

South African
Reserve Bank

Suid-Afrikaanse
Reserwebank

Quarterly Bulletin

Kwartaalblad

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— denotes not available

— denotes value equal to nil

0 denotes value equal to less than half the digit shown

* denotes preliminary figures

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Quarterly economic review

Summary and general observations

Following the prolonged economic downswing from about the middle of 1974 to the end of 1977, real economic activity recovered moderately during 1978. Large swings in private consumption expenditure contributed to a sharp increase in the real gross domestic product in the second quarter and a subsequent decline in the third quarter, and made it difficult to judge the strength of the upswing, but information for the fourth quarter confirmed a moderate upward trend in economic activity. In 1978 the real gross domestic product increased by about 2½ per cent. The gross national product rose at a somewhat higher rate of about 4 per cent as a result of a considerable improvement in South Africa's terms of trade.

In contrast to the preceding year, economic growth in 1978 originated largely in the secondary and tertiary sectors of the economy, whereas lower rates of increase were recorded in the real product of agriculture and mining. This change was due to a significant increase in the real value added by manufacturing, which had still shown a considerable decline in 1977, and to the fact that the substantial negative contribution to growth by the real product of wholesale and retail trade in 1977 was not repeated in 1978. The general recovery, however, did not extend to construction, and its real value added continued to decline appreciably in 1978.

The increase in the real gross domestic product was based not only on an increase in the volume of exports and of net gold output, but also on a moderate rise in real aggregate domestic demand. This rise in real gross domestic expenditure, which followed upon a decline in 1977, was accounted for by increases in real private and government consumption expenditure, whereas real fixed and real inventory investment decreased by smaller amounts. At current prices, the higher level of gross domestic expenditure was still considerably lower than the gross national product, resulting in a substantial surplus on the current account of the balance of payments.

The economic recovery was reflected in a slight increase in non-agricultural employment during the first nine months of 1978. (More up to date statistics are not yet available.) This increase, however, was accounted for largely by higher employment in the public sector and in the gold mining industry. Employment in the private sector as a whole declined slightly, mainly because of a decrease in employment in manufacturing, construction and non-gold mining. The slight increase in non-agricultural employment was reflected in somewhat lower unemployment figures for all population groups.

Despite increases in several administered prices and the introduction of the general sales tax, the rate of

inflation declined slightly in 1978. If the non-recurring effect of the introduction of the general sales tax is eliminated, a more distinctly downward trend in consumer prices was observed in 1978. The level of the inflation rate nevertheless remained high and a double-digit figure was recorded for the fifth consecutive year.

A further improvement in the current account of the balance of payments resulted in a substantially larger surplus on this account than in 1977. This was due to a sharp increase in the net gold output, reflecting mainly a rise in the price of gold, and to considerably higher merchandise exports, stemming from a moderate increase in volume and appreciable rises in the prices of major export commodities. Offsetting increases, which did not match those in exports and the net gold output, occurred in the value of imports and in net payments to foreigners on the invisibles account.

The surplus on the current account, supplemented by a net inflow of long-term capital to public corporations and the private sector, allowed a sizeable reduction in the short-term liabilities related to reserves as well as repayments on long-term foreign loans by the central government. A net outflow of other short-term capital, however, also had to be accommodated and the gross gold and other foreign reserves, disregarding valuation adjustments, showed only a small increase during 1978. Because of the reduction in liabilities related to reserves, the net gold and other foreign reserves rose appreciably during the year.

An increase in the net gold and other foreign reserves of the monetary banking sector was a major cause of a substantially higher rate of increase in the supply of money and near-money during 1978. The most important cause of the increase, however, was a marked rise in the monetary banks' claims on the private sector. Partly offsetting the expansion produced by these factors, were a decline in net claims on the government sector and a sharp rise in the long-term deposits of the private sector with monetary banks. The considerable increase in bank credit to the private sector, which occurred mostly during the second quarter, reflected high rates of increase in hire-purchase and leasing finance and in investments in private sector securities. Other loans and advances, representing mostly loans and advances for industrial and commercial purposes, however, still rose at a relatively low rate during 1978. The decline in the net claims on the government sector was due to an increase in government deposits which, in turn, reflected successful borrowing from the domestic non-banking sector and an increase in government revenue in excess of Budget estimates. Government revenue was boosted by substantially higher than expected income tax and mining lease payments by

gold mining companies, resulting from a sharp rise in the price of gold and consequently also in gold mining profits.

On 12 March 1979 the Reserve Bank announced that, in addition to the regular monthly increase, the ceilings on banking institutions' credit to the private sector would be raised from 31 March by 5 per cent of the base figures as at the end of December 1975. At the same time, the total amount of credit extension to the private sector which a banking institution may not exceed without becoming subject to the ceiling requirements, was raised from R15 million to R20 million. It was also announced that the liquid asset requirements for banking institutions would be eased from the date of the banks' certification of their monthly returns for February.

The money market experienced varying periods of tightness and ease during 1978 and the early part of 1979. Most of these changes were caused by flows of funds to and from the government sector. Money market interest rates generally tended to move downwards during 1978 and declined further during January and the first half of February, especially after the redemption of a large amount of maturing government stock early in February. In conformity with the movements in short-term interest rates and to provide further stimulus to domestic economic activity, Bank rate was reduced on two occasions early in 1979, namely from 8½ to 8 per cent on 6 February and from 8 to 7½ per cent on 17 March. The major commercial banks responded by reducing their prime overdraft rates by ½ per cent in February and by a further ½ – 1 per cent in March. On both occasions deposit interest rates, with the exception of the rate on ordinary savings deposits, were lowered by ½ per cent.

A pronounced easing of capital market conditions was evident in 1978, especially in the market for fixed-interest securities. Notwithstanding a substantial net borrowing of funds by the public sector, fixed-interest security yields declined appreciably. Share yields followed suit because of a marked rise in share prices. In contrast to the buoyancy of the fixed-interest security and share markets, activity in the mortgage and real estate markets was more subdued, but a noticeable improvement was nevertheless observed in 1978.

On 24 January 1979 it was announced that the Government, after consultation with the Reserve Bank and other interested parties, had decided to initiate a gradual and systematic process of changing South Africa's exchange rate policy and practices, based on recommendations in the interim report of the Commission of Inquiry into the Monetary System and Monetary Policy in South Africa. The eventual aim of this process is a unitary exchange rate system under which an independent and flexible rand will find its own exchange rate level in well developed and competitive spot and forward exchange markets. Exchange rate movements will, however, be managed through Reserve Bank "intervention" by means of

purchases and sales of foreign exchange. The Government accepted the Commission's view that the eventual system can best be attained only through a gradual process of adjustment. As set out later in this review, various steps were taken to give effect to the new policy, and within a fairly short period of time some of the initial transitional measures were replaced by more permanent arrangements.

National accounts

Moderate revival of economic growth

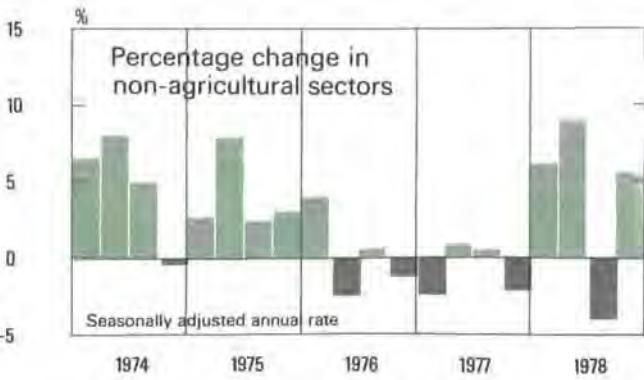
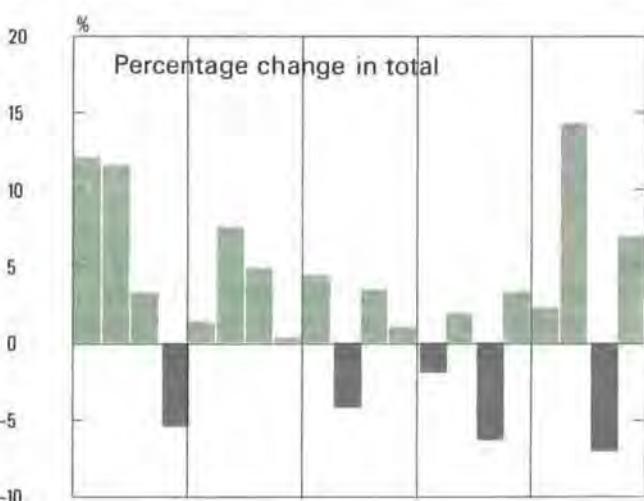
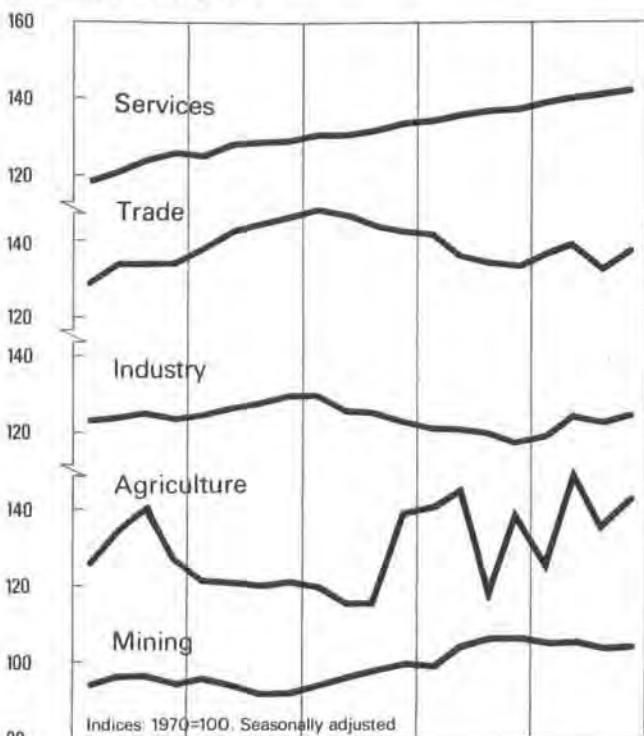
Real gross domestic product increased by 2.5 per cent in 1978, compared with approximately no growth in 1977 and a rate of increase of only 1.3 per cent in 1976. South Africa's terms of trade improved considerably during 1978 because of a higher rate of increase in export prices (including gold) than in import prices and because of a decline in real net factor payments to the rest of the world. As a result, the real gross national product increased by about 4 per cent in 1978, as against no growth in 1977 and a decline of 1 per cent in 1976.

As shown in the accompanying table, changes in the real gross domestic product of the principal sectors of the economy in 1978 differed considerably from those in the preceding year. Firstly, the rate of increase in the real value added by the primary sector decreased from 9 per cent in 1977 to only 1½ per cent in 1978 because of much lower rates of increase in agricultural and non-gold mining production. Secondly, a decline of 5½ per cent in the real product of the secondary sector in 1977 was followed by an increase of 3½ per cent in 1978. A significant increase in the real product of manufacturing, which had still shown a considerable decline in 1977, was largely responsible for this turnaround, but contributions were also made by a higher rate of increase in the real product of electricity, gas and water, and a lower rate of decline in the real value added by construction. Thirdly, the real product of the tertiary sector showed a higher rate of increase in 1978, namely 2 per cent, compared with only ½ per cent in 1977. This was largely due to the fact that the substantial

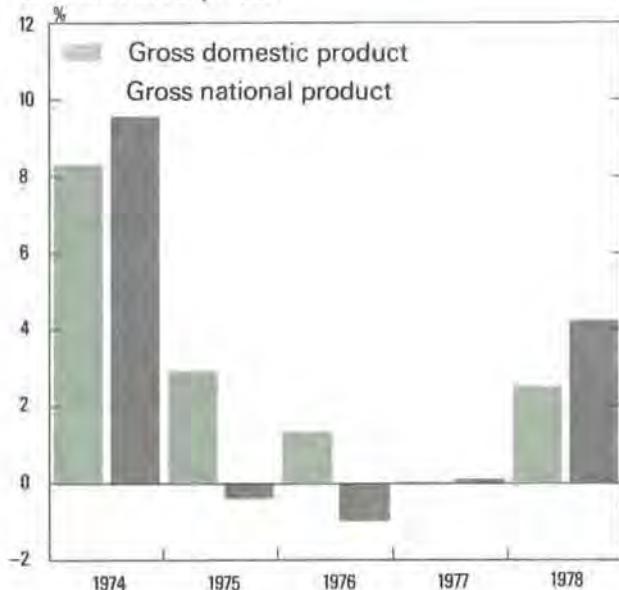
Percentage change in real gross domestic and national product

	1976	1977	1978
Primary sector	2	9	1½
Agriculture	1	10½	2½
Gold mining	-	-2	½
Non-gold mining	6	13½	1
Secondary sector	-1	-5½	3½
Manufacturing	-½	-6½	5
Electricity, gas and water	4	3½	5
Construction	-7	-6½	-5
Tertiary sector	3	½	2
Wholesale, retail and motor trade	2	-6½	-½
Transport and communication services	3	5	4½
General government services	6	4	4
Financial and other services	2	2	2
Gross domestic product at market price	1½	-	2½
Gross national product at market prices	-1	-	4

Gross domestic product at constant 1970 prices



Annual percentage change in gross domestic and gross national product at constant 1970 prices



negative effect of the decline in the real income generated by the wholesale, retail and motor trade in 1977 almost disappeared in 1978. The volume of wholesale sales, including diamonds and petroleum products, increased by $\frac{1}{2}$ per cent in 1978, retail sales at constant prices declined by 4 per cent, and the real value added by the motor trade rose by 12 per cent.

The gross domestic product at current market prices increased by $14\frac{1}{2}$ per cent in 1978, compared with $12\frac{1}{2}$ per cent in both 1976 and 1977. An increase of 18 per cent in the gross operating surplus, as against a rise of $13\frac{1}{2}$ per cent in 1977, was largely responsible for the higher rate of increase in 1978. The rate of increase in the remuneration of employees accelerated slightly from 10 $\frac{1}{2}$ per cent in 1977 to 11 per cent in 1978. Higher rates of growth were recorded in the gross operating surplus of gold mining, non-gold mining, manufacturing and commerce, whereas lower rates of increase occurred in the case of agriculture and the sector transport, storage and communication.

The difference between the growth rates in the gross domestic product at current and constant prices implies an increase in the gross domestic product deflator of $11\frac{1}{2}$ per cent in 1978, as against $12\frac{1}{2}$ per cent in 1977. This deceleration was the result of lower rates of increase in domestic wholesale and retail prices, which more than neutralised the increases in the gold price and in the prices of other export commodities.

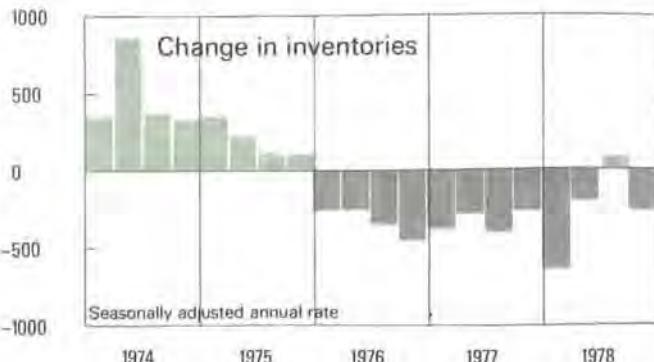
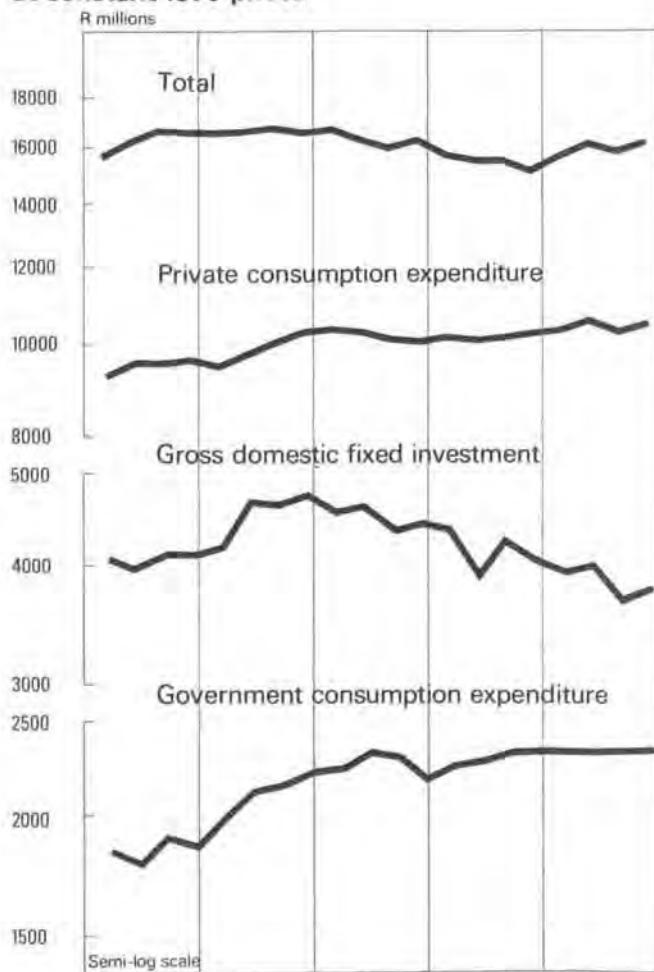
Seasonally adjusted quarterly estimates of the real gross domestic product show that annual growth rates of $2\frac{1}{2}$ per cent, 14 per cent and 7 per cent were recorded in the first, second and fourth quarters of

1978, respectively. In the third quarter the seasonally adjusted real gross domestic product declined at an annual rate of 7 per cent.

Moderate increase in real aggregate domestic demand

Real gross domestic expenditure increased by $2\frac{1}{2}$ per cent in 1978, as against declines of 5 per cent and $2\frac{1}{2}$ per cent in 1977 and 1976, respectively. Real

Gross domestic expenditure at constant 1970 prices



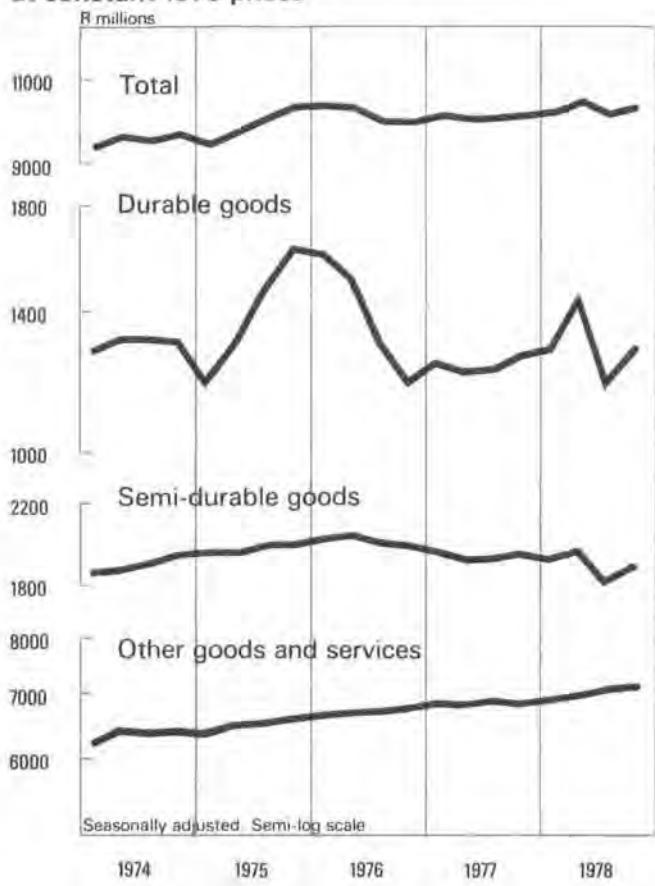
private consumption expenditure, which had declined by $\frac{1}{2}$ per cent in 1977, increased at a rate of 2 per cent in 1978. Real government expenditure in 1978 recorded the same rate of increase as in 1977, namely about 1 per cent. Real fixed investment decreased by $7\frac{1}{2}$ per cent, compared with 8 per cent in 1977, whereas the level of real inventories declined in 1978 by R259 million, which was smaller than the decrease of R336 million in 1977. Notwithstanding a notable increase in gross domestic expenditure at current prices in 1978, its level was considerably lower than that of the gross national product at current prices, with the result that the current account of the balance of payments showed a large surplus.

Small increase in real private consumption expenditure

The small increase in real private consumption expenditure in 1978 was attributable entirely to higher outlays on durable goods, as is shown in the accompanying table. In the durable goods category, expenditure on motor cars and other personal transport equipment rose by as much as $18\frac{1}{2}$ per cent, but outlays on all other goods remained sluggish. Real outlays on semi-durable goods declined for the second consecutive year, probably because of the increased expenditure on durable goods and the further small decline in real disposable personal income. Real expenditure on non-durable goods and services on average recorded the same rate of increase as in 1977.

Quarterly changes in the seasonally adjusted real private consumption expenditure were distorted in the second and third quarters of 1978 by the reaction of consumers to changes in existing indirect taxes and the introduction of the new general sales tax. A sharp increase in the second quarter was followed by a decline in the third quarter. In the fourth quarter, however, real consumer outlays

Private consumption expenditure at constant 1970 prices



increased again, namely at an annual rate of 8 per cent. The largest increases were recorded in outlays on durable and semi-durable goods, particularly on furniture, motor cars, clothing and footwear.

Further small increase in real government consumption expenditure

The current expenditure of general government at constant prices increased by about 1 per cent in 1978, which was also the rate of increase recorded in 1977. The real remuneration of employees showed the same percentage increase in 1978 as in the preceding year, namely about 4 per cent, but real outlays on goods and other services declined by $2\frac{1}{2}$ per cent in 1978, after a decline of $3\frac{1}{2}$ per cent had been recorded in 1977. On a seasonally adjusted quarterly basis, real government consumption expenditure remained sluggish during the first half of 1978, but increased moderately during the second half of the year.

Percentage change in real private consumption expenditure

	1976	1977	1978
Durable goods	$\frac{1}{2}$	-12	5
Furniture and household appliances	$-3\frac{1}{2}$	-2	$\frac{1}{2}$
Motor cars, etc.	-17	-10	$18\frac{1}{2}$
Other durable goods	34	-29	$-\frac{1}{2}$
Semi-durable goods	2	$-3\frac{1}{2}$	-2
Clothing and footwear	3	$-4\frac{1}{2}$	-2
Other semi-durable goods	$\frac{1}{2}$	$-2\frac{1}{2}$	$-2\frac{1}{2}$
Non-durable goods	3	3	2
Food, beverages and tobacco	3	3	2
Other non-durable goods	$1\frac{1}{2}$	3	1
Services	$4\frac{1}{2}$	2	3
Total private consumption expenditure	$2\frac{3}{4}$	$-\frac{1}{2}$	2

Substantial further decline in real gross domestic fixed investment

Real gross domestic fixed investment continued to decline sharply during 1978. As shown in the accompanying table, declines occurred in the real capital outlays of all major sectors and were spread over virtually all classes of activity.

In the private sector, only real fixed capital expenditure by mining increased during 1978, largely because of higher outlays on uranium plant. A particularly large decrease was recorded in real investment outlays by manufacturing, reflecting the relatively high level of unused production capacity and the generally low level of domestic demand, and in real private residential construction. On a quarterly basis, the seasonally adjusted real fixed investment by the private sector reached its lowest level in almost nine years in the third quarter of 1978, but this was followed by a sharp increase in the fourth quarter.

Real fixed investment by public corporations rose marginally in 1978. The sharp increase in outlays on manufacturing concerns, in particular on the second oil-from-coal plant, was almost neutralised by a decline in fixed investment by mining and on electricity and transport facilities.

Real fixed capital expenditure by public authorities showed a further large decrease in 1978. Outlays by the South African Railways Administration showed the largest percentage decline, which was caused by the completion of a programme of acquiring new aircraft and of the railway line to Richards Bay. The sharp increase in residential construction was a reflection of the government's

selective stimulatory measures to aid the ailing construction industry by providing housing for lower income groups.

Smaller decline in real inventories

The book value of total inventories, excluding livestock, increased by about R600 million in 1978, of which industrial and commercial inventories contributed about R500 million. At constant 1970 prices the total value of inventories declined by about R259 million, as against a decrease of R336 million in 1977. Further declines in real industrial and commercial inventories and diamond stocks were countered to some extent by increases in real agricultural stocks-in-trade and in livestock inventories at constant prices.

Seasonally adjusted quarterly figures show that real inventories declined during most of 1978. An increase occurred only during the third quarter because of the sharp decline in real private consumption expenditure referred to above.

Further marked increase in gross domestic saving

After gross domestic saving had increased substantially by R1 903 million in 1977, it rose markedly further by R1 298 million in 1978. All components contributed to this increase, with the exception of personal saving which declined sharply as a result of the larger increase in private consumption expenditure (facilitated by a substantial recourse to bank credit) than in disposable personal income. Total gross domestic saving amounted to R10 539 million in 1978, and with total financing requirements for fixed and inventory investment amounting to R9 127 million, a record amount of R1 412 million was available to reduce South Africa's net indebtedness to the rest of the world. Notwithstanding the further improvement in the country's savings performance in 1978, the savings ratio, i.e. the ratio of gross domestic saving to gross domestic product, remained unchanged at its 1977 level, namely about 26½ per cent. These ratios were markedly higher than the ratio of 23.8 per cent in 1976 and also higher than the average annual ratio of about 25 per cent during the period 1970 to 1975.

Percentage change in real gross domestic fixed investment

	1976	1977	1978
Private sector	-7½	6½	-6
Agriculture	-20	1	-3
Mining	-4	-10	4
Manufacturing	-5	-11	-12
Private residential buildings	-8	-19	-16
Other business enterprises	-6	2	-4
Public corporations	-11½	7	½
Manufacturing	-29	41	43
Electricity, gas and water	31	34	-10
Other (mining, transport, etc.)	-8	-53	-46
Public authorities	5	-17½	-14
South African Railways			
Administration	29	-30	-37
Residential buildings	17	-36	51
Other business enterprises	-6	-12	1
General government	-5	-8	-10
Central government	-2	-4	-10
Provincial administrations	-11	-14	-4
Local authorities	-3	-10	-18
Total gross domestic fixed investment	-2	-8	-7½

Business cycle trends, employment and prices

Cyclical upswing in economic activity

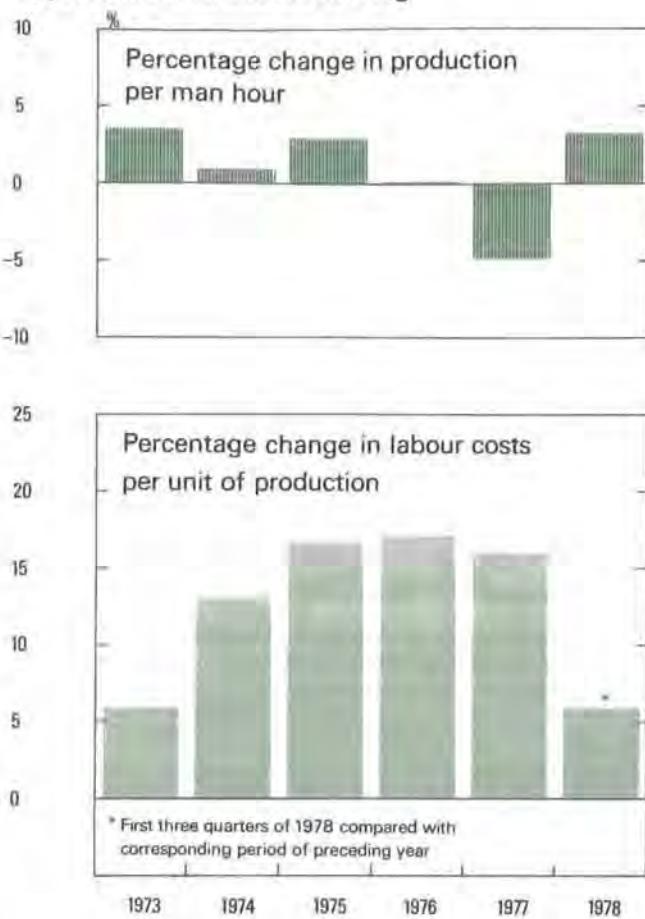
Economic indicators show that a moderate cyclical upswing in real economic activity occurred during 1978, following the prolonged economic downswing from about the middle of 1974 to the end of 1977. The recovery gained considerable momentum during the second quarter, but slowed down again during the third quarter. This effect was produced by large swings in real private consumption expenditure which gave rise to a sharp increase in the real gross domestic product in the second quarter and a subsequent decline in the third quarter. During the fourth quarter, however, real economic activity resumed its moderately upward trend. Illustrating this course of events, the seasonally adjusted real gross domestic product of the non-primary sectors of the economy increased at annual rates of 7 per cent, 10 per cent and 6 per cent in the first, second and fourth quarters of 1978, respectively, whereas a decline at an annual rate of 4 per cent was recorded in the third quarter. Major contributions to the increase during the fourth quarter were made by commerce, the real value added of which had still declined during the first nine months of the year, and by manufacturing. Certain sectors of the economy, however, continued to experience slack conditions, especially the construction sector.

Slight increase in employment and productivity

The moderate economic recovery during 1978 was reflected in a slight increase in employment. Employment in the non-agricultural sectors of the economy, which had shown no growth in 1977, increased by 0,6 per cent in the first three quarters of 1978, compared with the corresponding period in 1977. Increases of 2,7 per cent and 4,5 per cent in employment in the public sector and in gold mining, respectively, were largely responsible for the small rise in non-agricultural employment in the first three quarters of 1978. Employment in the private sector as a whole declined by 0,3 per cent during this period.

In contrast to the preceding three years, during which the increase in public sector employment was accounted for largely by a rise in central government employment, a more significant contribution to the increase in the first nine months of 1978 was made by higher employment in the rest of the public sector. The decline in private sector employment during the first nine months of 1978 was due mostly to decreases of 0,3 per cent, 2,9 per cent and 3,1 per cent in employment in manufacturing, construction and non-gold mining, respectively. In addition to the rise in gold mining employment referred to above, slightly higher employment levels were recorded in the case of the wholesale, retail and motor trade,

Productivity and labour costs per unit of production in manufacturing



hotels, laundries and dry cleaners, banks and building societies.

The slight increase in non-agricultural employment was reflected in somewhat lower unemployment figures. The seasonally adjusted number of registered unemployed Whites, Coloureds and Asians declined from 34 190 in December 1977 to 31 059 in December 1978 and to 28 490 in February 1979. It is estimated that the latter figure represented about 1½ per cent of the comparable labour force. Surveys by the Department of Statistics show a decrease in the number of unemployed Blacks, which amounted to approximately 9,9 per cent of the economically active Black population in September 1978.

Overall productivity, as measured by the production per worker in the non-agricultural sectors of the economy, increased by 1,5 per cent in the first three quarters of 1978, compared with a decline of 1,0 per cent in 1977. In manufacturing, for which more detailed statistics are available, production per man-hour in manufacturing showed a significant rise of 3,3 per cent in the first nine months of 1978, as against a decline of 4,8 per cent in 1977. The improved productivity lowered the rate of in-

crease in unit labour costs. In manufacturing, for example, the rate of increase in labour costs per unit of production declined from 17,1 per cent and 16,0 per cent in 1976 and 1977, respectively, to 5,9 per cent in the first nine months of 1978.

Further decline in the real remuneration of labour

The average remuneration of workers in the non-agricultural sectors of the economy rose by 9,1 per cent in the first three quarters of 1978, compared with 10,0 per cent and 13,2 per cent in the calendar years 1977 and 1976, respectively. In real terms, however, a decline of 1,1 per cent in the average remuneration per worker in 1977 was followed by a further decrease of 1,4 per cent in the first nine months of 1978. The average real remuneration of Non-White workers, which had increased in preceding years, declined in the first three quarters of 1978, whereas the decrease in that of White workers during this period was preceded by declines in 1976 and 1977.

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

	1976	1977	1978*
Whites:			
At current prices	10,1	8,4	8,2
At constant prices	-0,9	-2,6	-2,2
Non-Whites:			
At current prices	15,9	11,9	10,2
At constant prices	4,3	0,6	-0,4
All population groups:			
At current prices	13,2	10,0	9,1
At constant prices	1,9	-1,1	-1,4

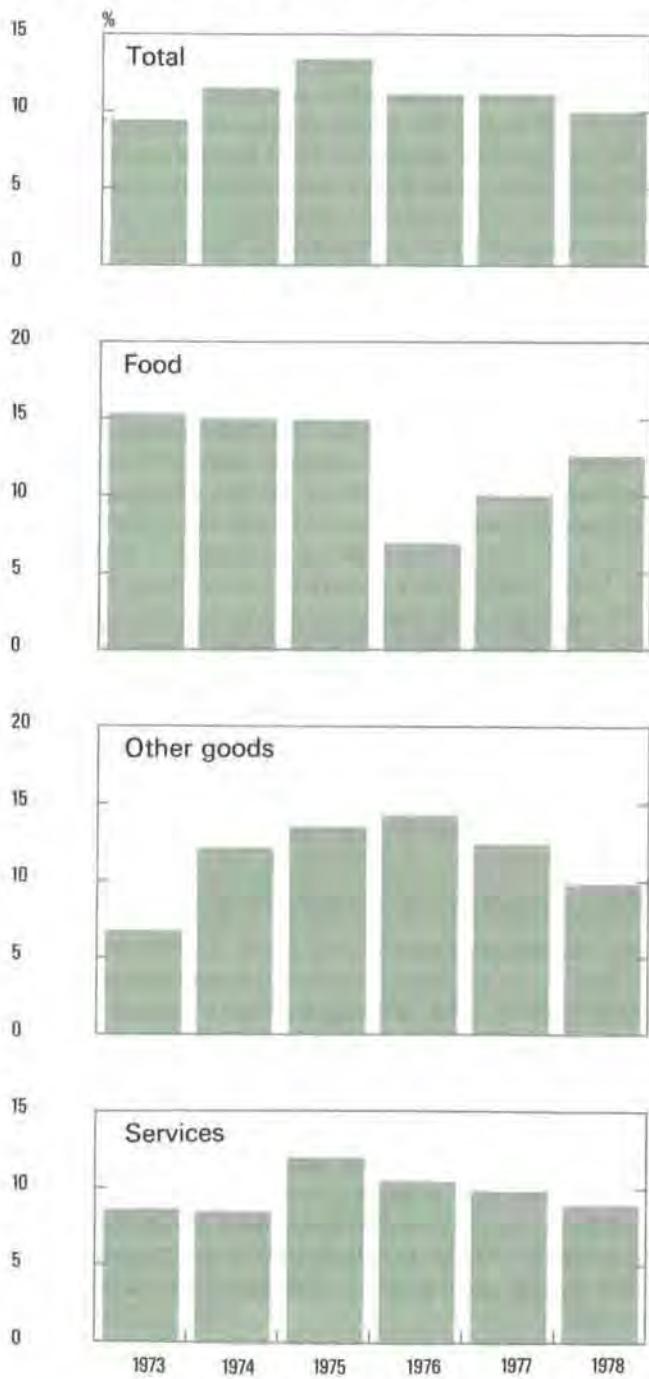
*Figures up to 30 September 1978 compared with figures for the corresponding period of the preceding year.

Slightly lower rate of inflation

The rate of inflation declined slightly in 1978 despite increases in several administered prices, the introduction of the new general sales tax, and the adverse effect of a decline in the exchange rate of the rand on prices of imported goods. The average monthly consumer price index rose by 10,1 per cent (8,6 per cent if the estimated effect of the general sales tax is eliminated), compared with an increase of 11,2 per cent in 1977. Lower rates of increase occurred in the prices of durable consumer goods, alcoholic beverages and tobacco, and in home owners' costs and the cost of transport services. Higher rates of increase, however, were recorded in prices of food, clothing and recreational and personal services, and in flat rent.

On a quarterly basis, the seasonally adjusted annual rate of increase in consumer prices declined from 9,2 per cent in the first quarter of 1978 to 5,3 per cent in the second quarter, but rose to 22,7 per cent (9,9 per

Percentage change in consumer prices



cent if the estimated effect of the general sales tax is excluded) in the third quarter, and then declined to 8,5 per cent in the fourth quarter. A lower rate of increase was recorded in the fourth quarter, notwithstanding more rapid increases in food prices, flat rent, servants' wages and the cost of certain personal services. From January 1978 to January 1979 consumer prices increased by 11,2 per cent. With the exception of a continued sharp rise in food prices and

an increase in the price of petrol, the prices of all other goods and services in January maintained the lower rate of increase recorded in the fourth quarter of 1978.

The average monthly wholesale price index rose by 9,7 per cent in 1978, as against an increase of 12,9 per cent in 1977. The decline in this rate was the result of smaller increases in the prices of domestically produced as well as imported goods. With the exception of marginally higher rates of increase in the prices of agricultural products, non-electrical machinery and tobacco, the prices of all major items which are included in the index of domestically produced goods, rose at lower rates.

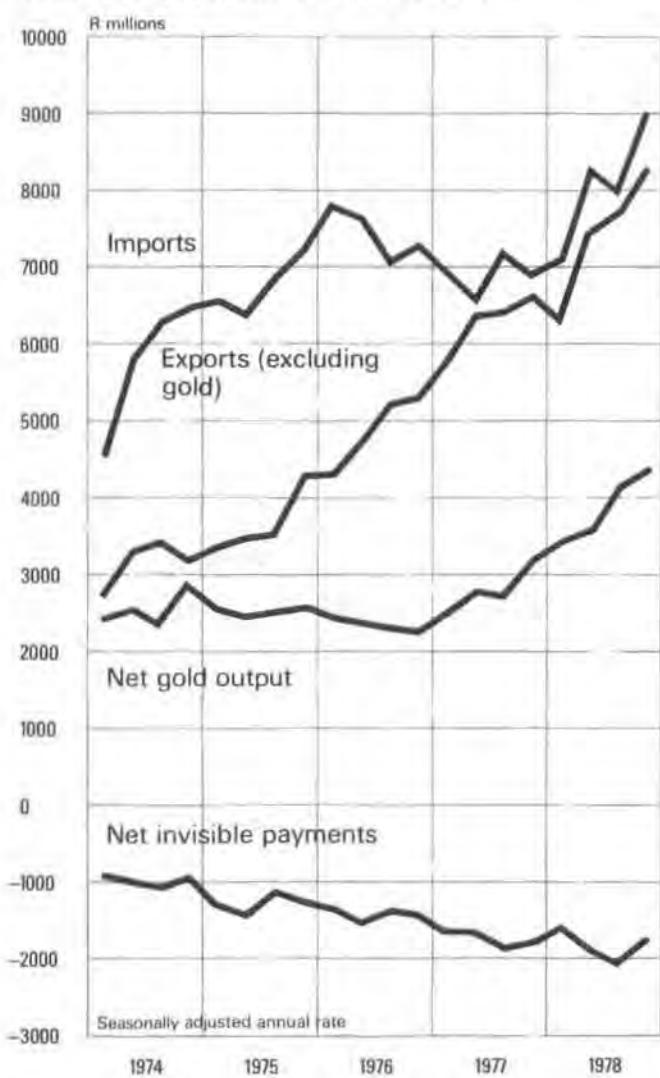
At a seasonally adjusted annual rate, wholesale prices increased sharply by 13,8 per cent in the first quarter of 1978. This was followed by lower rates of increase of 9,6 per cent and 6,8 per cent in the second and the third quarters, respectively. Mainly as a result of higher rates of increase in the prices of agricultural products, manufactured basic metals and metal products, machinery and transport equipment, and imported goods, the rate of increase in wholesale prices accelerated to 12,3 per cent in the fourth quarter of 1978. From January 1978 to January 1979 wholesale prices increased by 10,5 per cent.

Balance of payments

Substantial further improvement in the current account

After the first calendar-year surplus in nine years had been recorded on the current account of the balance of payments in 1977, a further improvement occurred during 1978. According to preliminary figures, the surplus in 1978 amounted to R1 412 million, compared with R465 million in 1977. This substantially larger surplus was brought about mainly by increases in export prices as well as by a rise in the volume of exports. Not only the price of gold, but also the prices of several other important export products rose sharply during 1978. These favourable developments were countered partly by an increase in the value of merchandise imports and in net invisible payments to foreigners.

Balance of payments current account



Surplus on current account

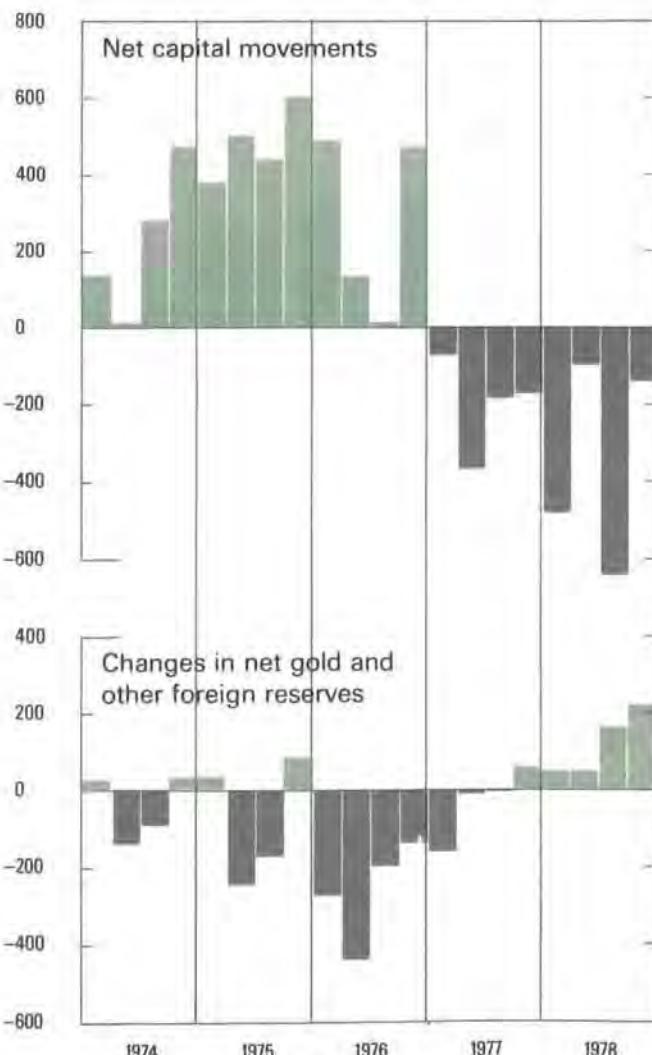
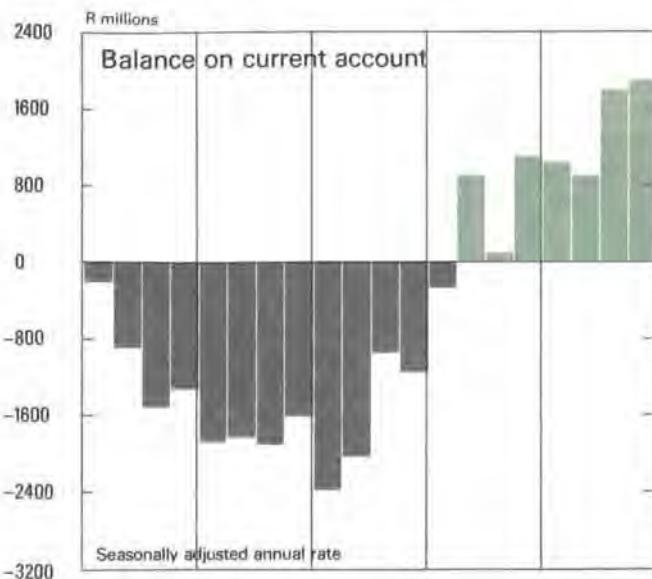
		Seasonally adjusted annual rate (R millions)	Percentage of gross domestic product
1977	3rd qtr	96	0.3
	4th qtr	1 110	3.1
1978	1st qtr	1 054	2.8
	2nd qtr	896	2.3
	3rd qtr	1 798	4.4
	4th qtr	1 900	4.5

During the first half of 1978 the surplus on the current account, seasonally adjusted, was slightly smaller on average than in the last quarter of 1977. Thereafter the surplus increased sharply during the next six months and reached a seasonally adjusted annual rate figure of R1 900 million in the fourth quarter of 1978. This further improvement of the current account during the second half of 1978 occurred despite a sharp rise in merchandise imports, and was attributable to increases in merchandise exports and the net gold output and a decline in net invisible payments to foreigners.

A sharp rise in the price of gold and a slight increase in the volume of gold production caused the value of the net gold output to rise from R2 795 million in 1977 to R3 863 million in 1978, an increase of about 38 per cent. The increase in the price of gold was most pronounced during the second half of 1978, notwithstanding sharp fluctuations during the fourth quarter. After a new record price per fine ounce of \$243,65 had been reached on 31 October, the price declined to a low of \$193,40 on 30 November. Subsequently, it increased again to \$226,00 per fine ounce on 31 December and to a peak of \$254,00 on 8 February 1979, and then fluctuated between \$240 and \$252 during the remainder of February. The average fixing price of gold per fine ounce on the London market amounted to \$193,26 in 1978, compared with \$147,71 in 1977.

Increases in the prices of a number of important export commodities were mainly responsible for a rise in the value of merchandise exports from R6 293 million in 1977 to R7 434 million in 1978, an increase of about 18 per cent. Substantial increases occurred in the prices of diamonds, platinum, uranium, and fruit and smaller increases were recorded in the prices of ferro-chrome, wool and coal. These price rises were supplemented by increases in the volume of exports such as ferro-chrome, coal, maize and deciduous fruit, which exceeded a decline in the volume of sugar, wool and asbestos exported. Quarterly figures show a sharp rise in the value of merchandise exports in the fourth quarter of 1978, namely from a seasonally adjusted annual rate figure of R7 695 million in the third quarter to R8 285 million in the fourth quarter.

Balance of payments



After the value of merchandise imports had declined from R7 443 million in 1976 to R6 881 million in 1977, it increased by about 17 per cent to R8 069 million in 1978. The sharp rise in imports during 1978 reflected mostly an increase in the prices of imported goods but also a small rise in volume. The increase in imports occurred over a wide range of goods, but was notably large in the case of machinery and electrical equipment, transport equipment and chemical products. Considering quarterly changes, imports increased sharply in the fourth quarter of 1978 when a seasonally ad-

justed annual rate figure of R8 980 million was recorded.

Net invisible payments to the rest of the world increased from R1 742 million in 1977 to R1 816 million in 1978. An increase in service payments was not offset fully by a rise in service and transfer receipts. The rise in service payments was caused by increased freight and merchandise insurance, more tourists visiting other countries, and higher dividend payments. The rise in service receipts, in turn, was mainly the result of increases in transportation services rendered to foreigners and in dividends received on foreign investment.

Terms of trade



Large net capital outflow

In 1978 a net capital outflow of R1 370 million was recorded on the capital account of the balance of payments, compared with R810 million in the preceding year. Various factors contributed to this substantial outflow. Firstly, the monetary authorities made net repayments on foreign short-term loans which had been obtained previously to support the level of foreign exchange holdings. Secondly, the success of the Treasury's domestic borrowing operations and the higher than anticipated increase in Exchequer receipts allowed net repayments of foreign long-term debt by the government. Thirdly, the relatively low rate of growth of the domestic economy, the existence of surplus production capacity in most sectors of the economy, and the relatively easy conditions in the domestic capital market were not conducive to new foreign investments. Fourthly, political uncertainties regarding Southern Africa had a negative influence on foreign investors' attitudes. Fifthly, a sharp increase in the foreign relative to the domestic cost of trade financing from about the middle of 1978 led to an outflow of short-term funds. Finally, expectations of a depreciation of the rand at times resulted in speculative capital outflows.

From the accompanying table it is apparent that the outflow of capital during 1978 consisted mostly of short-term capital, including unrecorded trans-

Net capital movements

R millions

	1977	1978
Long-term capital		
Central government and banking sector	-58	-426
Public corporations and local authorities	98	210
Private sector	256	179
Total	296	-37
Liabilities related to reserves	-221	-437
Other short-term capital, including trade finance and errors and omissions	-885	-896
Total	-810	-1 370

actions. In addition, there was a large net outflow of long-term capital from the central government and banking sector and a sharp decline in liabilities related to reserves. In contrast, a considerable net inflow of long-term capital to public corporations and local authorities and to the private sector was recorded. This net inflow of long-term capital was accounted for mainly by loans obtained abroad for the new oil-from-coal plant, the nuclear power station and purchases of container ships.

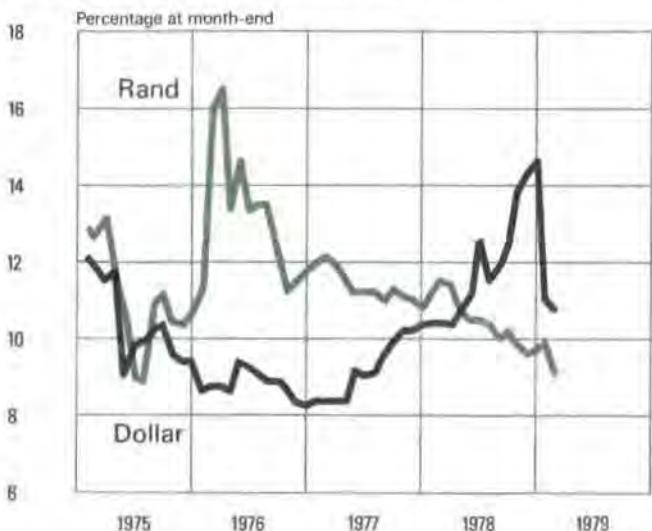
Sharp fluctuations in the net outflow of capital occurred in the course of 1978. The net capital outflow declined from R481 million in the first quarter to R100 million in the second quarter of the year, before it increased to R648 million in the third quarter. Subsequently, it declined to R141 million in the last quarter of 1978. The relatively small net outflow of capital during the fourth quarter consisted of a decline in liabilities related to reserves, repayments on long-term government loans, an inflow of other long-term capital, and a moderate net outflow of short-term capital not related to reserves.

Increase in gold and other foreign reserves

The gross gold and other foreign reserves increased by R1 442 million during 1978 to a level of R2 230 million at the end of the year. This substantial increase, however, was due almost entirely to the revaluation of the country's gold reserves at market-related prices. If valuation adjustments are excluded, the gross gold and other foreign reserves increased by only R42 million during 1978 as a result of balance of payments transactions. This increase was reflected largely in the foreign exchange holdings of private sector banks, but a slight increase was also recorded in the foreign exchange reserves of the Reserve Bank. If the effect of the monthly revaluation of gold reserves is eliminated, the gross gold and other foreign reserves of the Reserve Bank increased by R234 million during January and February 1979. This increase was apparently due to, firstly, a speculative inflow of capital following on the revaluation of the rand against the US dollar during February. The subsequent appreciation of the rand under the system of managed floating contributed towards a favourable situation developing in the "leads and lags" arising from trade financing. Although data for the foreign exchange holdings of the commercial and other banking institutions as at the end of February are not yet available, it can be expected that under the circumstances these have been reduced to minimum amounts. Secondly, the change in the forward exchange cover arrangements at the end of January stemmed the outflow of capital resulting from switches from foreign to domestic sources of trade financing.

Substantial net repayments on loans ranking as liabilities related to reserves, resulted in an increase of R479 million in the net gold and other foreign reserves during 1978, compared with a decrease of

Effective cost of trade financing



R124 million in 1977. The increase in the net gold and other foreign reserves accelerated considerably during the second half of the year. Whereas the average quarterly increase amounted to R48 million in the first six months, it rose to R163 million in the third quarter and R220 million in the fourth quarter of the year.

Changes in exchange rate policy and practices

On 24 January 1979 the Minister of Finance announced that, after consultation with the Reserve Bank and other interested parties, the Government had decided to initiate a gradual and systematic process of changing South Africa's exchange rate policy and practices based on recommendations in the interim report of the Commission of Inquiry into the Monetary System and Monetary Policy in South Africa. The eventual aim of this process is a unitary exchange rate system under which an independent and flexible rand will find its own level in well developed and competitive spot and forward foreign exchange markets. In this system, movements of the exchange rate of the rand will be managed through Reserve Bank "intervention" by means of purchases and sales of foreign exchange. The Government accepted the Commission's view that the eventual system cannot be implemented fully at the present stage, but can best be attained only through a gradual process of adjustment.

Various steps were taken to give effect to the new policy:

- I. Initially the Reserve Bank would continue to quote predetermined buying and selling rates for US dollars at which it would be prepared to enter into transactions with authorised foreign exchange dealers. These rates would be adjusted more

frequently in accordance with changing circumstances.

2. In order to develop a broader, more active, and competitive foreign exchange market, the Reserve Bank would cease to prescribe mandatory buying and selling rates at which authorised foreign exchange dealers were to conduct their transactions in US dollars with the public.
3. Authorised foreign exchange dealers would be allowed to maintain reasonable "open positions" in foreign exchange and to deal for their own account in foreign exchange within limits prescribed by the Reserve Bank.
4. To expand the volume of direct foreign exchange transactions outside the Reserve Bank, the Bank, in consultation with the Department of Finance, would examine the practicability of channelling through the authorised dealers at least a portion of the receipts of sales of Krugerrand and diamonds as well as of foreign loans to public corporations and local authorities. The Reserve Bank would continue, however, to market gold bullion and sell the dollar proceeds in the market. The Bank would also continue to handle the proceeds of its own and the Government's foreign borrowing.
5. Initiating the process of gradually developing an active and competitive forward exchange market, the Reserve Bank would no longer quote a fixed charge or commission to be paid by both importers and exporters for forward cover. In future one (middle) price for forward dollars of any specific maturity would be quoted and forward margins would be determined on a variable and a more market-related basis. Authorised dealers would be encouraged to offset as far as possible forward exchange purchases against forward sales and to cover, within the imposed limits, their net forward foreign liabilities by holding spot foreign assets.
6. The Reserve Bank would be prepared, through the intermediation of authorised foreign exchange dealers, to extend forward cover facilities to foreign loans negotiated by the private sector with exchange control approval, but only in respect of the rand-dollar exchange risk and only for a period of one year at a time. Forward cover would still be provided by the Reserve Bank to public corporations and other bodies in the public sector, but the rate on forward cover against liabilities denominated in stronger currencies, such as the German mark or the Swiss franc, would be set at a higher level than that in respect of the US dollar and other less strong currencies.
7. As a first step in the direction of a market-related unitary exchange rate for the rand, the "securities rand" would be transformed into a "financial rand" by expanding the uses to which it can be put by non-residents. Instead of using securities rand only to purchase quoted securities and the special non-resident bonds of the Government, non-residents would be allowed to invest also in unquoted securities and other capital assets. The

transformation of securities rand into financial rand would proceed gradually under the management and guidance of the Reserve Bank. The purpose of this change is to provide an incentive to foreigners to invest in South Africa, particularly since the dividends on their investments will be remitted at the commercial exchange rate. The foreign reserves of the country, however, will not benefit directly from such transactions because one non-resident will be buying financial rand from another.

From 29 January to 26 February 1979 the Reserve Bank adjusted its rate quoted for US dollars on two occasions, namely on 8 February when the rand was appreciated by 1,7 per cent to a middle rate of \$1,17 per R1, and on 20 February when another upward adjustment to \$1,18 per R1 was made. On 27 February the Reserve Bank discontinued the practice of quoting fixed predetermined rates for US dollars. Since then the rand appreciated slightly against the dollar.

On 5 March a new procedure came into effect in terms of which the proceeds of Krugerrand sales are channelled directly to authorised dealers in the foreign exchange market instead of to the Reserve Bank. The intention is that at least part of the proceeds of diamond sales will also be sold directly in the market instead of to the Reserve Bank.

The commission of 1 per cent per annum on forward cover was abolished on 25 January 1979 and the Reserve Bank's forward margin on US dollars was set at a dollar discount (or rand premium) of 2 per cent per annum. This forward dollar discount, or forward rand premium, largely reflected the fact that dollar interest rates were at higher levels than those in South Africa. The immediate effect of this change was a narrowing of 3 percentage points of the margin between the effective cost of trade financing in US dollars and in rand. At the end of January the differential accordingly declined to less than 1 per cent, but a more rapid decline in short-term interest rates in South Africa than in the United States caused the margin to widen to 1,6 per cent on 9 March. As indicated above, the foreign exchange reserves of the Reserve Bank increased substantially during February, mainly because of an inflow of short-term capital which occurred despite the widening of the interest rate differential. On 8 March the Reserve Bank started to base its forward rates on the ruling spot rate. Formerly it was determined on the basis of the closing spot rate of the preceding day.

Monetary and banking situation

More rapid increase in money and near-money

The supply of money and near-money, which had increased at a relatively low rate of 7 per cent during 1977, expanded more rapidly by 12 per cent during 1978. Similarly, the rate of increase in the narrowly defined money supply rose from 5 per cent in 1977 to 10 per cent in 1978.

On a quarterly basis, the rate of increase in the seasonally adjusted supply of money and near-money became significantly larger from the second quarter of 1978. An annual rate of increase of only 2 per cent during the first quarter was followed by successive annual rates of increase of 17 per cent, 15 per cent and 13 per cent during the last three quarters of the year. The narrowly defined money supply rose sharply at a seasonally adjusted annual rate of 34 per cent during the fourth quarter of 1978, as against an average annual rate of increase of only 3 per cent during the preceding three quarters. During January 1979, the seasonally adjusted money and near-money supply showed only a minor change, decreasing by about R9 million.

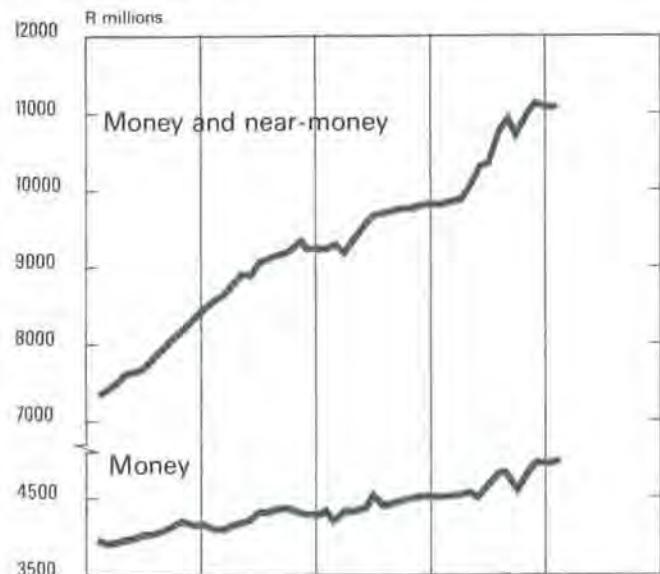
Causes of changes in money and near-money

The higher rate of increase in the supply of money and near-money during 1978 was caused by a rise in the net gold and other foreign reserves of the monetary banking sector and in monetary banks' claims on the private sector. Net claims on the government sector declined during 1978 and long-term deposits of the private sector with monetary banks showed a marked further rise.

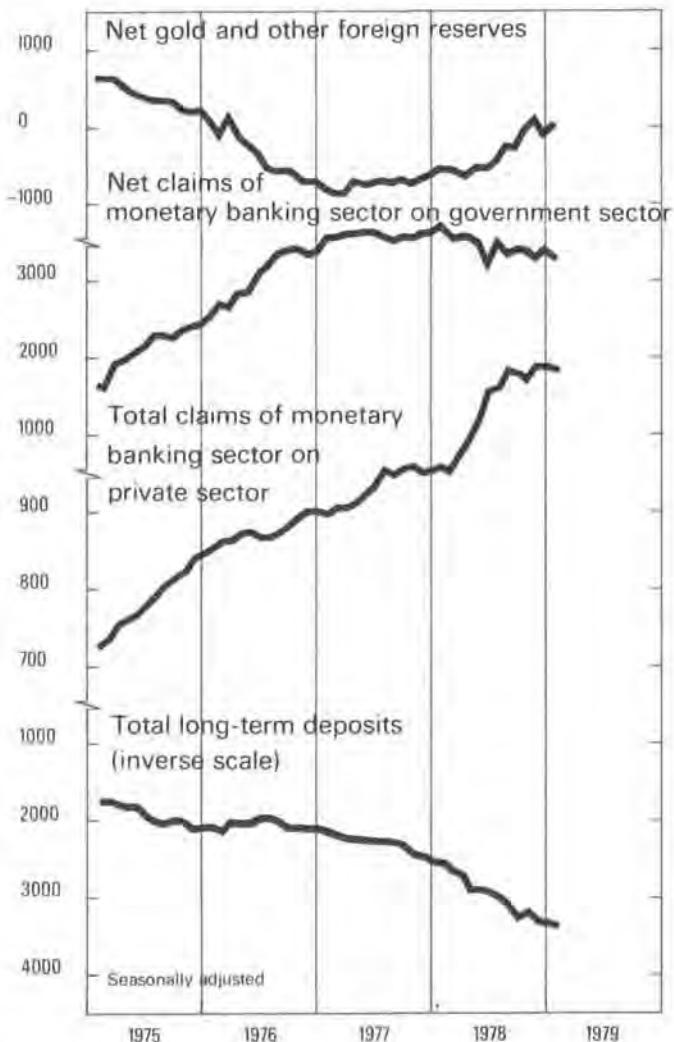
In contrast to an increase of only R60 million during 1977, the net gold and other foreign reserves of the monetary banking sector rose by as much as R501 million during 1978, reflecting mainly a reduction of R418 million in this sector's short-term foreign liabilities. The largest part of the increase in net reserves occurred during the second half of 1978, especially during the third quarter.

Seasonally adjusted claims of the monetary banking sector on the private sector increased substantially during the period February to August 1978. During September and October these claims declined marginally before rising again during the remainder of the year. Net claims of the monetary banking sector on the government sector, seasonally adjusted, decreased by R450 million during the first half of 1978, largely because of an increase of R374 million in government deposits during this period. During the second half of the year, however, net claims on the government sector increased by R201 million, mostly during the third quarter. The increase in domestic credit extension, i.e. the total of the monetary banking sector's net claims on the government sector and its claims on the private sector, slowed

Monetary analysis



Causes of changes in money and near-money



Causes of changes in money and near-money

R millions.

	Not seasonally adjusted	Seasonally adjusted				1979 Jan.
		Year 1978	1 qtr.	2 qtr.	3 qtr.	
Net gold and other foreign reserves	501	57	44	242	146	137
Claims on government sector						
Gross claims	-14					
Government deposits (increase -, decrease +)	-246					
Net claims	-260	-65	-385	181	20	-109
Claims on private sector	1 265	204	732	210	110	-40
Long-term deposits (increase -, decrease +)	-797	-186	-251	-287	-76	-34
Net other assets	489					
Total causes of changes	1 198	48	406	378	346	-9

down from seasonally adjusted annual rates of 11 per cent and 12 per cent in the second and third quarters, respectively, to only 4 per cent in the last quarter of the year.

The seasonally adjusted long-term deposits of the private sector with the banking sector continued to increase in each of the four quarters of 1978. After sharp increases during the first three quarters of the year, however, a substantially smaller rise was recorded during the fourth quarter.

During January 1979 a further increase in net gold and other foreign reserves, seasonally adjusted, was more than offset by decreases in the seasonally adjusted net claims on the government sector and in claims on the private sector, as well as by a further rise in long-term private deposits. The decline in net claims on the government sector was caused mainly by a substantial increase of R160 million in government deposits during January.

Higher rate of increase in bank credit to the private sector

Bank credit to the private sector increased by about 13 per cent during 1978, compared with an increase of only 6 per cent during the preceding year. During the second quarter of 1978 the seasonally adjusted annual rate of increase amounted to as much as 34 per cent; during the third and fourth quarters, however, it reverted to lower levels of 8 per cent and 5 per cent, respectively. The substantial increase during the second quarter was largely based on an upsurge in consumer expenditure prior to the introduction of the general sales tax in early July.

Investments by monetary banking institutions in private sector securities increased consistently throughout 1978 and accounted for R271 million of the overall increase of R1 265 million in claims on the private sector. Cash credit advances by the Land Bank were seasonally high during the second and third quarters, but did not decline in accordance with

the usual seasonal pattern during the fourth quarter, largely because of less favourable production conditions in agriculture.

The discounts, loans and advances of the commercial banks, merchant banks and monetary hire-purchase and general banks increased by 12 per cent in 1978, compared with an increase of only 2 per cent during 1977. Hire-purchase and leasing finance extended by these banks expanded rapidly by R603 million, or about 38 per cent, during the year. Bills discounted, on the other hand, decreased by R95 million. All other loans and advances of the banks concerned, representing mostly loans and advances for industrial and commercial purposes, increased by only 6 per cent during 1978. Although bank credit to the private sector, seasonally adjusted, decreased moderately by R40 million during January, the discounts, loans and advances of commercial banks increased by R72 million, whereas investments by monetary banking institutions in private sector securities declined by R34 million.

On 12 March 1979 the Reserve Bank announced that the ceilings on banking institutions' discounts, loans and advances to the private sector and on their investments in private sector securities would be raised by an additional 5 per cent of the respective "base" figures as at the end of December 1975, these increases to become effective from 31 March. The regular monthly increases in the ceilings by ½ per cent of the relevant base figures would continue to apply. At the same time, the total amount of credit extension to the private sector, as defined for purposes of the ceilings, which a banking institution may not exceed without becoming subject to the ceiling requirements, was raised from R15 million to R20 million. In the same statement, it was announced that the supplementary liquid asset requirements applying to "large" banking institutions (i.e., banks having total assets exceeding R800 million) in respect of increases in their short-term and medium-term liabilities to the public since the end of September

1975, would be reduced from 20 to 10 per cent and from 8 to 4 per cent, respectively, this reduction to become effective from the date of the banks' certification of their monthly returns for February 1979. For smaller banking institutions, the 20 per cent supplementary liquid asset requirement against increases in their short-term liabilities was abolished entirely. The corresponding requirement against increases in their medium-term liabilities already had been withdrawn in September 1978.

Improvement in bank liquidity

The excess liquidity of monetary banking institutions, which had been at relatively low levels during the first eight months of 1978, improved during the remainder of the year. The liquidity position of other banking institutions, however, remained tight throughout the year. As may be observed from the accompanying table, the major cause of the improvement in the liquidity position of the banking institutions during 1978 was the increased contribution of the foreign sector to the banks' actual holdings of Liquid Assets. During the last few months of 1978 the government sector and, to a lesser degree, the banking system itself, also contributed to the improved excess liquidity position.

During January 1979 the excess liquidity ratio of all banking institutions declined fairly sharply for seasonal reasons. The excess liquidity ratio of monetary banking institutions declined from 3.2 per cent to only 1.7 per cent. The ratio for all banking institutions decreased from 3.1 per cent to 1.6 per cent.

however, showed wider fluctuations than during previous years. This was due largely to the generally low level of the free balances held by the banks with the National Finance Corporation, which meant that fluctuations in call deposits held by the banking system had to be absorbed by the discount houses rather than by the Corporation. For the same reason, the discount houses had to approach the Reserve Bank for accommodation more frequently and for larger amounts than during preceding years.

The money market tightened during the first quarter of 1978, eased notably during most of the second quarter, but tightened sharply again over the June month-end. It eased during July and August, was tight again over the August month-end, and then eased continuously until the end of November, notably after the first week in October. The market then tightened over the November month-end, experienced a continuing shortage of funds during December, and tightened particularly during the first week of January 1979. After remaining tight during January and over the January month-end, the market turned extremely liquid during February. It tightened sharply over the February month-end, however, and remained tight during early March.

Call deposits with the discount houses varied from low levels of approximately R580 million in early March 1978 and little more than R600 million during early January 1979, to peaks of R971 million in August and R990 million in February 1979. Free balances of the banks with the National Finance Corporation were depleted for large parts of the year and rarely exceeded R100 million. Accommodation

Sectoral sources of bank holdings of liquid assets and excess liquidity ratios of banking institutions
R millions

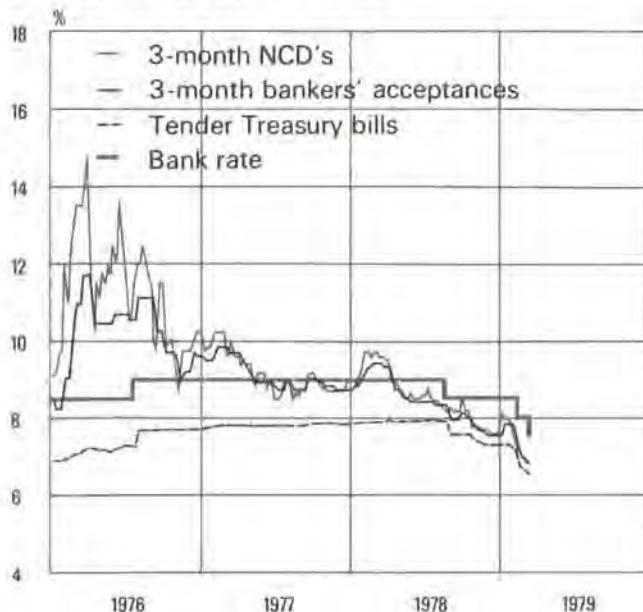
	1978					
	Mar.	June	Sept.	Oct.	Nov.	Dec.
Foreign sector	102	94	321	605	755	519
Government sector	2 557	2 688	2 579	2 495	2 699	2 729
Non-bank private sector	694	678	804	756	494	685
Banking system	856	1 009	985	927	983	1 082
Total holding of liquid assets	4 209	4 469	4 689	4 783	4 931	5 015
Less:						
Liquid assets not usable for liquid asset requirements	-13	-14	-11	-6	-8	-9
Less:						
Required liquid assets	-4 035	-4 162	-4 334	-4 334	-4 416	-4 531
Excess liquid assets	161	292	344	443	507	475
Excess liquidity ratio, %	1.2	2.0	2.3	2.9	3.3	3.1

Money market conditions and interest rates

The money market experienced varying periods of tightness and ease during 1978 and in January and February 1979, the main cause of these fluctuations being flows of funds to and from the government sector. Total deposits with the discount houses,

of the discount houses by the Reserve Bank reached its highest peak over the June month-end and in early July 1978, being R371 million on 5 July. It was also high over the August month-end, when it reached R323 million, in early January 1979, when it amounted to R350 million, and during early March 1979, when it rose to almost R316 million.

Money market interest rates



lowered their prime overdraft rates from 11½ to 11 per cent in February and from 11 to 10 – 10½ per cent in March. On both occasions deposit interest rates, with the exception of the rate on ordinary savings deposits, were reduced by ½ per cent.

Interest rate movements reflected the above fluctuations in money market liquidity, but rates generally tended to move downwards during the year. The rate on 3-month negotiable certificates of deposit, for example, which amounted to 9,0 per cent in early January 1978, rose to 9,75 per cent in February, but then declined throughout most of the remainder of the year (although showing temporary increases over the June and September month-ends) to reach 7,6 per cent in December. It then hardened in January 1979 to 7,9 per cent before continuing its decline to 6,85 per cent on 9 March. The rate on 3-month bankers' acceptances and the basic call rate of the discount houses behaved in a similar manner. The Treasury bill tender rate hardened marginally from 7,95 per cent in January–February 1978 to 7,99 per cent on 11 August. It then fell sharply in sympathy with the reduction in Bank rate and stood at 7,65 per cent on 25 August. Thereafter it continued to fall and reached 6,57 per cent 9 March 1979.

During the year under review the Reserve Bank conducted substantial open-market sales with a view to maintaining an orderly decline in interest rates. It also, at times, conducted open-market purchases to help the market over periods of stringency. During the second half of September 1978, for example, the Reserve Banks' open-market purchases of short-term government stock amounted to R44 million.

In conformity with movements in short-term interest rates and with a view to provide further stimulus to domestic economic activity, Bank rate was reduced from 8½ to 8 per cent on 6 February and from 8 to 7½ per cent on 17 March. Following these reductions, the major commercial banks

Government finance

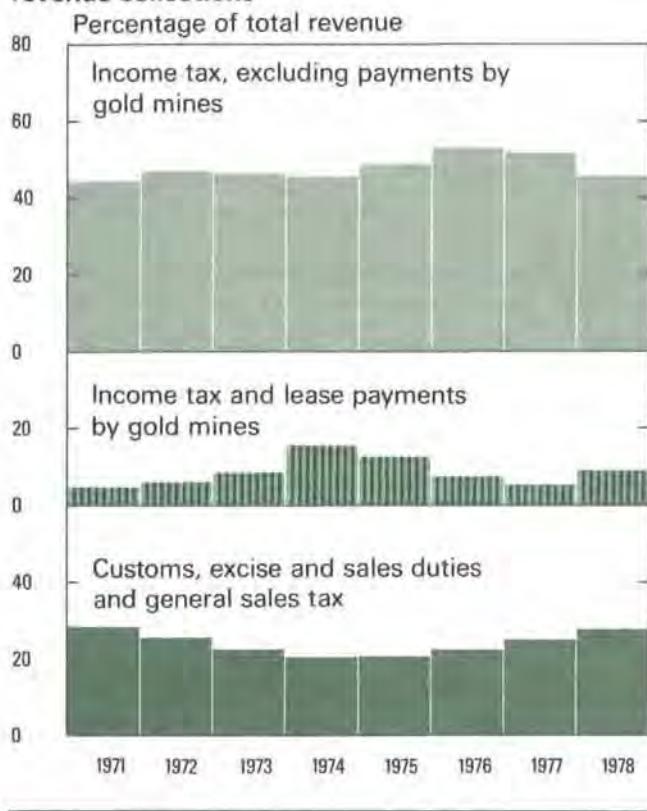
Relatively high rate of increase in Exchequer issues

Exchequer issues increased by 17 per cent in 1978, a rate of growth substantially higher than the 6 per cent recorded in 1977. This relatively high rate of increase was caused by a concentration of issues in the last quarter of the 1977/78 fiscal year, specifically in March 1978, and a large incidental statutory payment of R157 million from the Exchequer Account to the Public Debt Commissioners. Even if the statutory payment is excluded, the rate of increase of 15 per cent remained the highest since 1975. During the first nine months of the 1978/79 fiscal year, i.e. the period April to December 1978, the increase of 10 per cent in Exchequer issues (excluding the statutory payment) conformed closely to the Budget estimate for the fiscal year as a whole.

Change in the composition of Exchequer receipts

Receipts on the Exchequer Account (excluding borrowing) rose by about 16 per cent in 1978, compared with an increase of 11 per cent in 1977. The composition of the tax and other current receipts of the central government changed significantly in 1978, firstly because of a changed tax structure in which greater emphasis is placed on indirect tax as a source of revenue, and secondly as a result of a rise in the price of gold which caused the profits of gold mines, and hence their income tax and mining lease payments to the government, to increase sharply. Indirect tax receipts, consisting of the proceeds of customs, excise and sales duties, the surcharge on imports, and the newly introduced general sales tax, rose by 31 per cent in 1978. In addition, income tax and mining lease payments by gold mining companies almost doubled during this period. Receipts of income tax from taxpayers other than the gold mining industry, on the other hand, increased by only 3 per cent. Indirect taxes, income tax and mining

Composition of central government revenue collections



lease payments by gold mines, and other income tax payments accounted for 28 per cent, 9 per cent and 46 per cent, respectively, of total revenue collections in 1978, compared with 25 per cent, 5 per cent and 52 per cent, respectively, in 1977.

Exchequer receipts during the first nine months of the 1978/79 fiscal year were 14 per cent higher than during the corresponding period in the preceding year. This rate of increase was about 4 percentage points above the rate of increase which had been anticipated in the Budget for the fiscal year as a whole.

Revenue collections – State Revenue Fund¹

	1976 Rm	1977 Rm	1978 Rm	Percentage change 1977-1978
Customs duties ²	345	575	730	27
Excise duties	780	855	951	11
Sales duties	267	308	215	-30
General sales tax	—	—	377	
Income tax and lease payments by gold mines	457	370	727	96
Other income tax	3 278	3 628	3 733	3
Other receipts ³	1 114	1 247	1 470	18
Total revenue collections	6 241	6 985	8 202	17

¹ Including amounts paid to neighbouring countries in terms of Customs Union Agreements.

² Including the surcharge on imports.

³ Adjusted to preserve comparability over time.

Successful borrowing operations

Exchequer issues exceeded receipts by R2 145 million in 1978. In financing this deficit the government succeeded in borrowing R2 418 million from the domestic non-banking sector. This successful borrowing operation enabled the central government to reduce its foreign debt by R219 million and its net indebtedness to the monetary banking sector by R54 million. An exceptionally large net investment in government securities of R993 million, or R694 million more than in the preceding year, was made by the Public Debt Commissioners in 1978. Part of the increased net investment of the Commissioners was accounted for by a substantially larger amount of funds received for investment from the South African Railways Administration. The private non-banking sector's net investment in government securities, excluding compulsory loan levies of R292 million, amounted to R1 133 million, or R441 million more than in 1977.

Exchequer account financing

R millions

	1976	1977	1978
Deficit (excluding borrowing and debt repayment)	1 936	1 728	2 145
Financed by:			
Domestic non-banking sources:			
Public Debt Commissioners	999	1 368	2 418
Paymaster-General	227	299	993
Private sector	-120	—	—
Monetary banking sector	891	1 069	1 425
Foreign sector	487	384	-54
Total	1 936	1 728	2 145

Because of its successful borrowing programme in 1978 and its large available cash balances, the government decided to redeem maturing government stock of R376 million on 1 February and not to follow the usual procedure of making new stock available for investment. In addition, the Minister of Finance announced in January 1979 the earlier repayment to companies of the 1973 and 1974 loan levies, which were due for redemption in 1980 and 1981, as a means of improving company liquidity. An amount of about R160 million (including interest) was repaid on 15 February.

Railway Budget

In presenting the 1979/80 Budget for the South African Railways Administration to Parliament on 7 March 1979, the Minister of Transport stated that instead of the deficit of R168 000 that was anticipated originally for the financial year ending on 31 March 1979, a surplus of R53 million was now expected. The improved financial results were due largely to an increase in the volume of exports during 1978/79 but also to a deliberate effort to reduce

labour cost, increased efficiency in the utilisation of material, and a reduction in financial losses on certain services.

Current revenue for the 1979/80 financial year is expected to increase by 6,3 per cent to R3 374 million and current expenditure by 14,5 per cent to R3 575 million, resulting in a shortfall of R201 million. The salary adjustments for all workers announced by the Minister accounted for a substantial part of the increase in expenditure. Notwithstanding the expected deficit, no immediate upward adjustment of tariffs was proposed. Certain tariff concessions were announced to encourage an increase in the utilisation of available facilities.

Gross investment during the 1979/80 financial year is estimated at R1 080 million, an increase of 24 per cent compared with the revised estimates for 1978/79.

Post Office Budget

With a view to finance about the same proportion of the Post Office's capital expenditure from internal sources as in recent years, increases in various postal tariffs and the unit rate for telephone calls were proposed by the Minister of Posts and Telecommunications when he presented his Department's Budget to Parliament on 20 March 1979. The proposed increases will probably not come into effect before 1 October this year. It is expected that the Department's operating expenditure will increase by 14,6 per cent to R808 million and its revenue by 14,8 per cent to R884 million during the 1979/80 financial year. Capital expenditure is estimated at R364 million, or 9,7 per cent more than the expected figure for 1978/79. It is anticipated that about 47 per cent of the capital expenditure in 1979/80 will be financed from internal sources.

Capital market

Demand for loanable funds in fixed-interest security market outweighed by supply

The easing of conditions in the market for fixed-interest securities from about March 1977, continued, and became even more pronounced, during 1978. A high rate of increase in domestic saving, together with sustained investors' expectations of a further downward adjustment of security yields and a general lack of appropriate alternative investment outlets during a period of low real investment activity in the economy, caused the supply of loanable funds in the market to exceed the demand. New government stock issues were well supported and most new issues of semi-gilt-edged stock were heavily over-subscribed. Secondary market transactions in fixed-interest securities increased substantially and yields declined to their lowest levels since June 1974.

Net new issues of marketable stock by the public sector, excluding the increase in the relevant borrow-

ers' holdings of their own stock, amounted to approximately R2 087 million in 1978, compared with R2 060 million in 1977 and R1 112 million in 1976. The increase in the stock debt of the public sector during 1978 was reflected in a substantial rise of about R1 740 million in the private non-banking sector's holdings of public sector stock, following an increase of R1 277 million in 1977. The monetary banking sector's holdings of public sector stock rose by about R250 million in 1978, which was appreciably less than the increase of R729 million in 1977. In addition to the amount of loanable funds raised in the market, holdings of public sector stock by the internal funds of public sector borrowers and by the Public Debt Commissioners increased by the record amount of about R1 500 million in 1978, almost double the amount of increase in 1977. New issues of fixed interest securities by private sector companies listed on the Johannesburg Stock Exchange amounted to R222 million in 1978, compared with R190 million in 1977, and was accounted for mainly by two exceptionally large issues.

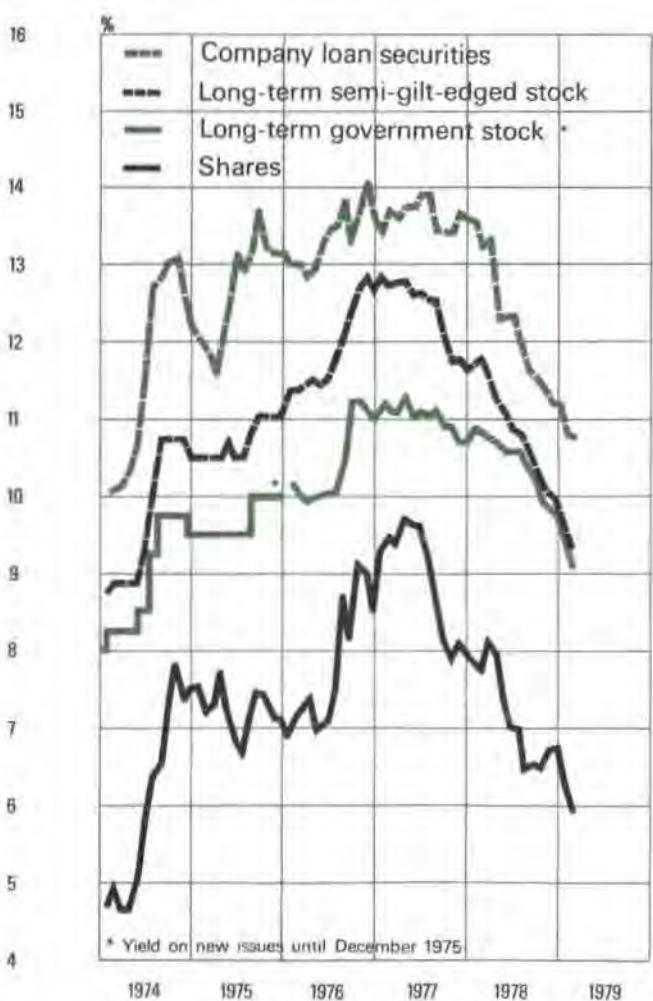
The further easing of market conditions during 1978 was reflected in a decline in the secondary market yield on long-term gilt-edged stock from 10,69 per cent in December 1977 to 9,72 per cent in December 1978 and a corresponding decrease in the secondary market yield on long-term semi-gilt-edged stock from 11,62 per cent to 9,95 per cent. These changes during 1978 narrowed the yield margin between semi-gilt-edged and gilt-edged stock from 0,93 to 0,23 percentage points. The secondary market yield on company loan securities decreased from 13,58 per cent in December 1977 to 11,18 per cent at the end of 1978.

The easier conditions in the fixed-interest security market continued during the first two months of 1979 when the secondary market yield on gilt-edged and semi-gilt-edged stock decreased further to 9,07 and 9,35 per cent, respectively. The secondary market yield on company loan securities declined likewise to 10,75 per cent.

Share market buoyant

Except for minor temporary relapses during the period February to April and again during October and November, share prices and stock exchange turnover generally maintained a strongly rising trend during 1978. The number of shares traded on the stock exchange was 24 per cent higher in 1978 than in 1977, whereas the value of shares traded showed an increase of 29 per cent. The comprehensive share price index, covering all classes of shares, rose by 19 per cent from the end of 1977 to the end of 1978. During the first two months of 1979 the number and value of shares traded rose sharply above their levels in December 1978, and share prices on average increased by a further 16 per cent. In terms of broad categories, the largest price gains during 1978 were recorded by mining shares, followed firstly by com-

Secondary market security yields



Percentage change in share prices

Year ended 31 December	Mining shares			Financial shares					All classes of shares	
	Gold	Coal	Other metals and minerals	Mining	Industrial and general	Real estate	Banking and insurance	Industrial shares		
1977	16,8	13,2	31,4	15,7	16,5	-11,5	22,6	8,7	-3,2	13,7
1978	18,8	32,2	33,6	23,3	22,6	-2,2	13,2	14,0	30,0	18,8

mmercial and industrial shares, and lastly by financial shares. Changes in the prices of individual classes of shares are shown in the accompanying table.

The average dividend yield on all classes of shares declined from 8,0 per cent at the end of 1977 to 6,8 per cent at the end of 1978, notwithstanding an increase in the dividend yield on mining shares. The inverse yield gap between shares and long-term government stock widened from 2,7 per cent in December 1977 to 2,9 per cent in December 1978. The dividend yield decreased to 5,9 per cent in February, widening the inverse yield gap still further to 3,1 per cent.

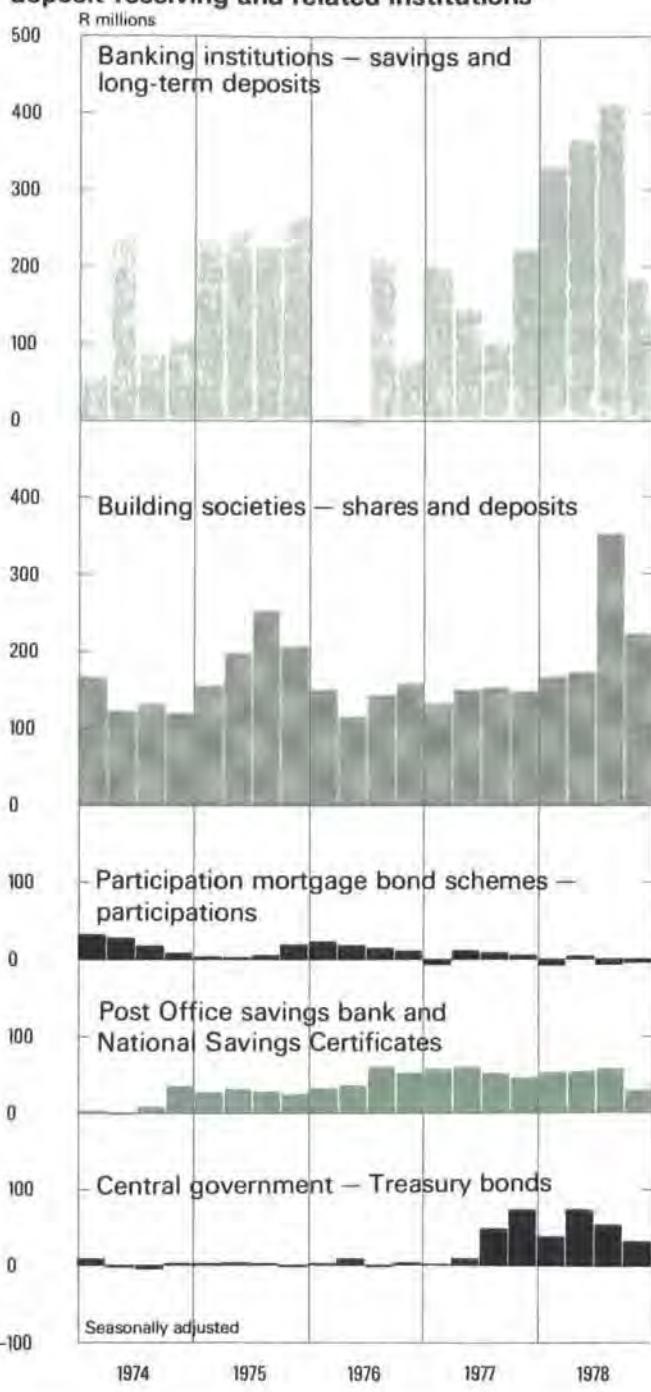
Unit trusts recorded a net outflow of funds of R13 million during 1978. The improvement in share prices, however, caused the market value of the trusts net assets to rise by R65 million to a level of R390 million at the end of 1978 and further to R418 million at the end of February 1979.

Substantially larger flow of longer-term funds to deposit-receiving and related institutions

The flow of longer-term funds to banking institutions, building societies, participation mortgage bond schemes and government savings facilities, which had increased markedly in the fourth quarter of 1977, continued at an even higher level during 1978. The total inflow of longer-term funds to the institutions concerned amounted to R2 571 million in 1978, 61 per cent more than in 1977. Banking institutions recorded the highest inflow, namely R1 292 million, followed by building societies with a figure of R914 million. Net investments in Treasury bonds amounted to R192 million and those in Post Office savings facilities to R191 million. Participation mortgage bond schemes experienced a small net outflow of funds of R21 million, mainly because of a slack demand for this form of mortgage financing. Scheme managers are obliged to return funds which are not invested in participation mortgage bonds within a period of sixty days. Because of this requirement, scheme managers were unwilling to accept further funds for investment and repaid some of the funds which had become available for reinvestment.

The larger inflow of longer-term funds exerted downward pressure on deposit and related interest rates, and during the fourth quarter of 1978 the various rates were reduced by $\frac{1}{2} - 1$ per cent. Most

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



deposit interest rates were lowered by ½ per cent in February and again in March, following the reductions of Bank rate referred to earlier.

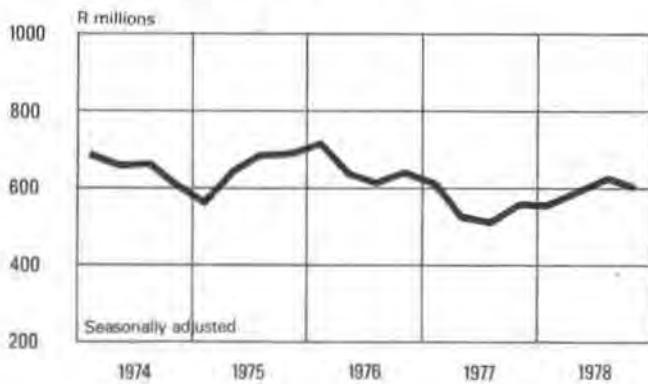
Improved activity in mortgage and real estate markets

New mortgage loans granted by building societies, which had declined by 10 per cent in 1977, increased by approximately 40 per cent in 1978, indicating a much improved level of activity in the residential mortgage market. Increased mortgage lending by building societies, however, did not match funds available for investment and, as a result, the societies increased their cash, deposit and security holdings by an amount of R410 million during 1978.

Following the decline in deposit interest rates, the societies lowered their mortgage rates from a 10,5 – 12,0 per cent range to a 10,0 – 12,0 per cent range as from 2 October 1978 on new loans and from 1 January on existing loans. The further decline in some of their borrowing rates in February, however, did not affect their lending rates.

The value of real estate transactions, which had declined sharply by 15 per cent in 1977, increased by 7 per cent in 1978. A moderately upward trend in these transactions became evident in the fourth quarter of 1977 and it continued throughout 1978.

Value of real estate transactions



Statement regarding South Africa's exchange rate policy and practices

Issued by Senator The Honourable O P F Horwood, Minister of Finance

24 January 1979

After consultation with the Reserve Bank and other interested parties, the Government has decided to accept the Interim Report of the Commission of Inquiry into the Monetary System and Monetary Policy in South Africa. As recommended by the Commission, a gradual and systematic process of changing South Africa's exchange rate policy and practices will be initiated immediately. The eventual aim of this process will be a unitary exchange rate system under which an independent and flexible rand finds its own level in well developed and competitive spot and forward foreign exchange markets in South Africa. In this system the movements of the rand will be managed through Reserve Bank "intervention" by means of purchases and sales of foreign exchange (mainly US dollars), and there will be limited exchange control applicable only to residents.

This eventual exchange rate system will therefore be one of "managed" and not "free" floating. In the nature of the case this will also imply that the rand will then no longer be pegged to the US dollar. The rand will then be an independent currency with an exchange rate largely determined by the state of South Africa's own balance of payments and domestic economy and not by the fortunes of another country's currency or by another country's economic or political developments.

Under the present international system of floating exchange rates it is obviously impossible for South Africa to maintain exchange rate stability with all other currencies. Our choice is either to float with the US dollar or another important currency or with a "basket" of currencies, or to float independently in accordance with our own interests. The Government has chosen independent floating as the eventual system. In the past this choice was not open to South Africa, because our foreign exchange market was not yet sufficiently developed. But we have now reached a stage where it is feasible and in the national interest to develop a foreign exchange market in South Africa in which the rand can move independently under Reserve Bank surveillance.

The Government also accepts the Commission's recommendation that this eventual system cannot be fully implemented at the present stage but can best be attained through a gradual process of adjustment. The manner in which the new exchange rate system will be put into operation and the time scale involved will be determined by the Reserve Bank in close consultation with the Minister and the Department of Finance. In determining the necessary procedures to give effect to the new policy, the Bank will co-operate closely with the authorised foreign exchange dealers. To this end, the Reserve Bank will hold discussions with the authorised foreign exchange dealers tomorrow.

It must further be noted that the Commission has made recommendations with regard to the appropriate exchange rate system and policy framework for South Africa and not with regard to any specific exchange rate for the future. The Commission is recommending neither a specific devaluation nor a specific revaluation of the rand. The task of deciding in which direction and how far the exchange rate should at any time be permitted or encouraged to move in the market, must be left to the monetary authorities to perform in the light of the prevailing circumstances. The Government subscribes to this point of view.

To give all interested parties full opportunity to make the necessary preparations for the introduction of the first stage of the new exchange rate system, both the foreign exchange market and the stock exchange will be closed on 24 and 25 January. As usual, however, the necessary provision will be made for smaller exchange transactions to avoid unnecessary inconvenience for travellers and others.

To initiate the above-mentioned process of change, the following steps will be taken:

1. For the present the Reserve Bank will still quote predetermined buying and selling rates for US dollars at which it will be prepared to enter into transactions with authorised dealers. These rates will not, however, be kept unchanged for long periods at a time as in the past, but will be adjusted more frequently to changing circumstances. Moreover, as the foreign exchange market becomes more developed and competitive, and improvements are effected in the system of communications between the different authorised dealers and the Reserve Bank, the Bank will lead the system in the direction of more genuine managed floating for an independent rand. As a starting point, the Bank's selling rate will remain at R1 = \$1,148 6 and its buying rate at R1 = \$1,151 5, with a middle rate therefore of R1 = \$1,150 0.
2. In order to develop a broader and more active and competitive foreign exchange market in South Africa, in which the rand can later be allowed to find its own level subject to Reserve Bank intervention, the Reserve Bank will cease to prescribe mandatory buying and selling rates at which authorised foreign exchange dealers must conduct their transactions in US dollars with the public. Subject to the other rulings which will be laid down, authorised dealers will therefore be able to compete freely in the foreign exchange market.
3. To the extent that a need might arise for compensation to authorised dealers for declining profits on foreign exchange transactions under the proposed new system, it would, in the opinion of the monetary authorities, not be unreasonable for the authorised

dealers themselves, in the normal competitive manner, to levy moderate charges on those clients on whose behalf they incur costs in administering exchange control.

4. Authorised foreign exchange dealers will be allowed to maintain reasonable "open positions" in foreign exchange and to deal for their own account in foreign exchange within limits prescribed by the Reserve Bank. The authorised dealers will be requested to submit returns to the Reserve Bank at shorter intervals than in the past, so that their "positions" in foreign exchange can be kept under constant surveillance. In this regard the Reserve Bank, as recommended by the Commission, will prescribe two limits for authorised foreign exchange dealers:

- (a) To control the exposures of individual authorised dealers and the banking community as a whole, as well as to protect the official reserves, the Reserve Bank will set an "open position limit" for each dealer for all foreign currencies together (both spot and forward) against rand, which that dealer must observe at the close of trading every day. This limit applies to the difference between the authorised dealer's assets and liabilities in foreign currencies, including **forward** assets and liabilities.
- (b) To place an adequate limit on the amount of foreign exchange held outside the official reserves, the Reserve Bank will impose a second limit on each authorised dealer, namely a "spot against forward" limit. By this is meant a limit on a dealer's net **current** assets held in cover of net **forward sales**.

The Reserve Bank will base these limits for each authorised foreign exchange dealer on the latter's size (its capital base) and on its turnover in foreign exchange. Initially these limits will be relatively narrow, but it will be the intention of the Reserve Bank to expand them as soon as practicable in order to promote the aims of the new policy. Further details in this regard will be communicated to authorised dealers by the Governor of the Reserve Bank.

5. To provide further impetus to the development of a more active and competitive foreign exchange market, steps will be taken to expand the volume of foreign exchange transactions outside the Reserve Bank. The Government accepts the Commission's recommendation that the Reserve Bank should continue to market South Africa's gold bullion and to sell the dollar proceeds into the market as and when necessary. The Bank will also continue to handle the proceeds of its own borrowings as well as of loans by the central government. The Reserve Bank, in consultation with the Minister and the Department of Finance, will furthermore examine the practicability of channelling through the authorised dealers at least a portion of the receipts of sales of Krugerrands and diamonds, as well as of foreign loans to public cor-

porations and municipalities, which at present accrue directly to the Reserve Bank. These steps should contribute greatly to the expansion of the supply of foreign exchange in the market outside the Reserve Bank and therefore to a better balance in the market. But clearly the effect of any such action on the Reserve Bank's cash foreign exchange reserves must be borne in mind.

6. The Commission's recommendations with regard to the forward exchange market will be implemented by the Reserve Bank as rapidly as possible. As pointed out by the Commission, however, the development of an active and competitive forward exchange market will have to proceed gradually. Initially the forward market will therefore still be administered by the Reserve Bank to a large extent. But the forward margins will in future be determined on a variable and increasingly more market-related, rather than a fixed, basis. As a first step the Reserve Bank will in future no longer quote a fixed **charge or commission** to be paid by both importers and exporters for forward cover and which therefore implies two different prices for the same forward dollars, namely one for importers and another for exporters. In future the Reserve Bank will quote **one (middle)** price for forward dollars of any specific maturity, instead of two as at present. This should help to attain a more balanced two-way cover in the forward market and therefore to limit the losses which the Reserve Bank incurs on behalf of the Government on forward transactions.

To begin with, the Bank's forward margin on US dollars will be set at a dollar discount (or rand premium) of 2 per cent per year, which would imply a middle rate for forward dollars with a maturity of one year of R1 = \$1,170.0. This forward dollar discount or forward rand premium largely reflects the fact that dollar interest rates are at present higher than those in South Africa.

7. Authorised dealers will also be encouraged to "marry" forward sales and purchases as far as possible and, within the imposed limits, to cover their **net forward** foreign liabilities by holding **spot** foreign assets. To the extent permitted by the reserves, the Reserve Bank will endeavour to increase these limits in due course in order to encourage the development of a forward exchange market in South Africa.

8. In order to stimulate foreign borrowing by the private sector in the interest of more rapid economic growth, the intermediation of authorised foreign exchange dealers, to extend forward cover facilities to any foreign loans negotiated by the private sector with exchange control approval. Such cover will be provided only in respect of the rand-dollar exchange risk and preferably for a period of one year at a time.

9. The Commission's recommendation that the Reserve Bank should in future extend forward cover on foreign loans by public corporations and certain other bodies in the public sector only on the rand-

dollar leg of such transactions, leaving it to these bodies themselves, as in the case of private firms, to cover themselves in an overseas forward market against the exchange risk between the dollar and any other currency in which their loans might be denominated, is accepted in a modified form. Forward cover will still be provided to these bodies by the Reserve Bank, but the rate on forward cover against liabilities in the stronger currencies of the world, such as the German mark or the Swiss franc, will in future be set at a higher level than that in respect of the US dollar and other less strong currencies. The Reserve Bank will from time to time determine these rates in consultation with the Treasury.

10. The Commission's short term recommendations in respect of a more developed and formal dual exchange rate system than the present one (as a transitional measure) will not be fully implemented at this stage. Certain adjustments to the existing dual exchange rate system in South Africa will, however, be made. The official exchange rate will be known as the "commercial rate" and will be determined in the manner indicated above. The present "securities rand" will be transformed into a "financial rand" by expanding the uses to which it can be put by non-residents. As in the case of securities rand at present, the exchange rate for the financial rand will be determined by supply and demand. This adjustment must be viewed as a transitional measure and a further step in the direction of the long-term objective, namely a market-related unitary exchange rate for the rand.

The reason for expanding the possible uses to which the present securities rand can be put, is to promote the participation of foreign capital and skills in the South African economy. The present securities rand system in the nature of the case discourages such participation. Securities rand can at present only be used by a Non-resident to purchase quoted securities and the special Non-resident bonds of the Government. Funds for investment in unquoted securities and other capital assets at present have to enter the country at the official exchange rate, following which repatriation at that rate is blocked and is only possible at the securities rand rate (except if the funds in question are first invested for seven years in the above-mentioned Non-resident bonds of the Government). Repatriation at the securities rand rate entails substantial losses for the foreign investor, since the securities rand generally stands at a discount, at present of more than 40 per cent, against the official rate. By permitting non-residents in future to use financial rand for investments in certain other assets and not only in quoted securities, a strong incentive will be provided to them to invest more funds in South Africa, particularly since the dividends on their investments will be remitted at the commercial rate.

Capital flowing in along this route will not normally benefit the reserves directly, because one non-resident will in effect be buying financial rand from another non-resident, but will create new econ-

omic activity, employment and technical advancement. These matters are urgent national objectives to which the Government wishes to grant a high priority. Of particular significance is also the fact that any outflow of capital by means of financial rand will not harm the reserves.

The transformation of securities rand into financial rand will proceed gradually and under the management and guidance of the Reserve Bank. After consultations between the Reserve Bank and the authorised foreign exchange dealers, further details in regard to the new uses of financial rand will be made available. As recommended by the Commission, any expansion of these possible uses will be restricted to the purchase of a proprietor's interest in the broad sense of the term, as distinct from the provision of loan funds. In respect of all kinds of loan capital, the commercial exchange rate will be applicable. The Commission's recommendations with regard to investments by non-residents through the medium of financial rand is, however, accepted with the proviso that such investments will at this stage only be permitted after approval by the Reserve Bank.

The Commission's further recommendation that the proposed financial rand market be opened also to residents in an evolutionary manner, will not be implemented at this stage for administrative reasons. The financial rand market will therefore remain restricted to non-residents. Except for the above-mentioned adjustments and certain other small changes which will be announced later, exchange control will therefore be maintained in its present form for the time being.

11. As recommended by the Commission, Regulation 3(1)(f) of the exchange control, which restricts domestic borrowing by foreign controlled companies in accordance with a prescribed formula and which is considered by many to be a deterrent to both domestic economic expansion and the inflow of new foreign capital, will in future be applied selectively on a more flexible basis. Enterprises which desire to expand their productive capacity in South Africa, and also new foreign controlled undertakings, will under certain conditions be permitted to exceed these limits on a temporary basis.

The Government's acceptance of the main principles contained in the Commission's Interim Report must be viewed against the background of the official policy of economic growth with financial discipline. The application of this policy has now reached the stage where greater emphasis must be placed on more rapid economic growth. The Government accepts the Commission's point of view that in short-term economic stabilisation policy in South Africa the main emphasis should fall on conservative monetary and fiscal policy and general financial discipline, and that exchange rate policy can never be a substitute for such policy and discipline. In the long run, conservative fiscal and monetary policies aimed at making the rand a strong

currency, will also have the most beneficial effects on the rate of real economic growth and on internal and external economic stability in South Africa. But the Government also accepts the Commissions recommendation that exchange rate policy should form an important part of official economic strategy designed to achieve the optimum combination of economic growth, balance of payments equilibrium and internal economic stability. And given the success of the official restrictive fiscal and monetary policy of the past three years, it is evident that greater emphasis must now be placed on economic growth.

Of particular importance to the Government in this regard is the consideration that under the present pegging system domestic economic policy objectives, such as the attainment of an adequate rate of economic growth and reasonably high levels of employment, often have to be accorded a lower policy priority than the defence of the existing fixed rand-dollar exchange rate. The implementation of the new system should afford the monetary authorities more independence in the application of domestic monetary and fiscal policies. Under the new system it should be possible for the authorities to follow a more consistent and effective anti-cyclical or growth policy by allowing the exchange rate to appreciate or depreciate to the extent necessary.

The introduction of the new exchange rate system therefore opens the way for the monetary authorities to apply such further measures aimed at promoting growth as may prove to be necessary. It is only about two months before my next Budget, when the economic situation and policy as a whole will again be reviewed. In the meantime, however, I consider it desirable to announce a further expansionary measure which I believe can contribute significantly to a higher growth rate without adding to inflation.

I believe that relief should be given to the tight cash position of many companies, and that companies in general should be helped to repay certain forms of costly financing. I therefore wish to announce that the repayments of loan levies on companies for the 1973 and 1974 income tax years will be advanced. The total amount for the two years taken together, including interest, will amount to nearly R160 million. Repayment will be made as soon as possible after 15 February this year. In the light of the exceptional success of the Government's loan programme to date, these repayments will not only assist in bringing the Government's financing of its budget deficit more in line with the targets set in my latest Budget, but will also improve the liquidity of companies and enable them to effect certain savings in financing costs, which to that extent should have an anti-inflationary influence on the price level of their products.

The general economic situation will be kept under close surveillance and, where necessary and desirable, further steps to promote sound economic growth will be taken in both the monetary and fiscal fields.

Statements regarding monetary policy

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

5 February 1979

After the usual consultation with the Treasury, the Reserve Bank has decided to reduce the Bank rate from 8½ to 8 per cent per annum with effect from Tuesday, 6 February 1979.

This step is in accordance with the current economic policy of further stimulating domestic economic activity and also conforms to recent trends in short-term interest rates in South Africa in general.

12 March 1979

After the usual consultation with the Treasury, the Reserve Bank has decided to effect the following adjustments to the credit control measures:

1. Credit ceilings

As from 31 March 1979 the credit ceilings of banking institutions are increased by an additional 5 per cent of their base figures as at 31 December 1975. This increase applies to the ceiling figures relating to banking institutions' discounts, loans and advances to the private sector, and their investments in securities of the private sector. The existing arrangement whereby the ceiling figures of banking institutions are increased every month by one half per cent of their base figures, continues to apply.

At the same time the total amount of credit extension to the private sector, as defined for the purposes of the credit ceilings, which a banking institution may not exceed before it becomes subject to the ceiling requirements, is increased from R15 million to R20 million. When the total credit extended to the private sector by such a banking institution reaches the new limit of R20 million, its respective ceilings will thereafter be increased monthly by one half per cent of the relevant base figures as at 31 December 1975.

2. Liquid asset requirements

As from the date of certification of their monthly returns for 28 February 1979, the supplementary liquid assets which large banks (i.e. those with total assets exceeding R800 million) have to maintain in respect of the increase in their short- and medium-term liabilities since 30 September 1975, are reduced from 20 to 10 per cent and from 8 to 4 per cent; respectively.

For the smaller banking institutions the supplementary liquid asset requirement of 20 per cent in respect of the increase in their short-term liabilities since 30 September 1975, is abolished from the date of certification of their monthly returns for 28 February 1979. The supplementary liquid asset requirement in respect of the increase since 30 September 1975 in the medium-term liabilities of

smaller banking institutions, was already abolished in August 1978.

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

16 March 1979

After the usual consultation with the Treasury, the Reserve Bank has decided to reduce the Bank rate from 8 to 7½ per cent per annum with effect from 17 March 1979.

Kwartaallikse ekonomiese oorsig

Opsomming en algemene opmerkings

Ná die langdurige ekonomiese afswaai vanaf ongeveer die middel van 1974 tot die einde van 1977, het die reële ekonomiese bedrywigheid gedurende 1978 matig herstel. Groot skommelings in die private verbruiksbesteding het bygedra tot 'n skerp toename in die reële bruto binnelandse produk in die tweede kwartaal en 'n daaropvolgende afname in die derde kwartaal en het dit moeilik gemaak om die sterkte van die opswaai te beoordeel, maar inligting vir die vierde kwartaal het bevestig dat daar 'n matige opwaartse neiging in die ekonomiese bedrywigheid is. Die bruto binnelandse produk het in 1978 met ongeveer 2½ persent toegeneem. Die bruto nasionale produk het teen 'n ietwat hoër koers van ongeveer 4 persent gestyg as gevolg van 'n aansienlike verbetering in Suid-Afrika se ruilvoet.

In teenstelling met die voorafgaande jaar het die ekonomiese groei in 1978 hoofsaaklik ontstaan in die sekondêre en tersiêre sektore van die ekonomie, terwyl laer koers van toename in die reële produk van die landbou en die mynbou aangeteken is. Hierdie verandering was die gevolg van 'n betekenisvolle toename in die reële waarde toegevoeg deur die fabriekswese, wat in 1977 nog 'n aansienlike afname getoon het, en van die feit dat die aansienlike negatiewe bydrae wat die reële produk van die groot- en kleinhandel in 1977 tot die groei gemaak het, nie in 1978 herhaal is nie. Die algemene herstel het egter nie uitgekrag tot die konstruksiesektor nie en die toegevoegde waarde daarvan het in 1978 voortgegaan om aansienlik af te neem.

Die toename in die reële bruto binnelandse produk was nie slegs op 'n toename in die volume van die uitvoer en van die netto goudproduksie gebaseer nie, maar ook op 'n matige stygging in die totale reële binnelandse vraag. Hierdie stygging in die reële bruto binnelandse besteding, wat op 'n afname in 1977 gevolg het, is meegebring deur toenames in die reële private en owerheidsverbruiksbesteding terwyl reële vaste en reële voorraadinvestering met kleiner bedrae gedaal het. Teen heersende pryse was die hoër vlak van die bruto binnelandse besteding nog aansienlik laer as die bruto nasionale produk, wat 'n aansienlike oorskot op die lopende rekening van die betalingsbalans tot gevolg gehad het.

Die ekonomiese herstel is weerspieël in 'n effense toename in die werkverskaffing buite die landbou gedurende die eerste nege maande van 1978. (Meer onlangse gegewens is nog nie beskikbaar nie.) Hierdie toename is egter grotendeels verklaar deur hoër werkverskaffing in die openbare sektor en in die goudmynbedryf. Die werkverskaffing in die private sektor in sy geheel het effens afgeneem, hoofsaaklik vanweë 'n afname in die indiensneming in die fabriekswese, konstruksie en die nie-goudmynbou. Die

effense toename in die werkverskaffing buite die landbou is weerspieël in ietwat laer syfers van die werkloosheid onder alle bevolkingsgroepe.

In weerwil van verhogings van verskeie geadministreerde pryse en die instelling van die algemene verkoopbelasting, het die inflasiekoers in 1978 effens afgeneem. Indien die nie-wederkerende uitwerking van die instelling van die algemene verkoopbelasting uitgeskakel word, was 'n meer opmerklike afwaartse neiging in die verbruikerspryse in 1978 waarneembaar. Die vlak van die inflasiekoers het nietemin hoog gebly en 'n dubbelsyferkoers is nou vir die vyfde opeenvolgende jaar aangeteken.

'n Verdere verbetering van die lopende rekening van die betalingsbalans het gelei tot 'n aansienlik groter oorskot op hierdie rekening as in 1977. Dit was te danke aan 'n skerp toename in die netto goudproduksie, hoofsaaklik as 'n weerspieëling van die hoër goudprys, en aan 'n aansienlik hoër goedere-uitvoer, wat uit 'n matige toename in die volume en aansienlike stygings in die pryse van die belangrikste uitvoerprodukte voortgespruit het. Neutraliserende toenames, wat nie teen dié in die uitvoer en in die netto goudproduksie opgeweeg het nie, het in die waarde van die invoer en die netto betalings aan buitelanders op die onsigbare rekening voorgekom.

Die oorskot op die lopende rekening, aangevul deur 'n netto invloeiing van langtermynkapitaal na die openbare korporasies en die private sektor, het 'n aansienlike vermindering van die korttermynlaste verwant aan reserwes sowel as terugbetalings op buitelandse langtermynlenings deur die sentrale regering toegelaat. 'n Netto uitvloeiing van ander korttermynkapitaal moes egter ook geakkommodeer word en die bruto goud- en ander buitelandse reserwes het, met verontagsaming van waardasie-aansuiwerings, in 1978 slegs 'n klein toename getoon. As gevolg van die vermindering van die laste verwant aan reserwes het die netto goud- en ander buitelandse reserwes gedurende die jaar aansienlik gestyg.

'n Toename in die netto goud- en ander buitelandse reserwes van die monetêre banksektor was 'n belangrike oorsaak van 'n aansienlik hoër koers van toename in die hoeveelheid geld en kwasi-geld gedurende 1978. Die vernaamste oorsaak van die toename was egter 'n opmerklike stygging in die monetêre banke se eise teen die private sektor. Die uitbreiding wat deur hierdie faktore teweeggebring is, is gedeeltelik geneutraliseer deur 'n afname in die netto eise teen die regeringsektor en 'n skerp stygging in die langtermyndeposito's van die private sektor by die monetêre banke. Die aansienlike toename in die bankkrediet aan die private sektor, wat hoofsaaklik gedurende die tweede kwartaal voorgekom het, was 'n weerspieëling van hoë toenamekoerse in huurkoop- en bruikhuurfinansiering en in beleggings in effekte van die private sektor. Ander lenings en voorskotte, wat hoofsaaklik lenings

en voorskotte vir nywerheids- en handelsdoeleindes omvat, het gedurende 1978 egter nog teen 'n betreklik lae koers gestyg. Die afname in die netto eise teen die regeringsektor is meegebring deur 'n toename in die regeringsdeposito's wat op sy beurt weer 'n weerspieëling was van die suksesvolle plasing van lenings by die binnelandse nie-banksektor en van 'n toename in die regering se inkomste wat die Begrotingsramings oortref het. Die regering se inkomste is opgestoot deur aansienlik hoër as verwagte inkomstebelasting- en huurkontrakbetalings deur die goudmynmaatskappye, wat voortgespruit het uit die skerp stygging in die goudprys en gevoldlik ook in die winste van die goudmynbedryf.

Op 12 Maart 1979 het die Reserwebank aangekondig dat, bo en behalwe die gereelde maandelikse verhoging, die plafonne op die bankinstellings se krediet aan die private sektor vanaf 31 Maart met 5 persent van die basissyfers soos aan die einde van Desember 1975 verhoog word. Terselfdertyd is die totale bedrag van die kredietverlening aan die private sektor wat 'n bankinstelling nie mag oorskry nie sonder om aan die plafonvereistes onderhewig te word, van R15 miljoen na R20 miljoen verhoog. Daar is ook aangekondig dat die likwiede batevereistes verslap word vanaf die datum van die banke se sertifisering van hulle maandopgawes vir Februarie.

Die geldmark het gedurende 1978 en die begin van 1979 afwisselende tydperke van stramheid en ruimte ondervind. Die meeste van hierdie veranderings is meegebring deur die beweging van fondse na en van die regeringsektor. Die geldmarkrentekoerse het oor die algemeen in 1978 afwaarts geneig en gedurende Januarie en die eerste helfte van Februarie verder gedaal, in die besonder ná die aflossing vroeg in Februarie van staatseffekte wat hul aflosdatum bereik het. In ooreenstemming met die bewegings van die korttermynrentekoerse en ten einde 'n verdere stimulus aan die ekonomiese bedrywigheid te verleen, is die Bankkoers vroeg in 1979 by twee geleenthede verlaag, naamlik van $8\frac{1}{2}$ na 8 persent op 6 Februarie en van 8 na $7\frac{1}{2}$ persent op 17 Maart. Die vernaamste handelsbanke het gereageer deur hulle prima-oortrekingskoerse met $\frac{1}{2}$ persent in Februarie en met 'n verdere $\frac{1}{2} - 1$ persent in Maart te verlaag. By albei geleenthede is depositokoerse, met die uitsondering van die koers op gewone spaardeposito's, met $\frac{1}{2}$ persent verlaag.

'n Duidelike verruiming van die toestand op die kapitaalmark het in 1978 na vore gekom, in die besonder op die mark vir vaste-rentedraende effekte. Nieteenstaande 'n aansienlike netto opname van fondse deur die openbare sektor, het die opbrengskoerse op vaste-rentedraende effekte aansienlik gedaal. Die opbrengskoerse op aandele het dieselfde gedoen vanweë 'n opmerklike styging in die aandelepryse. In teenstelling met die lewendigheid van die mark vir vaste-rentedraende effekte en die aandelemark was die bedrywigheid in die verband- en vaste eiendomsmarkte stiller, maar 'n merkbare verbetering is nogtans in 1978 waargeneem.

Daar is op 24 Januarie 1979 aangekondig dat die Regering, ná oorlegpleging met die Reserwebank en ander belanghebbende partye, besluit het om 'n begin te maak met 'n geleidelike en stelselmatige proses om Suid-Afrika se wisselkoersbeleid en -praktekte te verander, gebaseer op die aanbevelings in die tussen-tydse verslag van die Kommissie van Ondersoek na die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika. Die uiteindelike doel van hierdie proses is 'n enkelvoudige wisselkoersstelsel waarvolgens 'n onafhanklike en beweeglike rand sy eie wisselkoersvlak sal vind in goed ontwikkelde en mededingende kontant- en termynvalutamarkte. Die wisselkoersbewegings sal egter beheer word deur Reserwebank-“intervensie” deur middel van aankope en verkope van valuta. Die regering het die Kommissie se sienswyse aanvaar dat die uiteindelike stelsel die beste bereik kan word slegs deur 'n geleidelike aanpassingsproses. Soos later in hierdie oorsig aangedui word, is verskeie stappe gedoen om die nuwe beleid in werking te stel en binne 'n taamlik kort tydsbestek is sommige van die aanvanklike oorgangsmaatreëls deur meer permanente reëlings vervang.

Nasionale rekeninge

Matige herlewning van ekonomiese groei

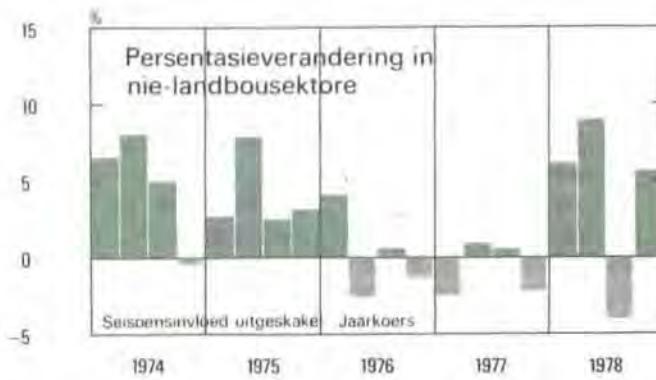
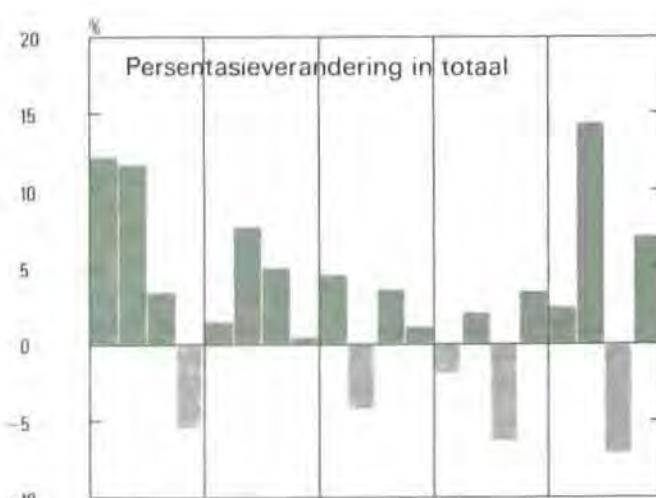
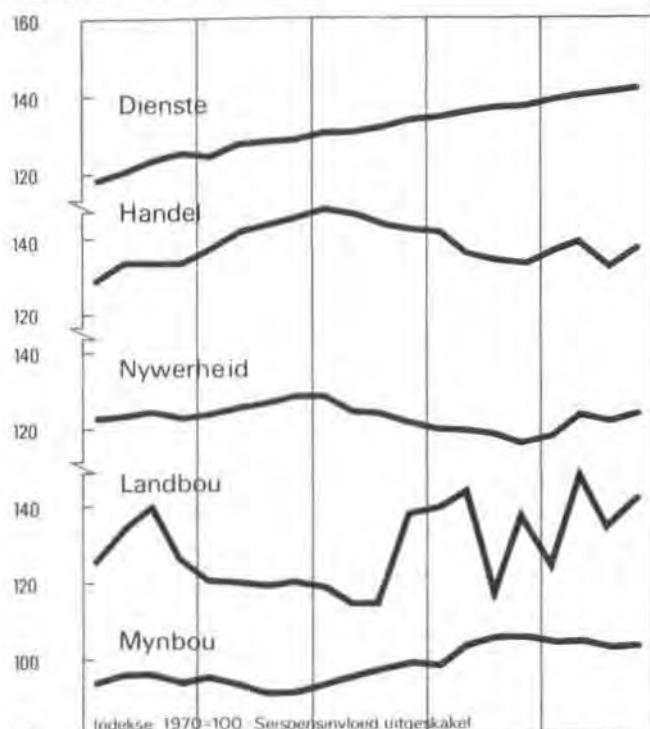
Die reële bruto binnelandse produk het in 1978 met 2,5 persent toegeneem, vergeleke met ongeveer geen groei nie in 1977 en 'n koers van toename van slegs 1,3 persent in 1976. Suid-Afrika se ruilvoet het gedurende 1978 as gevolg van 'n hoër koers van toename in die uitvoerpryse (insluitende goud) as in die invoerpryse en vanweë 'n afname in die reële netto faktorbetalings aan die res van die wêrelde aansienlik verbeter. Gevolglik het die reële bruto nasionale produk in 1978 met ongeveer 4 persent toegeneem, vergeleke met geen groei nie in 1977 en 'n afname van 1 persent in 1976.

Soos in die bygaande tabel getoon word, het die veranderings in die reële bruto binnelandse produk van die hoofsektore van die ekonomie aansienlik van dié in die voorafgaande jaar verskil. Ten eerste het die koers van toename in die reële toegevoegde waarde van die primêre sektor, as gevolg van 'n baie laer koers van toename in die landbou- en nie-goudmynbouproduksie, van 9 persent in 1977 tot slegs $1\frac{1}{2}$ persent in 1978 afgeneem. Ten tweede is 'n daling van $5\frac{1}{2}$ persent in die reële produk van die sekondêre sektor in 1977 gevolg deur 'n toename van $3\frac{1}{2}$ persent in 1978. 'n Betekenisvolle toename in die reële produk van die fabriekswese, wat in 1977 nog 'n aansienlike afname getoon het, was hoofsaaklik vir hierdie ommeswaai verantwoordelik, maar bydraes is ook gelewer deur die hoër koers van toename in die reële produk van elektrisiteit, gas en water en deur 'n laer koers van afname in die reële toegevoegde waarde van konstruksie. Ten derde het die reële produk van die tersiêre sektor in 1978 'n hoër groeikoers getoon,

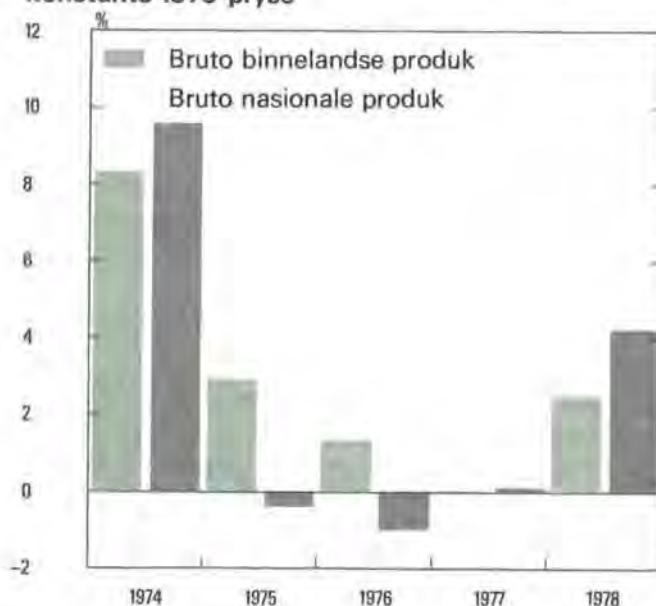
Percentasieverandering in reële bruto binnelandse en nasionale produk

	1976	1977	1978
Primêre sektor	2	9	$1\frac{1}{2}$
Landbou	1	$10\frac{1}{2}$	$2\frac{1}{2}$
Goudmynbou	-	-2	$\frac{1}{2}$
Nie-goudmynbou	6	$13\frac{1}{2}$	1
Sekondêre sektor	-1	$-5\frac{1}{2}$	$3\frac{1}{2}$
Fabriekswese	$-\frac{1}{2}$	$-6\frac{1}{2}$	5
Elektrisiteit, gas en water	4	$3\frac{1}{2}$	5
Konstruksie	-7	$-6\frac{1}{2}$	-5
Tersiêre sektor	3	$\frac{1}{2}$	2
Groot-, klein- en motorhandel	2	$-6\frac{1}{2}$	$-\frac{1}{2}$
Vervoer en kommunikasie	3	5	$4\frac{1}{2}$
dienste	6	4	4
Algemene owerheidsdienste	2	2	2
Finansiële en ander dienste			
Bruto binnelandse produk teen markpryse	$1\frac{1}{2}$	-	$2\frac{1}{2}$
Bruto nasionale produk teen markpryse	-1	-	4

Bruto binnelandse produk teen konstante 1970-pryse



Jaarlikse persentasieverandering in bruto binnelandse en bruto nasionale produk teen konstante 1970-pryse



naamlik 2 persent, vergeleke met slegs $\frac{1}{2}$ persent in 1977. Dit is hoofsaaklik toe te skryf aan die feit dat die aansienlike negatiewe uitwerking van die daling in 1977 in die reële inkome wat deur die groot-, klein- en motorhandel geskep is, gedurende 1978 bykans verdwyn het. Die volume van die groothandelsverkope, met insluiting van diamante en petroleumprodukte, het in 1978 met $\frac{1}{2}$ persent toegeneem, die kleinhandelsverkope teen konstante pryse het met 4 persent afgeneem, en die reële toegevoegde waarde van die motorhandel het met 12 persent gestyg.

Die bruto binnelandse produk teen heersende markpryse het in 1978 met $14\frac{1}{2}$ persent toegeneem, vergeleke met $12\frac{1}{2}$ persent in sowel 1976 as 1977. 'n Toename van 18 persent in die bruto bedryfsurplus, teenoor 'n toename van $13\frac{1}{2}$ persent in 1977, was hoofsaaklik vir die hoër groeikoers in 1978 verantwoordelik. Die koers van toename in die vergoeding van werknekmers het effens versnel vanaf $10\frac{1}{2}$ persent in 1977 tot 11 persent in 1978. Hoër groeikoerse is aangeteken in die bruto bedryfsurplus van die goudmynbou, die nie-goudmynbou, die fabriekswese en die handel, terwyl laer koerse van toename in die geval van die landbou en die sektor vervoer, opbergung en kommunikasie voorgekom het.

Die verskil tussen die groeikoerse in die bruto binnelandse produk teen heersende en konstante pryse impliseer 'n toename in die bruto binnelandse produk-deflator van $11\frac{1}{2}$ persent in 1978 teenoor $12\frac{1}{2}$ persent in 1977. Hierdie verlangsamming was die gevolg van laer koerse van toename in die binnelandse groot- en kleinhandelspryse, wat die toenames in die goudprys en in die pryse van ander uitvoerprodukte meer as geneutraliseer het.

Seisoensaangesuiwerde kwartaallikse ramings van die reële bruto binnelandse produk toon dat groei teen jaarkoerse van onderskeidelik $2\frac{1}{2}$ persent, 14 persent en 7 persent in die eerste, tweede en vierde kwartale van 1978 aangeteken is. In die derde kwartaal het die seisoensaangesuiwerde reële bruto binnelandse produk teen 'n jaarkoers van 7 persent gedaal.

Matige toename in reële totale binnelandse vraag

Die reële bruto binnelandse besteding het in 1978 met $2\frac{1}{2}$ persent toegeneem, vergeleke met afnames van 5 persent en $2\frac{1}{2}$ persent in 1977 en 1976, onderskeidelik. Die reële private verbruiksbesteding, wat in 1977 met $\frac{1}{2}$ persent gedaal het, het in 1978 teen 'n koers van 2 persent gestyg. Die reële owerheidsverbruiksbesteding het in 1978 dieselfde koers van toename as in 1977 getoon, naamlik 1 persent. Die reële vaste investering het met $7\frac{1}{2}$ persent afgeneem vergeleke met 8 persent in 1977 terwyl die vlak van die reële voorrade in 1978 met R259 miljoen afgeneem het, wat minder was as die daling van R336 miljoen in 1977. Neteenstaande 'n merkbare toename in die bruto binnelandse besteding teen heersende pryse in 1978, was die vlak daarvan aansienlik laer as dié van die bruto nasionale produk teen heersende pryse, met die gevolg dat die lopende rekening van die betalingsbalans 'n groot oorskot getoon het.

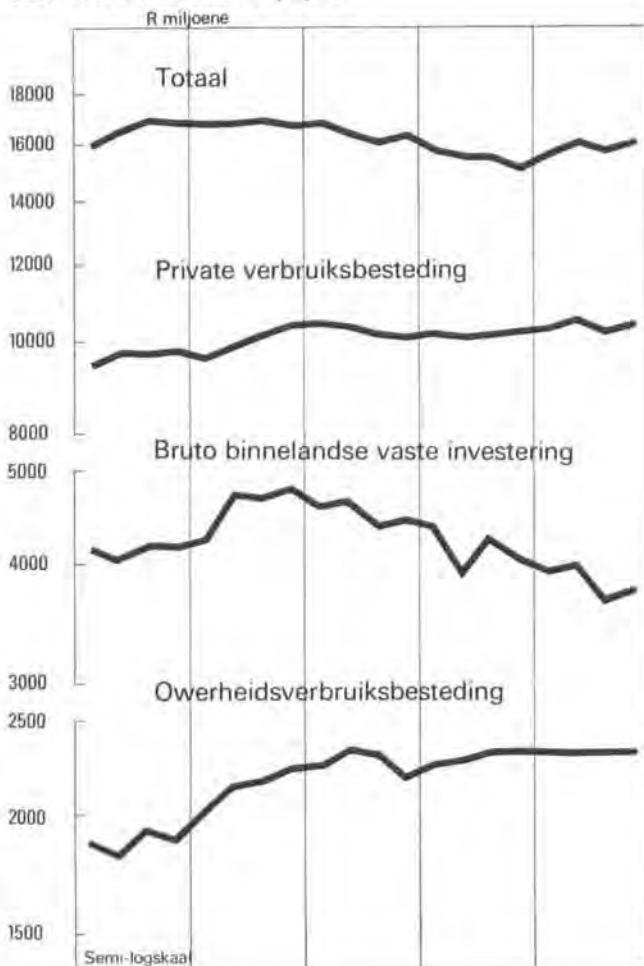
Klein toename in reële private verbruiksbesteding

Die klein toename in die reële private verbruiksbesteding in 1978 was geheel en al aan hoér besteding aan duursame goedere toe te skryf, soos in die bygaande tabel getoon word. In die kategorie duursame goedere het die besteding aan motors en ander private vervoertoerusting met nie minder nie as $18\frac{1}{2}$ persent gestyg, maar die besteding aan alle ander

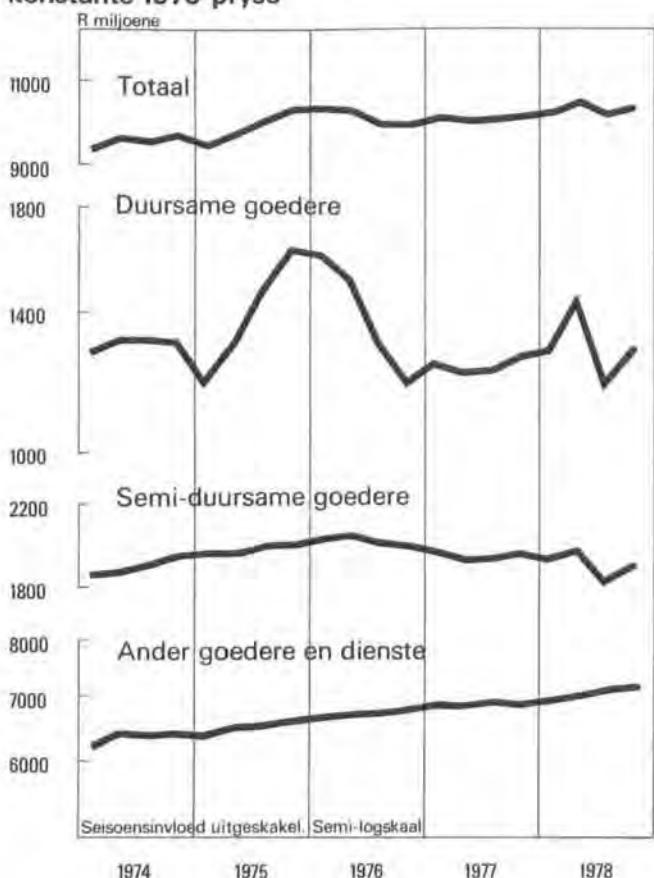
Persentasieverandering in reële private verbruiksbesteding

	1976	1977	1978
Duursame goedere	$\frac{1}{2}$	-12	5
Meubels en huishoudelike toestelle	$-3\frac{1}{2}$	-2	$\frac{1}{2}$
Motorvoertuie, ens.	-17	-10	$18\frac{1}{2}$
Ander duursame goedere	34	-29	$\frac{1}{2}$
Semi-duursame goedere	2	$-3\frac{1}{2}$	-2
Klerasie en skoeisel	3	$-4\frac{1}{2}$	-2
Ander semi-duursame goedere	$\frac{1}{2}$	$-2\frac{1}{2}$	$-2\frac{1}{2}$
Nie-duursame goedere	3	3	2
Voedsel, drank en labak	3	3	2
Ander nie-duursame goedere	$1\frac{1}{2}$	3	1
Dienste	$4\frac{1}{2}$	2	3
Totale private verbruiksbesteding	$2\frac{3}{4}$	$-\frac{1}{2}$	2

Bruto binnelandse besteding teen konstante 1970-pryse



Private verbruiksbesteding teen konstante 1970-pryse



goedere het traag gebly. Die reële besteding aan semi-duursame goedere het vir die tweede opeenvolgende jaar gedaal, waarskynlik as gevolg van verhoogde besteding aan duursame goedere en die verdere klein afname in die reële beskikbare persoonlike inkome. Die reële besteding aan nie-duursame goedere en dienste het gemiddeld dieselfde koers van toename as in 1977 aangeteken.

Kwartaallikse veranderings in die reële private

verbruiksbesteding ná uitskakeling van die seisoensinvloed is in die tweede en derde kwartaal van 1978 verwing deur die reaksie van verbruikers op die veranderings in bestaande indirekte belastings en die instelling van die nuwe algemene verkoopbelasting. 'n Skerp toename in die tweede kwartaal is deur 'n afname in die derde kwartaal gevolg. In die vierde kwartaal het die reële verbruiksbesteding egter weer gestyg, en wel teen 'n jaarkoers van 8 persent. Die grootste stygings is in die besteding aan duursame en semi-duursame goedere, in die besonder aan meubels, motors, klerasie en skoeisel, aangeteken.

Verdere klein toename in reële owerheidsverbruiksbesteding

Die lopende besteding van die algemene owerheid teen konstante pryse het in 1978 met ongeveer 1 persent gestyg, wat ook die groeikoers is wat in 1977 aangeteken is. Die reële vergoeding van werknemers het in 1978 dieselfde persentasietoename as in die voorafgaande jaar getoon, naamlik ongeveer 4 persent, maar die reële besteding aan goedere en ander dienste het in 1978 met 2½ persent gedaal nadat in 1977 'n daling van 3½ persent aangeteken is. Op 'n seisoensaangesuiwerde kwartaalbasis, het

die reële owerheidsverbruiksbesteding gedurende die eerste helfte van 1978 traag gebly maar gedurende die tweede helfte van die jaar matig gestyg.

Aansienlike verdere daling in reële bruto binnelandse vaste investering

Die reële bruto binnelandse vaste investering het gedurende 1978 aangehou om skerp te daal. Soos in die bygaande tabel getoon word, het dalings in die reële kapitaalbesteding van al die hoofsektore voorgekom en is dit oor feitlik alle soorte van bedrywighede versprei.

In die private sektor het slegs die reële vaste kapitaaluitgawes van die mynbou gedurende 1978 gestyg, hoofsaaklik as gevolg van hoër besteding aan uraanraarlegte. 'n Besonder groot daling is in die reële investeringsbesteding van die fabriekswese aanteken, wat die relatief hoë vlak van die onbenutte produksiekapasiteit en die algemeen lae vlak van die binnelandse vraag weerspieël het, en in die reële private woningbou. Op 'n kwartaalbasis het die seisoensaangesuiwerde reële vaste investering deur die private sektor in die derde kwartaal van 1978 sy laagstevlak in byna nege jaar bereik, maar dit is deur 'n skerp styging in die vierde kwartaal gevolg.

Die reële vaste investering deur openbare korporasies het gedurende 1978 matig gestyg. Die skerp toename in die besteding aan vervaardigingsondernemings, in die besonder aan die tweede olie-uit-steen-kolaanleg, is bykans geneutraliseer deur 'n daling in die vaste investering van die mynbou en aan elektrisiteits- en vervoerfasiliteite.

Die reële vaste kapitaaluitgawes van die openbare owerhede het in 1978 'n verdere groot daling getoon,

Die besteding deur die Suid-Afrikaanse Spoorweg-administrasie het die grootste persentasie daling getoon, wat meegebring is deur die voltooiing van 'n aankoopprogram van nuwe vliegtuie en van die spoorlyn na Richardsbaai. Die skerp styging in die woningbou was 'n weerspieëling van die owerheid se selektiewe stimuleringsmaatreëls om die sukkelende konstruksiebedryf aan te help deur behuising aan lagerinkomegroep te verskaf.

Kleiner afname in reële voorrade

Die boekwaarde van die totale voorrade, uitgesonderd lewende hawe, het in 1978 met ongeveer R600 miljoen toegeneem, waarvan nywerheids- en handelsvoorraad ongeveer R500 miljoen bygedra het. Teen konstante 1970-pryse het die totale waarde van die voorrade met R259 miljoen gedaal, teenoor 'n afname van R336 miljoen in 1977. Verdere dalings in die reële nywerheids- en handelsvoorraad en in die diamantvoorraad is in 'n sekere mate teengewerk deur toenames in die reële landbouvoorraad in die handel en in die voorraad lewende hawe teen konstante pryse.

Seisoensaangesuiwerde kwartaalsyfers toon dat die reële voorrade gedurende die grootste deel van 1978 gedaal het. 'n Toename het slegs gedurende die derde kwartaal voorgekom, as gevolg van die skerp daling in die reële private verbruiksbesteding waarna hierbo verwys is.

Verdere opmerklike toename in bruto binnelandse besparing

Nadat die bruto binnelandse besparing in 1977 aansienlik gestyg het met R1 903 miljoen, het dit in 1978 opmerklik verder gestyg met R1 298 miljoen. Al die komponente het tot hierdie styging bygedra, met uitsondering van die persoonlike besparing wat skerp afgeneem het as gevolg van die groter toename in die private verbruiksbesteding (moontlik gemaak deur 'n aansienlike beroep op bankkrediet) as in die beskikbare persoonlike inkome. Die totale bruto binnelandse besparing het in 1978 R10 539 miljoen bedra en aangesien die totale finansieringsbehoeftes vir vaste en voorraadinvestering R9 127 miljoen bedra het, was daar 'n rekordbedrag van R1 412 miljoen beskikbaar om Suid-Afrika se netto skuldposisie teenoor die buiteland te verminder. Neteenstaande die verdere verbetering in die land se spaarprestasie in 1978, het die besparingsverhouding, dit wil sê die verhouding van die bruto binnelandse besparing tot die bruto binnelandse produk, onveranderd op sy vlak van 1977, nl. ongeveer 26% persent, gebly. Hierdie verhoudings was opmerklik hoër as die verhouding van 23,8 persent in 1976 en ook hoër as die gemiddelde jaarlikse verhouding van ongeveer 25 persent gedurende die tydperk 1970 tot 1975.

Persentasieverandering in reële bruto binnelandse vaste investering

	1976	1977	1978
Private sektor	-7½	-6½	-6
Landbou	-20	1	-3
Mynbou	-4	-10	4
Fabriekswese	-5	-11	-12
Private woongeboue	-8	-19	-16
Ander sake-ondernemings	-6	2	-4
Openbare korporasies	-1½	7	½
Fabriekswese	-29	41	43
Elektrisiteit, gas en water	31	34	-10
Ander (mynbou, vervoer, ens.)	-8	-53	-46
Openbare owerhede	5	-17½	-14
Suid-Afrikaanse Spoorweg			
Administrasie	29	-30	-37
Woongeboue	17	-36	51
Ander sake-ondernemings	-6	-12	1
Algemene owerheid	-5	-8	-10
Sentrale regering	-2	-4	-10
Provinciale administrasies	-11	-14	-4
Plaaslike besture	-3	-10	-18
Totale bruto binnelandse vaste investering	-2	-8	-7½

Konjunktuurneigings, werkverskaffing en prys

Sikliese opswaai in ekonomiese bedrywigheid

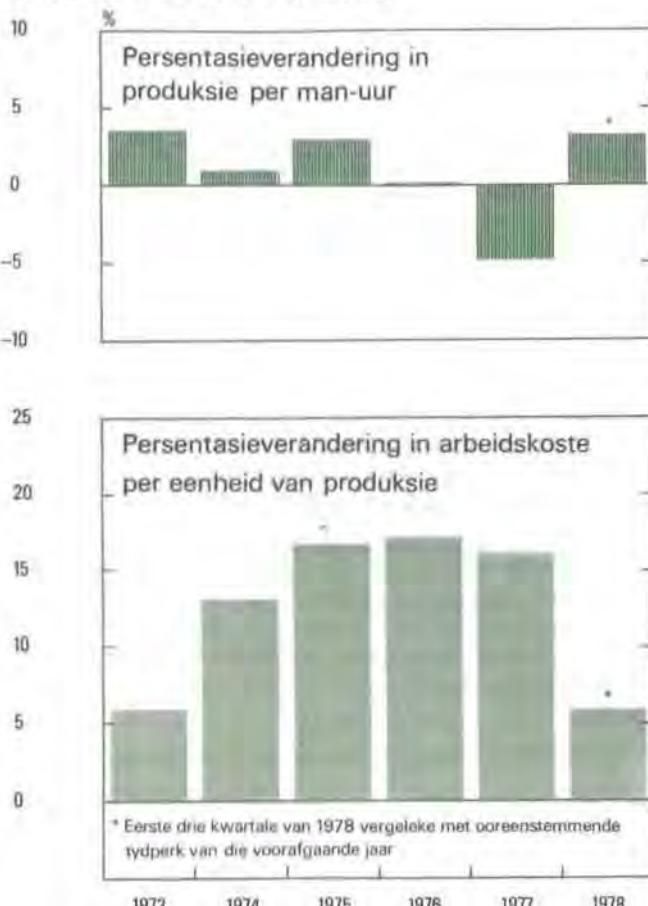
Economiese aanwysers toon dat 'n matige sikliese opswaai in die reële ekonomiese bedrywigheid gedurende 1978 plaasgevind het, ná die langdurige afswaai vanaf ongeveer die middel van 1974 tot die einde van 1977. Die oplewing het gedurende die tweede kwartaal aansienlike stukrag gekry maar gedurende die derde kwartaal weer verlangsaam. Hierdie verloop is meegebring deur groot skommelings in die reële private verbruiksbesteding wat aanleiding gegee het tot 'n skerp stygging in die reële bruto binnelandse produk in die tweede kwartaal en 'n daaropvolgende afname in die derde kwartaal. Gedurende die vierde kwartaal het die reële ekonomiese bedrywigheid egter sy matige opwaartse neiging hervat. Hierdie verloop van sake blyk byvoorbeeld uit die seisoensaangesuiwerde reële bruto binnelandse produk van die nie-primêre sektore van die ekonomie, wat in die eerste, tweede en vierde kwartale van 1978 teen jaarkoers van onderskeidelik 7 persent, 10 persent en 6 persent gestyg het, terwyl 'n daling van 4 persent, teen 'n jaarkoers, in die derde kwartaal aangeteken is. Belangrike bydraes tot die toename in die vierde kwartaal is gemaak deur die handel, waarvan die reële toegevoegde waarde in die eerste nege maande van die jaar nog gedaal het, en deur die fabriekswese. Sekere sektore van die ekonomie het egter nog steeds slap toestande ondervind, in die besonder die konstruksiesektor.

Matige stygging in werkverskaffing en produktiwiteit

Die matige ekonomiese oplewing gedurende 1978 is in 'n effense stygging in die werkverskaffing weerspieël. Die werkverskaffing in die nie-landbousektore van die ekonomie, wat in 1977 geen groei getoon het nie, het in die eerste drie kwartale van 1978 vergeleke met die ooreenstemmende tydperk in 1977 met 0,6 persent gestyg. Toenames van onderskeidelik 2,7 persent en 4,5 persent in die werkverskaffing in die openbare sektor en in die goudmynbou was grotendeels vir die klein stygging in die werkverskaffing buite die landbou in die eerste drie kwartale van 1978 verantwoordelik. Die werkverskaffing in die private sektor in sy geheel het gedurende hierdie tydperk met 0,3 persent gedaal.

In teenstelling met die voorafgaande drie jare, waarin die toename in die werkverskaffing van die openbare sektor hoofsaaklik meegebring is deur 'n stygging in die werkverskaffing van die sentrale regering, is 'n meer betekenisvolle bydrae tot die toename in die eerste nege maande van 1978 gemaak deur hoér indiensneming in die res van die openbare sektor. Die afname in die werkverskaffing van die private sektor gedurende die eerste nege maande van 1978 was grotendeels die gevolg van afnames van 0,3 persent, 2,9 persent en 3,1 persent in die werkverskaffing in

Produktiwiteit en arbeidskoste per eenheid van produksie in fabriekswese



die fabriekswese, konstruksie en die nie-goudmynbou, onderskeidelik. Benewens die stygging in die werkverskaffing in die goudmynbou waarna hierbo verwys is, is effens hoër vlakke van werkverskaffing aangeteken in die geval van die groot-, klein- en motorhandel, hotelle, wasserye en droogskoonmakers, banke en bouverenigings.

Die geringe toename in die werkverskaffing buite die landbou is deur ietwat laer werkloosheidsfyfers weerspieël. Die seisoensaangesuiwerde aantal geregisterde werklose Blankes, Kleurlinge en Asiërs het van 34 190 in Desember 1977 tot 31 059 in Desember 1978 en tot 28 490 in Februarie 1979 afgeneem. Dit word beraam dat laasgenoemde syfer ongeveer 1% persent van die betrokke arbeidsmag verteenwoordig. Opnames deur die Departement van Statistiek toon 'n afname in die aantal werklose Swartes, wat in September 1978 ongeveer 9,9 persent van die ekonomiesbedrywige swart bevolking bedra het.

Die algehele produktiwiteit, soos gemeet deur die produksie per werker in die nie-landbousektore van die ekonomie, het in die eerste drie kwartale van 1978 met 1,5 persent toegeneem, vergeleke met 'n afname van 1,0 persent in 1977. In die fabriekswese het die produksie per man-uur in die eerste nege

maande van 1978 'n betekenisvolle toename van 3,3 persent getoon, teenoor 'n afname van 4,8 persent in 1977. Die verbeterde produktiwiteit het die koers van toename in die arbeidskoste per eenheid van produksie verminder. In die fabriekswese, byvoorbeeld, het die koers van toename in die arbeidskoste per eenheid van produksie van onderskeidelik 17,1 persent en 16,0 persent in 1976 en 1977 tot 5,9 persent in die eerste nege maande van 1978 gedaal.

Verdere afname in die reële vergoeding van arbeid

Die gemiddelde vergoeding van werkers in die nie-landbousektore van die ekonomie het in die eerste drie kwartale van 1978 met 9,1 persent gestyg, vergeleke met onderskeidelik 10,0 persent en 13,2 persent in die kalenderjare 1977 en 1976. In reële terme is 'n daling van 1,1 persent in die gemiddelde vergoeding per werker in 1977 egter deur 'n verdere afname van 1,4 persent in die eerste nege maande van 1978 gevolg. Die gemiddelde reële vergoeding van Nie-blanke werkers, wat gedurende die voorafgaande jare toegeneem het, het in die eerste drie kwartale van 1978 afgeneem, terwyl die afname in dié van Blanke werkers gedurende hierdie tydperk deur afnames in 1976 en 1977 voorafgegaan is.

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

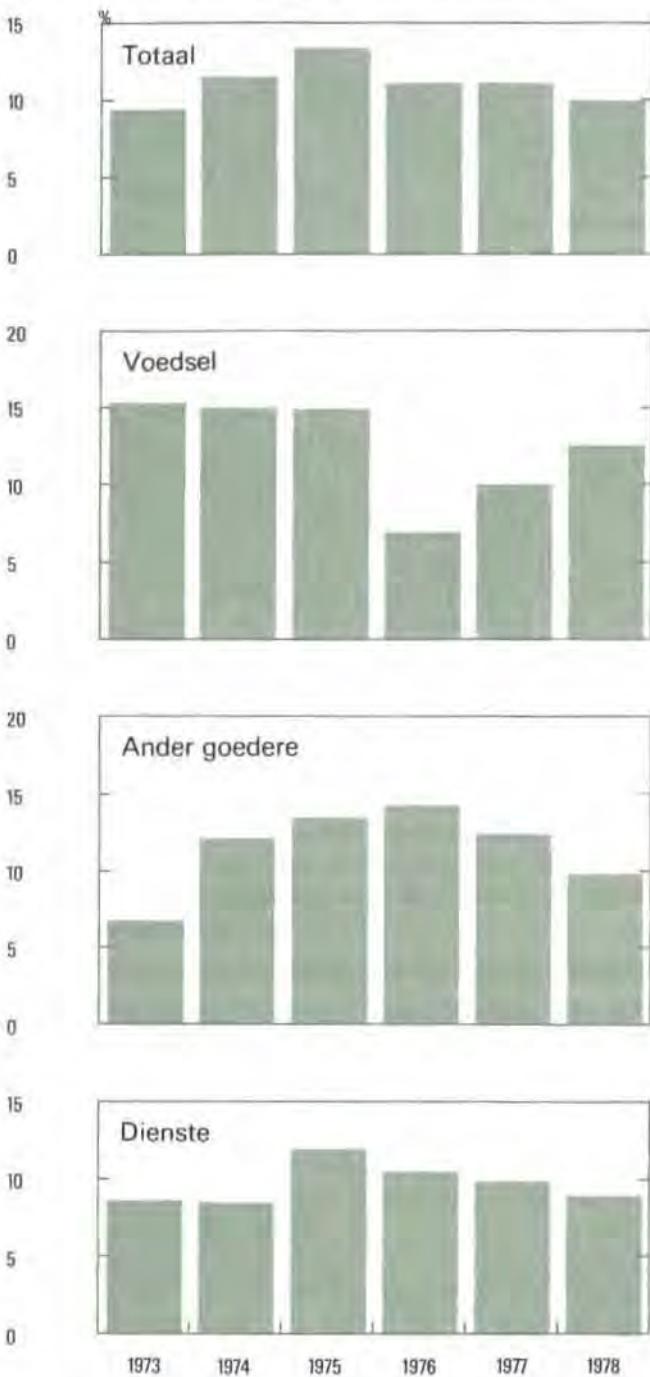
	1976	1977	1978*
Blankes:			
Teen heersende pryse	10,1	8,4	8,2
Teen konstante pryse	-0,9	-2,6	-2,2
Nie-blankes:			
Teen heersende pryse	15,9	11,9	10,2
Teen konstante pryse	4,3	0,6	-0,4
Alle bevolkingsgroepe:			
Teen heersende pryse	13,2	10,0	9,1
Teen konstante pryse	1,9	-1,1	-1,4

*Sylers tot 30 September 1978 vergeleke met sylers vir die ooreenstemmende tydperk van die voorafgaande jaar

Effens laer inflasiekoe

Die inflasiekoe het in 1978 effens afgeneem nienteënstaande toenames in verskeie geadministreerde pryse, die instelling van die nuwe algemene verkoopbelasting en die nadelige invloed van 'n daling in die wisselkoers van die rand op die pryse van ingevoerde goedere. Die gemiddelde maandelikse verbruikersprysindeks het gestyg met 10,1 persent (8,6 persent as die geraamde uitwerking van die algemene verkoopbelasting uitgesluit word), vergeleke met 'n toename van 11,2 persent in 1977. Laer koeise van toename het in die pryse van duursame verbruiksgoedere, alkoholiese drank en tabak, in huiseienaarskoste en in die koste van vervoerdienste voorgekom. Hoër koeise

Percentasieverandering in verbruikerspryse



van toename is egter in die pryse van voedsel, klerasie en ontspannings- en persoonlike dienste en in woonstelhuur aangeteken.

Op 'n kwartaalbasis het die seisoensaangesuiwerde jaarkoers van toename in die verbruikerspryse van 9,2 persent in die eerste kwartaal van 1978 tot 5,3 persent in die tweede kwartaal afgeneem, maar tot 22,7 persent (9,9 persent as die geraamde uitwerking van die algemene verkoopbelasting uitgesluit word) in

die derde kwartaal gestyg, en vervolgens tot 8,5 persent in die vierde kwartaal gedaal. 'n Laer koers van toename is in die vierde kwartaal aangeteken niteenstaande vinniger stygings in die pryse van voedsel, woonstelhuur, bediendelone en die koste van sekere persoonlike dienste. Van Januarie 1978 tot Januarie 1979 het die verbruikerspryse met 11,2 persent gestyg. Met uitsondering van 'n voortgesette skerp styging in die pryse van voedsel en 'n styging in die prys van petrol, het die pryse van alle ander goedere en dienste gedurende Januarie die laer koers van toename wat in die vierde kwartaal van 1978 aangeteken is, gehandhaaf.

Die gemiddelde maandelikse groothandelspryseindeks het in 1978 met 9,7 persent gestyg, vergeleke met 'n toename van 12,9 persent in 1977. Die daling in hierdie koers was die gevolg van kleiner toenames in die pryse van binnelandsgedurende sowel as van ingevoerde goedere. Met uitsondering van marginaal hoër koers van toename in die pryse van landbouprodukte, nie-elektriese masjinerie en tabak, het die pryse van alle hoofitems wat by die indeks van binnelandsgedurende goedere ingesluit is, teen laer koers gestyg.

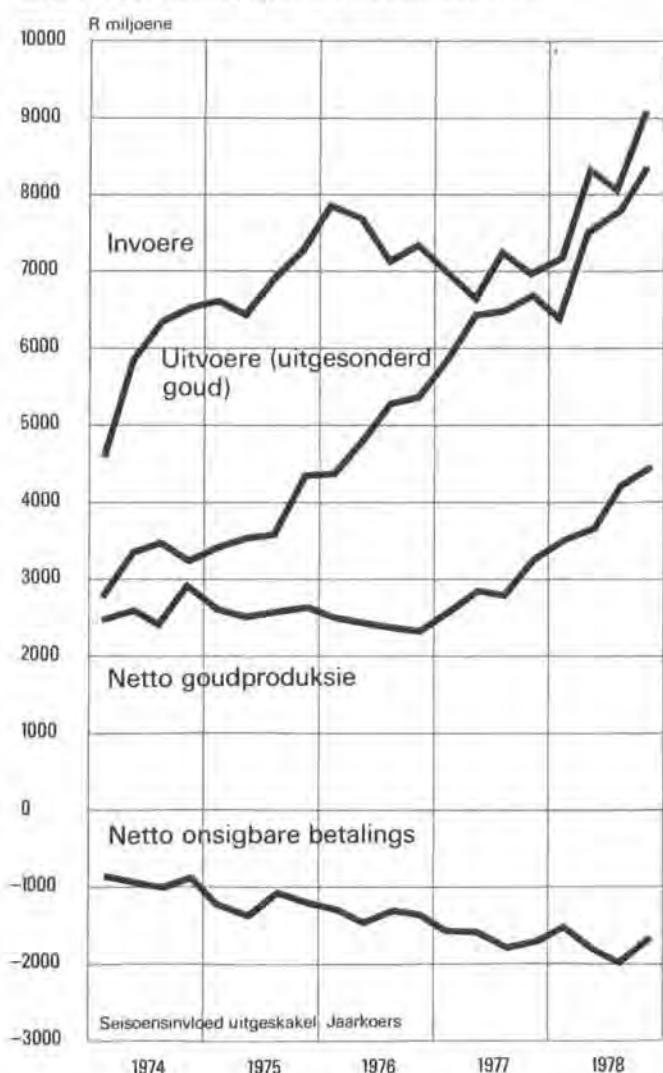
Teen 'n seisoensaangesuiwerde jaarkoers het die groothandelspryse in die eerste kwartaal van 1978 skerp gestyg met 13,8 persent. Dit is gevolg deur laer koers van toename van 9,6 persent en 6,8 persent in die tweede en derde kwartale onderskeidelik. Hoofsaaklik as gevolg van die hoër koers van toename in die pryse van landbouprodukte, vervaardigde basiese metale en metaalprodukte, masjinerie en vervoertoerusting en ingevoerde goedere, het die koers van toename in die groothandelspryse in die vierde kwartaal van 1978 tot 12,3 persent versnel. Van Januarie 1978 tot Januarie 1979 het die groot-handelspryse met 10,5 persent gestyg.

Betalingsbalans

Aansienlike verdere verbetering in die lopende rekening

Nadat die eerste kalenderjaaroorskot in nege jaar in 1977 op die lopende rekening van die betalingsbalans aangeteken is, het 'n verdere verbetering gedurende 1978 voorgekom. Volgens voorlopige syfers het die oorskot in 1978 R1 412 miljoen bedra, vergeleke met R465 miljoen in 1977. Hierdie aansienlik groter oorskot is hoofsaaklik teweeggebring deur stygings in uitvoerpryse sowel as deur 'n styging in die volume van die uitvoer. Nie slegs die prys van goud nie, maar ook die prys van 'n aantal ander belangrike uitvoerprodukte het gedurende 1978 skerp gestyg. Hierdie gunstige ontwikkelings is gedeeltelik teengewerp deur 'n toename in die waarde van die goedere-invoer en in die netto onsigbare betalings aan buitelanders.

Lopende rekening van die betalingsbalans



Oorskot op lopende rekening

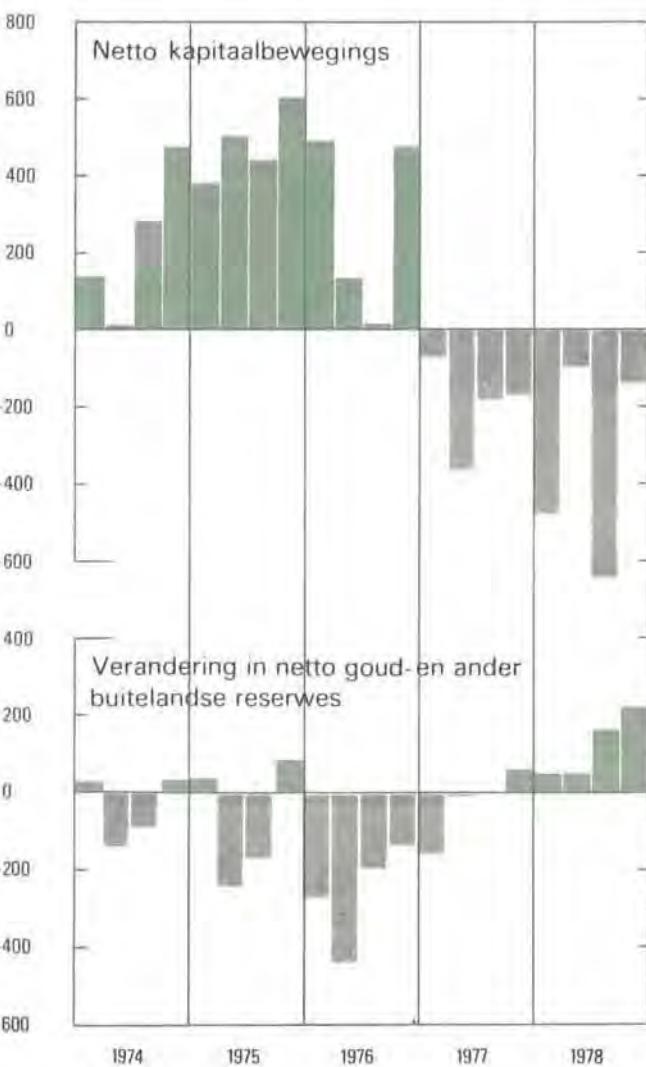
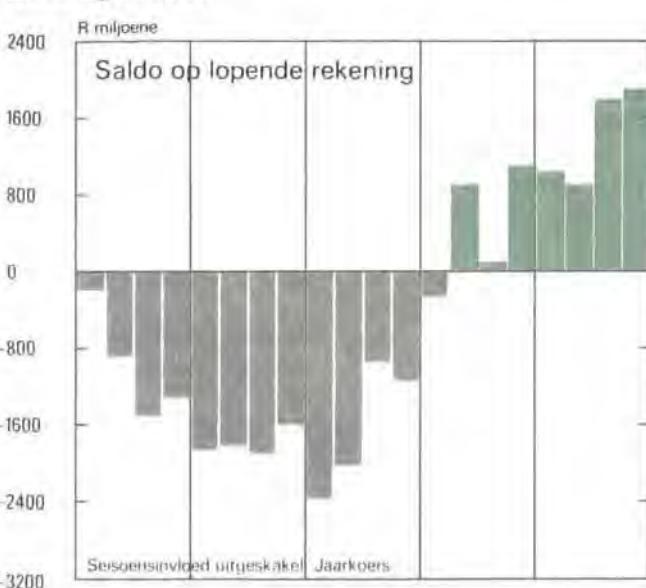
		Seisoens-aangesuiwerde jaarkoers (R miljoene)	Percentasie van bruto binnelandse produk
1977	3de kw	96	0,3
	4de kw	1 110	3,1
1978	1ste kw	1 054	2,8
	2de kw	896	2,3
	3de kw	1 798	4,4
	4de kw	1 900	4,5

Gedurende die eerste helfte van 1978 was die oorskot op die lopende rekening, seisoensaangesuiwerd, gemiddeld effens kleiner as in die laaste kwartaal van 1977. Daarna het die oorskot gedurende die daaropvolgende ses maande skerp toegeneem en in die vierde kwartaal van 1978 'n seisoensaangesuiwerde jaarkoerssyfer van R1 900 miljoen bereik. Hierdie verdere verbetering van die lopende rekening gedurende die tweede helfte van 1978 het voorgekom ondanks 'n skerp stygging in die goedere-invoer en was toe te skryf aan toenames in die goedere-uitvoer en die netto goudproduksie en 'n afname in die netto onsigbare betalings aan buitelanders.

'n Skerp stygging in die prys van goud en 'n effense toename in die volume van die goudproduksie het 'n stygging in die waarde van die netto goudproduksie van R2 795 miljoen in 1977 tot R3 863 miljoen in 1978 meegebring, 'n toename van ongeveer 38 persent. Die toename in die prys van goud was die sterkste gedurende die tweede helfte van 1978, ondanks skerp skommelings gedurende die vierde kwartaal. Nadat op 31 Oktober 'n nuwe rekordprys per fyn ons van \$243,65 bereik is, het die prys na 'n laagtepunt van \$193,40 op 30 November gedaal. Vervolgens het dit weer tot \$226,00 per fyn ons op 31 Desember en tot 'n hoogtepunt van \$254,00 op 8 Februarie 1979 gestyg en daarna vir die oorblywende gedeelte van Februarie tussen \$240 en \$252 geskommel. Die gemiddelde vasstellingsprys van goud per fyn ons op die Londense mark het in 1978 \$193,26 beloop, vergeleke met \$147,71 in 1977.

Stygings in die prys van 'n aantal belangrike uitvoerprodukte was hoofsaaklik verantwoordelik vir die toename in die waarde van die goedere-uitvoer van R6 293 miljoen in 1977 tot R7 434 miljoen in 1978, 'n vermeerdering van ongeveer 18 persent. In die besonder het daar aansienlike stygings voorgekom in die prys van diamante, platina, uraan en vrugte, en kleiner toenames is ook aangeteken in die prys van ferrochroom, wol en steenkool. Hierdie prysstygings is aangevul deur toenames in die volume van die uitvoer van goedere soos ferrochroom, steenkool, mielies en sagte vrugte, wat 'n afname in die volume van die uitvoer van suiker, wol en asbes oorskry het. Kwartaalsyfers toon 'n skerp toename in die waarde van die goedere-uitvoer in die vierde kwartaal van 1978, naamlik vanaf 'n seisoensaangesuiwerde jaar-

Betalingsbalans



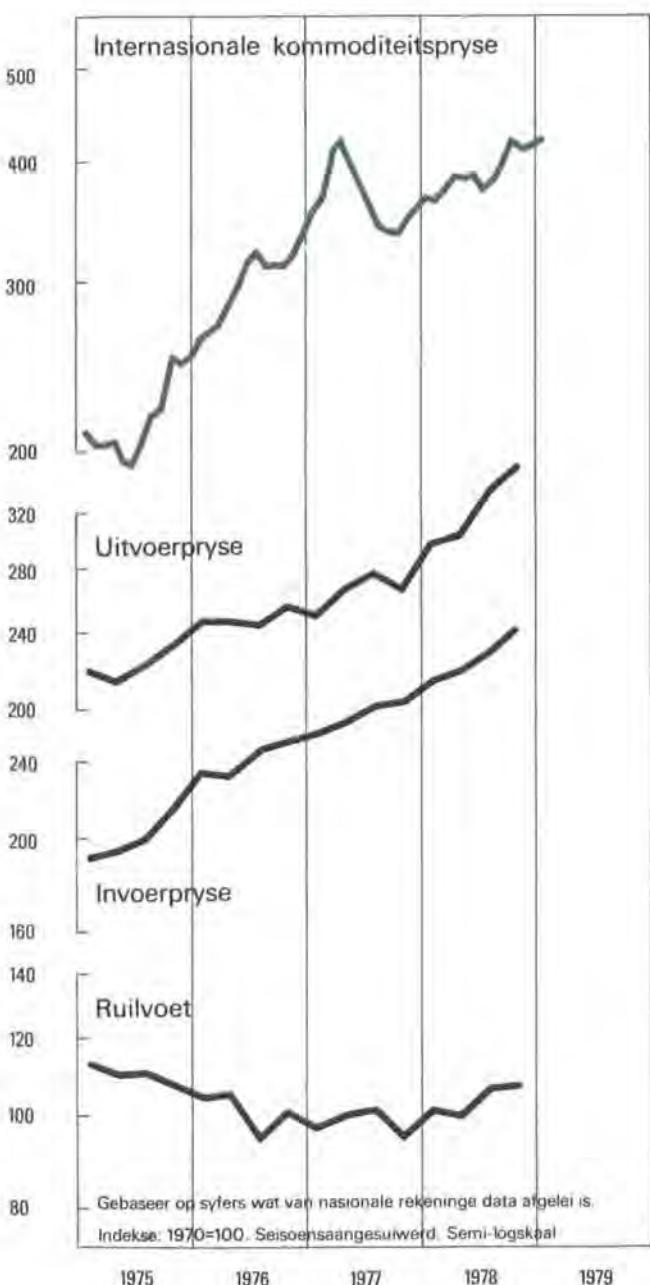
koers van R7 695 miljoen in die derde kwartaal tot R8 285 miljoen in die vierde kwartaal.

Nadat die waarde van die goedere-invoer vanaf R7 443 miljoen in 1976 tot R6 881 miljoen in 1977 gedaal het, het dit in 1978 met ongeveer 17 persent tot R8 069 miljoen gestyg. Hierdie skerp toename in die invoer gedurende 1978 weerspieël hoofsaaklik stygings in die pryse van ingevoerde goedere, maar ook 'n klein stygging in die volume. Die toename in die invoer het oor 'n wye reeks goedere voorgekom maar was veral groot in die geval van masjinerie en elektriese toerusting, vervoertoerusting en chemiese

produkte. Wat kwartaalveranderings betref, het die invoer in die vierde kwartaal van 1978 skerp toegenem toe 'n seisoensaangesuiwerde jaarkoerssyfer van R8 980 miljoen aangeteken is.

Die netto onsigbare betalings aan die res van die wêreld het van R1 742 miljoen in 1977 tot R1 816 miljoen in 1978 toegeneem. 'n Toename in die dienstebetalings is nie ten volle deur 'n stygging in die dienste- en oordragontvangste geneutraliseer nie. Die stygging in die dienstebetalings is meegebring deur groter vrag en verskering op goedere, meer toeriste wat ander lande besoek het, en groter dividendbetalings. Die stygging in die dienste-ontvangste was op sy beurt weer hoofsaaklik die gevolg van toenames in vervoerdienste wat aan buitelanders gelewer is en in dividendontvangste op buitelandse belegging.

Ruilvoet



Groot netto kapitaaluitvloeiing

In 1978 is 'n netto kapitaaluitvloeiing van R1 370 miljoen op die kapitaalrekening van die betalingsbalans aangeteken, vergeleke met R810 miljoen in die voorafgaande jaar. Verskeie faktore het tot hierdie aansienlike uitvloeiing bygedra. Ten eerste het die monetêre owerhede netto terugbetalings gemaak op buitelandse korttermynlenings wat tevore aangegaan is om die buitelandse valutabesit te ondersteun. Ten tweede het die sukses van die Tesourie se binnelandse leningsbedrywigheid en die groter as verwagte toename in die skatkisontvangste, netto terugbetalings op buitelandse langtermynskuld deur die regering moontlik gemaak. Ten derde was die betreklik lae groeikoerse van die binnelandse ekonomie, die bestaan van surplus produksiekapasiteit in die meeste sektore van die ekonomie en die betreklik ruim toestand op die binnelandse kapitaalmark nie bevorderlik vir nuwe buitelandse beleggings nie. Ten vierde het politieke onsekerhede met betrekking tot Suidelike Afrika 'n negatiewe invloed op buitelandse beleggers se houding gehad. Ten vyfde het 'n skerp toename in die buitelandse koste van handelsfinansiering in vergelyking met die binnelandse koste vanaf ongeveer die middel van 1978 ook tot 'n uitvloeiing

Netto kapitaalbewegings

R miljoene

	1977	1978
Langtermynkapitaal:		
Sentrale regering en banksektor	-58	-426
Openbare korporasies en plaaslike owerhede	98	210
Private sektor	256	179
Totaal	296	-37
Laste verwant aan reserwes	-221	-437
Ander korttermynkapitaal, insluitende handelsfinansiering en foute en weglatings	-885	-896
Totaal	-810	-1 370

van korttermynfondse gelei. Ten laaste het verwagtings aangaande 'n depresiasi van die rand by tye tot spekulatiewe uitvloeiings van kapitaal gelei.

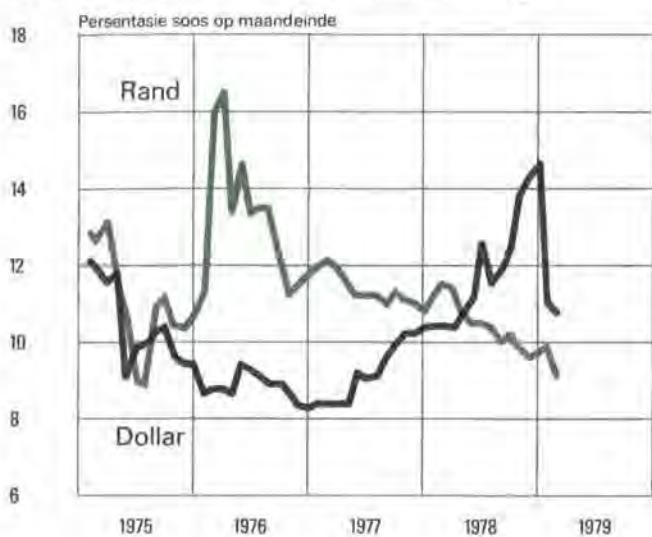
Uit die bygaande tabel is dit duidelik dat die uitvloeiing van kapitaal gedurende 1978 grotendeels uit korttermynkapitaal, insluitende onaangetekende transaksies, bestaan het. Daarbenewens was daar 'n groot netto uitvloeiing van langtermynkapitaal van die sentrale regering en banksektor en 'n skerp afname in die laste verwant aan reserwes. In teenstelling hiermee is 'n aansienlike netto invloeiing van langtermynkapitaal na openbare korporasies en plaaslike overhede en na die private sektor aangegeteken. Hierdie netto invloeiing van langtermynkapitaal is hoofsaaklik verklaar deur lenings wat in die buiteland verkry is vir die olie-uit-steenkool-aanleg, die kernkragsitasie en aankope van vraghouerskepe.

Skerp skommelinge het in die loop van 1978 in die netto uityloeiing van kapitaal voorgekom. Die netto kapitaaluityloeiing het van R481 miljoen in die eerste kwartaal tot R100 miljoen in die tweede kwartaal van die jaar gedaal, voordat dit tot R648 miljoen in die derde kwartaal toegeneem het. Daarna het dit tot R141 miljoen in die laaste kwartaal van 1978 gedaal. Die betreklik klein netto uitvloeiing van kapitaal gedurende die vierde kwartaal het bestaan uit 'n afname in die laste verwant aan reserwes, terugbetaalings op langtermynregeringslenings, 'n invloeiing van ander langtermynkapitaal, en 'n matige netto uitvloeiing van korttermynkapitaal nie verwant aan reserwes nie.

Toename in goud- en ander buitelandse reserwes

Die bruto goud- en ander buitelandse reserwes het gedurende 1978 met R1 442 miljoen tot 'n vlak van R2 230 miljoen aan die einde van die jaar toegeneem. Hierdie aansienlike toename was egter bykans geheel en al die gevolg van die herwaardering van die land se goudreserwes teen markverwante pryse. Indien waardasie-aansuiwerings uitgesluit word, het die bruto goud- en ander buitelandse reserwes gedurende 1978 weens betalingsbalanstransaksies met slegs R42 miljoen toegeneem. Hierdie toename is grotendeels weerspieël in die buitelandse valutabesit van banke in die private sektor, maar 'n klein toename is ook in die buitelandse valutareserwes van die Reserwebank aangeteken. Indien die invloed van die maandelikse herwaardasie van die goudreserwes uitgeskakel word, het die bruto goud- en ander buitelandse reserwes van die Reserwebank gedurende Januarie en Februarie 1979 met R234 miljoen toegeneem. Hierdie toename was blybaar die gevolg van, ten eerste, 'n spekulatiewe invloeiing van kapitaal wat gevvolg het op die revaluasie van die rand teen die VSA-dollar gedurende Februarie. Die daaropvolgende appresiasi van die rand onder die stelsel van beheerde sweing het bygedra tot die ontwikkeling van 'n gunstige posisie in die "vervroegings en vertragings" voortspruitende uit handelsfinansiering. Alhoewel gegevens oor die valutabesit van die handelsbanke en ander bankinstel-

Effektiewe koste van handelsfinansiering



lings soos aan die einde van Februarie nog nie beskikbaar is nie, kan dit verwag word dat dit onder die omstandighede tot minimum-bedrae verminder is. Ten tweede het die verandering in die valutatermin-dekkingsvoorskrifte aan die einde van Januarie die uitvloeiing van kapitaal as gevolg van die omskakeling van buitelandse na binnelandse handelsfinansiering aan bande gelê.

Aansienlike netto terugbetaalings op lenings wat as laste verwant aan reserwes geklassifiseer word, het gedurende 1978 'n toename van R479 miljoen in die netto goud- en ander buitelandse reserwes tot gevolg gehad, vergeleke met 'n afname van R124 miljoen in 1977. Hierdie toename in die netto goud- en ander buitelandse reserwes het gedurende die tweede helfte van die jaar aansienlik versnel. Terwyl die gemiddelde kwartaallike toename in die eerste ses maande R48 miljoen beloop het, het dit tot R163 miljoen in die derde kwartaal en R220 miljoen in die vierde kwartaal van die jaar gestyg.

Veranderings in wisselkoersbeleid en -prakteke

Op 24 Januarie 1979 het die Minister van Finansies aangekondig dat die Regering, na oorlegpleging met die Reserwebank en ander belanghebbende partye, besluit het om 'n begin te maak met 'n geleidelike en stelselmatige proses van verandering van Suid-Afrika se wisselkoersbeleid en -prakteke op grond van aanbevelings in die tussentydse verslag van die Kommissie van Ondersoek na die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika. Die uiteindelike doel van hierdie proses is 'n enkelvoudige wisselkoersstelsel waarvolgens 'n onafhanklike en beweeglike rand sy eievlak sal vind in goed ontwikkelde en mededingende kontant- en termynvalutamarkte. Volgens hierdie stelsel sal bewegings van die wissel-

koers deur intervensie deur die Reserwebank beheer word deur middel van aankope en verkope van buitelandse valuta. Die Regering het die Kommissie se sienswyse aanvaar dat die uiteindelike stelsel in die huidige stadium nie ten volle ingevoer kan word nie, maar die beste resultaat slegs deur 'n geleidelike proses van aanpassing bereik kan word.

Verskeie stappe is gedoen om uitvoering aan die nuwe beleid te gee:

1. Die Reserwebank sal aanvanklik voortgaan om voorafbepaalde koop- en verkoopkoerse vir die VSA-dollar te kwoteer waarteen hy bereid sal wees om transaksies met die gemagtigde valutahandelaars aan te gaan. Hierdie koerse sal meer dikwels in ooreenstemming met veranderde omstandighede aangepas word.
2. Ten einde 'n breër, meer aktiewe en mededingende valutamark te ontwikkel, sal die Reserwebank nie meer vir gemagtigde valutahandelaars verpligte vaste openbare koop- en verkoopkoerse vir VSA-dollars voorskryf wat hulle in hulle transaksies met die publiek moet toepas nie.
3. Gemagtigde valutahandelaars sal toegelaat word om tot redelike bedrae "ope posisies" in buitelandse valuta daarop na te hou en om, binne perke voor-geskryf deur die Reserwebank, vir hulle eie rekening in buitelandse valuta handel te dryf.
4. Ten einde die volume van regstreekse valutatransaksies buite die Reserwebank uit te brei, sal die Bank, in oorleg met die Departement van Finansies, ondersoek instel na die doenlikheid daarvan om minstens 'n deel van die opbrengs van die verkope van Krugerrande en diamante, sowel as van die opbrengs van buitelandse lenings deur die openbare korporasies en munisipaliteite aangegaan, deur die gemagtigde handelaars te kanaliseer. Die Reserwebank sal egter voortgaan om staafgoud te bemark en om die dollaropbrengs in die mark te verkoop. Die Bank sal ook voortgaan om die opbrengs van sy eie en die regering se buitelandse lenings te hanteer.
5. Ten einde die proses van die geleidelike ontwikkeling van 'n aktiewe en mededingende termynvalutamark in werking te stel, sal die Reserwebank nie meer 'n vaste heffing of kommissie kwoteer wat deur sowel invoerders as uitvoerders vir termyndekking betaal moet word nie. In die toekoms sal een (middel-) prys vir termyndollars van enige spesifieke looptyd gekwoteer word en termynmarges sal op 'n veranderlike en meer markverwante basis vasgestel word. Die gemagtigde handelaars sal aangemoedig word om termynverkope en -aankope soveel moontlik teen mekaar af te sit en om, binne die neergelegde perke, hulle netto termynvalutaverpligtigs te dek deur kontantbates in buitelandse geldeenheid aan te hou.
6. Die Reserwebank sal bereid wees om, deur bemiddeling van die gemagtigde valutahandelaars, termyndekksfasilitete aan te bied vir buitelandse lenings wat deur die private sektor met valuta-beheergoedkeuring aangegaan is, maar slegs ten

opsigte van die risiko op die rand-dollarwisselkoers en slegs vir 'n tydperk van een jaar op 'n slag. Termyndecking sal nog steeds deur die Reserwebank aan die openbare korporasies en ander liggeme in die openbare sektor verleen word, maar die koers vir termyndekking vir verpligtigs in sterker geldeenheid soos die Duitse mark en die Switserse frank, sal op 'n hoërvlak as dié ten opsigte van die VSA-dollar en ander minder sterk geldeenheid vasgestel word.

7. As 'n eerste stap in die rigting van 'n markverwante enkelvoudige wisselkoers vir die rand sal die "effekterand" na 'n "finansiële rand" omgeskakel word deur 'n uitbreiding van die gebruik wat nie-inwoners daarvan kan maak. In plaas daarvan dat effekterand slegs gebruik kan word om genoemde effekte en die spesiale nie-inwonerobligasies van die Regering aan te koop, sal nie-inwoners toegelaat word om ook in ongenoteerde effekte en ander kapitaalbates te belê. Die omskakeling van effekterand na finansiële rand sal geleidelik onder die toesig en leiding van die Reserwebank geskied. Die doel van hierdie verandering is om 'n aansporing aan buitelanders te verskaf om in Suid-Afrika te belê, in die besonder omdat die dividende op hulle beleggings teen die kommersiële wisselkoers oorgeplaas sal kan word. Die buitelandse reserwes van die land sal egter nie regstreeks by sodanige transaksies baat nie omdat een nie-inwoner finansiële rand van 'n ander koop.

Vanaf 29 Januarie tot 26 Februarie 1979 het die Reserwebank sy gekwoteerde wisselkoers vir die VSA-dollar by twee geleenthede verander, naamlik op 8 Februarie toe die rand met 1,7 persent geappresieer is tot 'n middelkoers van \$1,17 per R1, en op 20 Februarie toe 'n verdere opwaartse aanpassing tot \$1,18 per R1 gemaak is. Op 27 Februarie het die Reserwebank die praktyk laat vaar om vaste voorafbepaalde koerse vir VSA-dollars te kwoteer. Sedertdien het die rand effens teenoor die dollar geappresieer.

Op 5 Maart het 'n nuwe prosedure in werking getree waarvolgens die opbrengs van Krugerrandverkope regstreeks na gemagtigde handelaars in die valutamark gekanaliseer word in plaas van na die Reserwebank. Die oogmerk is dat 'n deel van die opbrengs van diamantverkope ook regstreeks in die mark in plaas van aan die Reserwebank verkoop sal word.

Die kommissie van 1 persent per jaar op termyndekking is op 25 Januarie 1979 afgeskaf en die Reserwebank se termynmarge op VSA-dollars is op 'n dollardiskonto (of randpremie) van 2 persent per jaar vasgestel. Hierdie termyndollardiskonto, of termynrandpremie, was hoofsaaklik 'n weerspieëling van die feit dat die dollarrentekoerse op hoërvlakte as dié in Suid-Afrika is. Die onmiddellike uitwerking van hierdie verandering was 'n vernouing van 3 persentasiepunte van die marge tussen die effektiewe koste van handelsfinansiering in VSA-dollars en in rand. Aan die einde van Januarie het die verskil gevoldiglik

tot minder as 1 persent gekrimp, maar 'n vinniger daling in die korttermynrentekoerse in Suid-Afrika as in die Verenigde State het meegebring dat die marge op 9 Maart tot 1,6 persent vergroot het. Soos hierbo aangetoon is, het die valutareserves van die Reserwebank gedurende Februarie aansienlik gestyg, hoofsaaklik as gevolg van 'n invloeiing van korttermynkapitaal wat voorgekom het ten spyte van die vergroting van die rentekoersverskil. Op 8 Maart het die Reserwebank begin om sy termynkoerse op die heersende kontantkoers te baseer. Voorheen is dit bepaal op basis van die sluitingskontantkoers van die vorige dag.

Monetêre en banktoestand

Vinniger toename in geld en kwasi-geld

Die geld- en kwasi-geldhoeveelheid, wat gedurende 1977 teen 'n betreklik lae koers van 7 persent toegenem het, het gedurende 1978 vinniger met 12 persent vermeerder. Op soortgelyke wyse het die koers van toename in die eng gedefinieerde geldvoorraad van 5 persent in 1977 tot 10 persent in 1978 gestyg.

Op 'n kwartaalbasis het die koers van toename in die seisoensaangesuiwerde hoeveelheid geld en kwasi-geld vanaf die tweede kwartaal van 1978 beduidend hoër geword. 'n Jaarkoers van toename van slegs 2 persent gedurende die eerste kwartaal is gedurende die laaste drie kwartale van die jaar agtereenvolgens deur jaarkoerse van toename van 17 persent, 15 persent en 13 persent gevolg. Die eng gedefinieerde geldvoorraad het gedurende die vierde kwartaal van 1978 skerp gestyg teen 'n seisoensaangesuiwerde jaarkoers van toename van 34 persent, teenoor 'n gemiddelde jaarkoers van toename van slegs 3 persent gedurende die voorafgaande drie kwartale. Gedurende Januarie 1979 het die seisoensaangesuiwerde geld- en kwasi-geldhoeveelheid slegs 'n geringe verandering getoon en met ongeveer R9 miljoen gedaal.

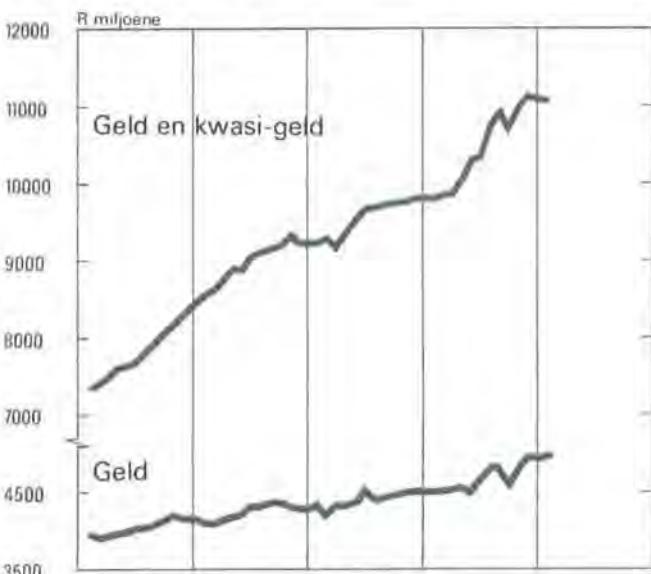
Oorsake van veranderings in geld en kwasi-geld

Die hoër koers van toename in die geld- en kwasi-geldhoeveelheid gedurende 1978 is meegebring deur 'n stijging in die netto goud- en ander buitelandse reserves van die monetêre banksektor en in die eise van die monetêre banke teen die private sektor. Die netto eise teen die regeringsektor het gedurende 1978 gedaal en die langtermyndeposito's van die private sektor by die monetêre banke het 'n opmerklike verdere stijging getoon.

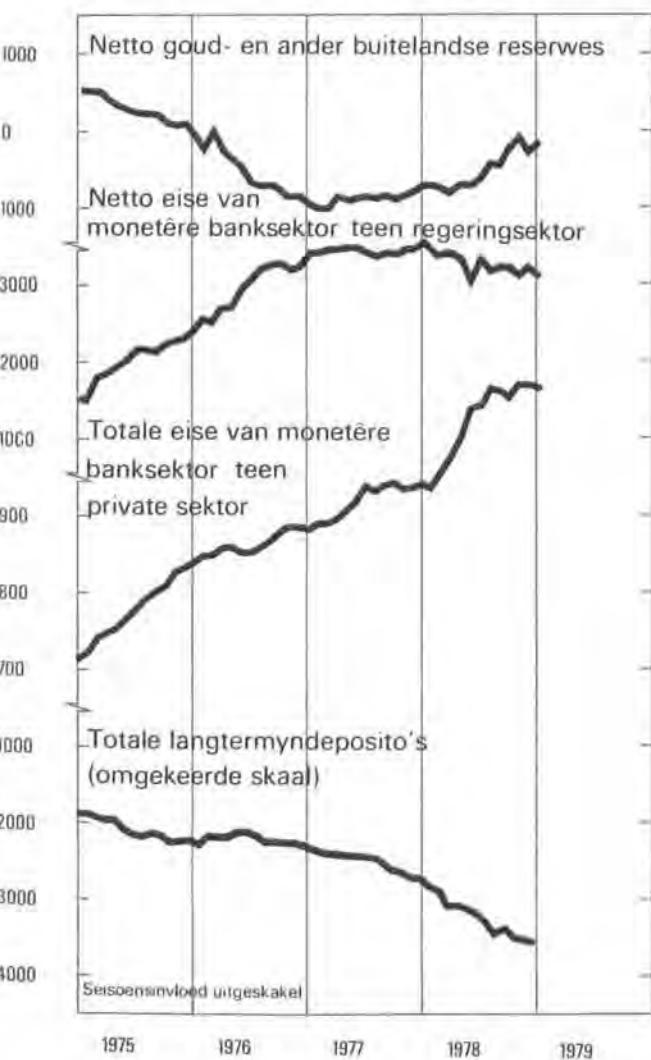
Dorsake van veranderings in geld- en kwasi-geld R miljoene

	Seisoensinvloed nie uitgeskakel nie						Seisoensinvloed uitgeskakel					
	Jaar 1978	1978					1979 Jan.					
		1e kw.	2e kw.	3e kw.	4e kw.							
Netto goud- en ander buitelandse reserves	501	57	44	242	146		137					
Eise teen die regeringsektor												
Bruto eise	-14											
Regeringsdeposito's (toename -, afname +)	-246											
Netto eise	-260	-65	-385	181	20		-109					
Eise teen die private sektor	1 265	204	732	210	110		-40					
Langtermyndeposito's (toename -, afname +)	-797	-186	-251	-287	-76		-34					
Netto ander bates	489											
Totale oorsake van veranderings	1 198	48	406	378	346		-9					

Monetêre ontleding



Oorsake van veranderings in geld en kwasi-geld



In teenstelling met 'n toename van slegs R60 miljoen gedurende 1977 het die netto goud- en ander buitelandse reserwes van die monetêre banksektor gedurende 1978 met nie minder nie as R501 miljoen gestyg, wat hoofsaaklik 'n vermindering van R418 miljoen in die korttermyn buitelandse laste van hierdie sektor weerspieël het. Die grootste deel van die styging in die netto reserwes het gedurende die tweede helfte van 1978 voorgekom, in die besonder gedurende die derde kwartaal.

Die seisoensaangesuiwerde eise van die monetêre banksektor teen die private sektor het gedurende die tydperk Februarie tot Augustus 1978 aansienlik gestyg. Gedurende September en Oktober het hierdie eise marginaal gedaal voordat dit gedurende die res van die jaar weer toegeneem het. Die netto eise van die monetêre banksektor teen die regeringsektor, ná uitskakeling van die seisoensinvloed, het gedurende die eerste helfte van 1978 met R450 miljoen gedaal, grotendeels as gevolg van 'n toename van R374 miljoen in die regeringsdeposito's gedurende hierdie tydperk. Gedurende die tweede helfte van die jaar het die netto eise teen die regeringsektor egter met R201 miljoen gestyg, waarvan die grootste deel gedurende die derde kwartaal. Die toename in die binnelandse kredietverlening, d.w.s. die totaal van die monetêre banksektor se netto eise teen die regeringsektor en sy eise teen die private sektor, het van seisoensaangesuiwerde jaarkoerse van onderskeidelik 11 persent en 12 persent in die tweede en die derde kwartaal tot slegs 4 persent in die laaste kwartaal van die jaar verlangsaam.

Die seisoensaangesuiwerde langtermyndeposito's van die private sektor by die banksektor het gedurende al vier kwartale van 1978 aangehou om te styg. Ná skerp toenames gedurende die eerste drie kwartale van die jaar is daar gedurende die vierde kwartaal egter 'n aansienlik kleiner styging aangeteken.

Gedurende Januarie 1979 is 'n verdere toename in die netto goud- en ander buitelandse reserwes, na uitskakeling van die seisoensinvloed, meer as geneutraliseer deur afnames in die seisoensaangesuiwerde netto eise teen die regeringsektor en in die eise teen die private sektor sowel as deur 'n verdere styging in die private langtermyndeposito's. Die afname in die netto eise teen die regeringsektor is hoofsaaklik meegebring deur 'n aansienlike toename van R160 miljoen in die regeringsdeposito's gedurende Januarie.

Hoër koers van toename in bankkrediet aan die private sektor

Die bankkrediet aan die private sektor het gedurende 1978 met ongeveer 13 persent toegeneem, vergeleke met 'n toename van slegs 6 persent gedurende die voorafgaande jaar. Gedurende die tweede kwartaal van 1978 het die seisoensaangesuiwerde jaarkoers van toename nie minder nie as 34 persent beloop; gedurende die derde en die vierde kwartaal het dit egter na langer vlakke van onderskeidelik 8 en 5 persent teruggekeer. Die aansienlike toename gedurende die tweede

kwartaal was grotendeels gebaseer op 'n sterk oplewing in die verbruiksbesteding voor die instelling van die algemene verkoopsbelasting in die begin van Julie.

Die beleggings van die monetêre bankinstellings in effekte van die private sektor het dwarsdeur 1978 aanhoudend toegeneem en R271 miljoen van die totale toename van R1 265 miljoen in die eise teen die private sektor verklaar. Die kaskredietvoorskotte van die Landbank was gedurende die tweede en derde kwartale seisoenaal hoog maar het nie gedurende die vierde kwartaal in ooreenstemming met die gebruiklike seisoenspatroon gedaal nie, hoofsaaklik vanweë die minder gunstige produksietoestand in die landbou.

Die diskonteringe, lenings en voorskotte van die handelsbanke, aksepbanke en monetêre huurkoop- en algemene banke het in 1978 met 12 persent toegeneem, vergeleke met 'n toename van slegs 2 persent gedurende 1977. Die huurkoop- en bruukhuurfinansiering wat deur hierdie banke verleen is, het gedurende die jaar vinnig met R603 miljoen, of ongeveer 38 persent, uitgebrei. Wissels verdiskonter het daarenteen met R95 miljoen gedaal. Alle ander lenings en voorskotte van die betrokke banke, wat hoofsaaklik lenings en voorskotte vir nywerheids- en handelsdoeleindes verteenwoordig, het gedurende 1978 met slegs 6 persent toegeneem.

Alhoewel die bankkrediet aan die private sektor, ná seisoensaansuiwering, gedurende Januarie matig met R40 miljoen afgeneem het, het die diskonteringe, lenings en voorskotte van die handelsbanke met R72 miljoen gestyg terwyl die beleggings van monetêre bankinstellings in effekte van die private sektor met R34 miljoen afgeneem het.

Op 12 Maart 1979 het die Reserwebank aangekondig dat die plafonne op die bankinstellings se diskonteringe, lenings en voorskotte aan die private sektor en hulle beleggings in effekte van die private sektor met 'n verdere 5 persent van die onderskeie "basis"-syfers soos aan die einde van Desember 1975 verhoog

word en dat hierdie verhogings vanaf 31 Maart van krag word. Die gereelde maandelikse verhoging van die plafonne met $\frac{1}{2}$ persent van die betrokke basis-syfers sal van krag bly. Terselfdertyd is die totale bedrag van die kredietverlening aan die private sektor, soos vir doeleindeste van die kredietplafonne omskryf, wat 'n bankinstelling nie mag oorskry nie sonder om aan die plafonvereistes onderhewig te word, van R15 miljoen na R20 miljoen verhoog. In dieselfde verklaring is aangekondig dat die aanvullende likwiditeit vereistes wat op "groot" bankinstellings (d.w.s. banke waarvan die totale batebesit R800 miljoen oorskry) van toepassing is ten opsigte van die toenames in hulle kort- en middeltermynverpligtings teenoor die publiek sedert 30 September 1975, van 20 na 10 persent en van 8 na 4 persent, onderskeidelik, verlaag word en dat hierdie verlaging vanaf die datum van die banke se sertifisering van hulle maandopgawes vir Februarie 1979 in werking tree. Vir die kleiner bankinstellings is die aanvullende likwiditeit vereiste van 20 persent ten opsigte van toenames in hulle korttermynverpligtings geheel en al afgeskaf. Die ooreenstemmende vereiste ten opsigte van toenames in hulle middeltermynverpligtings is reeds in September 1978 afgeskaf.

Verbetering in banklikwiditeit

Die oorskotlikwiditeit van die monetêre bankinstellings, wat gedurende die eerste agt maande van 1978 op betreklik lae vlakke gestaan het, het gedurende die res van die jaar verbeter. Die likwiditeitsposisie van ander bankinstellings het egter dwarsdeur die jaar stram gebly. Soos uit die bygaande tabel blyk, was die hoofsoort van die verbetering in die likwiditeitstoestand van die bankinstellings gedurende 1978 die groter bydrae van die buitelandse sektor tot die banke se werklike likwiditeit batebesit. Gedurende die laaste paar maande van 1978 het die owerheidsektor en, in mindere mate, die bankstelsel self, ook tot die

Sektorale oorsprong van banke se besit aan likwidiete bates en oorskotlikwiditeitsverhouding van bankinstellings R miljoene

	1978					
	Mrt.	Jun.	Sept.	Okt.	Nov.	Des.
Buitelandse sektor	102	94	321	605	755	519
Owerheidsektor	2 557	2 688	2 579	2 495	2 699	2 729
Private nie-banksektor	694	678	804	756	494	685
Bankstelsel	856	1 009	985	927	983	1 082
Totale besit aan likwidiete bates	4 209	4 469	4 689	4 783	4 931	5 015
Min.						
Likwidiete bates nie bruikbaar vir likwiditeit batevereistes nie	-13	-14	-11	-6	-8	-9
Min.						
Vereiste likwidiete bates	-4 035	-4 162	-4 334	-4 334	-4 416	-4 531
Oorskot likwidiete bates	161	292	344	443	507	475
Oorskot likwiditeitsverhouding, %	1,2	2,0	2,3	2,9	3,3	3,1

verbeterde oorskotlikwiditeitstoestand bygedra.

Gedurende Januarie 1979 het die oorskotlikwiditeitsverhouding van alle bankinstellings om seisoensredes redelik aansienlik gedaal. Die oorskotlikwiditeitsverhouding van die monetêre bankinstellings het van 3,2 persent tot slegs 1,7 persent afgeneem. Die verhouding vir alle bankinstellings het gedaal van 3,1 persent tot 1,6 persent.

Geldmarktoestand en rentekoerse

Die geldmark het gedurende 1978 en in Januarie en Februarie 1979 afwisselende tydperke van ruimte en stramheid ondervind, waarby die vloei van fondse na en van die regeringsektor die hoofsoort van hierdie skommelings was. Die totale deposito's by die diskontohuise het egter groter skommelings as gedurende vorige jare getoon. Dit was grotendeels die gevolg van die deurgaans laevlak van die vrye saldo's wat deur die banke by die Nasionale Finansiekorporasie gehou is, wat beteken het dat skommelings in die daggelddeposito's in besit van die bankstelsel deur die diskontohuise eerder as deur die Korporasie geabsorbeer moes word. Om dieselfde rede moes die diskontohuise die Reserwebank meer dikwels en vir groter bedrae om akkommodasie nader as gedurende voorafgaande jare.

Die geldmark het gedurende die eerste kwartaal van 1978 vernou, gedurende die grootste deel van die tweede kwartaal opmerklik verruum, maar oor die einde van Junie weer skerp vernou. Dit het gedurende Julie en Augustus verruum, was oor die einde van Augustus weer stram, en het vervolgens tot die einde van November deurlopend verruum, met name

ná die eerste week in Oktober. Daarna het die mark oor die einde van November vernou, gedurende Desember 'n voortgesette tekort aan fondse ondervind, en veral gedurende die eerste week van Januarie 1979 vernou. Nadat dit gedurende en oor die einde van Januarie stram gebly het, het die mark gedurende Februarie buitengewoon likwied geword. Dit het egter oor die einde van Februarie skerp vernou en gedurende die eerste deel van Maart stram gebly.

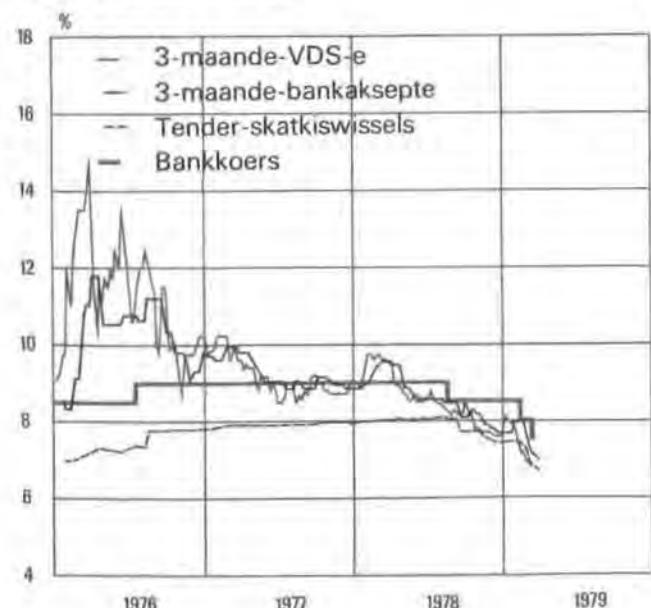
Die daggelddeposito's by die diskontohuise het van laagtepunte van ongeveer R580 miljoen in die begin van Maart 1978 en effens meer as R600 miljoen vroeg in Januarie 1979 tot hoogtepunte van R971 miljoen in Augustus en R990 miljoen in Februarie 1979 gewissel. Die vrye saldo's van die banke by die Nasionale Finansiekorporasie was gedurende groot dele van die jaar uitgeput en het selde R100 miljoen oorskry. Die akkommodasie van die diskontohuise deur die Reserwebank het oor die einde van Junie en in die begin van Julie 1978 sy hoogste punt bereik en op 5 Julie R371 miljoen beloop. Dit was ook hoog oor die einde van Augustus, toe dit R323 miljoen bereik het, in die begin van Januarie 1979, toe dit op 4 Januarie R350 miljoen bedra het, en vroeg in Maart 1979 toe dit tot bykans R316 miljoen gestyg het.

Die bewegings van die rentekoerse het bogenoemde skommelings in die geldmarklikwiditeit weerspieël, maar die koerse het gedurende die jaar oor die algemeen geneig om afwaarts te beweeg. So het die koers op verhandelbare depositosertifikate van drie maande, wat in die begin van Januarie 1978 9,0 persent beloop het, byvoorbeeld tot 9,75 persent in Februarie gestyg maar vervolgens dwarsdeur die grootste deel van die res van die jaar gedaal (alhoewel dit oor die einde van Junie en September tydelike stygings getoon het) en in Desember 7,6 persent bereik. Daarna het dit in Januarie 1979 tot 7,9 persent verstewig voordat dit sy daling voortgesit het tot 6,85 persent op 9 Maart. Die koers op bankaksepte van drie maande en die basiese daggeldkoers van die diskontohuise het 'n soortgelyke verloop getoon. Die skatkiswisseltenderkoers het marginaal van 7,95 persent in Januarie-Februarie 1978 tot 7,99 persent op 11 Augustus verstewig. Vervolgens het dit aan die hand van die verlaging van die Bankkoers skerp gedaal en op 25 Augustus op 7,65 persent gestaan. Daarna het dit aangehou daal en op 9 Maart 1979 6,57 persent bereik.

Gedurende die jaar onder beskouing het die Reserwebank aansienlike opemarkverkope aangegaan ten einde 'n ordelike daling van die rentekoerse te handhaaf. By tye het dit ook opemarkaankope aangegaan om die mark deur tydperke van 'n skaarste aan fondse te help. Gedurende die tweede helfte van September 1978 het die Reserwebank se opemarkaankope van korttermynstaatseffekte byvoorbeeld R44 miljoen beloop.

In ooreenstemming met die bewegings van korttermynrentekoerse en met die oog daarop om 'n verdere stimulus aan ekonomiese bedrywigheid te verleen, is die Bankkoers verlaag van 8½ tot 8 persent

Geldmarkrentekoerse



op 6 Februarie en van 8 tot 7½ persent op 17 Maart. Ná hierdie verlagings het die vernaamste handelsbanke hulle prima-oortrekkingskoerse verlaag van 11½ tot 11 persent in Februarie en van 11 tot 10–10½ persent in Maart. By albei geleenthede is depositokoerse, met die uitsondering van die koers op gewone spaardeposito's, met ½ persent verlaag.

Staatsfinansies

Redelik hoë koers van toename in skatkisuitreikings

Die skatkisuitreikings het in 1978 met 17 persent toegeneem, 'n groeikoers wat aansienlik hoër was as die 6 persent wat in 1977 aangeteken is. Hierdie betreklik hoë koers van toename is veroorsaak deur 'n konsentrasié van uitreikings in die laaste kwartaal van die fiskale jaar 1977/78, in die besonder in Maart 1978, en deur 'n groot toevallige statutêre betaling van R157 miljoen uit die Skatkisrekening aan die Staatskuldkommissarisse. Selfs indien die statutêre betaling uitgesluit word, was die groeikoers van 15 persent nog die hoogste sedert 1975. Gedurende die eerste nege maande van die fiskale jaar 1978/79, dit wil sê gedurende die tydperk April tot Desember 1978, het die toename van 10 persent in die skatkisuitreikings (met uitsluiting van die statutêre betaling) baie nou ooreengekom met die Begrotingsraming vir die fiskale jaar in sy geheel.

Verandering in die samestelling van skatkisontvangste

Die ontvangste op die Skatkisrekening (uitgesonderd lenings) het in 1978 met ongeveer 16 persent toegeneem, vergeleke met 'n toename van 11 persent in 1977. Die samestelling van die belasting- en ander lopende ontvangste van die sentrale regering het in 1978 aanmerklik verander, ten eerste vanweé 'n veranderde belastingstruktuur waarby daar groter klem op indirekte belasting as 'n bron van inkomste gelê word, en ten tweede as gevolg van 'n toename in die prys van goud waardeur die winste van goudmyne, en gevvolglik ook hul inkomstebelasting- en mynheurbetelings aan die regering, skerp toegeneem het. Die ontvangste aan indirekte belastings, bestaande uit die opbrengs van doeane-, aksyns- en verkoopreg, die bo-belasting op invoere en die nuut-ingestelde algemene verkoopbelasting, het in 1978 met 31 persent

Inkomste-invorderings – Staatsinkomstefonds¹

	1976 Rm	1977 Rm	1978 Rm	Percentasie verandering 1977-1978
Doeanereg ²	345	575	730	27
Aksynsreg	780	856	951	11
Verkoopreg	267	308	215	-30
Algemene verkoophelasting	—	—	377	
Inkomstebelasting- en huurbetelings deur goudmyne	457	370	727	96
Ander inkomstebelasting	3 278	3 628	3 733	3
Ander ontvangste ³	1 114	1 247	1 470	18
Totale inkomste-invorderings	6 241	6 985	8 202	17

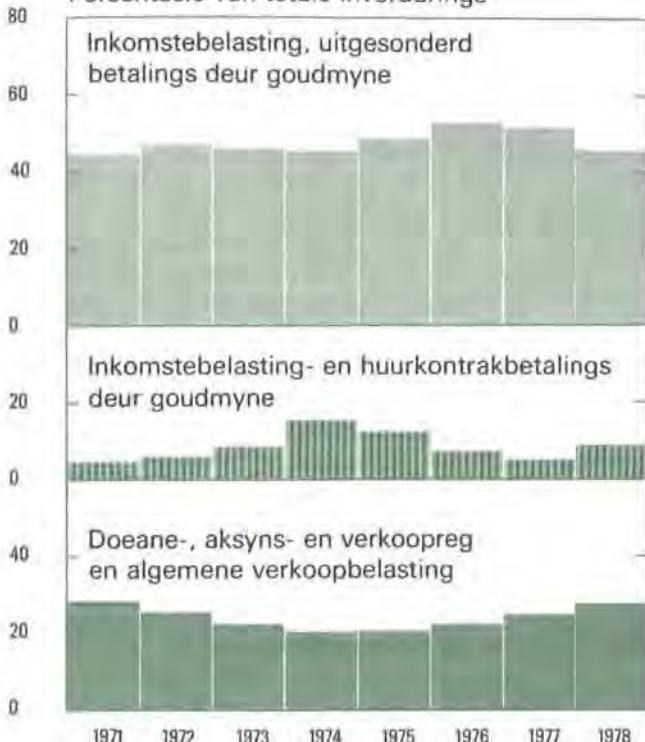
1. Met inbegrip van bedrae wat aan aangrensende gebiede betaal is kragtens Doeanie-Unie ooreenkoms.

2. Insluitende die bo-belasting op invoere.

3. Aangesuiwer om vergelykbaarheid oor tyd te behou.

Samestelling van die inkomste-invorderings deur die sentrale regering

Persentasie van totale invorderings



skuld met R219 miljoen en sy netto skuldposisie teenoor die monetêre banksektor met R54 miljoen te verminder. 'n Buitengewoon groot netto belegging in staatskuldbewyse van R993 miljoen, of R694 miljoen meer as in die voorafgaande jaar, is in 1978 deur die Staatskuldkommissaris gemaak. 'n Deel van hierdie verhoogde netto belegging deur die Kommissaris word verklaar deur 'n aansienlik groter bedrag aan fondse wat van die Suid-Afrikaanse Spoorwegadministrasie vir belegging ontvang is. Die private nie-banksektor se netto belegging in staatskuldbewyse, met uitsluiting van verpligte leningsheffings ten bedrae van R292 miljoen, het R1 133 miljoen bedra, wat R441 miljoen meer was as in 1977.

Skatkisfinansiering

R miljoene

	1976	1977	1978
Tekort (uitgesonderd lenings en skulddeling)	1 936	1 728	2 145
Gefinansier deur:			
Binnelandse nie-bankbronne:	999	1 368	2 418
Staatskuldkommissaris	227	299	993
Betaalmeestergeneraal	-120	—	—
Private sektor	891	1 069	1 425
Monetêre banksektor	487	384	-54
Buitelandse sektor	450	-24	-219
Totaal	1 936	1 728	2 145

toegeneem. Daarbenewens het die inkomstebelasting- en mynhuurbetalings deur goudmynmaatskappye gedurende hierdie tydperk feitlik verdubbel. Die ontvangste aan inkomstebelasting wat deur belastingbetalers buite die goudmynbedryf betaal is, het daarenteen met slegs 3 persent toegeneem. Die indirekte belastings, inkomstebelasting- en mynhuurbetalings deur goudmyne, en ander inkomstebelastingbetalings was vir onderskeidelik 28 persent, 9 persent en 46 persent van die totale inkomste-invorderings in 1978 verantwoordelik, vergeleke met onderskeidelik 25 persent, 5 persent en 52 persent in 1977.

Gedurende die eerste nege maande van die fiskale jaar 1978/79 was die skatkisontvangste 14 persent hoër as gedurende die ooreenstemmende tydperk in die voorafgaande jaar. Hierdie koers van toename was ongeveer 4 persentasiepunte hoër as die koers van toename wat in die Begroting vir die fiskale jaar in sy geheel verwag is.

Suksesvolle leningsbedrywighede

Die skatkisuitreikings het die ontvangste in 1978 met R2 145 miljoen oorskry. By die finansiering van hierdie tekort het die regering daarin geslaag om R2 418 miljoen van die binnelandse nie-banksektor teleen. Hierdie sukcesvolle leningsbedrywigheid het die sentrale regering in staat gestel om sy buitelandse

Op grond van sy suksesvolle leningsprogram in 1978 en sy groot beskikbare kontantsaldo's, het die regering besluit om staatseffekte ten bedrae van R376 miljoen wat op 1 Februarie hul aflosdatum bereik het, terug te betaal en nie die gebruiklike prosedure te volg om nuwe effekte vir belegging beskikbaar te stel nie. Daarbenewens het die Minister van Finansies in Januarie 1979 die vervroegde terugbetaling aan maatskappye aangekondig van die leningsheffings van 1973 en 1974, wat in 1980 en 1981 aflosbaar sou geword het, as 'n metode om die likwiditeit van maatskappye te verbeter. 'n Bedrag van ongeveer R160 miljoen (insluitende rente) is op 15 Februarie terugbetaal.

Spoorwegbegroting

By die indiening van die Begroting van die Suid-Afrikaanse Spoorwegadministrasie in die Parlement op 7 Maart 1979 het die Minister van Vervoer verklaar dat in stede van die tekort van R168 000 wat oorspronklik vir die boekjaar eindigende 31 Maart 1979 verwag is, daar nou 'n oorskot van R53 miljoen voorsien word. Die verbeterde finansiële resultaat was hoofsaaklik te danke aan 'n toename in die volume van uitvoere gedurende 1978/79, maar ook aan 'n doelbewuste poging om arbeidskoste te verminder, aan groter doeltreffendheid by die benutting van materiaal en aan 'n vermindering in die finansiële verliese op sekere dienste.

Die lopende inkomste vir die boekjaar 1979/80 sal na verwagting met 6,3 persent tot R3 374 miljoen toeneem en die lopende uitgawes met 14,5 persent tot R3 575 miljoen, met 'n gevolglike tekort van R201 miljoen. Die salarisaanpassings vir alle werkers wat deur die Minister aangekondig is, is vir 'n aansienlike deel van die toename in die uitgawes verantwoordelik. Nieteenstaande die verwagte tekort is geen onmiddellike opwaartse aanpassings van tariewe voorgestel nie. Sekere tariefkonsessies is aangekondig om 'n toename in die benutting van beskikbare faciliteite aan te moedig.

Bruto investering gedurende die finansiële jaar 1979/80 word op R1 080 miljoen geraam, 'n toename van 24 persent in vergelyking met die hersiene ramings vir 1978/79.

Poskantoorbegroting

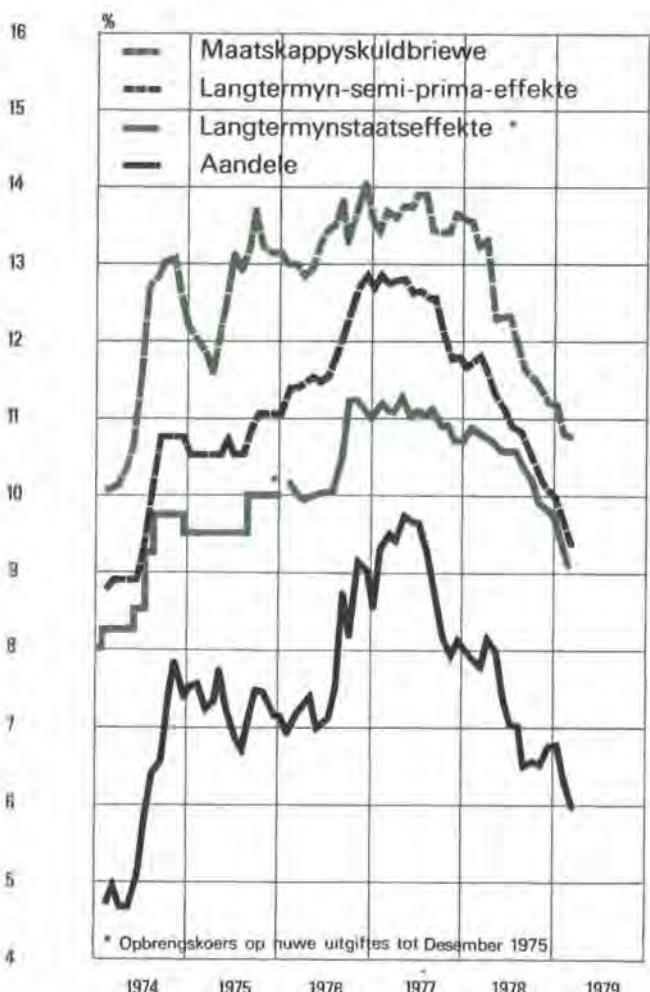
Met die oog daarop om ongeveer dieselfde verhouding van die Poskantoor se kapitaaluitgawes uit interne bronne te finansier as in onlangse jare, is verhogings in verskeie postarieue en die eenheidskoers vir telefoonoproepdeur die Minister van Pos- en Telekommunikasiewese voorgestel toe hy sy Departement se Begroting op 20 Maart 1979 in die Parlement ingediend het. Die voorgestelde verhogings sal waarskynlik nie voor 1 Oktober vanjaar in werking tree nie. Daar word verwag dat die Departement se bedryfsuitgawes gedurende die 1979/80 finansiële jaar met 14,6 persent tot R808 miljoen en sy inkomste met 14,8 persent tot R884 miljoen sal toeneem. Kapitaaluitgawes word geraam op R364 miljoen, of 9,7 persent meer as die verwagte syfer vir 1978/79. Daar word in die vooruitsig gestel dat ongeveer 47 persent van die kapitaaluitgawes in 1979/80 uit interne bronne gefinansier sal word.

Kapitaalmark

Vraag na uitleenbare fondse in mark vir vaste-rentedraende effekte deur aanbod oorskry

Die verruiming van die toestand op die mark vir vaste-rentedraende effekte vanaf ongeveer Maart 1977 het gedurende 1978 voortgeduur en selfs nog sterker geword. 'n Hoë koers van toename in die binnelandse besparing, tesame met beleggers se volgehoud verwagtings van 'n verdere afwaartse aanpassing van die opbrengskoerse op effekte en 'n algemene gebrek aan geskikte alternatiewe beleggingsgeleenthede gedurende 'n tydperk van lae reële investeringsbedrywigheid in die ekonomie, het daartoe gelei dat die aanbod van uitleenbare fondse in die mark die vraag daarna oorskry het. Nuwe uitgiftes van staatseffekte is goed ondersteun en die meeste nuwe uitgiftes van semi-prima-effekte is aansienlik oorvolteken. Die transaksies in die sekondêre mark in vaste-rentedraende effekte het aansienlik toegeneem en die opbrengs-

Opbrengskoerse in sekondêre mark



koerse het tot hul laagstevlakte sedert Junie 1974 gedaal.

Die netto nuwe uitgifte van bemarkbare effekte deur die openbare sektor, met uitsluiting van die toename in die betrokke leners se besit aan hul eie effekte, het ongeveer R2 087 miljoen beloop, vergeleke met R2 060 miljoen in 1977 en R1 112 miljoen in 1976. Die toename in die effekteskuld van die openbare sektor gedurende 1978 is weerspieël in 'n aansienlike stygging van ongeveer R1 740 miljoen in die private nie-banksektor se besit aan effekte van die openbare sektor, wat gevvolg het op 'n stygging van R1 277 miljoen in 1977. Die monetêre banke se besit aan effekte van die openbare sektor het in 1978 met ongeveer R250 miljoen gestyg, wat aansienlik minder was as die toename van R729 miljoen in 1977. Bo en behalwe die bedrag aan uitleenbare fondse wat in die mark opgeneem is, het die besit aan effekte van die openbare sektor deur die interne fondse van leners in die openbare sektor en deur die Staatskuldcommisaris met die rekordbedrag van ongeveer R1 500 miljoen toeneem, bykans dubbeld die bedrag van die toename in 1977. Die nuwe uitgifte van die vastarentedraende effekte deur maatskappye in die private sektor wat op die Johannesburgse Effektebeurs genoteer word, het in 1978 R222 miljoen bedra teenoor R190 miljoen in 1977, hoofsaaklik as gevolg van twee buitengewoon groot uitgifte.

Die verdere verruiming van die marktoestand in 1978 is weerspieël in 'n daling in die opbrengskoers op langtermynstaatseffekte in die sekondêre mark van 10,69 persent in Desember 1977 tot 9,72 persent in Desember 1978 en 'n ooreenstemmende daling in die sekondêre-markopbrengskoers op langtermyn semi-prima-effekte van 11,62 persent tot 9,95 persent. Hierdie veranderings gedurende 1978 het die marge tussen die opbrengskoers op prima- en semi-prima-effekte van 0,93 tot 0,23 persentasiepunte vernou. Die sekondêre-markopbrengs op maatskappyobligasies het van 13,58 persent in Desember 1977 tot 11,18 persent aan die einde van 1978 afgeneem.

Die ruimer toestande in die mark vir vaste-rentedraende effekte het gedurende die eerste twee maande van 1979 voortgeduur toe die sekondêre-markopbrengskoerse op prima- en semi-prima-effekte verder gedaal het tot onderskeidelik 9,07 en 9,35 persent. Die opbrengskoers op die sekondêre mark vir maatskappyskuldbrieue het op soortgelyke wyse tot 10,75 persent gedaal.

Persentasieverandering in aandelepryse

Jaar geëindig 31 Desember	Mynbouhandele				Finansiële aandele				Nywerheidsaandele	Handelsaandele	Alle klasse aandele
	Goud	Steenkool	Ander metale en mineraal	Mynbou	Nywerheids en algemeen	Vaste eiendom	Banke en verserring				
1977	16,8	13,2	31,4	15,7	16,5	-11,5	22,6	8,7	-3,2	13,7	
1978	18,8	32,2	33,6	23,3	22,6	-2,2	13,2	14,0	30,0	18,8	

Aandelemark lewendig

Afgesien van geringe tydelike insinkings gedurende die tydperk Februarie tot April en weer gedurende Oktober en November, het sowel die aandelepryse as die effektebeursomset gedurende 1978 oor die algemeen 'n sterk stygende neiging gehandhaaf. Die aantal aandele wat op die effektebeurs verhandel is, was 24 persent hoër in 1978 as gedurende 1977, terwyl die waarde van die aandele verhandel 'n toename van 29 persent getoon het. Die omvattende aandeleprysindeks, wat alle klasse aandele insluit, het van die einde van 1977 tot die einde van 1978 met 19 persent gestyg. Gedurende die eerste twee maande van 1979 het die aantal en die waarde van die aandele verhandel skerp bo hul vlakte in Desember 1978 toegeneem en het die aandelepryse gemiddeld met 'n verdere 16 persent gestyg. Ingeweel volgens breë klasse is die grootste prysstyggings gedurende 1978 deur mynbou-aandele aangeteken, gevvolg, eerstens, deur handels- en nywerheidsaandele en, laastens, deur finansiële aandele. Veranderings in die pryse van die individuele klasse aandele word in die bygaande tabel getoon.

Die gemiddelde dividendopbrengskoers op alle klasse aandele het van 8,0 persent aan die einde van 1977 tot 6,8 persent aan die einde van 1978 gedaal, niteenstaande 'n toename in die dividendopbrengs op mynbou-aandele. Die omgekeerde rendementsgaping tussen aandele en langtermynstaatseffekte het van 2,7 persent in Desember 1977 tot 2,9 persent in Desember 1978 vergroot. Die dividendopbrengskoers het in Februarie tot 5,9 persent afgeneem en die omgekeerde rendementsgaping nog verder tot 3,1 persent vergroot.

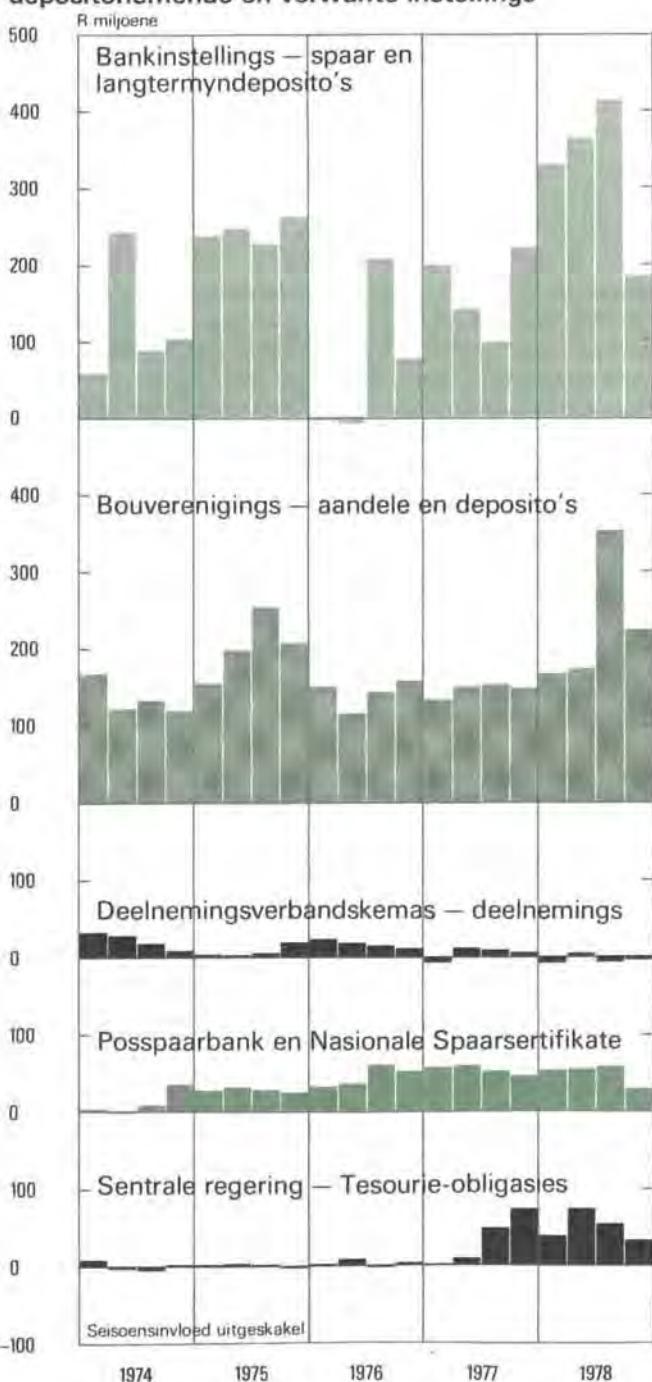
Die effektetrusts het gedurende 1978 'n netto uitvloeiing van fondse van R13 miljoen ondervind. Die verbetering in die aandelepryse het die markwaarde van die trusts se netto bates egter met R65 miljoen tot 'n vlak van R390 miljoen aan die einde van 1978 en nog verder tot R418 miljoen aan die einde van Februarie 1979 laat styg.

Aansienlik groter vloei van langertermynfondse na deposito-nemende en verwante instellings

Die vloei van langertermynfondse na bankinstellings, bouverenigings, deelnemingsverbandskemas en staat-spaarfaciliteite, wat reeds in die vierde kwartaal van

1977 opmerklik gestyg het, het gedurende 1978 op 'n selfs nog hoër vlak voortgegaan. Die totale invloeiing van langertermynfondse na die betrokke instellings het gedurende 1978 R2 571 miljoen bedra, 61 persent meer as in 1977. Die bankinstellings het die grootste invloeiing, naamlik R1 292 miljoen, aange teken, gevvolg deur die bouverenigings met 'n bedrag van R914 miljoen. Die netto belegging in Tesourie-obligasies het R192 miljoen beloop, en dié in die

Vloei van langertermynfondse na depositonemende en verwante instellings



Poskantoor se spaartfasilitete R191 miljoen. Die deelnemingsverbandskemas het 'n geringe netto uitvloeiing van fondse van R21 miljoen ondervind, hoofsaaklik vanweë 'n swak vraag na hierdie vorm van verbandfinansiering. Die deelnemingsverbandskemas is verplig om fondse wat nie binne 'n tydperk van sestig dae in deelnemingsverbande belê word nie, terug te betaal. Vanweë hierdie vereiste was die skemabesture onwillig om verdere fondse vir belegging aan te neem en het hulle 'n gedeelte van die fondse wat vir herbelegging beskikbaar gekom het, terugbetaal.

Die groter invloeiing van langertermynfondse het 'n afwaartse druk op deposito- en verwante rentekoerse uitgeoefen en gedurende die vierde kwartaal van 1978 is die onderskeie koerse met $\frac{1}{2} - 1$ persent verlaag. Die meeste depositorentekoerse is in Februarie en weer in Maart met $\frac{1}{2}$ persent verlaag, ná die verlaging van die Bankkoers waarna hierbo verwys is.

Verbeterde bedrywigheid in die verband- en vaste eiendomsmarkte

Die bedrag aan nuwe verbandlenings deur die bouverenigings toegestaan, wat in 1977 met 10 persent gedaal het, het in 1978 met ongeveer 40 persent toegeneem en dui op 'n sterk verbeterde vlak van die bedrywigheid in die residensiële verbandmark. Die toename in die bouverenigings se uitleenbedrywigheid teen verbande het egter nie die fondse wat vir belegging beskikbaar was, geëwenaar nie en gevvolglik het die verenigings hulle besit aan kontant, deposito's en effekte in 1978 met 'n bedrag van R410 miljoen vergroot. Ná die daling in die depositorentekoerse, het die bouverenigings hul verbandkoerse op nuwe lenings vanaf 2 Oktober 1978, en op bestaande lenings vanaf 1 Januarie 1979, van 'n patroon van 10,5 - 12,0 persent na 'n patroon van 10,0 - 12,0 persent verlaag. Die verdere afname in sommige van hulle leenkoerse in Februarie het egter nie hul uitleenkoerse beïnvloed nie.

Die waarde van die vaste eiendomstransaksies, wat gedurende 1977 skerp met 15 persent gedaal het, het gedurende 1978 met 7 persent toegeneem. 'n Matige opwaartse neiging in hierdie transaksies het in die vierde kwartaal van 1977 na vore gekom en het regdeur 1978 voortgeduur.

Waarde van vaste eiendomstransaksies



Verklaring insake Suid-Afrika se wisselkoers-beleid en -praktyke

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

24 Januarie 1979

Ná oorlegpleging met die Reserwebank en ander belanghebbende partye het die Regering besluit om die Tussentydse Verslag van die Kommissie van Ondersoek na die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika te aanvaar. Soos deur die Kommissie aanbeveel, sal daar onmiddellik 'n begin gemaak word met 'n geleidelike en stelselmatige proses van verandering van Suid-Afrika se wisselkoersbeleid en -praktyke. Die uiteindelike mikpunt van hierdie proses sal wees 'n enkeltvoudige wisselkoersstelsel waaronder 'n onafhanklike en beweeglike rand sy eievlak vind in goed ontwikkelde en mededingende kontant- sowel as termynvalutamarkte in Suid-Afrika. In hierdie stelsel sal die bewegings van die rand beheer word deur Reserwebank- "intervensie" aankope en verkope van valutta (hoofsaaklik VSA dollars) en sal daar slegs beperkte valutabeheer wees van toepassing alleen op inwoners.

Hierdie uiteindelike wisselkoersbedeling sal dus een van "beheerde" en nie "vrye" swelsing wees nie. Uit die aard van die saak sal dit ook beteken dat die rand dan nie meer aan die VSA-dollar gekoppel sal wees nie. Die rand sal dan 'n onafhanklike gelddeenheid wees met 'n wisselkoers wat grootliks bepaal sal word deur die stand van Suid-Afrika se eie betalingsbalans en binnelandse ekonomiese en nie deur die wel en wee van 'n ander land se geldeenheid of ekonomiese of politieke wisseling nie.

Onder die huidige internasionale stelsel van swewende wisselkoersse is dit vanselfsprekend onmoontlik vir Suid-Afrika om wisselkoersstabiliteit met alle ander geldeenhede te handhaaf. Ons keuse is of om saam met die VSA-dollar of 'n ander belangrike gelddeenheid of saam met 'n "mandjie" van gelddeenhede te sweef, of om onafhanklik in ooreenstemming met ons eie belange te sweef. Die Regering het op onafhanklike swelsing as die uiteindelike stelsel besluit. Vantevore was hierdie keuse nie vir Suid-Afrika oop nie, omdat ons valutamark nog nie ontwikkeld genoeg daarvoor was nie. Maar nou het ons die stadium bereik waar dit wel prakties uitvoerbaar en in landsbelang sal wees om 'n valutamark in Suid-Afrika te ontwikkel waarin die rand onafhanklik onder Reserwebanktoesig kan beweeg.

Die Regering aanvaar ook die Kommissie se aanbeveling dat hierdie uiteindelike stelsel nie ten volle op die huidige stadium ingevoer kan word nie maar die beste deur 'n geleidelike proses van aanpassing bereik kan word. Die wyse waarop en die tempo waarteen die nuwe wisselkoersstelsel in werking gestel sal word, sal deur die Reserwebank in noue oorleg met die Minister en die Departement van Finansies bepaal word. Die Bank sal in samewerking met die gemagtigde valutahandelaars die nodige procedures neerlê om uitvoering te gee aan die nuwe beleid. Met hierdie doel voor oë, sal die Reserwebank mōre samesprekings met die gemagtigde handelaars voer.

Dit dien verder daarop gelet te word dat die Kommissie aanbevelings doen met betrekking tot die geskikste wisselkoersstelsel en -beleidsraamwerk vir Suid-Afrika en nie met betrekking tot enige spesifieke wisselkoers vir die toekoms nie. Die Kommissie beveel nog 'n spesifieke devaluasie nog 'n spesifieke revaluasie van die rand aan. Die taak om te besluit waarheen en hoe ver die wisselkoers te enige tyd toegelaat of aangemoedig moet word om te beweeg, is dié van die monetêre owerhede, wat hulle moet vervul in die lig van die heersende omstandighede. Hierdie standpunt word deur die Regering onderskryf.

Om aan alle belanghebbende partye volle geleentheid te gee om die nodige voorbereidings vir die inwerkingstelling van die eerste stadium van die nuwe wisselkoersbedeling te tref sal sowel die valutamark as die aandelebeurs op 24 en 25 Januarie gesluit wees. Soos gebruiklik, sal die nodige voorsiening egter vir kleinere valutatransaksies gemaak word om onnodige ongerief vir reisigers en ander te vermy.

Om die bogenoemde proses van verandering aan die gang te sit, sal die volgende stappe gedoen word:

1. Vir die huidige sal die Reserwebank nog voorafbepaalde koop- en verkoopkoerse vir die VSA-dollar kwoteer waarteen hy bereid sal wees om transaksies met gemagtigde handelaars aan te gaan. Anders as in die verlede, sal hierdie koerse egter nie vir lang hierdie koerse egter nie vir lang tydperke aaneen konstant gehou word nie maar meer dikwels by veranderende omstandighede aangepas word. Soos die valutamark egter meer ontwikkeld en mededingend raak en verbeterings in die kommunikasiestelsel tussen die verskillende gemagtigde handelaars en die Reserwebank aangebring word, sal die Bank die stelsel in die rigting van meer egte beheerde swelsing vir 'n onafhanklike rand lei. Om mee te begin, sal die Bank se verkoopkoers R1 = \$1,148 6 en sy koopkoers R1 = \$1,151 5 bly, met dus 'n middelkoers van R1 = \$1,150 0.

2. Ten einde 'n breër en meer aktiewe en mededingende mark in buitelandse valuta in Suid-Afrika te ontwikkel waarin die rand later toegelaat kan word om sy eievlak onderhewig aan Reserwebankinmenging te vind, sal daar voortaan nie meer vir gemagtigde valutahandelaars verpligte vaste openbare koop- en verkoopkoerse vir VSA-dollars voorgeskryf word wat hulle in hul transaksies met die publiek moet toepas nie. Onderworpe aan die ander reëlings wat neergelê sal word, sal gemagtigde handelaars dus vry wees om met mekaar in die valutamark mee te ding.
3. In dié mate dat daar 'n behoefté by gemagtigde valutahandelaars aan kompensasie vir dalende winste op valutatransaksies onder die nuwe stelsel mag ontstaan, sou dit, na die mening van die monetêre owerhede, nie onredelik wees nie indien die gemagtigde handelaars self, op die normale mededingende manier, matige fooie van daardie kliënte vra ten

behoewe van wie hulle koste moet aangaan om die valutabeheer te administreer.

4. Gemagtigde valutahandelaars sal toegelaat word om tot redelike bedrae "ope posisies" in buitelandse valuta daarop na te hou en om, binne perke voorskryf deur die Reserwebank, vir hulle eie rekening in buitelandse valuta handel te dryf. Die gemagtigde handelaars sal versoek word om met korter tussenposes as in die verlede opgawes aan die Reserwebank te verstrek sodat hulle "posisies" in buitelandse valuta voortdurend onder toesig gehou kan word. In hierdie verband sal die Reserwebank, soos aanbeveel deur die Kommissie, twee perke vir die gemagtigde valutahandelaars voorskryf:

- (a) Om die blootstelling van individuele gemagtigde handelaars en die bankstelsel as 'n geheel te beheer, asook om die amptelike reserwes te beskerm sal die Reserwebank 'n "ope-posisie-perk" vir elke valutahandelaar vasstel vir sy gesamentlike besit aan buitelandse valuta (sowel kontant- as termynvaluta) teenoor rand, wat daardie handelaar teen die sluiting van elke dag moet nakom. Hierdie perk het betrekking op die verskil tussen die gemagtigde handelaar se bates en laste in buitelandse valuta, insluitende **termynbates** en -laste.
- (b) Om 'n voldoende perk te plaas op die omvang van buitelandse valuta wat buite die amptelike reserwes gehou word, sal die Reserwebank 'n tweede perk op elke gemagtigde handelaar plaas, naamlik 'n "kontant-teen-termyn-perk". Hiermee word bedoel 'n perk op 'n handelaar se netto lopende bates gehou as dekking teen sy netto **termynverkope**.

Die Reserwebank sal albei hierdie perke vir elke gemagtigde valutahandelaar baseer op laasgenoemde se grootte (sy kapitaalbates) en op sy omset in buitelandse valuta. Aanvanklik sal hierdie perke betreklik eng wees, maar dit sal die strewe van die Reserwebank wees om hulle so gou doenlik te verruim om daardeur die doelstellings van die nuwe beleid te bevorder. Nadere besonderhede hieroor sal deur die President van die Reserwebank aan gemagtigde handelaars oorgedra word.

5. Om die ontwikkeling van 'n meer aktiewe en mededingende valutamark verder aan te moedig, sal stappe gedoen word om die volume van valutatransaksies buite die Reserwebank uit te brei. Die Regering aanvaar die Kommissie se voorstel dat die Reserwebank voortgaan om Suid-Afrika se staafgoud te bemark en die dollaropbrengs daarvan in die mark te verkoop soos en wanneer dit nodig is. Die Bank sal ook voortgaan om die opbrengs van sowel sy eie lenings as lenings deur die sentrale regering te hanteer. Die Reserwebank sal verder, in oorleg met die Minister en Departement van Finansies, ondersoek instel na die doenlikheid daarvan om minstens 'n deel van die opbrengs van verkope van Krugerrande en diamante, sowel as die opbrengs aan buitelandse lenings aangegaan deur openbare korporasies en munisipaliteite, wat tans direk die Reserwebank toeval, deur die gemagtigde

handelaars te kanaliseer. Hierdie stappe behoort grootliks by te dra tot die verruiming van die aanbod van valuta in die mark buite die Reserwebank en behoort dus 'n beter balans in die mark daar te stel. Maar die uitwerking van enige sodanige optrede op die Reserwebank se kontantvalutareserves sal in gedagte gehou moet word.

6. Die Kommissie se aanbevelings ten opsigte van die termynvalutamark sal so spoedig moontlik deur die Reserwebank deurgevoer word. Soos aangedui deur die Kommissie, sal sodanige ontplooiing van 'n aktiewe en mededingende termynvalutamark egter geleidelik moet geskied. Aanvanklik sal die termynmark dus hoofsaaklik nog deur die Reserwebank geadministreer word. Maar die termynmarges sal voortaan op 'n veranderlike en toenemend meer markgerigte, eerder as 'n vaste, basis bepaal word. As eerste stap sal die Reserwebank voortaan nie meer 'n vaste heffing of kommissie kwoteer wat deur sowel invoerders as uitvoerders vir termyndekking betaal moet word en wat dus twee verskillende pryse vir dieselfde termyndollars meebring nie, naamlik een vir invoerders en een vir uitvoerders. In die toekoms sal die Reserwebank een (middel-) prys vir termyndollars van enige spesifieke looptyd kwoteer in plaas van twee soos tans. Dit behoort te help om 'n meer ewewigige tweerigtingdekking in die termynmark te kry en dus die verliese wat die Reserwebank namens die Regering op termyntransaksies ly, te beperk.

Om mee te begin, sal die Bank se termynmarge op VSA-dollars 'n dollar-diskonto (of randpremie) van 2 persent per jaar wees, wat 'n middelkoers vir byvoorbeeld eenjaar-termyndollars van R1 = \$1,173 0 sal oplewer. Hierdie termyndollardiskonto of termynrandpremie spruit hoofsaaklik voort uit die feit dat dollarrentekoerce tans hoër as rentekoerce in Suid-Afrika is.

7. Gemagtigde handelaars sal ook aangemoedig word om self termynverkope en -aankope so ver as moontlik teenoor mekaar af te sit of te "paar" en om binne die neergelegde perke hulle netto termynvalutaverpligte te dek deur kontantbates in buitelandse geldeenhede te hou. Vir sover die reserves dit toelaat, sal die Bank daarna strewe om hierdie perke mettertyd te verruim ten einde die ontwikkeling van die termynvalutamark in Suid-Afrika aan te moedig.

8. Om buitelandse lenings deur die private sektor in belang van vinniger ekonomiese groei aan te moedig, sal die Reserwebank voortaan ook bereid wees om deur die bemiddeling van gemagtigde valutahandelaars termyndekkningsfasilitete te bied vir enige buitelandse lenings wat deur die private sektor met valutabeheergoedkeuring aangegaan is. Sodanige dekking sal slegs ten opsigte van die risiko op die rand-dollar-wisselkoers, en by voorkeur vir 'n tydperk van een jaar op 'n keer, voorsien word.

9. Die Kommissie se aanbeveling dat die Reserwebank voortaan termyndekking op buitelandse lenings deur openbare korporasies en sekere ander liggeme in die openbare sektor slegs op die randdollarbeen van sulke transaksies verskaf en dit aan hierdie liggame oorlaat

om, soos private ondernemings, hulself in 'n oorsese termynmark te dek teen wisselkoersrisiko's tussen die dollar en enige ander geldeenheid waarin hulle lenings gedenomineer mag wees, word in 'n gewysigde vorm aanvaar. Termyndecking sal nog steeds aan hierdie instansies deur die Reserwebank verskaf word, maar die koers op termyndecking vir verpligtings in die sterker geldeenheid van die wêreld, soos byvoorbeeld die Duitse mark of die Switserse frank, sal voortaan op 'n hoërvlak vasgestel word as dié ten opsigte van die VSA-dollar en ander minder sterk geldeenheide. Die Reserwebank sal van tyd tot tyd in oorleg met die Tesourie hierdie koerse bepaal.

10. Die Kommissie se korttermynaanbevelings ten opsigte van 'n meer ontwikkelde en formele tweeledige wisselkoerstelsel as die huidige een (as 'n oorgangsmaatreël) word nie in hierdie stadium ten volle toegepas nie. Daar sal egter wel sekere aanpassings aan die bestaande tweeledige wisselkoerstelsel in Suid-Afrika aangebring word. Die huidige amptelike wisselkoers sal as die "kommersiële koers" bekend staan en op die wyse hierbo uiteengesit, bepaal word. Die huidige "effekterand" sal na 'n "finansiële "rand" omgeskakel word deur 'n uitbreiding van die gebruik wat nie-inwoners daarvan kan maak. Soos tans die geval is met die effekterand, sal die koers van die finansiële rand deur vraag en aanbod bepaal word. Hierdie aanpassing moet gesien word as 'n oorgangsmaatreël en 'n verdere stap in die rigting van die doel op lang termyn, naamlik 'n markverwante enkelvoudige wisselkoers vir die rand.

Die rede vir die uitbreiding van die aanwendingsmoontlikhede van die huidige effekterand is om die deelname van buitelandse kapitaal en vaardighede in die Suid-Afrikaanse ekonomie te bevorder. Die huidige effekterandstelsel ontmoedig uit die aard van die saak sodanige deelname. Effekterand kan tans slegs deur 'n nie-inwoner gebruik word om genoteerde effekte en die spesiale Nie-inwonerobligasies van die Regering te koop. Belegging in ongenoteerde effekte en ander kapitaalbates moet tans die land binnekoms teen die amptelike wisselkoers, waarna repatriasie teen daardie koers geblokkeer is en slegs teen die effekterandkoers moontlik is (behalwe as die betrokke fondse eers vir sewe jaar in die genoemde Nie-inwonerobligasies van die Regering belê word). Repatriasie teen die effekterandkoers bring groot verliese vir die buitelandse belegger mee, aangesien die effekterand meesal teen 'n diskonto, tans van meer as 40 persent, teenoor die amptelike koers staan. Deur voortaan nie-inwoners toe te laat om finansiële rand te gebruik vir beleggings in sekere ander soort bates en nie slegs in genoteerde effekte nie, sal hulle 'n sterk aansporing ontvang om meer fondse in Suid-Afrika te belê, veral aangesien die dividende op hul beleggings teen die kommersiële koers oorgeplaas sal word.

Die kapitaalinvloeiing langs hierdie weg sal wel normaalweg nie die reserves regstreeks bevoordeel nie, omdat die een nie-inwoner sy finansiële rand in effek by 'n ander nie-inwoner koop, maar sal nuwe

ekonomiese aktiwiteit, indiensnemming en tegniese vooruitgang skep. Hierdie sake is dringende nasionale oogmerke waaraan die Regering besonder hoë prioriteit wil gee. Van groot belang is ook die feit dat enige uitvloeiing van kapitaal deur middel van finansiële rand nie die reserves sal benadeel nie.

Die omskakeling van die effekterand na die finansiële rand sal geleidelik en onder die toesig en leiding van die Reserwebank geskied. Ná samesprekings tussen die Reserwebank en die gemagtigde valuta-handelaars, sal verdere besonderhede oor die nuwe aanwendingsmoontlikhede van finansiële rand bekend gemaak word. Soos aanbeveel deur die Kommissie, sal enige uitbreiding van hierdie aanwendingsmoontlikhede beperk word tot die aankoop van 'n eienaarsbelang in die breë sin van hierdie begrip, in teenstelling met die verskaffing van leningsfondse. Met betrekking tot alle soorte geleende kapitaal sal die kommersiële wisselkoers van toepassing wees. Die Kommissie se aanbeveling ten opsigte van beleggings deur nie-inwoners deur middel van finansiële rand word egter aanvaar met die voorbehoud dat sodanige beleggings in hierdie stadium slegs ná goedkeuring deur die Reserwebank toegelaat sal word.

Die Kommissie se verdere aanbeveling dat die voorgestelde mark vir finansiële rand ook geleidelik vir inwoners toeganklik gemaak moet word, word om administratiewe redes nie in hierdie stadium toegepas nie. Die mark vir finansiële rand bly dus tot nie-inwoners beperk. Behalwe die reeds genoemde aanpassings en sekere ander kleinere wysigings wat later aangekondig sal word, sal valutabeheer dus voorlopig in sy huidige vorm behoue bly.

11. Soos deur die Kommissie aanbeveel, sal Regulasie 3(1)(f) van die valutabeheer, wat binnelandse lenings deur buitelandsebeheerde maatskappye volgens 'n voorgeskrewe formule beperk en wat in baie kringe beskou word as 'n belemmering op sowel binnelandse ekonomiese uitbreiding as die invloeiing van nuwe buitelandse kapitaal, voortaan selektief meer soepel toegepas word. In die geval van die ondernemings wat hulle produksiekapasiteit in Suid-Afrika wil uitbrei, en ook in die geval van nuwe buitelandsebeheerde ondernemings, sal op sekere voorwaardes tydelike oorskrydings van hierdie perke toegelaat word.

Die Regering se aanvaarding van die hoofbeginsels vervat in die Kommissie se Tussentydse Verslag moet gesien word teen die agtergrond van die Regering se beleid van ekonomiese groei met finansiële discipline. Die toepassing van hierdie beleid het nou 'n stadium bereik waar groter klem op vinniger ekonomiese groei geplaas moet word. Die Regering aanvaar die Kommissie se standpunt dat by korttermyn-ekonomiese stabilisasiebeleid in Suid-Afrika die hoofklem op konserwatiewe monetêre en fiskale beleid en algemene finansiële discipline moet val, en dat wisselkoersbeleid nooit 'n substituut vir sodanige beleid en discipline kan wees nie. Op die duur sal behoudende fiskale en monetêre beleid wat daarop gerig is om die rand 'n sterk geldeenheid te maak, ook die voordeligste uitwerking op die koers van reële ekonomiese

groei en op interne en eksterne ekonomiese stabilitet in Suid-Afrika hê. Maar die Regering aanvaar ook die Kommissie se aanbeveling dat wisselkoersbeleid 'n belangrike deel moet vorm van amptelike ekonomiese strategie gerig op die bereiking van die optimum kombinasie van ekonomiese groei, betalingsbalans-ewig en interne ekonomiese stabilitet. En gegewe die sukses van die owerheid se beperkende fiskale en monetêre beleid van die afgelope drie jaar is dit duidelik dat groter klem nou op ekonomiese groei geplaas moet word.

Van groot belang vir die Regering hier is die oorweging dat onder die huidige koppelinstelsel binnelandse ekonomiese beleidsoogmerke, soos die bereiking van 'n bevredigende ekonomiese groeikoers en 'n redelik hoë vlak van werkverskaffing, dikwels 'n laer beleidsprioriteit moet geniet as die verdediging van die bestaande vaste rand-dollarwisselkoers. Die toepassing van die nuwe stelsel behoort aan die monetêre owerhede meer onafhanklikheid in die toepassing van binnelandse monetêre en fiskale beleid te gee. Onder die nuwe stelsel behoort dit vir die owerhede moontlik te wees om 'n meer samehangende en effektiewe anti-sikliese of groeibeleid te volg deur die wisselkoers toe te laat om te appresieer of te depresieer in dié mate wat nodig mag wees.

Met die instelling van die nuwe wisselkoersstelsel word die weg dus geopen vir die toepassing van sodanige verdere groeibevorderingsmaatreëls deur die monetêre owerhede as wat nodig mag blyk te wees. Daar is maar sowat twee maande oor voor my volgende Begrotingsrede wanneer die ekonomiese toestand en beleid in geheel weer in oënskou geneem sal word. Intussen ag ek dit egter wenslik om 'n verdere stimulerende maatreël aan te kondig wat ek meen 'n belangrike bydrae sal kan lewer tot 'n hoër groeikoers sonder om inflasie in die hand te werk.

Ek meen dat verligting gegee behoort te word aan die knap kontantposisie van menige maatskappye en dat maatskappye in die algemeen gehelp behoort te word met die aflossing van sekere vorms van duurder finansiering. Ek kondig dus aan dat die terugbetalings van leningsheffings op maatskappye vir die 1973 en 1974 belastingjare vervroeg word. Die totale bedrag vir die twee jaar tesame, rente ingesluit, beloop byna R160 miljoen. Terugbetaling sal so gou doenlik ná 15 Februarie vanjaar geskied. Gesien die besondere sukses van staatslenings tot dusver aangebied, sal hierdie terugbetalings nie alleen help om die Staat se finansiering van sy begrotingstekort meer in lyn te bring met die mikpunt gestel in my jongste Begroting nie, maar dit sal maatskappye se likwiditeit verbeter en hulle ook in staat stel om sekere finansieringskostebesparings te bewerkstellig wat in dié mate 'n anti-inflasionistiese invloed op die pryspeil van hul produkte behoort te hê.

Die algemene ekonomiese toestand sal noukeurig dopgehou word en waar nodig en wenslik sal verdere stappe ter bevordering van gesonde ekonomiese groei, op sowel die monetêre as die fiskale terrein, gedoen word.

Verklarings insake monetêre beleid

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

5 Februarie 1979

Ná die gebruiklike oorlegpleging met die Tesourie het die Reserwebank besluit om die Bankkoers vanaf 8½ tot 8 persent per jaar met ingang Dinsdag, 6 Februarie 1979 te verlaag.

Hierdie stap is in ooreenstemming met die heersende ekonomiese beleid om die binnelandse ekonomiese bedrywigheid verder te stimuleer en sluit ook aan by die onlangse verloop van korttermynrente-koerse in Suid-Afrika in die algemeen.

12 Maart 1979

Na die gebruiklike oorlegpleging met die Tesourie het die Reserwebank besluit om die kredietbeheermaatreëls in die volgende opsigte aan te pas :

1. Kredietplafonne

Soos vanaf 31 Maart 1979 word bankinstellings se kredietplafonne met 'n addisionele 5 persent van hulle basissyfers soos op 31 Desember 1975 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 onveranderd.

Terselfdertyd word die totale bedrag van die kredietverlening aan die private sektor, soos vir doeleinades van die kredietplafonne omskryf, wat 'n bankinstelling nie mag oorskry nie alvorens hy aan die plafonvereistes onderhewig word, van R15 miljoen na R20 miljoen verhoog. Wanneer so 'n bankinstelling se totale kredietverlening aan die private sektor die nuwe perk van R20 miljoen bereik, sal sy betrokke plafonne daarna maandeliks met 'n half persent van sy onderskeie basissyfers soos op 31 Desember 1975 verhoog word.

2. Likwiede batevereistes

Vanaf die datum van sertifisering van hulle maandopgawes vir 28 Februarie 1979 word die aanvullende likwiede bates wat groot bankinstellings (d.w.s. dié met totale bates wat R800 miljoen oorskry) moet hou t.o.v. die toename in hulle kort- en middeltermynverpligtings sedert 30 September 1975, van 20 na 10 persent en van 8 na 4 persent, onderskeidelik, verlaag.

Vir die kleiner bankinstellings word die aanvullende likwiede batevereiste van 20 persent t.o.v. die toename in hulle korttermynverpligtings sedert 30 September 1975 vanaf die datum van sertifisering van hulle maandopgawes vir 28 Februarie 1979 afgeskaf. Die aanvullende likwiede batevereiste t.o.v. die toename in die middeltermynverpligtings van kleiner

bankinstellings sedert 30 September 1975, is reeds in Augustus 1978 afgeskaf.

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

16 Maart 1979

Ná die gebruiklike oorlegpleging met die Tesourie het die Reserwebank besluit om die Bankkoers van 8 na 7½ persent per jaar met ingang 17 Maart 1979 te verlaag.

The sources of bank liquidity, 1965–1977

by J. H. Meijer and W. Brümmerhoff

In its surveys of monetary and banking conditions, the South African Reserve Bank currently makes use of two formal statistical analyses of monetary and related aggregates, viz.:

- (1) The Bank's **monetary analysis**, in which changes in the holdings of money and near-money of the domestic private non-banking sector as they appear on the consolidated balance sheet of the so-called monetary banking sector, are explained on a monthly basis from changes in the banking sector's holdings of net gold and other foreign reserves, net claims on the government sector, claims on the private sector, long-term deposit liabilities to the private sector, and "other" assets and liabilities. Various versions of this analysis, alternatively described as the analysis of causes of changes in the money and near-money supply, have been in use by the Economic Department of the Reserve Bank since as early as 1946, and tables showing the causes of changes in money and near-money have been included in the Bank's *Quarterly Bulletin* since December of that year;¹
- (2) The Bank's **money market analysis**, in which shorter-term changes in the liability and asset items on the consolidated balance sheet of the Reserve Bank and the National Finance Corporation that make up the so-called indication of tightening or easing of the money market (or money market indicator) are explained from changes in the remaining asset and liability items on this consolidated balance sheet. Increases or decreases in the money market indicator represent increases or decreases in the net free reserve balances of monetary banking institutions with the Reserve Bank and the Corporation. The results of an earlier version of the money market analysis (based, at the time, on the assets and liabilities of the Reserve Bank only) were published in the Bank's quarterly economic reviews between 1959 and 1962. The present version of this analysis was formally introduced in the Bank's *Quarterly Bulletin* of September 1977,² and a table showing this analysis on a monthly basis has been included in the *Bulletin* as from that date.

1. For an explanation and motivation of the two versions of the Reserve Bank's monetary analysis that have been in use since 1959, see: Van Staden, B.: "A Monetary Analysis for South Africa", S.A. Reserve Bank *Quarterly Bulletin* of Statistics, March 1963, pp. xiv-xxviii; De Kock, G.P.C.: "Money, Near-Money and the Monetary Banking Sector", and Van Staden, B.: "A New Monetary Analysis for South Africa", S.A. Reserve Bank *Quarterly Bulletin*, March 1966, pp. 11-16 and 17-23, respectively.

2. See Faure, A.P.: "A Money Market Analysis", S.A. Reserve Bank *Quarterly Bulletin*, Sept. 1977, pp. 33-40.

The present article aims to supplement these two types of analysis by a third one which allows identification of the contributions of various sectors of the economy to the so-called "liquidity base" of the banking system as at the end of any particular calendar month or quarter, and to changes in the liquidity base between month-ends or quarter-ends. The liquidity base consists of the total amount of Liquid Assets, as defined in Section 1 of the Banks Act, that are held by the commercial banks, the merchant banks, and the hire-purchase, savings and general banks, i.e., by all banks that are subject to the Liquid Asset requirements laid down by Section 17 of the Act. Not included in this aggregate, therefore, are any of the asset holdings of the Reserve Bank, the National Finance Corporation, the discount houses, or the short-term business of the Land Bank (all of which form part of the monetary banking sector). The liquidity base analysis goes beyond the institutional boundaries of the monetary analysis, however, by including in "the quantity to be explained" the Liquid Asset holdings of all hire-purchase, savings and general banks (as well as those of the commercial banks and the merchant banks), and not merely those of the monetary banks included in these classes of banking institutions.

The liquidity base analysis also differs from the monetary analysis and the money market analysis in not making use of a balance sheet identity of total liabilities and assets in respect of any one bank or consolidated group of banking institutions. The Liquid Asset holdings to which it refers are reported by the banks concerned on their Monthly Returns (B A Form No 7) as well as in the Liquid Assets column on their Quarterly Statements of Assets and Liabilities (B A Form No 9). It is to be noted, however, that not all Liquid Assets so reported by the banks may actually be available to them for meeting the Liquid Asset requirements.³

Importance of a liquidity base analysis

An explanation of the size of the banks' liquidity base, and changes in it, is important for at least two reasons. Firstly, in the South African financial system the statutory Liquid Asset requirements of

3. This situation arises because (in terms of Section 17(1) of the Banks Act and the Reserve Bank's present policy measures) liquid bankers' acceptances, trade and agricultural bills, and promissory notes ranking as Liquid Assets can be used for meeting the Liquid Asset requirements only up to a maximum of 20 per cent of a bank's required minimum amount of Liquid Assets other than required reserve balances with the Reserve Bank and the National Finance Corporation. Most bank's total holdings of banker's acceptances, etc., ranking as Liquid Assets, however, currently are well below this maximum, and have been so to varying degrees since approximately the middle of 1975.

the Banks Act, rather than the Act's cash reserve requirements, are used for purposes of monetary and credit control.⁴ In terms of these requirements, banks have to hold a minimum amount of Liquid Assets that is equal to the sum total of specified percentages of their short-term, medium-term and long-term liabilities to the public and their liabilities under acceptances. Because of this provision, the banks' actual holdings of Liquid Assets set a limit to the potential expansion of their total liabilities to the public, as well as to the total of their portfolios of Liquid and non-Liquid Assets that can be supported by such liabilities. As the banks' aggregate holdings of Liquid Assets also set a maximum to the amount of credit they are able to extend in liquid and non-liquid form, the liquidity base, from a different point of view, may also be designated the "credit base" of the banking institutions whose Liquid Assets are included in the liquidity base.

At any particular moment of time, the banks' total liabilities to the public may be regarded as a multiple of their holdings of Liquid Assets, the size of the relevant multiplier essentially depending upon: (1) the levels of the Liquid Asset requirements as set by the monetary authorities against the banks' short-term, medium-term and long-term liabilities to the public and their liabilities under acceptances, respectively; (2) the public's preferences for short-term, medium-term or long-term deposits or other claims on the banks, as determined partly by the relative interest rates that can be earned thereon; and (3) the banks' own demand for excess Liquid Assets as a percentage of their total liabilities to the public.⁵ The banks' own demand for excess Liquid Assets relative to their liabilities to the public (i.e., their desired excess liquidity ratio), in turn, is likely to depend partially on the differentials between the prevailing rates and yields on non-Liquid Assets and Liquid Assets.⁶ At any given level of these differentials, the desired excess liquidity ratio, like the

4. Among other things, this means that the banks generally experience little difficulty in replenishing their cash reserves (i.e., their balances with the Reserve Bank) by surrendering non-cash Liquid Assets (for example, call deposits with the National Finance Corporation or the discount houses), and are usually allowed and able to do so on relatively favourable terms.

5. Excess Liquid Assets represent the difference between the total amount of Liquid Assets held by the banks that are actually available to them for meeting the Liquid Asset requirements and the minimum amount of Liquid Assets they have to hold in terms of these requirements.

6. The banks' demand for excess Liquid Assets relative to their total liabilities to the public may be represented diagrammatically by a curve showing the relationship between the banks' desired excess liquidity ratio as measured on one axis and an interest rate representing the differential between the yields and rates on non-Liquid and Liquid Assets as measured on the other axis. Changes in the various factors referred to in the remainder of this paragraph would account for a shift of this functional relationship.

required minimum liquidity ratio, clearly will also be influenced, however, by the maturity composition or "term" structure of the banks' liabilities to the public; banks having a preponderant part of their liabilities in the long-term category, for example, are less likely to feel a need for substantial amounts of excess Liquid Assets. In addition, the banks' desired excess liquidity ratio may be affected by considerations such as the relatively "high" or "low" level of the prevailing Liquid Asset requirements;⁷ expectations regarding changes in these requirements within the relatively near future; expectations regarding changes in yields and interest rates, which may encourage or discourage holdings of longer-term securities (for example, government securities) rather than of the shorter-term financial instruments ranking as Liquid Assets; and expectations regarding future changes in private sector demand for bank loans.

Given the level of the Liquid Asset requirements, the public's preferences for short-term, medium-term and long-term deposits, and the banks' aggregate desired excess liquidity ratio, an increase in the liquidity base clearly is a necessary condition for an increase in the banks' total liabilities to the public as well as in the money and near-money supply and in the volume of the banks' non-liquid credit to the private and government sectors. In view of the fact that the Liquid Asset requirements against the banks' short-term and medium-term liabilities to the public actually have been raised very substantially since implementation of the Banks Act in 1965, the very large increase in the money and near-money supply in the South African economy during the past 13 years or more evidently has been possible only because of an even larger relative increase in the liquidity base of the banking system.⁸ Graph 1 shows the increase in the liquidity base, the

7. It can be argued that the banks, other things remaining unchanged, will be inclined to respond to an increase in the Liquid Asset requirements by reducing their aggregate desired excess liquidity ratio. See Meijer, J.H.: "Die Geleentheidsgrenslyn van Bankinstellings", *South African Journal of Economics*, March 1977, pp. 1-22. Such a reduction would reflect a downward shift of individual banks' excess liquidity demand curves as referred to in footnote 6 above. The extent of the reduction in the banks' desired excess liquidity ratio will be increased, however, if the increase in the Liquid Asset requirements itself causes a widening of the differentials between the rates and yields on non-Liquid and Liquid Assets. This further reduction would represent a movement along individual banks' excess liquidity demand schedules.

8. The increase in the money and near-money supply, in the banks' total liabilities to the public, and in the banks' liquidity base from the end of March 1965 to the end of December 1977 amounted to 378 per cent, 367 per cent and 506 per cent, respectively. Increases in the Liquid Asset requirements against the banks' short-term and medium-term liabilities during this period caused the ratio of their required minimum holdings of Liquid Assets to their total liabilities to the public to be raised from approximately 19,6 per cent at the end of March 1965 to

Graph 1. Holdings of Liquid Assets and total liabilities to the public of banking institutions,¹¹ and the money and near-money supply



¹¹ Commercial banks, merchant banks and hire-purchase, savings and general banks

27.7 per cent at the end of December 1977. The increase in this ratio occurred despite strong countervailing developments, such as a marked decline in the relative importance of the banks' short-term liabilities from 45 per cent of their total liabilities to the public at the end of March 1965 to 32 per cent at the end of 1977. It should be emphasised again that the money and near-money supply includes liabilities of banking institutions (the Reserve Bank, the National Finance Corporation, the discount houses and the short-term business of the Land Bank) that are not covered by the liquidity base analysis but does not include the money and near-money type liabilities of the non-monetary hire-purchase and general banks and of the savings bank.

money and near-money supply and the banks' total liabilities to the public since March 1965.

A second reason for studying changes in the banks' aggregate Liquid Asset holdings is that such changes, to the extent that they result in rises or declines in the banks' actual excess liquidity ratio, are likely to be accompanied by changes in interest rates and interest rate differentials, and to be an essential element in the explanation of such rate movements. An accrual of cash reserves to the banks, for example — reflecting, perhaps, an increase in the net gold and other foreign reserves of the Reserve Bank

not due to valuation adjustments, or a decline in government deposits with the Bank – will normally raise the banks' demand for both liquid and non-liquid interest-earning assets and cause a decline in interest rates generally; as a practical matter, however, the banks' more immediate portfolio responses and temporary portfolio equilibria generally will involve some accumulation of call deposits with the discount houses or the National Finance Corporation. As the banks' liquidity base and excess Liquid Assets increase, however, their urge to add further to their Liquid Asset holdings diminishes, causing the weight of their incremental demand for earning assets to be shifted gradually towards the non-Liquid Assets in view of the significantly higher returns that can usually be earned thereon. The resultant narrowing of the differentials between the rates and yields on non-Liquid and Liquid Assets serves to reconcile the banks' actual and desired excess liquidity ratios, as discussed above. Conversely, a contraction of the liquidity base and of bank excess liquidity due to a flow of cash reserves from the banks is likely to be accompanied by both rising interest rates and a widening of the interest rate differentials.⁹

Because of the importance of changes in the liquidity base in explaining monetary, credit and interest rate phenomena, it is obviously desirable that information shall be available to the monetary authorities on the extent to which various sectors (i.e., the foreign sector, the government sector, the non-bank private sector, or the banking system itself) have been, are, or will be generating or destroying bank liquidity. Information on the past seasonal and cyclical behaviour of these various sectors' contributions to the liquidity base also clearly is important for improved forecasting of future monetary and credit conditions. In the Reserve Bank's present reviews of monetary developments, regular attention is paid to changes in the banks' excess liquidity position. Such changes are explained from changes in the banks' actual and required Liquid Asset holdings; the former, in turn, are often traced, somewhat loosely, to their more obviously important causes, such as changes in the net foreign reserves of the Reserve Bank or movements of funds to or from the government sector. The liquidity base analysis seeks to formalise this approach in such a way as to make the sum total of sectoral contributions to changes in the banks' liquidity base during any particular period equal to the change actually observed in the banks' total holdings of Liquid Assets.

9. For a somewhat more extensive discussion of these matters, and of the inverse relationship (since 1972 in particular) between the differentials in the rates and yields on Liquid Assets and non-Liquid Assets on the one hand and the banks' actual excess liquidity ratio on the other, see Meijer, J.H.: *Comments on Certain Aspects of Recent Interest Rate Behaviour*, address delivered to executives of Citibank N.A., Johannesburg, 19 July 1977, and S.A. Reserve Bank Annual Economic Report 1977, p.27.

Interrelationships between the monetary, money market and liquidity base analyses

Although the monetary, money market and liquidity base analyses are concerned with essentially different matters, there are some fairly obvious interrelationships between them. "Overlapping" between these three types of analysis exists to the extent that certain causes of increases or decreases in the money and near-money supply will also affect the indication of tightening or easing of the money market (i.e., monetary banks' net free balances with the Reserve Bank and the National Finance Corporation) as well as the liquidity base of the banking system, and will generally do so in the same direction. A purchase of foreign exchange by a commercial bank from a South African exporter, for example, will add to the supply of money and near-money and to private sector "liquidity" (on a narrow interpretation of this liquidity concept).¹⁰ The subsequent sale of such foreign exchange by the commercial bank concerned to the Reserve Bank will increase the commercial bank's cash reserves, raise the amount of monetary banks' net free balances with the Reserve Bank and the National Finance Corporation (i.e., increase the value of the money market indicator), and increase the banks' aggregate holdings of Liquid Assets.

In a comparable manner, open-market purchases of government or other securities by the Reserve Bank from non-bank private parties would increase the private sector's holdings of money and near-money¹¹ while probably also causing an increase in monetary banks' holdings of net free balances with the Reserve Bank-NFC and adding to the banks' liquidity base. Similar effects, of considerable importance in practice, will usually be exerted by a decline in government deposits with the Reserve Bank, as the government disburses funds in the course of its domestic spending or debt repayment operations. Purchases of securities by the Reserve Bank from monetary banks, on the other hand, have no effect on the money and near-money supply, as the private non-banking sector is not a party to such a transaction. Although such security purchases normally have the immediate effect of increasing the monetary banks' net free balances with the Reserve Bank-NFC, their effect on the banks' liquidity base depends on the types of securities sold by the banks and bought by the Reserve Bank. A sale to the Reserve Bank of long-term government securities, not ranking as Liquid Assets, clearly would increase bank liquidity. A sale of short-term government securities, on the

10. The "cause" of this increase in money and near-money will then be identified by the monetary analysis as an increase in the net gold and other foreign reserves of the monetary banking sector.

11. The "cause" of this increase in money and near-money would be an increase in the net claims of the monetary banking sector on the government sector or in its claims on the private sector.

other hand, merely substitutes one type of Liquid Asset (cash reserves) in the hands of the banks for another (the securities), leaving the total of the banks' Liquid Asset holdings unchanged.

As regards most other causes of changes in the money and near-money supply, however, their more immediate effect on either the money market indicator or the banks' liquidity base and surplus Liquid Asset holdings usually is rather limited. A commercial bank's, merchant bank's or monetary hire-purchase or general bank's extension of credit to the private sector, for example, will, of course, increase the money and near-money supply but will normally leave the monetary banks' reserve balances with the Reserve Bank-NFC and the money market indicator largely unaffected;¹² the banks' total Liquid Asset holdings may be increased, however, if credit is extended to the private sector in a liquid form (for example, by means of the banks' discounting of trade bills or bankers' acceptances ranking as Liquid Assets). Similarly, shifts by the general public from money and near-money deposits to long-term deposits, or vice versa, evidently have no effect on the banks' total reserve balances or total Liquid Assets; excess Liquid Assets and net free reserve balances with the Reserve Bank-NFC are likely to be affected somewhat, however, through subsequent changes in the banks' required minimum holdings of Liquid Assets and reserve balances.

Summarising the above, it should be clear that as a general rule only the Reserve Bank, and the government sector by effecting changes in its deposits with the Reserve Bank, are able to influence the money and near-money supply, the money market indicator and the banks' liquidity base simultaneously and in the same direction; such simultaneous effects require direct or indirect dealings by the central bank or the government with the private non-banking sector. Monetary banks (i.e., the commercial banks, the merchant banks and the monetary hire-purchase and general banks), however, obviously can increase the money and near-money supply, and both monetary and non-monetary banks are able to a not insignificant extent to augment their holdings of Liquid Assets on their own initiative. Given time, these banks can even substantially increase (or decrease) their net free reserve balances with the Reserve Bank-NFC without invoking the assistance of the central bank. They can do so, for example, by allowing a part of their holdings of short-term government stock to mature and be redeemed and by depositing the proceeds of such redemptions on

their ordinary call deposit accounts with the Corporation. In addition, some increase in their total reserve balances or net free reserve balances may be brought about with the aid of the non-bank private sector.¹³

Changes in excess Liquid Assets, the money market indicator and interest rates

To the extent that changes in the same basic elements (notably in the net foreign reserves of the Reserve Bank, and in the Bank's net credit to the government and private sectors) affect both the monetary banks' net free balances with the Reserve Bank-NFC and the banks' excess Liquid Asset holdings to a similar degree, changes in either the money market indicator or the banks' excess liquidity may be used to help explain changes in interest rates and interest rate differentials. The money market analysis then offers the advantage (to the monetary authorities) of being available at weekly (or potentially even shorter) intervals, and with a very short time lag. Various other factors unfortunately imply, however, that the monetary banks' net free reserve balances on the one hand, and the banks' aggregate excess Liquid Asset holdings on the other, will not necessarily behave in an essentially similar manner, especially over somewhat longer periods. It is perfectly feasible, in fact, for increases or decreases in the money market indicator to have no counterpart in similar changes in the banks' excess liquidity;¹⁴ conversely, increases or decreases in the banks' Liquid

13. Apart from persuading deposit holders to effect shifts of deposits towards the medium-term and/or long-term category, the banks may, within limits, succeed in attracting notes and coin from the non-bank general public.

14. An increase in the money market indicator not matched by an increase in the banks' Liquid Asset and excess Liquid Asset holdings will occur, for example, when banks reduce their holdings of short-term government securities while building up their free balances (call deposits) with the National Finance Corporation. In effect, the banks are then making increased use of the Corporation as an intermediary in their holding of government securities. Such behaviour, which reflects a form of enhanced "liquidity preference" on the side of the banks, may be based on banks' expectations of rising rates and yields on government paper, increased uncertainty about future yield movements, or expectations regarding future losses of cash reserves which might otherwise force them to sell government securities in a possibly unreceptive market. The reverse of such developments (i.e., a decrease in the money market indicator not matched by a decrease in the banks' excess Liquid Asset holdings) may indicate that the banks are using their free balances with the National Finance Corporation for the purpose of acquiring short-term government securities from the government itself (new issues), or from the Reserve Bank or the Corporation. This amounts to a form of "disintermediation" which, as a practical matter, assumed considerable importance during the second half of 1976 and most of 1977 and 1978 on the basis of the banks' then prevailing interest rate expectations. A comparable development, with similar effect, occurs when free balances (call deposits) with the National

12. The money market indicator may, in fact, come to decrease slightly as an increase in the banks' short-term liabilities to the public would also cause an increase in the banks' required reserve balances with the Reserve Bank and the National Finance Corporation. The banks' total reserve balances with the Reserve Bank-NFC may decline somewhat if the expansion of bank credit is, for example, accompanied by an increase in the amount of banknotes and coin in circulation outside the banking system.

Asset and excess Liquid Asset holdings need not be accompanied by comparable increases or decreases in the money market indicator.¹⁵ Events of the more recent past (i.e., most of the period from early 1976 through 1977 and 1978) have actually shown that the indication of tightening or easing of the money market and the banks' holdings of excess Liquid Assets may move in opposite directions for prolonged periods of time. As a consequence, it is also possible for increases in the money market indicator to be accompanied by stable or even by rising money market yields and interest rates. Conversely, decreases in the indicator may be accompanied by a stable or declining rate and yield level.¹⁶ Where disparities in the behaviour of the money market indicator and the banks' excess liquidity occur, the latter rather than the former is likely to be helpful in the explanation of changes in interest rates and interest rate differentials, along the lines indicated in an earlier section of this article.

Finance Corporation are shifted by the banks from the Corporation to the discount houses. This assumes, of course, that the discount houses are able and willing to accept additional call money.

15. An increase in the banks' holdings of Liquid Assets and excess Liquid Assets without a corresponding increase in the money market indicator will occur, for example, when new cash reserves accruing to the banks are used for making call loans to the discount houses rather than for the accumulation of free balances with the National Finance Corporation. It will also occur when the banks acquire non-cash Liquid Assets, of whatever nature, from the non-bank private sector. A similar effect may be created when the banks subscribe to new issues of short-term government securities; if the government does not immediately spend the proceeds of such borrowing operations, however, the result may be an unchanged level of the banks' Liquid Asset holdings and an actual decline in the value of the money market indicator (brought about by the accompanying increase in government deposits with the Reserve Bank). Again, where Liquid Assets are acquired by the banks from the non-bank private sector, any accompanying increase in the banks' short-term liabilities to the public would somewhat raise their required balances with the Reserve Bank-NFC and cause the money market indicator to decline correspondingly. A decrease in the banks' holdings of Liquid Assets and excess Liquid Assets not matched by a decrease in the money market indicator will come about when any one of the above processes is reversed.

16. Attempts at "disintermediation" by the banks (i.e., increases in the banks' own holdings of short-term government securities at the expense of their holdings of free balances with the National Finance Corporation) may indicate reduced "liquidity preference" on the side of the banks and an overall increase in the market demand for short-term government paper or for securities generally. Unless offset by countervailing actions by the monetary authorities, this would tend to be accompanied by declining yields and interest rates. An example of such developments is provided by events during the second half of 1976, 1977 and 1978, as referred to above. A marked decline in the money market indicator during most of this period was accompanied by an upward trend in excess bank liquidity and by a generally downward trend in various money market yields and interest rates. Longer-term yields began to decline from approximately March 1977.

The sectoral sources of bank liquidity

Increases or decreases in the banks' liquidity base may originate in transactions between foreign and domestic parties, from the financial operations of the government sector, in the non-bank private sector's resort to bank credit or in its net resort to central bank credit, and in transactions of banking institutions (including the Reserve Bank, the National Finance Corporation and the discount houses) among themselves. The sectoral sources of changes in the banks' Liquid Asset holdings are discussed in that order.

The foreign sector as a source of bank liquidity

The foreign sector is regarded as a positive or negative source of bank liquidity, firstly, to the extent that transactions between foreign and domestic parties, as reflected in either the current or the capital account of the balance of payments, result in a change in the net gold and other foreign reserves of the Reserve Bank. As noted earlier, the immediate effect of a sale of foreign exchange to the Reserve Bank by a banking institution acting as an exchange dealer is an increase in the banks' reserve balances with the Bank. Also attributed to the foreign sector as a creator (or destroyer) of bank liquidity, however, are (1) changes in the Reserve Bank's gold holdings resulting from the Bank's purchases of newly-mined gold from the Chamber of Mines on behalf of the gold-producing mines, (2) increases or decreases in the Bank's long-term foreign lending, and (3) increases or decreases in the banks' own holdings of gold coin and bullion; the latter, however, are mostly insignificant and month-to-month changes in them can generally be regarded as negligible. Not included in the foreign sector's contribution to changes in the banks' liquidity base are changes in the banks' own foreign exchange reserves, because foreign assets do not qualify as Liquid Assets in terms of the Banks Act.¹⁷

Increases in the banks' holdings of cash reserves with the Reserve Bank, whether arising from increases in the Bank's net foreign assets or from any other cause, may subsequently (1) be converted into other types of Liquid Assets (for example, by being placed on call deposit with the National Finance Corporation),¹⁸ (2) be destroyed (for example, by being

17. As a further technical adjustment to the basic data, the foreign sector's contribution to the banks' liquidity base is reduced by the amount of the so-called "Treasury liability on account of drawings on the International Monetary Fund". This amount is then added to the government sector's contribution to bank liquidity. An increase in this amount between any two quarter-ends accordingly diminishes the foreign sector's contribution, and increases the government sector's contribution, to the change in the banks' liquidity base during the period concerned. The reason for this adjustment essentially is to preserve maximum comparability between the monetary, money market and liquidity base analyses.

18. It is assumed that the National Finance Corporation will then make use of the increase in its call deposit liabilities to

used for the acquisition of newly issued long-term government securities),¹⁹ or (3) become the basis for a multiple increase in the banks' Liquid Asset holdings. The last-mentioned of these developments will come about, for example, when individual banks use their excess cash balances with the Reserve Bank to acquire, either directly or indirectly through the discount houses or the National Finance Corporation, non-cash Liquid Assets (or even non-Liquid Assets, a phenomenon commented upon below) from non-bank private parties. Any such second-round and third-round effects on the banks' liquidity base, following the original increment in the banks' cash reserve holdings, will, however, have their explanation in sources of bank liquidity other than the foreign sector, as discussed in subsequent sections.

The government sector as a source of bank liquidity

The government sector primarily acts as a positive source of bank liquidity to the extent that (1) the government's fiscal, deficit financing and debt management operations result in an increase in the total amount of the marketable short-term government debt (Treasury bills and short-term stocks) outstanding,²⁰ and (2) any such increase in short-term government debt is not taken up by either non-bank private parties, the foreign sector or the government sector itself and is not accompanied by a corresponding increase in government deposits with the Reserve Bank. It is to be noted that in the liquidity base analysis increases in the volume of short-term government debt outstanding may come to be held by bank and non-bank investors either directly, or indirectly via their holdings of call deposits with the National Finance Corporation or the discount houses, which in effect afford them a share in the asset portfolios of these institutions.²¹

Apart from 'increases in short-term government debt that are absorbed by the Reserve Bank or by the banks themselves without an equivalent increase in government deposits, a decline in government balances with the Reserve Bank as a result of govern-

take over interest-earning assets (for example, Land Bank bills or Treasury bills) from the Reserve Bank.

19. It is assumed that this will result in an equivalent increase in government deposits with the Reserve Bank.

20. Short-term government debt ranking as Liquid Assets to the banks consists of South African Treasury bills and stocks of the South African government with an unexpired maturity to the latest redemption date of not more than three years. The latter, of course, may include stocks with an original maturity in excess of three years.

21. Direct holdings of short-term government securities by the government sector itself mostly are those of the Public Debt Commissioners. Indirect holdings may occur when balances of the Public Debt Commissioners or the Treasury are kept on call deposit with the discount houses or the National Finance Corporation, causing the Commissioners or the Treasury to share on a basis of proportionality in the asset holdings of these institutions, as indicated in the text.

ment spending normally will also bring about an increase in the banks' holdings of cash reserves and an enlargement of the liquidity base. Other ways of financing shortfalls between current government revenue and expenditure, the net repayment of debt held by the domestic non-bank private sector, or the net repayment of long-term debt held by domestic banking institutions, may have a similar effect. As an example, the central government, the provincial administrations, and certain statutory "funds" and bodies within the government sector may, and from time to time do, borrow from the Reserve Bank on overdraft for occasionally prolonged periods; the amounts involved may be substantial. In addition, the Reserve Bank may sometimes subscribe to new long-term government stock issues, or may acquire such issues on tap.

Summarising the foregoing, but ignoring for the moment the possible effect of secondary market transactions in government securities on the banks' Liquid Asset holdings, the calculation of the effect of the government sector's financial operations on the banks' liquidity base may be set out schematically as follows:

Increase (+), or decrease (-), in total marketable short-term government debt outstanding,

Minus increase, or plus decrease, in direct and indirect short-term government debt holdings of:

- (a) the government sector,
- (b) the domestic non-bank private sector,
- (c) the foreign sector,

Plus increase, or minus decrease, in Reserve Bank holdings of long-term government securities,

Plus increase, or minus decrease, in other forms of Reserve Bank credit to the government sector,

Minus increase, or plus decrease, in deposits of the government sector with the Reserve Bank,

Equals increase or decrease in the banks' liquidity base on account of the taxing, spending, deficit financing and debt management operations of the government sector.

The banks, however, obviously can increase their aggregate holdings of short-term government securities (and enlarge their liquidity base) not only by subscribing to new stock issues or by tendering for Treasury bills, but also by purchasing previously issued stocks or Treasury bills from domestic non-bank holders. In a similar manner, the Reserve Bank may cause the banks' cash reserves and liquidity base to expand or contract by buying or selling existing short-term stocks or Treasury bills from or to domestic non-bank investors in the open market. (Purchases or sales of short-term stocks or Treasury bills from or to the banks, on the other hand, would merely substitute one type of Liquid Asset in the hands of the banks for another, as already noted above.) In addition, the banks' liquidity base will be affected when previously issued long-term government securities are bought or sold by the Reserve

Bank from or to domestic non-bank investors or the banks themselves. Such transactions may be undertaken by the Bank in the conduct of its open-market operations for monetary policy purposes or in the process of providing accommodation to banking institutions, including the discount houses and the National Finance Corporation.

Statistically, transactions in previously issued government securities by the banks and the Reserve Bank in the secondary or open market can readily be accommodated in the above schematic presentation of the effect of the government sector on the banks' liquidity base. They raise a problem, however, in that the motives and the initiative for such transactions clearly rest with the transacting parties (i.e., with the banks, the Reserve Bank or non-bank private investors) rather than with the government sector itself. The volume and nature of the security deals involved, moreover, would not necessarily bear any relationship to the government sector's concurrent recourse to the banking system for financing its borrowing requirements. It therefore becomes a matter of debate whether the government sector in such cases should still be regarded as the operative sectoral source of the accompanying changes in bank liquidity.²²

In the liquidity base analysis, the effect of the security transactions concerned on the banks' aggregate Liquid Asset holdings is, in fact, attributed to the government sector. Several arguments may be put forward for justifying this procedure.

Firstly, as a practical matter, an overwhelmingly large part of the South African marketable short-term government debt outstanding (though not of the long-term debt) is being held by the banking system (including the Reserve Bank, the National Finance Corporation and the discount houses) and the Public Debt Commissioners. The relatively small proportion of such debt in the hands of non-bank private investors usually will have been acquired for somewhat special reasons and may probably be regarded as relatively firmly held.²³ Under these conditions, the banks' opportunities for supplementing their Liquid Asset holdings by purchasing short-term government

paper from non-bank investors clearly are limited.²⁴ The overall availability of such paper, rather than shifts in ownership of the debt instruments concerned, accordingly is the more crucial element in determining the amount of short-term government debt in the banks' aggregate Liquid Asset portfolio.

Secondly, there would be severe practical difficulties in determining how and from whom short-term government stocks or Treasury bills in the portfolios of the banks and the discount houses as at any particular moment of time historically were acquired. It would be virtually impossible, in fact, to establish what part of these institutions' aggregate short-term government debt holdings as at any given month-end or quarter-end had originated in subscriptions to new issues and in secondary market transactions with non-bank private parties, respectively.²⁵ Similar, though perhaps not insurmountable, problems would exist in respect of the short-term government debt holdings of the Reserve Bank and the National Finance Corporation and the long-term debt holdings of the Reserve Bank.

Finally, to a large extent it is probably appropriate to regard bank or Reserve Bank purchases of short-term government debt instruments from non-bank private investors as an extension of bank-credit to the non-bank private sector with respect to the more immediate effects of such purchases only. (Similarly, Reserve Bank purchases of long-term government securities from the banks or from non-bank investors should be considered as a provision of central bank credit to the banks or to the non-bank private sector only with regard to the more immediate consequences of such purchases.) On anything but a relatively very short-run view of the matter, such security transactions should probably be interpreted as amounting to a roundabout way of extending bank or central bank accommodation to the government sector. In their endeavours to obtain funds, non-bank private holders of short-term

22.A similar, and related, problem exists in the monetary analysis. The cause of an increase in the money and near-money supply resulting from monetary banks' purchases of government securities from the private non-banking sector is held in that analysis to be an increase in the banking sector's net claims on the government sector. Funds, however, will then have been provided by the banks to the private sector rather than to the government, and the government sector will not have been a party to such a transaction.

23.At month-ends during 1977, the share of non-bank private investors in the total amount of Treasury bills and short-term government stock outstanding on average amounted to slightly more than five per cent. The largest single group of non-bank private holders consisted of the building societies, who built up their short-term stock portfolios during the year partly in response to the reimposition of Prescribed Investment requirements, as announced by the Minister of Finance in his Budget speech for 1977/78.

24.This factor in itself enhances the potential effectiveness of the Liquid Asset requirements as an instrument of monetary policy.

25.The problem of "classification by origin" of short-term government paper held by the banks and the discount houses is exacerbated by the fact that at least some of this paper may have changed hands repeatedly (perhaps having passed from the banks to non-bank private investors, and back again, on one or more occasions) during a single quarter. In the compilation of quarterly data on the sources of bank liquidity, it is not obvious that only the most recent transaction in the government paper concerned (involving a sale from a non-bank investor to a bank or discount house) would be relevant for the purpose of such a classification. Instead, such a transaction might sometimes more meaningfully have to be regarded as merely canceling or offsetting the immediately preceding transaction (involving a sale from a bank to a non-bank investor). This may leave the government sector as the "true" beneficiary of the bank's security purchase and as the "actual" source of the increase in the banks' liquid security holdings during the quarter for which data are being assembled.

government debt instruments will, for example, in due course have the option of allowing such paper to mature and be redeemed. Any resultant decline in government deposits with the Reserve Bank (amounting to an increase in net Reserve Bank credit to the government) would eventually tend to have the same effect on the banks' liquidity base as would bank or Reserve Bank purchases of the securities being disposed of by the non-bank private sector. (A comparable effect will tend to be exerted by government recourse to increased borrowing from the banks or the Reserve Bank when its cash balances have been depleted.) Similarly, Reserve Bank purchases of long-term government securities in the market or in providing accommodation to banking institutions may eventually be a substitute for increased direct recourse by the government to the Reserve Bank or to the banking system generally in a manner that would have a comparable effect on the banks' liquidity base.

From a statistical point of view, the more comprehensive interpretation of the government sector's contribution to changes in the banks' liquidity base has the advantage of making the size of this contribution during any particular period approximate somewhat more closely the volume of changes in net claims of the banking sector on the government sector as a cause of changes in the money and near-money supply, and of changes in net claims of the Reserve Bank-NFC on the government sector as a cause of changes in the money market indicator. It must be accepted, however, that on a more analytical level the above arguments clearly will not always be fully convincing, and may become less so as and when Reserve Bank open-market operations or bank purchases of government securities from non-bank investors come to assume greater importance than they have done to date. As observed earlier, the more comprehensive measurement of the government's contribution to changes in the banks' total Liquid Asset holdings also would seem to be more appropriate in the interpretation of long-term, rather than seasonal or other relatively short-term, monetary developments.

As a final element in the calculation of the government sector's contribution to the liquidity base, an "adjustment" has to be made to account for discrepancies between the amounts of the banks' holdings of short-term government stocks as reported on their Monthly Returns and Quarterly Statements and the amounts of such stocks attributed to them in the ownership distribution of domestic marketable stock debt of the central government.²⁶ Although normally insignificant and sometimes negligible, this discrepancy may occasionally become large. This will

happen, for example, when the banks have approached the Reserve Bank for accommodation, pledging short-term government stock as security for loans. Section 24 of the Banks Act stipulates that no assets that are pledged or otherwise encumbered may be used by a bank for meeting its Liquid Asset requirements. Because of this provision, such assets have in effect lost their Liquid Asset status and are excluded from Liquid Assets (but not from Total Assets) as shown on the banks' returns.

The non-bank private sector as a source of bank liquidity

The non-bank private sector is a source of bank liquidity to the extent that (1) certain deficit units in this sector are allowed to borrow from the Reserve Bank directly, and will normally do so without accumulating an equivalent amount of balances with the Bank (non-bank private sector deposits with the Bank being a negative element in the determination of bank liquidity); (2) a limited amount of securities of the non-bank private sector not ranking as Liquid Assets is held by the Reserve Bank; (3) certain types of loans by the banks to the non-bank private sector rank as Liquid Assets in the hands of the banks; and (4) various kinds of negotiable short-term debt instruments issued by the non-bank private sector qualify as Liquid Assets in the hands of the banks, while some of them may also come to be taken up by the Reserve Bank.

The first of these items mainly, though not exclusively, refers to the Reserve Bank's largely seasonal accommodation of the Land Bank (which, for purposes of the liquidity base analysis, is regarded as being in the non-bank private sector) by means of the discounting of Land Bank bills. Also included, however, are the mostly rather limited amounts of Reserve Bank lending on overdraft to a large variety of statutory and semi-public bodies and institutions that may be classified as belonging in the private rather than the government sector. The second item, mentioned here largely for the sake of completeness only, comprises the Reserve Bank's very limited and rarely changed holdings of stocks of public corporations. The third item essentially consists only of commercial bank loans to the Land Bank which, at the lending bank's option, may be converted into Land Bank bills. The fourth item includes the banks' quite substantial holdings of Land Bank debentures with a maturity of not more than three years, as well as export credit "notes" and debentures of the Industrial Development Corporation with a maturity not exceeding three years. Also included in this item, however, are the Reserve Bank's and other banks' holdings of liquid bankers' acceptances, trade and agricultural bills and promissory notes that meet the requirements of the Banks Act, as amplified in the Regulations under the Banks Act, for qualifying as Liquid Assets.

Land Bank bills and short-term Land Bank de-

26. As shown in Table S-53 in the Reserve Bank's Quarterly Bulletin. It is to be noted that government stocks ranking as Liquid Assets are reported by the banks on their returns at their market values (as determined by the Public Debt Commissioners). In the ownership distribution, all stock holdings are shown at their nominal values.

bentures, and bankers' acceptances, trade bills and promissory notes ranking as Liquid Assets, may, like the marketable short-term debt instruments of the government, be held by the banks either directly, or indirectly via the discount houses and/or the National Finance Corporation.²⁷ Some problem as to the "correct" sectoral classification of the source of an increase in the banks' liquidity base may again arise, at least in principle, to the extent that Reserve Bank purchases from banking institutions of non-liquid claims on the non-bank private sector would serve to expand the banks' Liquid Asset holdings, but should probably not be deemed to reflect any bank-liquidity-creating activities of non-bank private decision makers.²⁸

As a general principle, the acquisition by the banks of liquid claims on the non-bank private sector from non-bank private parties does not entail an immediate loss of cash reserves to the banks and consequently increases the banks' liquidity base. To the extent that the non-bank private sector can be persuaded by the banks to borrow in liquid form or by means of negotiable instruments ranking as Liquid Assets, the banks accordingly are able to expand their Liquid Asset holdings at their own initiative in a manner that is not subject to direct control by the monetary authorities. As noted earlier, the authorities have responded to this potential weakness in their monetary control system by imposing a limit on the extent to which bankers' acceptances, trade and agricultural bills and promissory notes ranking as Liquid Assets can be used by the banks for meeting their Liquid Asset requirements.²⁹ In addition, such paper is not to exceed 35 per cent of the total asset holdings of the discount houses.³⁰

27. The National Finance Corporation, however, does not hold bankers' acceptances, trade or agricultural bills, or promissory notes. Up to the present, neither the Corporation nor the discount houses have been holding export credit "notes" or debentures of the Industrial Development Corporation.

28. This problem, however, is somewhat hypothetical. Reserve Bank purchases from banking institutions of non-liquid securities issued by the non-bank private sector are unusual and would mostly be of little significance. Reserve Bank purchases or rediscounts of Land Bank bills or bankers' acceptances (the latter since the beginning of 1978 only) from or for the banks, the discount houses or the National Finance Corporation, are not, of course, unusual but do not enlarge the banks' liquidity base.

29. See footnote 3 above. This limitation was introduced by amendments to the 1965 Banks Act in 1972, in response to views expressed in the Third Report of the Commission of Enquiry into the Fiscal and Monetary System (the Franzsen Commission) of 1971 (par. 622) and recommendations in the Report of the Technical Committee on Bank and Building Society Legislation (the Franzsen Committee) of 1972 (par. 42).

30. This limitation exists in terms of an informal agreement between the Reserve Bank and the discount houses. Dating back to approximately 1964, this maximum on the proportion of (liquid) bankers' acceptances, etc., in the discount houses' total asset portfolio initially amounted to 40 per cent but was reduced to 35 per cent from 1 November

A final influence of the non-bank private sector on the banks' liquidity base is exerted through variations in the amount of coin and notes in circulation among the non-bank public. In principle, an increase in the so-called coin liability of the Treasury on account of an increase in the amount of coin issued could perhaps be attributed to the government sector as a positive source of bank liquidity. Such an increase would then be regarded as comparable to an increase in the marketable interest-bearing short-term government debt outstanding, representing recourse to the minting dies rather than to the printing presses for financing the government's deficits. The liquidity base analysis takes the view, however, that essentially the Treasury's coin liability exists only by virtue of the general public's need for hand-to-hand currency of small denominations. Increases in total coin issued by the Treasury accordingly are treated as part of the non-bank private sector's positive contribution to changes in the banks' liquidity base. Increases in the amount of coin actually in circulation outside the banks and the Reserve Bank must, of course, be regarded as a factor reducing bank liquidity which similarly originates in the non-bank private sector. An increase in bank-notes in circulation among the non-bank public simply comes about at the expense of the banks' vault cash or cash reserve balances with the Reserve Bank without any offsetting element in the government's accounts. The accompanying decline in the banks' liquidity base likewise is to be attributed to the non-bank private sector.

The banking system as a source of bank liquidity

The banking system itself can act as a source of bank liquidity, firstly, because banking institutions (not including, in the present context, the Reserve Bank, the National Finance Corporation, the discount houses or the Land Bank) may accept deposits from one another that rank as Liquid Assets for the depositing institutions. As the 1965 Banks Act in its original form appeared to leave room for the banks to expand their own liquidity base in this manner within potentially rather wide limits, restrictions were imposed by the 1972 amendments to the Act on the types of interbank deposits that would continue to qualify as Liquid Assets. Prior to November 1972, the Banks Act definition of Liquid Assets included all deposits withdrawable on demand that were held by a bank with a "monetary" banking institution,³¹

1975. In the absence of such a restriction, the banks might be able, in principle, to shift all trade bills and bankers' acceptances not usable for meeting the Liquid Asset requirements onto the discount houses, in exchange for increased holdings of call loans to the discount houses which can be used for complying with the Liquid Asset requirements without limit.

31. A "monetary" banking institution being a bank which, in terms of the Banks Act, was required to maintain a reserve balance with the Reserve Bank because its short-term liabilities to the public exceeded R500 000.

Under present conditions, the only interbank deposits still included in Liquid Assets are non-interest-earning deposits that are withdrawable on demand by cheque and are held by a banking institution that is not a member of the clearing house, with another bank.

Also included in the banking system as a source of changes in the banks' aggregate Liquid Asset holdings, are changes in the "net other assets" of the Reserve Bank. These are calculated as the amount of Bank's assets other than its coin holdings, gold and other foreign reserves, long-term foreign assets and identified claims on the government and non-bank private sectors, less the amount of its liabilities other than foreign liabilities, government deposits, non-bank private deposits, bankers' deposits and notes in circulation. Included in this item on the asset side of the Reserve Bank's Statement of Liabilities and Assets, therefore, are the Bank's loans to other domestic banks, the discount houses and the National Finance Corporation, and its "other assets"; included on the liability side are the Bank's capital and reserve funds, and its "other liabilities". The aggregate item "net other assets of the Reserve Bank", which obviously does not readily lend itself to a complete sectoral analysis, for some time (i.e., from 1975 to 1977 in particular) represented a relatively large as well as variable element in the banking system's total contribution to the banks' aggregate holdings of Liquid Assets.³²

The final component of the banking system's own contribution to changes in the banks' liquidity base consists of changes in the amount of "conversion" of non-Liquid Assets into Liquid Assets that is performed by the discount houses and the National Finance Corporation for banking institutions holding call deposits with them. As has already been noted in passing in various earlier sections of this article, the

discount houses and the Corporation are regarded as intermediaries in the liquidity base analysis; banks and other holders of call money with the houses and the Corporation accordingly are deemed to have a share in the various assets of these institutions that is proportionate to the share of their call deposits in these institutions' total liabilities. However, whereas call deposits with the discount houses and the Corporation fully rank as Liquid Assets for the banks holding them, some of the assets in the portfolios of these institutions do not enjoy Liquid Asset status and would not have been part of the banks' liquidity base if they had been held by the banks directly rather than indirectly through these intermediaries. The discount houses and the Corporation accordingly perform the intermediary function of transforming less liquid into more liquid assets, not only in the technical sense of asset liquidity but also in its statutory sense. Non-Liquid Assets held by the discount houses will normally include fairly substantial amounts of negotiable certificates of deposit of banking institutions, some investments in longer-term government stocks and in the stocks of local authorities and public corporations, and a small amount of "other assets".³³ Non-Liquid Assets held by the National Finance Corporation will likewise comprise investments in longer-term government stocks and in stocks of local authorities and public corporations, as well as "other investments" and some "other assets". Although the aggregate amount of "conversion" of non-Liquid Assets into Liquid Assets by the discount houses and the National Finance Corporation for the banks mostly has not been large, it reached fairly high levels during most of 1974, 1975 and early 1976, accounting for more than 10 per cent of the total liquidity base at the end of March and June 1975.

32. To a large extent, this development was associated with the gradual build-up of substantial debit balances on the so-called Forward Contracts Contingency Reserve Account and the Foreign Currency Adjustment Account in the books of the Reserve Bank. The former resulted from losses sustained by the Bank in the provision of forward exchange cover, the latter from losses sustained as a result of revaluation of the Bank's liabilities and assets denominated in foreign currencies in line with the downward floating (or devaluation) of the rand. In view of the fact that, in terms of the Currency and Exchanges Act of 1933, the Bank stood (and stands) to be reimbursed by the government for losses incurred on its forward exchange contracts or on account of changes in exchange rates, a debit balance on these accounts (and their present-day counterparts) clearly represents a claim on the government sector. An increase in the debit balance on the FCCR Account, *ceteris paribus*, also clearly served to supply Liquid Assets to the banks or, more accurately, to prevent a decline in the banks' cash reserves and Liquid Asset holdings. Increases in either of the debit balances concerned, however, evidently would not have originated in concurrent taxing, spending, deficit financing or debt management operations of the government; neither would they have reflected deliberate action by the banking system to provide additional credit to, or to increase its claims on,

the government sector. It is doubtful, therefore, whether these balances as a component of the Reserve Bank's "other assets" can meaningfully be regarded as part of the government sector's contribution to the banking system's liquidity base. For this and other reasons, it has seemed preferable to treat such balances as financial claims originating in autonomous actions of the central bank, as occasioned by certain external events. This means that, for purposes of the liquidity base analysis, they are attributed to the banking system rather than to the government, the foreign or the non-bank private sector as elements contributing to the banks' Liquid Asset holdings.

33. From the beginning of 1978, recognition has also been given to the fact that not all bankers' acceptances, etc., held by the discount houses can be regarded as "Liquid Assets" in terms of requirements laid down by the Reserve Bank for such acceptances to be rediscountable by the Bank. The discount houses' holdings of such non-liquid bankers' acceptances are now ranked with their holdings of all other assets not specifically authorised by Section 22 of the Banks Act, the total of which is subject to a maximum of 12½ per cent (previously 10 per cent) of the houses' total assets. To date, however, the houses' holdings of non-liquid acceptances, bills and promissory notes mostly have been very limited.

Behaviour of the liquidity base over time

Seasonal elements

Where seasonal elements are at all important in determining changes over time in the various sectoral contributions to the liquidity base or in the liquidity base itself, their elimination from the time series concerned may be required for two reasons. Firstly, only seasonally adjusted data permit a correct identification of the cyclical and other longer-term forces that shape the behaviour of these aggregates. Secondly, calculations of annualised growth rates in any of these aggregates during periods other than full-year periods clearly may be misleading unless the impact of seasonal influences has been removed.

Seasonally high levels of the banks' total holdings of Liquid Assets as at quarter-ends currently tend to be reached at the end of June and, to a lesser extent, at the end of December each year. A seasonal low point occurs at the end of March, while seasonal influences are weak or mutually offsetting at the end of September. A similar but more pronounced pattern of seasonal fluctuations is present in the government sector's contribution to the total liquidity base; most of the regular seasonal variation in the banks' aggregate holdings of Liquid Assets, in fact, would appear to be due to the taxing, spending and financing operations of the government sector. Marked seasonally high points also exist in the "foreign assets" component (i.e., the positive component) of the foreign sector's contribution to the liquidity base at the end of March, and in the sum total of items that add to, as well as of those that reduce, the private sector's contribution to bank liquidity at the end of September. No significant and consistent seasonal pattern, on the other hand, can be found in the banking system's contribution to the liquidity base, the short-term fluctuations in which tend to be dominated by movements in the net other assets of the Reserve Bank. This series, therefore, has not been seasonally adjusted.

Cyclical elements

The foreign sector

As might be expected, cyclical fluctuations in the contribution of the foreign sector to the banks' aggregate Liquid Asset holdings generally correspond closely to those in the net gold and other foreign reserves of the monetary banking sector as a cause of changes in the money and near-money supply. This correspondence obviously is less than perfect, however, because of differences in definition and statistical coverage between these two aggregates. The most important of these differences is that the foreign sector's contribution to the banks' holdings of Liquid Assets essentially is based on the net gold and other foreign reserve holdings of the Reserve Bank and does not include other monetary banks'

holdings of short-term foreign assets or take into account such banks' short-term foreign liabilities.

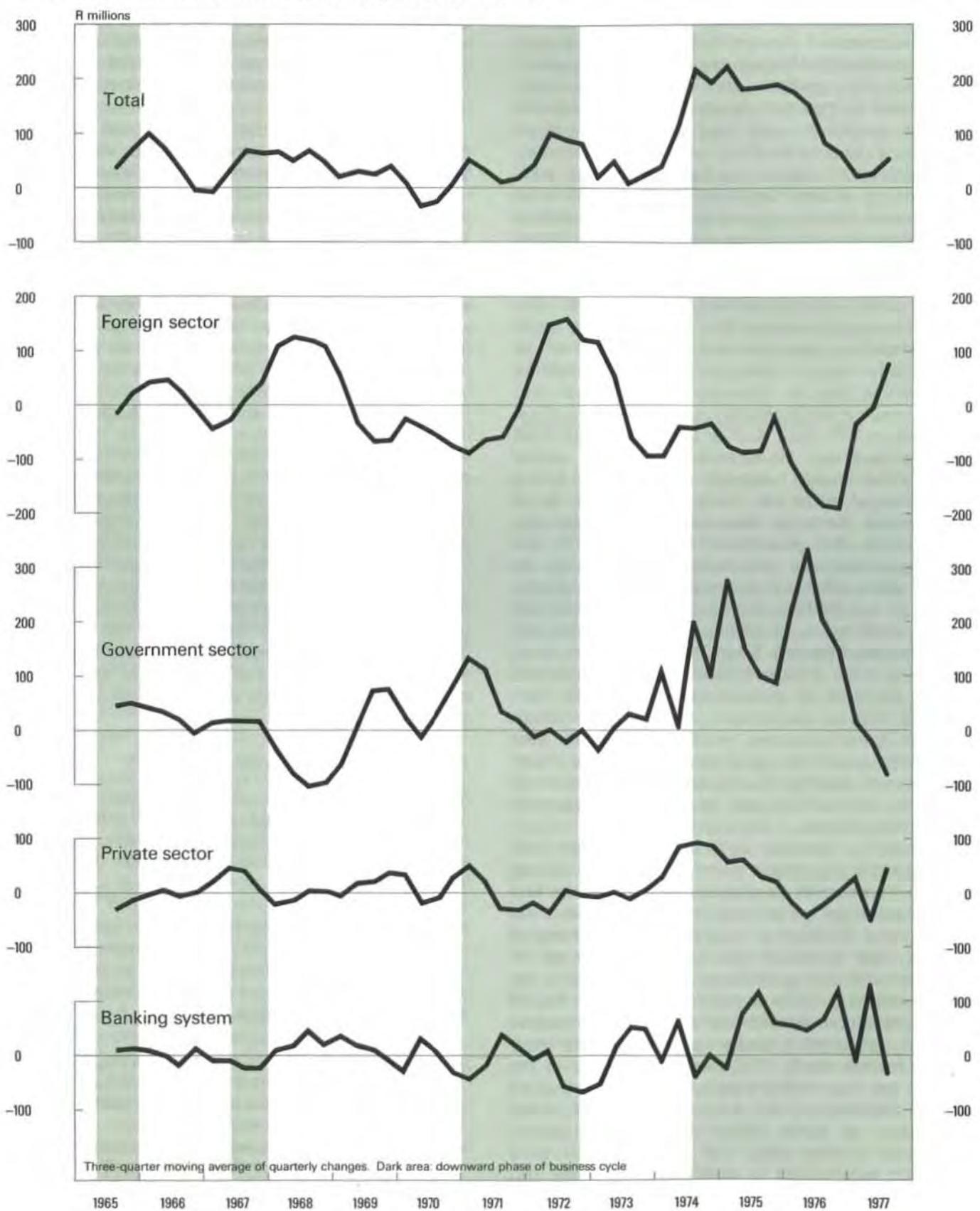
Cyclical experience since 1965 shows a strong tendency for the foreign sector's contribution to the banks' liquidity base, seasonally adjusted, to rise during the more advanced stages (roughly the second half) of cyclical downswings and during the earlier stages (roughly the first half) of cyclical upswings. Declines usually occur during the more advanced stages of upswings and the earlier stages of downswings. The most rapid increases in the foreign sector's contribution to the banks' liquidity base in both absolute and percentage terms accordingly tend to be recorded at or in the vicinity of the lower turning points of the business cycle, possibly slightly preceding them (as, for example, during the second quarter of 1972) or slightly lagging them (as during the second quarter of 1968). Conversely, the most rapid decreases commonly occur close to the upper turning points of the cycle, possibly somewhat preceding them (as in the first quarter of 1967) or closely following them (as in early 1971). The most recent cyclical contraction in the South African economy from approximately August 1974 up to late 1977 has been atypical in this respect, however, in that the highest rate of decline in the foreign sector's contribution to the banks' Liquid Asset holdings was reached well into the downswing (i.e., in the first quarter of 1977) rather than at or near the upper turning point of the cycle in the third quarter of 1974.

The government sector

In cyclical developments since 1965, the government sector's contribution to the liquidity base, seasonally adjusted, generally has tended to rise only relatively slowly or actually to decline during the more advanced stages of downswings and the early stages of upswings, and to rise sharply during the later stages of upswings and the initial stages of downswings. Although the cyclical experience since 1965 is rather too short to allow of confident generalisations, it would appear that the most rapid rate of increase normally is reached early in downswings, while the lowest rate of increase is registered in the fairly early stages of upswings. The 1974-1977 recession once again departs from this pattern, however, in that the fastest increase in the government sector's contribution to the banks' liquidity base during this period, in absolute though not in percentage terms, was reached only in the second quarter of 1976.

A comparison of the cyclical behaviour of the foreign and government sectors as sources of bank liquidity since 1965 shows increases in the foreign sector's contribution to the liquidity base generally to have been accompanied by decreases or only relatively small increases in the government sector's contribution, while decreases in the contribution of the foreign sector generally have gone hand in hand with relatively rapid increases in that of the government

Graph 2. Sectoral sources of bank holdings of Liquid Assets



sector. (A similar inverse relationship has previously been observed between changes in the net gold and other foreign reserves of the monetary banking sector and in monetary banks' net claims on the government sector as causes of changes in the money and near-money supply.)³⁴ Although the negative relationship between the cyclical and other shorter-term fluctuations in these two aggregates understandably is less than perfect, it is too close and consistent to be ignored; a full explanation of this phenomenon, however, would appear to be quite complicated. Both the net foreign reserves of the Reserve Bank (or of the entire banking system) and net bank credit to the government sector might, of course, be expected to show more or less regular, cyclically repetitive, patterns of increases and declines, even in the absence of any causal interrelationships between them. The apparently negative correlation between these aggregates, therefore, does not necessarily show them to be causally related, although it is reasonable to suppose that they are. Both aggregates, however, also clearly may be, and have been, subject to non-cyclical and random influences (such as the effects of political developments on movements of foreign capital and the net foreign reserves). Causal links running from changes in the net foreign reserve holdings of the Reserve Bank to movements in the opposite direction in net government borrowing from the banking system may then exist, for example, to the extent that a decline in the net foreign reserves may result in a tightening of the domestic money and capital markets, a hardening of interest rates and expectations regarding future rises in interest rates, that may make it more difficult for the government sector to meet its borrowing requirements from domestic non-banking sources. A sustained decline in the net foreign reserves, on the other hand, may eventually cause the government to adopt more restrictive budgetary (taxing and spending) policies that reduce its deficits and its need to borrow from the banking system.

Conversely, links running from changes in net bank credit to the government sector to changes in the net foreign reserves may exist simply by virtue of the fact that stepped-up government expenditure, which is likely to be financed at least partly by the banking system, will probably also entail an increase in imports (although government imports account for only a relatively minor proportion of the total import bill). In addition, significantly increased net recourse by the government sector to bank credit may *ceteris paribus* result in accelerated increases in the money and near-money supply, an enhanced level of excess liquidity of the banking system, increased availability of bank credit to the private sector, and lower interest rates, that feed back into rising domestic expenditure in general and therefore into

rising imports and declining net foreign reserves.³⁵ The resultant lower domestic interest rates, moreover, may encourage an outflow of foreign capital. More directly, shifts of funds from the government to the private sector may occasionally provide the financial means that allow private sector parties to repay foreign trade credits or reduce other forms of foreign debt.³⁶

Although some of the above linkages between movements in the net foreign reserves and in net bank credit to the government sector clearly would require considerable time to take effect, others may well make themselves felt relatively quickly. This would probably be true in particular of effects that operate through changes in yields and interest rates and the accompanying changes in interest rate expectations. As such, these effects may be able to explain the apparently very short lags between turning points in the net foreign reserves (or in the foreign sector's contribution to the banks' liquidity base) and in net bank credit to the government sector (or in the government sector's contribution to the liquidity base), which mostly are of the order of a few months only. From 1965 to 1975, turning points in the net foreign reserves and the increases or decreases therein generally somewhat preceded their counterparts in net bank credit to the government sector. In 1976, however, the upper turning point in increases in the government sector's contribution to the liquidity base preceded the lower turning point in the decreases in the foreign sector's contribution — possibly confirming the existence of the two-way relationship between these two aggregates that (once more invoking the probable effects of changes in expectations) would seem to be plausible on a priori grounds.

The non-bank private sector

Somewhat similar to the government sector's contribution to the banks' Liquid Asset holdings, the private sector's contribution, seasonally adjusted, since early 1965 has tended to decrease during the later stages of cyclical downswings and to increase only slowly, if at all, during the earlier stages of subsequent upswings. Increases in the private sector's contribution to the liquidity base then have tended to rise rapidly during the more advanced or final stages of upswings and to reach a peak in the early stages of the following downswings, after which they have

35. This general description would appear to fit developments in the fourth quarter of 1974 and the first half of 1975 that may have contributed to the "mini-recovery" in the course of 1975.

36. Although this factor has sometimes been held to be important (notably when the ceilings on bank credit prevented a rapid increase in bank lending to the private sector), repayments of foreign debt may, of course, be effected with funds raised from any domestic source and would not necessarily have to await a release of funds by the government sector.

34. See, for example, the Reserve Bank's Annual Economic Report 1977, pp. 24-25.

fallen away rapidly. This general description also fits the most recent business cycle from November 1972 to late 1977 reasonably well. Although the experience since 1965 once again must be regarded as rather too short to support firm conclusions, this general pattern of accelerations and decelerations also seems to apply to changes in the banks' direct and indirect holdings of liquid bankers' acceptances, trade bills and promissory notes, which, of course, normally make up a substantial proportion of the total private sector contribution to the banks' liquidity base. Cyclical increases in bankers' acceptances, etc., as a component of bank liquidity clearly may reflect stepped-up private sector recourse to bill financing of the movement of goods during stages of the business cycle when economic activity, merchandise imports and inventory accumulation are at high levels and the banks, being faced by low or declining excess liquidity, may favour the extension of credit to the private sector in liquid form.

The banking system

No convincingly pronounced cyclical pattern can be discerned in the rather volatile behaviour of the aggregative series regarding the banking system's contribution to the banks' total Liquid Asset holdings from 1965 to 1977. As noted above, this series also has not been adjusted for seasonal influences. Its component series "conversion of non-Liquid Assets into Liquid Assets by the discount houses and the National Finance Corporation" might be expected, on the basis of *a priori* reasoning, to be responsive to changes in interest rates and interest rate expectations and therefore to show some form of cyclical behaviour. However, although the amount of "conversion" reached relatively high levels during two periods of troughs in short-term interest rates in approximately the middle of 1973 (during the economic upswing) and again in the middle of 1975 (during the downswing), these developments clearly do not establish a cyclical pattern.

The total liquidity base

As observed earlier, cyclical and other relatively short-term fluctuations in various sectors' contributions to the banks' liquidity base to some extent tend to offset one another. Normally, however, it would appear that cyclical fluctuations in the foreign sector's contribution dominate those in the contributions of other sectors. As a result, developments since early 1965 do show a tendency for the growth of the total liquidity base in both absolute and percentage terms to accelerate in the course of downswings and to decelerate in the course of upswings. The 1974-1977 downswing once again appears as an exception to this rule, however, in that heavy recourse by the government sector to bank financing in the fourth quarter of 1974 and the first half of 1975 caused a peak in the growth rate of the

liquidity base, seasonally adjusted, to be reached in the very early stages of the downward phase of the business cycle, this being followed by a gradual decline in this growth rate during most of the ensuing recession up to early 1977.

Changes in the **excess** Liquid Assets of banking institutions obviously reflect changes not only in the banks' actual Liquid Asset holdings, but also in the amount of required Liquid Assets. The latter, in turn, may be affected significantly at times by changes in the Liquid Asset requirement ratios. Developments since 1965 nevertheless show a fairly pronounced tendency for peaks and troughs in the amount of the banks' excess Liquid Assets to be reached close to (possibly slightly after) the lower and upper turning points of the business cycle, respectively, as might be expected on *a priori* grounds. The peak in the banks' excess liquidity that was reached in approximately the middle of 1975, however, clearly is not in conformity with this pattern.

Long-term behaviour of the liquidity base

During the entire period of 51 quarters from the end of March 1965 to the end of December 1977, the banks' aggregate holdings of Liquid Assets before seasonal adjustment increased somewhat over sixfold from R732 million to R4 439 million. On the basis of the corresponding seasonally adjusted data, this implies an average compound rate of increase of the liquidity base of approximately 14,3 per cent per annum or 3,4 per cent per quarter. During this period, therefore, the banks' Liquid Asset holdings doubled on average every 5,2 years.³⁷

In the course of the business cycle, although obviously not necessarily for purely cyclical reasons only, the contributions of individual sectors to the total liquidity base may occasionally shrink to very low levels and may even turn negative. As a result, comparative percentage rates of increase in these separate sectoral contributions over given periods of time frequently have little meaning or cannot be calculated. Negative contributions to the liquidity base were made, for example, by the private sector at the end of March 1965 (i.e., at the beginning of the 51-quarter period under consideration), and by the foreign sector at the end of December 1977 (at the end of this period). It is worth noting, however, that R2 589 million, or 69,8 per cent, of the total net increase of R3 707 million (not seasonally adjusted) in the liquidity base between the end of March 1965 and the end of December 1977 was accounted for by the government sector, which increased its contribution from R243 million to R2 832 million. Net contributions by the foreign sector, the non-bank

37. During the period of its most rapid growth, however, the liquidity base roughly doubled in somewhat more than two years from the second quarter of 1974 to the end of June 1976. Doubling in the immediately preceding period, on the other hand, took as long as seven years.

private sector and the banking system to the total increase in the liquidity base during this period amounted to -R461 million or -12.4 per cent, R847 million or 22.9 per cent, and R732 million or 19.7 per cent, respectively.

The full period from the end of March 1965 to the end of December 1977 can be divided into a limited number of periods of "high" and "low" rates of growth in the seasonally adjusted liquidity base. Defining "high" and "low" growth rates as rates above and below the average rate of 3.4 per cent per quarter, respectively, and ignoring shorter-term fluctuations around this average, four major sub-periods may be distinguished, as follows:

and other foreign reserves, expansion in the second of these phases was mostly due to the government sector's recourse to net credit extended by the banking system. The second slow growth phase was attributable largely to continued declines in the net foreign reserves during most of the eighteen months concerned, as well as to limited short-term borrowing by the government sector from banking institutions. Expansion of the base during this period would have been smaller still, however, but for a fairly substantial contribution by the private sector to the growth in the banks' Liquid Asset holdings. This development, in turn, primarily reflected increases in direct financing of the Land Bank by the Reserve

Phases of rapid and slow growth of the liquidity base

Phase	Period	No. of quarters	Total increase in liquidity base, seasonally adjusted, during period R millions	%	Average compound quarterly rate of growth, %
Rapid growth	End March 1965 – end March 1969	16	812	102.7	4.51
Slow growth	End March 1969 – end March 1974	20	622	38.8	1.65
Rapid growth	End March 1974 – end June 1976	9	1 758	79.0	6.00
Slow growth	End June 1976 – end December 1977	6	377	9.7	1.52

The long-term phases of rapid and slow expansion of the liquidity base as identified here, cut across the business cycle and to an important extent clearly are independent of it.³⁸ The prolonged slow growth phase from the end of the first quarter of 1969 to the end of the first quarter of 1974, for example, includes the second half of the economic upswing from January 1968 to December 1970, all of the downswing from January 1971 to October 1972, and most of the upswing from November 1972 to July 1974. It is not suggested, however, that this sequence of longer-term fast and slow growth phases is to be regarded as the result of a systematic set of forces producing a "long wave" in the rate of expansion of the liquidity base. Apart from substantial variation in the length of consecutive phases of rapid and slow expansion, the pattern of sectoral contributions to the growth of the liquidity base shows marked differences between the first and second rapid and slow growth phases, respectively. Thus, whereas relatively rapid expansion of the base in its first rapid growth phase in the middle and late 1960s was mostly a matter of a large net increase in the net gold

Bank and the commercial banks, in the form of increased discounts of Land Bank bills, a higher level of commercial bank advances to the Land Bank, and increased commercial bank holdings of short-term Land Bank debentures.

Summary

Changes in the banks' aggregate holdings of statutory Liquid Assets, together with changes in the maturity composition (the "term" structure) of their liabilities to the public, in their demand for excess liquidity, and in the Liquid Asset requirements, are at the base of changes in the banks' total liabilities to the public, the money and near-money supply, and the banks' holdings of assets other than Liquid Assets. Since implementation of the Banks Act of 1965, factors other than changes in the banks' actual holdings of Liquid Assets (i.e., factors influencing the value of the "multiplier" to be applied to the banks' liquidity base) from time to time have been of considerable importance in determining the growth of the banks' aggregate holdings of liabilities and assets. This is true in particular of periodic changes (mostly upwards) in the Liquid Asset requirements against the banks' short-term and medium-term liabilities to the public from as early as March 1965, the detailed history of which has not been traced here. Over more extended periods, however, the effect of these increases in the required Liquid Asset ratios has been tempered somewhat by a long-term decline in the relative

38. Shorter-term fluctuations in the rate of growth of the liquidity base, seasonally adjusted, around its longer-term trend, however, obviously still do show the effects of the business cycle. This includes instances in which this growth rate has briefly fallen short of 3.4 per cent per quarter during "rapid growth" phases or has temporarily exceeded this figure during "slow growth" phases.

importance of the banks' short-term liabilities. Regarding the entire period from 1965 to 1977 as a whole, the very large (between four- and fivefold) expansion of the private banking system during these 13 years primarily reflects an even larger (roughly sixfold) relative increase in the banks' liquidity base.

Changes in the liquidity base may originate in the foreign sector, mostly through variations in the net gold and other foreign reserve holdings of the Reserve Bank; in the taxing, spending, deficit financing and debt management operations of the government sector; in private sector borrowing from the Reserve Bank, or from other banks in ways that produce statutory Liquid Assets; and in certain types of transactions of banking institutions (including the Reserve Bank, the National Finance Corporation and the discount houses) among themselves. In the present article and the accompanying statistical tables, the contributions of these various sectors to the banks' liquidity base have been identified, and the extent of the various sectoral contributions to the banks' aggregate stock of Liquid Assets has been quantified on a quarterly basis from the end of the first quarter of 1965 to the end of 1977. The contributions of several sectors to the banks' Liquid Asset holdings show marked seasonal as well as cyclical variations. During the 51-quarter period as a whole, however, the bulk (i.e., approximately 70 per cent) of the total net increase of R3 707 million in the banks' aggregate Liquid Asset portfolio originated in the government sector. In the more recent past from the end of the third quarter of 1974 (i.e., roughly from the beginning of the most recent downward phase of the business cycle in the South African economy) to the end of 1977, the government sector supplied a net amount of R1 922 million of Liquid Assets to the banking system. This may be compared with an increase of R1 887 million (to R4 439 million) in the banks' total holdings of Liquid Assets during this period.

SECTORAL SOURCES OF BANK HOLDINGS OF LIQUID ASSETS
R millions

	1965				1966			
	Mar / Mar	Jun	Sept	Dec / Des.	Mar / Mar	Jun	Sept	Dec / Des.
Foreign sector	416	329	315	356	414	455	502	479
Net gold and other foreign reserves of Reserve Bank	412	323	301	347	405	447	492	469
Other ¹	4	6	14	9	9	8	10	10
Government sector	243	317	394	460	409	567	506	588
Total short-term government debt outstanding	821	754	732	810	842	959	1 039	1 055
<i>Less:</i>								
(i) Holdings of government sector	-233	-196	-195	-159	-157	-118	-107	-129
(ii) Holdings of non-bank private and foreign sectors	-210	-187	-153	-181	-195	-196	-260	-240
Other Reserve Bank credit to government sector	57	51	58	65	78	101	98	96
<i>Less:</i>								
Government sector deposits with Reserve Bank	-182	-101	-41	-73	-150	-174	-260	-188
Other ²	-10	-4	-7	-2	-9	-5	-4	-6
Non-bank private sector	-26	33	12	9	-58	-15	-23	7
Bank credit to private sector								
(a) To Land Bank								
(i) By Reserve Bank	15	30	37	16	-	20	57	41
(ii) By other banking institutions in liquid form	45	62	64	63	71	75	87	89
(b) Liquid bankers' acceptances held by								
(i) Reserve Bank								
(ii) Other banking institutions	180	209	193	210	157	185	156	170
(c) Other bank credit to private sector creating Liquid Assets ³	3	7	6	4	5	5	9	13
<i>Less:</i>								
Non-bank private deposits with Reserve Bank	-4	-5	-5	-10	-8	-6	-4	-3
<i>Less:</i>								
Notes held by non-banks	-271	-279	-294	-291	-297	-307	-339	-314
Treasury coin liability	34	37	41	52	53	53	53	54
<i>Less:</i>								
Coin held by non-banks	-28	-28	-30	-35	-39	-40	-42	-43
Banking system	99	125	97	137	174	134	150	127
Net other assets of Reserve Bank	56	68	29	64	108	50	83	61
Liquid interbank deposits	32	45	49	56	47	61	49	52
Conversion of non-Liquid into Liquid								
Assets by discount houses and NFC ⁴	11	12	19	17	19	23	18	14
Grand total	732	804	818	962	939	1 141	1 135	1 201

1. Mainly long-term foreign loans extended by the Reserve Bank

2. Usually only difference between market and nominal value of short-term government stock, and Treasury liability on account of drawings on the International Monetary Fund.

3. Loans by Reserve Bank to non-bank private sector, Reserve Bank holdings of private sector securities, and other banking institutions' holdings of private sector securities ranking as Liquid Assets.

4. Share of banking institutions in non-Liquid Asset holdings of the discount houses and NFC proportionate to amount of call deposits held.

SEKTORALE OORSPRONG VAN BANKSE SE BESIT AAN LIKWIEDE BATES

R miljoene

1967				1968				
Mar / Mrt	Jun	Sept	Dec / Des	Mar / Mrt	Jun	Sept	Dec / Des	
441	388	397	470	600	754	852	937	Buitelandse sektor
429	376	385	458	588	742	840	923	Netto goud- en ander buitelandse reserwes van Reserwebank
12	12	12	12	12	12	12	14	Ander ¹
475	594	555	660	559	498	335	356	Owerheidsektor
918	968	1 018	1 088	1 073	1 167	1 185	1 172	Totale korttermynstaatskuld uitstaande
-137	-136	-123	-162	-180	-119	-108	-106	Min:
-222	-203	-194	-190	-195	-225	-229	-224	(i) In besit van die owerheidsektor
73	76	71	74	61	59	48	68	(ii) In besit van die nie-bank private en buitelandse sektore
-146	-104	-210	-143	-188	-373	-555	-549	Ander krediet van Reserwebank aan owerheidsektor
-11	-7	-7	-7	-12	-11	-6	-5	Min:
-59	26	171	155	5	72	119	100	Deposito's van owerheidsektor by Reserwebank
								Ander ²
19	42	200	82	-	23	111	32	Nie-bank private sektor
91	97	102	184	158	191	152	193	Bankkrediet aan die private sektor
-	-	-	-	-	-	-	-	(a) Aan Landbank
153	192	183	186	158	169	173	180	(i) Verleen deur Reserwebank
12	30	37	28	28	35	41	48	(ii) Verleen deur ander bankinstellings in likwiede vorm
-15	-5	-7	-8	-6	-5	-7	-6	(b) Likwiede bankaksepte in besit van:
-330	-342	-355	-338	-345	-352	-362	-358	(i) Reserwebank
54	56	57	58	58	58	59	60	(ii) Ander bankinstellings
-43	-44	-46	-47	-46	-47	-48	-49	(c) Ander krediet aan private sektor wat Likwiede Bates skep ³
								Min:
								Nie-bank private deposito's by Reserwebank
								Min:
								Note in besit van nie-banke
								Muntverpligting van die Tesourie
								Min:
								Munte in besit van nie-banke
175	132	110	113	71	144	170	215	Bankstelsel
99	46	20	27	5	33	58	87	Netto ander bates van Reserwebank
57	60	57	50	43	68	69	83	Likwiede deposito's van banke by banke
19	26	33	36	23	43	43	45	Omsetting van nie-Likwiede in Likwiede Bates deur diskontohuise en die NFK ⁴
1 032	1 140	1 233	1 398	1 235	1 468	1 476	1 608	Groottotaal

1 Hoofsaaklik langtermyn buitelandse lenings verleen deur die Reserwebank.

2 Normaalweg slégs die verskil tussen die mark- en nominale waardes van korttermynstaatseffekte en Tesourieverpligting uit hoofde van trekkings op die Internasionale Monetêre Fonds.

3 Lenings van die Reserwebank aan die nie-bank private sektor. Reserwebank se besit aan effekte van die private sektor, en ander bankinstellings se besit aan effekte van die private sektor wat as Likwiede Bates geklassifiseer is.

4 Aandeel van bankinstellings in die besit aan nie-Likwiede Bates van diskontohuise en die NFK in verhouding tot hul besit aan daggelddeposito's.

SECTORAL SOURCES OF BANK HOLDINGS OF LIQUID ASSETS
R millions

	1969				1970			
	Mar./ Mrt.	Jun.	Sept.	Dec./ Des.	Mar./ Mrt.	Jun.	Sept.	Dec./ Des.
Foreign sector	1 085	1 058	871	853	825	849	770	650
Net gold and other foreign reserves of Reserve Bank	1 071	1 044	857	839	811	831	733	613
Other ¹	14	14	14	14	14	18	37	37
Government sector	171	171	317	467	375	429	352	557
Total short-term government debt outstanding	1 112	1 115	1 098	1 036	999	1 008	1 083	1 008
<i>Less:</i>								
(i) Holdings of government sector	-99	-59	-51	-9	-6	-23	-8	-22
(ii) Holdings of non-bank private and foreign sectors	-244	-247	-222	-202	-238	-201	-285	-235
Other Reserve Bank credit to government sector	61	54	76	72	60	71	74	123
<i>Less:</i>								
Government sector deposits with Reserve Bank	-659	-695	-587	-435	-442	-428	-512	-320
Other ²	-	3	3	5	2	2	-	3
Non-bank private sector	38	73	166	181	129	227	137	181
Bank credit to private sector								
(a) To Land Bank								
(i) By Reserve Bank	7	33	75	39	69	94	101	108
(ii) By other banking institutions in liquid form	169	158	182	225	161	196	185	196
(b) Liquid bankers' acceptances held by								
(i) Reserve Bank	-	-	-	-	-	-	-	-
(ii) Other banking institutions	167	200	248	262	261	304	243	275
(c) Other bank credit to private sector creating Liquid Assets ³	53	47	59	59	52	56	56	54
<i>Less:</i>								
Non-bank private deposits with Reserve Bank	-6	-7	-13	-9	-10	-11	-12	-8
<i>Less:</i>								
Notes held by non-banks	-363	-369	-395	-407	-417	-424	-448	-456
Treasury coin liability	60	60	61	64	64	64	65	67
<i>Less:</i>								
Coin held by non-banks	-49	-49	-51	-52	-51	-52	-53	-55
Banking system	211	279	274	251	265	197	343	292
Net other assets of Reserve Bank	113	171	144	109	121	49	218	130
Liquid interbank deposits	57	57	73	77	92	81	81	110
Conversion of non-Liquid into Liquid Assets by discount houses and NFC ⁴	41	51	57	65	52	67	44	52
Grand total	1 505	1 581	1 628	1 752	1 594	1 702	1 602	1 680

1. Mainly long-term foreign loans extended by the Reserve Bank.

2. Usually only difference between market and nominal value of short-term government stock, and Treasury liability on account of drawings on the International Monetary Fund.

3. Loans by Reserve Bank to non-bank private sector, Reserve Bank holdings of private sector securities, and other banking institutions' holdings of private sector securities ranking as Liquid Assets.

4. Share of banking institutions in non-Liquid Asset holdings of the discount houses and NFC proportionate to amount of call deposits held.

SEKTORALE OORSPRONG VAN BANKE SE BESIT AAN LIKWIEDE BATES

R miljoene

1971				1972				
Mar / Mrt.	Jun	Sept.	Dec / Des	Mar / Mrt.	Jun	Sept.	Dec / Des	
604	545	480	405	523	737	882	957	Buitelandse sektor
587	507	442	342	460	674	809	884	Netto goud- en ander buitelandse reserwes van Reserwebank
37	38	38	63	63	63	73	73	Ander ¹
851	784	771	894	821	797	745	883	Owerheidsektor
875	1 015	1 024	1 110	1 070	1 234	1 302	1 305	Totale korttermynstaatskuld uitstaande
-35	-29	-20	-35	-57	-29	-29	-28	Min:
-184	-202	-228	-251	-235	-245	-269	-266	(i) In besit van die owerheidsektor
233	214	231	224	225	233	73	86	(ii) In besit van die nie-bank private en buitelandse sektore
-236	-216	-238	-158	-179	-395	-342	-227	Ander krediet van Reserwebank aan owerheidsektor
-2	2	2	4	-3	-1	10	13	Min:
258	253	264	272	116	176	195	160	Deposito's van owerheidsektor by Reserwebank
139	97	181	203	66	96	46	-	Ander ²
188	260	249	238	296	301	396	399	Nie-bank private sektor
337	326	294	279	246	271	265	263	Bankkrediet aan die private sektor:
50	46	58	59	58	54	53	57	(a) Aan Landbank:
-12	-13	-12	-11	-15	-12	-9	-7	(i) Verleen deur Reserwebank
-458	-476	-519	-511	-549	-548	-569	-564	(ii) Verleen deur ander bankinstellings in likwiede vorm
87	68	69	72	72	72	72	74	(b) Likwiede bankaksepte in besit van:
-53	-55	-56	-57	-58	-58	-59	-62	(i) Reserwebank
106	216	235	231	276	221	264	165	(ii) Ander bankinstellings
-45	43	75	56	111	69	133	8	(c) Ander krediet aan private sektor wat as Likwiede Bates geklassifiseer is
83	96	101	118	113	86	72	27	Min:
68	77	59	57	52	66	59	130	Nie-bank private deposito's by Reserwebank
1 619	1 798	1 750	1 802	1 736	1 931	2 086	2 165	Munte in besit van nie-banke
Groottotaal								Bankstelsel

1. Hoogsaklik langtermyn buitelandse lenings verleen deur die Reserwebank.

2. Normaalweg slegs die verskil tussen die mark- en nominale waardes van korttermynstaatseffekte, en Tesourieverpligting uit hoofde van trekkiings op die Internasionale Monetêre Fonds.

3. Lenings van die Reserwebank aan die nie-bank private sektor. Reserwebank se besit aan effekte van die private sektor, en ander bankinstellings se besit aan effekte van die private sektor wat as Likwiede Bates geklassifiseer is.

4. Aandeel van bankinstellings in die besit aan nie-Likwiede Bates van diskontohuise en die NFK in verhouding tot hul besit aan daggelddeposito's.

SECTORAL SOURCES OF BANK HOLDINGS OF LIQUID ASSETS
R millions

	1973				1974			
	Mar./ Mar.	Jun.	Sept.	Dec./ Des.	Mar./ Mar.	Jun.	Sept.	Dec./ Des.
Foreign sector	1 112	1 262	1 151	867	1 016	876	786	822
Net gold and other foreign reserves of Reserve Bank	1 039	1 189	1 078	794	922	776	688	697
Other ¹	73	73	73	73	94	100	98	125
Government sector	771	684	758	988	710	1 179	910	1 478
Total short-term government debt outstanding	1 434	1 739	1 754	1 658	1 708	1 637	1 618	1 698
<i>Less:</i>								
(i) Holdings of government sector	-58	-30	-30	-45	-88	-23	-24	-11
(ii) Holdings of non-bank private and foreign sectors	-357	-470	-319	-233	-214	-261	-200	-170
Other Reserve Bank credit to government sector	60	69	70	71	70	173	62	145
<i>Less:</i>								
Government sector deposits with Reserve Bank	-330	-643	-750	-479	-633	-349	-543	-180
Other ²	22	19	33	16	-133	2	-3	-4
Non-bank private sector	83	85	122	152	100	140	337	322
Bank credit to private sector								
(a) To Land Bank								
(i) By Reserve Bank	7	11	9	10	-	-	246	106
(ii) By other banking institutions in liquid form	343	327	348	375	357	405	405	485
(b) Liquid bankers' acceptances held by								
(i) Reserve Bank	-	-	-	-	-	-	-	-
(ii) Other banking institutions	270	309	370	337	372	402	388	415
(c) Other bank credit to private sector creating Liquid Assets ³	59	73	84	106	108	102	117	124
<i>Less:</i>								
Non-bank private deposits with Reserve Bank	-12	-12	-9	-10	-16	-16	-16	-12
<i>Less:</i>								
Notes held by non-banks	-598	-636	-693	-679	-734	-765	-816	-808
Treasury coin liability	74	74	77	80	80	81	83	85
<i>Less:</i>								
Coin held by non-banks	-60	-61	-64	-67	-67	-69	-70	-73
Banking system	64	159	268	222	272	281	523	321
Net other assets of Reserve Bank	-63	15	76	109	170	3	247	-1
Liquid interbank deposits	28	19	24	23	25	55	67	45
Conversion of non-Liquid into Liquid Assets by discount houses and NFC ⁴	99	125	168	90	77	223	209	277
Grand total	2 030	2 190	2 299	2 229	2 098	2 476	2 556	2 943

1. Mainly long-term foreign loans extended by the Reserve Bank.

2. Usually only difference between market and nominal value of short-term government stock, and Treasury liability on account of drawings on the International Monetary Fund.

3. Loans by Reserve Bank to non-bank private sector, Reserve Bank holdings of private sector securities, and other banking institutions' holdings of private sector securities ranking as Liquid Assets.

4. Share of banking institutions in non-Liquid Asset holdings of the discount houses and NFC proportionate to amount of call deposits held.

SEKTORALE OORSPRONG VAN BANKSE SE BESIT AAN LIKWIEDE BATES

R miljoene

1975				1976				
Mar / Mrt	Jun	Sep	Dec / Des	Mar / Mrt	Jun	Sep	Dec / Des	
842	551	590	513	614	262	72	-43	Buitelandse sektor
717	418	411	332	437	61	-153	-282	Netto goud- en ander buitelandse reserwes van Reserwebank
125	133	179	181	177	201	225	239	Ander ¹
1 358	1 870	1 791	1 887	1 863	2 731	2 737	2 790	Owerheidsektor
1 853	1 974	2 354	2 556	2 695	2 845	2 932	3 278	Totale korttermynstaatskuld uitstaande
-59	-40	-140	-116	-120	-111	-250	-192	Min:
-188	-170	-246	-318	-297	-313	-385	-467	(i) In besit van die owerheidsektor (ii) In besit van die nie-bank private en buitelandse sektore
133	268	199	235	153	525	490	187	Ander krediet van Reserwebank aan owerheidsektor
-342	-166	-377	-465	-572	-288	-195	-326	Min:
-39	4	1	-5	4	73	145	310	Deposito's van owerheidsektor by Reserwebank
283	367	526	576	464	571	587	670	Ander ²
260	212	398	285	100	152	180	283	Nie-bank private sektor
360	437	449	504	571	580	600	574	Bankkrediet aan die private sektor
-	-	-	-	-	-	-	-	(a) Aan Landbank:
427	463	483	565	588	634	654	625	(i) Verleen deur Reserwebank (ii) Verleen deur ander bankinstellings in likwiede vorm
125	124	147	182	174	203	217	208	(b) Likwiede bankaksepte in besit van
-12	-17	-37	-26	-42	-49	-27	-22	(i) Reserwebank (ii) Ander bankinstellings
-888	-866	-830	-948	-946	-970	-1 060	-1 023	(c) Ander krediet aan private sektor wat Likwiede Bates skep ³
85	85	89	92	95	97	101	106	Min:
-74	-71	-73	-78	-76	-76	-78	-81	Nie-bank private deposito's by Reserwebank
349	537	556	659	637	562	657	715	Min:
14	164	233	365	370	389	495	576	Note in besit van nie-banke
30	37	41	25	33	34	37	32	Munieverpligting van die Tesourie
305	336	282	269	234	139	125	107	Min:
2 832	3 325	3 463	3 635	3 578	4 126	4 053	4 132	Munie in besit van nie-banke
								Bankstelsel
								Netto ander bates van Reserwebank
								Likwiede deposito's van banke by banke
								Omsetting van nie-Likwiede in Likwiede Bates deur diskontohuise en die NFK ⁴
								Groottaal

1 Hoofsaaklik langtermyn buitelandse lenings verleen deur die Reserwebank.

2 Normaalweg slegs die verskil tussen die mark- en nominale waardes van korttermynstaatseffekte, en Tesouuneverpligting uit hoofde van trekings op die Internasionale Monetêre Fonds.

3 Lenings van die Reserwebank aan die nie-bank private sektor. Reserwebank se besit aan effekte van die private sektor, en ander bankinstellings se besit aan effekte van die private sektor wat as Likwiede Bates geklassifiseer is.

4 Aandeel van bankinstellings in die besit aan nie-Likwiede Bates van diskontohuise en die NFK in verhouding tot hul besit aan daggelddeposito's.

SECTORAL SOURCES OF BANK HOLDINGS OF LIQUID ASSETS

R millions

	1977			
	Mar / Mar.	Jun	Sept	Dec / Des.
Foreign sector	-201	-47	-30	-45
Net gold and other foreign reserves of Reserve Bank	-429	-268	-266	-279
Other ¹	228	221	236	234
Government sector	2 690	3 091	2 573	2 832
Total short-term government debt outstanding	3 261	3 442	3 702	3 835
<i>Less:</i>				
(i) Holdings of government sector	-312	-299	-297	-523
(ii) Holdings of non-bank private and foreign sectors	-483	-595	-696	-612
Other Reserve Bank credit to government sector	180	386	177	163
<i>Less:</i>				
Government sector deposits with Reserve Bank	-310	-237	-721	-444
Other ²	354	394	408	413
Non-bank private sector	527	604	490	821
Bank credit to private sector				
(a) To Land Bank				
(i) By Reserve Bank	202	131	—	485
(ii) By other banking institutions in liquid form	593	758	796	678
(b) Liquid bankers' acceptances held by				
(i) Reserve Bank	—	—	—	—
(ii) Other banking institutions	541	519	582	475
(c) Other bank credit to private sector creating Liquid Assets ³	220	219	223	226
<i>Less:</i>				
Non-bank private deposits with Reserve Bank	-20	-20	-24	-25
<i>Less:</i>				
Notes held by non-banks	1 037	-1 047	-1 127	-1 058
Treasury coin liability	107	124	127	131
<i>Less:</i>				
Coin held by non-banks	-79	-80	-87	-91
Banking system	933	623	1 109	831
Net other assets of Reserve Bank	763	486	1 002	704
Liquid interbank deposits	56	31	36	43
Conversion of non-Liquid into Liquid Assets by discount houses and NFC ⁴	114	106	71	84
Grand total	3 949	4 271	4 142	4 439

1. Mainly long-term foreign loans extended by the Reserve Bank.

2. Usually only difference between market and nominal value of short-term government stock, and Treasury liability on account of drawings on the International Monetary Fund.

3. Loans by Reserve Bank to non-bank private sector, Reserve Bank holdings of private sector securities, and other banking institutions' holdings of private sector securities ranking as Liquid Assets.

4. Share of banking institutions in non-Liquid Asset holdings of the discount houses and NFC proportionate to amount of call deposits held.

SEKTORALE OORSPRONG VAN BANKE SE BESIT AAN LIKWIEDE BATES

R miljoene

1978				
Mar./ Mrt.	Juli	Sept	Dec./ Des.	
102	94	321	519	Buitelandse sektor
-153	-190	10	182	Netto goud- en ander buitelandse reserwes
255	284	311	337	van Reserwebank
				Ander ¹
2 557	2 688	2 579	2 729	Owerheidsektor
3 873	4 301	4 225	4 240	Totale korttermynstaatskuld
				uitstaande
				<i>Min:</i>
-664	-719	-611	-590	(i) In besit van die owerheidsektor
-513	-590	-523	-720	(ii) In besit van die nie-bank private en
130	134	44	74	buitelandse sektore
				Ander krediet van Reserwebank aan owerheidsektor
				<i>Min:</i>
-606	-783	-912	-631	Deposito's van owerheidsektor by Reserwebank
337	345	356	356	Ander ²
694	678	804	685	Nie-bank private sektor
				Bankkrediet aan die private sektor
460	400	440	226	(a) Aan Landbank
668	728	868	935	(i) Verleen deur Reserwebank.
24	95	66	28	(ii) Verleen deur ander bankinstellings in
415	390	391	398	likwiede vorm
234	231	236	250	(b) Likwiede bankaksepte in besit van
-34	-70	-28	-21	(i) Reserwebank
				(ii) Ander bankinstellings
				(c) Ander krediet aan private sektor wat
				Likwiede Bates skep ³
				<i>Min:</i>
-1 114	-1 138	-1 208	-1 168	Nie-bank private deposito's by Reserwebank
131	140	152	154	<i>Min:</i>
-90	-98	-113	-117	Note in besit van nie-banke
				Muntverpligting van die Tesourie
				<i>Min:</i>
				Munte in besit van nie-banke
856	1 009	985	1 082	Bankstelsel
724	862	836	948	Netto ander bates van Reserwebank
41	56	34	35	Likwiede deposito's van banke by banke
91	91	115	99	Omsetting van nie-Likwiede in Likwiede
				Bates deur diskontohuise en die NFK ⁴
4 209	4 469	4 689	5 015	Groottotaal

1 Hoofsaaklik langtermyn buitelandse lenings verleen deur die Reserwebank.

2 Normaalweg slegs die verskil tussen die mark- en nominale waardes van korttermynstaatseffekte, en Tesourieverpligting uit hoofde van trekkings op die Internasionale Monetêre Fonds.

3 Lenings van die Reserwebank aan die nie-bank private sektor. Reserwebank se besit aan effekte van die private sektor, en ander bankinstellings se besit aan effekte van die private sektor wat as Likwiede Bates geklassifiseer is.

4 Aandeel van bankinstellings in die besit aan nie-Likwiede Bates van diskontohuise en die NFK in verhouding tot hul besit aan daggelddeposito's.

Die bronne van banklikwiditeit, 1965–1977

deur J.H. Meijer en W. Brümmerhoff

In sy oorsigte van monetêre en banktoestande maak die Suid-Afrikaanse Reserwebank tans gebruik van twee formele statistiese ontledings van monetêre en verwante totale, naamlik:

- (1) Die Bank se **monetêre ontleding**, waarin veranderings in die besit aan geld en kwasi-geld van die binnelandse private nie-banksektor, soos dit op die gekonsolideerde balansstaat van die sogenaamde monetêre banksektor getoon word, op maandelikse basis verklaar word aan die hand van veranderings in die banksektor se besit aan netto goud- en ander buitelandse reserwes, netto eise teen die owerheidsektor, eise teen die private sektor, langtermyn-depositoverpligtigs teenoor die private sektor, en "ander" bates en laste. Verskillende vorms van hierdie ontleding, wat ook as die ontleding van die oorsake van veranderings in die geld- en kwasi-geldvoorraad aangedui word, is reeds sedert 1946 deur die Ekonomiese Departement van die Reserwebank gebruik, en tabelle wat die oorsake van veranderings in geld en kwasi-geld toon, is sedert Desember van daardie jaar in die Bank se **Kwartaalblad** opgeneem;¹
- (2) Die Bank se **geldmarkontleding**, waarin veranderings op korter termyn in die laste- en bateposte op die gekonsolideerde balansstaat van die Reserwebank en die Nasionale Finansiekorporasie waaruit die sogenaamde aanduiding van vernouing of verruiming van die geldmark (of geldmarkaanwyser) saamgestel is, verklaar word aan die hand van veranderings in die oorblywende bate- en lasteposte op daardie gekonsolideerde balansstaat. Stygings of dalings in die geldmarkaanwyser verteenwoordig toenames of afnames in die netto vrye reserwesaldo's van die monetêre bankinstellings by die Reserwebank en die Korporasie. Die resultate van 'n vroeëre vorm van die geldmarkontleding (wat toentertyd nog slegs op die bates en laste van die Reserwebank gebaseer was) is tussen 1959 en 1962 in die Bank se kwartaallikse ekonomiese oorsigte gepubliseer. In sy huidige vorm is hierdie ontleding formeel bekend gestel in die Bank se **Kwartaalblad** van September 1977,² en 'n tabel waarin hierdie ontleding op maandelikse basis getoon word, is vanaf daardie datum in die **Kwartaalblad** opgeneem.

1. Vir 'n toeligting en motivering van die twee vorms van die Reserwebank se monetêre ontleding wat sedert 1959 gebruik is, sien Van Staden, B.: " 'n Monetêre Ontleding vir Suid-Afrika", S.A. Reserwebank **Statistiese Kwartaalblad**, Maart 1963, bl. xxxviii-lix; De Kock, G.P.C.: "Geld, Kwasi-geld en die Monetêre Banksektor", en Van Staden, B.: " 'n Nuwe Monetêre Ontleding vir Suid-Afrika", S.A. Reserwebank **Kwartaalblad**, Maart 1966, bl. 35-41 en 42-49, onderskeidelik.
2. Sien Faure, A.P.: " 'n Geldmarkontleding", S.A. Reserwebank **Kwartaalblad**, Sept. 1977, bl. 41-47.

Die onderhawige artikel beoog om hierdie twee soorte ontledings aan te vul met 'n derde ontleding wat dit moontlik maak om die bydraes te bepaal van verskillende sektore van die ekonomie tot die sogenaamde "likwiditeitsbasis" van die bankstelsel soos aan die einde van enige besondere kalendermaand of -kwartaal, en tot veranderings in die likwiditeitsbasis tussen maandeindes of kwartaaleindes. Die likwiditeitsbasis bestaan uit die totale bedrag aan Likwiede Bates, soos in Artikel 1 van die Bankwet omskryf, wat deur die handelsbanke, die aksepbanke en die huurkoop-, spaar- en algemene banke, dit wil sê deur alle banke wat onderhewig is aan die Likwiede Batevereistes wat deur Artikel 17 van die Wet voorgeskryf word, in besit gehou word. Geen van die bates in die besit van die Reserwebank, die Nasionale Finansiekorporasie, die diskontohuise of die korttermynbedryf van die Landbank (wat almal deel uitmaak van die monetêre banksektor) word derhalwe by hierdie totaal ingesluit nie. Die ontleding van die likwiditeitsbasis gaan egter tot buiten die institutionele grense van die monetêre ontleding deur die Likwiede Batebesit van alle huurkoop-, spaar- en algemene banke (sowel as dié van die handelsbanke en die aksepbanke), en nie slegs dié van die monetêre banke wat by hierdie klasse bankinstellings inbegrepe is nie, by die "te verklare hoeveelheid" in te sluit.

Die ontleding van die likwiditeitsbasis verskil ook van die monetêre ontleding en die geldmarkontleding in dié opsig dat dit geen gebruik maak van 'n balansstaatidentiteit van totale laste en bates met betrekking tot enige besondere bank of gekonsolideerde groep bankinstellings nie. Die Likwiede Batebesit waarop dit betrekking het, word deur die betrokke banke op hul Maandstate (B.W.-Vorm 7), asook in die Likwiede Batekolom op hul Kwartaalstate van Bates en Laste (B.W.-Vorm 9), opgegee. Dit behoort egter opgemerk te word dat nie alle Likwiede Bates wat op hierdie wyse deur die banke opgegee word, ook noodwendig steeds tot hul beskikking sal wees om aan die Likwiede Batevereistes te voldoen nie.³

Belangrikheid van 'n ontleding van die likwiditeitsbasis

'n Verklaring van die grootte van die banke se likwiditeitsbasis, en van die veranderings daarin, is om

3. Hierdie situasie ontstaan deurdat (ingevolge Artikel 17(1) van die Bankwet en die Reserwebank se huidige beleidsmaatreëls) likwiede bankaksepte, handels- en landbouwissels en promesses wat as Likwiede Bates tel, slegs tot 'n maksimum van 20 persent van 'n bank se vereiste minimum bedrag aan ander Likwiede Bates as sy vereiste reserwesaldo's by die Reserwebank en die Nasionale Finansiekorporasie gebruik kan word om aan die Likwiede Batevereistes te voldoen. Die meeste banke se totale besit aan bankaksepte ens. wat as Likwiede Bates tel is tans egter heelwat onder hierdie maksimum, 'n toestand wat in wisselende mate reeds vanaf ongeveer die middel van 1975 bestaan het.

minstens twee redes belangrik. Ten eerste word in die Suid-Afrikaanse finansiële stelsel vir die doel van monetêre en kredietbeheer van die Likwiede Batevereistes van die Bankwet gebruik gemaak eerder as van die Wet se kontantreserwevereistes.⁴ Ingevolge hierdie vereistes moet die banke 'n minimum bedrag aan Likwiede Bates aanhou wat gelyk is aan die somtotaal van gespesifieerde persentasies van hul korttermyn-, middeltermyn- en langtermynverpligtings teenoor die publiek en hul verpligtings uit hoofde van aksepte. Vanweë hierdie bepaling, stel die banke se **werklike** besit aan Likwiede Bates 'n perk aan die potensiële uitbreiding van hul totale verpligtings teenoor die publiek, asook aan die totaal van hul portefeuilles van Likwiede en nie-Likwiede Bates wat deur middel van sulke verpligtings in stand gehou kan word. Aangesien die banke se gesamentlike besit aan Likwiede Bates ook 'n maksimum stel aan die bedrag van die krediet wat hulle in likwiede en nie-likwiede vorm kan verleen, kan die likwiditeitsbasis, vanuit 'n ander oogpunt beskou, ook aangedui word as die "kredietbasis" van die bankinstellings wie se Likwiede Bates by die likwiditeitsbasis ingesluit is.

Op enige besondere tydstip kan die banke se totale verpligtings teenoor die publiek beskou word as 'n veelvoud van hul besit aan Likwiede Bates, waarby die grootte van die betrokke vermenigvuldiger in hoofsaak afhang van: (1) die vlak van die Likwiede Batevereistes soos dit deur die monetêre owerhede met betrekking tot die banke se korttermyn-, middeltermyn- en langtermynverpligtings teenoor die publiek en hul verpligtings uit hoofde van aksepte, onderskeidelik, vasgestel is; (2) die voorkeure van die publiek vir korttermyn-, middeltermyn- en langtermyndeposito's of ander eise teen die banke, soos gedeeltelik bepaal deur die vergelykende rentekoerse wat daarop verdien kan word; en (3) die banke se eie vraag na oorskot-Likwiede Bates as persentasie van hul totale verpligtings teenoor die publiek.⁵ Die banke se eie vraag na oorskot-Likwiede Bates in verhouding tot hul verpligtings teenoor die publiek (dit wil sê hul

begeerde oorskotlikwiditeitsverhouding) sal op sy beurt waarskynlik gedeeltelik afhang van die differentiale tussen die heersende rente- en opbrengskoerse op nie-Likwiede Bates teenoor dié op Likwiede Bates.⁶ By enige gegewe vlak van hierdie koersverskille sal die begeerde oorskotlikwiditeitsverhouding, nes die vereiste **minimum** likwiditeitsverhouding, klaarblyklik egter ook beïnvloed word deur die loop-tydsmestelling of "termyn"-struktuur van die banke se verpligtings teenoor die publiek; dit is byvoorbeeld minder waarskynlik dat banke wat 'n oorwegende deel van hul verpligtings in die langtermynkategorie het, behoeft sal voel aan aansienlike bedrae aan oorskot-Likwiede Bates. Hierbenewens kan die banke se begeerde oorskotlikwiditeitsverhouding ook beïnvloed word deur oorwegings soos die vergelykenderwys "hoe" of "lae" peil van die geldende Likwiede Batevereistes;⁷ verwagtings betreffende veranderings in hierdie vereistes in die betreklik nabije toekoms; verwagtings betreffende veranderings in die opbrengs- en rentekoerse, wat die besit van langertermynneffekte (byvoorbeeld staatseffekte) kan aan- of ontmoedig ten koste of ten gunste van die korttermyn finansiële instrumente wat as Likwiede Bates geklassifiseer is; en verwagtings met betrekking tot toekomstige veranderings in die vraag van die private sektor na banklenings.

Indien die peil van die Likwiede Batevereistes, die publiek se voorkeure vir korttermyn-, middeltermyn- en langtermyndeposito's, en die banke se gesamentlike begeerde oorskotlikwiditeitsverhouding gegee is, is 'n toename in die likwiditeitsbasis klaarblyklik 'n noodsaklike voorwaarde vir 'n toename in die banke se totale verpligtings teenoor die publiek sowel as vir toenames in die geld- en kwasi-geldvoorraad en in die omvang van die banke se nie-likwiede krediet aan die private sektor en die owerheidsektor. In die lig van die feit dat die Likwiede Batevereistes ten opsigte van die banke se kort- en middeltermynverpligtings teenoor die publiek sedert die toepassing van die Bankwet in 1965 in werklikheid in baie aansienlike

4. Dit beteken onder andere dat die banke oor die algemeen min probleme ondervind om hul kontantreserves (dit wil sê hul saldo's by die Reserwebank) weer op peil te bring deur ander Likwiede Bates as kontant (byvoorbeeld daggeld by die Nasionale Finansiekorporasie of die diskontohuise) prys te gee, en gewoonlik ook toegelaat word en in staat is om dit op **vergelykenderwys** gunstige voorwaardes te doen.
5. Oorskot-Likwiede Bates bestaan uit die verskil tussen die totale bedrag aan Likwiede Bates in die besit van die banke wat werklik tot hul beskikking is om aan die Likwiede Batevereistes te voldoen en die minimum bedrag aan Likwiede Bates wat hulle ingevolge hierdie vereistes moet aanhou.
6. Die banke se vraag na oorskot-Likwiede Bates in verhouding tot hul totale verpligtings teenoor die publiek kan diagrammadies voorgestel word deur 'n kromme wat die verband toon tussen die banke se begeerde oorskotlikwiditeitsverhouding, wat op die een as afgemeet word, en 'n rentekoers wat die verskil tussen die opbrengs- en rentekoerse op nie-Likwiede en Likwiede Bates verteenwoordig, wat op die ander as afgemeet word. Veranderings in die

- verskillende faktore waarvan in die res van hierdie paragraaf sprake is, kan vir 'n **verskuwing** van hierdie funksionele verband verantwoordelik wees.
7. Dit kan beredeneer word dat die banke, in 'n andersins onveranderde situasie, geneigd sal wees om op 'n verhoging van die Likwiede Batevereistes te reageer deur hul gesamentlike begeerde oorskotlikwiditeitsverhouding te verlaag. Sien Meijer, J.H.: "Die Geleenheidsgrenslyn van Bankinstellings", *Suid-Afrikaanse Tydskrif vir Ekonomie*, Maart 1977, bl. 1-22. So 'n verlaging sou 'n weerspieëling wees van 'n awfaartse **verskuwing** van die oorskotlikwiditeitsvraagkurwes van individuele banke waarna in voetnoot 6 hierbo verwys is. Die mate van die verlaging van die banke se begeerde oorskotlikwiditeitsverhouding sal egter vergroot word indien die verhoging van die Likwiede Batevereistes self 'n vergroting van die verskille tussen die rente- en opbrengskoerse op Likwiede en nie-Likwiede Bates meebring. 'n Sodanige verdere verlaging sou deur 'n **beweging** langs die oorskotlikwiditeitsvraagskedes van individuele banke weergegee word.

Grafiek 1. Besit aan Likwiede Bates en totale verpligtings teenoor die publiek van bankinstellings,¹⁾ en die geld- en kwasi-geldvoorraad



1) Handelsbanke, aksepbanke en huurkoop-, spaar- en algemene banke

mate verhoog is, kon die baie groot styging in die geld- en kwasi-geldhoeveelheid in die Suid-Afrikaanse ekonomiese gedurende die afgelope 13 jaar of meer klaarblyklik slegs plaasvind op grond van 'n nog groter relatiewe toename in die likwiditeitsbasis van die bankstelsel.⁸ Grafiek 1 toon die toename in die likwiditeitsbasis, die geld- en kwasi-geldvoorraad en die banke se totale verpligtings teenoor die publiek vanaf Maart 1965.

'n Tweede rede om veranderings in die banke se gesamentlike Likwiede Batesbesit te bestudeer is dat

8. Die toename in die geld- en kwasi-geldvoorraad, in die banke se totale verpligtings teenoor die publiek, en in die likwiditeitsbasis van die banke vanaf die einde van Maart 1965 tot die einde van Desember 1977 het onderskeidelik 378 persent, 367 persent en 506 persent beloop. Die verhogings gedurende hierdie periode van die Likwiede Batesvereistes ten opsigte van die banke se kort- en middeltermynverpligtings het meegebring dat die verhouding van hul vereiste minimum besit aan Likwiede Bates tot hul totale verpligtings teenoor die publiek van ongeveer 19,6 persent aan die einde van Maart 1965 tot 27,7 persent aan die einde van Desember 1977 opgestoot is. Die styging in hierdie verhouding het voorgekom in weerwil van sekere

sulke veranderings, vir sover hulle lei tot stygings of dalings in die banke se werklike oorskotlikwiditeitsverhouding, waarskynlik met veranderings in rentekoerse en rentekoersdifferensiale gepaard sal gaan en 'n noodsaklike deel van die verklaring van sodanige koersbewegings sal wees. So sal 'n toestroming van kontantreserwes na die banke – moontlik as 'n weerspieëeling van 'n styging in die netto goud- en ander buitelandse reserwes van die Reserwebank wat nie die gevolg van waardasie-aansuiwerings is nie, of van 'n daling in die owerheid se deposito's by die Bank – byvoorbeeld normaalweg die banke se vraag na sowel likwiede as nie-likwiede rentedraende bates vergroot en 'n daling in die rentekoerse in die algemeen meebring; as 'n praktiese aangeleentheid sal die banke se meer onmiddellike portefeuiljereaksies en tydelike portefeuilje-ewewigsposisies oor die algemeen egter 'n sekere opgaring van daggelddeposito's by die diskontohuise of die Nasionale Finansiekorporasie behels. Namate die banke se likwiditeitsbasis en oorskot-Likwiede Bates egter toeneem, verswak die aandrang wat hulle ondervind om verdere toevoegings tot hul Likwiede Batebesit te maak, waardeur die swaartepunt van hul inkrementele vraag na verdienende bates geleidelik na die nie-Likwiede Bates verskuif word vanweë die beduidend hoër opbrengste wat gewoonlik daarop verdien kan word. Die gevoulige vernouing van die verskille tussen die rente- en opbrengskoerse op nie-Likwiede en Likwiede Bates het die uitwerking om die banke se werklike en begeerde oorskotlikwiditeitsverhoudings met mekaar te versoen, soos hierbo bespreek. Omgekeerd sal 'n inkrimping van die likwiditeitsbasis en van die banke se oorskotlikwiditeit as gevolg van 'n wegval van kontantreserwes van die banke waarskynlik deur sowel stygende rentekoerse as deur 'n vergroting van die rentekoersdifferensiale vergesel word.⁹

Vanweë die belangrikheid van veranderings in die likwiditeitsbasis by die verklaring van monetêre, krediet- en rentekoersverskynsels, is dit klaarblyklik

ontwikkelings met 'n sterk teenoorgestelde uitwerking, soos 'n opmerklike daling in die relatiewe belangrikheid van die banke se korttermynverpligtings vanaf 45 persent van hul totale verpligtings teenoor die publiek aan die einde van Maart 1965 tot 32 persent aan die einde van 1977. Dit behoort nogmaals beklemtuur te word dat die geld- en kwasi-geldvoorraad sekere verpligtings insluit van bankinstellings (die Reserwebank, die Nasionale Finansiekorporasie, die diskontohuise en die korttermynbedryf van die Landbank) wat nie in die ontleding van die likwiditeitsbasis betrek word nie, maar nie die geld- en kwasi-geldagtige verpligtings van die nie-monetêre huurkoop- en algemene banke en van die spaarbanke insluit nie.

9. Vir 'n ietwat meer breedvoerige bespreking van hierdie aangeleenthede, en van die omgekeerde verband (in die besonder sedert 1972) tussen die verskille in die rente- en opbrengskoerse op Likwiede en nie-Likwiede Bates andersyds en die banke se werklike oorskotlikwiditeitsverhouding andersyds, sien Meijer, J.H.: *Comments on Certain Aspects of Recent Interest Rate Behaviour*, voordrag gelewer voor uitvoerende beampies van Citibank N.A., Johannesburg, 19 Julie 1977, en S.A. Reserwebank Jaarlikse Ekonomiese Verslag 1977, bl. 31.

gewens dat die monetêre owerhede sal beskik oor inligting met betrekking tot die mate waarin verskillende sektore (dit wil sê die buitelandse sektor, die owerheidsektor, die nie-bank private sektor, of die bankstelsel self) banklikwiditeit skep of vernietig, dit sal skep of vernietig, of dit geskep of vernietig het. Inligting oor die seisoens- en sikliese verloop van die bydraes van hierdie verskillende sektore tot die likwiditeitsbasis in die verlede is klaarblyklik ook belangrik vir verbeterde vooruitskatting van toekomstige monetêre en krediettoestande. In die Reserwebank se huidige oorsigte van monetêre ontwikkelings word gereeld aandag gegee aan veranderings in die banke se oorskotlikwiditeitsposisie. Sulke veranderings word verklaar aan die hand van veranderings in die banke se werklike en vereiste Likwiede Batebesit; eersgenoemde veranderings word op hulle beurt dikwels, op ietwat losserige wyse, nagespeur tot by hul meer klaarblyklik belangrike oorsake, soos veranderings in die netto buitelandse reserwes van die Reserwebank of bewegings van fondse na en van die owerheidsektor. Die ontleding van die likwiditeitsbasis beoog om hierdie benadering formeel te maak op so 'n manier dat die somtotaal van die sektorale bydraes tot veranderings in die likwiditeitsbasis van die banke gedurende enige besondere periode gelyk is aan die verandering wat werklik in die banke se totale besit aan Likwiede Bates waargeneem is.

Verwantskappe tussen die monetêre ontleding, die geldmarkontleding en die ontleding van die likwiditeitsbasis

Alhoewel die monetêre ontleding, die geldmarkontleding en die ontleding van die likwiditeitsbasis te doen het met sake wat wesenlik van mekaar verskil, is daar sekere taamlik voor die hand liggende verwantskappe tussen hulle. "Oorvleueling" tussen hierdie drie soorte ontleding bestaan vir sover sekere oorsake van toenames of afnames in die geld- en kwasi-geldvoorraad ook die aanduiding van vernouing of verruiming van die geldmark (dit wil sê die monetêre banke se netto vrye saldo's by die Reserwebank en die Nasionale Finansiekorporasie), sowel as die likwiditeitsbasis van die bankstelsel, sal beïnvloed, en dan oor die algemeen ook in dieselfde rigting. 'n Aankoop van buitelandse valuta deur 'n handelsbank van 'n Suid-Afrikaanse uitvoerder sal byvoorbeeld die geld- en kwasi-geldhoeveelheid (en daardeur ook die "likwiditeit" van die private sektor volgens 'n eng opvatting van hierdie likwiditeitsbegrip) vergroot.¹⁰ Die daaropvolgende verkoop van hierdie buitelandse valuta deur die betrokke handelsbank aan die Reserwebank sal die handelsbank se kontantreserwes laat toeneem, die bedrag van die monetêre banke se netto

10. Die "oorsaak" van hierdie verandering in geld- en kwasi-geld sal dan deur die monetêre ontleding aangedui word as 'n toename in die netto goud- en ander buitelandse reserwes van die monetêre banksektor.

vrye saldo's by die Reserwebank en die Nasionale Finansiekorporasie verhoog (dit wil sê die waarde van die geldmarkaanwyser laat styg), en die banke se gesamentlike besit aan Likwiede Bates vergroot.

Op vergelykbare wyse sou opemarkaankope van staats- of ander effekte deur die Reserwebank van persone in die nie-bank private sektor die private sektor se besit aan geld en kwasi-geld laat toeneem¹¹ terwyl dit waarskynlik ook 'n toename in die monetêre banke se besit aan netto vrye saldo's by die Reserwebank-NFK sou meebring en die banke se likwiditeitsbasis sou verbreed. 'n Soortgelyke invloed, wat in die praktyk van aansienlike betekenis is, sal gewoonlik uitgeoefen word deur 'n daling in die owerheid se deposito's by die Reserwebank wanneer die owerheid in die loop van sy binnelandse bestellings- of skuldaflossingsbedrywigheide fondse uitbetaal. Hierteenoor het aankope van effekte deur die Reserwebank van monetêre banke geen invloed op die geld- en kwasi-geldvoorraad nie, aangesien die private nie-banksektor nie by 'n sodanige transaksie betrokke is nie. Alhoewel sulke effekte-aankope normaalweg die onmiddellike uitwerking het om die monetêre banke se netto vrye saldo's by die Reserwebank-NFK te laat styg, hang hul invloed op die likwiditeitsbasis van die banke af van die soorte effekte wat deur die banke verkoop en deur die Reserwebank aangekoop word. 'n Verkoop aan die Reserwebank van langtermynstaatseffekte, wat nie as Likwiede Bates tel nie, sou klaarblyklik die banke se likwiditeit verhoog. 'n Verkoop van korttermynstaatseffekte beteken daarenteen slegs dat een soort Likwiede Bates (die effekte) in die hande van die banke met 'n ander soort (kontantreserwes) vervang word, sodat die totaal van die banke se besit aan Likwiede Bates onveranderd bly.

Wat die meeste ander oorsake van veranderings in die geld- en kwasi-geldvoorraad betref, is hul meer onmiddellike uitwerking op sowel die geldmarkaanwyser as op die banke se likwiditeitsbasis en besit aan oorskot-Likwiede Bates egter gewoonlik taamlik beperk. 'n Handelsbank, aksepbank of monetêre huurkoop- of algemene bank se verlering van krediet aan die private sektor sal byvoorbeeld natuurlik die hoeveelheid geld en kwasi-geld laat toeneem maar sal die monetêre banke se reserwesaldo's by die Reserwebank-NFK en die geldmarkaanwyser normaalweg grotendeels onveranderd laat,¹² die banke se

totale besit aan Likwiede Bates kan dan egter toeneem indien die krediet aan die private sektor in 'n likwiede vorm verleen word (byvoorbeeld deur verdiskontering deur die banke van handelswissels of bank-aksepte wat as Likwiede Bates tel). Op soortgelyke wyse het verskuiwings deur die algemene publiek vanaf geld- en kwasi-gelddeposito's na langtermyndeposito's, of andersom, klaarblyklik geen invloed op die banke se totale reserwesaldo's of totale Likwiede Bates nie; die banke se oorskot-Likwiede Bates en netto vrye reserwesaldo's by die Reserwebank-NFK sal waarskynlik egter wel ietwat hierdeur beïnvloed word as gevolg van daaropvolgende veranderings in die banke se vereiste minimum besit aan Likwiede Bates en reserwesaldo's.

As samevatting van die voorgaande behoort dit duidelik te wees dat in die reël slegs die Reserwebank, en die owerheidsektor deur veranderings in sy deposito's by die Reserwebank te bewerkstellig, in staat is om die geld- en kwasi-geldvoorraad, die geldmarkaanwyser en die banke se likwiditeitsbasis gelyktydig en in dieselfde rigting te beïnvloed; sodanige gelyktydige invloede vereis regstreekse of onregstreekse transaksies tussen die sentrale bank of die owerheid en die private nie-banksektor. Die monetêre banke (dit wil sê die handelsbanke, die aksepbanke en die monetêre huurkoop- en algemene banke) kan egter klaarblyklik die geld- en kwasi-geldvoorraad laat toeneem, en sowel monetêre as nie-monetêre banke is in 'n nie-onbeduidende mate in staat om op hul eie initiatief hul besit aan Likwiede Bates te vergroot. Met voldoende tyd tot hul beskikking kan hierdie banke selfs hul netto vrye reserwesaldo's by die Reserwebank-NFK vermeerder (of verminder) sonder om die hulp van die sentrale bank in te roep. Hulle kan dit byvoorbeeld doen deur toe te laat dat 'n deel van hul besit aan korttermynstaatseffekte verval en afgelos word en deur die opbrengs van sodanige aflossings op hul gewone daggelddepositorekeningte by die Korporasie te plaas. Hierbenewens kan 'n sekere toename in hul totale reserwesaldo's of netto vrye reserwesaldo's ook teweeggebring word met hulp van die nie-bank private sektor.¹³

Veranderings in oorskot-Likwiede Bates, die geldmarkaanwyser en rentekoerse

Vir sover veranderings in dieselfde grondliggende faktore (met name in die netto buitelandse reserwes van die Reserwebank, en in die Bank se netto kredietverlening aan die owerheid- en private sektore) die monetêre banke se netto vrye saldo's by die Reserwebank-NFK sowel as die banke se oorskot-Likwiede Batesbesit in vergelykbare mate beïnvloed, kan die veranderings in of die geldmarkaanwyser of

11.Die "oorsaak" van hierdie toename in geld- en kwasi-geld sou dan 'n styling in die netto eise van die monetêre banksektor teen die owerheidsektor of in die banksektor se eise teen die private sektor wees.

12.Die geldmarkaanwyser kan later in werklikheid effens daal omdat 'n toename in die banke se korttermynverpligtings teenoor die publiek ook 'n toename in die banke se vereiste reserwesaldo's by die Reserwebank en die Nasionale Finansiekorporasie sou meebring. Die banke se totale reserwesaldo's by die Reserwebank-NFK kan ietwat daal indien die uitbreiding van die bankkrediet byvoorbeeld gepaardgaan met 'n styling in die bedrag aan banknote en munte wat buite die bankstelsel in omloop is.

13.Benewens die feit dat die banke deposante daartoe kan oorreed om verskuiwings van deposito's na die middelen/of langtermynkategorie te bewerkstellig, kan hulle binne perke ook daarin slaag om note en munte van die algemene nie-bank publiek aan te trek.

die banke se oorskotlikwiditeit gebruik word om veranderings in die rentekoerse en in rentekoersdifferensiale te help verklaar. Die geldmarkontleding bied dan die voordeel (vir die monetêre owerhede) dat dit met weeklikse (of potensieel selfs nog korter) tussenpose en met 'n baie kort tydsloering beskikbaar is. Verskeie ander faktore hou ongelukkig egter in dat die monetêre banke se netto vrye reservewesaldo's enersyds en die banke se gesamentlike oorskot-Likwiede Batesbesit andersyds nie noodwendig steeds 'n wesenlik soortgelyke verloop sal toon nie, veral nie oor ietwat langer periodes nie. Dit is in werklikheid prakties heeltemal moontlik dat stygings of dalings in die geldmarkaanwyser geen teëhanger het in soortgelyke veranderings in die banke se oorskotlikwiditeit nie;¹⁴ omgekeerd hoef toenames of afnames in die banke se besit aan Likwiede Bates en oorskot-Likwiede Bates nie met vergelykbare stygings of dalings in die geldmarkaanwyser gepaard te gaan nie.¹⁵ Die gebeure van die meer onlangse verlede (dit wil sê gedurende die grootste deel van die periode

14. 'n Styging in die geldmarkaanwyser wat nie deur 'n toename in die banke se besit aan Likwiede Bates en oorskot-Likwiede Bates geëwwenaar word nie, kan byvoorbeeld voorkom wanneer die banke hul besit aan korttermynstaatseffekte verminder terwyl hulle terselfertyd hul vrye saldo's (daggaalddeposito's) by die Nasionale Finansiekorporasie verhoog. Dit kom daarop neer dat die banke dan in verhoogde mate gebruik maak van die Korporasie as 'n tussenganger by die besit van staatseffekte. Sodanige gedrag, wat 'n vorm van verhoogde "likwiditeitsvoorkleur" onder die banke weerspieël, kan gegrond wees op banke se verwagtings met betrekking tot stygings in die rente- en opbrengskoerse op staatseffekte, verhoogde onsekerheid oor die toekomstige verloop van die opbrengskoerse, of verwagtings betreffende 'n toekomstige verlies van kontantreserves wat hulle andersins sou kon dwing om staats-effekte op 'n moontlik onontvanklike mark te verkoop. Die omgekeerde van 'n sodanige verloop van sake (dit wil sê 'n daling in die geldmarkaanwyser wat nie deur 'n afname in die banke se besit aan oorskot-Likwiede Bates geëwwenaar word nie) kan daarop dui dat die banke besig is om hul vrye saldo's by die Nasionale Finansiekorporasie te gebruik om korttermynstaatseffekte van die owerheid self op te neem (nuwe uitgifte) of om sulke effekte van die Reserwebank of die Korporasie oor te neem. Dit kom neer op 'n vorm van "disintermediasie" wat, op grond van die rentekoersverwagtings wat toentertyd onder die banke bestaan het, gedurende die tweede helfte van 1976 en die grootste deel van 1977 en 1978 in die praktyk van aansienlike betekenis geword het. 'n Vergelykbare ontwikkeling, met soortgelyke uitwerking, doen hom voor wanneer vrye saldo's (daggaalddeposito's) by die Nasionale Finansiekorporasie deur die banke van die Korporasie na die diskontohuise verskuif word. Dit veronderstel uiteraard dat die diskontohuise in staat en bereid is om verdere daggaalddeposito's te aanvaar.

15. 'n Toename in die banke se besit aan Likwiede Bates en oorskot-Likwiede Bates sonder 'n ooreenkomsysteem styging in die geldmarkaanwyser sal hom byvoorbeeld voordoen wanneer die banke 'n toestroming van nuwe kontantreserves gebruik om daggaalddelenings aan die diskontohuise te maak in plaas van om vrye saldo's by die Nasionale Finansiekorporasie op te gaar. Dit sal ook voorkom wanneer die banke ander Likwiede Bates as kontant van die nie-bank private sektor opneem, wat ook al die aard van die betrokke Likwiede Bates. 'n Soortgelyke resultaat kan geskep word wanneer die banke inteken op nuwe uitgifte

vanaf vroeë-1976 tot en met 1977 en 1978) het in werklikheid getoon dat die aanduiding van vernouing of verruiming van die geldmark en die banke se besit aan oorskot-Likwiede Bates langdurig in teenoorgestelde rigtings kan beweeg. Bygevolg is dit ook moontlik dat stygings in die geldmarkaanwyser gepaard gaan met stabiele of selfs met stygende geldmarkopbrengs- en -rentekoerse. Omgekeerd kan dalings in die aanwyser deur 'n stabiele of dalende peil van die rente- en opbrengskoerse vergesel word.¹⁶ Waar afwykings tussen die verloop van die geldmarkaanwyser en die banke se oorskotlikwiditeit voorkom, is dit waarskynlik dat laasgenoemde eerder as eersgenoemde van hulp sal wees by die verklaring van veranderings in die rentekoerse en in rentekoersdifferensiale, volgens die beginsels wat in 'n vorige afdeling van hierdie artikel aangedui is.

Die sektorale bronne van banklikwiditeit

Toenames of afnames in die likwiditeitsbasis van die banke kan voortspruit uit transaksies tussen buitelandse en binnelandse partye, uit die finansiële bedrywigheide van die owerheidsektor, uit die toevlug van die nie-bank private sektor tot kredietverlening deur die banke of uit die **netto** toevlug van hierdie sektor tot kredietverlening deur die sentrale bank, en uit transaksies tussen bankinstellings (met insluiting van die Reserwebank, die Nasionale Finansiekorporasie en die diskontohuise) onder mekaar. Die

van korttermynstaatseffekte; as die owerheid die opbrengs van sulke leenbedrywigheide egter nie onmiddellik bestee nie, kan die gevolg 'n onveranderde peil van die banke se Likwiede Batesbesit en 'n werklike daling in die waarde van die geldmarkaanwyser wees (wat deur die daarmee gepaardgaande toename in die owerheidsdeposito's by die Reserwebank teweeggebring word). Voorts, waar Likwiede Bates deur die banke van die nie-bank private sektor opgeneem word, sal enige daarmee gepaardgaande toename in die banke se korttermynverpligtings teenoor die publiek hul vereiste saldo's by die Reserwebank-NFK ietwat verhoog en die geldmarkaanwyser dienooreenkomsdig laat daal. 'n Afname in die banke se besit aan Likwiede Bates en oorskot-Likwiede Bates wat nie deur 'n daling in die geldmarkaanwyser geëwwenaar word nie, sal voorkom wanneer enigeen van die hierbovenoemde prosesse omgekeer word.

16. Pogings tot "disintermediëring" deur die banke (dit wil sê pogings tot vermeerdering van hul eie besit aan korttermynstaatseffekte ten koste van hul besit aan vrye saldo's by die Nasionale Finansiekorporasie) kan dui op verminderde "likwiditeitsvoorkleur" onder die banke en op 'n toename in die totale markvraag na korttermynwissels of -effekte van die owerheid of na effekte in die algemeen. Tensy dit deur teëwerkende optrede van die monetêre owerhede geneutraliseer word, sou dit neig om met dalende opbrengs- en rentekoerse gepaard te gaan. 'n Voorbeeld van 'n sodanige verloop van sake word verskaf deur die gebeure gedurende die tweede helfte van 1976, 1977 en 1978, waarna hierbo reeds verwys is. 'n Opmerklike daling in die geldmarkaanwyser gedurende die grootste deel van hierdie periode is vergesel deur 'n opwaartse neiging in die oorskotlikwiditeit van die banke en deur 'n deurgaans afwaartse neiging in verskeie geldmarkopbrengs- en -rentekoerse. Die langertermyn-opbrengskoerse het begin daal vanaf ongeveer Maart 1977.

sektorale bronne van veranderings in die banke se Likwiede Batebesit word in daardie volgorde bespreek.

Die buitelandse sektor as bron van banklikwiditeit

Die buitelandse sektor word in die eerste plek as 'n positiewe of negatiewe bron van banklikwiditeit beskou vir sover transaksies tussen buitelandse en binnelandse partye, soos dit op of die lopende of die kapitaalrekening van die betalingsbalans weerspieël word, lei tot 'n verandering in die netto goud- en ander buitelandse reserwes van die Reserwebank. Soos vroeër reeds opgemerk is, bestaan die onmiddellike uitwerking van 'n verkoop van buitelandse valuta aan die Reserwebank deur 'n bankinstelling wat as valutahandelaar optree uit 'n toename in die banke se reserwesaldo's by die Bank. Hierbenewens word egter ook aan die buitelandse sektor as 'n skepper (of vernietiger) van banklikwiditeit toegeskryf: (1) veranderings in die Reserwebank se goudbesit wat die gevolg is van die Bank se aankope van nuut-geproduseerde goud van die Kamer van Mynwese namens die goudproduserende myne, (2) toenames of afnames in die Bank se langtermyn buitelandse lenings toegestaan, en (3) toenames of afnames in die banke se eie besit aan goudmunt en staafgoud; laasgenoemde pos is egter meestal onbeduidend en veranderings daarin van maand tot maand kan gewoonlik as nietig beskou word. Nie ingesluit by die bydrae van die buitelandse sektor tot veranderings in die banke se likwiditeitsbasis nie, is veranderings in die banke se eie buitelandse valutareserves, aangesien buitelandse bates kragtens die Bankwet nie as Likwiede Bates tel nie.¹⁷

Toenames in die banke se besit aan kontantreserves by die Reserwebank, of dit die gevolg is van stygings in die Bank se netto buitelandse bates of van watter ander oorsaak ook al, kan vervolgens (1) in ander soorte Likwiede Bates omgesit word (indien dit byvoorbeeld as daggeld by die Nasionale Finansiekorporasie gedeponeer word),¹⁸ (2) vernietig word (indien dit byvoorbeeld gebruik word vir die aanskaf-

ting van nuut-uitgereikte langtermynstaatseffekte),¹⁹ of (3) die basis word vir 'n meervoudige toename in die banke se Likwiede Batebesit. Laasgenoemde verwikkeling sal hom byvoorbeeld voordoen indien individuele banke hul oorskotkontantreserves by die Reserwebank gebruik om, hetsy regstreeks of onregstreeks via die diskontohuise of die Nasionale Finansiekorporasie, ander Likwiede Bates as kontant (of selfs nie-Likwiede Bates, 'n verskynsel waarop hieronder kommentaar gelewer word) van markpartye in die nie-bank private sektor op te neem of oor te neem. Die verklaring van alle sodanige sekondêre en tersiêre invloede op die likwiditeitsbasis van die banke wat volg op die oorspronklike toename in die banke se besit aan kontantreserves, sal egter lê by ander bronne van banklikwiditeit as die buitelandse sektor, soos wat in die hieropvolgende afdelings bespreek word.

Die owerheidsektor as bron van banklikwiditeit

Die owerheidsektor tree hoofsaaklik as 'n positiewe bron van banklikwiditeit op (1) vir sover die owerheid se fiskale bedrywighede, die finansiering van sy tekorte, en sy staatskuldbeheer lei tot 'n toename in die totale uitstaande bedrag van die verhandelbare korttermynstaatskuld (skatkiswissels en korttermyn-effekte),²⁰ en (2) vir sover 'n sodanige toename in die korttermynstaatskuld nie of deur nie-bank private beleggers of deur die buitelandse sektor of die owerheidsektor self opgeneem word nie en ook nie met 'n ooreenkomsstige styging in die owerheid se deposito's by die Reserwebank gepaardgaan nie. Dit behoort opgemerk te word dat banke en nie-bankbeleggers in die ontleding van die likwiditeitsbasis of tot regstreekse besit, of, via hul besit aan daggeld by die Nasionale Finansiekorporasie of die diskontohuise wat aan hulle in feite 'n aandeel in die bateportefeuilles van hierdie instellings verleen, tot onregstreekse besit van die toenames in die volume van die uitstaande korttermynstaatskuld kan geraak.²¹

Benewens toenames in die korttermynstaatskuld wat deur die Reserwebank of deur die banke self geabsorbeer word sonder 'n gelykwaardige styging in die owerheid se deposito's, sal 'n daling in die ower-

17. As 'n verdere tegniese aansuiwing van die basiese gevawens word die bydrae van die buitelandse sektor tot die banke se likwiditeitsbasis verminder met die bedrag van die sogenaamde "verpligting van die Tesourie uit hoofde van trekkings op die Internasionale Monetêre Fonds". Hierdie bedrag word dan aan die owerheidsektor se bydrae tot die banke se likwiditeit toegevoeg. 'n Styging in hierdie bedrag tussen enige twee kwartaaleindes verminder derhalwe die buitelandse sektor se bydrae, en vermeerder die owerheidsektor se bydrae, tot die verandering in die likwiditeitsbasis van die banke gedurende die betrokke periode. Die rede vir hierdie aansuiwing is hoofsaaklik om maksimum vergelykbaarheid te behou tussen die monetêre ontleding, die geldmarkontleding en die ontleding van die likwiditeitsbasis.

18. Dit word veronderstel dat die Nasionale Finansiekorporasie dan van die toename in sy daggelddeposito-verpligtings gebruik sal maak om rentedraende bates (soos Landbankwissels en skatkiswissels) oor te neem van die Reserwebank.

19. Die veronderstelling is dat dit sal lei tot 'n gelykwaardige styging in die owerheidsdeposito's by die Reserwebank.

20. Die korttermynstaatskuld wat vir die banke as Likwiede Bates tel, bestaan uit Suid-Afrikaanse skatkiswissels en effekte van die Suid-Afrikaanse regering waarvan die laaste aflossingsdatum binne hoogstens drie jaar val. Hierdie effekte kan natuurlik effekte met 'n oorspronklike looptyd van meer as drie jaar insluit.

21. Die regstreekse besit aan korttermynstaatseffekte van die owerheidsektor self bestaan grotendeels uit dié van die Staatskuldkommissaris. Onregstreekse besit kan voorkom wanneer saldo's van die Staatskuldkommissaris of die Tesourie as daggelddeposito's by die diskontohuise of die Nasionale Finansiekorporasie gehou word, wat beteken dat die Kommissaris of die Tesourie op 'n basis van eweredigheid deel in die batebesit van hierdie instellings, soos in die teks aangedui.

heid se saldo's by die Reserwebank as gevolg van owerheidsbesteding normaalweg ook 'n toename in die banke se besit aan kontantreserves en 'n vergroting van die likwiditeitsbasis meebring. Ander metodes waarvolgens tekorte tussen die lopende owerheidsinkomste en -besteding, die netto terugbetaling van skuld wat deur die binnelandse nie-bank private sektor gehou word, of die netto terugbetaling van langtermynskuld wat deur binnelandse bankinstellings gehou word, gefinansier kan word, kan 'n soortgelyke uitwerking hê. So kan die sentrale regering, die provinsiale administrasies en sekere statutêre "fondse" en liggame binne die owerheidsektor byvoorbeeld op oortrokke rekening van die Reserwebank leen, wat van tyd tot tyd en soms vir langdurige periodes gedoen word; die bedrae wat hierby betrokke is, kan aansienlik wees. Hierbenewens kan die Reserwebank soms inteken op nuwe uitgifte van langtermynstaatseffekte of sulke uitgifte op aanvraag verkry.

As samevatting van die voorgaande, maar met voorlopige verontagsaming van die moontlike uitwerking van transaksies in die sekondêre mark in staatseffekte op die banke se Likwiede Batebesit, kan die berekening van die invloed van die owerheidsektor se finansiële bedrywigheede op die likwiditeitsbasis van die banke skematis soos volg uiteengesit word:

Toename (+), of afname (-), in die totale uitstaande verhandelbare korttermynstaatskuld,

Min toename, of plus afname, in die regstreekse en onregstreekse besit aan korttermynstaatskuld van:

- (a) die owerheidsektor,
- (b) die binnelandse nie-bank private sektor,
- (c) die buitelandse sektor,

Plus toename, of min afname, in die Reserwebank se besit aan langtermynstaatseffekte,

Plus toename, of min afname, in ander vorms van kredietverlening deur die Reserwebank aan die owerheidsektor,

Min toename, of plus afname, in die deposito's van die owerheidsektor by die Reserwebank,

Is gelyk aan toename of afname in die likwiditeitsbasis van die banke uit hoofde van die belastings- en bestedingsbedrywigheede, die finansiering van tekorte, en die staatskuldbeheer van en deur die owerheidsektor.

Die banke kan egter klaarblyklik hul gesamentlike besit aan korttermynstaatseffekte vermeerder (en hul likwiditeitsbasis vergroot), nie slegs deur in te teken op nuwe effekte-uitgifte of deur te tender vir skatkiswissels nie, maar ook deur voorheen uitgereikte effekte of skatkiswissels van binnelandse nie-bankbesitters daarvan aan te koop. Op soortgelyke wyse kan die Reserwebank die kontantreserves en die likwiditeitsbasis van die banke laat toeneem of inkrimp deur reeds bestaande korttermynneffekte of skatkiswissels in die ope mark van binnelandse nie-bankbeleggers aan te koop of dit aan hulle te verkoop. (Aankope of verkoop van korttermynneffekte of skatkiswissels van of aan die banke sal

daarenteen slegs een soort Likwiede Bates in die hande van die banke deur 'n ander soort vervang, soos hierbo reeds opgemerk is.) Hierbenewens sal die likwiditeitsbasis van die banke beïnvloed word wanneer voorheen uitgereikte langtermynstaatseffekte deur die Reserwebank van binnelandse nie-bankbeleggers of van die banke self aangekoop word of aan hulle verkoop word. Sulke aan- en verkope kan deur die Reserwebank aangegaan word by die uitvoering van sy opemarktransaksies vir doeleindes van monetêre beleid of by die voorsiening van akkommodasie aan bankinstellings, waarby die diskontohuise en die Nasionale Finansiekorporasie ingesluit is.

Statisties kan die transaksies van die banke of die Reserwebank in voorheen uitgereikte staatseffekte op die sekondêre of ope mark gerедelik in die bestaande skematische uiteensetting van die uitwerking van die owerheidsektor op die banke se likwiditeitsbasis ondergebring word. Hulle laat egter in soverre 'n probleem ontstaan dat die beweegredes en die initiatief vir sulke transaksies klaarblyklik berus by die partye tussen wie die transaksie aangegaan word (dit wil sê by die banke, die Reserwebank of nie-bank private beleggers), in plaas van by die owerheidsektor self. Bowendien sal die omvang en die aard van die betrokke effektetransaksies nie noodwendig enige verband toon met die mate waarin die owerheidsektor terselfdertyd sy toevlug tot die bankstelsel neem om syleen behoeftes te finansier nie. Dit is derhalwe 'n ope vraag of die owerheidsektor in sulke gevalle nog beskou behoort te word as die sektorale bron wat vir die begeleidende veranderings in die banke se likwiditeit verantwoordelik is.²²

In die ontleding van die likwiditeitsbasis word die uitwerking van die betrokke effektetransaksies op die banke se gesamentlike Likwiede Batebesit in werklikheid wel aan die owerheidsektor toegeskryf. Verskeie argumente kan aangevoer word om hierdie benadering te regverdig.

Ten eerste word, as 'n praktiese aangeleentheid, 'n oorweldigende groot deel van die uitstaande Suid-Afrikaanse verhandelbare korttermynstaatskuld (maar nie van die langtermynskuld nie) deur die bankstelsel (met insluiting van die Reserwebank, die Nasionale Finansiekorporasie en die diskontohuise) en die Staatskuldkommissarisse in besit gehou. Die betreklik klein gedeelte van hierdie skuld wat in die hande van nie-bank private beleggers is, sal gewoonlik om ietwat spesiale redes aangekoop wees en kan waarskynlik as in betreklik vaste eienaarskap beskou

22'n Soortgelyke, en verwante, probleem bestaan in die monetêre ontleding. Die oorsaak van 'n toename in die geld- en kwasi-geldvoorraad wat voortspruit uit monetêre banke se aankope van staatseffekte van die private nie-banksektor word in daardie ontleding geag om te bestaan uit 'n toename in die banksektor se netto eise teen die owerheidsektor. Fondse sal dan egter deur die banke aan die private sektor in plaas van aan die owerheidsektor voorsien wees, en die owerheidsektor sal nie by so 'n transaksie betrokke gewees het nie.

word.²³ Onder hierdie omstandighede is die banke se geleenthede om hul Likwiede Batebesit deur die aankoop van korttermynstaatskuld bewyse van nie-bankbeleggers aan te vul, klaarblyklik beperk.²⁴ Die totale beskikbaarheid van die betrokke wissels en effekte, eerder as verskuiwings van hierdie skuldinstrumente tussen verskillende eienaars, is derhalwe die mees deurslaggewende faktor by die bepaling van die bedrag van die korttermynstaatskuld in die banke se gesamentlike Likwiede Bateportefeuille.

Ten tweede sou dit in die praktyk baie moeilik wees om te bepaal hoe en van wie die korttermynstaatseffekte of skatkiswissels wat op enige besondere tydstip in die portefeuilles van die banke en die diskontohuise gehou word, histories verkry is. Dit sou in werklikheid nagenoeg onmoontlik wees om vast te stel watter deel van hierdie instellings se gesamentlike besit aan korttermynstaatskuld soos aan die einde van enige gegeue maand of kwartaal sy oorsprong gehad het in inskrywings op nuwe uitgifte en in transaksies met nie-bank private beleggers in die sekondêre mark, onderskeidelik.²⁵ Soortgelyke probleme, hoewel moontlik nie onoorkoomlik nie, sou bestaan met betrekking tot die besit aan korttermynstaatskuld van die Reserwebank en die Nasionale Finansiekorporasie en die besit aan langtermynskuld van die Reserwebank.

Ten slotte is dit in belangrike mate waarskynlik gepas om aankope van korttermynstaatskuld-instrumente deur die banke of die Reserwebank van nie-

23. Op maandeindes gedurende 1977 het die aandeel van die nie-bank private beleggers in die totale uitstaande bedrag aan skatkiswissels en korttermynstaatseffekte gemiddeld effens meer as vyf persent beloop. Die grootste enkele groep nie-bank private besitters het bestaan uit die bouverenigings, wat gedurende die jaar hul portefeuilles aan korttermynneffekte vergroot het gedeeltelik as reaksie op die herinstelling van Voorgeskrewe Beleggingsvereistes wat deur die Minister van Finansies in sy Begrotingsrede vir 1977/78 aangekondig is.

24. Hierdie faktor verhoog op sigself die potensiële effektiwiteit van die Likwiede Batevereistes as 'n monetêre beleidsinstrument.

25. Die probleem van die "klassifikasie volgens oorsprong" van die korttermynwissels en -effekte van die owerheid wat deur die banke en die diskontohuise in besit gehou word, word vererger deur die feit dat altans 'n deel van hierdie skuldbewyse gedurende 'n enkele kwartaal herhaaldelik van eienaar kan verwissel het (waarby dit moontlik by een of meer geleenthede van die banke na nie-bank private beleggers en vervolgens weer terugbeweeg het). By die opstelling van kwartaallikse gegewens oor die bronne van banklikwiditeit is dit nie vanselfsprekend dat slegs die mees onlangse transaksie in die betrokke skatkiswissels of staats-effekte (wat dan 'n verkoop deur 'n nie-bank belegger aan 'n bank of diskontohuis behels het) vir die doel van so 'n klassifikasie ter sake is nie. In plaas daarvan kan dit soms nodig blyk te wees om so 'n transaksie meer sinvol te beskou asof dit slegs die onmiddellik voorafgaande transaksie (wat 'n verkoop deur 'n bank aan 'n nie-bank belegger behels het) gekanselleer of geneutraliseer het. Hiervolgens kan die owerheidsektor nog die "ware" voordekkertrekker van die bank se effekte-aankope wees, en ook die "werklike" bron van die toename in die banke se besit aan likwiede effekte, met betrekking tot die kwartaal waarvoor gegewens bymekaargemaak word.

bank private beleggers slegs met betrekking tot die meer onmiddellike uitwerking van sulke aankope as 'n verlening van bankkrediet aan die nie-bank private sektor te beskou. (Insgeelyks behoort aankope van langtermynstaatseffekte deur die Reserwebank van die banke of van nie-bankbeleggers slegs met betrekking tot die meer onmiddellike gevolge van sulke aankope as 'n voorsiening van krediet deur die sentrale bank aan die banke of aan die nie-bank private sektor beskou te word.) Volgens enige sienswyse van hierdie saak wat meer as net 'n betreklik baie kort termyn in ag neem, behoort sulke effekttransaksies waarskynlik vertolk te word asof dit in werklikheid 'n omwegmetode vir die verlening van akkommodasie deur die banke of die sentrale bank aan die owerheidsektor is. In hul pogings om fondse te bekom, sal die nie-bank private besitters van korttermynstaatskuld-instrumente byvoorbeeld mettertyd die keuse hê om toe te laat dat die betrokke wissels of effekte verval en afgelos word. Enige daling in die owerheidsedeposito's by die Reserwebank wat daaruit sou voortvloei (wat 'n styging in die netto kredietverlening van die Reserwebank aan die owerheid beteken), sou uiteindelik neig om dieselfde uitwerking op die banke se likwiditeitsbasis te hê as wat die geval sou wees met aankope deur die banke of die Reserwebank van die effekte wat deur die nie-bank private sektor van die hand gesit word, ('n Vergelykbare invloed sal neig om uitgeoefen te word deur die owerheid se toevlug tot verhoogde kredietopname van die banke of die Reserwebank wanneer sy kontantsaldo's uitgeput is.) Op soortgelyke wyse kan aankope deur die Reserwebank van langtermynstaatseffekte in die mark of by die verlening van akkommodasie aan bankinstellings uiteindelik 'n plaasvervanger wees vir 'n verhoogde mate van regstreekse toevlug van die owerheid tot die Reserwebank of tot die bankstelsel in die algemeen op 'n manier wat 'n vergelykbare uitwerking op die banke se likwiditeitsbasis sou hê.

Vanuit 'n statistiese oogpunt gesien het die meer omvattende vertolking van die owerheidsektor se bydrae tot veranderings in die banke se likwiditeitsbasis dié voordeel dat dit die grootte van hierdie bydrae gedurende enige besondere periode ietwat nader bring aan die omvang van die veranderings in die netto eise van die banksektor teen die owerheidsektor as 'n oorsaak van veranderings in die geld- en kwasi-geldvoorraad, en van die veranderings in die netto eise van die Reserwebank-NFK teen die owerheidsektor as 'n oorsaak van veranderings in die geldmarkaanwyser. Dit moet nietemin aanvaar word dat die bovenoemde argumente op 'n meer analitiese vlak duidelik nie steeds ten volle oortuigend sal wees nie en ook minder oortuigend kan word wanneer en namate die opemarktransaksies van die Reserwebank of die banke se aankope van staats-effekte van nie-bankbeleggers van groter belang word as wat tot dusver die geval was. Soos vroeër reeds opgemerk is, wil dit ook voorkom of die meer omvattende meting van die owerheidsektor se bydrae tot

veranderings in die banke se totale Likwiede Batebesit meer gepas is by die vertolking van monetêre ontwikkelings van 'n langtermyn- eerder as van 'n seisoens- of ander betreklike korttermynnaard.

As 'n laaste element by die berekening van die owerheidsektor se bydrae tot die likwiditeitsbasis moet 'n "aansuiwering" gemaak word om rekenskap te gee van die verskille tussen die bedrae van die banke se besit aan korttermynstaatseffekte soos dit op hul Maandstate en hul Kwartaalstate van Bates en Laste opgegee word en die bedrae van hierdie effekte wat in die verdeling van die binnelandse bemarkbare effekteskuld van die sentrale regering volgens besitter aan hulle toegereken word.²⁶ Hoewel hierdie verskillende normaalweg onbeduidend en soms nietig is, kan dit van tyd tot tyd groot word. Dit sal byvoorbeeld gebeur wanneer die banke die Reserwebank vir akkommodasie genader het en korttermynstaatseffekte as onderpand vir lenings aangebied het. Artikel 24 van die Bankwet bepaal dat geen bates wat verpand of andersins beswaar is, deur 'n bank gebruik mag word om aan sy Likwiede Batevereistes te voldoen nie. Vanweë hierdie bepaling het sulke bates in werklikheid hul status as Likwiede Bates verloor en word hulle van die Likwiede Bates (maar nie van die Totale Bates nie) soos dit op die banke se opgawes getoon word, uitgesluit.

Die nie-bank private sektor as bron van banklikwiditeit

Die nie-bank private sektor is 'n bron van banklikwiditeit vir sover: (1) sekere tekortbegrotingseenhede in hierdie sektor toegelaat word om regstreeks van die Reserwebank te leen en dit normaalweg sal doen sonder om 'n gelykwaardige bedrag aan saldo's by die Bank op te gaan (gesien die feit dat deposito's van die nie-bank private sektor by die Bank by die bepaling van die banke se likwiditeit 'n negatiewe faktor is); (2) 'n beperkte bedrag aan effekte van die nie-bank private sektor wat nie as Likwiede Bates tel nie, deur die Reserwebank in besit gehou word; (3) sekere soorte lenings van die banke aan die nie-bank private sektor in die hande van die banke as Likwiede Bates tel; en (4) verskillende soorte verhandelbare korttermynskuldinstrumente wat deur die nie-bank private sektor uitgereik is, in die hande van die banke as Likwiede Bates tel, terwyl sommige van hierdie instrumente by geleentheid ook deur die Reserwebank opgeneem kan word.

Die eerste van hierdie poste het hoofsaaklik, hoewel nie uitsluitend nie, betrekking op die Reserwebank se akkommodasie, wat grotendeels van 'n

26.Soos dit in Tabel S-53 in die Reserwebank se Kwartaalblad getoon word. Dit behoort opgemerk te word dat staats-effekte wat as Likwiede Bates tel, deur die banke op hul opgawes teen hul markwaardes (soos deur die Staat-skuldkommissaris bepaal) opgegee word. In die verdeling volgens eienaars word die eienaars se besit teen die nominale waarde daarvan getoon.

seisoensaard is, van die Landbank (wat vir die doel van die ontleding van die likwiditeitsbasis as deel van die nie-bank private sektor beskou word) deur middel van die verdiskontering van Landbankwissels. Ewe-eens by hierdie pos ingesluit is egter die meestal betreklik beperkte bedrae aan lenings van die Reserwebank op oortrokke rekening aan 'n groot verskeidenheid statutêre en semi-openbare liggeme wat as deel van die private eerder dan as van die owerheidsektor geklassifiseer behoort te word. Die tweede pos, wat hier grotendeels slegs volledigheidshalwe genoem word, omvat die Reserwebank se besit aan effekte van openbare korporasies, wat baie beperk is en slegs selde verander word. Die derde pos bestaan in wese slegs uit die handelsbanke se lenings aan die Landbank wat na keuse van die uitlenende bank in wissels van die Landbank omgesit kan word. Die vierde pos sluit in die banke se heel aansienlike besit aan obligasies van die Landbank wat binne hoogstens drie jaar verval, sowel as uitvoerkrediet- "notes" en -obligasies van die Nywerheid-ontwikkelingskorporasie met 'n looptyd wat nie drie jaar te bove gaan nie. Ook by hierdie pos ingesluit is egter die Reserwebank en ander banke se besit aan likwiede bankaksepte, handels- en landbouwissels en promesses wat voldoen aan die vereistes van die Bankwet, soos nader uiteengesit in die Regulasies kragtens die Bankwet, om as Likwiede Bates te tel.

Landbankwissels en korttermynobligasies van die Landbank, en bankaksepte, handelswissels en promesses wat as Likwiede Bates tel, kan, net soos die verhandelbare korttermynskuldinstrumente van die owerheid, of regstreeks, of onregstreeks via die diskontohuise en/of die Nasionale Finansiekorporasie, deur die banke in besit gehou word.²⁷ 'n Sekere probleem met betrekking tot die "korrekte" sektorale klassifikasie van die oorsprong van 'n toename in die banke se likwiditeitsbasis kan, altans in beginsel, weer ontstaan vir sover aankope deur die Reserwebank van nie-likwiede eise teen die nie-bank private sektor van bankinstellings die uitwerking sou hê om die banke se Likwiede Batebesit te vermeerder, maar waarskynlik nie geag behoort te word om 'n weerspieëeling te wees van banklikwiditeitskeppende bedrywigheid van besluitnemers in die nie-bank private sektor nie.²⁸

As 'n algemene beginsel bring die banke se verkry-

- 27.Die Nasionale Finansiekorporasie besit egter nie bankaksepte, handels- of landbouwissels of promesses nie. Tot dusver het nog die Korporasie nog die diskontohuise uitvoerkrediet- "notes" of -skuldbrieve van die Nywerheid-ontwikkelingskorporasie in hul besit gehad.
- 28.Hierdie probleem is egter ietwat hipoteties. Aankope deur die Reserwebank van bankinstellings van nie-likwiede effekte wat deur die nie-bank private sektor uitgereik is, is ongewoon en sal meestal van min betekenis wees. Aankope of herdiskonterings deur die Reserwebank van Landbankwissels of bankaksepte (laasgenoemdes slegs vanaf die begin van 1978) van of vir die banke, die diskontohuise of die Nasionale Finansiekorporasie, is natuurlik nie ongewoon nie maar vergroot nie die banke se likwiditeitsbasis nie.

ging van likwiede eise teen die nie-bank private sektor van markpartyé in die nie-bank private sektor geen onmiddellike verlies van kontantreserwes vir hulle mee nie en verbreed dit dus hul likwiditeitsbasis. Vir sover die nie-bank private sektor deur die banke oorreed kan word om in likwiede vorm of deur middel van verhandelbare instrumente wat as Likwiede Bates tel, te leen, is die banke derhalwe in staat om hul Likwiede Batebesit op hul eie inisiatief uit te brei op 'n wyse wat nie aan regstreekse beheer deur die monetêre owerhede onderhewig is nie. Soos vroeër reeds opgemerk is, het die owerhede op hierdie potensiële swak skakel in hul monetêre beheerstelsel gereageer deur 'n perk te stel aan die mate waarin bankaksepte, handels- en landbouwissels en promesses wat as Likwiede Bates tel, deur die banke gebruik kan word om aan hul Likwiede Batevereistes te voldoen.²⁹ Hierbenewens mag sulke instrumente nie meer as 35 persent van die totale batebesit van die diskontohuise beloop nie.³⁰

'n Laaste soort invloed van die nie-bank private sektor op die likwiditeitsbasis van die banke word uitgeoefen deur veranderings in die bedrag aan munte en note wat onder die nie-bank publiek in omloop is. In beginsel sou 'n styging in die sogenaamde muntpverpligting van die Tesourie uit hoofde van 'n toename in die bedrag aan munte *uitgereik* moontlik as 'n positiewe bron van banklikwiditeit aan die owerheidsektor toegeskryf kon word. So 'n toename sou dan beskou word as vergelykbaar met 'n toename in die uitstaande bedrag van die verhandelbare rentedraende korttermynstaatskuld, en sou dan toevlug tot die muntryse in plaas van tot die drukpers beteken om die owerheid se tekorte te finansier. Die ontleding van die likwiditeitsbasis stel hom egter op die standpunt dat die muntpverpligting van die Tesourie in wese slegs bestaan op grond van die algemene publiek se behoefte aan betaalmiddelle van klein denominasies wat van hand tot hand kan gaan. Toenames in die totaal aan munte *uitgereik* deur die Tesourie word dienooreenkomsdig beskou as deel van die positiewe bydrae van die nie-bank private sektor

29.Sien voetnoot 3 hierbo. Hierdie beperking is ingestel deur wysigings van die Bankwet van 1965 in 1972, as reaksie op sienswyses wat in die Derde Verslag van die Kommissie van Ondersoek na die Fiskale en Monetêre Stelsel (die Franzsen-kommissie) van 1971 (par. 622) uitgespreek is en op aanbevelings in die Verslag van die Tegniese Komitee oor Bank- en Bouverenigingwetgewing (die Franzsen-komitee) van 1972 (par. 42).

30.Hierdie beperking bestaan kragtens 'n informele ooreenkoms tussen die Reserwebank en die diskontohuise. Die betrokke maksimum op die aandeel van (likwiede) bankaksepte ens. in die totale bateportefeuille van die diskontohuise dateer van ongeveer 1964 en het aanvanklik 40 persent bedra maar is vanaf 1 November 1975 tot 35 persent verlaag. By afwesigheid van so 'n beperking sou die banke in beginsel in staat kon wees om alle handelwissels en bankaksepte wat nie gebruik kan word om aan die Likwiede Batevereistes te voldoen nie, op die diskontohuise af te skuiif, in ruil vir 'n vergrote besit aan daggeldlenings aan die diskontohuise wat in onbeperkte mate gebruik kan word om aan die Likwiede Batevereistes te voldoen.

tot die banke se likwiditeitsbasis. Toenames in die bedrag aan munte wat werklik buite die banke en die Reserwebank *in omloop* is, moet natuurlik beskou word as 'n faktor wat die banke se likwiditeit verminder en ewe-eens in die nie-bank private sektor sy ontstaan het. 'n Toename in banknote wat onder die nie-bank publiek *in omloop* is, kom eenvoudig tot stand ten koste van die kontantreserwes in die kluse van die banke of van hul kontantreserwesaldo's by die Reserwebank sonder enige neutraliserende kontra-pos in die rekeninge van die owerheid. Die daarmee gepaardgaande afname in die likwiditeitsbasis van die banke moet insgelyks aan die nie-bank private sektor toegeskryf word.

Die bankstelsel as bron van banklikwiditeit

Die bankstelsel kan self 'n bron van banklikwiditeit wees, ten eerste omdat bankinstellings (wat in hierdie verband nie die Reserwebank, die Nasionale Finansiekorporasie, die diskontohuise of die Landbank insluit nie) deposito's van mekaar kan aanvaar wat vir die deponerende instellings as Likwiede Bates tel. Aangesien dit gelyk het of die Bankwet van 1965 in sy oorspronklike vorm aan die banke ruimte gelaat het om hul eie likwiditeitsbasis op hierdie wyse binne potensieel betreklik wye grense te vergroot, is daar deur die wysigings van die Wet in 1972 beperkings gestel aan die soorte deposito's van banke by banke wat in die vervolg nog as Likwiede Bates sou tel. Voor November 1972 het die omskrywing van Likwiede Bates in die Bankwet alle onmiddellik opeisbare deposito's *ingesluit* wat deur 'n bank by 'n "monetêre" bankinstelling gehou is.³¹ Onder die huidige omstandighede bestaan die enigste "interbank"-deposito's wat nog by Likwiede Bates *ingesluit* is uit deposito's waarop daar geen rente verdien word nie, wat onmiddellik per tjak opvraagbaar is en wat deur 'n bankinstelling wat nie 'n lid van die verrekeningshuis is nie, by 'n ander bank aangehou word.

Ook *ingesluit* by die bankstelsel as 'n bron van veranderings in die banke se gesamentlike Likwiede Batebesit is veranderings in die "netto ander bates" van die Reserwebank. Hierdie pos word bereken as die bedrag van die bates van die Bank met uitsondering van sy besit aan munte, goud- en ander buitelandse reserwes, langtermyn buitelandse bates, en geïdentifiseerde eise teen die owerheidsektor en die nie-bank private sektor, *min* die bedrag van sy laste met uitsondering van sy buitelandse laste, owerheidsdeposito's, deposito's van die nie-bank private sektor, en note *in omloop*. Ingesluit by hierdie pos aan die batekant van die Reserwebank se Staat van Laste en Bates is derhalwe die Bank se lenings aan

31.In hierdie verband was 'n "monetêre" bankinstelling 'n bank wat ingevolge die Bankwet 'n reserwesaldo by die Reserwebank in stand moes hou omdat sy korttermynverpligtings teenoor die publiek R500 000 oorskry het.

ander binnelandse banke, die diskontohuise en die Nasionale Finansiekorporasie, en sy "ander bates"; ingesluit aan die lastekant is die Bank se kapitaal en reserwefondse, en sy "ander laste". Die totale pos "netto ander bates van die Reserwebank", wat homself klaarblyklik nie geredelik leen tot 'n volledige sektorale ontleding nie, het vir sekere tyd (dit wil sê veral vanaf 1975 tot 1977) 'n betreklik groot sowel as veranderlike bestanddeel van die bankstelsel se totale bydrae tot die banke se gesamentlike Likwiede Batebesit uitgemaak.³²

Die laaste komponent van die bankstelsel se eie bydrae tot veranderings in die banke se likwiditeitsbasis bestaan uit veranderings in die bedrag van die "omsetting" van nie-Likwiede Bates in Likwiede Bates wat deur die diskontohuise en die Nasionale Finansiekorporasie vir instellings wat daggeld by hulle hou, bewerkstellig word. Soos in verskeie vroeëre afdelings van hierdie artikel reeds terloops opgemerk is, word die diskontohuise en die Korporasie in die ontleding van die likwiditeitsbasis as tussengangers beskou; banke en ander besitters van daggeld by die huise en die Korporasie word dienoorenkomsdig geag om 'n aandeel in die verskillende

32. Hierdie verloop van sake het in belangrike mate in verband gestaan met die geleidelike opbouing van aansienlike batige saldo's op die sogenaamde Termynkontrakte-gebeurlikhedsreserwerekening en die Wisselkoersverskillerekening in die boeke van die Reserwebank. Eersgenoemde het voortgespruit uit verliese wat die Bank by die voorsiening van termyndekking gely het, laasgenoemde uit verliese wat die Bank opgedoen het as gevolg van herwaarderings van sy laste en bates wat in buitelandse geldeenhede betitel is ooreenkomsdig die afwaartse swiveling (of devaluasie) van die rand. In die lig van die feit dat die Bank, kragtens die Wet op Betaalmiddele en Wisselkoerse van 1933, deur die regering vergoed sou (en sal) word vir verliese wat hy op sy termynvalutakontrakte of uit hoofde van veranderings in wisselkoerse gely het, verteenwoordig 'n batige saldo op hierdie rekening (en hul huidige teehangers) klaarblyklik 'n eis teen die owerheidsektor. 'n Toename in die batige saldo op die TKGR-rekening het, *ceteris paribus*, ook klaarblyklik die uitwerking gehad om Likwiede Bates aan die banke te voorsien of, noukeuriger gestel, om 'n daling in die banke se besit aan kontantreserves en Likwiede Bates te verhoed. Stygings in die een of die ander van die betrokke batige saldo's sou egter klaarblyklik nie hul oorsprong gehad het in gelyktydige belastings- of bestedingsbedrywighede, die finansiering van tekorte of die staatskuldbeheer van en deur die owerheid nie; terselfdertyd sou hulle ook nie 'n weerspieëling gewees het van bewuste optrede deur die bankstelsel om verdere krediet aan die owerheidsektor te verleen of om sy eise teen die owerheidsektor te vermeerder nie. Bygevolg is dit twyfelagtig of hierdie saldo's as 'n bestanddeel van die Reserwebank se "ander bates" sinvol as deel van die owerheidsektor se bydrae tot die likwiditeitsbasis van die banke beskou kan word. Om hierdie en ander redes het dit gelyk of dit voorkeur verdien om sulke saldo's te hanteer as finansiële eise wat voortspruit uit ontonome optrede van die sentrale bank waartoe sekere eksterne gebeurtenisse aanleiding gegee het. Dit beteken dat hulle vir die doel van die ontleding van die likwiditeitsbasis aan die bankstelsel in plaas van aan die owerheid-, die buitelandse of die nie-bank private sektor toegeskryf word as faktore wat bydra tot die banke se Likwiede Batebesit.

bates van hierdie instellings te hê wat regstreeks eweredig is tot die deel wat hul daggelddeposito's van hierdie instellings se totale laste uitmaak. Terwyl daggelddeposito's by die diskontohuise en die Korporasie egter vir die banke wat dit besit ten volle as Likwiede Bates geld, geniet sekere van die bates in die portefeuilles van hierdie instellings nie die status van Likwiede Bates nie en sou dit nie deel van die banke se likwiditeitsbasis gewees het indien die banke dit regstreeks in plaas van onregstreeks via hierdie tussengangers besit het nie. Die diskontohuise en die Korporasie oefen derhalwe nie net in die tegniese sin van batelikwiditeit nie, maar ook in die statutêre betekenis daarvan, die funksie van 'n tussenganger uit om minder likwiede bates in meer likwiede bates om te sit. Nie-Likwiede Bates in besit van die diskontohuise sal normaalweg betreklik aansienlike bedrae aan verhandelbare depositosertifikate van bankinstellings, enkele beleggings in langertermynstaatseffekte en in die effekte van plaaslike owerhede en openbare korporasies, en 'n klein bedrag aan "ander bates" insluit.³³ Nie-Likwiede Bates wat deur die Nasionale Finansiekorporasie gehou word, sal ewe-eens beleggings in langertermynstaatseffekte en in die effekte van plaaslike owerhede en openbare korporasies insluit, asook "ander beleggings" en enkele "ander bates". Alhoewel die totale bedrag van die "omsetting" van nie-Likwiede Bates in Likwiede Bates deur die diskontohuise en die Nasionale Finansiekorporasie vir die banke oor die algemeen nie groot was nie, het dit gedurende die grootste deel van 1974, 1975 en die begin van 1976 'n betreklik hoë peil bereik en was dit aan die einde van Maart en Junie 1975 verantwoordelik vir meer as 10 persent van die totale likwiditeitsbasis.

Verloop van die likwiditeitsbasis oor tyd

Seisoenselemente

Waar seisoenselemente ook maar enigsins belangrik is by die bepaling van veranderings oor die tyd in die verskillende sektorale bydraes tot die likwiditeitsbasis of in die likwiditeitsbasis self, kan die verwydering daarvan uit die betrokke tydreekse om twee redes nodig wees. Ten eerste laat slegs seisoensaangesuiwerde gegewens 'n korrekte identifikasie toe van die sikliese en ander langertermynkrakte wat die

33. Vanaf die begin van 1978 is daar ook erkenning gegee aan die feit dat nie alle bankaksepte ens. wat deur die diskontohuise gehou word, as "Likwiede Bates" beskou kan word nie volgens die vereistes wat die Reserwebank gestel het waaraan sulke aksepte moet voldoen om deur die Bank herdiskonne te kan word. Die diskontohuise se besit aan sulke nie-likwiede bankaksepte word nou saamgegroep met hul besit aan alle ander bates wat nie spesifiek deur Artikel 22 van die Bankwet gemagtig word nie, waarvan die totaal onderhewig is aan 'n maksimum van 12½ persent (voorheen 10 persent) van die huise se totale bates. Tot dusver was die huise se besit aan nie-likwiede aksepte, wissels en promesses egter meestal baie beperk.

gedrag van hierdie groothede bepaal. Ten tweede kan die berekenings van jaarkoerse van die groei in enig- een van hierdie groothede gedurende periodes wat nie uit een of meer volle jare bestaan nie, klaarblyklik misleidend wees tensy die invloed van seisoens- elemente uitgeskakel is.

Seisoenshoogtepunte in die banke se totale besit aan Likwiede Bates soos op kwartaaleindes neig tans om aan die einde van Junie en in mindere mate aan die einde van Desember elke jaar bereik te word. 'n Seisoenslaagtepunt kom voor aan die einde van Maart, terwyl die seisoensinvloede swak is of mekaar neutraliseer aan die einde van September. 'n Soortgelyke maar meer opmerklike patroon van seisoensinvloede bestaan ook in die bydrae van die owerheidsektor tot die likwiditeitsbasis; dit wil in werklikheid voorkom of die grootste deel van die reëlmatige seisoensveranderings in die banke se totale besit aan Likwiede Bates deur die belastings-, bestdings- en finansieringsbedrywighede van die owerheidsektor veroorsaak word. Duidelike seisoenshoogtepunte kom ook voor in die "buitelandse bates"-komponent (dit wil sê die positiewe komponent) van die buitelandse sektor se bydrae tot die likwiditeitsbasis aan die einde van Maart, asook in die somtotaal van die poste wat die private sektor se bydrae tot die likwiditeit van die banke aan die einde van September vergroot sowel as van dié wat dit verminder. Geen betekenisvolle en konstante seisoenspatroon kan egter in die bankstelsel se bydrae tot die likwiditeitsbasis, waarvan die korttermynskommelings neig om deur bewegings in die netto ander bates van die Reserwebank oorheers te word, gevind word nie. Hierdie reeks is derhalwe nie vir seisoensinvloede aangesuiwer nie.

Sikliese elemente

Die buitelandse sektor

Soos verwag kon word, toon die sikkiese skommelings in die bydrae van die buitelandse sektor tot die banke se totale besit aan Likwiede Bates oor die algemeen 'n noue ooreenkoms met die skommelings in die netto goud- en ander buitelandse reserwes van die monetêre banksektor as 'n oorsaak van veranderings in die geld- en kwasi-geldvoorraad. Hierdie ooreenkoms is vanselfsprekend egter minder as volledig vanweë verskille tussen die definisies en statistiese dekking van hierdie twee groothede. Die belangrikste van hierdie verskille is dat die bydrae van die buitelandse sektor tot die banke se besit aan Likwiede Bates hoofsaaklik gebaseer is op die Reserwebank se besit aan netto goud- en ander buitelandse reserwes en nie die besit aan korttermyn buitelandse bates van ander monetêre bankinstellings insluit nie en ook nie die korttermyn buitelandse laste van hierdie banke in aanmerking neem nie.

Die sikliese ondervinding sedert 1965 toon dat die buitelandse sektor se bydrae tot die banke se seisoensaangesuiwerde likwiditeitsbasis 'n sterk neiging

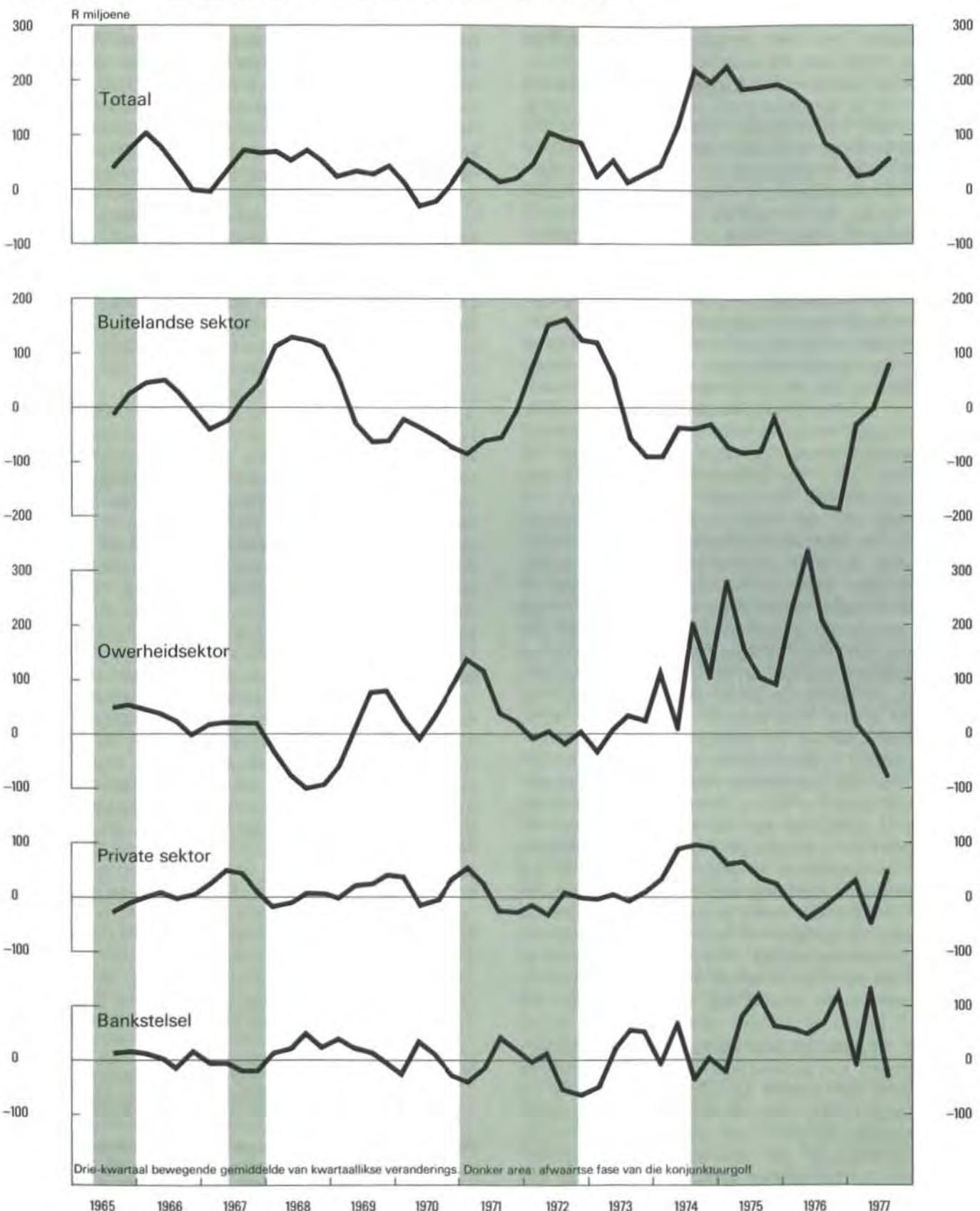
het om te styg gedurende die meer gevorderde stadiums (min of meer die tweede helfte) van die afwaartse fase en gedurende die vroeëre stadiums (min of meer die eerste helfte) van die opwaartse fase van die konjunktuurgolf. Afnames kom gewoonlik voor gedurende die meer gevorderde stadiums van die opwaartse fase en die vroeëre stadiums van die afwaartse fase. Die vinnigste toename in die buitelandse sektor se bydrae tot die banke se likwiditeitsbasis, sowel absoluut as persentueel, neig derhalwe om by of in die omgewing van die onderste draaipunt van die konjunktuurgolf voor te kom, waarby dit moontlik ietwat daaraan kan voorafgaan (soos byvoorbeeld gedurende die tweede kwartaal van 1972) of ietwat kan sloer ten opsigte daarvan (soos gedurende die tweede kwartaal van 1968). Omgekeerd kom die vinnigste afnames gewoonlik naby die boonste draaipunt van die konjunktuurgolf voor, waarby dit weer eens ietwat daaraan kan voorafgaan (soos gedurende die eerste kwartaal van 1967) of kort daarop kan volg (soos in die begin van 1971). Die mees onlangse sikielse inkrimping in die Suid-Afrikaanse ekonomie vanaf ongeveer Augustus 1974 tot laat-1977 was in hierdie opsig egter nie tipies nie aangesien die hoogste koers van afname in die buitelandse sektor se bydrae tot die banke se Likwiede Batebesit eers diep in die afwaartse fase (naamlik gedurende die eerste kwartaal van 1977) in plaas van by of naby die boonste draaipunt van die konjunktuurgolf in die derde kwartaal van 1974 bereik is.

Die owerheidsektor

In die verloop van die konjunktuur sedert 1965 het die seisoensaangesuiwerde bydrae van die owerheidsektor tot die likwiditeitsbasis oor die algemeen geneig om gedurende die meer gevorderde stadiums van afwaartse fases en die vroeë stadiums van opwaartse fases slegs betreklik stadig te styg of in werklikheid te daal, en om gedurende die latere stadiums van opwaartse fases en die aanvanklike stadiums van afwaartse fases skerp toe te neem. Alhoewel die sikiiese ondervinding sedert 1965 duidelik te kort is om te kan dien as basis vir veralgemenings wat met vertroue aanvaar kan word, wil dit voorkom of die vinnigste koers van toename normaalweg vroeg in die afwaartse fase bereik word, terwyl die laagste koers van toename gedurende die betreklik vroeë stadiums van die opwaartse fase aangeteken word. Die resessie van 1974 tot 1977 wyk egter weer eens van hierdie patroon af in dié opsig dat die vinnigste toename in die owerheidsektor se bydrae tot die banke se likwiditeitsbasis, hoewel slegs in absolute bedrae en nie ook persentueel nie, gedurende hierdie periode eers in die tweede kwartaal van 1976 bereik is.

'n Vergelyking van die sikeliese gedrag van die buitelandse en die owerheidssektor as bronre van banklikwiditeit sedert 1965 toon dat toenames in die bydrae van die buitelandse sektor tot die likwiditeitsvoorraad van 1970 bereik is.

Grafiek 2. Sektorale oorsprong van banke se besit aan Likwiede Bates



teitsbasis oor die algemeen met afnames of slegs betreklik geringe toenames in die bydrae van die overheidsektor gepaardgegaan het, terwyl afnames in die bydrae van die buitelandse sektor in die reël hand aan hand gegaan het met vergelykenderwys vinnige toenames in dié van die overheidsektor. ('n Soortgelyke omgekeerde verband is voorheen reeds tussen veranderings in die netto goud- en ander buitelandse reserwes van die monetêre banksektor en in die monetêre banke se netto eise teen die overheidsektor as oorsake van veranderings in die geld- en kwasi-geldvoorraad opgemerk.)³⁴ Alhoewel die negatiewe verband tussen die sikliese en ander korttermynskommelings in hierdie twee groothede begryplikerwys minder as volmaak is, is dit te nou en te konsekwent om verontgaam te kan word; dit wil egter voorkom of 'n volledige verklaring van hierdie verskynsel 'n nogal ingewikkeld saak is. Dit sou natuurlik verwag kon word dat sowel die netto buitelandse reserwes van die Reserwebank (of van die totale bankstelsel) as die netto bankkrediet aan die overheidsektor, selfs by afwesigheid van enige oorsaaklike verband tussen hulle, 'n min of meer reëlmataige, siklies wederkerende, patroon van toenames en afnames sal toon. Die oënskynlik negatiewe korrelasie tussen hierdie groothede toon derhalwe nie noodwendig aan dat hulle oorsaaklik met mekaar verbind is nie, alhoewel dit redelik is om te veronderstel dat daar wel so 'n verband bestaan. Albei groot-hede kan egter klaarblyklik ook aan nie-sikliese en toevallige invloede onderhewig wees en was in die verlede aan sulke invloede onderhewig (soos die uitwerking van politieke verwikkelingen op bewegings van buitelandse kapitaal en op die netto buitelandse reserwes). Oorsaaklike verbanne wat loop van veranderings in die Reserwebank se besit aan netto buitelandse reserwes na bewegings in die teenoor-gestelde rigting in die overheid se netto opname van krediet van die bankstelsel, kan dan byvoorbeeld bestaan vir sover 'n daling in die netto buitelandse reserwes 'n vernouing van die binnelandse geld- en kapitaalmarkte, 'n verstewiging van die rentekoerse en verwagtings aangaande toekomstige stygings in die rentekoerse kan meebring wat dit vir die overheidsektor moeiliker kan maak om sy leenbehoeftes uit binnelandse nie-bankbronne te bevredig. Hierteenoor kan 'n volgehoue daling in die netto buitelandse reserwes die overheid uiteindelik daartoe bring om 'n meer beperkende begrotings- (belasting- en bestedings-) beleid te aanvaar wat sy tekorte en sy behoefte om van die bankstelsel teleen, verminder,

Omgekeerd kan skakels wat loop van veranderings in die netto bankkrediet aan die overheidsektor na veranderings in die netto buitelandse reserwes een-voudig bestaan op grond van die feit dat verhoogde overheidsbesteding, wat waarskynlik altans gedeeltelik deur die bankstelsel gefinansier sal word, ver-

moedelik ook 'n styging in die invoer sal meebring (alhoewel die invoer van die overheid slegs vir 'n betreklik klein gedeelte van die totale invoer verantwoordelik is). Hierbenewens kan 'n beduidende toename in die netto toevlug van die overheidsektor tot bankkrediet *ceteris paribus* lei tot versnelde stygings in die geld- en kwasi-geldvoorraad, 'n verhoogde vlak van die oorskotlikwiditeit van die bankstelsel, groter beskikbaarheid van bankkrediet aan die private sektor, en laer rentekoerse, wat terugvoer na verhoogde binnelandse besteding in die algemeen en derhalwe ook na stygings in die invoer en na dalings in die netto buitelandse reserwes.³⁵ Bowendien kan die gevvolglike laer binnelandse rentekoerse 'n uityloei van buitelandse kapitaal aanmoedig. Op meer regstreekse wyse kan verskuiwings van fondse vanaf die overheid- na die private sektor by geleentheid die finansiële middele voorsien wat persone in die private sektor in staat stel om buitelandse handelskrediet af te los of om ander vorms van buitelandse skuld te verminder.³⁶

Alhoewel sommige van die bogenoemde skakels tussen bewegings in die netto buitelandse reserwes en in die netto bankkrediet aan die overheidsektor klaarblyklik heelwat tyd nodig sou hé om hul invloed te laat geld, is dit goed moontlik dat ander 'n betreklik vinnige uitwerking kan hé. Dit sal waarskynlik veral waar wees van invloede wat werk deur veranderings in die opbrengs- en rentekoerse en die daar-mee gepaardgaande veranderings in die rentekoers-verwagtings. As sodanig is dit moontlik dat hierdie faktore 'n verklaring kan gee van die skynbaar baie kort sloerings tussen die draai-punte in die netto buitelandse reserwes (of in die bydrae van die buitelandse sektor tot die banke se likwiditeitsbasis) en in die netto bankkrediet aan die overheidsektor (of in die bydrae van die overheidsektor tot die likwiditeitsbasis), wat meestal ter grootte van slegs 'n paar maande is. Vanaf 1965 tot 1975 het die draai-punte in die netto buitelandse reserwes en in die stygings en dalings daarin oor die algemeen ietwat aan hul teë-hangers in die netto bankkrediet aan die overheidsektor voorafgegaan. In 1976 het die boonste draai-punt in die toenames in die bydrae van die overheidsektor tot die likwiditeitsbasis egter op die onderste draai-punt in die afnames in die bydrae van die buitelandse sektor vooruitgeloop en daardeur moontlik die bestaan bevestig van die tweerigting-verband tussen hierdie twee groothede wat (weer eens met inagneming van die waarskynlike invloed van

35.Dit wil voorkom of hierdie algemene beskrywing van toepassing is op ontwikkelings in die vierde kwartaal van 1974 en die eerste helfte van 1975 wat kon bygedra het tot die "mini-herstel" in die loop van 1975.

36.Alhoewel hierdie faktor soms as belangrik beskou is (met name wanneer die plafonne op bankkrediet 'n vinnige toename in banklenings aan die private sektor verhinder het), kan terugbetaalings van buitelandse skuld natuurlik gemaak word met fondse wat uit enige binnelandse bron opgeneem is en sou dit nie noodwendig hoeft te wag op 'n loslating van fondse deur die overheidsektor nie.

34.Sien byvoorbeeld die Reserwebank se Jaarlikse Ekonomiese Verslag 1977, bl. 28-29.

veranderings in verwagtings) op a priori gronde aanneemlik lyk.

Die nie-bank private sektor

Op ietwat soortgelyke wyse as die owerheidsektor se bydrae tot die banke se Likwiede Batebesit, het die seisoensaangesuiwerde bydrae van die private sektor sedert vroeg-1965 geneig om gedurende die latere stadiums van die afwaartse fases van die konjunktuur-golf te daal en om gedurende die vroeëre stadiums van die daaropvolgende opwaartse fases slegs stadig indien ook maar enigsins te styg. Daarná het die toenames in die bydrae van die private sektor tot die likwiditeitsbasis dan geneig om gedurende die meer gevorderde of finale stadiums van die opwaartse fases vinnig te styg en om in die vroeë stadiums van die daaropvolgende afwaartse fases 'n hoogtepunt te bereik, waarna hulle weer vinnig teruggesak het. Hierdie algemene beskrywing is ook in redelike mate van toepassing op die mees onlangse konjunktursiklus vanaf November 1972 tot laat-1977. Hoewel die ondervinding sedert 1965 weer eens as duidelik te kort beskou moet word om as grondslag vir vaste gevolgtrekkings te dien, wil dit voorkom of hierdie algemene patroon van versnellings en vertrgings ook van toepassing is op die veranderings in die banke se regstreekse en onregstreekse besit aan likwiede bankaksepte, handelswissels en promesses, wat natuurlik normaalweg 'n aansienlike deel van die private sektor se totale bydrae tot die banke se likwiditeitsbasis uitmaak. Sikliese stygings in bankaksepte ens. as 'n komponent van die banke se likwiditeit kan klaarblyklik 'n weerspieëeling wees van die private sektor se verhoogde gebruikmaking van wissels vir die finansiering van die beweging van goedere gedurende stadiums van die konjunktuur-golf wanneer die ekonomiese bedrywigheid, die invoer van goedere en voorraadvorming op 'n hoë peil is en wanneer die banke, wat teenoor lae of dalende oorskotlikwiditeit te staan kom, die voorkeur kan gee aan die verlening van krediet aan die private sektor in likwiede vorm.

Die bankstelsel

Geen oortuigend duidelike sikliese patroon kan in die taamlik wisselvallige verloop van die totaalreeks met betrekking tot die bankstelsel se bydrae tot die banke se gesamentlike Likwiede Batebesit vanaf 1965 tot 1977 gevind word nie. Soos hierbo reeds opgemerk is, is hierdie reeks ook nie vir seisoensinvloede aangesuiwer nie. Van die samestellende reeks "omsetting van nie-Likwiede Bates in Likwiede Bates deur die diskontohuise en die Nasionale Finansiekorporasie" sou op grond van a priori beredenering veronderstel kon word dat dit gevoelig is vir veranderings in die rentekoerse en in rentekoersverwagtings en dat dit derhalwe een of ander vorm van sikliese gedrag sal toon. Hoewel die bedrag van die "omsetting" gedurende twee periodes van laagtepunte in die korttermynrentekoerse in ongeveer die middel van 1973

(gedurende die opwaartse fase van die konjunktuur) en weer eens in die middel van 1975 (gedurende die afwaartse fase) vergelykenderwys hoë vlakte bereik het, kan hieruit klaarblyklik geen sikliese patroon afgelei word nie.

Die totale likwiditeitsbasis

Soos voorheen opgemerk is, neig die sikliese en ander betreklik korttermynskommelings in die bydrae van verskillende sektore tot die banke se likwiditeitsbasis om mekaar tot op sekere hoogte te neutraliseer. Normaalweg wil dit egter voorkom of die sikliese skommelings in die bydrae van die buitelandse sektor dié in die bydraes van ander sektore oorheers. As gevolg hiervan toon die ontwikkelings sedert vroeg-1965 inderdaad dat die groei van die totale likwiditeitsbasis geneig is om sowel absoluut as persentueel in die loop van afwaartse fases te versnel en in die loop van opwaartse fases te verlangsaa. Die afwaartse fase van 1974 tot 1977 is egter weer eens 'n uitsondering op hierdie reël deurdat die owerheidsektor se grootskaalse toevlug tot financiering deur die banke gedurende die vierde kwartaal van 1974 en die eerste helfte van 1975 meegebring het dat 'n hoogtepunt in die groeikoers van die likwiditeitsbasis, ná uitskakeling van die seisoensinvloed, in die baie vroeë stadiums van die afwaartse fase van die konjunktuur-golf bereik is, wat deur 'n geleidelike daling in hierdie groeikoers gedurende die grootste deel van die daaropvolgende resessie tot in die begin van 1977 gevolg is.

Veranderings in die oorskot-Likwiede Bates van bankinstellings weerspieël vanselfsprekend nie slegs veranderings in die banke se werklike Likwiede Batebesit nie, maar ook in die bedrag van hul vereiste Likwiede Bates. Laasgenoemde kan op sy beurt soms aanmerklik deur veranderings in die persentasies van die Likwiede Batevereistes beïnvloed word. Die verloop van sake sedert 1965 toon nietemin 'n taamlik duidelike neiging waarvolgens hoogte- en laagtepunte in die bedrag van die banke se oorskot-Likwiede Bates naby (moontlik effens ná) die onderste en boonste draapunte van die konjunktuur-golf, onderskeidelik, bereik word, soos op a priori gronde verwag sou kon word. Die hoogtepunt in die banke se oorskotlikwiditeit wat ongeveer in die middel van 1975 bereik is, is egter duidelik nie in ooreenstemming met hierdie patroon nie.

Langtermyn gedrag van die likwiditeitsbasis

Gedurende die hele tydperk van 51 kwartale vanaf die einde van Maart 1965 tot die einde van Desember 1977 het die banke se totale besit aan Likwiede Bates, voor uitskakeling van die seisoensinvloed, ietwat meer as sesvoudig van R732 miljoen tot R4 439 miljoen toegeneem. Op basis van die ooreenstemmende seisoensaangesuiwerde gegewens beteken dit 'n gemiddelde saamgestelde koers van toename van die likwiditeitsbasis van ongeveer 14,3 persent per

jaar of 3,4 persent per kwartaal. Gedurende hierdie tydperk het die banke se Likwiede Batebesit derhalwe gemiddeld elke 5,2 jaar verdubbel.³⁷

In die loop van die konjunktuurgolf, hoewel klaarblyklik nie noodwendig om suiver sikiiese redes alleen nie, kan die bydraes van individuele sektore tot die totale likwiditeitsbasis soms tot baie lae vlakke daal en selfs negatief word. As gevolg daarvan het vergelykende groeikoerse in hierdie afsonderlike sektorale bydraes oor gegewe periodes dikwels min betekenis of kan dit nie bereken word nie. Negatiewe bydraes tot die likwiditeitsbasis is byvoorbeeld deur die private sektor aan die einde van Maart 1965 (dit wil sê aan die begin van die tydperk van 51 kwartale onder beskouing) en deur die buitelandse sektor aan die einde van 1977 (aan die einde van hierdie tydperk) gemaak. Dit verdien nietemin om opgemerk te word dat R2 589 miljoen of 69,8 persent van die totale netto toename van R3 707 miljoen (vooruitskakeling van die seisoensinvloed) in die likwiditeitsbasis tussen die einde van Maart 1965 en die einde van Desember 1977 verklaar word deur die owerheidsektor, wat sy bydrae van R243 miljoen tot R2 832 verhoog het. Die netto bydraes van die buitelandse sektor, die nie-bank private sektor en die bankstelsel tot die totale toename in die likwiditeitsbasis gedurende hierdie tydperk het onderskeidelik -R461 miljoen of -12,4 persent, R847 miljoen of 22,9 persent, en R752 miljoen of 19,7 persent beloop.

Die volle tydperk vanaf die einde van Maart 1965 tot die einde van Desember 1977 kan in 'n beperkte aantal periodes van "hoe" en "lae" groeikoerse in die seisoensaangesuiwerde likwiditeitsbasis ingedeel word. Indien "hoe" en "lae" groeikoerse gedefinieer word as koerse wat onderskeidelik bo en onder die gemiddelde koers van 3,4 persent per kwartaal geleë is, en indien korttermynskommelings rondom hierdie gemiddelde geïgnoreer word, kan vier belangrike sub-periodes onderskei word, soos volg:

Die langtermynfases van vinnige en stadige uitbreiding van die likwiditeitsbasis soos dit hier bepaal is, sny deur die konjunktuurgolf en is in belangrike mate duidelik onafhanklik daarvan.³⁸ Die langdurige fase van stadige groei vanaf die einde van die eerste kwartaal van 1969 tot die einde van die eerste kwartaal van 1974 sluit byvoorbeeld die tweede helfte van die opwaartse konjunktuurfase van Januarie 1968 tot Desember 1970, die hele afwaartse konjunktuurfase van Januarie 1971 tot Oktober 1972, en die grootste deel van die opwaartse konjunktuurfase van November 1972 tot Julie 1974 in. Dit word egter nie aan die hand gedoen dat hierdie opeenvolging van langertermynfases van vinnige en stadige groei beskou moet word as die resultaat van 'n sistematiese stelkragte wat 'n "lang golf" veroorsaak in die koers waarteen die likwiditeitsbasis uitbrei nie. Afgesien van aanmerklike uiteenlopendheid in die lengte van die opeenvolgende fases van vinnige en stadige groei, toon die patroon van sektorale bydraes tot die uitbreiding van die likwiditeitsbasis ook duidelike verskille tussen die eerste en tweede fases van vinnige en stadige groei, onderskeidelik. Terwyl die relatief vinnige uitbreiding van die basis gedurende sy eerste periode van vinnige groei in die middel- en laat-estigerjare byvoorbeeld hoofsaaklik 'n kwessie van 'n groot toename in die netto goud- en ander buitelandse reserwes was, was die uitbreiding gedurende die tweede van hierdie fases grotendeels die gevolg van die owerheidsektor se toevlug tot netto kredietverlening deur die bankstelsel. Die tweede fase van stadige groei kon vernaamlik aan volgehoudings in die netto buitelandse reserwes gedurende die grootste deel van die betrokke agtien maande toegeskryf word, asook aan die feit dat die owerheidsektor slegs in beperkte mate op kort termyn van bankinstellings geleent het. Die uitbreiding van die basis gedurende hierdie periode sou egter nog kleiner gewees het as daar nie 'n betreklik aansienlike bydrae van die private sektor tot die groei in die banke se

Fases van vinnige en stadige groei van die likwiditeitsbasis

Fase	Periode	Aantal kwartale	Totale toename in likwiditeitsbasis, seisoensinvloed uitgeskakel, gedurende periode R miljoene	Gemiddelde saamgestelde kwartaallike groeikoers, %
Vinnige groei	Einde Maart 1965 – einde Maart 1969	16	812	102,7
Stadige groei	Einde Maart 1969 – einde Maart 1974	20	622	38,8
Vinnige groei	Einde Maart 1974 – einde Junie 1976	9	1 758	79,0
Stadige groei	Einde Junie 1976 – einde Desember 1977	6	377	9,7

37. Gedurende die periode waarin dit die vinnigste gegroe het, het die likwiditeitsbasis egter min of meer verdubbel in iets meer as twee jaar, vanaf die tweede kwartaal van 1974 tot die einde van Junie 1976. Die verdubbeling in die onmiddellik voorafgaande periode het daarenteen nie minder nie as sewe jaar nodig gehad.

38. Die korttermynskommelings in die groeikoers van die

seisoensaangesuiwerde likwiditeitsbasis rondom die langertermynneiging daarvan toon egter klaarblyklik nog steeds wel die invloed van die konjunktuurgolf. Dit sluit gevalle in waarin hierdie groeikoers gedurende fases van "vinnige" groei kortstondig nie die peil van 3,4 persent per kwartaal bereik het nie of gedurende fases van "stadige" groei hierdie syfer tydelik oorskry het.

Likwiede Batebesit voorgekom het nie. Hierdie verloop van sake was op sy beurt hoofsaaklik 'n weerspieëeling van toenames in die regstreekse financiering van die Landbank deur die Reserwebank en die handelsbanke, in die vorm van meer verdiskonterings van Landbankwissels, 'n hoër vlak van die voorskotte van die handelsbanke aan die Landbank, en toenames in die handelsbanke se besit aan korttermyn-Landbankobligasies.

Samenvatting

Veranderings in die banke se gesamentlike besit aan statutêre Likwiede Bates, tesame met veranderings in die looptydsamestelling (die "termyn"-struktuur) van hul verpligtings teenoor die publiek, in hul vraag na oorskotlikwiditeit, en in die Likwiede Batevereistes, lê ten grondslag aan veranderings in die banke se totale verpligtings teenoor die publiek, die geld- en kwasi-geldvoorraad en die banke se besit aan bates wat nie Likwiede Bates is nie. Sedert die toepassing van die Bankwet van 1965 was ander faktore as veranderings in die banke se werklike besit aan Likwiede Bates (dit wil sê faktore wat die grootte van die vermenigvuldiger wat op die banke se likwiditeitsbasis toegepas moet word, beïnvloed) van tyd tot tyd van aansienlike betekenis by die bepaling van die groei van die banke se totale besit aan laste en bates. Dit geld veral met betrekking tot periodieke veranderings (gewoonlik opwaarts) in die Likwiede Batevereistes ten opsigte van die banke se kort- en middeltermynverpligtings teenoor die publiek, wat reeds in Maart 1965 begin het maar waarvan die geskiedenis hier nie in besonderhede nagegaan is nie. Oor meer langdurige periodes is die uitwerking van hierdie verhogings van die vereiste Likwiede Bateverhoudings egter ietwat gematig deur 'n langtermynafname in die relatiewe belangrikheid van die banke se korttermynverpligtings. Indien die volle tydperk van 1965 tot 1977 in sy geheel beskou word, is die baie groot (tussen vier- en vyfoudige) uitbreiding van die private bankstelsel gedurende hierdie 13 jaar in die eerste plek 'n weerspieëling van 'n selfs nog groter (min of meer sesvoudige) relatiewe toename in die banke se likwiditeitsbasis.

Veranderings in die likwiditeitsbasis kan ontstaan in die buitelandse sektor, hoofsaaklik deur veranderings in die netto besit aan goud- en ander buitelandse reserwes van die Reserwebank; in die belastings- en bestedingsbedrywighede, die finansiering van tekorte en die staatskuldbheer van en deur die owerheidsektor; in die private sektor se opname van krediet van die Reserwebank, of van ander banke op maniere wat statutêre Likwiede Bates skep; en in sekere soorte transaksies tussen bankinstellings (met insluiting van die Reserwebank, die Nasionale Finansiekorporasie en die diskontohuise) onder mekaar. In hierdie artikel en die statistiese tabelle wat daarmee saamgaan is die bydraes van hierdie verskillende sektore tot die likwiditeitsbasis van die banke bepaal en is die grootte van die onderskeie sektorale bydraes

tot die banke se totale besit aan Likwiede Bates op kwartaallike basis vanaf die eerste kwartaal van 1965 tot die einde van 1977 vasgestel. Die bydraes van verskeie sektore tot die banke se Likwiede Batebesit toon duidelike seisoens- sowel as sikeliese skommelings. Gedurende die tydperk van 51 kwartale in sy geheel het die grootste deel (dit wil sê ongeveer 70 persent) van die totale netto toename van R3 707 miljoen in die banke se gesamentlike Likwiede Bateportefeuilje egter sy oorsprong in die owerheidsektor gehad. In die meer onlangse verlede vanaf die einde van die derde kwartaal van 1974 (dit wil sê min of meer vanaf die begin van die mees onlangse afwaartse fase van die konjunktuurgolf in die Suid-Afrikaanse ekonomie) tot die einde van 1977 het die owerheidsektor 'n netto bedrag van R1 922 miljoen aan Likwiede Bates aan die bankstelsel voorsien. Dit kan met 'n toename van R1 887 miljoen (tot R4 439 miljoen) in die banke se totale besit aan Likwiede Bates gedurende hierdie periode vergelyk word.