially and be tantamount to using the printing press. It is therefore desirable to "sterilise" the profit to the fullest possible extent. The sections of the Reserve Bank Amendment Act which come into operation tomorrow have specifically been designed to provide for such sterilisation, while simultaneously serving certain other useful purposes.

In terms of Section 8 *ter* and 8 *quater* of the Currency and Exchanges Act, which are now also being repealed, any profits or losses made by the Reserve Bank on its foreign currency holdings, its forward exchange contracts and its foreign currency borrowings are also for the account of the Government. In all these cases, as in the case of gold losses or profits, this principle is to be carried over into the amended Reserve Bank Act, namely in the new Sections 17B and 17C. With effect from tomorrow, the Reserve Bank will be required to establish and manage, in addition to the new Gold Price Adjustment Account, also a Foreign Exchange Adjustment Account and a Forward Exchange Contracts Adjustment Account. These accounts will be similar to the accounts kept by the Bank in the past to give effect to the provisions of Sections 8 *ter* and 8 *quater* of the Currency and Exchanges Act.

A new and significant requirement is, however, included in the new Section 17D of the Reserve Bank

Act. This section provides that any credit or debit balance on the three adjustment accounts specified in the Act shall at the close of each financial year of the Bank, or at such other times as the Bank and the Treasury may determine, be transferred to a new Gold and Foreign Exchange Contingency Reserve Account to be established and managed by the Bank on behalf of the Treasury.

It is further provided in Section 17D that any credit balance on this new Contingency Reserve Account shall accrue to the Government as a profit, but shall be carried forward in this Account until such time as the Treasury and the Bank deem it desirable to credit such profit or any part thereof to the State Revenue Fund. Similarly, any debit balance on this Account shall be a loss for the Government and shall be carried forward until the Treasury and the Bank deem it desirable to settle the outstanding balance.

When the relevant sections of the Reserve Bank Amendment Act come into operation tomorrow, all credit and debit balances presently existing on the accounts kept by the Bank for the purposes of the Currency and Exchanges Act, will also be transferred to the new Contingency Reserve Account.

The amounts involved here are substantial. The total amount owed by the Government to the Bank in respect of losses on foreign exchange holdings, gold transactions and forward exchange contracts is at present R1 134 million. In addition, account must be taken of the potential further loss, at present exchange rates, on existing forward exchange contracts, particularly in respect of foreign loans by public corporations denominated in German marks and Swiss francs. These losses could be substantial and, when they materialise, will also be a charge on the Government.

In these circumstances, the logical way to sterilise the gold revaluation profit is for the Government to use part of this profit to settle its outstanding debit balances on the accounts to which I have referred, and to transfer the rest of the profit to the new Gold and Foreign Exchange Contingency Reserve Account. In this manner two birds will be killed with one stone.

To attain these objectives the Treasury and the Reserve Bank have therefore decided, in terms of the new Section 17D(1) of the Reserve Bank Act, that the initial gold revaluation profit, which will in the first instance automatically be credited to the Gold Price Adjustment Account, will thereafter also be transferred to the new Contingency Reserve Account. The net effect of all these credits and debits will be to wipe the slate clean as far as the three adjustment accounts are concerned and to leave a credit balance in the new Contingency Reserve Account of R556 million.

With effect from tomorrow, the Reserve Bank will also terminate the present gold marketing arrangements under which it buys gold from the mines at the old official parity price and subsequently pays them a premium on gold sold by it on their behalf in private

markets. In future the Bank will buy gold outright from the mines at current market prices according to an agreed formula, which makes provision for the deduction of a small realisation charge by the Bank to cover freight, insurance and related costs.

Now that the official price of gold has been abolished by international agreement, the existing arrangements in regard to gold sold in terms of the Mozambique Convention will also be terminated with effect from 11 April 1978. This means that the gold mines will no longer have to dispose of a portion of their output, via the Reserve Bank, to the Mozambique authorities *at the old parity price*, in order to comply with the section of the Convention dealing with the deferred pay of mine workers from Mozambique. In future the mines will receive the *market price* for all the gold sold by them to the Reserve Bank. This will obviously benefit both the gold mining industry and the balance of payments.

I turn finally to the effect of the gold revaluation on the official foreign reserves. Since South Africa always holds a substantial portion of its official foreign reserves in the form of gold, the past practice of valuing the Reserve Bank's gold holdings at only R29,55 per ounce has obviously resulted in a gross undervaluation of the total reserves. This has at times created misleading impressions about South Africa's reserve position. The decision now taken to revalue the gold holdings at market related prices will not, of course, by itself strengthen our reserves in any real sense – throughout the period of undervaluation there has, in effect, been a "secret reserve". But the use of the new valuation method will produce more realistic published reserves which will reflect the true state of affairs more accurately.

Following tomorrow's gold revaluation, the Reserve Bank's gold and other foreign reserves will amount to about R1 700 million, compared with R634 million at the end of March 1978. To this must be added the reserves of the central government and the rest of the banking sector, which will bring the figure for South Africa's total gold and other foreign reserves to the vicinity of R1 830 million, compared with R761 million at the end of February 1978.

Mr. Speaker, I believe all Members of the House will agree that the simultaneous introduction of the new gold valuation formula, the new gold marketing arrangements and the new legal provisions regarding the Reserve Bank's accounting system, represents an important milestone in South Africa's monetary history. It marks the end of one era and the beginning of another. The so-called Bretton Woods international monetary system has come and gone. But gold is alive and well, and the steps I have announced today serve as yet another indication of its enhanced monetary role in a world of inflation and currency turmoil.

Statement regarding monetary policy

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

17 May 1978

After the usual consultation with the Treasury the Reserve Bank has decided to increase, with effect from tomorrow, 18 May 1978, the credit ceilings of banking institutions by an additional 4 per cent of their base figures as at 31 December 1975. This increase is in respect of the ceiling figures applicable to banking institutions' discounts, loans and advances to the private sector and their investments in securities of the private sector. The existing arrangement in terms of which the ceiling figures of banking institutions are increased each month by one half per cent of their base figures continues to apply.

It has also been decided to increase, at the same time, the total amount of credit extension to the private sector, as defined for purposes of the credit ceilings, which a bank may not exceed before it becomes subject to the ceiling requirements, from R10 million to R15 million. After the total credit extended to the private sector by such a banking institution has reached the new limit of R15 million, its respective ceilings will be increased monthly by one half per cent of its relative base figures as at 31 December 1975.

The required notice to give effect to these changes in the credit control measures will be published in the Government Gazette shortly.

Kwartaallikse ekonomiese oorsig

Algemene opmerkings

Ekonomiese aanwysers bevestig dat die sikliese afswaai in die reële ekonomiese bedrywigheid, wat sedert die derde kwartaal van 1974 ondervind is, in die laaste kwartaal van 1977 ten einde geloop het. Die latere verloop van die ekonomiese aanwysers gedurende die eerste kwartaal van 1978 dui op die begin van 'n sikliese oplewing, maar die ekspansionistiese neigings gedurende hierdie tydperk was skynbaar matig.

Die sikliese verandering in die ekonomiese bedrywigheid is die duidelikste weerspieël in 'n betreklik skerp styging in die reële bruto binnelandse produk van die nie-primêre sektore van die ekonomie in die eerste kwartaal, wat op 'n klein styging in die laaste kwartaal van 1977 gevolg het. Selfs as die dalings in die reële waarde toegevoeg deur die landbou en die nie-goudmynbou in aanmerking geneem word, is die klein positiewe groeikoers in die totale bruto binnelandse produk in die vierde kwartaal van verlede jaar, in die eerste kwartaal gehandhaaf.

Die effens hoër vlak van die ekonomiese bedrywigheid gedurende die laaste kwartaal van 1977 is weerspieël in 'n klein toename in die indiensneming in die nie-landbousektore van die ekonomie. Gedurende die eerste vier maande van 1978 het 'n afname in die aantal geregistreerde werklose Blankes, Kleurlinge en Asiërs op 'n verdere verbetering van die werkvervaardigingsstoestand gedui.

Die toename in die reële bruto binnelandse produk van die nie-primêre sektore gedurende die eerste kwartaal het voortgespruit uit toenames in die reële private verbruiksbesteding, in die besonder besteding aan duursame goedere, in die reële owerheidsverbruiksbesteding, en in die reële bruto vaste investering deur die openbare owerhede. Die ander hoofkomponente van die reële bruto binnelandse besteding, naamlik private vaste investering en voorraadinvestering, het voortgegaan om te daal. Surplus produksiekapasiteit het aansienlik gebly en het derhalwe 'n ontmoedigende uitwerking op vaste investering gehad. Die daling in die reële voorrade het tot 'n verdere afname in die verhouding van die reële nie-landbouvoorrade tot die vergelykbare reële bruto binnelandse produk geleid. Hierdie verskynsels is in ooreenstemming met die normale verloop van sake gedurende die vroeë stadiums van 'n ekonomiese oplewing wanneer groter vraag aanvanklik deur 'n intering op voorrade bevredig word.

Nieteenstaande die hoër vlak van die totale binnelandse vraag, was die bruto binnelandse besteding teen heersende pryse nog steeds kleiner as die bruto nasionale produk, en dit is weer weerspieël in 'n oorskot op die lopende rekening van die betalingsbalans. Die

seisoensaangesuiwerde oorskot gedurende die eerste kwartaal was egter slegs ongeveer die helfte so groot as in die laaste kwartaal van 1977. Die kleiner oorskot was 'n weerspieëling van die netto uitwerking van 'n aanmerklike afname in goedere-uitvoere, 'n matige toename in goedere-invoere, 'n skerp styging in die netto onsigbare betalings aan die res van die wêreld, en 'n gedeeltelik neutraliserende toename in die netto goudproduksie.

'n Verdere aansienlike netto uitvloeiing van kapitaal, wat uit 'n netto uitvloeiing van korttermyn- sowel as langtermynkapitaal bestaan het, het in die eerste kwartaal voorgekom. Gesamentlik het die oorskot op die lopende rekening, vóór aansuiwerings vir seisoensinvloede, en die netto uitvloeiing van langtermynkapitaal egter geleid tot 'n groter oorskot op die basiese saldo as in die laaste kwartaal van 1977. Aangesien die netto uitvloeiing van kapitaal die oorskot op die lopende rekening oorskry het, het die bruto goud- en ander buitelandse reserwes gedurende die eerste kwartaal effens verder gedaal. In teenstelling hiermee het die netto goud- en ander buitelandse reserwes vir die tweede opeenvolgende kwartaal gestyg as gevolg van 'n vermindering van die laste verwant aan reserwes. Gedurende April het die goudreserwes van die Reserwebank 'n aansienlike styging getoon as gevolg van die herwaarderings daarvan teen 'n markverwante goudprys.

Gedurende die eerste kwartaal het die hoeveelheid geld en kwasi-geld voortgegaan om teen 'n matige koers te styg. Hierdie lae groeikoers is meegebring deur 'n afname in die netto eise van die monetêre banksektor teen die regeringsektor en 'n toename in die langtermyndeposito's van die private sektor by die monetêre bankinstellings, wat die grootste deel van die matige toename in die netto goud- en ander buitelandse reserwes van die monetêre banksektor en in hierdie sektor se eise teen die private sektor geneutraliseer het. Die toename in bankkrediet aan die private sektor en die seisoenale beweging van fondse na die regering het bygedra tot 'n afname in die oorskotlikwiditeit van bankinstellings gedurende die eerste kwartaal. Aan die einde van Maart was die oorskotlikwiditeitsverhoudings van alle groepe instellings op 'n lae vlak.

Nieteenstaande 'n aansienlike styging in die skatkisuitreikings gedurende die laaste kwartaal van die fiskale jaar 1977/78, was die toename in hierdie uitreikings gedurende die fiskale jaar in sy geheel slegs effens hoër as die oorspronklike begrotingsraming. Die invorderings van inkomste gedurende die fiskale jaar het nie die peil van die oorspronklike begrotingsyfers behaal nie, hoofsaaklik vanweë kleiner invorderings van doeaneregte en van inkomstebelasting en huurkontrak-

betalings deur goudmynmaatskappye. Dié tekort op die Skatkisrekening wat by wyse van lenings gefinansier moes word, was nietemin slegs effens hoër as in die voorafgaande fiskale jaar. Die suksesvolle plasing van lenings by die private nie-banksektor, tesame met 'n aansienlik hoër netto belegging in staatseffekte deur die Staatskuldkommissarisse, het die regering in staat gestel om 'n gedeelte van sy buitelandse skuld terug te betaal en om die toename in sy netto skuldposisie teenoor die monetêre banksektor te beperk.

Die leen van fondse deur die regering van die private nie-banksektor is aansienlik vergemaklik deur die verruiming van die mark in vaste-rentedraende effekte. Nieteenstaande die feit dat 'n aansienlike bedrag aan nuwe fondse in hierdie mark opgeneem is, het die opbrengskoerse gedurende die laaste nege maande van 1977 aanhoudend gedaal, en hierdie afwaartse neiging is gedurende die eerste kwartaal van 1978 en die daaropvolgende twee maande voortgesit. Wat die ander afdelings van die kapitaalmark betref, het die aandelepryse en die effektebeursomset gedurende Februarie en Maart tydelik gedaal voordat dit in April weer met 'n opwaartse neiging begin het; 'n groter invloed van fondse en 'n klaarblyklike toename in die vraag na verbandfinansiering het die verbandmark-tussengangers in staat gestel om hulle uitleenbedrywighede te verhoog; en die bedrywigheid in die vaste eiendomsmark het op 'n lae vlak gebly.

Die koerse van toename in die groothandels- en verbruikerspryse, wat in die loop van 1977 beduidend gedaal het, het in Januarie weer versnel, hoofsaaklik vanweë verhogings van staats-geadministreerde pryse en hoër pryse van voedsel en ingevoerde goedere. Daarná het hierdie koerse van toename egter weer verlangsaam.

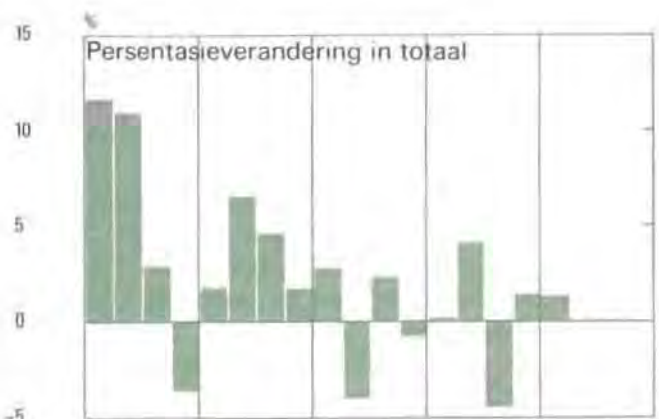
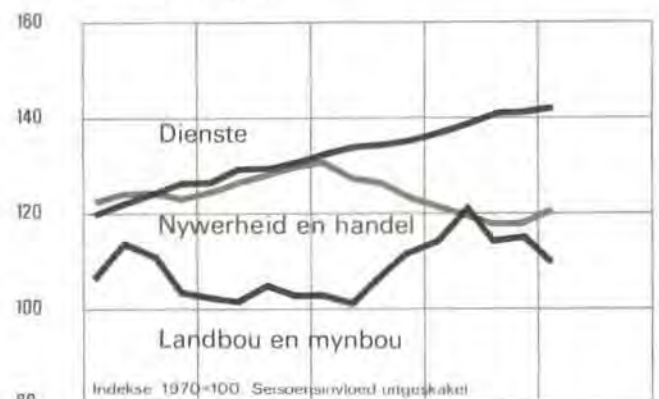
In die lig van die vordering wat gemaak is met die verwesenliking van die beleidsdoelstellings om die betalingsbalans te verbeter en die vraagverwante oorsake van inflasie uit te skakel, is 'n verdere verskuiwing van die klem van die ekonomiese beleid vanaf selektiewe stimulering na 'n ligte algemene stimulering van die ekonomie in die Begroting vir 1978/79 aangekondig. Dit is egter beklemtoon dat die beleid daarop gemik sou wees om ekonomiese groei aan te moedig binne 'n raamwerk van finansiële dissipline. Die monetêre beleid is ook effens meer akkommoderend gemaak. Met ingang 18 Mei is die plafonne op die bankkrediet aan die private sektor met vier persent van die basissyfers soos aan die einde van Desember 1975 verhoog en is die bedrag van die kredietverlening aan die private sektor, soos vir doeleindes van die kredietplafonne omskryf, wat 'n bankinstelling nie mag oorskry sonder om aan die plafonvereistes onderhewig te word nie, verhoog.

Nasionale rekeninge*

Hoër ekonomiese groei koerse in nie-primêre sektore

Die ekonomiese bedrywigheid in die nie-primêre sektore van die ekonomie, soos weerspieël in die syfers van die reële bruto binnelandse produk, het gedurende die eerste kwartaal van 1978, in vergelyking met die laaste kwartaal van 1977, betekenisvol toegeneem.

Bruto binnelandse produk teen konstante 1970-pryse



* Tensy anders aangedui, is hierdie afdeling van die oorsig gebaseer op seisoensaangesuiwerde kwartaalramings van die nasionale rekeninge.

Ondanks afnames in die reële toegevoegde waarde van die landbou en die nie-goudmynbou, het die groeikoers van die totale bruto binnelandse produk in die eerste kwartaal die groeikoers van die vierde kwartaal van 1977 geëwenaar.

Die meer opmerklike toename in die reële bruto binnelandse produk van die sekondêre en tersiêre sektore van die ekonomie in die eerste kwartaal is voorafgegaan deur 'n klein toename in die vierde kwartaal van 1977 wat gevolg het op afnames wat vir ses opeenvolgende kwartale aangeteken is. Die belangrikste rede vir hierdie gunstige ontwikkeling was die skerp ommeswaai van die kwartaalike veranderinge in die reële toegevoegde waarde van die handel en nywerheid van afnames gedurende 1976 en 1977 na toenames in die eerste kwartaal van 1978. Die volume van die fabrieksproduksie gedurende die eerste kwartaal van 1978 was ongeveer 2½ persent hoër as gedurende die laaste kwartaal van 1977, nadat die afwaartse neiging gedurende die tweede helfte van 1977 afgeplat het. Die waarde van die groothandelsverkope teen konstante pryse het in die eerste kwartaal van 1978, in vergelyking met die vierde kwartaal van 1977, met ongeveer een persent toegeneem nadat dit vir agt opeenvolgende kwartale afgeneem het. Die waarde van die kleinhandelsverkope teen konstante pryse, wat gedurende die laaste drie kwartale van 1977 op 'n betreklik lae vlak gestabiliseer het, het gedurende die eerste kwartaal van 1978 min verandering getoon. Die aantal nuwe motorvoertuie wat gedurende die eerste kwartaal van 1978 verkoop is, was ongeveer 12 persent hoër as die syfer vir die vierde kwartaal van 1977. Hierbenewens het die reële toegevoegde waarde van die sektor elektrisiteit, gas en water gedurende die eerste kwartaal van 1978 'n verdere matige toename getoon terwyl die daling in die reële produk van konstruksie gedurende die voorafgaande agt kwartale nie in die eerste kwartaal van 1978 voortgesit is nie. Nieteenstaande hierdie verbeterings, was die reële toegevoegde waarde van die handel en nywerheid gedurende die eerste kwartaal van 1978 nog sowat 1 persent laer as die vlak in die eerste kwartaal van 1977 en omtrent 8 persent laer as die mees onlangse hoogtepunt wat gedurende die eerste kwartaal van 1976 bereik is.

In teenstelling met die toename in die reële ekonomiese bedrywigheid in die nywerheid en handel en 'n matige verdere toename in die reële inkome wat in die dienstesektor geskep is, het die reële toegevoegde waarde van die landbou in die eerste kwartaal van 1978 skerp afgeneem, terwyl dié van die mynbou matig gedaal het nadat dit gedurende die tweede helfte van 1977 op 'n hoë vlak gestabiliseer het. Die volume van die goudmynbouproduksie het in die eerste kwartaal van 1978 met ongeveer 2 persent toegeneem, maar die volume van die nie-goudmynbouproduksie het vir die tweede opeenvolgende kwartaal gedaal. Die uiteenlopende bydraes tot ekonomiese groei van die

verskillende sektore gedurende die afgelope paar kwartale word in die bygaande grafiek getoon.

Kwartaalramings van die bruto binnelandse produk teen heersende pryse toon dat die vergoeding van werknemers sowel as die bruto bedryfsurplus gedurende die eerste kwartaal van 1978 verder toegeneem het. Toenames in die bruto bedryfsurplus van die mynbou, die fabriekswese en die groot-, klein- en motorhandel is gedeeltelik geneutraliseer deur afnames wat deur die landbou en deur vervoer, opberging en kommunikasie aangeteken is.

Styging in reële bruto binnelandse besteding

Die toename in die reële bruto binnelandse produk in die nie-primêre sektore van die ekonomie in die eerste kwartaal van 1978 het hoofsaaklik voortgespruit uit 'n toename in die reële totale binnelandse vraag soos gemeet deur die reële bruto binnelandse besteding. Nieteenstaande hierdie toename, was die reële bruto binnelandse besteding gedurende die eerste kwartaal van 1978 nog ongeveer 2 persent laer as gedurende die ooreenstemmende kwartaal van 1977.

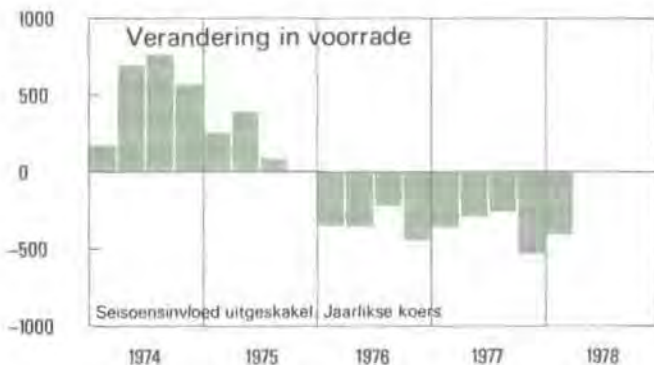
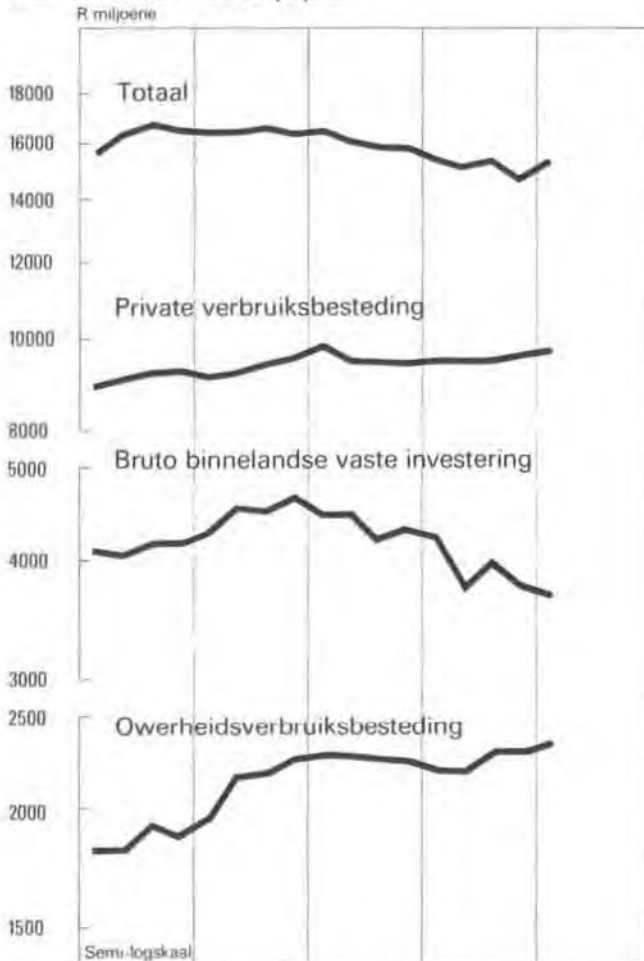
Die hoofkomponente van die reële totale binnelandse vraag het gedurende die eerste kwartaal van 1978 uiteenlopende neigings getoon. Vergeleke met die vierde kwartaal van 1977 het die reële private verbruiksbesteding, in die besonder aan duursame goedere, die reële bruto binnelandse vaste investering deur die openbare owerheid, en die reële owerheidsverbruiksbesteding toegeneem. In teenstelling hiermee het die reële private verbruiksbesteding aan semi-duursame goedere, die reële private vaste investering, en die reële voorraadinvestering afgeneem, terwyl die reële vaste investering deur die openbare korporasies in vergelyking met die vierde kwartaal van 1977 min verandering getoon het.

Teen heersende pryse is die bruto binnelandse besteding deur die bruto nasionale produk oorskry, maar die verskil was kleiner as in die vierde kwartaal van 1977. Hierdie ontwikkeling is ook weerspieël in die betalingsbalans op lopende rekening, wat in die eerste kwartaal van 1978 'n kleiner oorskot getoon het as in die voorafgaande kwartaal.

Toename in reële private verbruiksbesteding

Die toename in die private verbruiksbesteding gedurende die eerste kwartaal van 1978 het 'n wesenlike bydrae tot die styging in die reële totale binnelandse vraag gemaak. Die grootste toename is waargeneem in die geval van die reële besteding aan duursame goedere, veral aan persoonlike vervoer-toerusting (nuwe motors), terwyl die reële besteding aan meubels en huishoudelike toebehore matiger toegeneem het. Die afname in die reële besteding aan ontspannings- en vermaaklikheidsgoedere in die eerste kwartaal van 1978 moet beoordeel word in die lig van die toename wat in die vierde kwartaal van 1977 aangeteken is as gevolg van 'n skerp toename in die

Bruto binnelandse besteding teen konstante 1970-pryse



verkope van draagbare televisiestelle. Die reële besteding aan semi-duursame goedere (hoofsaaklik klerasie, skoetsel, glasware en huishoudelike tekstiele) het gedaal, maar die reële besteding aan nie-duursame goedere en dienste het teen ongeveer dieselfde koers as gedurende die voorafgaande kwartaal gestyg.

Klein styging in reële owerheidsverbruiksbesteding

Nadat dit gedurende die vierde kwartaal van 1977 'n klein afname getoon het, het die reële owerheidsverbruiksbesteding gedurende die eerste kwartaal van 1978 matig toegeneem. Aangesien die verdedigingsuitgawes gedurende hierdie tydperk effens gedaal het, word hierdie styging verklaar deur 'n toename in salarisse en lone sowel as in die besteding aan goedere en ander dienste. Die toename in die reële lopende besteding deur die sentrale owerheid, met uitsluiting van die verdedigingsbesteding, was veral opmerklik, in teenstelling met kleiner toenames in die geval van die ander vlakke van die algemene owerheid.

Daling in reële bruto binnelandse vaste investering

In teenstelling met die styging in die private en owerheidsverbruiksbesteding teen konstante pryse, het die reële bruto binnelandse vaste investering gedurende die eerste kwartaal van 1978 gedaal nadat dit gedurende die tweede helfte van 1977 matig gestyg het. Die reële kapitaalbesteding deur die verskillende sektore het egter uiteenlopende neigings getoon. Die reële private vaste investering, wat gedurende sowel die derde as die vierde kwartaal van 1977 gestyg het, het gedurende die eerste kwartaal van 1978 aanmerklik gedaal tot 'n vlak wat effens laer was as in die tweede kwartaal van 1977. Die rede vir hierdie ommeswaai was die insluiting van skepe wat aangekoop is vir die behoueringsprogram en die uitvoer van ystererts in die syfers vir die tweede helfte van 1977. Die reële vaste investering deur die private fabriekswese het ook gedurende die eerste kwartaal van 1978 gedaal, maar die reële kapitaalbesteding deur die res van die private sektor het, in vergelyking met dié in die vierde kwartaal van 1977, min verandering getoon. Dit wil voorkom of die daling in die reële private woningboukonstruksie gedurende die vierde kwartaal van 1977 en die eerste kwartaal van 1978 afgeplat het.

Die reële vaste kapitaalbesteding deur die openbare owerhede het gedurende die eerste kwartaal van 1978 matig toegeneem nadat dit gedurende die vierde kwartaal van 1977 tot 'n betreklik lae vlak gedaal het. Toenames in die kapitaalbesteding aan owerheidsbehuisingsprojekte gedurende die eerste kwartaal van 1978 is in 'n sekere mate teengewerk deur laer kapitaalbesteding deur die Suid-Afrikaanse Spoorweë. Hoofsaaklik as gevolg van nuwe projekte en uitbreidingsprogramme, het die reële vaste investering deur die openbare korporasies gedurende die eerste kwartaal van 1978 op 'n betreklik hoë vlak gebly.

Verdere daling in reële voorraadinvestering

Die boekwaarde van die totale reële voorrade (veestapel uitgesluit), wat regdeur 1977 gedaal het teen jaar-koerse wat gewissel het van ongeveer R250 miljoen in die derde kwartaal tot soveel as R500 miljoen in die vierde kwartaal, het gedurende die eerste kwartaal van 1978 verder gedaal. Die daling gedurende die eerste

kwartaal van 1978 was effens groter as die gemiddelde vir 1977 maar kleiner as die daling in die vierde kwartaal van daardie jaar. Die groter daling gedurende die eerste kwartaal van 1978 was hoofsaaklik toe te skryf aan die styging in die reële verbruiksbesteding. Belangrike bydraes tot die daling in die totale reële voorrade is deur die private nywerheids- en handelsvoorrade, die landbouvoorrade in die handel, en diamantvoorrade gelewer. Die vlak van die reële motorhandelsvoorrade en die fabriekswesevoorrade van openbare korporasies het in die eerste kwartaal van 1978 in vergelyking met die voorafgaande kwartaal min verandering getoon.

Die verdere daling in die totale reële nie-landbouvoorrade en die opmerkbare toename in die vergelykbare reële bruto binnelandse produk het die verhouding van hierdie voorrade tot die reële bruto binnelandse produk van die nie-landbousektore tot 31,0 persent in die eerste kwartaal van 1978 verlaag, vergeleke met 31,7 persent in die vierde kwartaal van 1977 en die mees onlangse hoogtepunt van 36,1 persent in die derde kwartaal van 1975. Die verdere daling in hierdie verhouding in die eerste kwartaal van 1978 is in ooreenstemming met sy normale gedrag gedurende die vroeë stadiums van 'n ekonomiese oplewing, wanneer 'n toename in die vraag aanvanklik deur 'n verdere intering op voorrade bevredig word.

Afname in bruto binnelandse besparing

Alhoewel die bruto binnelandse besparing gedurende die eerste kwartaal van 1978 gedaal het vanaf die uitsonderlik hoë vlak wat dit in die vierde kwartaal van 1977 bereik het, was dit nog ongeveer 15 persent hoër as in die eerste kwartaal van 1977 en het dit ook die bedrag oorskry wat vir die finansiering van die bruto vaste en voorraadinvestering benodig is. Die gevolglike oorskot aan binnelandse besparing is aangewend om die land se netto skuldposisie teenoor die res van die wêreld te verminder. Die maatskappybesparing, die lopende surplus van die algemene owerheid, en die voorsiening vir waardevermindering het toegeneem, maar die persoonlike besparing het gedurende die eerste kwartaal opmerklik gedaal, hoofsaaklik as gevolg van 'n aansienlike afname in die netto inkome van die landbou.

Konjunktuerneigings, arbeidstoestand en pryse

Einde van sikliese afswaai

Ekonomiese aanwysers toon dat die sikliese afswaai in die reële ekonomiese bedrywigheid, wat sedert die derde kwartaal van 1974 ondervind is, in die vierde kwartaal van 1977 tot 'n einde gekom het. Hoewel die afwaartse beweging van 'n aantal aanwysers wat geklassifiseer word as samevallend met veranderinge in die konjunkturgolf, teen die einde van verlede jaar omgekeer is, het dit voorgekom of hul verloop gedurende die eerste kwartaal van 1978 slegs 'n aarselende begin van 'n siklies opwaartse beweging in die ekonomiese bedrywigheid weerspieël het.

In hierdie verband het die reële bruto binnelandse produk van die nie-landbousektore van die ekonomie, wat, met uitsondering van die tweede kwartaal van 1977, vanaf die tweede kwartaal van 1976 tot die derde kwartaal van 1977 opeenvolgende kwartaallike afnames getoon het, gedurende die vierde kwartaal van 1977 matig en gedurende die eerste kwartaal van 1978 teen 'n ietwat hoër koers toegeneem. 'n Selfs nog meer opmerkbare styging het in die reële ekonomiese bedrywigheid in die nie-primêre sektore van die ekonomie voorgekom. Hierdie opwaartse neiging gedurende die eerste kwartaal is op meer gematigde wyse deur aanwysers soos die volume van die fabrieksproduksie, die groot- en kleinhandelsverkope teen konstante pryse, die volume van invoere en werkloosheid onder Blankes, Kleurlinge en Asiërs, bevestig. Ekonomiese aanwysers van bou- en konstruksiebedrywigheid het nie enige ommekeer van die dalende neiging getoon nie, maar hul afwaartse beweging het geneig om af te plat. Indiensnemingsyfers is nog nie vir die eerste kwartaal beskikbaar nie maar 'n geringe verbetering in die totale werkverskaffing het teen die einde van verlede jaar voorgekom.

Geringe verbetering in die arbeidstoestand

Met dieselfde verloop as die reële ekonomiese bedrywigheid, het die indiensneming in die nie-landbousektore van die ekonomie gedurende die eerste kwartaal van 1977 afgeneem, gedurende die tweede en derde kwartale min of meer onveranderd gebly, en gedurende die vierde kwartaal effens gestyg. Die werkverskaffing in hierdie sektore was in 1977 gemiddeld 0,1 persent laer as in die voorafgaande jaar. Wat individuele sektore betref, het die indiensneming in die openbare sektor, plaaslike besture uitgesluit, in al vier kwartale van 1977 aangehou om te styg; die werkverskaffing deur plaaslike besture sowel as private fabriekswese het gedurende die eerste drie kwartale afgeneem maar gedurende die vierde kwartaal toegeneem; die werkverskaffing in die private konstruksiebedryf het in al vier kwartale afgeneem maar die koers van afname was merkbaar laer in die vierde kwartaal;

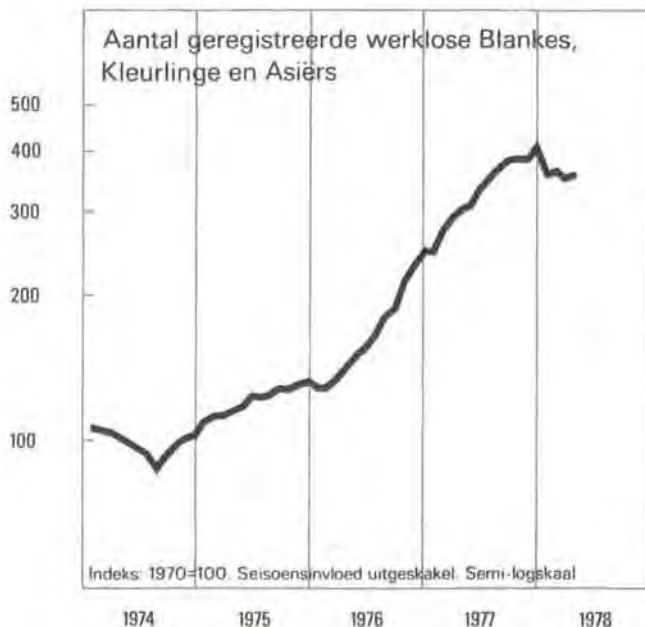
die indiensneming in die goudmynbou het gedurende die tweede helfte van 1977 gestyg, met veral 'n groot toename gedurende die laaste kwartaal; en die werkverskaffing in die nie-goudmynbou het gedurende die tweede helfte van verlede jaar afgeneem, waarby die koers van afname in werklikheid gedurende die vierde kwartaal gestyg het.

Ure gewerk deur produksiewerkers in fabriekswese en konstruksie, 1977

	1ste kw.	2de kw.	3de kw.	4de kw.	Jaar
Persentasieverandering in totale ure gewerk:					
Fabriekswese	3,1	-2,3	-1,2	-0,5	-1,4
Konstruksie	3,4	-3,9	-2,2	-4,3	-7,0
Oortydure as persentasie van gewone ure gewerk:					
Fabriekswese	10,7	10,1	10,2	10,5	10,4
Konstruksie	10,8	9,2	9,5	9,6	9,8

Die geringe verbetering in die totale werkverskaffing teen die einde van 1977 is bevestig deur 'n afname in werkloosheid onder sommige bevolkingsgroepe gedurende die eerste vier maande van 1978. Die geregistreerde aantal werklose Blankes, Kleurlinge en Asiërs, wat van 21 084 in Desember 1976 tot 34 641 in Desember 1977 gestyg het, het tot 30 229 in April afgeneem. Dit word geraam dat die werkloosheid onder

Werkloosheid



hierdie bevolkingsgroepe in die eerste kwartaal van 1978 gemiddeld sowat 1,5 persent van die betrokke arbeidsmag beloop het.

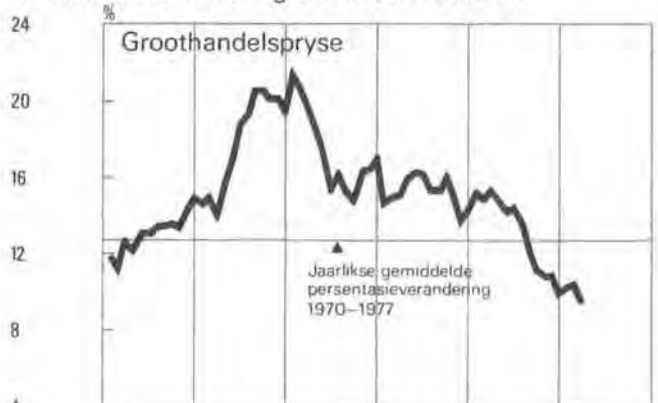
Die totale aantal ure deur produksiewerkers in die fabriekswese en konstruksie gewerk, het gedurende die laaste drie kwartale van 1977 afgeneem. In die geval van die fabriekswese het die koers van afname in die vierde kwartaal egter merkbaar afgeneem. Die gemiddelde aantal weeklikse oortydure gewerk deur produksiewerkers in die betrokke twee sektore het gedurende die laaste twee kwartale van 1977 matig toegeneem en dit is weerspieël in die verhouding van oortyd- tot gewone ure gewerk. In die vierde kwartaal was die aantal oortydure gewerk in die fabriekswese en konstruksie gemiddeld onderskeidelik 7 persent en 8 persent hoër as in die vierde kwartaal van 1976.

Tydlike versnelling in die koers van prysstygings

Nadat die koerse van stygings in die groothandels- en verbruikerspryse in die loop van 1977 betekenisvol gedaal het, het dit weer in die eerste kwartaal van 1978 versnel, hoofsaaklik as gevolg van verhogings van staatsgeadministreerde pryse en hoër pryse van voedsel en ingevoerde goedere. 'n Geringe verlang-

Pryse

Persentasieverandering oor twaalf maande



saming van albei koerse van toename het egter gedurende Maart voorgekom.

Op 'n kwartaalbasis het die seisoensaangesuiwerde jaarkoers van toename in die verbruikerspryse vanaf 9,8 persent in die vierde kwartaal van 1977 tot 10,2 persent in die eerste kwartaal van 1978 gestyg. Die styging in die eerste drie maande was hoofsaaklik die gevolg van hoër voedselpryse, veral van suiker, graan en graanprodukte. Indien die invloed van die voedselpryse op die verbruikersprysindeks uitgesluit word, het die afwaartse neiging in die koers van toename in die indeks wat gedurende 1977 waargeneem is, egter gedurende die eerste kwartaal van 1978 voortgeduur. Vergeleke met die ooreenstemmende maand van die voorafgaande jaar, het die verbruikerspryse in Januarie met 11,3 persent, in Februarie met 10,6 persent, in Maart met 9,9 persent, en in April met 9,7 persent toegeneem.

Die seisoensaangesuiwerde jaarkoers van toename in die groothandelspryse het van 6,5 persent in die vierde kwartaal van 1977 tot 13,8 persent in die eerste kwartaal van 1978 versnel. Dit was hoofsaaklik te wyte aan hoër koerse van toename in die pryse van steenkool en plaaslik vervaardigde basiese metale, metaalprodukte en voedsel, in elektrisiteitstariewe, en in die pryse van ingevoerde goedere. Die skerper styging in die pryse van ingevoerde goedere was gedeeltelik toe te skryf aan die daling in die wisselkoers van die rand, wat die depresiasie in ooreenstemming met die Amerikaanse dollar weerspieël het. Vergeleke met die ooreenstemmende maand van die voorafgaande jaar, het die groothandelsprysindeks in Januarie 1978 met 10,2 persent, in Februarie met 10,4 persent, in Maart met 9,5 persent en in April met 9,7 persent toegeneem.

Jaarlikse persentasieverandering in kwartaallike gemiddeldes van seisoensaangesuiwerde maandindeks
%

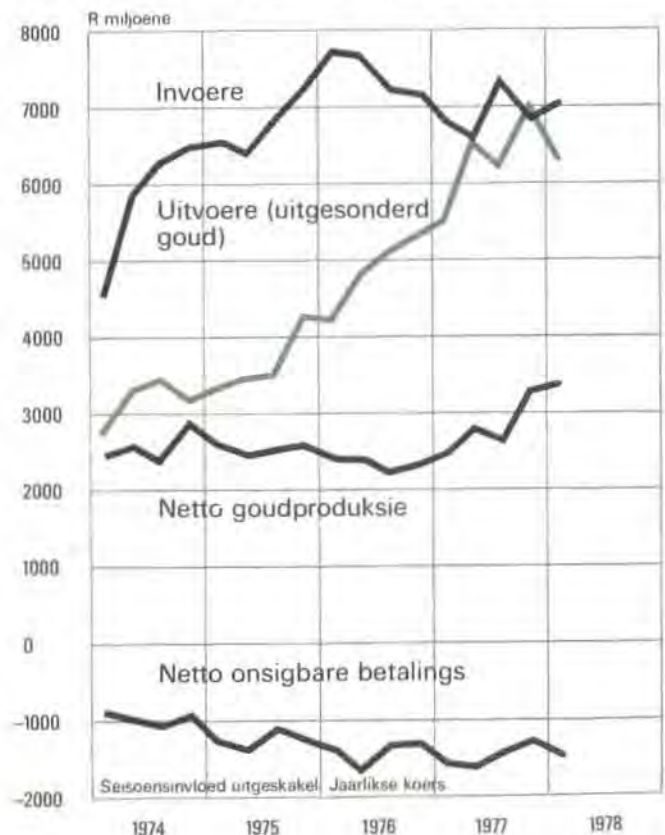
	4de kw. 1976 tot 1ste kw. 1977	1ste kw. 1977 tot 2de kw. 1977	2de kw. 1977 tot 3de kw. 1977	3de kw. 1977 tot 4de kw. 1977	4de kw. 1977 tot 1ste kw. 1978
Verbruikerspryse	13,0	11,2	11,2	9,8	10,2
Goedere	14,5	11,5	10,6	9,6	10,9
Dienste	9,8	10,2	12,4	10,3	7,9
Totaal, uitgesonderd voedsel	12,3	12,1	12,0	9,5	7,9
Groothandelspryse	16,0	13,1	6,9	6,5	13,8
S.A. goedere	18,0	12,3	6,1	7,3	14,1
Ingevoerde goedere	10,0	16,0	9,2	4,2	13,0

Betalingsbalans

Verdere oorskot op lopende rekening

Die lopende rekening van die betalingsbalans het in die eerste kwartaal van 1978 weer 'n oorskot getoon, die vierde opeenvolgende oorskot wat aangeteken is sedert die saldo op lopende rekening vroeg in 1977 positief geword het. Die oorskot van R503 miljoen in die eerste kwartaal was aansienlik groter as die ooreenstemmende syfer van R205 miljoen in die vierde kwartaal van verlede jaar, maar hierdie toename was te danke aan seisoensinvloede. Teen 'n seisoensaangesuiwerde jaarkoers het die oorskot van R2 192 miljoen in die laaste kwartaal van 1977 tot R1 193 miljoen in die eerste kwartaal van 1978 afgeneem. Hierdie afname verteenwoordig die gesamentlike uitwerking van 'n opmerkbare daling in goedere-uitvoere, 'n matige styging in goedere-invoere, 'n skerp toename in die netto onsigbare betalings aan die res van die wêreld, en 'n slegs gedeeltelik kompenserende styging in die netto goudproduksie.

Lopende rekening van die betalingsbalans



Teen 'n seisoensaangesuiwerde jaarkoers het die uitvoer van goedere in die eerste kwartaal van 1978 tot R6 319 miljoen afgeneem nadat dit gedurende 1977 aansienlik gestyg het om in die laaste kwartaal die hoë vlak van R7 034 miljoen te bereik. Hierdie afname het voorgekom ondanks die feit dat die pryse van die meeste van Suid-Afrika se belangrikste uitvoerprodukte 'n meer gunstige neiging op die internasionale kommoditeitsmarkte getoon het. Skerp stygings is byvoorbeeld aangeteken in die pryse van platina en mielies, terwyl die koers van afname in die pryse van koper en wol aanmerklik verminder het. Die laer vlak van uitvoere gedurende die eerste kwartaal was bykans uitsluitlik die gevolg van kleiner uitvoere van diamante en suiker. Die seisoensaangesuiwerde waarde van die uitvoer van diamante het aansienlik gedaal, gedeeltelik vanweë die instelling in Maart van 'n heffing van 40 persent op diamantverkope deur die Sentrale Verkoopsorganisasie. Die daling in die uitvoer van suiker kan toegeskryf word aan die nuwe Internasionale Suikerooreenkoms wat aan die begin van 1978 in werking getree het. Nadat die verkope gedurende 1977 in afwagting van die instelling van die nuwe ooreenkoms vervoeg is, het die volume van die suikeruitvoer gedurende die eerste drie maande van 1978 aansienlik afgeneem.

Die invoer van goedere, teen 'n seisoensaangesuiwerde jaarkoers, het matig gestyg van R6 818 miljoen in die vierde kwartaal van 1977 tot R7 037 miljoen in die eerste kwartaal van 1978, wat 'n weerspieëling van prys- sowel as volumetoenames was. Die koers van toename in die invoerpryse het in die eerste kwartaal opmerklik versnel vanweë hoër inflasiekoerse in die meeste handelsvennootlande en 'n depresiasie van die effektiewe wisselkoers van die rand. Die volume van die goedere-invoer het gedurende die afgelope vyf kwartale aansienlik geskommel en nadat dit in die vierde kwartaal van 1977 afgeneem het, het dit in die eerste kwartaal van 1978 weer toegeneem. Die toename in die waarde van die goedere-invoer het onder die meeste klasse van invoergoedere voorgekom, maar die grootste toenames is in invoere van masjinerie en elektriese toerusting, chemiese produkte, tekstiele en minerale aangeteken. In teenstelling hiermee, het die invoer van vervoertoerusting skerp afgeneem.

Die toename in dienstebetalings aan buitelanders het die styging in dienste-ontvangste oorskry, terwyl die netto onsigbare betalings aan die res van die wêreld, teen 'n seisoensaangesuiwerde jaarkoers, skerp toegeneem het van R1 298 miljoen in die laaste kwartaal van 1977 tot R1 465 miljoen in die eerste kwartaal van 1978. Die toename in dienstebetalings is meegebring deur 'n opmerkbare toename in betalings vir vervoerdienste en hoër dividendbetalings op buitelandse beleggings. 'n Toename in die waarde van skeepsvoorrade wat aan buitelandse skepe voorsien is en in verdienstes op beleggings in ander lande was

verantwoordelik vir die grootste deel van die styging in diens-ontvangste van buitelanders gedurende die eerste kwartaal.

Teen 'n seisoensaangesuiwerde jaarkoers het die netto goudproduksie verder toegeneem van die hoë vlak van R3 274 miljoen in die vierde kwartaal van 1977 tot R3 376 miljoen in die eerste kwartaal van 1978. Dit was hoofsaaklik die gevolg van 'n styging in die goudprys. Die gemiddelde prys van goud per fyn ons op die Londense mark het van \$160,48 in die vierde kwartaal van 1977 tot \$178,39 in die eerste kwartaal van 1978, dit wil sê met 11,2 persent gestyg. Die goudprys het op 8 Maart 'n hoogtepunt van \$190,00 per fyn ons bereik voordat dit tot 'n laagtepunt van \$167,65 op 25 April gedaal het. Vervolgens het die prys weer tot \$179,20 op 22 Mei 1978 verbeter.

Aansienlike netto uitvloeiing van kapitaal

'n Aansienlike netto uitvloeiing van kapitaal, wat R531 miljoen beloop het, is gedurende die eerste kwartaal van 1978 aangeteken, vergeleke met 'n uitvloeiing van R264 miljoen gedurende die voorafgaande kwartaal. Die uitvloeiing gedurende die eerste kwartaal het uit 'n netto uitvloeiing van kort- sowel as langtermynkapitaal bestaan. Die oorskot op die lopende rekening, nie seisoensaangesuiwerd nie, het egter in so 'n mate verbeter dat selfs indien die uitvloeiing van langtermynkapitaal in aanmerking geneem word, die basiese saldo van 'n oorskot van R263 miljoen in die vierde kwartaal van 1977 tot 'n oorskot van R392 miljoen in die eerste kwartaal van 1978 toegeneem het.

Die netto uitvloeiing van langtermynkapitaal gedurende die eerste kwartaal word gedeeltelik verklaar deur verdere terugbetalings op buitelandse lenings deur die sentrale regering. Hierdie terugbetalings is vergemaklik deur die verbetering van die lopende rekening van die betalingsbalans en die regering se suksesvolle leningsbedrywighede op die binnelandse kapitaalmarkt. Die ontstaan van 'n redelik groot netto uitvloeiing van langtermynkapitaal vanaf die private sektor was

Netto kapitaalbewegings

R miljoene

	1977 4de kw.	1978 1ste kw.
Langtermynkapitaal		
Sentrale regering en banksektor	-166	-92
Openbare korporasies en plaaslike owerhede	53	119
Private sektor	171	-138
Totaal	58	-111
Korttermynlaste verwant aan reserwes	-118	-78
Ander korttermynkapitaal, insluitende onaangetekende transaksies	-204	-342
Totale netto kapitaalbewegings	-264	-531

Betalingsbalans



hoofsaaklik te wyte aan 'n toename in buitelandse taksaldo's wat uit diamantverkope teen die einde van Maart voortgespruit het. Hierbenewens het die vlak van die binnelandse investering, wat nog steeds laag was, en die bestaan van oortollige produksiekapasiteit min aansporing vir 'n invloeiing van buitelandse kapitaal gebied en in plaas daarvan is daar netto terugbetalings op buitelandse langtermynlenings gemaak. In teenstelling met hierdie uitvloeiings van langtermynkapitaal, het die netto invloeiing van hierdie soort kapitaal na die openbare korporasies en plaaslike owerhede ge-

durende die eerste kwartaal skerp toegeneem. Soos in die voorafgaande kwartaal, is daar nuwe lenings vir die finansiering van Sasol se olie-uit-steenkool-projek en Evkom se kernkragentrale verkry. Openbare korporasies was egter ook netto buitelandse leners, hoofsaaklik vir die finansiering van ander infrastrukturele ontwikkelingsprojekte.

Wat die netto uitvloeiing van korttermynkapitaal betref, is daar deur die monetêre owerhede verdere terugbetalings gemaak op buitelandse korttermynlenings wat voorheen vir die ondersteuning van die vlak van die buitelandse reserwes opgeneem is. Die korttermynlaste verwant aan reserwes het gevolglik gedurende die eerste kwartaal verder afgeneem, wat die totale afname gedurende die afgelope vier kwartale op R354 miljoen te staan gebring het. Die netto uitvloeiing van korttermynkapitaal nie verwant aan reserwes nie, was vir die grootste deel van die totale kapitaaluitvloeiing gedurende die eerste kwartaal verantwoordelik. Hierdie uitvloeiing het waarskynlik nog steeds in verband gestaan met die politieke onsekerhede in Suidelike Afrika en 'n afname in buitelandse finansiering van buitelandse handelstransaksies. Gedurende die eerste kwartaal het die effektiewe koste van handelsfinansiering in V.S.A. dollars en sterling laer gebly as die ooreenstemmende koste van binnelandse finansiering. Gedurende April het 'n daling in die binnelandse korttermynrentekoerse en 'n gelyktydige styging in hierdie koerse in die Verenigde State van Amerika meegebring dat die marge tussen die effektiewe koste van handelsfinansiering in rand en in V.S.A. dollars verdwyn het. Nadat dit vroeg in April gedaal het, het die marge tussen die effektiewe koste van handelsfinansiering in rand en in sterling egter teen die einde van die maand na sy vorige vlak teruggekeer.

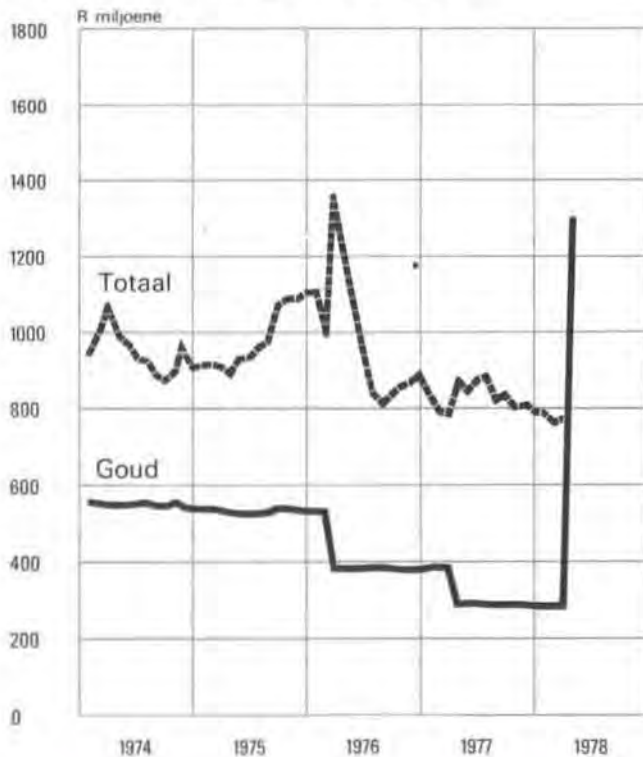
Goud- en ander buitelandse reserwes

Die oorskot op die lopende rekening en positiewe waardasie-aansuiwering is gedurende die eerste kwartaal van 1978 deur die netto uitvloeiing van kapitaal oorskry, met die gevolg dat die bruto goud- en ander buitelandse reserwes met R16 miljoen tot R772 miljoen aan die einde van Maart gedaal het. Die netto daling in die laste verwant aan reserwes het in die eerste kwartaal 'n styging van R50 miljoen in die netto goud- en ander buitelandse reserwes meegebring, vergeleke met 'n toename van R59 miljoen in die vorige kwartaal. Alhoewel die bruto goud- en ander buitelandse reserwes van die einde van September 1977 tot die einde van Maart 1978 met R64 miljoen gedaal het, het die netto goud- en ander buitelandse reserwes gedurende hierdie tydperk met R109 miljoen toegeneem.

Gedurende April het die goud- en ander buitelandse reserwes van die Reserwebank met R1 025 miljoen tot 'n vlak van R1 659 miljoen aan die einde van die maand toegeneem, hoofsaaklik as gevolg van die herwaardering van die goudreserwes in ooreen-

stemming met die aankondiging wat op 10 April 1978 deur die Minister van Finansies gedoen is. Voorheen is die Bank se goudreserwes teen die statutêre prys van R29,55 per fyn ons waardeer. Op 1 April 1978 het die gewysigde Akte van Ooreenkoms van die Internasionale Monetêre Fonds in werking getree, wat onder andere beteken dat die amptelike goudprys afgeskaf is en dat dit die monetêre owerhede van ledelande nou wetlik vrystaan om goud teen markverwante pryse te koop en te verkoop. In ooreenstemming met hierdie nuwe reëlings, sal die Reserwebank se goudreserwes voortaan aan die einde van elke kalendermaand waardeer word teen 'n prys wat gelyk staan aan 90 persent van die gemiddelde van die laaste tien Londense prysvastellings gedurende die maand. Die prys wat volgens hierdie formule vasgestel is, het aan die einde van April R132,28 per fyn ons beloop.

Goud- en ander buitelandse reserwes



Monetêre en banktoestand

Lae koers van toename in geld en kwasi-geld*

Die jaarkoers van toename in die geld- en kwasi-geldhoeveelheid, wat skerp van 23 persent gedurende die tweede kwartaal van 1977 tot slegs 2 persent gedurende die vierde kwartaal gedaal het, het gedurende die eerste kwartaal van 1978 op dieselfde lae vlak gebly. Aan die einde van Maart 1978 was die hoeveelheid geld en kwasi-geld slegs sowat een persent, d.w.s. R98 miljoen, hoër as aan die einde van September 1977.

Nadat dit gedurende die tweede helfte van 1977 teen 'n jaarkoers van 3 persent afgeneem het, het die eng-gedefinieerde geldhoeveelheid gedurende die eerste kwartaal van 1978 teen 'n jaarkoers van bykans 4 persent gestyg. Aan die einde van Maart 1978 was dit egter nog steeds effens laer as aan die einde van Junie 1977.

Oorsake van veranderings in geld en kwasi-geld

Die klein toename in die geld- en kwasi-geldvoorraad gedurende die eerste kwartaal van 1978 is veroorsaak deur matige stygings in die netto goud- en ander buitelandse reserwes van die monetêre banksektor en in hierdie sektor se eise teen die private sektor. Hierdie stygings is bykans geheel en al geneutraliseer deur 'n afname in die netto eise van die monetêre banksektor teen die regeringsektor en 'n verdere skerp styging in die langtermyndeposito's van die private sektor by monetêre bankinstellings.

Die netto eise teen die regeringsektor, wat gedurende die tweede helfte van 1977 per saldo geen toename getoon het nie, het gedurende die eerste kwartaal van 1978 effens met R65 miljoen afgeneem.

*Tensy anders aangedui, word veranderings in die geld- en kwasi-geldhoeveelheid en oorsake van sodanige veranderings uit seisoensaangesuiwerde gegewens bereken.

'n Aansienlike styging in die regeringsdeposito's was grotendeels vir hierdie daling verantwoordelik. Die eise van die monetêre banksektor teen die regeringsektor het oor die afgelope jaar nie gestyg nie en was aan die einde van Maart 1978 in werklikheid ongeveer 1 persent laer as aan die einde van Maart 1977.

Die netto goud- en ander buitelandse reserwes van die monetêre banksektor, wat gedurende die laaste drie kwartale van 1977 gestyg het, het in die eerste kwartaal van 1978 verder met R57 miljoen toegeneem. Die langtermyndeposito's van die private sektor by die banksektor, wat sedert die derde kwartaal van 1976 toegeneem het, het gedurende die eerste kwartaal van 1978 aangehou om te styg. Hierdie styging het ongeveer 7 persent of R186 miljoen beloop, wat die totale toename vanaf die lae peil wat aan die einde van Julie 1976 bereik is, op R782 miljoen te staan gebring het.

Toename in bankkrediet aan die private sektor

Die eise van die monetêre banksektor teen die private sektor, wat gedurende die tydperk vanaf April tot Julie 1977 opmerklik toegeneem het, het gedurende die res van die jaar aansienlik geskommel en gedurende die laaste vyf maande van 1977 per saldo 'n klein afname getoon. Die skommelings het in die eerste drie maande van 1978 voortgeduur en vir die eerste kwartaal in sy geheel het die eise van die monetêre banke teen die private sektor met R204 miljoen gestyg, wat 'n jaarkoers van toename van bykans 9 persent verteenwoordig het. Dit het die koers van 6 persent vir die jaar 1977 oorskry en was blykbaar die gevolg van 'n betreklik algemene toename in die private sektor se vraag na bankkrediet. Voorlopige gegewens ten opsigte van die diskonteringe en voorskotte van die vyf grootste bankinstellings en hulle filiale dui egter daarop dat hierdie toename in bankkrediet moontlik nie in April voortgesit is nie.

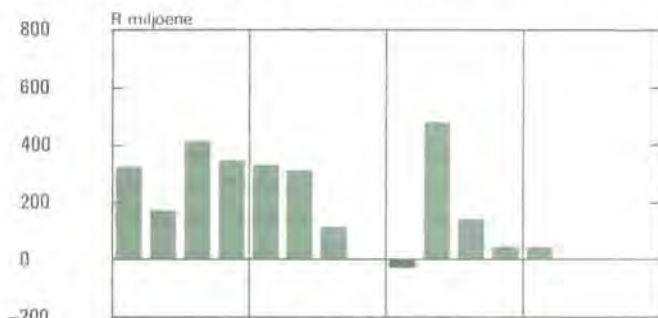
'n Ontleding van die eise teen die private sektor, voor uitskakeling van die seisoensinvloed, toon dat die

Oorsake van veranderings in geld en kwasi-geld

R miljoene

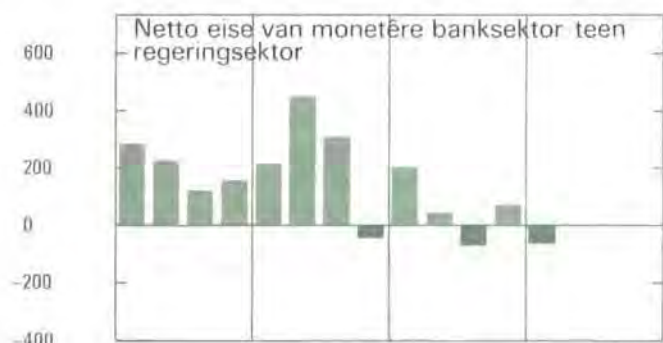
	Seisoensinvloed nie uitgeskakel nie			Seisoensinvloed uitgeskakel		
	1977		1978	1977		1978
	3de kw.	4de kw.	1ste kw.	3de kw.	4de kw.	1ste kw.
Netto goud- en ander buitelandse reserwes	-6	80	45	20	63	57
Eise teen die regeringsektor						
Bruto eise	348	77	-47			
Regeringsdeposito's (toename -, afname +)	-732	41	-306			
Netto eise	-384	118	-353	-71	71	-65
Eise teen die private sektor	322	-51	215	247	-60	204
Langtermyndeposito's (toename -, afname +)	-12	-196	-128	-61	-187	-186
Netto ander bates	134	207	82			
Totale oorsake van veranderings	54	158	-139	140	50	48

Veranderings in geld en kwasi-geld



Oorsake van veranderings in geld en kwasi-geld

Veranderings in:



diskonteringe, lenings en voorskotte van die handelsbanke, aksepbanke en monetêre huurkoop- en algemene banke gedurende die eerste kwartaal van 1978 met R269 miljoen gestyg het, waarvan die toename gedurende Maart alleen R99 miljoen bedra het. Dit kan vergelyk word met 'n daling van R157 miljoen gedurende die vierde kwartaal van 1977 en 'n styging van slegs R117 miljoen gedurende 1977 in sy geheel. Alhoewel huurkoopkrediet gedurende die eerste kwartaal van 1978 baie min verandering getoon het, het bruikhuurfinansiering met R59 miljoen toegeneem. Hierteenoor het wissels verdiskonteer deur monetêre bankinstellings en die kaskredietvoorskotte van die Landbank met onderskeidelik R119 miljoen en R99 miljoen gedaal.

As gevolg van die betreklik groot toename in die banke se kredietverlening aan die private sektor, het die bedrag van die onbenutte fasiliteite onder die plafonne op die krediet aan die private sektor gedurende die eerste kwartaal van 1978 met R116 miljoen gedaal. In die geval van sekere bankgroepe het die oorblywende fasiliteite onder die plafonne aan die einde van Maart betreklik min ruimte vir verdere kredietuitbreiding oorgelaat.

Ten einde meer ruimte vir kredietuitbreiding te voorsien, is die kredietplafonne met ingang 1 Mei met 'n bykomende 4 persent van die basissyfers soos op 31 Desember 1975 verhoog. Hierbenewens is die totale bedrag van die kredietverlening aan die private sektor, soos vir doeleindes van die kredietplafonne omskryf, wat 'n bankinstelling nie mag oorskry sonder om aan die plafonvereistes onderhewig te word nie, van R10 miljoen tot R15 miljoen verhoog. Die reëling waarvolgens die plafonne elke maand met $\frac{1}{2}$ persent van die basissyfers verhoog word, bly van toepassing.

Seisoenale daling in banklikwiditeit

Die oorskotlikwiditeit van bankinstellings, wat aan die einde van Desember 1977 betreklik aansienlik was, het gedurende die eerste drie maande van 1978 'n grotendeels seisoenale afname getoon. Die oorskotlikwiditeitsverhouding ten opsigte van alle banke het van 3,3 persent aan die einde van Desember tot 1,0 persent aan die einde van Februarie gedaal voordat dit weer effens tot 1,2 persent aan die einde van Maart gestyg het. Hierdie ontwikkelings was hoofsaaklik 'n weer-

Oorskotlikwiditeitsverhoudings van bankinstellings

	1977				1978			
	Des.	Jan.	Feb.	Mrt.	Des.	Jan.	Feb.	Mrt.
Handelsbanke	4,7	1,8	1,3	1,3				
Ander monetêre banke	0,9	0,7	0,7	1,3				
Ander banke	-1,1	-0,8	-1,3	-1,3				
Alle banke	3,3	1,3	1,0	1,2				

spieëling van die seisoenale beweging van fondse na die regering sowel as van die taamlik groot toename in die banke se kredietverlening gedurende die eerste kwartaal. In die geval van die handelsbanke was die daling in die oorskotlikwiditeit selfs nog meer opmerklik, naamlik van 4,7 persent aan die einde van Desember tot 1,3 persent aan die einde van sowel Februarie as Maart.

Geldmark

Die toestand op die geldmark was in die begin van 1978 betreklik ruim maar het dwarsdeur Januarie en Februarie progressief vernou, waardeur die mark oor die maandeinde van Februarie en gedurende die eerste week van Maart sy stramste toestande ondervind het. Daarná het die mark gedurende die res van Maart slegs effens, maar gedurende April en die eerste twee weke van Mei betekenisvol, verruim. Dwarsdeur die eerste paar maande van die jaar was die belangrikste oorsaak van verandering in die geldmarktoestand die vloeï van fondse na en van die regering, waarby belastingontvangste grotendeels vir die vernouing gedurende Januarie en Februarie verantwoordelik was terwyl owerheidsbesteding die vinnige verruiming gedurende April meegebring het.

Die daggeldlenings aan die diskontohuise het oor die maandeinde van Februarie hul laagste peil van die jaar bereik en op 3 Maart R607 miljoen beloop. Nadat dit gedurende Maart matig toegeneem het, het hierdie lenings dwarsdeur April en die eerste deel van Mei vinnig gestyg en op 12 Mei 'n bedrag van ongeveer R866 miljoen bereik. Die netto vrye saldo's van monetêre bankinstellings by die Reserwebank en die Nasionale Finansiële Korporasie het insgelyks oor die Februarie-maandeinde en in die begin van Maart seisoenaal lae vlakke getoon. Nadat dit gedurende die res van Maart min verandering getoon het, het die monetêre banke se netto vrye saldo's by die Reserwebank en die Nasionale Finansiële Korporasie vanaf die einde van Maart tot 12 Mei egter met R255 miljoen gestyg. Die akkommodasie van die Reserwebank aan die diskontohuise, wat aan die einde van Februarie meer as R200 miljoen bedra het, het tot ongeveer R93 miljoen aan die einde van Maart en tot nul op 12 Mei gedaal.

Die korttermynrentekoerse het hierdie veranderings in die beskikbaarheid van fondse in die geldmark weerspieël. Nadat dit gedurende die eerste paar dae van Maart 'n hoogtepunt bereik het, het dit gedurende die res van die maand effens en gedurende April en die eerste deel van Mei meer opmerklik gedaal. Die koers op verhandelbare depositosertifikate van drie maande het byvoorbeeld van 9,75 persent op 3 Maart tot 9,5 persent op 31 Maart gedaal voordat dit gestadig tot 8,55 persent op 12 Mei afgeneem het. Die koers op bankakseptate van drie maande het op soortgelyke wyse van 9,5 persent tot 9,4 persent gedurende Maart en

Geldmarkrentekoerse



vervolgens tot 8,6 persent op 12 Mei gedaal. Die daggeldkoers van die diskontohuise het van 8,5 persent op 31 Maart tot 7,8 persent op 12 Mei afgeneem. Die Skatkisswissel-tenderkoers het gedurende Maart effens van 7,97 persent tot 8,00 persent verstewig, maar op die tweede Vrydag in Mei weer tot 7,98 persent gedaal.

Gedurende die eerste vier maande van 1978 het die Reserwebank voortgegaan om oorskotlikwiditeit te absorbeer deur die verkoop van kort-, middel- en langtermynstaatseffekte in die opmerk aan bankinstellings, die diskontohuise en institusionele beleggers. Die Bank se totale verkope van hierdie effekte het gedurende hierdie tydperk effens meer as R85 miljoen beloop.

Staatsfinansies

Toename in skatkisuitreikings gedurende laaste kwartaal van fiskale jaar

Ná die kleiner as begrote toename in die skatkisuitreikings gedurende die eerste nege maande van die fiskale jaar 1977/78, was die uitreikings gedurende die laaste kwartaal van die fiskale jaar, dit wil sê die tydperk Januarie tot Maart 1978, nie minder nie as 34 persent hoër as gedurende die laaste kwartaal van die fiskale jaar 1976/77. Die skatkisontvangste (uitgesonderd lenings), wat teen die einde van 1977 'n vinniger koers van toename begin toon het, was in die laaste kwartaal van die fiskale jaar 1977/78 20 persent hoër as in die ooreenstemmende tydperk van die voorafgaande fiskale jaar. Hierdie toename, wat aansienlik groter was as die toename van 12 persent gedurende die eerste nege maande van die fiskale jaar, was die gevolg van verhoogde invorderings van doeane-, aksyns- en verkoopreg en van inkomstebelasting- en ander betalings deur goudmynmaatskappye.

Die hoë vlak van die uitreikings gedurende die betrokke tydperk van drie maande het 'n skatkistekort van R378 miljoen tot gevolg gehad. Hierdie inkomstetekort is egter meer as ten volle deur binnelandse nie-banklenings van R391 miljoen gedek. Aangesien die Tesourie ook buitelandse lenings ten bedrae van R119 miljoen terugbetaal het, het sy netto skuldposisie teenoor die monetêre banksektor met R106 miljoen toegeneem, hoofsaaklik as gevolg van 'n afname in die kontantsaldo op die Skatkisrekening.

Die fiskale jaar 1977/78

Gedurende die fiskale jaar wat op 31 Maart 1978 geëindig het, het die skatkisuitreikings R9 268 miljoen bedra, of 11,3 persent meer as in 1976/77. Alhoewel hoër as die oorspronklike Begrotingsraming, was hierdie persentasietoename aansienlik laer as die 17 persent wat in 1976/77 aangeteken is en was dit 'n weerspieëling van die beleid van finansiële beperking wat in die Begroting van 1977/78 aanvaar is. Die inkomste-invorderings het gedurende die fiskale jaar R7 370 miljoen bedra, of 16 persent meer as in 1976/77, maar het nie aan die Begrotingsverwagtings voldoen nie. Die laer as verwagte invordering van inkomste het in feitlik alle inkomsteposte na vore gekom, maar veral in doeane-regte, wat nadelig deur die afname in die invoer geraak is, en in inkomstebelasting-ontvangste. Veral die inkomstebelasting- en huurkontrakbetalings deur goudmynmaatskappye het heelwat laer as die Begrotingsramings gebly, ten spyte van die aansienlike styging daarin gedurende die laaste kwartaal van die fiskale jaar toe die invloed van die vroeëre skerp styging in die goudprys op die mynbou-winsgewendheid duidelik begin word het.

Die tekort op die Skatkisrekening gedurende die fiskale jaar onder beskouing het R2 013 miljoen bedra, of R41 miljoen meer as in 1976/77. Die suksesvolle plasing van binnelandse lenings het die Tesourie in staat gestel om die grootste deel van hierdie tekort uit nie-bankbronne te finansier en om terselfdertyd 'n aansienlike deel van sy buitelandse skuld af te los. Terugbetalings van buitelandse lenings het R157 miljoen bedra, teenoor 'n toename van R356 miljoen (met insluiting van trekkings by die Internasionale Monetêre Fonds) in buitelandse skuld gedurende

Inkomste-invorderings – Staatsinkomstefonds

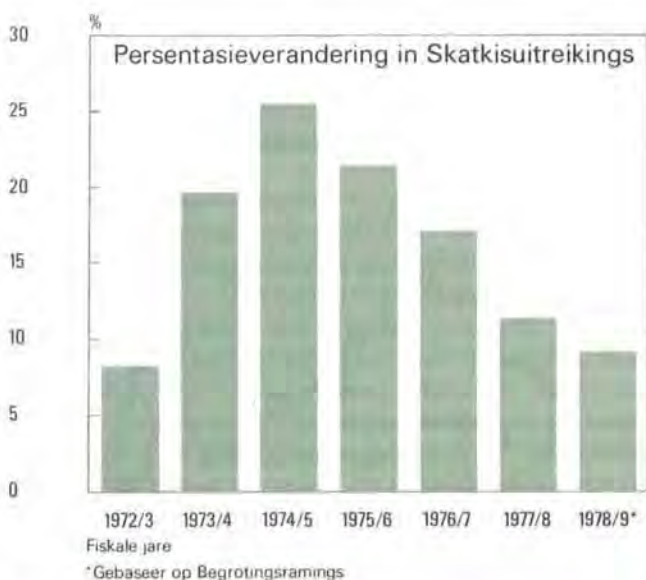
R miljoene

	Jan.–Maart		Fiskale jare geëindig 31 Maart		
	1977	1978	1977	1978	
				Begrotingsramings	Werklik
Doeane-, aksyns- en verkoopreg¹					
Doeanereg	73	170	324	741	673
Aksynsreg	219	247	834	894	883
Verkoopreg	66	95	273	337	337
Totaal	358	512	1 432	1 972	1 892
Binnelandse inkomste					
Inkomstebelasting (uitgesonderd betalings deur goudmyne)	1 075	1 179	3 395	3 822	3 732
Betalings deur goudmyne ²	98	173	408	560	445
Ander	363	415	1 145	1 195	1 299
Totaal	1 536	1 767	4 948	5 577	5 477
Totale inkomste-invorderings	1 895	2 280	6 379	7 548	7 370

1 Insluitende invorderings ten opsigte van betalings aan aangrensende gebiede kragtens doeane-ooreenkomste

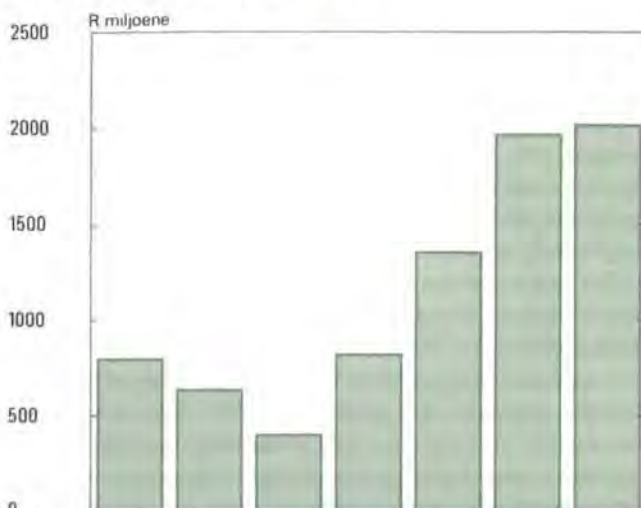
2 Bestaande uit inkomstebelasting- en goudmynhuurkontrakbetalings

Skatkisrekening

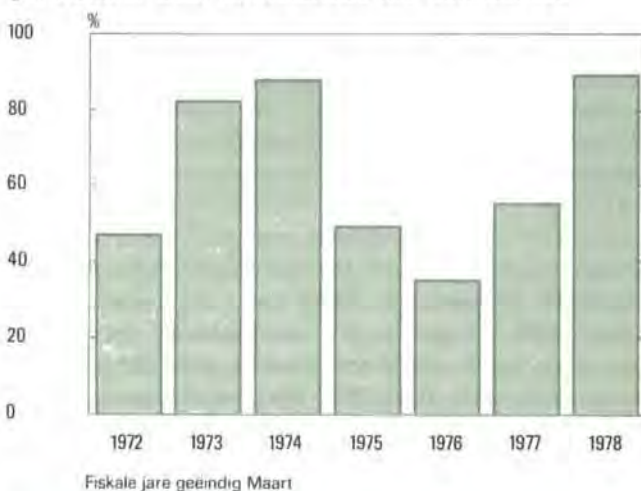


1976/77 Lenings wat van die private nie-banksektor verkry is, het R1 222 miljoen bedra, selfs nadat die terugbetaling van R232 miljoen ten opsigte van invoer-deposito's in ag geneem is, en het die ooreenstemmende syfer vir 1976/77 met R324 miljoen oorskry. Die fondse wat van die private nie-banksektor opgeneem is, is hoofsaaklik deur middel van effekte-uitgifte verkry. Die netto nuwe uitgifte van bemerkbare effekte het R866 miljoen bedra en is goed ondersteun deur die finansiële instellings, wat aan hoër voorgeskrewe beleggingsvereistes moes voldoen op 'n tydstip toe slegs beperkte alternatiewe beleggingsmoontlikhede in die private sektor beskikbaar was. Die Staatskuldkommissarisse se netto belegging in staatskuldbewyse het van R185 miljoen in 1976/77 tot R573 miljoen in 1977/78 toegeneem en sou selfs nog hoër gewees het as hulle nie aan die einde van die fiskale jaar 'n bedrag van R375 miljoen by die Nasionale Finansiële korporasie en die diskontohuise belê het nie. Die Tesourie se netto skuldposisie teenoor die

Tekort op Skatkisrekening



Persentasie van Skatkisrekeningtekort gefinansier deur binnelandse nie-banksektor



monetêre banksektor het gedurende 1977/78 met R374 miljoen gestyg, of met R158 miljoen minder as gedurende die voorafgaande fiskale jaar. Hierdie sektor se belegging in staatskuldbewyse het met R446 miljoen gestyg, maar die skatkissaldo het terselfdertyd met R71 miljoen toegeneem.

Die Begroting vir 1978/79

Die korttermyn beleidstrategie soos vervat in die Begroting van die sentrale regering, wat op 29 Maart 1978 deur die Minister van Finansies aan die Parlement voorgelê is, behels die aanmoediging van ekonomiese groei binne 'n raamwerk van finansiële dissipline. Hierdie benadering is aanvaar in die lig van die sukses wat gedurende die afgelope jaar behaal is met die verbetering van die betalingsbalans. Die Minister het die mening uitgespreek dat alles nie alleen gereed is vir 'n nuwe opswaai in die konjunkturgolf nie, maar dat belangrike ekspansionistiese invloede ook

reeds in die ekonomie aan die werk is. Die noodsaaklikheid van 'n klemverskuiwing in die ekonomiese beleid is alreeds in Augustus 1977 deur die Minister aangedui en stappe in hierdie rigting is gedoen, met name in November verlede jaar, deur die instelling van matig stimulerende maatreëls. Ten einde verdere stukrag aan hierdie klemverskuiwing te verleen, het die Begroting beoog om daardie beperkings op ekonomiese uitbreiding wat nie meer die doel dien om óf die betalingsbalans te verbeter óf die inflasiekoers te verminder nie, uit die weg te ruim.

Ten opsigte van die uitgawes is die beleid van finansiële beperking wat in 1977/78 aanvaar is, in breë trekke voortgesit. Bepaalde uitgaweposte is egter geag om spesiale aandag te verdien. Aansienlike verhogings van die uitgawes is derhalwe deur die Minister aangekondig ten opsigte van uitvoerbevordering, behuising, openbare werke en die nuwe olie-uit-steenkool-projek, terwyl pensioen- en maatskaplike voordele aanmerklik verhoog is. Die totale uitgawes vir 1978/79 sal na verwagting met effens meer as 9 persent toeneem, of met omtrent 2 persentasiepunte minder as in 1977/78. Die hoofrede vir hierdie betreklik lae koers van toename is die werklike vermindering van bykans 6 persent in die begrotingspos Verdediging. Met uitsluiting van verdediging, sal die uitgawes volgens verwagting met bykans 13 persent toeneem, vergeleke met 9 persent in 1977/78.

Soos in die Begrotingsrede van 1977/78 in die vooruitsig gestel is, het die Minister die instelling van 'n algemene verkoopbelasting op kleinhandelsvlak vanaf 3 Julie 1978 voorgestel. Dit word verwag dat hierdie belasting, wat teen 'n koers van 4 persent hef sal word, gedurende 1978/79 R650 miljoen sal oplewer. Die bestaande verkoopsreg word voorlopig behou maar is met 5 persentasiepunte *ad valorem* verminder. Die Minister het in beginsel die voorstel van die Staande Belastingkommissie aanvaar om die bestaande verkoopsreg op sekere uitgesoekte minder noodsaaklike goedere, wat aan relatief hoë regte onderhewig is, in *ad valorem* aksynsregte te omskep. Dit is die bedoeling om hierdie verandering later in die fiskale jaar deur te voer. Weens die behoefte aan bykomende inkomste, is die tydelike toeslag van 15 persent op invoere, wat in Maart 1977 opgelê is, nie afgeskaf nie maar tot 12,5 persent verlaag. Die Minister het egter sy voorneme te kenne gegee om die toeslag verder te verminder, en dit moontlik uit te faseer soos en wanneer fiskale omstandighede dit toelaat. Hy het ook geraam dat die instelling van die algemene verkoopbelasting en die verlaging van die verkoopreg en die bo-belasting op invoere netto ontvangste van R395 miljoen gedurende 1978/79 tot gevolg sal hê. Ten einde die regressiewe aard van die nuwe belasting te verminder, het die Minister 'n bedrag van R20 miljoen vir die stabilisering van die pryse van basiese voedselsoorte beskikbaar gestel en ook die vaste belasting wat op volwasse Swartmans hef word, afgeskaf.

Die 1978/79-Begroting

	R miljoene	Per- sentasie ver- andering
Uitgawes	9 811	9,1
Inkomste	7 668	8,8
Tekort (uitgesonderd lenings)	2 143	10,4
Terugbetaling van skuld:		
Binnelands	1 522	
Buitelands	232	
Totale leningsbehoefte	3 897	
Finansiering:		
Binnelandse lenings:		
Staatskuldkommissaris	650	
Omsetting van effekte	1 230	
Nuwe effekte-uitgifte	750	
Nie-bemerkbare skuld	795	
Buitelandse lenings	75	
Aanwending van beskikbare kontantsaldo's	397	
Totale finansiering	3 897	

In ooreenstemming met die algemene oogmerk van die Begroting, is verskeie ander toegewings gemaak, waarvan die belangrikste bestaan uit die vermindering met 2½ persentasiepunte van die toeslag op die normale belasting wat deur alle maatskappye betaalbaar is en die afskaffing van die toeslag van 10 persent wat deur individue betaal word. Die verlies aan inkomste uit hoofde van hierdie toegewings word vir die fiskale jaar 1978/79 op onderskeidelik R48 miljoen en R132 miljoen geraam. Die verpligte leningsheffing wat deur maatskappye en individue betaal word, is teen die bestaande koerse gehandhaaf, maar ten einde die kontantvloeioposisie van belastingbetalers te verbeter, het die Minister voorgestel dat die terugbetaling van die leningsheffing van 1972, wat in Februarie 1979 betaalbaar is, na Julie vanjaar vervoeg word.

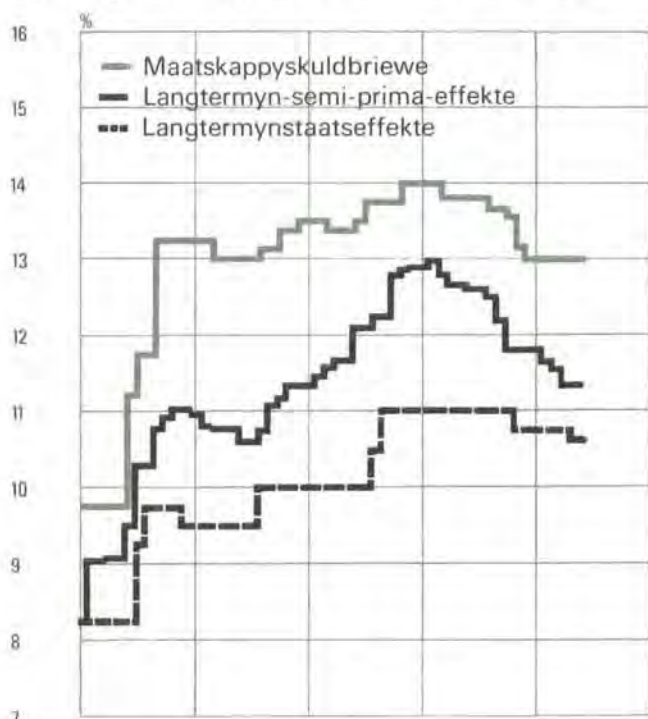
Soos in die bygaande tabel getoon word, word geraam dat die totale uitgawes met 9,1 persent en die inkomste met 8,8 persent bo die vlak van 1977/78 sal toeneem. Die tekort, uitgesonderd lenings, word geraam op R2 143 miljoen, of R200 miljoen (10,4 persent) hoër as die geraamde tekort vir 1977/78. Indien leningsdelgings ten bedrae van R1 754 miljoen in berekening gebring word, word die totale leningsbehoefte van die regering op R3 897 miljoen geraam. Die Minister verwag dat R3 425 miljoen of ongeveer 88 persent van hierdie bedrag deur binnelandse lenings gefinansier sal word, terwyl beskikbare kontantsaldo's tot die bedrag van R397 miljoen aangewend sal word. Nuwe lenings in die buiteland word op slegs R75 miljoen geraam, en dit word voorsien dat die regering se skuldoposisie teenoor die buitelandse sektor gedurende die fiskale jaar 1978/79 met R157 miljoen sal verminder.

Kapitaalmark

Verdere verruiming van die mark vir vaste-rentedraende effekte

Die verruiming van die mark vir vaste-rentedraende effekte wat gedurende die laaste drie kwartale van 1977 ondervind is, het in die eerste vyf maande van 1978 voortgeduur. Dit is weerspieël in die verdere daling van die opbrengskoerse op effekte en in die oorvoltekening van nuwe uitgiftes. Die opbrengskoerse op nuwe langtermynuitgiftes van die hoogste graad semi-prima-effekte het byvoorbeeld vanaf 11,80 persent aan die einde van 1977 tot 11,34 persent in

Opbrengskoerse op vaste-rentedraende effekte



Opbrengskoersmarge tussen langtermyn-semi-prima- en prima-effekte



April 1978 gedaal. Die opbrengskoerse op semi-prima-effekte in die sekondêre mark het gedurende hierdie tydperk selfs nog sterker gedaal. Die opbrengskoerse op 'n nuwe uitgifte van langtermynstaatseffekte in Februarie het onveranderd gebly op 10,75 persent, maar die opbrengskoerse op 'n nuwe uitgifte in Mei is tot 10,625 persent verlaag. Geen uitgiftes van maatskappyskuldbriewe is gedurende die eerste vyf maande van 1978 gedoen nie, maar die opbrengskoerse op hierdie soort effekte in die sekondêre mark het 'n daling van dieselfde orde as dié op semi-prima-effekte getoon. Die marge tussen die opbrengskoerse op langtermynsemi-prima- en -prima-effekte het van 1,05 persent aan die einde van 1977 tot 0,71 persent in Mei vernou. Hierdie marge was aansienlik kleiner as die gemiddelde van 1,20 persent gedurende die voorafgaande vyf jaar

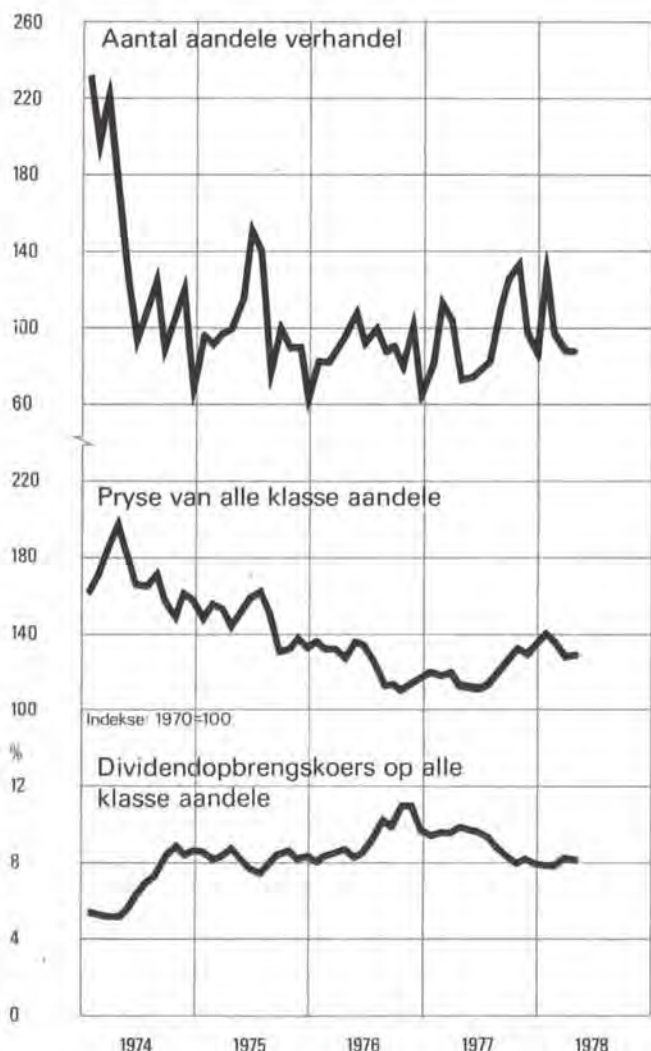
Feitlik alle nuwe uitgiftes van semi-prima-effekte gedurende die tydperk Januarie tot April 1978 is oorvolteken. Nuwe effekte-uitgiftes ten bedrae van R157 miljoen, met uitsluiting van korttermynobligasies van die Landbank, is gedurende hierdie tydperk vir intekening aangebied, maar aansoeke van meer as R235 miljoen is ontvang. Sommige uitgiftes wat vir hierdie tydperk beplan is, is uitgestel in afwagting van 'n nog verdere daling in die leenkoerse.

Onderbreking van die opwaartse neiging van aandelepryse

Die opwaartse neiging van die aandelepryse gedurende die tweede helfte van 1977 en Januarie 1978 is gedurende Februarie en Maart tydelik onderbreek, maar gedurende April weer voortgesit. Slegs die pryse van goudmynaandele het gedurende April 'n verdere daling getoon, hoofsaaklik as gevolg van 'n daling in die goudprys. Die belangrikste redes vir die gedrag van die aandelepryse was aanvanklik 'n toenemende besorgdheid dat die herstel van die ekonomiese bedrywigheid langer sou neem om verwesenlik te word as wat vroeër verwag is, en 'n sienswyse voor die Begroting dat die noodsaaklikheid om 'n oorskot op die lopende rekening van die betalingsbalans te handhaaf en die inflasiekoerse te verlaag 'n algemene stimulering van die ekonomie sou uitsluit. Daarná het die stemming op die beurs verbeter vanweë die beleid van matige algemene stimulering van die ekonomie wat in die Begroting aanvaar is en die verskyning van tekens van ekonomiese herstel

Die pryse van goudmynaandele het gedurende die tydperk Februarie tot April met 16 persent gedaal; die pryse van steenkoolmynaandele het gedurende Februarie en Maart met 16 persent gedaal voordat dit gedurende April met 8 persent gestyg het; en die pryse van ander metaal- en mineraalaandele het gedurende Februarie en Maart met 6 persent gedaal en gedurende April onveranderd gebly. Die pryse van finansiële en nywerheids- en handelsaandele, wat gedurende Februarie en Maart gelyke dalings van 8

Effektebeurs



persent getoon het, het gedurende April weer met onderskeidelik 3 persent en 4 persent gestyg. Die omvattende aandeleprysindeks, wat alle klasse aandele wat op die effektebeurs genoteer word insluit, het gedurende sowel Februarie as Maart met 9 persent gedaal en gedurende April slegs marginaal met 1 persent gestyg vanweë die verdere daling in die pryse van goudmynaandele. Die beweging van die aandelepryse gedurende die tydperk Februarie tot April het 'n noue verband met die omset op die effektebeurs getoon. Die omset gedurende Februarie en Maart was gemiddeld 30 persent laer as in Januarie en gedurende April het die omset op ongeveer dieselfde vlak as in Maart gebly.

Die gemiddelde dividendopbrengskoers op alle klasse aandele het van 7,84 persent in Januarie tot 8,13 persent in Maart gestyg, voordat dit in April tot 8,00 persent gedaal het. Die omgekeerde rendementsgaping tussen langtermynstaatseffekte en gewone aandele het marginaal van 2,91 persent in Januarie tot 2,75 persent in April vernou.

Verdere opmerklike toename in die beweging van langertermynfondse na depositonemende instellings en verwante spaarfasiliteite

Die beweging van langertermynfondse na depositonemende en verwante instellings en staatspaarfasiliteite, wat gedurende die vierde kwartaal van 1977 aansienlik gestyg het, het gedurende die eerste kwartaal van 1978 'n verdere styging getoon. Ná seisoensaansuiwering was hierdie beweging van fondse gedurende die eerste kwartaal van 1978 16 persent hoër as gedurende die voorafgaande kwartaal en 38 persent hoër as die kwartaallikse gemiddelde vir 1977.

Soos gedurende die voorafgaande kwartaal, was bankinstellings gedurende die eerste kwartaal die grootste ontvangers van langertermynfondse en hul relatiewe aandeel in die invloeiing van nuwe fondse was merkbaar groter as in die vierde kwartaal van verlede jaar. Die invloeiing van fondse na bouvereni-

Seisoensaangesuiwerde beweging van langertermynfondse na depositonemende en verwante instellings

R miljoene

	1977				1978	
	Eerste kwartaal	Tweede kwartaal	Derde kwartaal	Vierde kwartaal	Kwartaallikse gemiddeld	Eerste kwartaal
Bouverenigings	134	150	151	149	146	166
Bankinstellings	200	141	99	221	165	306
Deelnemingsverbandskemas	-7	10	7	4	4	-9
Posspaarbank en Nasionale Spaarsertifikate	57	59	51	45	53	53
Ander staatspaarfasiliteite	1	8	47	54	27	27
Totaal	385	368	355	473	395	543

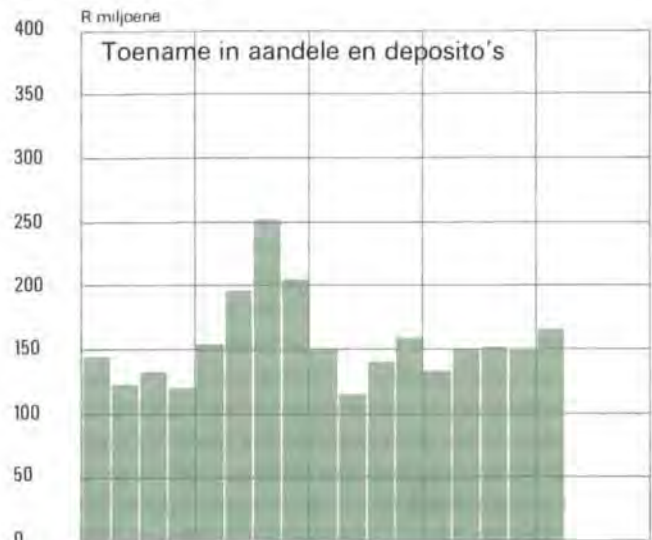
gings het ook gedurende die eerste kwartaal gestyg, maar hul relatiewe aandeel in die groter totale invloeding het ongeveer dieselfde as in die vorige kwartaal gebly. Die netto belegging in Tesourie-obligasies, wat gedurende die derde en vierde kwartale van 1977 ná die invoering van 'n nuwe reeks obligasies aansienlik toegeneem het, het gedurende die eerste kwartaal afgeneem. Die netto belegging in die Posspaarbanc en Nasionale Spaarsertifikate is gedurende die eerste kwartaal op dieselfde vlak as die kwartaallikse gemiddelde vir 1977 gehandhaaf. Ná die klein kwartaallikse netto invloedings van fondse na deelnemingsverband-skemas gedurende die laaste drie kwartale van 1977, het die deelnemingsverband-skemas gedurende die eerste kwartaal van 1978 'n netto uitvloeiing van fondse ondervind.

Toename in verbandlenings, maar verdere afname in transaksies in vaste eiendom

Nadat dit gedurende die eerste drie kwartale van 1977 gedaal het, het die voorsiening van verbandlenings deur bouverenigings gedurende die vierde kwartaal toegeneem en hierdie stygende neiging in nuwe verbandlenings toegestaan is gedurende die eerste kwartaal van 1978 gehandhaaf. Nuwe verbandlenings toegestaan deur die bouverenigings het gedurende hierdie kwartaal, ná seisoensaansuiwering, R257 miljoen bedra, vergeleke met R236 miljoen gedurende die voorafgaande kwartaal en 'n kwartaallikse gemiddelde van R231 miljoen vir 1977. Die toestaan van verbandlenings deur die bouverenigings is nie slegs deur die beskikbaarheid van fondse en die vraag na huislenings beïnvloed nie, maar ook deur hul verpligting om te voldoen aan die nuwe wetlike beleggingsvereistes wat in die Begroting vir 1977/78 ingestel is. Die verenigings se totale voorgeskrewe beleggings het gedurende die laaste nege maande van 1977 met R122 miljoen en gedurende die eerste kwartaal van 1978 met 'n verdere R34 miljoen toegeneem.

Die vaste eiendomsafdeling van die kapitaalmarkt het gedurende die eerste twee maande van 1978 terneergedruk gebly. Die waarde van transaksies in vaste eiendom het voortgegaan om 'n afwaartse neiging te toon en gedurende Januarie en Februarie was hierdie transaksies gemiddeld 2 persent laer as gedurende die laaste kwartaal van 1977.

Bouverenigings



Verklaring insake die herwaardering van Suid-Afrika se amptelike goudreserwes

*Uitgereik deur sy Edele Senator O. P. F. Horwood, Minister van Finansies**

10 April 1978

By meer as een geleentheid in die verlede het ek verklaar dat wanneer die voorgestelde nuwe Artikels van Ooreenkoms van die Internasionale Monetêre Fonds eenmaal in werking getree het, die goudbesit van die Suid-Afrikaanse Reserwebank teen markverwante pryse herwaardeer sou word. Die nuwe Fonds-Artikels het in werking getree op 1 April vanjaar, wat onder andere beteken dat die amptelike prys van goud afgeskaf is en dat die monetêre owerhede van lidlande van die Fonds nou wetlik vry is om goud teen markverwante pryse te koop en te verkoop. Ek is dus van voorneme om nou onmiddellik voort te gaan met die beplande goudherwaardering, en ek kondig hiermee aan dat Suid-Afrika se amptelike goudreserwes met ingang môre, 11 April 1978, herwaardeer sal word.

Onder die ou IMF-stelsel van sogenaamde "stabile maar aanpasbare wisselkoerse" moes Suid-Afrika, soos alle ander lidlande, 'n vaste "pariteitsprys" van goud in terme van sy eie geldeenheid verklaar. Verder is in Suid-Afrika wetlike voorsiening gemaak vir 'n "statutêre" prys waarteen die Reserwebank sy goudbesit moes waardeer. Hierdie laasgenoemde prys was gegrond op die pariteitsprys maar ietwat laer vasgestel om voorsiening te maak vir die koste wat die Bank met die verkoop van goud op oorsese markte moes aangaan.

Die statutêre prys is bepaal ingevolge Artikel 8 van die Wet op Betaalmiddels en Wisselkoerse, no. 9 van 1933, en in die geval van 'n devaluasie of revaluasie van die geldeenheid, is hierdie prys gewoonlik by wyse van proklamasie ingevolge Artikel 9 van dieselfde Wet verander. Die jongste geleentheid waarop dit plaasgevind het, was op 25 Oktober 1972, toe die statutêre prys op sy huidige peil van R29,55 per fyn ons vasgestel is, gegrond op 'n pariteitsprys van R29,75 per fyn ons. Toe die rand in September 1975 gedevalueer is, is die pariteits- en statutêre pryse nie soos gewoonlik aangepas nie, aangesien die IMF pariwaardestelsel teen daardie tyd alreeds in onbruik geraak het.

Noudat die nuwe Fonds-Artikels in werking getree het en die amptelike goudprys afgeskaf is, het die Suid-Afrikaanse rand, soos alle ander geldeenhede van Fonds-lidlande, nie meer 'n goudpariteit nie. Die bestaande Suid-Afrikaanse statutêre prys van R29,55 het dus nie langer enige internasionale wetlike basis nie. Bowendien, aangesien die goudprys op die private mark tans omtrent vyf keer hoër as die huidige Suid-Afrikaanse statutêre prys is, het laasgenoemde klaarblyklik totaal onrealisties geword. Ek het dus besluit dat die tyd nou aangebreek het om Suid-Afrika se amptelike goudbesit op 'n markverwante basis te waardeer.

Die nodige wetlike voorsiening vir die herwaardering van ons amptelike goudbesit is verlede jaar gemaak toe die Parlement die Wysigingswet op die Suid-Afrikaanse Reserwebank, 1977, aanvaar het. Ingevolge Artikel 6 van daardie Wet het die Staatspresident vandag by proklamasie in die Staatskoerant bepaal dat die Artikels van die Wet wat op herwaardering en verwante sake betrekking het, naamlik Artikels 3 en 5, op 11 April 1978 in werking sal tree.

Onder die nuwe IMF-Artikels is daar geen voorgeskrewe metode om amptelike goudreserwes te waardeer nie. Vir die huidige sal baie lande waarskynlik aanhou om hulle goudreserwes teen die ou amptelike prys te waardeer, 'n praktyk wat seker aangemoedig sal word deur diegene wat die monetêre rol van goud wil verminder. Lande soos Frankryk, Italië en Australië het egter alreeds hulle goudreserwes op 'n markverwante basis herwaardeer, volgens verskillende metodes, en noudat die nuwe Artikels in werking is, sou dit my nie verbaas indien verskeie ander lande hulle voorbeeld navolg nie.

Ná oorleg met die Reserwebank, het ek besluit dat die nuwe statutêre of waarderingsprys vir die Reserwebank se goudbesit normaalweg aan die einde van elke kalendermaand vasgestel sal word op 'n peil gelykstaande aan die gemiddelde van die laaste tien Londense vasstellingspryse gedurende daardie maand, min 10 persent. Die eerste prys wat volgens laasgenoemde formule vasgestel sal word, met ingang môre, sal R141,97 per fyn ons wees, wat teen die huidige rand-dollar-wisselkoers gelykstaande is aan die gemiddelde van die laaste tien Londense vasstellingspryse in Maart, min 10 persent, naamlik \$163,27 per fyn ons.

Hierdie is slegs een van 'n aantal verskillende waarderingsmetodes wat gebruik kan word, maar vir 'n sentrale bank wat op 'n aansienlike skaal werklik in goud handel dryf, het hierdie metode die voordeel dat die waarderingsprys sal neig om die bewegings van die markprys redelik goed te volg. Die 10-persent-aftrekking verteenwoordig slegs konserwatiewe rekeningkunde wat bedoel is om die kans dat die statutêre prys die markprys met enige betekenisvolle bedrag vir enige noemenswaardige tydperk sal oorskry, so klein as moontlik te hou. In die praktyk sal die Reserwebank se goudbesit dus normaalweg nog onderwaardeer wees, maar natuurlik in 'n baie kleiner mate as tans.

Ek sal hierdie stap doen onder die nuwe Artikel 17A(1) van die Wet op die Suid-Afrikaanse Reserwebank, 1944, soos gewysig, wat môre in werking tree en wat aan die Minister van Finansies die reg verleen om die statutêre prys van tyd tot tyd ná oorleg met die Reserwebank te verander. Dit volg dus dat, indien dit wenslik geag word, ek te enige tyd die waarderingsformule wat ek so pas uiteengesit het, kan wysig.

*Toespraak gelewer in die Volksraad.

In die huidige omstandighede sal die voorgestelde herwaarderingswinst van die Reserwebank se goudbesit natuurlik 'n groot boekwinst oplewer. Die Bank besit tans byna 9,5 miljoen onse goud, wat teen die ou prys van R29,55 teen omtrent R280 miljoen waardeer word. Teen die nuwe statutêre prys van R141,97 sal hierdie goud 'n waarde van omtrent R1 348 miljoen hê. Dit beteken dat die herwaarderingswinst op die Bank se werklike goudbesit omtrent R1 068 miljoen sal wees. Hierby moet gevoeg word die wins op die goud betrokke by die Bank se bestaande goudruiltransaksies. In totaal sal die herwaarderingswinst dan omtrent R1 690 miljoen beloop.

Ingevolge Artikel 8 *bis* van die Wet op Betaalmiddels en Wisselkoerse van 1933, kom enige sodanige wins die Regering toe. Hierdie Artikel word nou herroep, maar dieselfde beginsel word oorgedra na die nuwe Artikel 17A van die Wet op die Reserwebank, wat môre in werking tree. Ingevolge laasgenoemde Artikel moet die Reserwebank 'n nuwe Goudprysaanpassingsrekening instel waarin hy rekenskap moet gee van enige wins of verlies betreffende goud as gevolg van 'n verandering in die statutêre prys, sowel as van enige verskil tussen die statutêre prys en die prys waarteen hy goud koop of verkoop, ná inagneming van hanterings- en realiseringskoste. Hierdie rekening sal dus onmiddellik met die goudherwaarderingswinst gekrediteer word.

Vanuit die oogpunt van monetêre en fiskale beleid is die manier waarop die groot aanvanklike herwaarderingswinst aangewend gaan word 'n saak van die grootste belang. Die gebruik van enige betekenisvolle deel van hierdie wins om regeringsbesteding te finansier, sou byvoorbeeld 'n ongunstige uitwerking op die betalingsbalans en, op lang termyn, ook op die inflasiekoers kon hê. Om die goudherwaarderingswinst op hierdie manier aan te wend, sou die geldvoorraad aansienlik vermeerder en sou neerkom op die gebruik van die drukpers vir geldskepping. Dit is dus wenslik om die wins in die grootste moontlike mate te "steriliseer". Die Artikels van die Wysigingswet op die Reserwebank wat môre in werking tree, is spesifiek ontwerp om vir sodanige sterilisasie voorsiening te maak, terwyl dit gelyktydig sekere ander nuttige doeleindes kan dien.

Ingevolge Artikels 8 *ter* en 8 *quater* van die Wet op Betaalmiddels en Wisselkoerse, wat ook nou herroep word, val enige winste of verliese gemaak deur die Reserwebank op sy buitelandsevalutabesit, sy valutatermynkontrakte en sy lenings in buitelandse geldeenheid ook aan die Regering toe. In al hierdie gevalle, net soos in die geval van goudverliese of -winste word hierdie beginsel oorgedra na die gewysigde Wet op die Reserwebank, naamlik in die nuwe Artikels 17D en 17C. Met ingang môre moet die Reserwebank, bo en behalwe die nuwe Goudprysaanpassingsrekening, ook 'n Buitelandsevaluta-aanpassingsrekening en 'n Valutatermynkontrakte-aanpassingsrekening instel en bestuur. Hierdie rekening sal soortgelyk wees aan die

rekening wat die Bank in die verlede moes hou om uitvoering aan die vereistes van Artikels 8 *ter* en 8 *quater* van die Wet op Betaalmiddels en Wisselkoerse te gee.

'n Belangrike nuwe vereiste is egter in die nuwe Artikel 17D van die Wet op die Reserwebank ingesluit. Hierdie Artikel bepaal dat enige krédit- of débetsaldo op die drie aanpassingsrekeninge wat in die Wet vermeld word, aan die einde van elke boekjaar van die Bank of op sodanige ander tye as wat deur die Bank en die Tesourie bepaal word, oorgedra moet word na 'n nuwe Goud- en buitelandsevaluta-gebeurlikheidsreserwerekoning wat deur die Bank ten behoeve van die Tesourie ingestel en bestuur word.

Dit word verder bepaal in Artikel 17D dat enige kréditsaldo op hierdie nuwe Gebeurlikheidsreserwerekoning as 'n wins aan die Regering sal toeval, maar in hierdie rekening oorgedra sal word totdat die Tesourie en die Bank dit wenslik ag om sodanige wins of enige deel daarvan aan die Staatsinkomstefonds te krediteer. Insgelyks sal enige débetsaldo op hierdie rekening 'n verlies vir die Regering wees en oorgedra word totdat die Tesourie en die Bank dit wenslik ag om die uitstaande saldo te vereffen.

Wanneer die betrokke artikels van die Wysigingswet op die Reserwebank môre in werking tree, sal alle krédit- en débetsaldo's wat tans bestaan op die rekeninge wat deur die Bank vir die doeleindes van die Wet op Betaalmiddels en Wisselkoerse aangehou word, ook na die nuwe Gebeurlikheidsreserwerekoning oorgedra word.

Die bedrae hierby betrokke is aansienlik. Die totale bedrag wat deur die Regering aan die Bank geskuld word ten opsigte van verliese op buitelandsevalutabesit, goudtransaksies en valutatermynkontrakte is tans R1 134 miljoen. Verder moet rekening gehou word met die potensiële verdere verlies, teen huidige wisselkoerse, op bestaande valutatermynkontrakte, veral ten opsigte van buitelandse lenings deur openbare korporasies in Duitse marke en Switserse franke. Hierdie verliese kan aansienlik wees en wanneer hulle materialiseer, sal hulle ook 'n eis teen die Regering wees.

In hierdie omstandighede is die logiese manier om die goudherwaarderingswinst te steriliseer die aanwending deur die Regering van 'n deel van hierdie wins om sy uitstaande débetsaldo's op die rekening waarna ek verwys het, te vereffen, en die oorplasing van die res van die wins na die nuwe Goud- en buitelandsevaluta-gebeurlikheidsreserwerekoning. Op hierdie manier sal twee voëls met een klip doodgegooi word.

Om hierdie doeleindes te bereik, het die Tesourie en die Reserwebank dus ingevolge die nuwe Artikel 17D(1) van die Wet op die Reserwebank besluit dat die aanvanklike goudherwaarderingswinst, wat in die eerste instansie outomaties aan die Goudprysaanpassingsrekening gekrediteer sal word, daarna ook na die nuwe Gebeurlikheidsreserwerekoning oorgedra sal word. Die netto resultaat van al hierdie krediteringe en

debriteringe sal wees dat die lei skoon gegee word wat die drie aanpassingsrekeninge betref, en dat boonop 'n kréditsaldo in die nuwe Gebeurlikheidsreserwerekening van R556 miljoen gelaat word.

Met ingang môre sal die Reserwebank ook 'n einde maak aan die bestaande goudbemarkingsreëlings waaronder hy goud van die myne teen die ou amptelike pariteitsprys koop en dan later aan hulle 'n premie betaal op die goud wat hy namens hulle op die private mark verkoop het. In die toekoms sal die Bank die goud ineens van die myne teen lopende markpryse aankoop volgens 'n ooreengekome formule, wat voorsiening maak vir die aftrekking van 'n klein realiseringsheffing deur die Bank om vrag, assuransie en verwante koste te dek.

Noudat die amptelike goudprys deur internasionale ooreenkoms afgeskaf is, sal die bestaande reëlings ten opsigte van die goud wat ingevolge die Mosambiek-Konvensie verkoop word, ook met ingang 11 April 1978 beëindig word. Dit beteken dat die goudmyne nie meer 'n deel van hulle opbrengs, via die Reserwebank, aan die Mosambiek-owerhede *teen die ou pariteitsprys* sal hoef te verkoop om te voldoen aan die bepalinge van die Konvensie wat met die uitgestelde betalings aan mynwerkers van Mosambiek te doen het nie. In die toekoms sal die myne die *markprys* ontvang vir al die goud wat hulle aan die Reserwebank verkoop. Dit sal vanselfsprekend sowel die goudmynbedryf as die betalingsbalans bevoordeel.

Ek kom nou ten slotte by die uitwerking van die goudherwaardering op die amptelike buitelandse reserwes. Aangesien Suid-Afrika altyd 'n aansienlike deel van sy amptelike buitelandse reserwes in die vorm van goud hou, het die praktyk van die verlede om die Reserwebank se goudbesit teen slegs R29,55 per ons te waardeer vanselfsprekend 'n groot onderwaardering van die totale reserwes meegebring. Dit het by tye 'n misleidende indruk van Suid-Afrika se reserweposisie geskep. Die besluit wat nou geneem is om die goud teen markverwante pryse te herwaardeer, sal natuurlik nie op sigself ons reserwes in enige werklike sin versterk nie — gedurende die tydperk van onderwaardering was daar in werklikheid nog altyd 'n "geheime reserwe" gewees. Maar die instelling van die nuwe waarderingsmetode sal meer realistiese gepubliseerde reserwes meebring, wat die ware toedrag van sake beter sal weerspieël.

Na môre se goudherwaardering sal die Reserwebank se goud- en ander buitelandse reserwes omtrent R1 700 miljoen beloop, vergeleke met R634 miljoen aan die einde van Maart 1978. Hierby moet gevoeg word die reserwes van die sentrale regering en die res van die banksektor, wat die syfer vir Suid-Afrika se totale goud- en ander buitelandse reserwes in die omgewing van R1 830 miljoen sal bring, vergeleke met R761 miljoen aan die einde van Februarie 1978.

Mnr. die Speaker, ek glo dat alle lede van die Raad sal saamstem dat die gelyktydige instelling van die

nuwe goudwaarderingsformule, die nuwe goudbemarkingsreëlings en die nuwe wetlike bepalinge ten opsigte van die Reserwebank se rekeningestelsel, 'n belangrike mylpaal in Suid-Afrika se monetêre geskiedenis verteenwoordig. Dit dui op die einde van een tydperk en die begin van 'n ander. Die sogenaamde Bretton Woods internasionale monetêre stelsel het gekom en gegaan. Maar goud bly sterk en springlewendig, en die stappe wat ek vandag aangekondig het, dien as nog 'n verdere aanduiding van die toenemende monetêre rol wat dit in 'n wêreld van inflasie en wisselkoersberoering speel.

Verklaring insake monetêre beleid

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

17 Mei 1978

Na die gebruikelike oorlegpleging met die Tesourie het die Reserwebank besluit om met ingang môre, 18 Mei 1978, bankinstellings se kredietplafonne met 'n addisionele 4 persent van hulle basissyfers soos op 31 Desember 1975 te verhoog. Hierdie verhoging geld vir die plafonsyfers wat op bankinstellings se diskonteringe, lenings en voorskotte aan die private sektor en op hulle beleggings in effekte van die private sektor van toepassing is. Die bestaande reëling waarvolgens die plafonsyfers van bankinstellings elke maand met 'n half persent van hulle basissyfers verhoog word, bly van toepassing.

Daar is ook besluit om terselfdertyd die totale bedrag van die kredietverlening aan die private sektor, soos vir doeleindes van die kredietplafonne omskryf, wat 'n bankinstelling nie mag oorskry nie alvorens hy aan die plafonvereistes onderhewig word, van R10 miljoen na R15 miljoen te verhoog. Nadat so 'n bankinstelling se totale kredietverlening aan die private sektor die nuwe perk van R15 miljoen bereik het, sal sy betrokke plafonne maandeliks met 'n half persent van sy onderskeie basissyfers soos op 31 Desember 1975 verhoog word.

Die nodige kennisgewing om aan hierdie wysigings van die kredietbeheermaatreëls uitvoering te gee, sal binnekort in die Staatskoerant verskyn.