

South African Reserve Bank
Suid-Afrikaanse Reserwebank

Quarterly Bulletin

Kwartaalblad

Contents

Inhoudsopgawe

Quarterly economic review	Page	5
Statements regarding monetary policy		25

Kwartaalike ekonomiese oorsig	Bladsy	28
Verklaring insake monetêre beleid		49

Statistical tables

Money and banking

	Page	"S"
South African Reserve Bank: Liabilities and assets	2-3	
National Finance Corporation of South Africa: Liabilities and assets	4-5	
Discount houses: Liabilities and assets	6-7	
Commercial banks: Selected liabilities and assets	8	
Commercial banks: Ratios of selected assets to total liabilities to the public	9	
Commercial banks: Discounts and advances	10	
Commercial banks: Advances according to types of borrowers	11	
Commercial banks: Liabilities and assets	12-15	
Merchant banks: Liabilities and assets	16-17	
Hire-purchase, savings and general banks: Liabilities	18-19	
Hire-purchase, savings and general banks: Assets	20-21	
Merchant banks and hire-purchase, savings and general banks: Ratios of total liquid assets and excess liquid assets to total liabilities to the public	22	
Land Bank: Liabilities and assets	23	
Sectoral sources of bank holdings of liquid assets	24-25	
Monetary banking sector: Liabilities and assets	26-29	
Money and near-money	30-31	
Causes of changes in money and near-money	32	
Money market analysis	33	
Money market and related interest rates	34	

Capital market

Long-term interest rates on fixed interest-bearing investments	35	
Permanent building societies: Liabilities and assets	36-37	
Permanent building societies: Selected items and transactions	38	
Permanent building societies: Prescribed investments	39	
Permanent building societies: Classification of depositors, shareholders and borrowers	40	
Long-term insurers: Assets	41	
Short-term insurers: Assets	42	
Private pension and provident funds: Assets	43	
Unit trusts: Selected items and transactions	44	
Participation mortgage bond schemes	45	
Share prices, yields and stock exchange activity	46-47	
Net issues of marketable securities	48	

Government finance

Exchequer account	49	
Government deposits	50	
Total government debt	51	
Marketable central government debt by unexpired maturity	52	
Ownership distribution of marketable Treasury bills	53	
Ownership distribution of domestic marketable stock debt of central government	54-55	
Ownership distribution of non-marketable central government debt	56	
Redemption schedule of domestic marketable stock debt	57	
Public Debt Commissioners: Sources of funds	58	

Statistiese tabelle

Geld- en bankwese

	Bladsy	„S“
Suid-Afrikaanse Reserwebank: Laste en bates	2-3	
Nasionale Finansiële korporasie van Suid-Afrika: Laste en bates	4-5	
Diskontohuise: Laste en bates	6-7	
Handelsbanke: Uitgesoekte laste en bates	8	
Handelsbanke: Verhouding van uitgesoekte bates tot totale verpligtings teenoor die publiek	9	
Handelsbanke: Diskonteringe en voorskotte	10	
Handelsbanke: Voorskotte volgens soorte leners	11	
Handelsbanke: Laste en bates	12-15	
Aksepbanke: Laste en bates	16-17	
Huurkoop-, spaar- en algemene banke: Laste	18-19	
Huurkoop-, spaar- en algemene banke: Bates	20-21	
Aksepbanke en huurkoop-, spaar- en algemene banke: Verhouding van totale likwiede bates en oorskot likwiede bates tot totale verpligtings teenoor die publiek	22	
Landbank: Laste en bates	23	
Sektorale oorsprong van banke se besit aan likwiede bates	24-25	
Monetêre banksektor: Laste en bates	26-29	
Geld en kwasi-geld	30-31	
Oorsake van veranderinge in geld en kwasi-geld	32	
Geldmarkontleding	33	
Geldmark- en verwante rentekoerse	34	

Kapitaalmark

Langtermynrentekoerse op vaste-rentedraende beleggings	35	
Permanente bouverenigings: Laste en bates	36-37	
Permanente bouverenigings: Uitgesoekte poste en transaksies	38	
Permanente bouverenigings: Voorgeskrewe beleggings	39	
Permanente bouverenigings: Indeling van deposante, aandeelhouers en leners	40	
Langtermynversekeraars: Bates	41	
Korttermynversekeraars: Bates	42	
Private pensioen- en voorsorgfondse: Bates	43	
Effektetrusts: Uitgesoekte poste en transaksies	44	
Deelnemingsverbandkemas	45	
Aandelepryse, opbrengskoerse en effekthebursaktiwiteit	46-47	
Netto uitgifes van bemerkbare effekte	48	

Staatsfinansies

Skatkisrekening	49	
Regeringsdeposito's	50	
Totale staatskuld	51	
Bemarkbare effekteskuld van die sentrale regering volgens onverstreke looptyd	52	
Bemarkbare skatkiswissels volgens besitter	53	
Binnelandse bemarkbare effekteskuld van sentrale regering volgens besitter	54-55	
Nie-bemarkbare staatskuld van die sentrale regering volgens besitter	56	
Aflossingstabel van binnelandse bemarkbare effekteskuld	57	
Staatskuldkommissaris: Bronne van fondse	58	

International economic relations

	Page "S"
Balance of payments: Annual figures	59
Balance of payments: Quarterly figures	60
Seasonally adjusted balance of payments on current account: Quarterly figures at an annual rate	61
Balance of payments items: Services and transfers	62
Balance of payments items: Private capital movements	63
Balance of payments items: Capital movements of central government and banking sector	64
Balance of payments items: Capital movements of public corporations and local authorities	64
Foreign exchange rates and gold price	65
Foreign liabilities of South Africa	66-67
Foreign assets of South Africa	68-69
Gross gold and other foreign reserves	70

National accounts

Gross domestic product	71
Distribution of national income	71
Expenditure on gross domestic product	72
Gross domestic product and expenditure: Quarterly figures	73-74
Seasonally adjusted gross domestic product and expenditure: Quarterly figures at an annual rate	73-74
Gross domestic product by kind of economic activity	75
Private consumption expenditure	76
Private consumption expenditure classified according to services and durability of goods	77-78
Private consumption expenditure: Quarterly figures	79-80
Seasonally adjusted private consumption expenditure: Quarterly figures at an annual rate	79-80
Gross and net domestic investment by type of organisation	81
Gross domestic fixed investment by kind of economic activity	82
Gross domestic fixed investment by kind of economic activity: Quarterly figures	83
Seasonally adjusted gross domestic fixed investment by kind of economic activity: Quarterly figures at an annual rate	84
Gross domestic fixed investment at constant 1970 prices	85
Fixed capital stock at constant 1970 prices	86
Change in inventories by kind of economic activity	87
Gross domestic investment by type of asset	88
Financing of gross domestic investment	88
Personal income and expenditure	89
Current income and expenditure of general government	89

General economic indicators

Manufacturing: Physical volume of production and hours worked	90
Manufacturing: Value of orders and sales	91
Construction	92
Mining and trade	93
Labour: Employment in the non-agricultural sectors	94
Sundry economic indicators	95
Consumer prices	96
Wholesale prices	97

General notes

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

... denotes not available

— denotes value equal to nil

0 denotes value equal to less than half the digit shown

* denotes preliminary figures

Internasionale ekonomiese verhoudinge

	Bladsy "S"
Betalingsbalans: Jaarsyfers	59
Betalingsbalans: Kwartaalsyfers	60
Betalingsbalans in lopende rekening ná uitskakeling van seisoensinvloed: Kwartaalsyfers teen 'n jaarlikse koers	61
Betalingsbalansposte: Dienste en oordragte	62
Betalingsbalansposte: Private kapitaalbewegings	63
Betalingsbalansposte: Kapitaalbewegings van sentrale regering en banksektor	64
Betalingsbalansposte: Kapitaalbewegings van openbare korporasies en plaaslike owerhede	64
Wisselkoerse en goudprys	65
Buitelandse laste van Suid-Afrika	66-67
Buitelandse bates van Suid-Afrika	68-69
Bruto goud- en ander buitelandse reserwes	70

Nasionale rekeninge

Bruto binnelandse produk	71
Verdeling van nasionale inkomme	71
Besteding aan bruto binnelandse produk	72
Bruto binnelandse produk en besteding: Kwartaalsyfers	73-74
Bruto binnelandse produk en besteding ná uitskakeling van seisoensinvloed: Kwartaalsyfers teen 'n jaarlike koers	73-74
Bruto binnelandse produk volgens tipe ekonomiese bedrywigheid	75
Private verbruiksbesteding	76
Private verbruiksbesteding ingedeel volgens dienste en duursaamheid van goedere	77-78
Private verbruiksbesteding: Kwartaalsyfers	79-80
Private verbruiksbesteding ná uitskakeling van seisoensinvloed: Kwartaalsyfers teen 'n jaarlike koers	79-80
Bruto en netto binnelandse investering volgens tipe organisasie	81
Bruto binnelandse vaste investering volgens tipe ekonomiese bedrywigheid	82
Bruto binnelandse vaste investering volgens tipe ekonomiese bedrywigheid: Kwartaalsyfers	83
Bruto binnelandse vaste investering volgens tipe ekonomiese bedrywigheid ná uitskakeling van seisoensinvloed: Kwartaalsyfers teen 'n jaarlike koers	84
Bruto binnelandse vaste investering teen konstante 1970-pryse	85
Vaste kapitaalvoorraad teen konstante 1970-pryse	86
Verandering in voorrade volgens tipe ekonomiese bedrywigheid	87
Bruto binnelandse investering volgens tipe bate	88
Finansiering van bruto binnelandse investering	88
Persoonlike inkomme en uitgawe	89
Lopende inkomme en uitgawe van algemene owerheid	89

Algemene ekonomiese aanwysers

Fabriekswese: Fisiese volume van produksie en ure gewerk	90
Fabriekswese: Waarde van bestellings en verkope	91
Konstruksie	92
Mynbou en handel	93
Arbeid: Werkverskaffing in die nie-landbousektore	94
Diverse ekonomiese aanwysers	95
Verbruikerspryse	96
Groothandelspryse	97

Algemene opmerkings

Weens die afronding van syfers sal die som van die onderskeie poste soms verskil van die totaal wat aangetoon word.

... dui aan nie beskikbaar nie

— dui aan 'n waarde gelyk aan nul

0 dui aan waarde gelyk aan minder as die helfte van die eenheid aangetoon

* dui voorlopige syfers aan

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Quarterly economic review

Summary and general observations

The higher rate of growth in the real gross domestic product of the non-agricultural sectors of the economy during the second half of 1979 continued during the first quarter of 1980. Sharp fluctuations in the real output of the agricultural sector, however, caused the aggregate real gross domestic product to increase at a lower rate in the first quarter of 1980 than in the preceding quarter. With the exception of agriculture and gold mining, higher levels of real economic activity were attained in all major sectors of the economy. The continued high rate of economic growth was accompanied by a distinct increase in employment. Unemployment among unskilled labour nevertheless remained at a relatively high level.

The further economic growth in the first quarter was based mostly on a sustained increase in real private consumption expenditure. Of the other components of real gross domestic expenditure, only fixed investment showed a small rise. Government consumption expenditure decreased and inventories declined by a larger amount than in the preceding quarter. The volume of exports increased slightly in the first quarter, making only a limited contribution to real economic growth during this period. Although total real fixed investment increased only marginally in the first quarter, a strong rise occurred in real private fixed investment. It would appear that surplus production capacity had been taken up in certain industries and that the higher level of consumer demand had increased the scope for new fixed investment.

The official policy of encouraging economic growth was continued in early 1980. One of the main objectives of the 1980/81 Budget was to support the recovery in private consumption and investment by increasing the real disposable income of individuals and by enhancing the financial capacity of companies to expand fixed and inventory investment. In addition, with effect from 31 March, the ceilings on banking institutions' credit to the private sector were raised by an additional 6 per cent of the base figures as at the end of 1975.

The rate of inflation decelerated somewhat in the first quarter of 1980 and consumer as well as wholesale prices showed lower rates of increase. During April the rate of increase in prices tended to accelerate, reflecting the first of the increases in several administered prices that were scheduled to come into effect in the second quarter. In this connection, the large increases in salaries and wages which are now taking place and the tax reductions that were announced in the Budget will show their effect only at a later date. Curbing the high rate of inflation should, therefore, remain one of the major objectives of economic policy in 1980.

Much of the scope for more rapid economic expansion during 1980 was provided by the continuous strengthening of the current account of the balance of payments. A new record surplus on this account was registered in the first quarter of 1980, exceeding the already high figure in the preceding quarter by a substantial margin. This further increase was almost entirely due to a substantial increase in the value of the net gold output, reflecting an exceptionally sharp rise in the price of gold. Most of the current account surplus was absorbed by an unusually large net outflow of capital, consisting predominantly of short-term capital of the private sector. As a result, only a moderate rise occurred in the net gold and other foreign reserves during the first quarter.

A major reason for the outflow of short-term capital was the large-scale switching of trade financing from foreign to domestic sources because of the wide margin between short-term interest rates in South Africa and in other countries, especially in the United States. Initially the outflow of capital was regarded by the authorities as a means of reducing excess liquidity in the economy, but during the period from the middle of March to the middle of April it caused substantial foreign reserve losses and a severe tightening of the money market. To discourage the domestic financing of foreign trade, the Reserve Bank on 18 April raised the discount on the US dollar in forward exchange transactions. A graduated discount on the dollar in forward exchange transactions was introduced on 23 April in order to allow for differences in the maturities of forward exchange contracts. Subsequently, these discounts on forward dollars were lowered in several stages, in accordance with the decline in interest rates in the United States.

The strong current account of the balance of payments and the increase in the net gold and other foreign reserves during the first quarter were reflected in a further appreciation of the rand against the US dollar. Because of a sharp appreciation of the dollar against major currencies during this period, a more pronounced increase occurred in the weighted average value of the rand in terms of the currencies of trading-partner countries. From early April the dollar started depreciating, causing the weighted average value of the rand to depreciate slightly during April and May, notwithstanding a further appreciation of the rand against the dollar. The financial rand discount narrowed sharply during the first two months of 1980, but widened again appreciably during the ensuing three months.

Measured in the conventional way, the supply of money and near-money increased at a much lower rate during the first quarter of 1980 than during the preceding quarter, and at an even lower rate during the first four months of 1980. If, however, banking

institutions' short and medium-term repurchase agreements with the private non-banking sector, which are close substitutes for money and near-money deposits, are taken into account, the monetary expansion was more pronounced during the first quarter and proceeded at an exceptionally high rate during the twelve-month period from April 1979 to April 1980.

The increase in the money and near-money supply during the first quarter of 1980 resulted from a moderate increase in the net gold and other foreign reserves of the monetary banking sector and a substantial rise in this sector's claims on the private sector. These increases were partly offset by a large decline in net claims on the government sector and a renewed strong rise in long-term deposits of the private sector with monetary banks. In contrast with changes during the first quarter, the net gold and other foreign reserves of the monetary banking sector declined during April, whereas net claims on the government sector increased strongly during this period. As a result of the substantial increase in bank credit to the private sector, the unused facilities under the banks' ceilings on bank credit to the private sector declined slightly during the first four months of 1980, notwithstanding the raising of these ceilings at the end of March.

Bank liquidity, in terms of excess holdings of liquid assets over and above the required minimum, weakened appreciably during the first quarter and remained approximately unchanged during April. Various changes in the cash reserve and liquid asset requirements for banking institutions were announced by the Reserve Bank on 25 March. Cash reserve requirements were increased as a first step towards placing more emphasis on cash reserve requirements and supporting open-market operations as instruments of credit control. This policy approach is aimed at a gradual change-over from the existing direct quantitative limits on banking institutions' credit extension to the private sector to an effective indirect method of credit control.

After money market conditions generally had tended to ease during January and most of February 1980, subsequent events caused tighter conditions to prevail in the market until early May. This tightening of the market was reflected in an increase in money market interest rates during the period concerned. Sales of government securities by the Reserve Bank were discontinued early in March because of the tightening of the money market and the scheduling of a new issue of government stock in April. These sales were resumed in May when conditions in the market were again beginning to ease, but the demand for securities was limited by investors' expectations of a further increase in interest rates.

Exchequer issues during the fiscal year which ended on 31 March 1980 were not unduly higher than in the preceding fiscal year, but Exchequer receipts showed a strong rise. As a result, the deficit on the Exchequer Account was appreciably lower

than in 1978/79. Despite the borrowing of a substantially smaller amount from the Public Debt Commissioners and the private non-banking sector than in 1978/79, the financing of a smaller deficit enabled the Treasury to continue its net repayments on foreign loans and to increase its net indebtedness to the monetary banking sector by only a relatively small amount. In accordance with the government's policy of limiting the growth in its expenditure, the 1980/81 Budget provided for a moderate growth in expenditure in the current fiscal year. Structural tax changes and tax relief measures in 1980/81, however, are expected to result in a substantially lower rate of increase in revenue and a corresponding rise in the revenue shortfall that has to be financed by means of borrowing.

Conditions in the capital market remained buoyant during most of the first quarter of 1980. Towards the end of this period, however, the market for fixed-interest securities became characterised by a change in expectations regarding long-term interest rate movements and a hesitancy on the part of investors to acquire additional long-term securities. As a result, long-term yields in the secondary market increased to somewhat higher levels at the end of March and during April. In the share market, turnover and prices, which had risen to new record levels in early 1980, declined during the second half of the first quarter and during April. Activity in the mortgage and real estate markets, on the other hand, increased strongly throughout the first quarter and was boosted by a renewed increase in the flow of longer-term funds to deposit-receiving and related savings institutions.

National accounts*

Sustained higher rate of economic growth

The real gross domestic product, which had increased at an exceptionally high rate in the fourth quarter of 1979, rose further at an annual rate of about 5 per cent in the first quarter of 1980. This uneven rate of economic growth was the result of sharp fluctuations in the real product of agriculture which showed a substantial increase in the fourth quarter of 1979 and a subsequent decline in the first quarter. Excluding agriculture, the real gross domestic product increased at a higher rate during the first quarter, or at approximately the same rate as in the preceding quarter. Mainly as a result of the strong rise in the price of gold, the terms of trade improved further in the first quarter of 1980. This improvement, together with a decline in real net factor payments to the rest of the world, caused the real gross national product to increase at a higher rate than the real gross domestic product.

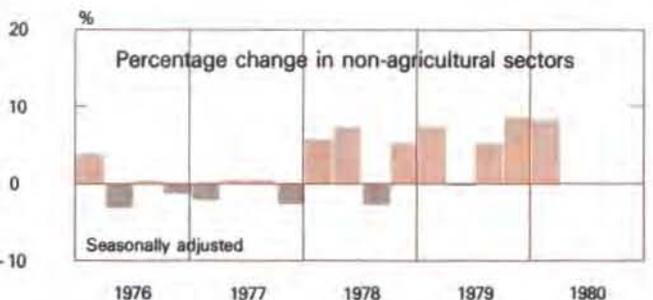
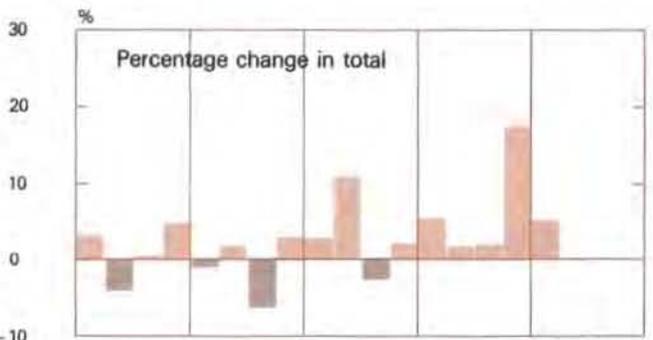
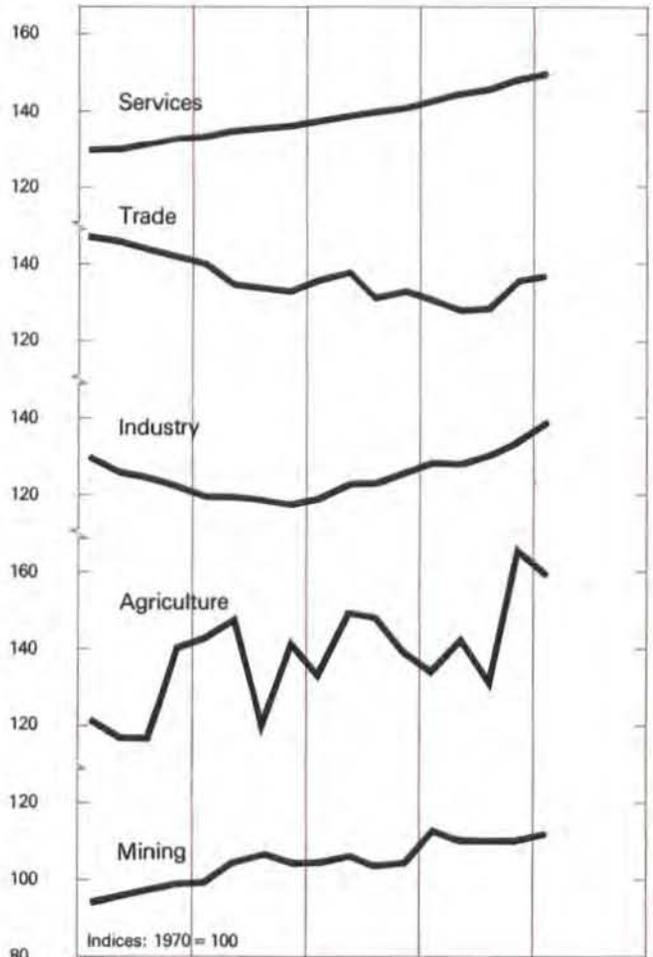
With the exception of a decline in the real product of gold mining, mainly as a result of the mining of lower grade ore, the real value added by most of the major non-agricultural sectors of the economy increased at high rates during the first quarter of 1980. Sharp rises were recorded in the real product of non-gold mining, manufacturing, and the wholesale trade, whereas the real value added by the retail and motor trade showed only a slight increase. The higher level of activity in these sectors gave rise to a further increase in the real value added by the services sectors. Non-gold mining production was boosted by a continued strong foreign demand for metals and minerals and by production at new mines. The increase in the real value added by manufacturing and the wholesale, retail and motor trade reflected mostly a sustained rise in private consumption expenditure.

At current prices, the gross domestic product increased at a higher rate in the first quarter of 1980 than in the fourth quarter of 1979. The remuneration of employees rose at about the same rate as in the preceding quarter, but the gross operating surplus increased markedly because of a substantial rise in the profits of mining, manufacturing and commercial enterprises that was only partly offset by a decline in the gross operating surplus of agriculture.

Smaller increase in real aggregate domestic demand

Real gross domestic demand continued to increase in the first quarter of 1980, but at a lower rate than in the preceding quarter. Real private consumption expenditure continued to increase sharply in the first quarter, but real fixed investment, which had risen considerably in the last quarter of 1979, showed only a marginal increase. On the other hand, real govern-

Gross domestic product at constant 1970 prices

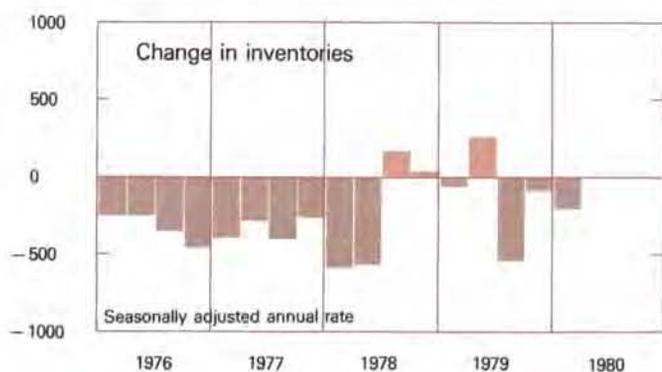
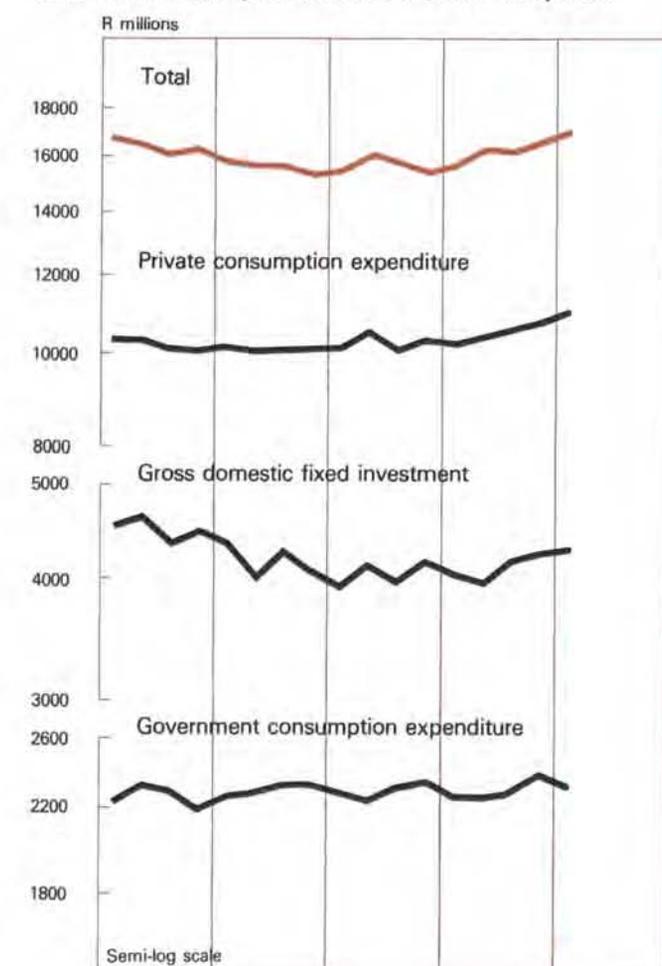


*Unless indicated otherwise, quarterly changes are based on seasonally adjusted data.

ment consumption expenditure declined slightly and real inventories decreased by a larger amount than in the preceding quarter.

At current prices, the rise in gross domestic expenditure was exceeded by the marked increase in gross national product. As a result, the surplus on the current account of the balance of payments was substantially larger than in the fourth quarter of 1979.

Gross domestic expenditure at constant 1970 prices



Pronounced further rise in real private consumption expenditure

Real private consumption expenditure, which had risen at a progressively higher rate in the course of 1979, increased substantially further in the first quarter of 1980. The level of expenditure in this period was about 8 per cent higher than in the first quarter of 1979 and, at an annual rate, about 10 per cent higher than in the last quarter of 1979. Real outlays on the major classes of consumer goods, i.e. durable, semi-durable and non-durable goods, as well as on consumer services, contributed about equally to the further increase in the first quarter. In the durable goods category, real outlays on new motor cars rose significantly, but real expenditure on furniture and household equipment and on recreational and entertainment goods remained at the relatively high level that had been reached in the fourth quarter of 1979.

Sharp decline in real government consumption expenditure

Real government consumption expenditure, which had increased sharply in the fourth quarter of 1979 as a result of a substantial rise in defence spending, declined markedly in the first quarter of 1980 when military outlays showed a decline. Total real government consumption expenditure was nevertheless about 2 per cent higher in the first quarter of 1980 than in the corresponding period of 1979.

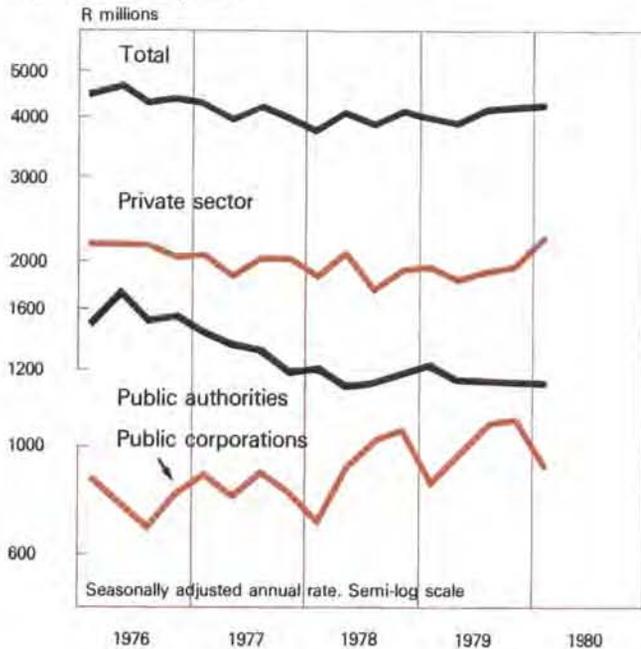
Marginal increase in real gross domestic fixed investment

Real gross domestic fixed investment increased only marginally further in the first quarter of 1980, compared with a marked rise in the fourth quarter of 1979. A substantial increase in the real fixed outlays of the private sector was almost completely offset by a small decline in the real fixed capital expenditure of public authorities and a substantial decline in that of public corporations.

The increase in the real capital outlays of the private sector occurred over a broad front and was particularly evident in the financial sector, reflecting an increase in the leasing of capital assets, and in agriculture and manufacturing. The only exception was the mining sector, the real fixed capital outlays of which declined slightly as a result of the completion of several gold, uranium and non-gold mining projects. Real fixed investment in private manufacturing increased markedly further as excess production capacity was being absorbed by the rise in manufacturing output. Thus, the utilisation of production capacity in manufacturing increased from 86,8 per cent in November 1979 to 87,7 per cent in February 1980, compared with 84,9 per cent in February 1979.

The slight decline in real fixed capital expenditure of public authorities was the net result of declines in outlays by the South African Railways Administra-

Gross domestic fixed investment at constant 1970 prices



per cent of gross domestic product at current prices, compared with 31,2 per cent in 1979 as a whole. The increase in gross domestic saving in the first quarter was accounted for by corporate saving, the current surplus of the general government and provision for depreciation. Personal saving declined slightly in this period. Gross domestic saving exceeded the amount required for the financing of total fixed and inventory investment by a substantially larger margin than in the last quarter of 1979. This difference was reflected in a reduction in South Africa's net indebtedness to the rest of the world and in an increase in the country's net gold and other foreign reserves.

The rate of increase in corporate saving remained at a high level, reflecting mainly increased profits and other current receipts by the mining, industrial and financial sectors. The higher income of these sectors was only partly offset by increased income tax and dividend payments. The current surplus of general government also increased sharply as a result of a higher rate of increase in income from property and indirect tax receipts than in current expenditure. Personal saving declined slightly, mainly because of a substantially higher rate of increase in private consumption expenditure than in personal disposable income.

tion and the Department of Posts and Telecommunications and small increases in capital outlays by general government and on government housing projects. Real fixed capital outlays by public corporations, which often show large quarterly fluctuations, decreased substantially in the first quarter of 1980. This was largely due to a sharp decline in the real fixed capital expenditure by Escom and Sasol which had increased to high levels in the second half of 1979.

Further decline in real inventories

The value of total inventories at constant prices decreased by a larger amount in the first quarter of 1980 than in the fourth quarter of 1979. Industrial and commercial inventories declined most as a result of the higher volume of sales by manufacturing and the wholesale, retail and motor trade. Diamond stocks also declined markedly, but agricultural stocks-in-trade remained at the 1979 year-end level. Reflecting the further decline in real inventories and the increase in the real gross domestic product, the ratio of non-agricultural inventories to the gross domestic product of the non-agricultural sectors declined further to 29,9 per cent in the first quarter of 1980, compared with levels of 30,7 per cent in the fourth quarter of 1979 and 32,2 per cent in the first quarter of 1979.

Substantial further increase in gross domestic saving

Gross domestic saving rose markedly further in the first quarter of 1980 to a level of no less than 35,1

Employment* and prices

Significantly higher rate of increase in employment

Employment in the non-agricultural sectors of the economy increased significantly towards the end of 1979. At a seasonally adjusted annual rate, non-agricultural employment increased successively by 1,9, 1,1 and 1,5 per cent in the first three quarters of 1979, before rising by 5,6 per cent in the fourth quarter. The more rapid rise towards the end of 1979 reflected the higher rate of economic growth which occurred in the public as well as the private sector.

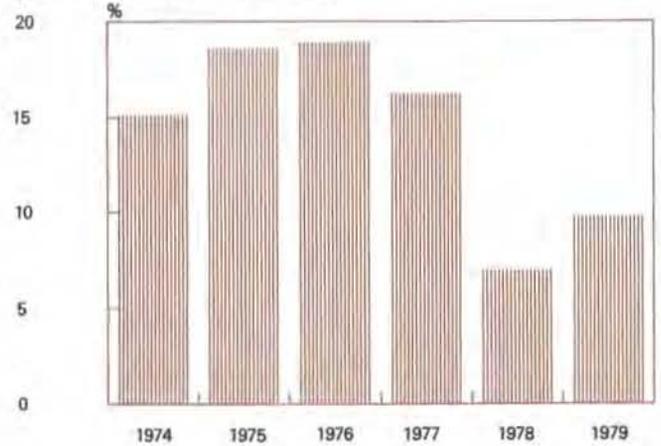
During January and February employment in manufacturing and construction, for which more up-to-date statistics are available, increased further at seasonally adjusted annual rates of 4,1 per cent and 3,4 per cent, respectively. In manufacturing the seasonally adjusted number of hours worked by production workers, which had risen at an annual rate of 3,6 per cent in the first half of 1979, increased at annual rates of 6,9 per cent and 1,5 per cent in the second half of 1979 and in the first two months of 1980, respectively. The seasonally adjusted number of hours worked by production workers in construction, which had actually declined at an annual rate of 6,0 per cent in the first half of 1979, increased at annual rates of 1,6 per cent and 18,3 per cent in the second half of 1979 and in the first two months of 1980, respectively.

Non-agricultural employment rose by 2,0 per cent in 1979 as a whole, compared with 0,9 per cent in the preceding year. Private-sector employment, which had risen by only 0,4 per cent in 1978, increased by 2,3 per cent in 1979. The rate of increase of 1,4 per cent in public sector employment in 1979, however, was appreciably lower than the corresponding increase of 2,4 per cent in 1978. With the exception of construction, higher levels of employment were recorded in all sections of the private sector in 1979. In the public sector, employment by local authorities and the South African Railways Administration declined in 1979, whereas the number of employees of universities increased sharply. Employment in the remainder of the public sector rose at a lower rate than in 1978.

The higher level of employment resulted in a moderate decline in unemployment among all population groups. The seasonally adjusted number of registered unemployed Whites, Coloureds and Asians decreased from 30 000 in December 1978 to 26 930 in December 1979 and further to 23 810 in April 1980. The ratio of unemployed Blacks to the economically active Black population declined from 9,4 per cent in February 1979 to 8,8 per cent in February 1980.

*Aggregate statistics relating to employment and the remuneration of labour are only available up to the end of 1979.

Annual percentage change in labour costs per unit of production in manufacturing



Slight increase in overall labour productivity

Labour productivity, as measured by the real gross domestic product per worker in the non-agricultural sectors of the economy, rose at a lower rate in the first half of 1979 than in 1978, but at a substantially higher rate in the second half of 1979. The increase in 1979 as a whole amounted to 1,9 per cent, compared with 1,3 per cent in the preceding year.

A higher rate of increase in labour productivity, however, did not occur in all sectors of the economy. In manufacturing, for which more detailed statistics are available, production per man hour rose by 2,4 per cent in 1979, compared with 3,4 per cent in 1978. The lower rate of increase in 1979 reflected a more rapid rise in the number of hours worked than in the volume of manufacturing production. Labour costs per unit of production also increased at a higher rate than output, namely by 9,8 per cent as against an increase of 6,7 per cent in the volume of production. The rise in unit labour costs in 1979 exceeded the increase of 6,9 per cent in 1978, but was substantially below the average annual rate of increase of 15 per cent during the preceding five years.

Decline in real remuneration of labour

The average remuneration per worker in the non-agricultural sectors of the economy increased by 12,1 per cent in 1979, compared with 10,4 per cent in 1978. In real terms, however, the average remuneration per worker declined by 0,9 per cent in 1979 as against a slight increase of 0,3 per cent in the preceding year. The decline in the real per capita remuneration in 1979 was largely due to a higher rate of increase in prices than in salaries and wages. The rate of increase in the real salaries and wages per non-White worker slowed down from 1,1 per cent in 1978 to 0,4 per cent in 1979, whereas the real salaries and wages per White worker declined by 0,8 per cent and 1,0 per cent in 1978 and 1979, respectively.

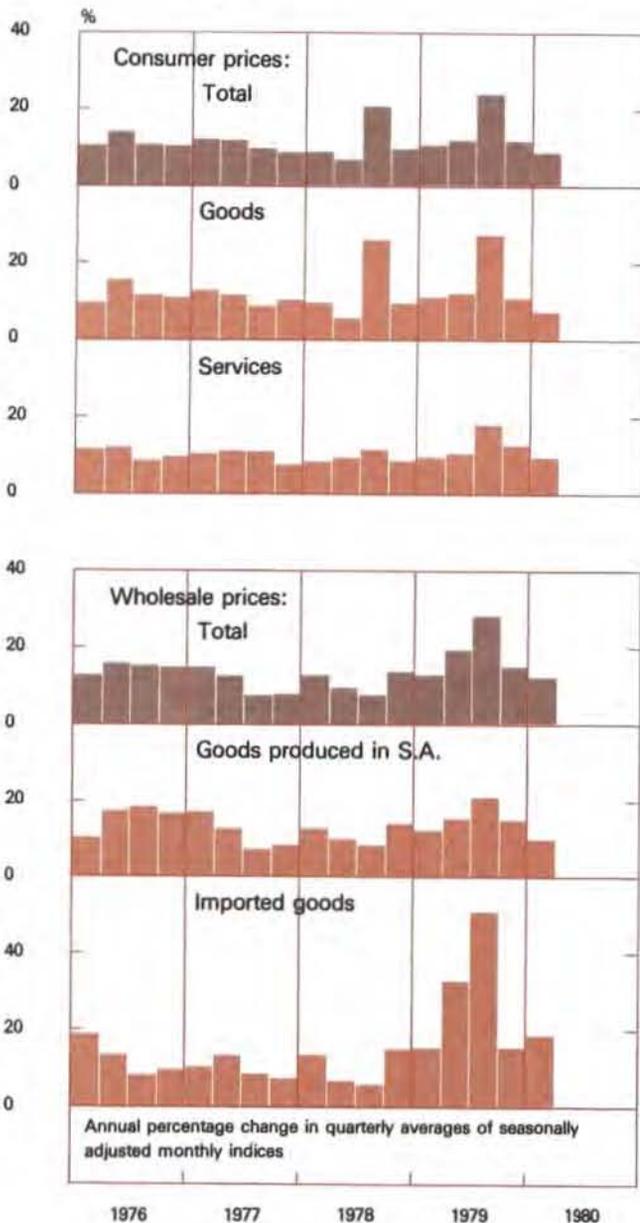
Lower rate of increase in prices

The rate of inflation decelerated appreciably in the first quarter of 1980, mainly because of the limited effect of increases in administered prices during this period. Increases in several important administered prices, however, were scheduled for the second quarter of 1980. The annual rate of increase in the seasonally adjusted consumer price index slowed down from 11,3 per cent in the fourth quarter of 1979 to 8,6 per cent in the first quarter of 1980 because of lower rates of increase in the prices of goods as well as of services. The seasonally adjusted annual rate of increase in the prices of consumer goods declined to 6,3 per cent in the first quarter,

despite higher rates of increase in the prices of vehicles, clothing, footwear and meat. The corresponding rate of increase in the prices of consumer services amounted to 9,1 per cent, reflecting lower rates of increase in housing and transport costs but a more rapid rise in postal tariffs and in the cost of medical services and education. Compared with the corresponding month of the preceding year, consumer prices rose by 13,0 per cent in March and by 13,3 per cent in April 1980.

Wholesale prices, which had increased at a seasonally adjusted annual rate of 14,6 per cent in the fourth quarter of 1979, rose at an annual rate of 12,0 per cent in the first quarter of 1980. This deceleration was due to a lower rate of increase in the prices of domestically produced goods, in particular electricity, gas and water tariffs and the prices of agricultural products and manufactured goods other than machinery, transport equipment and footwear. The prices of imported goods, on the other hand, rose at a higher rate in the first quarter than in the fourth quarter of 1979. Compared with the corresponding month of the preceding year, wholesale prices increased by 18,0 per cent in March and by 18,6 per cent in April 1980.

Percentage change in prices



Balance of payments

Record surplus on current account

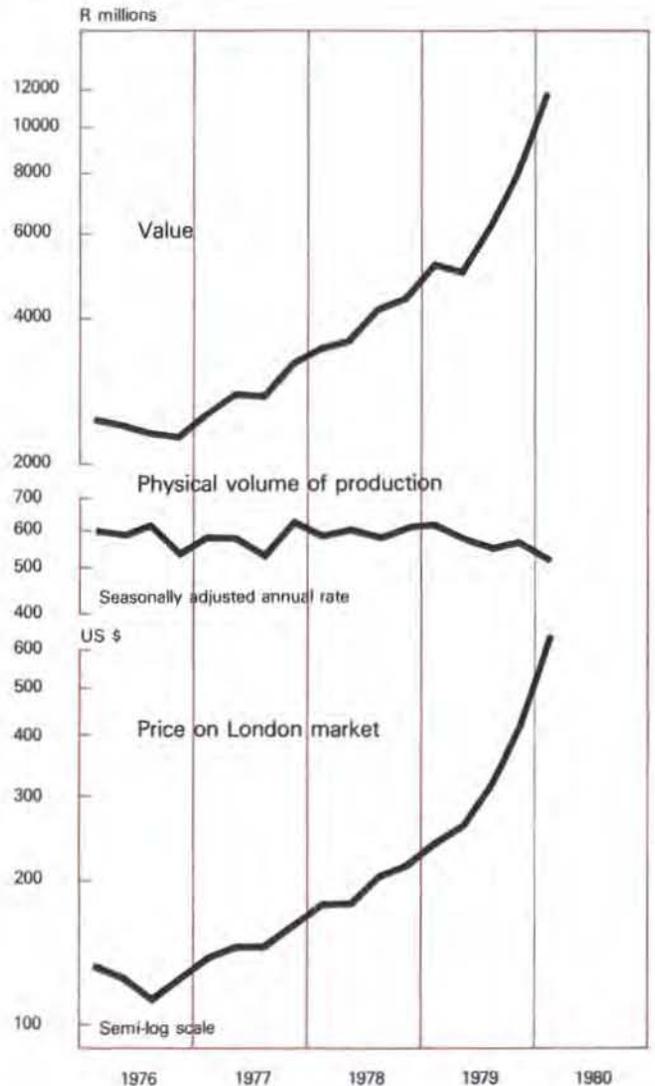
A record surplus of R1 977 million was recorded on the current account of the balance of payments in the first quarter of 1980. At a seasonally adjusted annual rate, the current account surplus increased from R4 070 million in the last quarter of 1979 to R7 780 million in the first quarter of 1980. As a ratio of the gross domestic product, the surplus amounted to 13,3 per cent in the first quarter. This substantially higher surplus was almost entirely due to an exceptionally large increase in the value of the net gold output, resulting from a sharp rise in the price of gold. The value of merchandise exports and the value of merchandise imports both increased slightly, and net service and transfer payments to the rest of the world remained approximately unchanged.

The net gold output, at a seasonally adjusted annual rate, increased from R7 850 million in the last quarter of 1979 to R11 480 million in the first quarter of 1980, or by 46,2 per cent. This increase occurred despite a further decline in the volume of gold production and reflected a rise of 52,4 per cent in the average fixing price of gold on the London market, namely from \$414,27 per fine ounce in the fourth quarter of 1979 to \$631,49 per fine ounce in the first quarter of 1980. The price of gold fluctuated sharply during the first quarter. After a record fixing price of \$850 per fine ounce had been reached on 21 January, the price fluctuated downwards to \$494,50 per fine ounce on 31 March. In April the average price amounted to \$517,06 per fine ounce.

After the value of merchandise exports had increased at a high rate during the second half of 1979, it rose only slightly further in the first quarter of 1980. At a seasonally adjusted annual rate, merchandise exports amounted to R10 210 million in the first quarter, compared with R10 020 million in the preceding quarter. Increases occurred in most of the main export categories, but these increases were largely offset by a substantial decline in diamond exports. The lower rate of growth in the value of merchandise exports in the first quarter was due to a more moderate rate of increase in export prices as well as in the volume of exports. Sharp rises in the prices of sugar, copper, platinum, iron ore and maize were largely neutralised by declines in the prices of uranium, ferro-chrome, wool and coal. Similarly, considerable increases occurred in the volume of some exports, notably maize and ferro-chrome, but these were to a large extent offset by declines in the volume of others, in particular diamonds and sugar.

Merchandise imports, at a seasonally adjusted annual rate, increased from R11 260 million in the fourth quarter of 1979 to R11 380 million in the first quarter of 1980. The relatively small increase in imports in the first quarter was the net result of a decline in imports of mineral products (including

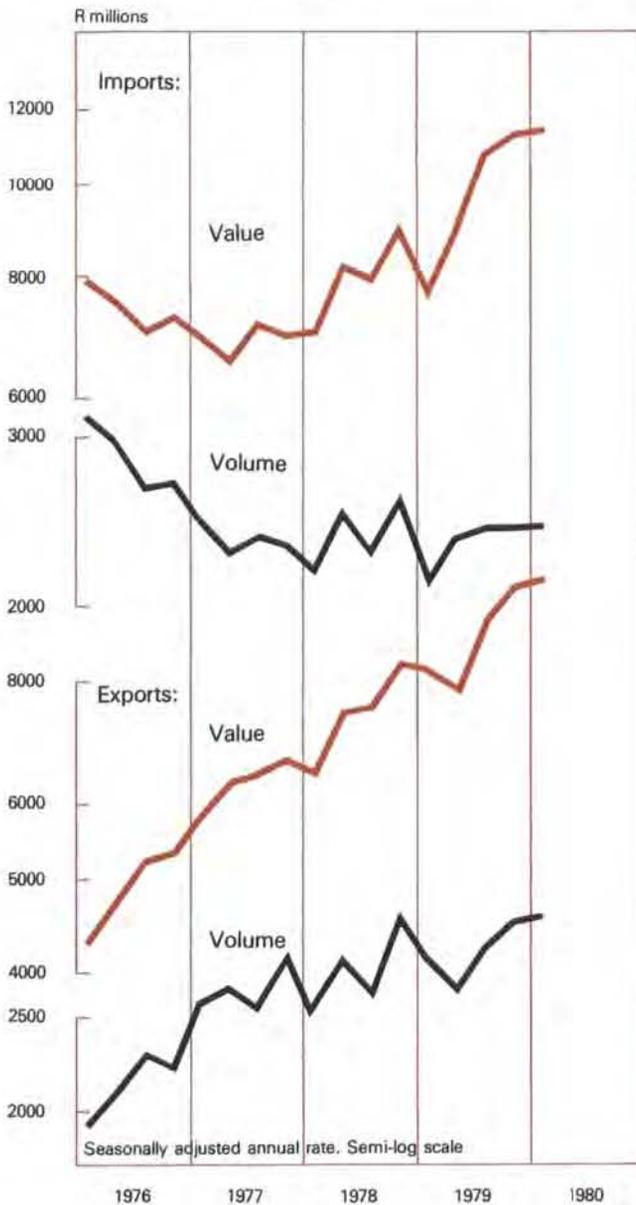
Net gold production



petroleum), a sharp rise in imports of machinery and electrical equipment, and moderate increases in most of the other main categories of imports. The increase in the value of imports in the first quarter consisted of a moderate increase in prices and a slight decline in volume. Import prices, which had risen rapidly during the second half of 1979, increased at a lower rate in the first quarter because the further acceleration of the rates of increase in prices in trading-partner countries was countered to some extent by an appreciation of the rand.

At a seasonally adjusted annual rate, the value of net service and transfer payments to the rest of the world, which had increased sharply during 1979, declined marginally from R2 542 million in the last quarter of 1979 to R2 530 million in the first quarter of 1980. This small decline was the result of higher service payments, particularly dividend payments, being more than offset by an increase in service

Merchandise imports and exports



receipts which reflected, among other things, the high interest rates abroad.

Exceptionally large net outflow of capital

The net outflow of capital, which had increased to an unusually high level of R1 017 million in the last quarter of 1979, increased sharply further to R1 665 million in the first quarter of 1980. The latter increase was the result of a corresponding strong rise in the net outflow of short-term capital, including errors and omissions on the current as well as the capital account of the balance of payments. The net outflow of long-term capital increased only moderately during the first quarter.

The net outflow of short-term capital during the first quarter amounted to R1 042 million, consisting

predominantly of private-sector capital. Public corporations and local authorities were responsible for only a small net outflow of short-term capital, whereas a moderate increase occurred in liabilities related to reserves. A major reason for the outflow of short-term capital from the private sector was the large-scale switching of trade financing from foreign to domestic sources because of the considerable difference between the levels of short-term interest rates in South Africa and those in other countries, particularly in the United States. The rate on three-months bankers' acceptances in the United States, for example, rose from 13,3 per cent at the end of December 1979 to 15,5 per cent at the end of February and to 19,0 per cent at the end of March 1980. In contrast, the corresponding rate in South Africa increased from 4,6 per cent at the end of 1979 to 4,9 per cent at the end of March 1980.

Initially the outflow of short-term capital was used by the authorities as a means of reducing excess liquidity in the economy, but during the period from the middle of March to the middle of April the capital outflow assumed such proportions that substantial foreign reserve losses and a severe tightening of the money market were experienced. To discourage the domestic financing of foreign trade, the Reserve Bank on 18 April raised the discount on forward exchange transactions in US dollars from 2,5 to 12 per cent. This was replaced by a graduated discount on forward dollars on 23 April to allow for differences in the maturities of forward exchange contracts. The discounts for various maturities were fixed at such levels as to make it marginally more attractive to use foreign instead of domestic credit in

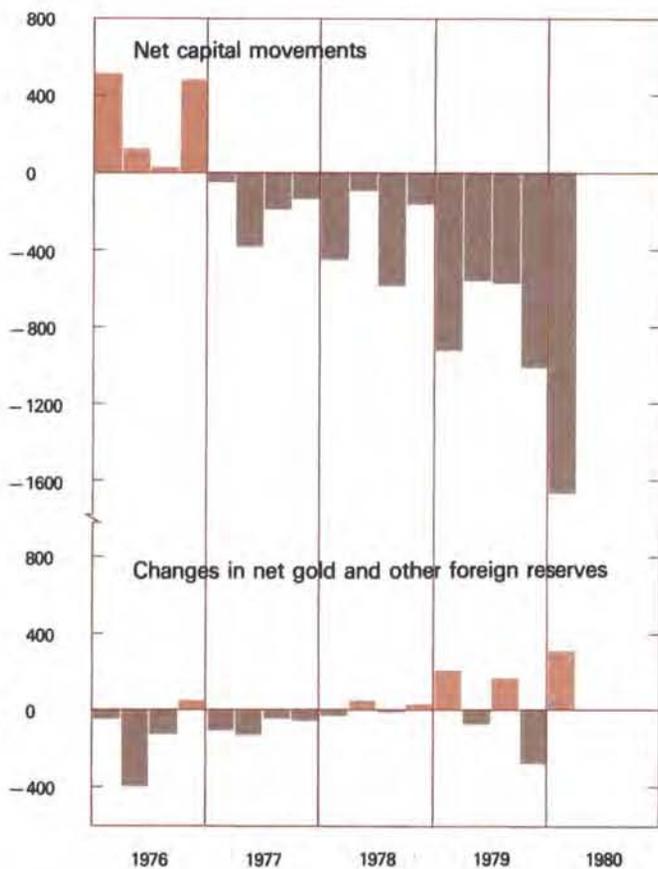
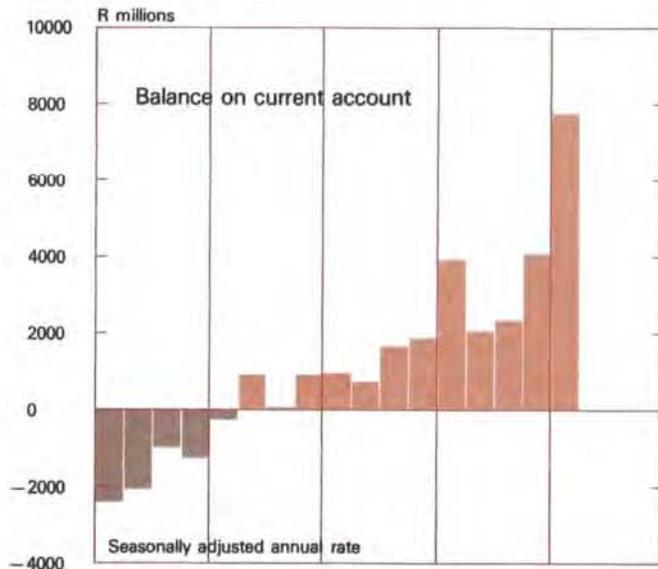
Net capital movements

R millions

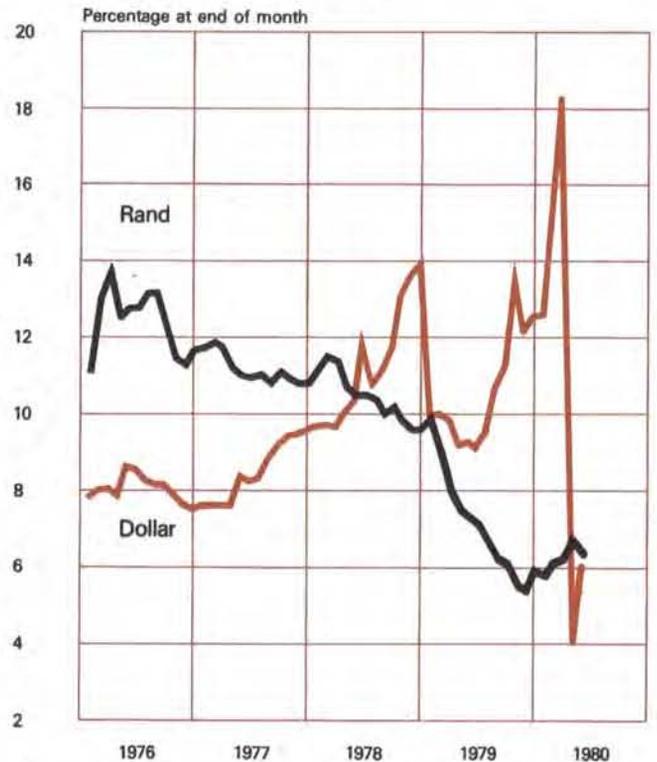
	1979 4th qtr	1980 1st qtr
Long-term capital		
Central government and banking sector	-89	-112
Public corporations and local authorities	-101	-180
Private sector	-324	-331
Total	-514	-623
Short-term capital		
Liabilities related to reserves ...	-203	55
Other capital of central government and banking sector ..	—	3
Public corporations and local authorities	100	-28
Private sector, including unrecorded transactions ¹	-400	-1 072
Total	-503	-1 042
Total capital movements	-1 017	-1 665

¹ I.e. errors and omissions on the current as well as the capital account of the balance of payments.

Balance of payments



Effective cost of trade financing



the financing of short-term trade covered by forward exchange contracts. In accordance with the subsequent decline in interest rates in the United States, the discounts on forward dollars were reduced in several stages. On 26 May discounts of 4,50, 4,25 and 3,75 per cent were applicable to forward exchange contracts for periods of up to 121 days, 122 to 243 days, and 244 to 365 days, respectively.

The relatively low rates of interest and the general availability of funds in the South African capital market encouraged further large net repayments on long-term foreign loans by the central government, the South African Railways Administration, public corporations and the private sector. As a result an appreciable net outflow of long-term capital, amounting to R623 million, was recorded in the first quarter of 1980.

Further increase in gold and other foreign reserves

Despite the substantial net outflow of capital, the surplus on the current account of the balance of payments was sufficiently large to allow for a moderate increase of R257 million in the net gold and other foreign reserves during the first quarter. An increase of R55 million in liabilities related to reserves raised the increase in the gross gold and other foreign reserves on account of balance of payments transactions to R312 million. If valuation adjustments, especially the upward revaluation of the gold reserves, are taken into account, the gross reserves

increased by R845 million during the first quarter to a level of R5 127 million at the end of March.

The increase in the gross foreign reserves during the first quarter was accounted for by a sharp rise of R1 808 million during January and February, and a decline of as much as R963 million during March. Although most of this decrease during March was due to the revaluation of the gold reserves at a lower price, the foreign exchange reserves also declined, namely from R1 041 million at the end of February to R900 million at the end of March. During April the gross gold and other foreign reserves of the Reserve Bank increased by R46 million to R4 795 million at the end of the month. This increase was the net result of an upward revaluation of the gold reserves, a rise in the Bank's foreign exchange holdings, and partly offsetting declines in the volume of gold reserves and the Bank's liabilities related to reserves.

Exchange rate changes

The weighted average value of the rand in terms of major currencies appreciated by 5,3 per cent during the first quarter of 1980, compared with 0,5 per cent during the last quarter of 1979. The rate of appreciation of the rand against individual currencies varied considerably during the first quarter. Thus, the rand appreciated by 16,9 per cent against the Swiss franc, 14,1 per cent against the German mark, 6,6 per cent against the Japanese yen, 4,3 per cent against the British pound, and 2,1 per cent against the US dollar.

From early April the US dollar started depreciating against the other major currencies, as a result of which the weighted average value of the rand depreciated by 0,7 per cent from the end of March until 30 May, notwithstanding an appreciation of 3,5 per cent against the dollar. On the latter date the weighted average value of the rand was 4,6 per cent above its level at the beginning of 1980 and 8,3 per cent above the level on 24 January 1979 when the system of managed floating of the rand was introduced.

The financial rand discount, which had declined sharply during the first two months of 1980, amounted to 14,9 per cent at the end of February. Subsequently, it increased considerably to 31,2 per cent on 1 April, before fluctuating downwards to 27,1 per cent on 30 May 1980.

Monetary and banking situation

High rates of growth in monetary aggregates

The money and near-money supply, which had increased by 13 per cent during 1979 as a whole and at a seasonally adjusted annual rate of 27 per cent during the last quarter, rose moderately at an annual rate of 14 per cent during the first quarter of 1980. During April it declined at a seasonally adjusted annual rate of 10 per cent, resulting in an annual rate of increase of 7 per cent during the first four months of 1980. From April 1979 to April 1980 the money and near-money supply increased by 15 per cent. If, however, the banks' short and medium-dated repurchase agreements with the private non-banking sector, which are close substitutes for money and near-money deposits, are taken into account, the rate of increase amounted to as much as 27 per cent.

Changes in monetary aggregates

	April 1979 to April 1980	
	Including repurchase agreements	Excluding repurchase agreements
Money	17,8	29,2
Money and near-money	14,9	26,8
Money, near-money and long-term private deposits	15,1	24,1
Claims on the private sector	22,3	32,6
Domestic credit extension	18,7	26,7

The narrowly defined money supply, which had increased by 21 per cent during 1979 and at a seasonally adjusted annual rate of 47 per cent during the last quarter of the year, rose very sharply further at an annual rate of 37 per cent during the first quarter of 1980. A sharp decline of R263 million during April, however, brought the annual rate of increase to 12 per cent during the first four months of the year. The narrowly defined money supply started accelerating markedly from July 1979, and during the ten-month period from the end of June 1979 to the end of April 1980 the increase amounted to as much as R912 million. Moreover, if the so-called "continuous contracts" and "overnight buy-backs" among the monetary banks' repurchase agreements with the private non-banking sector are taken into account, this increase amounted to no less than R1 512 million, or to a seasonally adjusted annual rate of 35 per cent.

Causes of changes in money and near-money

The increase in the seasonally adjusted money and near-money supply during the first quarter of 1980 resulted from a moderate increase in the net gold and other foreign reserves of the monetary banking sector

and a substantial rise in this sector's claims on the private sector. Most of these increases, however, were offset by a very large decline in net claims on the government sector and a renewed strong rise in long-term deposits of the private sector with monetary banks. During April net claims of the monetary banking sector on the government sector rose strongly, whereas a relatively moderate increase occurred in claims on the private sector. The net gold and other foreign reserves of the monetary banking sector declined during April and only a slight further rise was recorded in long-term private sector deposits with monetary banks.

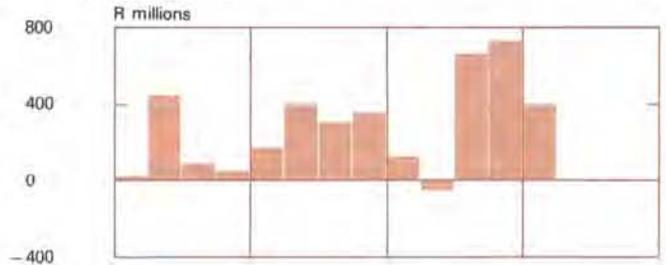
The seasonally adjusted net gold and other foreign reserves of the monetary banking sector increased by R133 million during the first quarter of 1980. These reserves rose strongly during January and February, largely as a result of the substantial surplus on the current account of the balance of payments. Most of this increase, however, was neutralised by a subsequent sharp decline during March when the net outflow of capital reached an unprecedentedly high level, mainly because of large-scale switching from foreign to domestic financing of foreign trade. During April the decline in reserves slowed down again, amounting to R151 million. The net gold and other foreign reserves of the Reserve Bank actually increased by R118 million during April, excluding the effect of the revaluation of the Bank's gold reserves.

The seasonally adjusted claims of the monetary banking sector on the private sector, which had increased at a high annual rate of 25 per cent during the fourth quarter of 1979, expanded even more rapidly at an annual rate of 30 per cent, or by R838 million, during the first quarter of 1980. This increase reflected, apart from a stronger demand for credit generally, the use of domestic bank credit in the financing of foreign trade. During April a relatively small increase of R113 million was recorded.

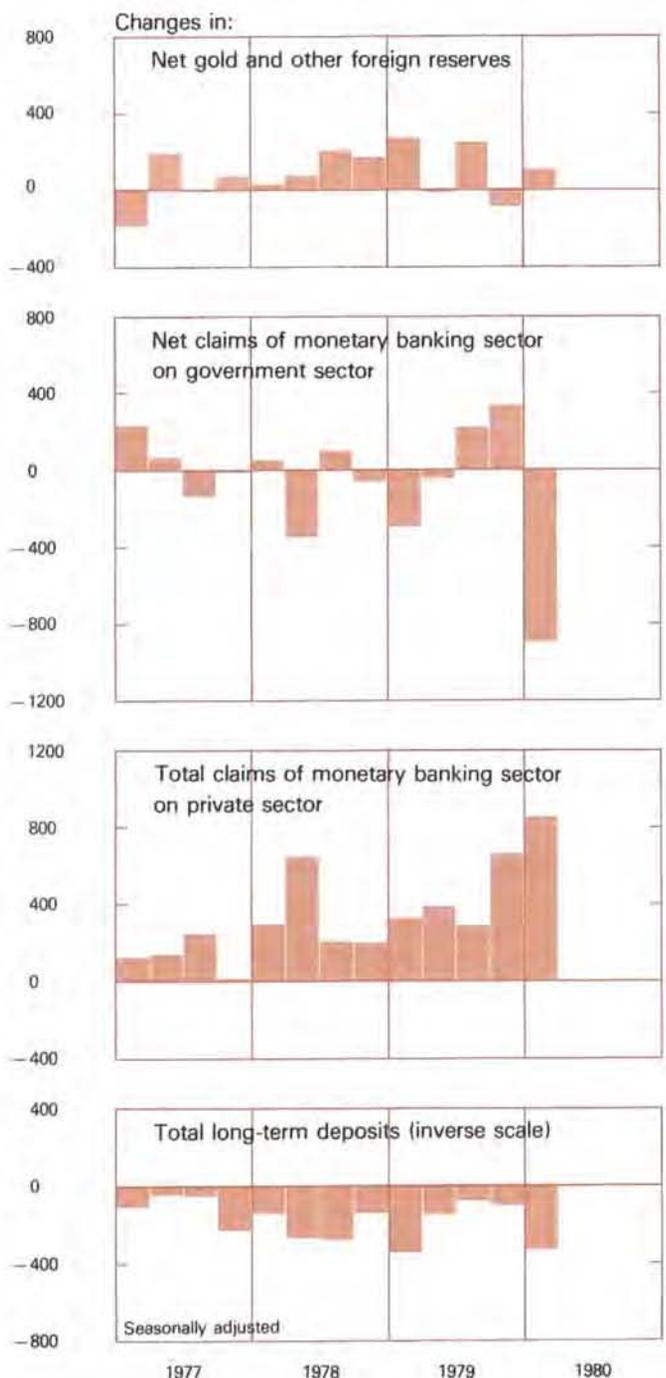
After an increase in the seasonally adjusted net claims of the monetary banking sector on the government sector had contributed considerably to the expansion of the money and near-money supply during the second half of 1979, a sharp decline of R902 million in these net claims occurred during the first quarter of 1980. Part of this decline was accounted for by a substantial increase in government deposits, resulting from large tax receipts at the end of February. During April a sharp decrease in government deposits and a substantial rise in gross claims on the government sector caused the monetary banking sector's net claims on the government sector to increase strongly by R653 million.

The rate of increase in the seasonally adjusted long-term deposits of the private sector with monetary banking institutions, which had slowed down considerably during the second half of 1979, regained momentum during the first quarter of 1980 when these deposits rose by R334 million. Abundant private-sector liquidity and changes in expectations

Changes in money and near-money



Causes of changes in money and near-money



Causes of changes in money and near-money

R millions

	Not seasonally adjusted				Seasonally adjusted			
	3rd qtr 1979	4th qtr 1979	1st qtr 1980	Apr. 1980	3rd qtr 1979	4th qtr 1979	1st qtr 1980	Apr. 1980
Net gold and other foreign reserves	259	-96	157	-36	247	-85	133	-151
Claims on government sector:								
Gross claims	-71	454	-588	303				
Government deposits (increase-, decrease+)	98	-7	-635	674				
Net claims	27	447	-1 223	977	221	330	-902	653
Claims on private sector	377	572	709	72	293	664	838	113
Long-term deposits (increase-, decrease +)	-13	-27	-333	-36	-82	-103	-334	-18
Net other assets	-5	-18	653	-955				
Total causes of changes	645	878	-37	22	662	733	407	108

regarding interest rate movements apparently contributed to the renewed increase in long-term deposits. Only a small further increase of R18 million was recorded in April.

Rapid expansion of most components of bank credit to the private sector

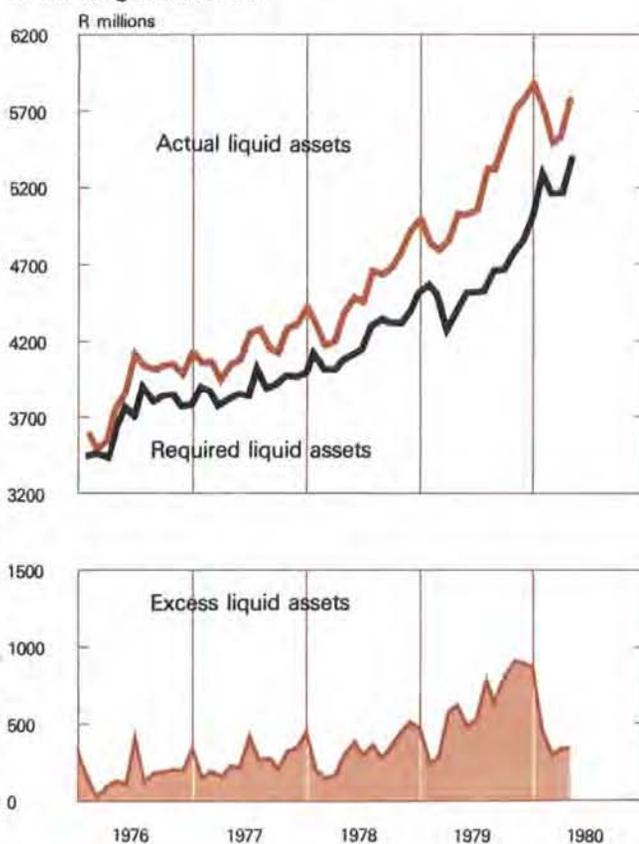
The substantial increase in bank credit to the private sector during the first quarter of 1980 was largely attributable to an increase of R556 million in the discounts, loans and advances of the commercial, merchant and monetary general banks. This amount included a net increase of R242 million in hire-purchase credit and leasing finance, a decline of R73 million in bills discounted, and a rise of R387 million in other loans and advances. Investments by monetary banking institutions in securities of the private sector also rose appreciably during the first quarter, namely by R123 million, whereas cash credit advances by the Land Bank declined slightly by R88 million. The discounts, loans and advances of commercial, merchant and general banks continued to rise appreciably during April, but offsetting declines in investments in private-sector securities by monetary banking institutions and cash credit advances by the Land Bank caused bank credit to the private sector to increase by a relatively small amount during this month.

As a result of the substantial increase in bank credit to the private sector, the unused facilities under the banks' ceilings on discounts, loans and advances rose by only R18 million during the first quarter of 1980, notwithstanding the raising of the ceilings, with effect from 31 March, by an additional 6 per cent of the base figures as at the end of 1975. During April the unused facilities declined by R61 million. With effect from 31 March, the ceilings on private-sector investments were also raised by an additional 6 per cent of the base figures. Unused facilities under these ceilings nevertheless declined by R13 million during the first quarter, but increased slightly by R8 million during April.

Low level of excess bank liquidity

The liquidity position of monetary banking institutions weakened appreciably during the first quarter of 1980, whereas that of non-monetary banking institutions improved slightly. The excess liquidity ratio for all monetary banking institutions declined from 4,8 per cent at the end of December 1979 to 1,7 per cent at the end of March 1980. The corresponding ratios for non-monetary banks were 1,2 per cent and 2,9

Actual, required and excess liquid assets of banking institutions



per cent, respectively. The main reason for the deterioration in bank liquidity generally was a decline of R382 million in the banks' actual liquid asset holdings. This was caused by declines of R894 million and R202 million, respectively, in the contributions of the government sector and the private sector to the banking institutions' liquidity base. Part of these declines, however, was neutralised by an increase in other sectors' contributions to the liquidity base. At the end of April the excess liquidity ratios of banking institutions were approximately equal to those at the end of March.

Various changes in the cash reserve and liquid asset requirements for banking institutions were announced by the Reserve Bank on 25 March and came into effect from the date of certification of the banks' monthly returns for March.* These changes had virtually no effect on total required liquid assets, but caused the required cash holdings of all banking institutions with the Reserve Bank and the National Finance Corporation to increase by R353 million.

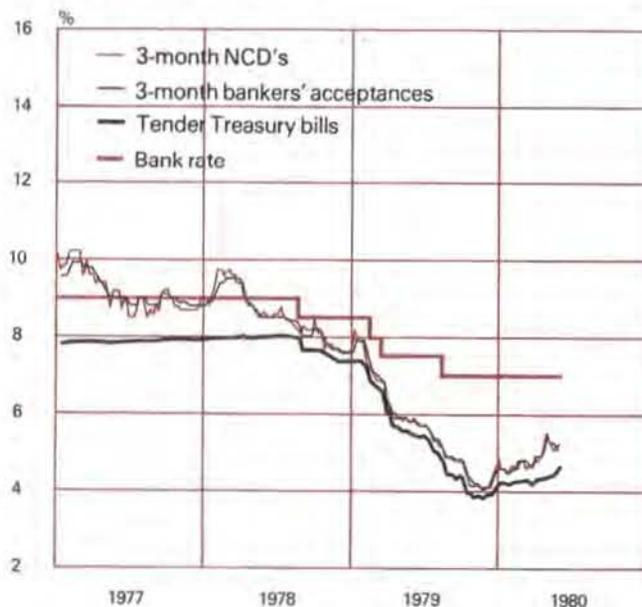
Money market

Conditions in the money market were seasonally tight over the February month-end because of the usual flow of tax funds to the government. Market conditions eased somewhat during the second and third weeks of March, but tightened considerably over the month-end as a result of the substantial decline in the net gold and other foreign reserves of the Reserve Bank. From 21 April a large additional amount of cash had to be held by banking institutions with the Reserve Bank and the National Finance Corporation because of the changes in the cash requirements referred to above. This, together with a large increase in the amount of notes in circulation, caused a severe tightening in the money market towards the end of April and in early May.

Call loans to discount houses reached a high level of R1 196 million on 28 February before declining to R982 million on 1 March and to R848 million on 24 April. On 27 May these loans had increased again to R1 181 million. Accommodation to discount houses, which had amounted to R285 million on 29 February, reverted to lower levels up to 21 March but rose sharply during the remainder of the month, reaching R562 million on 31 March. This amount included a deposit of R217 million of the Public Debt Commissioners with discount houses as well as overnight loans of R62 million. By 15 April all accommodation had been repaid. From 21 April until early May large amounts of bills were again rediscounted with the Reserve Bank. This accommodation to discount houses amounted to R393 million on 26 April, but had been repaid completely on 7 May.

*See statement by the Reserve Bank in this issue of the *Quarterly Bulletin*.

Money market interest rates



Monetary banks' net free balances with the National Finance Corporation decreased to a low level on 29 February and were virtually depleted during March, April and early May except for a few days in the middle of April. From 5 May larger free balances were kept with the National Finance Corporation, amounting to as much as R602 million on 27 May.

Money market interest rates rose moderately during February before declining slightly during the first week of March. Thereafter, these rates increased during the remainder of the month, remained mostly unchanged during the first two weeks of April, but rose quite sharply during the second half of April, before declining slightly during the first three weeks of May. The rate on three-months bankers' acceptances declined from 4,80 per cent on 29 February to 4,70 per cent on 7 March, before rising to 4,90 per cent on 28 March. Subsequently, this rate remained unchanged until 11 April, but increased to 5,40 per cent on 25 April before declining to 5,20 per cent on 30 May. The Treasury bill tender rate decreased from 4,27 per cent on 29 February to 4,20 per cent on 7 March, before increasing to 4,28 per cent on 28 March and 4,66 per cent on 30 May.

Open-market sales of securities by the Reserve Bank amounted to R97 million during January and February and to R12 million during the first few days of March. No further sales of government securities were made during the remainder of March and during April because of the tightening of the market and the scheduling of a new issue of government stock in April. On 31 March the Reserve Bank made the first issue of its own securities when debentures of R100 million, maturing on 1 April 1980, were issued to the

National Finance Corporation. Open-market operations were resumed in May, but the scope for transactions was limited by expectations of a further increase in interest rates. The Reserve Bank nevertheless sold special Treasury bills to an amount of R155 million from 8 to 20 May. These bills will mature on 29 August in order to alleviate the usual period of seasonal tightness over the August month-end arising from tax payments to the government.

Government finance

Moderate increase in Exchequer issues

Exchequer issues to government departments, which had increased by 20 per cent in the first nine months of the 1979/80 fiscal year compared with the corresponding period of the preceding fiscal year, were slightly lower in the last quarter of the fiscal year, i.e. the first quarter of 1980, than in the last quarter of the preceding fiscal year. In the 1979/80 fiscal year as a whole issues increased by 14 per cent, as against the Budget estimate of 12 per cent. As during the preceding two fiscal years, the rate of increase in Exchequer issues, and more generally in central government expenditure, reflected the policy of the government of allowing very little expansion of its expenditure in real terms. During the three-year period from 1977/78 to 1979/80, Exchequer issues on average rose by 13 per cent per year, a rate of increase that exceeded the average rate of inflation during this period by only a small margin. During the preceding three years, for example, the average annual rate of increase in Exchequer issues amounted to 22 per cent.

Exceptionally high rate of growth in Exchequer receipts

Exchequer receipts increased by 21 per cent in the first nine months and by 18 per cent in the last three months of the 1979/80 fiscal year, compared with the corresponding periods of the preceding fiscal year. The increase of 20 per cent in the fiscal year as a whole was not only the highest annual rate of increase since 1973/74, but was also substantially above the Budget estimate of 4 per cent.

This substantial deviation from the Budget estimate was largely due to a rise of as much as 74 per cent in income tax and mining lease receipts from

State Revenue Fund¹ – Revenue collections

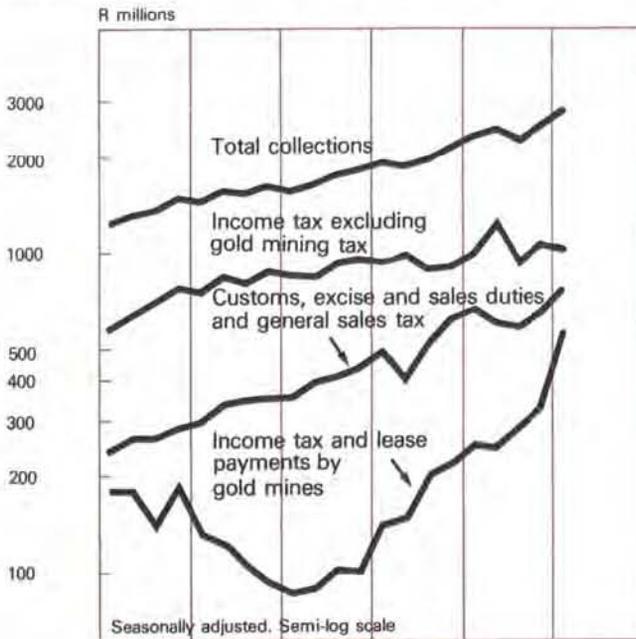
R millions

	January – March		Fiscal year ended March		
	1979	1980	1979	1980	
				Budget estimates	Actual receipts
Import duties	84	118	371	446	453
Surcharge on imports	85	64	359	236	251
Excise duties	277	342	983	1 023	1 039
Sales duty ²	—	—	121	1	1
General sales tax ²	287	351	672	1 175	1 277
Sub-total	734	874	2 506	2 881	3 021
Income tax and lease payments by gold mines	308	666	862	855	1 502
Other income tax payments	1 248	1 273	3 799	3 795	4 203
Other revenue collections	551	557	1 596	1 590	1 791
Total	2 842	3 370	8 763	9 121	10 517

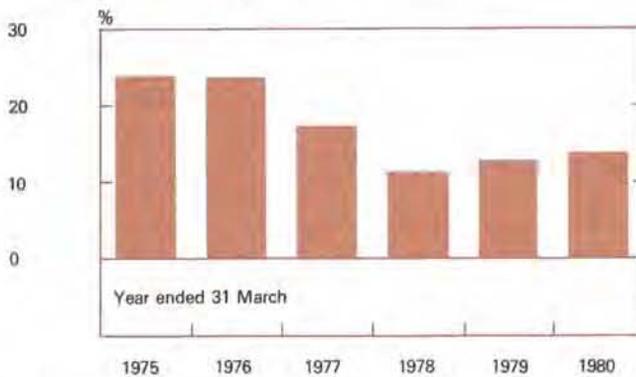
1. Including amounts transferable to neighbouring countries in terms of Customs Union Agreements.

2. The sales duty was abolished in July 1978 when a general sales tax was introduced.

Revenue collections — State Revenue Fund



Percentage change in Exchequer issues



gold mining companies, resulting from the sharp increase in the price of gold. If receipts transferable to neighbouring countries in terms of the Customs Union Agreements are excluded, gold mining companies contributed 15 per cent of total revenue receipts during 1979/80. This ratio was considerably higher than the corresponding figure of 10 per cent in 1978/79, but still slightly lower than in 1974/75 when revenue receipts from gold mining companies also increased substantially owing to a strong rise in the price of gold. The income tax component of receipts from gold mining companies accounted for 22 per cent of total income tax collections in 1979/80, compared with 15 per cent in the preceding fiscal year.

As shown in the accompanying table, virtually all revenue components increased appreciably in 1979/80. The only exception was the surcharge on imports, which showed a decline because of the lowering of the surcharge rate. Income tax receipts

from sources other than gold mining companies rose by 11 per cent, notwithstanding the extensive tax concessions granted in the 1979/80 Budget. This increase was in sharp contrast with the rate of increase of only 2 per cent in 1978/79 when the income tax yield still reflected a slow economic recovery generally and a more moderate increase in export commodity prices than in the ensuing year.

As a result of the decline in collections of the surcharge on imports and the higher receipts from gold mining companies, the ratio of indirect taxes to total revenue, excluding amounts transferable to member countries of the Customs Union, decreased slightly to 26 per cent in 1979/80. This ratio was nevertheless well above the level of 20 per cent in 1975/76 when the process of tax reform, in terms of which greater emphasis would be placed in future on indirect taxes as a source of revenue, was initiated.

Exchequer deficit financed mainly from domestic non-banking sources

A surplus of R82 million (before borrowing and debt repayment) was recorded on the Exchequer Account in the first quarter of 1980, resulting mainly from larger receipts from gold mining companies and the relatively low level of Exchequer issues during this period. In contrast with the pattern of Exchequer financing during the preceding nine months of the 1979/80 fiscal year, the Treasury was able to reduce its net indebtedness to the monetary banking sector and to make substantial repayments on foreign loans during the first quarter of 1980.

In the 1979/80 fiscal year as a whole, the deficit on the Exchequer Account amounted to R1 769 million, or R320 million less than in 1978/79. As shown in the accompanying table, the largest part of the deficit, namely R1 740 million, was financed by means of borrowing from domestic non-banking sources, i.e. the Public Debt Commissioners and the private non-banking sector. The Treasury's net indebtedness to the monetary banking sector, which

Exchequer Account financing

R millions

	January – March		Fiscal year ended March	
	1979	1980	1979	1980
Deficit (–) or surplus	–318	82	–2 089	–1 769
Financing				
Domestic sources				
Public Debt Commissioners ¹	468	321	1 291	741
Private non-banking sector	254	339	1 488	999
Monetary banking sector	–159	–619	–344	61
Sub-total	563	41	2 435	1 801
Foreign sector	–245	–124	–346	–32
Total financing	318	–82	2 089	1 769

1. Including the Department of Posts and Telecommunications.

had declined by R344 million in 1978/79, increased by R61 million during 1979/80. The net repayment of debt to the foreign sector amounted to R32 million, bringing the amount redeemed during the past two years to R378 million.

Two new issues of government stock were offered for subscription on 15 April 1980 and were planned to coincide with the redemption of maturing stock amounting to R337 million. The yield on the new short-term stock was fixed at 5,00 per cent and that on the new long-term stock at 9,25 per cent. Subscriptions to the short-term and long-term stock amounted to R404 million and R107 million, respectively. Private-sector investors showed little interest in these issues because of expectations of an increase in interest rates.

Central government Budget for the 1980/81 fiscal year

In presenting the 1980/81 Budget the Minister of Finance stated that the government's broad economic policy for the period ahead would remain one of "disciplined growth from a position of basic strength". Developments during the past year, which caused fiscal policy to be more conservative and less expansionary than originally planned, together with the favourable effects of the authorities' broad financial policy, increased not only the basic strength of the economy but also the scope for more rapid growth. Policy was aimed, therefore, at utilising the growth potential of the economy. It was stated, however, that the continued emphasis on growth would be accompanied by an equally strong emphasis on continued financial discipline. The growth in government expenditure would be limited so as to provide the private sector with both the scope and incentive for more rapid economic expansion without over-extending available resources. Moreover, the revenue shortfall would be financed without adding to the money supply.

In addition to promoting production, employment and investment, another major objective of official economic policy in 1980/81 would be to curb the rate of inflation. In the Minister's view, the existing inflation was mainly of the cost-push kind which could not be combated effectively by means of depressing aggregate demand. It was recognised that shortages of skilled labour and other bottlenecks were likely to create upward pressures on labour and certain other costs in the year ahead, but it was concluded that this problem could also not be solved by restricting demand. Accordingly, inflation would be countered by other means, comprising (1) effective control over government expenditure and the increase in the money supply with a view to preventing the emergence of demand inflation; (2) stimulation of supply through greater emphasis on the training and better utilisation of labour resources, increased imports, and the prevention of monopolistic practices; (3) a further appreciation of the rand against other currencies, if warranted by supply and

demand conditions in the foreign exchange market; (4) strict discipline in respect of increases in administered prices; and (5) tax proposals aimed at lowering certain costs or at least slowing down their rate of increase.

To give effect to these policy objectives, the Budget proposals were aimed at supporting the recovery in private consumption and investment by increasing the real disposable incomes of individuals and by enhancing the financial capacity of companies to expand fixed and inventory investment, and at contributing to the fight against inflation. The latter would be achieved by limiting the growth in government expenditure, financing the "deficit before borrowing" without resort to money creation, abolishing the import surcharge, providing additional funds for training and education, and increasing subsidies on food, transport and housing. In addition, the Budget proposals were aimed at continuing the process of structural tax reform which had been initiated previously.

Structural tax changes and tax relief measures consisted of, firstly, the introduction of a single basic income tax rate for both married and unmarried persons and the substitution of a new and comprehensive system of tax rebates for one of income abatements. Differentiation between married and unmarried taxpayers would be achieved by allowing a smaller rebate to unmarried persons and increasing their tax liability by means of a 20 per cent surcharge. Secondly, the progression of the basic marginal rates of normal income tax would be adjusted to reach a maximum of 50 per cent (previously 55 per cent) at a taxable income of R40 000 (previously R30 000) in the case of married persons and at an income of R28 000 (previously R22 000) in the case of unmarried persons. Thirdly, the compulsory loan levy on individuals and companies was abolished. Fourthly, concessions were granted in respect of transfer duty, estate duty, tax-free lump-sum payments by pension and retirement annuity funds, the tax-free portion of the income of married women, and taxes paid by Blacks.

Taking into account estimated tax concessions of R909 million, total revenue in 1980/81 was expected to amount to R10 856 million, representing an increase of about 11 per cent. Total expenditure, including provisions for higher salaries and wages in the public service, increased social and civil pensions, additional funds for training and education, and increased subsidies, was estimated at R13 083 million in 1980/81, or 14 per cent more than in the preceding fiscal year. The "deficit before borrowing" was expected to increase from a preliminary figure of R1 683 million in 1979/80 to R2 227 million in 1980/81. The latter figure, together with loan repayments of R1 430 million, would result in an estimated financing requirement of R3 657 million. It was envisaged that this amount would be financed mainly by borrowing from the Public Debt Commissioners and the private non-banking sector.

Capital market

Firming of the market for fixed-interest securities

The market for fixed-interest securities, which had tightened temporarily towards the end of 1979, eased again during the most of the first quarter of 1980. During the second half of March, however, the market became characterised by a change in expectations regarding long-term interest rate movements and a hesitancy on the part of investors to acquire long-term securities. These tighter conditions continued to prevail during April. In these circumstances, and in order not to coincide with a government stock issue, two new issues of public corporation stock, which had been scheduled for April, were postponed until May and June.

The secondary market yield on long-term government stock decreased from 9,32 per cent in December 1979 to 9,26 per cent in February 1980, remained at this level during March, and rose to 9,41 per cent in April. A somewhat lower yield of 9,25 per cent was fixed for a new issue of long-term government stock in April. The long-term secondary market yield on the highest grade semi-gilt-edged stock declined from 9,53 per cent in December 1979 to 9,48 per cent in February and 9,42 per cent in March 1980, before rising to 9,59 per cent in April. The secondary market yield on long-term company loan stock did not show any clear trend during the first four months of 1980, except that the average

yield of 11,28 per cent in April was slightly higher than in December 1979.

New funds raised by the public sector in the fixed-interest security market amounted to R335 million during the first quarter, compared with R169 million during the last quarter of 1979 and a quarterly average of R162 million in 1979. New funds of R103 million were raised by private-sector companies listed on the stock exchange during the first quarter, as against R42 million in the preceding quarter and a quarterly average of R48 million in 1979.

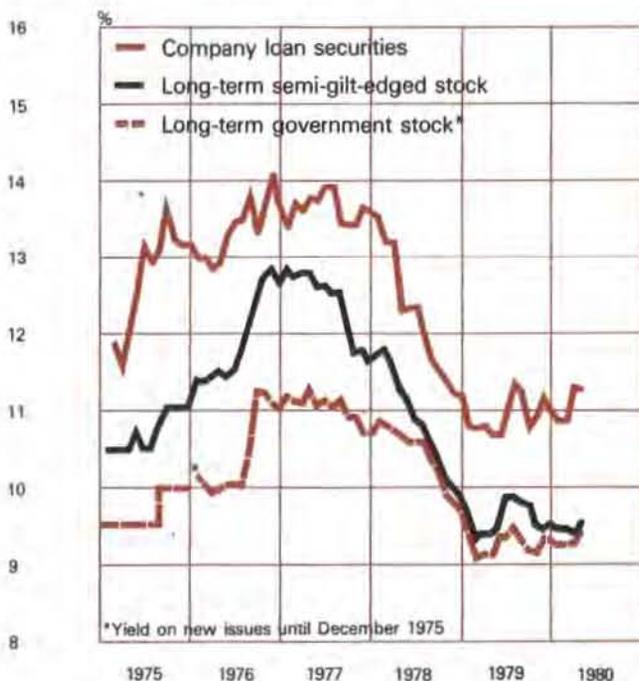
New record levels of turnover and prices in the share market

Stock exchange turnover and share prices reached new record levels in the first quarter of 1980, but turnover reverted to lower levels after January and share prices started to decline in March. Although lower turnovers were recorded in February and March, the number of shares traded during the first quarter exceeded the total for the preceding quarter and the quarterly average for 1979 by 34 per cent and 69 per cent, respectively.

Coinciding with the sharp rise in the price of gold, share prices rose strongly during January. Prices continued to increase during February and reached a level that was on average 48 per cent higher than the May 1969 peak. During March most share prices declined but the comprehensive share price index, covering all classes of shares, was still 9 per cent higher than in December 1979. Industrial and commercial share prices showed the highest rate of increase, followed successively by financial and by mining share prices. A further small decline in prices occurred during April. With the exception of commercial shares, the declining tendency in prices during March and April was evident in all major classes of shares.

The dividend yield on all classes of shares decreased marginally from 5,05 per cent in December 1979 to 5,00 per cent in March, before rising to 5,15

Secondary market security yields



Percentage change in share prices

	1979		1980	
	3rd qtr	4th qtr	1st qtr	April
Mining shares:				
Gold	19,4	39,1	6,1	-0,7
Coal	14,7	7,2	8,2	-1,6
Other metals and minerals ..	12,8	15,7	10,3	-9,3
Financial shares:				
Mining	16,4	34,9	3,5	-5,6
Industrial and general	16,9	11,0	18,8	-1,8
Real estate	19,6	14,9	22,1	-4,3
Banking and insurance	14,9	9,1	11,1	-1,1
Industrial and commercial shares:				
Industrial	15,2	17,1	10,1	-2,6
Commercial	17,2	14,0	16,6	1,1
All shares	16,9	23,5	8,8	-2,0

Stock exchange



per cent in April. These changes were much in line with those in other long-term yields and the yield gap between long-term government stock and shares, for example, remained almost unchanged, amounting to 4,26 per cent in December and March and 4,27 per cent in April.

Unit trusts recorded a further net outflow of funds, amounting to R16 million, during the first quarter. This outflow was financed mainly from net sales of securities. In accordance with the increase in share prices, the market value of their net assets rose by R11 million to a level of R596 million during the first quarter. This amount was substantially less than the increase of R84 million during the last quarter of 1979 and the average quarterly increase of R49 million in 1979.

Renewed sharp increase in holdings of longer-term funds with deposit-receiving and related savings institutions

The rate of increase in holdings of longer-term funds with deposit-receiving and related savings institutions, which had tended to level off during the second half of 1979, accelerated sharply during the first quarter of 1980. The seasonally adjusted increase in holdings of longer-term funds amounted to R1 237 million during the first quarter, compared with R771 million during the last quarter of 1979 and a quarterly average of R783 million in 1979.

As during 1979, holdings of longer-term funds with building societies showed the largest increase, followed by holdings with banking institutions and government savings schemes. The intake of new funds by participation mortgage bond schemes increased moderately during the first quarter, indicating a somewhat greater interest in this type of mortgage financing. Building societies reduced their rate on special savings deposits, i.e. deposits which are subject to a limited number of withdrawals per month and the maintenance of a minimum balance, by ½ per cent on 1 March.

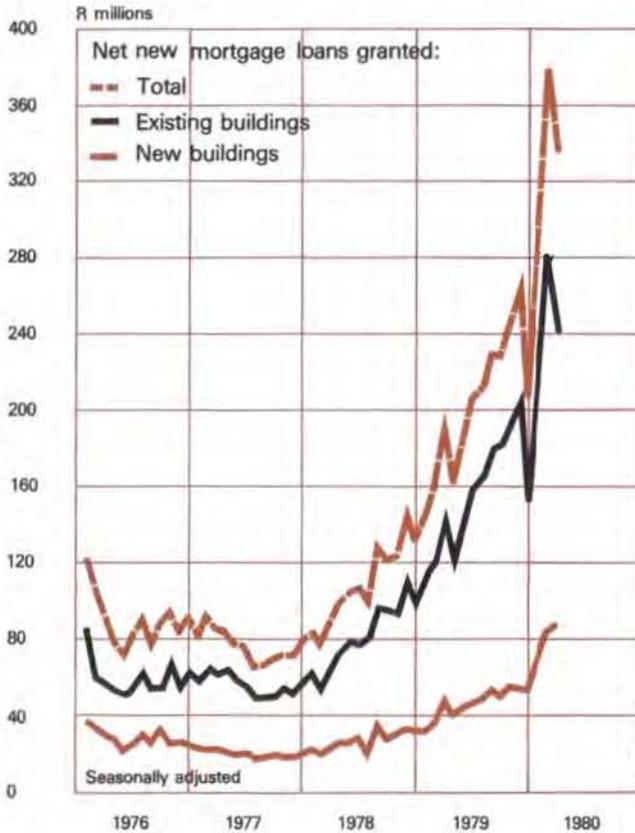
An analysis of the sources of funds invested with building societies during 1979 shows that, as in the past, the predominant portion of the societies' intake of new funds came from individuals and non-profit organisations. An interesting feature, however, was

Increase in holdings of longer-term funds with deposit-receiving and related institutions

Seasonally adjusted
R millions

	1979				1980
	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.
Banking institutions	396	327	194	219	564
Building societies	418	356	385	436	529
Participation mortgage bond schemes	-2	-6	-10	4	16
Government savings schemes	98	107	108	112	128
Total	910	784	667	771	1 237

Building societies

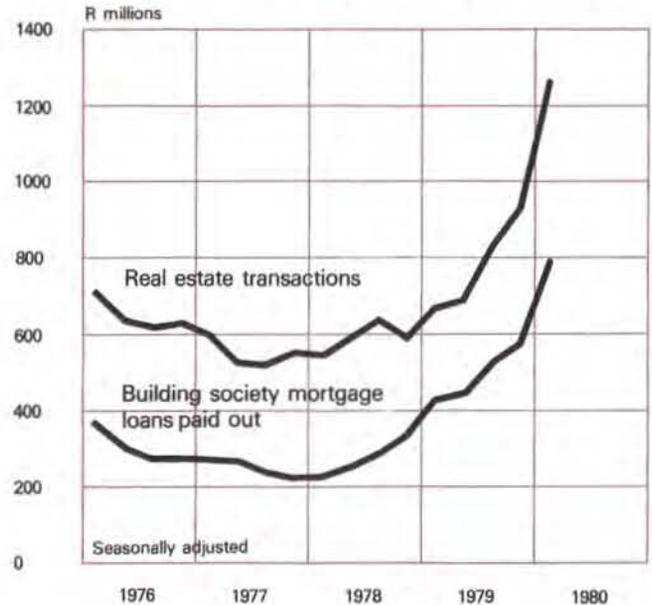


the increase in the relative importance of the flow of new funds from non-bank financial institutions to building societies. At the same time, the relative importance of net new investments by companies, which had increased sharply in 1978, showed a significant decline.

Further sharp increase in mortgage and real estate market activity

The gross value of mortgage loans granted by building societies amounted to R1 120 million during the first quarter, compared with R873 million during the preceding quarter and a quarterly average of R721 million in 1979. New loans granted for the construction of buildings amounted to R221 million during the first quarter, showing a significant increase in comparison with the quarterly average of R140 million in 1979. Reflecting the higher rate of mortgage lending by building societies, new mortgage loans granted but not yet paid out rose from R880 million at the end of December 1979 to R1 137 million at the end of March 1980. Excess holdings of prescribed investments, which had consistently exceeded commitments in respect of loans granted but not yet paid out during 1979, were approximately equal to the societies' new loan commitments at the end of March. This indicates a stronger demand for

Real estate transactions and mortgage loans paid out



mortgage loans and a smaller need to channel new funds into prescribed investments.

Building societies lowered their lending rates by $\frac{1}{2}$ per cent in February 1980. Home mortgage rates were reduced to a range of 9,0 to 11,0 per cent, whereas rates of 10,5 to 11,5 per cent have been quoted by the societies on commercial mortgage loans since February.

The seasonally adjusted value of real estate transactions increased sharply further during the first quarter and was 38 per cent higher than in the last quarter of 1979 and 60 per cent above the quarterly average in 1979. This rapid rise was partly due to a strong rise in property prices, as reflected in an increase of 21 per cent in the average value of gross home mortgage loans granted by building societies during the first quarter. The seasonally adjusted value of building plans passed in the first quarter was 24 per cent higher than in the preceding quarter and exceeded the quarterly average in 1979 by 50 per cent.

Statements regarding monetary policy

Issued by the South African Reserve Bank

25 March 1980

In my Chairman's Address delivered before the Annual General Meeting of the Reserve Bank on 21 August 1979, I indicated that the Reserve Bank is of opinion that the ceiling method of credit control should be abolished as soon as possible, but that it should be replaced by an indirect method which would yield better results than obtained in the past by directives relating to liquid assets. In pursuance of this line of thought, the Bank has now, after the usual consultation with the Minister of Finance, decided to take certain steps which are aimed at placing more emphasis on cash reserve requirements and supporting open market operations as instruments of credit control in future, with a view to abolishing in due course the direct method of control whereby quantitative limits are placed on the banking institutions' credit extension to the private sector.

In the gradual change-over to the new method of credit control, account will, of course, have to be taken of the underlying economic conditions and the general objectives of the current economic policy. The total quantity of money and near-money increased by the unacceptably high annual rate of 30 per cent during the latter two quarters of last year, while a large amount of surplus liquidity accumulated in both the banking and the private non-banking sectors. Three of the major factors which contribute to changes in the quantity of money, exercised an expansionary effect towards the end of 1979. The balance of payments as a whole showed a surplus, the banks' credit extension to the private sector increased and the banking sector's net claims on the government sector rose. At the same time, the private sector's long-term deposits with the banking sector, which had increased sharply during the first half of 1979 and thus had a negative impact on the quantity of money, rose at a much slower tempo.

In the light of these developments and the high rate of inflation, it will be necessary to ensure that the quantity of money and near-money does not continue to increase excessively. However, it would be consonant with the general economic policy of encouraging a higher economic growth rate, that the banks' credit extension to the private sector should not be restricted too much at present. Taking into account the favourable balance of payments position, it is therefore of particular importance how the Government will finance its expenditure in the coming year. Furthermore, the Reserve Bank will have to absorb a part of the surplus liquidity by means of open market operations.

Against this background the Bank has decided to effect the following adjustments to its monetary policy measures:

Liquid asset requirements

Big banks, that is banking institutions with total assets of more than R800 million, now have to invest 10 per cent of the increase in their short-term liabilities plus 4 per cent of the increase in their medium-term liabilities since 30 September 1975 as a supplementary requirement in liquid assets. This supplementary liquid asset requirement, which was already reduced in 1979 and abolished for other banks (with total assets of R800 million or less), is now also abolished for the big banks as from the date of certification of their monthly statements (B A Form No 7) for 31 March 1980.

Cash reserve requirements

All banking institutions now have to hold over and above the basic cash reserve requirement, whereby they have to keep 8 per cent of their short-term liabilities towards the public as an interest-free balance with the Reserve Bank, also a supplementary cash reserve equal to 7 per cent of their short-term liabilities with the National Finance Corporation of South Africa. In order to place more emphasis on cash reserve requirements and to utilise them more effectively as policy instrument, it has been decided to require that all banking institutions should, as from the date of certification of their monthly statements (B A Form No 7) for 31 March 1980, hold this supplementary cash reserve as an interest-free balance with the Reserve Bank, instead of with the National Finance Corporation.

The above-mentioned abolition of the supplementary liquid asset requirement in respect of the increases in the short- and medium-term liabilities of the big banks, will result in the release of a substantial amount of their liquid assets. In the light of the existing surplus liquidity in the economy and the possibility that further large accretions to liquidity may occur during the coming months, it has been decided to introduce an additional supplementary liquid asset requirement now for the big banks in the form of a cash reserve equal to 5 per cent of their outstanding medium-term liabilities to the public. Seeing that banks pay interest on all their medium-term deposits, it is deemed fair that this additional cash reserve should be held in the form of a balance with the National Finance Corporation so that it may earn the usual call deposit interest rate which the Corporation pays on deposits.

In order to carry through further the change in emphasis towards credit control by means of cash reserve requirements, it has been decided that banking institutions with total assets of R800 million or less, should in future also comply with a cash reserve

requirement against their medium-term liabilities. These banks now have to invest 7 per cent of their medium-term liabilities as a supplementary requirement in liquid assets. It has been decided not to increase the total liquid asset requirements for these banks now, but to require that they should hold as from the date of certification of their monthly statements for 31 March 1980, 3 per cent of their medium-term liabilities as a supplementary cash reserve with the National Finance Corporation, and should from that date invest only 4 per cent of their medium-term liabilities as a supplementary requirement in other liquid assets.

The cash reserve and liquid asset requirements which will be applicable to the "big" and "other" banks respectively as from the date of certification of their monthly statements for 31 March 1980, are summarised in the appended table.

It must be stressed that the requirements relating to cash reserves and other liquid assets as now laid down, will be reconsidered during the coming months as the banks' new monthly statements become available and the effects of the modified requirements can be better evaluated.

Discount houses

In terms of a directive of the Reserve Bank, the discount houses may not invest more than 35 per cent of their total assets in bank acceptances and commercial bills, which qualify as liquid assets. In order to enable these institutions to channelise an increased share of their total funds to the private sector, it has been decided to allow the discount houses to invest up to a maximum of 37½ per cent of their total assets in liquid banking acceptances and commercial bills in future. This concession takes effect immediately.

Credit ceilings

The foregoing adjustments in the cash reserve and liquid asset requirements, should, together with supporting open market transactions by the Reserve Bank, make it possible to abolish the ceiling method of credit control in due course, but it would be unwise to do so now in this stage of transition.

Seeing that a number of banks are already experiencing problems with their credit ceilings, it has been decided to increase the ceilings applicable to all banking institutions' discounts, loans and advances to the private sector, and also to their investments in securities of the private sector, as from 31 March 1980 by 6 per cent of the basic figures as at 31 December 1975. This increase is additional to the existing increase of ½ per cent per month of the basic figures.

Banking institutions of which the total credit extension to the private sector does not amount to more than R25 million, are exempt from the credit ceilings at present. This limit is raised to R30 million as from 31 March 1980.

Liquid asset requirements for banking institutions as from date of certification of monthly return (B.A. Form No. 7) for March 1980

A. Banks with total assets of more than R800 million

Requirements	Liabilities to the public ¹			
	Short-term	Medium-term	Long-term	Liabilities under acceptances
	%	%	%	%
Basic:				
Reserve balances with South African Reserve Bank	8	—	—	—
Other	22	20	5	10
Supplementary:				
Reserve balances with South African Reserve Bank	7	—	—	—
Reserve balances with National Finance Corporation	—	5	—	—
Other	18	10	—	—
Total	55	35	5	10

B. Banks with total assets of R800 million or less

Requirements	Liabilities to the public ¹			
	Short-term	Medium-term	Long-term	Liabilities under acceptances
	%	%	%	%
Basic:				
Reserve balances with South African Reserve Bank	8	—	—	—
Other	22	20	5	10
Supplementary:				
Reserve balances with South African Reserve Bank	7	—	—	—
Reserve balances with National Finance Corporation	—	3	—	—
Other	13	4	—	—
Total	50	27	5	10

1. As reduced for purposes of the liquid asset requirements, where applicable.

Deposit rate control

Under the special powers which are conferred on the Reserve Bank in terms of the Currency and Exchanges Act (Act No 9 of 1933), maximum interest rates are at present prescribed which banking institutions and building societies may pay on deposits of the public. These maximum limits are now appre-

ciably higher in general than the rates which are paid in practice on deposits, and in view thereof it has been decided to withdraw the existing directives in this regard immediately.

Open market operations

The Reserve Bank has been particularly active during the past few years in buying and selling assets in order to influence liquidity conditions in the money market and in the private non-banking sector. The effective control of credit extension by banking institutions by means of cash reserve requirements depends a great deal on an effective open market operations policy by the Reserve Bank, inclusive of its discount policy, and on firm discipline in the handling of government finance.

The Bank realises that considerable deficiencies still exist in the money and capital markets in South Africa which impair its ability to carry out open market operations effectively. At present the Bank is, for example, experiencing a serious shortage of the necessary assets which it could utilise for this purpose because its portfolio of government stock has already been fully sold during the past year. The Bank proposes, however, to start issuing special Reserve Bank debentures soon which are intended exclusively for open market operations. These debentures, which could be issued in various maturities, will qualify as liquid assets if they have an outstanding period to maturity of less than three years. The debentures will be issued at market rates, and will be transferable and negotiable. Application will also be made to the Johannesburg Stock Exchange for the listing of the debentures.

The Bank will further, as in the past, continue to sell and buy government stock and Treasury bills.

18 April 1980

The margin between short-term interest rates in South Africa and comparable interest rates abroad is at present so large that the switching of financing of South Africa's foreign trade from foreign to domestic sources increased to such an extent that the domestic money market tightened considerably. In order to avoid that this tendency continues unabatedly, the Reserve Bank finds it necessary to increase as from today its discount for dollar forward exchange transactions with a maximum maturity of one year from 2½ per cent to 12 per cent per annum. This credit for long periods to buyers of South African products, while at the same time importers should more readily make use of off-shore financing. This rate for dollar forward exchange cover will be adjusted from time to time in accordance with changes in interest rates and other economic conditions.

Kwartaalike ekonomiese oorsig

Opsomming en algemene opmerkings

Die hoër groeiakoers van die reële bruto binnelandse produk van die nie-landbousektore van die ekonomie gedurende die tweede helfte van 1979 is gedurende die eerste kwartaal van 1980 voortgesit. Skerp skommelings in die reële produksie van die landbousektor het egter meegebring dat die totale reële bruto binnelandse produk in die eerste kwartaal van 1980 teen 'n laer koers as in die voorafgaande kwartaal toegeneem het. Met uitsondering van die landbou en die goudmynbou is hoër vlakke van reële ekonomiese bedrywigheid in al die hoofsektore van die ekonomie behaal. Die voortgesette hoë ekonomiese groeiakoers is vergesel deur 'n besliste toename in die werkverskaffing. Werkloosheid onder die ongeskoolde arbeid het nogtans op 'n betreklik hoë vlak gebly.

Die verdere ekonomiese groei in die eerste kwartaal was grotendeels gebaseer op 'n volgehoue toename in die reële private verbruiksbesteding. Van die ander komponente van die reële bruto binnelandse besteding het slegs die vaste investering 'n klein toename getoon. Die owerheidsverbruiksbesteding het afgeneem en die voorrade het met 'n groter bedrag as in die voorafgaande kwartaal gedaal. Die volume van die uitvoer het in die eerste kwartaal effens gestyg en slegs 'n beperkte bydrae tot die reële ekonomiese groei gedurende hierdie tydperk gemaak. Alhoewel die totale reële vaste investering gedurende die eerste kwartaal slegs 'n marginale styging getoon het, het 'n sterk toename in die reële private vaste investering voorgekom. Dit wil voorkom of die oorskot produksiekapasiteit in sekere nywerhede opgeneem is en of die hoër vlak van die verbruikersvraag die geleentheid vir nuwe vaste investering vergroot het.

Die amptelike beleid om ekonomiese groei aan te moedig is vroeg in 1980 voortgesit. Een van die hoofdoelwitte van die Begroting vir 1980/81 is om die herstel in die private verbruiksbesteding en die investering te onderskraag deur die reële beskikbare inkomme van individue te verhoog en deur die finansiële vermoë van maatskappye om die vaste en voorraadinvestering uit te brei, te versterk. Verder is die plafonne op die bankinstellings se krediet aan die private sektor met ingang 31 Maart met 'n bykomende 6 persent van die basissyfers soos aan die einde van 1975 verhoog.

Die inflasiekoers het in die eerste kwartaal van 1980 ietwat verlangsamer en verbruikers- sowel as groothandelspryse het laer koerse van toename getoon. Gedurende April het die koers van toename in pryse geneig om te versnel as 'n weerspieëling van die eerste van die verhogings in verskeie geadministreerde pryse wat beplan is om in die tweede kwartaal in werking te tree. In hierdie verband sal die groot toenames in salarisse en lone wat nou plaasvind en die belastingverlagings wat in die Begroting aangekondig

is, eers hulle uitwerking op 'n latere datum begin toon. Die bekamping van die hoë inflasiekoers moet derhalwe een van die belangrikste doelstellings van ekonomiese beleid in 1980 bly.

Baie van die ruimte vir die vinniger ekonomiese uitbreiding gedurende 1980 is verskaf deur die volgehoue verstewiging van die lopende rekening van die betalingsbalans. 'n Nuwe rekordoverskoot, wat die alreeds hoë syfer van die vorige kwartaal met 'n aansienlike marge oorskry het, is in die eerste kwartaal van 1980 op hierdie rekening aangeteken. Hierdie verdere toename was bykans uitsluitend te danke aan 'n aansienlike toename in die waarde van die netto goudproduksie, wat 'n buitengewoon skerp styging in die goudprys weerspieël het. Die grootste deel van die oorskot op die lopende rekening is geabsorbeer deur 'n buitengewoon groot netto uitvloeiing van kapitaal, wat oorwegend uit korttermynkapitaal van die private sektor bestaan het. As gevolg hiervan het daar in die eerste kwartaal slegs 'n matige styging in die netto goud- en ander buitelandse reserwes voorgekom.

'n Belangrike rede vir die uitvloeiing van korttermynkapitaal was die grootskaalse omskakeling van handelsfinansiering vanaf buitelandse na binnelandse bronne vanweë die groot gaping tussen die korttermynrentekoerse in Suid-Afrika en in ander lande, in die besonder die Verenigde State van Amerika. Aanvanklik is die uitvloeiing van kapitaal deur die owerhede beskou as 'n middel om die oorskotlikwidiëit in die ekonomie te verminder maar gedurende die tydperk van die middel van Maart tot die middel van April het dit aansienlike verliese aan buitelandse reserwes en 'n ernstige vernouing van die geldmark tot gevolg gehad. Om die binnelandse finansiering van die buitelandse handel te ontmoedig het die Reserwebank op 18 April die diskonto op die VSA-dollar in termynvalutatransaksies verhoog. 'n Gegradeerde diskonto op die dollar in termynvalutatransaksies is op 23 April ingestel ten einde voorsiening te maak vir verskille in die looptye van termynvalutakontrakte. Daarná is hierdie diskonto's op termyndollars trapsgewys verlaag in ooreenstemming met die daling in die rentekoerse in die Verenigde State van Amerika.

Die sterk lopende rekening van die betalingsbalans en die styging in die netto goud- en ander buitelandse reserwes gedurende die eerste kwartaal is weerspieël in 'n verdere appresiasie van die rand teenoor die VSA-dollar. Vanweë 'n skerp appresiasie van die dollar teenoor die belangrikste geldeenhede gedurende hierdie tydperk, het 'n meer opmerklike toename voorgekom in die geweeëde gemiddelde waarde van die rand in terme van die geldeenhede van handelsvennootlande. Vanaf vroeg in April het die dollar begin depresieer en dit het meegebring dat die geweeëde gemiddelde waarde van die rand gedurende April en Mei effens gedepresieer het in weerwil van

'n verdere appresiasie van die rand teenoor die dollar. Die finansiële-randdiskonto het gedurende die eerste twee maande van 1980 skerp vernou maar gedurende die daaropvolgende drie maande weer aansienlik verruim.

Volgens die konvensionele manier gemeet het die voorraad geld en kwasi-geld gedurende die eerste kwartaal van 1980 teen 'n baie laer koers as in die vorige kwartaal toegeneem, en teen 'n selfs nog laer koers in die eerste vier maande van 1980. Indien die bankinstellings se kort- en middeltermyn terugkoop-ooreenkomste, wat goeie plaasvervangers vir geld- en kwasi-gelddeposito's is, egter in aanmerking geneem word, was die monetêre uitbreiding in die eerste kwartaal meer opmerklik en het dit gedurende die tydperk van twaalf maande van April 1979 tot April 1980 teen 'n buitengewoon hoë koers voortgegaan.

Die toename in die geld- en kwasi-geldvoorraad gedurende die eerste kwartaal van 1980 het voortgespruit uit 'n matige toename in die netto goud- en ander buitelandse reserwes van die monetêre banksektor en 'n aansienlike styging in hierdie sektor se eise teen die private sektor. Hierdie toenames is gedeeltelik geneutraliseer deur 'n groot afname in die netto eise teen die regeringsektor en 'n hernieude sterk styging in die langtermyndeposito's van die private sektor by die monetêre banke. In teenstelling met die veranderings gedurende die eerste kwartaal het die netto goud- en ander buitelandse reserwes van die monetêre banksektor in April gedaal, terwyl die netto eise teen die regeringsektor gedurende hierdie tydperk sterk toegeneem het. As gevolg van die aansienlike toename in die bankkrediet aan die private sektor het die ongebruikte fasiliteite onder die banke se plafonne op bankkrediet aan die private sektor gedurende die eerste vier maande van 1980 effens gedaal, nie-teenstaande die verhoging van hierdie plafonne aan die einde van Maart.

Die likwiditeit van die banke, soos gemeet deur die oorskotbesit aan likwiede bates bo die vereiste minimum, het gedurende die eerste kwartaal aansienlik verswak en in April min of meer onveranderd gebly. Verskeie wysigings in die kontantreserwe- en likwiede batevereistes vir bankinstellings is op 25 Maart deur die Reserwebank aangekondig. Die kontantreserwevereistes is verhoog as 'n eerste stap om meer klem te plaas op kontantreserwevereistes en ondersteunende opemarktransaksies as instrumente van kredietbeheer. Hierdie beleidsbenadering is gemik op 'n geleidelike oorskakeling van die bestaande regstreekse kwantitatiewe perke op die bankinstellings se kredietverlening aan die private sektor na 'n effektiewe onregstreekse metode van kredietbeheer.

Nadat die toestand op die geldmark gedurende Januarie en die grootste deel van Februarie 1980 geneig het om te verruim, het die daaropvolgende gebeure meegebring dat 'n strammer toestand tot vroeg in Mei op die mark geheers het. Hierdie vernouing van die mark is weerspieël in 'n styging in die geldmarkrentekoerse gedurende die betrokke tyd-

perk. Die verkope van staatseffekte deur die Reserwebank is vroeg in Maart beëindig vanweë die vernouing van die geldmark en die beplande uitreiking van 'n nuwe uitgifte van staatseffekte in April. Hierdie verkope is in Mei hervat toe die toestand op die mark weer begin verruim het, maar die vraag na effekte is beperk deur die beleggers se verwagtings aangaande 'n verdere styging in die rentekoerse.

Die skatkisuitreikings gedurende die fiskale jaar geëindig 31 Maart 1980 was nie uitermate hoër as in die voorafgaande fiskale jaar nie maar die skatkisontvangste het 'n sterk styging getoon. Gevolglik was die tekort op die Skatkisrekening aanmerklik laer as in 1978/79. Ten spyte van die opname van 'n aansienlike kleiner bedrag van die Staatskuldkommissaris en die private nie-banksektor as in 1978/79, het die finansiering van 'n kleiner tekort die Tesourie in staat gestel om sy netto terugbetalings op buitelandse lenings voort te sit en om sy netto skuldposisie teenoor die monetêre banksektor slegs met 'n betreklik klein bedrag te vergroot. In ooreenstemming met die regering se beleid om die groei in sy besteding te beperk, het die Begroting vir 1980/81 voorsiening gemaak vir 'n matige toename in die besteding in die lopende fiskale jaar. Strukturele belastingveranderings en maatreëls om belasting te verlig sal na verwagting in 1980/81 egter 'n aansienlik laer koers van toename in die inkomste en 'n ooreenstemmende toename in die tekort aan inkomste wat deur middel van lenings gefinansier moet word, meebring.

Die toestand op die kapitaalmark het gedurende die grootste deel van die eerste kwartaal van 1980 lewendig gebly. Teen die einde van hierdie tydperk is die mark vir vaste-rentedraende effekte egter gekenmerk deur 'n verandering in verwagtings aangaande die bewegings van die langtermynrentekoerse en 'n huiwering aan die kant van beleggers om bykomende langtermyn-effekte aan te skaf. As gevolg hiervan het die langtermynopbrengskoerse op die sekondêre mark aan die einde van Maart en gedurende April tot ietwat hoër vlakke gestyg. Op die aandelemark het die omset en die pryse, wat vroeg in 1980 tot rekordvlakke gestyg het, gedurende die tweede helfte van die eerste kwartaal en in April gedaal. Daarteenoor het die bedrywigheid op die verbandmark en die mark vir vaste eiendom regdeur die eerste kwartaal sterk toegeneem en is dit deur 'n hernieude toename in die beweging van langertermynfondse na depositone-mende en verwante spaarinstellings versterk.

Nasionale rekeninge*

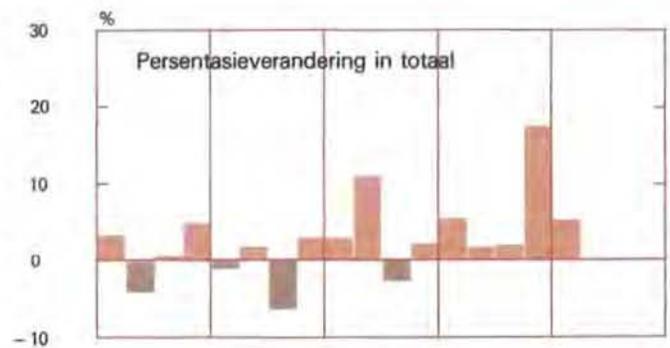
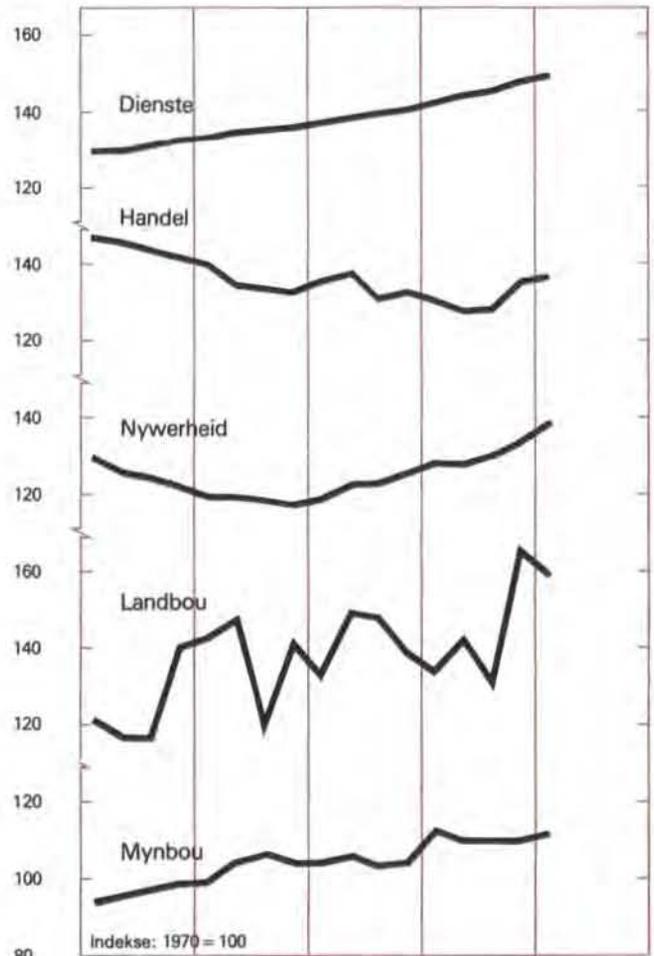
Volgehoute hoër koers van ekonomiese groei

Die reële bruto binnelandse produk, wat in die vierde kwartaal van 1979 teen 'n besonder hoë koers toegeneem het, het in die eerste kwartaal van 1980 verder toegeneem teen 'n jaarkoers van ongeveer 5 persent. Hierdie ongelyke koers van ekonomiese groei was die gevolg van die skerp skommelings in die reële produk van die landbou wat in die vierde kwartaal van 1979 'n aansienlike toename getoon het en 'n daaropvolgende daling in die eerste kwartaal. Uitgesonderd die landbou, het die reële bruto binnelandse produk gedurende die eerste kwartaal teen 'n hoër koers toegeneem, of teen naastenby dieselfde koers as in die voorafgaande kwartaal. Hoofsaaklik as gevolg van die sterk styging in die prys van goud, het die ruilvoet in die eerste kwartaal van 1980 verder verbeter. Hierdie verbetering, tesame met 'n afname in die reële netto faktorbetalings aan die res van die wêreld, het tot gevolg gehad dat die reële bruto nasionale produk teen 'n hoër koers as die reële bruto binnelandse produk toegeneem het.

Met uitsondering van 'n afname in die reële produk van die goudmynbou, hoofsaaklik as gevolg van die ontginning van laergraadse erts, het die reële toegevoegde waarde van die meeste van die belangrikste nie-landbousektore van die ekonomie gedurende die eerste kwartaal van 1980 teen hoër koerse toegeneem. Skerp toenames is in die reële produk van die nie-goudmynbou, die fabriekswese en die groothandel aangeteken, terwyl die reële toegevoegde waarde van die klein- en motorhandel slegs 'n effense toename getoon het. Die hoër vlak van die bedrywigheid in hierdie sektore het aanleiding gegee tot 'n verdere toename in die reële toegevoegde waarde van die dienstesektore. Die nie-goudmynbouproduksie is deur 'n volgehoute sterk buitelandse vraag na metale en minerale en deur die produksie van nuwe myne opgestoot. Die toename in die reële toegevoegde waarde van die fabriekswese en die groot-, klein- en motorhandel het grotendeels die volgehoute toename in die private verbruiksbesteding weerspieël.

Teen heersende pryse het die bruto binnelandse produk in die eerste kwartaal van 1980 teen 'n hoër koers as in die vierde kwartaal van 1979 toegeneem. Die vergoeding van werknemers het met ongeveer dieselfde koers as in die voorafgaande kwartaal toegeneem, maar die bruto bedryfsurplus het opmerklik toegeneem as gevolg van 'n aansienlike toename in die winste van mynbou-, fabriekswese- en handelondernemings, wat slegs gedeeltelik deur 'n afname in die bruto bedryfsurplus van die landbou geneutraliseer is.

Bruto binnelandse produk teen konstante 1970-pryse



*Tensy anders vermeld, is die kwartaallikse veranderings gebaseer op seisoensaangesuiwerde gewens.

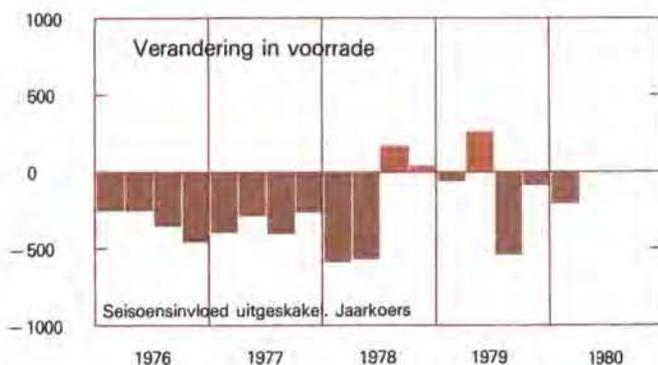
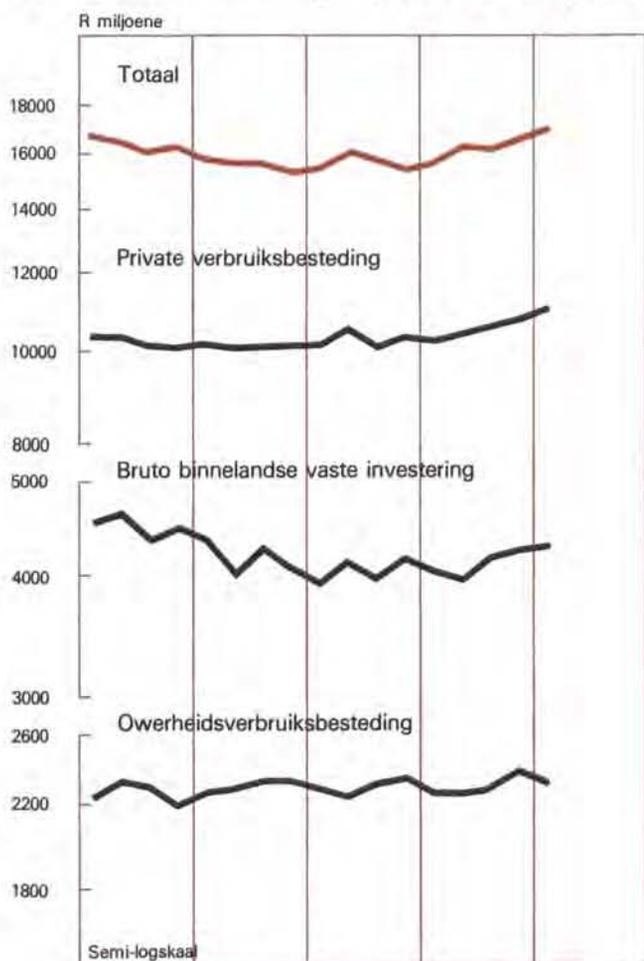
Kleiner toename in reële totale binnelandse vraag

Die reële bruto binnelandse vraag het in die eerste kwartaal van 1980 voortgegaan om te styg, maar teen 'n laer koers as in die voorafgaande kwartaal. Die reële private verbruiksbesteding het in die eerste kwartaal voortgegaan om vinnig toe te neem, maar die reële vaste investering, wat in die laaste kwartaal van 1979 aansienlik gestyg het, het slegs 'n marginale toename getoon. Hierteenoor het die reële owerheids-

verbruiksbesteding effens gedaal en het die reële voorrade met 'n groter bedrag as in die voorafgaande kwartaal afgeneem.

Teen heersende pryse is die styging in die bruto binnelandse besteding deur die opmerkbare toename in die bruto nasionale produk oorskry. Gevolglik was die oorskot op die lopende rekening van die betalingsbalans aansienlik groter as in die vierde kwartaal van 1979.

Bruto binnelandse besteding teen konstante 1970-pryse



Sterk verdere styging in reële private verbruiksbesteding

Die reële private verbruiksbesteding, wat gedurende die loop van 1979 teen 'n progressief hoër koers gestyg het, het in die eerste kwartaal van 1980 'n aansienlike verdere toename getoon. Die vlak van die besteding in hierdie tydperk was ongeveer 8 persent hoër as in die eerste kwartaal van 1979 en, teen 'n jaarkoers, ongeveer 10 persent hoër as in die laaste kwartaal van 1979. Die reële besteding aan die vernaamste klasse van verbruikersgoedere, dit wil sê, duursame, semi-duursame en nie-duursame goedere, asook aan verbruikersdienste, het in ongeveer gelyke mate tot die verdere toename in die eerste kwartaal bygedra. In die klas duursame goedere het die reële besteding aan nuwe motorvoertuie aansienlik gestyg, maar die reële besteding aan meubels en huishoudelike toerusting en aan ontspannings- en vermaaklikheidsgoedere het op die betreklik hoë vlak wat in die vierde kwartaal van 1979 bereik is, gebly.

Skerp afname in reële owerheidsverbruiksbesteding

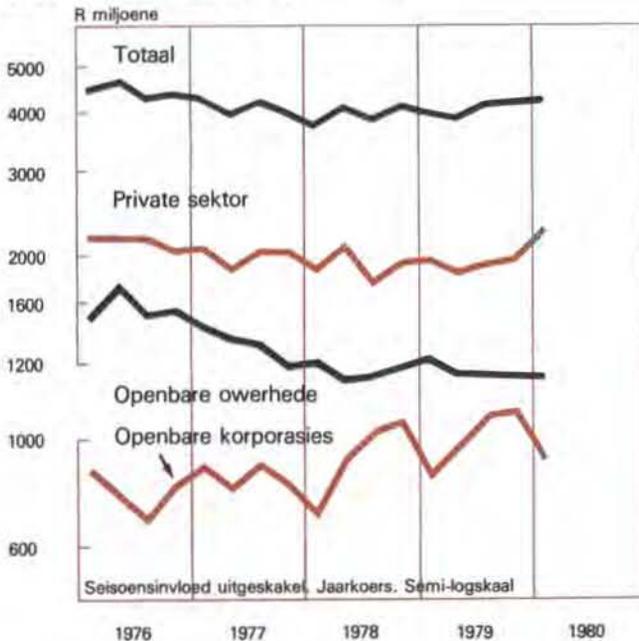
Die reële owerheidsverbruiksbesteding, wat in die vierde kwartaal van 1979 'n skerp toename getoon het vanweë 'n aansienlike styging in die verdedigingsbesteding, het in die eerste kwartaal van 1980 merkbaar afgeneem toe die verdedigingsbesteding 'n daling getoon het. Die totale reële owerheidsverbruiksbesteding was nietemin in die eerste kwartaal van 1980 ongeveer 2 persent hoër as in die ooreenstemmende tydperk van 1979.

Geringe toename in reële bruto binnelandse vaste investering

Die reële bruto binnelandse vaste investering het in die eerste kwartaal van 1980 slegs 'n geringe verdere toename getoon vergeleke met 'n duidelike styging in die vierde kwartaal van 1979. 'n Aansienlike toename in die reële vaste investering van die private sektor is feitlik geheel en al geneutraliseer deur 'n klein daling in die vaste kapitaaluitgawes van die openbare owerhede en 'n groot afname in dié van die openbare korporasies.

Die toename in die reële kapitaalbesteding van die private sektor het oor 'n wye front voorgekom en was veral opmerklik in die finansiële sektor, wat 'n toename in die verhuur van kapitaalbates weerspieël het, en in die landbou en fabriekswese. Die enigste uitsondering was die mynbousektor waarvan die reële vaste kapitaalbesteding effens gedaal het as gevolg van die voltooiing van verskeie goud-, uraan- en nie-

Bruto binnelandse vaste investering teen konstante 1970-pryse



goudmynbouprojekte. Die reële vaste investering in die private fabriekswese het aanmerklik verder toegeneem namate ongebruikte produksiekapasiteit deur die styging in fabrieksproduksie opgeneem is. So het die benutting van produksiekapasiteit in die fabriekswese toegeneem van 86,8 persent in November 1979 tot 87,7 persent in Februarie 1980, in vergelyking met 84,9 persent in Februarie 1979.

Die effense daling in die reële vaste kapitaalbesteding van die openbare owerhede was die netto resultaat van afnames in die besteding deur die Suid-Afrikaanse Spoorwegadministrasie en die Departement van Pos- en Telekommunikasiewese en klein toenames in die kapitaalbesteding van die algemene owerheid en aan owerheidsbehuisingskemas. Die reële vaste kapitaaluitgawes van die openbare korporasies, wat dikwels groot kwartaalike skommelings toon, het in die eerste kwartaal van 1980 aansienlik afgeneem. Dit was grotendeels die gevolg van 'n skerp afname in die reële vaste kapitaalbesteding van Evkom en Sasol wat in die tweede helfte van 1979 tot hoë vlakke gestyg het.

Verdere daling in reële voorrade

Die waarde van die totale voorrade teen konstante pryse het in die eerste kwartaal van 1980 met 'n groter bedrag as in die vierde kwartaal van 1979 afgeneem. Die nywerheids- en handelsvoorrade het die meeste gedaal as gevolg van die groter volume van die verkope deur die fabriekswese en die groot-, klein- en motorhandel. Die diamantvoorrade het ook opmerklik gedaal maar die landbouvoorrade-in-die-handel het op dieselfde vlak as aan die einde van 1979

gebly. As 'n weerspieëling van die verdere daling in die reële voorrade en die styging in die reële bruto binnelandse produk, het die verhouding van die nie-landbouvoorrade tot die bruto binnelandse produk van die nie-landbousektore in die eerste kwartaal van 1980 verder gedaal tot 29,9 persent, vergeleke met vlakke van 30,7 persent in die vierde kwartaal van 1979 en 32,2 persent in die eerste kwartaal van 1979.

Aansienlike verdere styging in bruto binnelandse besparing

Die bruto binnelandse besparing het gedurende die eerste kwartaal van 1980 opmerklik verder gestyg tot 'n vlak van nie minder nie as 35,1 persent van die bruto binnelandse produk teen heersende pryse, vergeleke met 31,2 persent in die jaar 1979 in sy geheel. Die toename in die bruto binnelandse besparing in die eerste kwartaal is verklaar deur maatskappybesparing, die lopende surplus van die algemene owerheid en voorsiening vir waardevermindering. Die persoonlike besparing het gedurende hierdie tydperk effens gedaal. Die bruto binnelandse besparing het die bedrag wat nodig was om die totale vaste en voorraadinvestering te finansier, met 'n aansienlik groter marge as in die laaste kwartaal van 1979 oorskry. Hierdie verskil is weerspieël in die vermindering van Suid-Afrika se netto skuldposisie teenoor die res van die wêreld en 'n toename in die land se netto goud- en ander buitelandse reserwes.

Die koers van toename in die maatskappybesparing het op 'n hoë vlak gebly, wat hoofsaaklik 'n weerspieëling was van die groter winste en ander lopende ontvangste van die mynbou-, nywerheids- en finansiële sektore. Die hoër inkomste van hierdie sektore is slegs gedeeltelik deur verhoogde inkomstebelasting- en dividendbetalings geneutraliseer. Die lopende surplus van die algemene owerheid het ook skerp gestyg as gevolg van 'n hoër koers van toename in die inkomste uit eiendom en indirekte belastingontvangstes as in die lopende besteding. Die persoonlike besparing het effens afgeneem, hoofsaaklik as gevolg van 'n aansienlik hoër koers van toename in die private verbruiksbesteding as in die persoonlike beskikbare inkomste.

Werkverskaffing* en pryse

Aansienlike hoër koers van toename in werkverskaffing

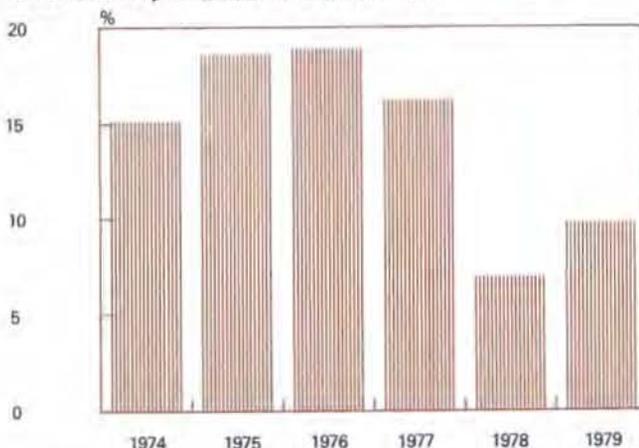
Die werkverskaffing in die nie-landbousektore van die ekonomie het teen die einde van 1979 aansienlik toegeneem. Teen 'n seisoensaangesuiwerde jaarkoers het die werkverskaffing buite die landbou in die eerste drie kwartale van 1979 agtereenvolgens met 1,9, 1,1 en 1,5 persent gestyg voordat dit in die vierde kwartaal met 5,6 persent toegeneem het. Die versnelde toename teen die einde van 1979 het die hoër ekonomiese groei wat in die openbare sowel as die private sektor plaasgevind het, weerspieël.

Gedurende Januarie en Februarie het die werkverskaffing in die fabriekswese en konstruksie, waarvoor daar meer onlangse gegewens beskikbaar is, verder toegeneem teen seisoensaangesuiwerde jaarkoerse van 4,1 persent en 3,4 persent onderskeidelik. In die fabriekswese het die seisoensaangesuiwerde aantal ure gewerk deur produksiewerkers, wat in die eerste helfte van 1979 teen 'n jaarkoers van 3,6 persent gestyg het, in die tweede helfte van 1979 en in die eerste twee maande van 1980 teen jaarkoerse van onderskeidelik 6,9 persent en 1,5 persent toegeneem. Die seisoensaangesuiwerde aantal ure gewerk deur produksiewerkers in die konstruksiesektor, wat in die eerste helfte van 1979 in werklikheid teen 'n jaarkoers van 6,0 persent gedaal het, het in die tweede helfte van 1979 en in die eerste twee maande van 1980, teen jaarkoerse van onderskeidelik 1,6 persent en 18,3 persent gestyg.

Die werkverskaffing buite die landbou het in 1979 in sy geheel met 2,0 persent toegeneem, teenoor 0,9 persent in die voorafgaande jaar. Die werkverskaffing in die private sektor, wat in 1978 met slegs 0,4 persent toegeneem het, het in 1979 met 2,3 persent gestyg. Die koers van toename van 1,4 persent in die werkverskaffing in die openbare sektor in 1979 was egter aansienlik laer as die ooreenstemmende toename van 2,4 persent in 1978. Met uitsondering van konstruksie, is hoër vlakke van werkverskaffing in 1979 in al die afdelings van die private sektor aangeteken. In die openbare sektor het die indiensneming deur plaaslike owerhede en die Suid-Afrikaanse Spoorwegadministrasie in 1979 afgeneem terwyl die aantal werknemers van universiteite skerp toegeneem het. Die werkverskaffing in die oorblywende deel van die openbare sektor het teen 'n laer koers as in 1978 gestyg.

Die hoër vlak van die indiensneming het 'n matige afname in die werkloosheid onder alle bevolkingsgroepe tot gevolg gehad. Die seisoensaangesuiwerde aantal geregistreerde werklose Blankes, Kleurlinge en Asiërs het vanaf 30 000 in Desember 1978 tot 26 930 in Desember 1979 en verder tot 23 810 in April 1980

Jaarlikse persentasieverandering in arbeidskoste per eenheid van produksie in fabriekswese



gedaal. Die verhouding van die werklose Swartes tot die ekonomies-bedrywige Swart bevolking het van 9,4 persent in Februarie 1979 tot 8,8 persent in Februarie 1980 afgeneem.

Effense toename in totale arbeidsproduktiwiteit

Die produktiwiteit van die arbeid, soos gemeet deur die reële bruto binnelandse produk per werker in die nie-landbousektore van die ekonomie, het in die eerste helfte van 1979 teen 'n laer koers as in 1978 gestyg, maar teen 'n aansienlik hoër koers in die tweede helfte van 1979. Die styging in 1979 in sy geheel het 1,9 persent bedra, vergeleke met 1,3 persent in die voorafgaande jaar.

'n Hoër koers van toename in die arbeidsproduktiwiteit het egter nie in al die sektore van die ekonomie voorgekom nie. In die fabriekswese, waarvoor daar meer uitgebreide gegewens beskikbaar is, het die produksie per man-uur in 1979 met 2,4 persent gestyg, vergeleke met 3,4 persent in 1978. Die laer groeikoers in 1979 het 'n vinniger toename in die aantal ure gewerk as in die volume van die fabrieksproduksie weerspieël. Die arbeidskoste per eenheid van produksie het ook teen 'n hoër koers as die produksie gestyg, naamlik met 9,8 persent teenoor 'n styging van 6,7 persent in die volume van die produksie. Die styging in die arbeidseenheidskoste in 1979 het die toename van 6,9 persent in 1978 oorskry maar was aansienlik laer as die gemiddelde jaarlikse koers van toename van 15 persent gedurende die voorafgaande vyf jaar.

Afname in reële arbeidsvergoeding

Die gemiddelde vergoeding per werker in die nie-landbousektore van die ekonomie het in 1979 met 12,1 persent toegeneem, vergeleke met 10,4 persent in 1978. Reël gesproke het die gemiddelde vergoeding per werker in 1979 egter met 0,9 persent gedaal, teenoor 'n geringe styging van 0,3 persent in

*Omvattende gegewens aangaande werkverskaffing en arbeidsvergoeding is slegs tot die einde van 1979 beskikbaar.

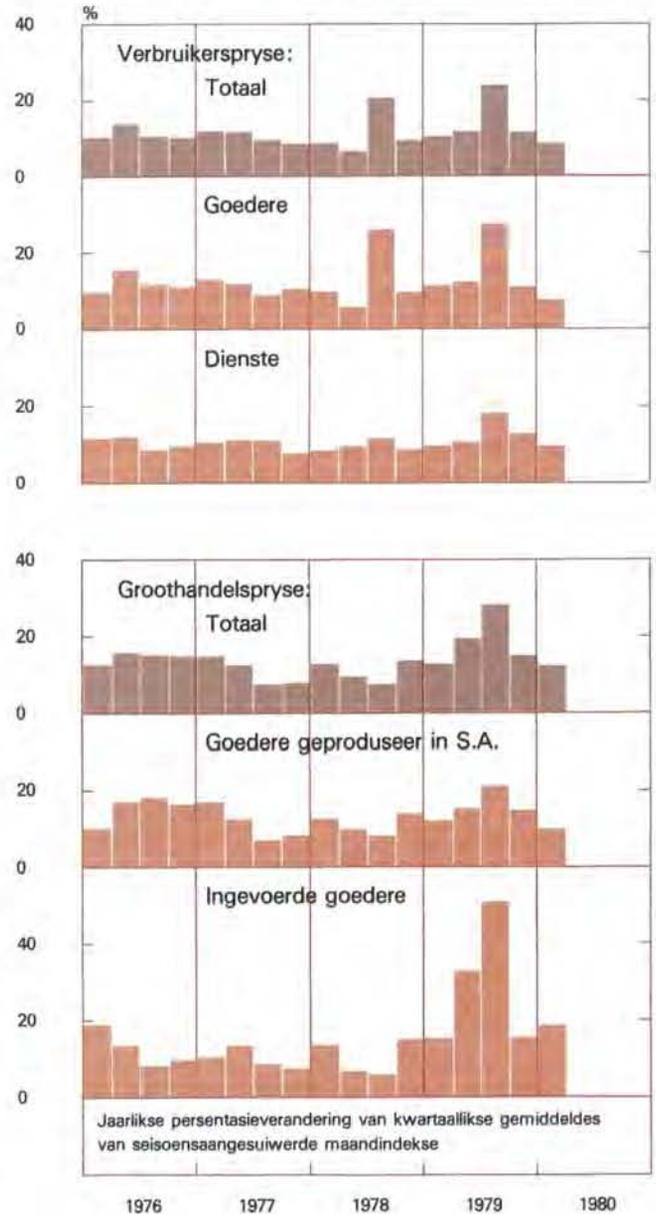
die voorafgaande jaar. Die afname in die reële vergoeding per capita in 1979 was hoofsaaklik te wyte aan 'n hoër koers van toename in pryse as in salarisse en lone. Die koers van toename in die reële salarisse en lone per Nie-blanke werker het van 1,1 persent in 1978 tot 0,4 persent in 1979 verlangsaam, terwyl die reële salarisse en lone per Blanke werker met 0,8 persent en 1,0 persent in 1978 en 1979 onderskeidelik afgeneem het.

Laer koers van toename in pryse

Die inflasiekoers het in die eerste kwartaal van 1980 merkbaar verlangsaam, hoofsaaklik as gevolg van die beperkte uitwerking van toenames in geadministreerde pryse gedurende hierdie tydperk. Toenames in verskeie belangrike geadministreerde pryse is egter vir die tweede kwartaal van 1980 beplan. Die jaarkoers van toename in die seisoensaangesuiwerde verbruikersprysindeks het van 11,3 persent in die vierde kwartaal van 1979 tot 8,6 persent in die eerste kwartaal van 1980 verlangsaam as gevolg van laer koerse van toename in die pryse van goedere sowel as van dienste. Die seisoensaangesuiwerde jaarkoers van toename in die pryse van verbruikersgoedere het tot 6,3 persent in die eerste kwartaal gedaal, ten spyte van hoër koerse van toename in die pryse van voertuie, klerasie, skoeisel en vleis. Die ooreenstemmende koers van toename in die pryse van verbruikersdienste het 9,1 persent bedra, wat 'n weerspieëling was van die laer koerse van toename in behuising en vervoerkoste maar 'n baie vinniger styging in postariewe en in die koste van mediese dienste en opvoeding. Vergeleke met die ooreenstemmende maand van die voorafgaande jaar, het die verbruikerspryse in Maart met 13,0 persent en in April 1980 met 13,3 persent gestyg.

Die groothandelspryse, wat teen 'n seisoensaangesuiwerde jaarkoers van 14,6 persent in die vierde kwartaal van 1979 toegeneem het, het in die eerste kwartaal van 1980 teen 'n jaarkoers van 12,0 persent gestyg. Hierdie verlangsaaming was te danke aan 'n laer koers van toename in die pryse van binnelandsgeproduseerde goedere, in die besonder in elektrisiteit-, gas- en watertariewe en in die pryse van landbouprodukte en vervaardigde goedere, uitgesonderd masjinerie, vervoertoerusting en skoeisel. Daarteenoor het die pryse van ingevoerde goedere in die eerste kwartaal teen 'n hoër koers as in die vierde kwartaal van 1979 gestyg. Vergeleke met die ooreenstemmende maand van die voorafgaande jaar, het die groothandelspryse in Maart met 18,0 persent en in April 1980 met 18,6 persent toegeneem.

Persentasieverandering in pryse



Betalingsbalans

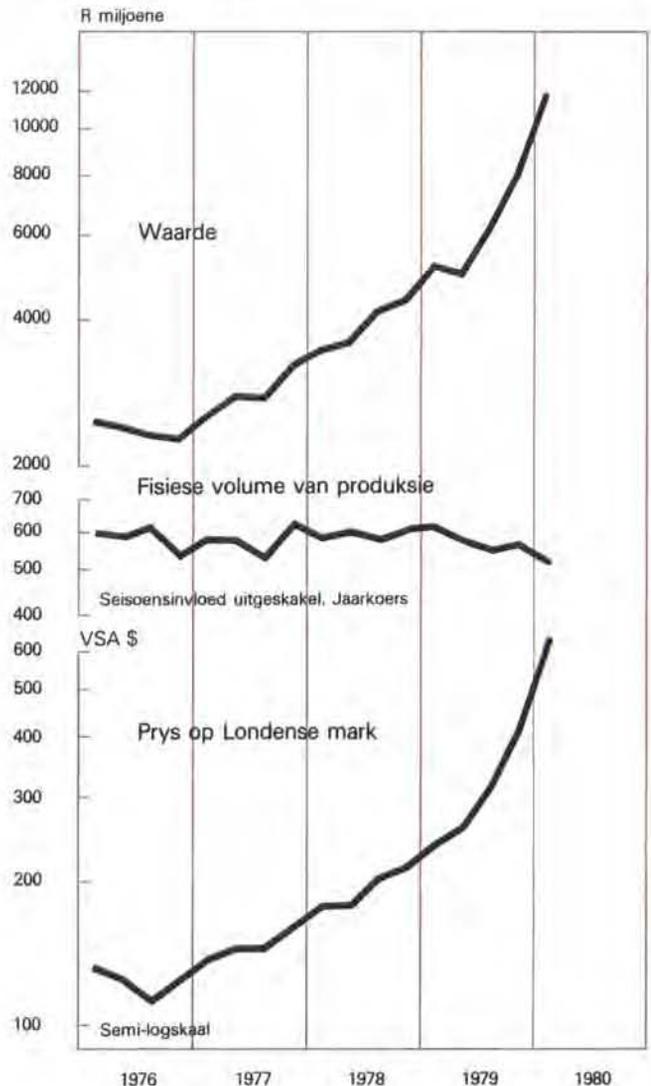
Rekord oorskot op lopende rekening

'n Rekord oorskot van R1 977 miljoen is in die eerste kwartaal van 1980 op die lopende rekening van die betalingsbalans aangeteken. Teen 'n seisoensaangesuiwerde jaarkoers het die oorskot op die lopende rekening van R4 070 miljoen in die laaste kwartaal van 1979 tot R7 780 miljoen in die eerste kwartaal van 1980 toegeneem. In verhouding tot die bruto binnelandse produk het die oorskot in die eerste kwartaal 13,3 persent beloop. Hierdie aansienlik hoër oorskot was feitlik geheel en al toe te skryf aan 'n buitengewoon groot toename in die waarde van die netto goudproduksie, wat uit die skerp styging in die goudprys voortgespruit het. Die waarde van die goedere-uitvoer en die waarde van die goedere-invoer het albei effens toegeneem en die netto dienste- en oordragbetalings aan die buiteland het ongeveer onveranderd gebly.

Die netto goudproduksie het teen 'n seisoensaangesuiwerde jaarkoers van R7 850 miljoen in die laaste kwartaal van 1979 tot R11 480 miljoen in die eerste kwartaal van 1980, of met 46,2 persent, toegeneem. Hierdie toename het voorgekom in weerwil van 'n verdere daling in die volume van die goudproduksie en het 'n styging van 52,4 persent in die gemiddelde vasstellingsprys van goud op die Londense mark weerspieël, naamlik van \$414,27 per fyn ons in die vierde kwartaal van 1979 tot \$631,49 per fyn ons in die eerste kwartaal van 1980. Die goudprys het gedurende die eerste kwartaal skerp geskommel. Nadat 'n rekord vasstellingsprys van \$850 per fyn ons op 21 Januarie behaal is, het die prys afwaarts geskommel tot \$494,50 per fyn ons op 31 Maart. In April het die gemiddelde prys \$517,06 per fyn ons beloop.

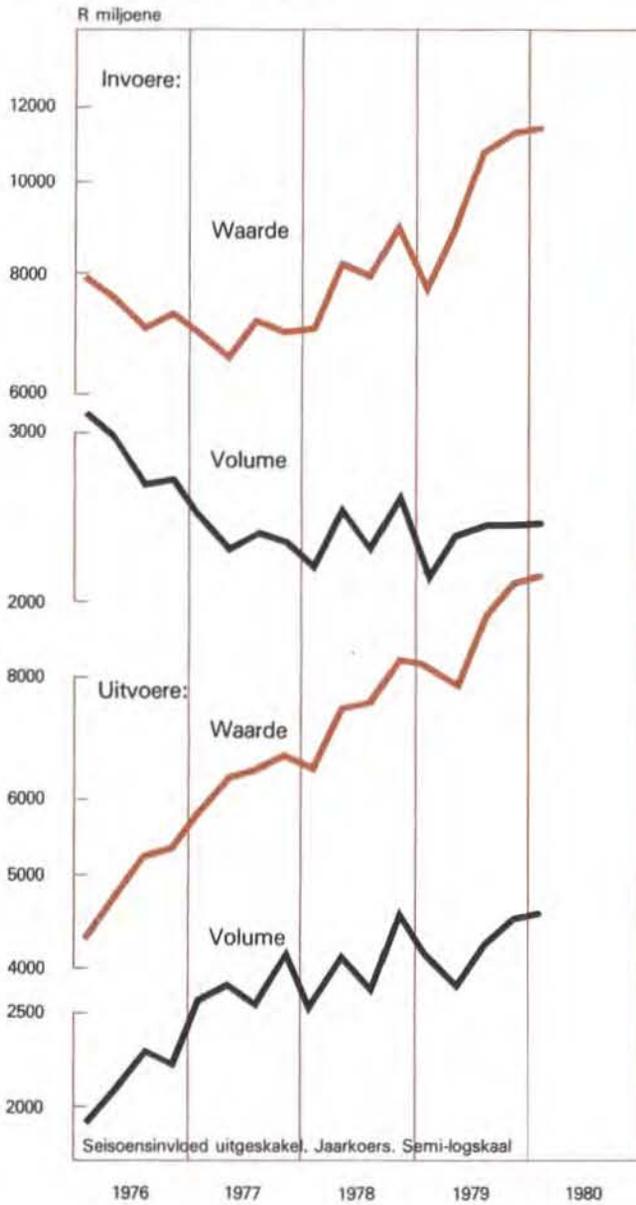
Nadat die waarde van die goedere-uitvoer gedurende die tweede helfte van 1979 teen 'n hoër koers toegeneem het, het dit in die eerste kwartaal van 1980 slegs 'n klein verdere toename getoon. Teen 'n seisoensaangesuiwerde jaarkoers het die goedere-uitvoer in die eerste kwartaal R10 210 miljoen bedra, vergeleke met R10 020 miljoen in die voorafgaande kwartaal. Toenames het by die meeste hoofgroepe uitvoergoedere voorgekom, maar hierdie toenames is grotendeels deur 'n aansienlike daling in die uitvoer van diamante geneutraliseer. Die laer groeiakoers in die waarde van die goedere-uitvoer in die eerste kwartaal was aan 'n matiger koers van toename in die uitvoerpryse sowel as in die volume van die uitvoer toe te skryf. Skerp stygings in die pryse van suiker, koper, platina, ystererts en mielies is grotendeels deur dalings in die pryse van uraan, ferrochroom, wol en steenkool geneutraliseer. Insgelyks het aansienlike toenames in die volume van sommige uitvoerprodukte voorgekom, veral mielies en ferrochroom, wat weer in groot mate deur afnames in die volume van ander produkte, in die besonder diamante en suiker, geneutraliseer is.

Netto goudproduksie



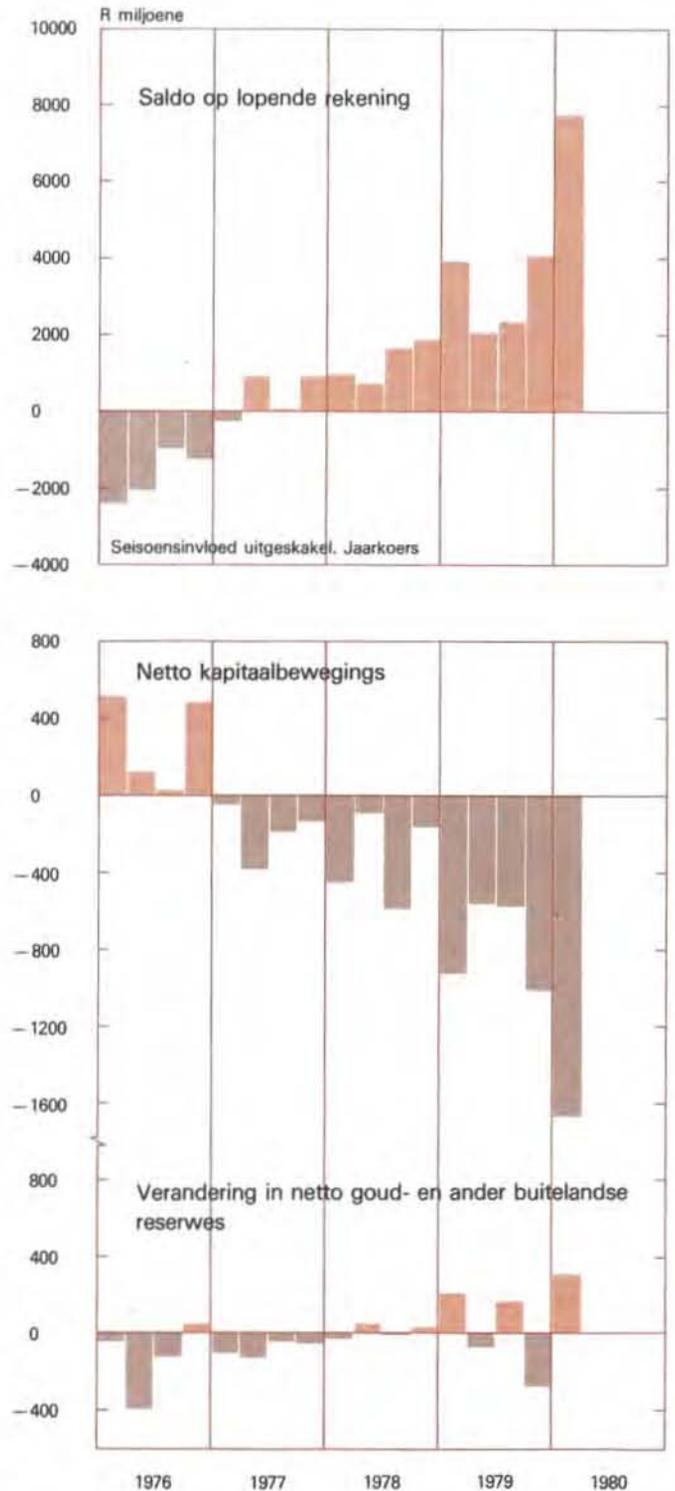
Die goedere-invoer het teen 'n seisoensaangesuiwerde jaarkoers van R11 260 miljoen in die vierde kwartaal van 1979 tot R11 380 miljoen in die eerste kwartaal van 1980 toegeneem. Die betreklik klein toename in die invoer in die eerste kwartaal was die netto resultaat van 'n afname in die invoer van mineraalprodukte (insluitende petroleum), 'n skerp styging in die invoer van masjinerie en elektriese toerusting en matige toenames in die meeste ander hoofgroepe invoergoedere. Die toename in die waarde van die invoer in die eerste kwartaal het bestaan uit 'n matige toename in die pryse en 'n effense daling in die volume. Die pryse van invoergoedere, wat gedurende die tweede helfte van 1979 vinnig gestyg het, het in die eerste kwartaal teen 'n laer koers toegeneem aangesien die verdere versnelling in die koerse van toename in die pryse in handelsvennootlande in sekere mate deur 'n appreciasie van die rand teengewerk is.

Goedere-invoere en -uitvoere



Teen 'n seisoensaangesuiwerde jaarkoers het die waarde van die netto dienste- en oordragbetalings aan die res van die wêreld, wat gedurende 1979 skerp toegeneem het, marginaal gedaal vanaf R2 542 miljoen in die laaste kwartaal van 1979 tot R2 530 miljoen in die eerste kwartaal van 1980. Hierdie klein daling was die gevolg van hoër dienstebetalings, in die besonder dividendbetalings, wat meer as geneutraliseer is deur dienste-ontvangste, wat onder andere die hoër rentekoerse in die buiteland weerspieël het.

Betalingsbalans

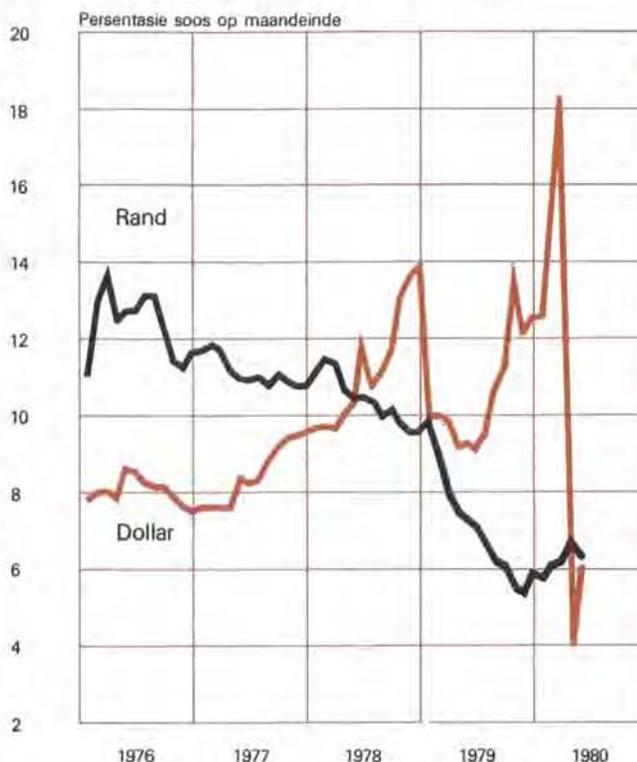


Uitsonderlike groot netto uitvloeiing van kapitaal

Die netto kapitaaluitvloeiing wat in die laaste kwartaal van 1979 tot die buitengewoon hoë vlak van R1 017 miljoen toegeneem het, het skerp verder gestyg tot R1 665 miljoen in die eerste kwartaal van 1980. Die laasgenoemde toename was die gevolg van 'n ooreenstemmende sterk styging in die netto uitvloeiing van korttermynkapitaal, insluitende foute en weglatings op die lopende sowel as die kapitaalrekening van die betalingsbalans. Die netto uitvloeiing van langtermynkapitaal het gedurende die eerste kwartaal slegs matig toegeneem.

Die netto uitvloeiing van korttermynkapitaal, wat hoofsaaklik uit kapitaal van die private sektor bestaan het, het gedurende die eerste kwartaal R1 042 miljoen bedra. Openbare korporasies en plaaslike owerhede was vir slegs 'n klein netto uitvloeiing van korttermynkapitaal verantwoordelik, terwyl 'n matige toename in die laste verwant aan reserwes voorgekom het. 'n Belangrike rede vir die uitvloeiing van korttermynkapitaal vanaf die private sektor was die groot-skaalse omskakeling van handelsfinansiering vanaf buitelandse na binnelandse bronne vanweë die aansienlike verskil tussen die vlakke van die korttermynrentekoerse in Suid-Afrika en dié in ander lande, in die besonder in die Verenigde State van Amerika. Die koers op bankakseptte van drie maande het byvoorbeeld in die Verenigde State van 13,3 persent aan die einde van Desember 1979 tot 15,5 persent aan die einde van Februarie en 19,0 persent aan die einde van Maart 1980 gestyg. In teenstelling hiermee het die ooreenstemmende koers in Suid-Afrika van 4,6 persent aan die einde van 1979 tot 4,9 persent aan die einde van Maart 1980 toegeneem.

Effektiewe koste van handelsfinansiering



Aanvanklik is die uitvloeiing van korttermynkapitaal deur die owerhede gebruik as 'n manier om die oorskotlikwiditeit in die ekonomie te verminder, maar gedurende die tydperk vanaf die middel van Maart tot die middel van April het die kapitaaluitvloeiing sulke afmetings aangeneem dat aansienlike verliese aan buitelandse reserwes en 'n ernstige vernouing van die geldmark ondervind is. Ten einde die binnelandse finansiering van die buitelandse handel te ontmoedig het die Reserwebank op 18 April die diskonto op termynvalutatransaksies in VSA-dollars van 2,5 tot 12 persent verhoog. Dit is op 23 April vervang met 'n gegradearde diskonto op termyndollars om voorsiening te maak vir verskille in die looptye van termynvalutatransaksies. Die diskonto's vir die verskillende looptye is op sodanige vlakke vasgestel dat dit by die finansiering van korttermynhandel wat deur termynvalutakontrakte gedek word, effens aantrekliker geword het om van buitelandse in plaas van binnelandse krediet gebruik te maak. In ooreenstemming met die daaropvolgende daling in die rentekoerse in die Verenigde State, is die diskonto's op termyndollars in verskeie stappe verlaag. Op 26 Mei was diskonto's van 4,50, 4,25 en 3,75 persent van toepassing op termynvalutakontrakte vir tydperke van tot 121 dae, 122 tot 243 dae, en 244 tot 365 dae, onderskeidelik.

Die betreklik lae rentekoerse en die algemene beskikbaarheid van fondse op die Suid-Afrikaanse kapitaalmark het verdere groot netto terugbetalings

Netto kapitaalbewegings

R miljoene

	1979 4e kw.	1980 1e kw.
Langtermynkapitaal		
Sentrale regering en banksektor	-89	-112
Openbare korporasies en plaaslike owerhede	-101	-180
Private sektor	-324	-331
Totaal	-514	-623
Korttermynkapitaal		
Laste verwant aan reserwes	-203	55
Ander kapitaal van sentrale regering en banksektor	—	3
Openbare korporasies en plaaslike owerhede	100	-28
Private sektor, insluitende onaangetekende transaksies ¹⁾	-400	-1 072
Totaal	-503	-1 042
Totale kapitaalbewegings	-1 017	-1 665

1. D.w.s. foute en weglatings op die lopende sowel as die kapitaalrekening van die betalingsbalans.

van langtermyn- buitelandse leringe van die sentrale regering, die Suid-Afrikaanse Spoorwegadministrasie, openbare korporasies en die private sektor aange- moedig. Dientengevolge is 'n aanmerklike netto uitvloeiing van langtermynkapitaal ten bedrae van R623 miljoen in die eerste kwartaal van 1980 aange- teken.

Verdere toename in goud- en ander buitelandse reserwes

Ondanks die aansienlike netto uitvloeiing van kapi- taal, was die oorskot op die lopende rekening van die betalingsbalans voldoende om 'n matige toename van R257 miljoen in die netto goud- en ander buitelandse reserwes gedurende die eerste kwartaal teweeg te bring. 'n Toename van R55 miljoen in die laste verwant aan reserwes, het die toename in die bruto goud- en ander buitelandse reserwes vanweë beta- lingsbalanstransaksies tot R312 miljoen verhoog. Indien waardasie-aansuiweringe, veral die opwaartse herwaardering van die goudreserwes, in aanmerking geneem word, het die bruto reserwes gedurende die eerste kwartaal met R845 miljoen tot 'n vlak van R5 127 miljoen aan die einde van Maart toegeneem.

Die toename in die bruto buitelandse reserwes gedurende die eerste kwartaal is verklaar deur 'n skerp styging van R1 808 miljoen gedurende Januarie en Februarie en 'n afname van nie minder nie as R963 miljoen in Maart. Alhoewel die grootste deel van hierdie afname gedurende Maart aan die herwaarde- ring van die goudreserwes teen 'n laer prys toe te skryf was, het die buitelandse-valutareserwes ook afgeneem, naamlik van R1 041 miljoen aan die einde van Februarie tot R900 miljoen aan die einde van Maart. Gedurende April het die bruto goud- en ander buitelandse reserwes van die Reserwebank met R46 miljoen toegeneem tot R4 795 miljoen aan die einde van die maand. Hierdie toename was die netto resultaat van 'n opwaartse herwaardering van die goudreserwes, 'n styging in die Bank se besit aan buitelandse valuta, en gedeeltelik neutraliserende afnames in die volume van die goudreserwes en in die Bank se laste verwant aan reserwes.

Wisselkoersveranderinge

Die geweegde gemiddelde waarde van die rand in terme van die belangrikste geldeenhede het gedurende die eerste kwartaal van 1980 met 5,3 persent geap- presieer, vergeleke met 0,5 persent gedurende die laaste kwartaal van 1979. Die koers van appresiasie van die rand teenoor individuele geldeenhede het in die eerste kwartaal aansienlik gewissel. So het die rand teenoor die Switserse frank met 16,9 persent, teenoor die Duitse mark met 14,1 persent, teenoor die Japanse jen met 6,6 persent, teenoor die Britse pond met 4,3 persent, en teenoor die VSA-dollar met 2,1 persent geappresieer.

Vanaf vroeg in April het die VSA-dollar teenoor die ander belangrike geldeenhede begin depresieer, as gevolg waarvan die geweegde gemiddelde waarde van

die rand vanaf die einde van Maart tot 30 Mei met 0,7 persent gedepresieer het, nieteenstaande 'n appresiasie van 3,5 persent teenoor die dollar. Op laasgenoemde datum was die geweegde gemiddelde waarde van die rand 4,6 persent bo die vlak daarvan aan die begin van 1980 en 8,3 persent bo die vlak op 24 Januarie 1979, toe die stelsel van beheerde swewing van die rand ingestel is.

Die diskonto op die finansiële rand, wat geduren- de die eerste twee maande van 1980 skerp gedaal het, het teen die einde van Februarie 14,9 persent bedra. Daarná het dit aansienlik toegeneem tot 31,2 persent op 1 April voordat dit afwaarts geskommel het tot 27,1 persent op 30 Mei 1980.

Monetêre en banktoestand

Hoë groeikoerse van die monetêre totale

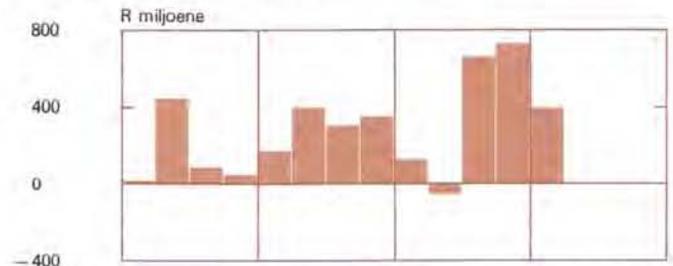
Die geld- en kwasi-geldvoorraad, wat gedurende 1979 in sy geheel met 13 persent en gedurende die laaste kwartaal teen 'n seisoensaangesuiwerde jaarkoers van 27 persent toegeneem het, het gedurende die eerste kwartaal van 1980 matig teen 'n jaarkoers van 14 persent gestyg. Gedurende April het dit teen 'n seisoensaangesuiwerde jaarkoers van 10 persent gedaal wat die jaarkoers van toename gedurende die eerste vier maande van 1980 op 7 persent te staan gebring het. Van April 1979 tot April 1980 het die geld- en kwasi-geldvoorraad met 15 persent toegeneem. Indien die banke se terugkoop-ooreenkomste met die private nie-banksektor met looptye in die kort- en middeltermyn, wat goeie plaasvervangers vir geld- en kwasi-gelddeposito's is, egter in aanmerking geneem word, het die koers van toename nie minder nie as 27 persent beloop.

Veranderings in monetêre groothede

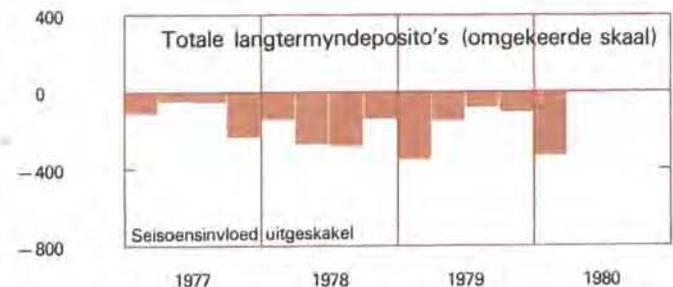
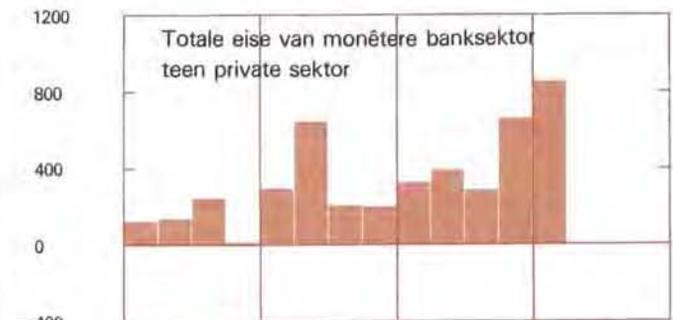
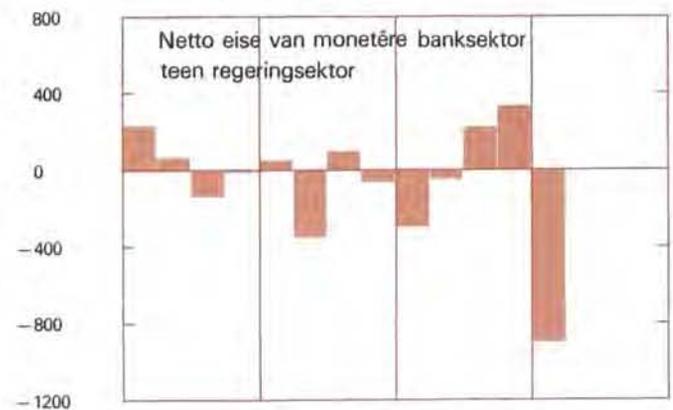
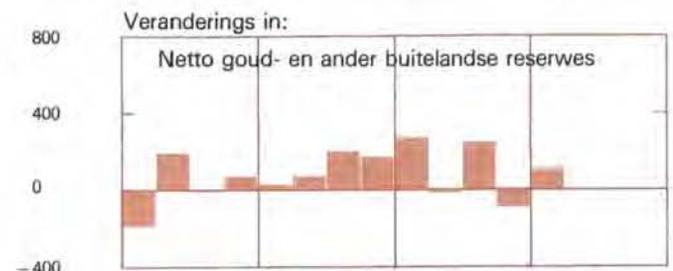
	April 1979 tot April 1980	
	Uitsluitende terugkoop-ooreenkomste	Insluitende terugkoop-ooreenkomste
Geld	17,8	29,2
Geld en kwasi-geld	14,9	26,8
Geld, kwasi-geld en langtermyn private deposito's	15,1	24,1
Eise teen die private sektor	22,3	32,6
Binnelandse kredietverlening	18,7	26,7

Die geldvoorraad in die enger sin, wat gedurende 1979 met 21 persent en gedurende die laaste kwartaal van die jaar teen 'n seisoensaangesuiwerde jaarkoers van 47 persent toegeneem het, het gedurende die eerste kwartaal van 1980 baie skerp verder gestyg teen 'n jaarkoers van 37 persent. 'n Skerp afname van R263 miljoen in April het egter die jaarkoers van toename in die eerste vier maande van die jaar op 12 persent te staan gebring. Die geldvoorraad in die enger sin het vanaf Julie 1979 opmerklik begin versnel en gedurende die tydperk van tien maande van die einde van Junie 1979 tot die einde van April 1980 het die toename soveel as R912 miljoen beloop. Indien daarenbove die sogenaamde "deurlopende kontrakte" en "oornagse terugkoop-ooreenkomste" onder die monetêre banke se terugkoop-ooreenkomste met die private nie-banksektor in aanmerking geneem word, het hierdie toename op nie minder nie as R1 512 miljoen, of op 'n seisoensaangesuiwerde jaarkoers van 35 persent, te staan gekom.

Veranderings in geld en kwasi-geld



Oorsake van veranderings in geld en kwasi-geld



Oorsake van veranderings in geld en kwasi-geld

Die toename in die seisoensaangesuiwerde hoeveelheid geld en kwasi-geld gedurende die eerste kwartaal van 1980 het voortgespruit uit 'n matige styging in die netto goud- en ander buitelandse reserwes van die monetêre banksektor en 'n aansienlike styging in hierdie sektor se eise teen die private sektor. Die grootste deel van hierdie stygings is egter deur 'n baie groot daling in die netto eise teen die regeringsektor en 'n hernieude sterk styging in die langtermyndeposito's van die private sektor by die monetêre banke geneutraliseer. Gedurende April het die netto eise van die monetêre banksektor teen die regeringsektor skerp gestyg, terwyl 'n betreklik matige toename in die eise teen die private sektor voorgekom het. Die netto goud- en ander buitelandse reserwes van die monetêre banksektor het in April afgeneem en slegs 'n effense verdere styging is aangeteken in die langtermyndeposito's van die private sektor by die monetêre banke.

Die seisoensaangesuiwerde netto goud- en ander buitelandse reserwes van die monetêre banksektor het gedurende die eerste kwartaal van 1980 met R133 miljoen toegeneem. Hierdie reserwes het gedurende Januarie en Februarie sterk gestyg, grotendeels as gevolg van die aansienlike oorskot op die lopende rekening van die betalingsbalans. Die grootste deel van hierdie toename is egter deur 'n daaropvolgende skerp daling in Maart geneutraliseer toe die netto uitvloeiing van kapitaal, hoofsaaklik as gevolg van grootskaalse omskakeling van buitelandse na binnelandse finansiering van die buitelandse handel, 'n ongeëwenaard hoë vlak bereik het. Gedurende April het die daling vir die reserwes weer verlangsaam en R151 miljoen bedra. Die netto goud- en ander buitelandse reserwes van die Reserwebank het in werklikheid in April met R118 miljoen toegeneem, waarvan die uitwerking van die herwaardering van die Bank se goudvoorraad uitgesluit is.

Die seisoensaangesuiwerde eise van die monetêre banksektor teen die private sektor, wat gedurende die vierde kwartaal van 1979 teen 'n hoë jaarkoers van 25

persent gestyg het, het gedurende die eerste kwartaal van 1980 selfs nog vinniger uitgebrei teen 'n jaarkoers van 30 persent of met R838 miljoen. Afgesien van 'n sterker vraag na krediet in die algemeen, was hierdie toename 'n weerspieëling van die gebruik van binnelandse bankkrediet vir die finansiering van die buitelandse handel. Gedurende April is 'n betreklik klein toename van R113 miljoen aangeteken.

Nadat 'n toename in die seisoensaangesuiwerde netto eise van die monetêre banksektor teen die regeringsektor gedurende die tweede helfte van 1979 aanmerklik tot die uitbreiding van die geld- en kwasi-geldhoeveelheid bygedra het, het daar gedurende die eerste kwartaal van 1980 'n skerp daling van R902 miljoen in hierdie netto eise voorgekom. 'n Deel van hierdie daling is verklaar deur 'n aansienlike toename in die regeringsdeposito's, voortspruitende uit groot belastingsontvangstes aan die einde van Februarie. Gedurende April het 'n skerp afname in regeringsdeposito's en 'n aansienlike styging in die bruto eise teen die regeringsektor meegebring dat die monetêre banksektor se netto eise teen die regeringsektor sterk met R653 miljoen gestyg het.

Die koers van toename in die seisoensaangesuiwerde langtermyndeposito's van die private sektor by die monetêre bankinstellings, wat gedurende die tweede helfte van 1979 aansienlik verlangsaam het, het gedurende die eerste kwartaal van 1980 nuwe stukrag gekry toe hierdie deposito's met R334 miljoen gestyg het. Ruimskootse likwiditeit in die private sektor en veranderings in verwagting met betrekking tot rentekoersbewegings het skynbaar tot hierdie hernieude styging in die langtermyndeposito's bygedra. In April is slegs 'n klein verdere styging van R18 miljoen aangeteken.

Vinnige uitbreiding in die meeste komponente van bankkrediet aan die private sektor

Die aansienlike styging in die bankkrediet aan die private sektor gedurende die eerste kwartaal van 1980 kon grotendeels aan 'n toename van R556 miljoen in die diskonteringe, lenings en voorskotte van die

Oorsake van veranderings in geld en kwasi-geld

R miljoene

	Seisoensinvloed nie uitgeskakel nie				Seisoensinvloed uitgeskakel			
	3e kw. 1979	4e kw. 1979	1e kw. 1980	Apr. 1980	3e kw. 1979	4e kw. 1979	1e kw. 1980	Apr. 1980
Netto goud- en ander buitelandse reserwes	259	-96	157	-36	247	-85	133	-151
Eise teen regeringsektor:								
Bruto eise	-71	454	-588	303	...	...	...	...
Regeringsdeposito's (toename-, afname+)	98	-7	-635	674	...	...	...	...
Netto eise	27	447	-1 223	977	221	330	-902	653
Eise teen die private sektor	377	572	709	72	293	664	838	113
Langtermyndeposito's (toename-, afname+)	-13	-27	-333	-36	-82	-103	-334	-18
Netto ander bates	-5	-18	653	-955	...	...	...	...
Totale oorsake van verandering	645	878	-37	22	662	733	407	-108

handels-, aksep- en monetêre algemene banke toege-skrif word. Hierdie bedrag het 'n netto toename van R242 miljoen in huurkoopkrediet en bruikhuurfinan-siering, 'n daling van R73 miljoen in verdiskonteerde wissels, en 'n styging van R387 miljoen in ander lenings en voorskotte ingesluit. Die beleggings van die monetêre bankinstellings in effekte van die private sektor het gedurende die eerste kwartaal eweneens aanmerklik toegeneem, naamlik met R123 miljoen, terwyl die kaskredietvoorskotte van die Landbank ietwat met R88 miljoen gedaal het. Die diskonte- ringe, lenings en voorskotte van die handels-, aksep- en algemene banke het in April voortgegaan om aansienlik te styg, maar neutraliserende afnames in die beleggings deur die monetêre banke in effekte van die private sektor en kaskredietvoorskotte deur die Landbank het meegebring dat bankkrediet aan die private sektor in hierdie maand met 'n betreklik klein bedrag toegeneem het.

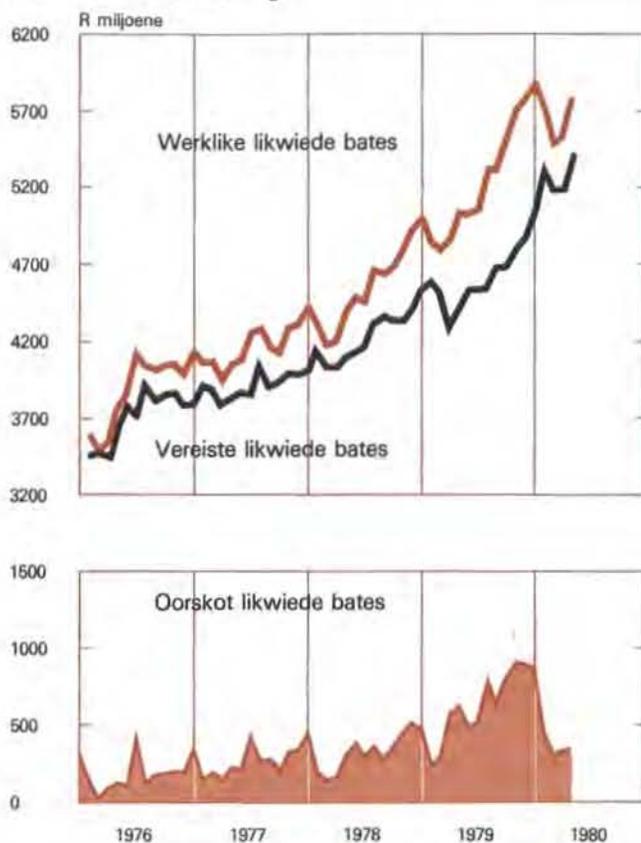
As gevolg van die aansienlike styging in bank- krediet aan die private sektor het die ongebruikte fasiliteite onder die banke se plafonne op hul diskon- teringe, lenings en voorskotte gedurende die eerste kwartaal van 1980 met slegs R18 miljoen toegeneem, nie-teenstaande die verhoging van die plafonne, met ingang van 31 Maart, met 'n verdere 6 persent van die basissyfers soos aan die einde van 1975. Gedurende April het die onbenutte fasiliteite met R61 miljoen gedaal. Met ingang van 31 Maart is die plafonne op beleggings in die private sektor eweneens met 'n bykomende 6 persent van die basissyfers verhoog. Die ongebruikte fasiliteite onder hierdie plafonne het gedurende die eerste kwartaal nietemin met R13 miljoen afgeneem, maar in April effens met R8 miljoen toegeneem.

Lae vlak van oorskot- banklikwiditeit

Die likwiditeitsposisie van die monetêre bankinstel- lings het gedurende die eerste kwartaal van 1980 aanmerklik verswak, terwyl dié van die nie-monetêre bankinstellings effens verbeter het. Die oorskotlikwi- diteitsverhouding van alle monetêre bankinstellings het van 4,8 persent aan die einde van Desember 1979 tot 1,7 persent aan die einde van Maart 1980 gedaal. Die ooreenstemmende verhoudings ten opsigte van die nie-monetêre banke het onderskeide- lik 1,2 persent en 2,9 persent bedra. Die belang- rikste rede vir die verswakking van die banklikwiditeit in die algemeen was 'n daling van R382 miljoen in die banke se werklike besit aan likwiede bates. Dit is meegebring deur dalings van onderskeidelik R894 miljoen en R202 miljoen in die bydrae van die regeringsektor en die private sektor tot die bankinstel- lings se likwiditeitsbasis. 'n Deel van hierdie dalings is egter deur 'n styging in die bydraes van ander sektore tot die likwiditeitsbasis geneutraliseer. Aan die einde van April was die oorskotlikwiditeitsverhouding van die bankinstellings ongeveer gelyk aan dié van die einde van Maart.

Verskeie veranderings in die kontantreserwe- en likwiede batevereistes vir bankinstellings is op 25

Werklike, vereiste en oorskot likwiede bates van bankinstellings



Maart deur die Reserwebank aangekondig en het vanaf die datum van sertifisering van die banke se maandstate vir Maart van krag geword.* Hierdie veranderings het bykans geen uitwerking op die totale vereiste likwiede bates gehad nie maar meegebring dat die vereiste besit aan kontant van alle bankinstellings by die Reserwebank en die Nasionale Finansiële korporasie met R353 miljoen gestyg het.

Geldmark

Die toestand op die geldmark was oor die einde van Februarie seisoenaal knap vanweë die gebruiklike vloeï van belastingfondse na die owerheid. Gedurende die tweede en derde week van Maart het die marktoestand ietwat verruim maar oor die einde van die maand as gevolg van die aansienlike daling in die netto goud- en ander buitelandse reserwes van die Reserwebank aansienlik vernou. Vanaf 21 April moes 'n groot bykomende bedrag aan kontant deur die bankinstellings by die Reserwebank en die Nasionale Finansiële korporasie gehou word vanweë die veranderings in die kontantvereistes waarna hierbo verwys is. Dit, tesame met 'n groot toename in die bedrag van

*Sien die verklaring deur die Reserwebank in hierdie uitgawe van die Kwartaalblad.

die banknote in omloop, het teen die einde van April en vroeg in Mei 'n strawwe vernouing van die geldmark meegebring.

Die daggeldlenings aan die diskontohuise het op 28 Februarie 'n hoë vlak van R1 196 miljoen bereik voordat dit tot R982 miljoen op 1 Maart en tot R848 miljoen op 24 April gedaal het. Op 27 Mei het hierdie lenings weer tot R1 181 miljoen gestyg. Die akkommodasie aan die diskontohuise, wat op 29 Februarie R285 miljoen bedra het, het tot 21 Maart na laer vlakke teruggekeer maar gedurende die res van die maand skerp gestyg en op 31 Maart R562 miljoen bereik. Hierdie bedrag het 'n deposito van R217 miljoen van die Staatskuldkommissaris by die diskontohuise sowel as oornagse lenings van R62 miljoen ingesluit. Teen 15 April was alle akkommodasie weer terugbetaal. Vanaf 21 April tot in die begin van Mei is groot bedrae aan wissels weer eens deur die Reserwebank herdiskonteer. Hierdie akkommodasie aan die diskontohuise het op 26 April R393 miljoen beloop maar was op 7 Mei weer volledig afgepos.

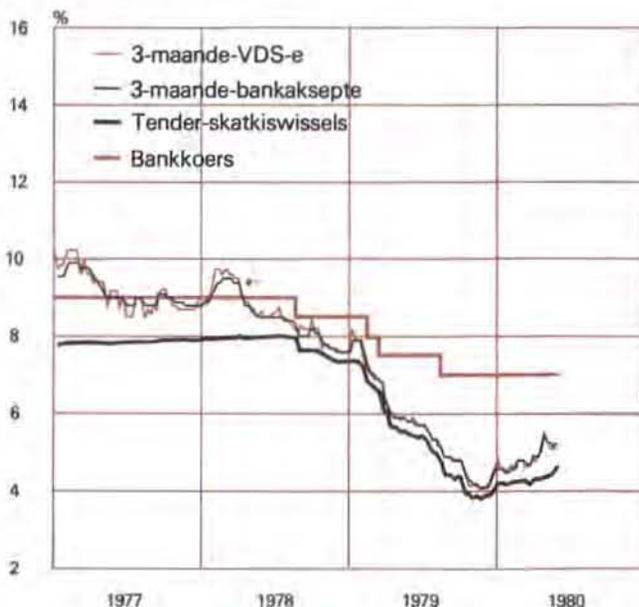
Die netto vrye saldo's van die monetêre banke by die Nasionale Finansiële korporasie het tot 'n lae vlak op 29 Februarie gedaal en was gedurende Maart, April en die begin van Mei feitlik uitgeput, met uitsondering van enkele dae in die middel van April. Vanaf 5 Mei is groter vrye saldo's, wat op 27 Mei nie minder nie as R602 miljoen bedra het, by die Nasionale Finansiële korporasie gehou.

Die rentekoerse op die geldmark het gedurende Februarie matig gestyg voordat dit gedurende die eerste week van Maart effens gedaal het. Daarna het hierdie koerse gedurende die res van die maand

gestyg, gedurende die eerste twee weke van April grotendeels onveranderd gebly, maar gedurende die tweede helfte van April taamlik skerp gestyg voordat dit gedurende die eerste drie weke van Mei effens gedaal het. Die koers op bankaksepte van drie maande het van 4,80 persent op 29 Februarie tot 4,70 persent op 7 Maart gedaal voordat dit tot 4,90 persent op 28 Maart gestyg het. Hierdie koers het vervolgens tot 11 April onveranderd gebly maar tot 5,40 persent op 25 April gestyg voordat dit tot 5,20 persent op 30 Mei gedaal het. Die skatkiswissel-tenderkoers het van 4,27 persent op 29 Februarie tot 4,20 persent op 7 Maart gedaal voordat dit tot 4,28 persent op 28 Maart en 4,66 persent op 30 Mei gestyg het.

Die opemarkverkope van effekte deur die Reserwebank het gedurende Januarie en Februarie R97 miljoen en gedurende die eerste paar dae van Maart R12 miljoen beloop. Geen verdere verkope van staatseffekte is gedurende die res van Maart en gedurende April gedoen nie vanweë die vernouing van die mark en die beplande uitreiking van 'n nuwe uitgifte van staatseffekte in April. Op 31 Maart het die Reserwebank die eerste uitgifte van sy eie effekte gemaak toe skuldbriewe ten bedrae van R100 miljoen, wat op 1 April 1980 verval het, aan die Nasionale Finansiële korporasie uitgereik is. Opemarktransaksies is in Mei hervat maar die ruimte vir transaksies is beperk deur verwagtings aangaande 'n verdere styging in rentekoerse. Die Reserwebank het nogtans van 8 tot 20 Mei spesiale skatkiswissels tot 'n bedrag van R155 miljoen verkoop. Hierdie wissels sal op 29 Augustus verval ten einde die gebruikelike tydperk van seisoenstramheid oor die maandeinde van Augustus, wat uit belastingbetalings aan die owerheid voortspruit, te verlig.

Geldmarkrentekoerse



Staatsfinansies

Matige styging in skatkisuitreikings

Die Skatkisuitreikings aan staatsdepartemente, wat met 20 persent toegeneem het in die eerste nege maande van die fiskale jaar 1979/80 vergeleke met die ooreenstemmende tydperk van die voorafgaande fiskale jaar, was effens laer in die laaste kwartaal van die fiskale jaar, dit wil sê die eerste kwartaal van 1980, as in die laaste kwartaal van die voorafgaande fiskale jaar. Gedurende die fiskale jaar 1979/80 in sy geheel het die uitreikings met 14 persent toegeneem, teenoor die begrotingsraming van 12 persent. Soos gedurende die voorafgaande twee fiskale jare, het die koers van toename in die skatkisuitreikings, en meer in die algemeen in die sentrale owerheidsbesteding, die beleid van die owerheid om reël gesproke baie min uitbreiding van sy besteding toe te laat, weerspieël. Gedurende die tydperk van drie jaar van 1977/78 tot 1979/80 het die skatkisuitreikings met gemiddeld 13 persent per jaar gestyg, 'n toenamekoers wat die gemiddelde inflasiekoers gedurende hierdie tydperk met slegs 'n klein marge oorskry het. Gedurende die voorafgaande drie jare het die gemiddelde jaarlikse koers van toename in die skatkisuitreikings byvoorbeeld 22 persent bedra.

Buitengewoon hoë groeikoers in skatkisontvangste

Die skatkisontvangste het gedurende die eerste nege maande van die fiskale jaar 1979/80 met 21 persent en gedurende die laaste drie maande met 18 persent toegeneem, vergeleke met die ooreenstemmende tydperke van die voorafgaande fiskale jaar. Die toename van 20 persent gedurende die fiskale jaar in sy geheel was nie alleen die hoogste jaarlikse koers van toename sedert 1973/74 nie, maar was ook aansienlik hoër as die begrotingsraming van 4 persent.

Hierdie aansienlike afwyking van die begrotingsraming was grotendeels die gevolg van 'n styging van nie minder nie as 74 persent in die ontvangste aan inkomstebelasting en mynhuurbetalings vanaf die goudmynmaatskappye, wat uit die skerp toename in die goudprys voortgespruit het. Indien die ontvangste wat kragtens Doeane-unie-ooreenkomste aan aangrensende lande oorgedra moet word, uitgesluit word, het die goudmynmaatskappye gedurende 1979/80 15 persent van die totale inkomste-ontvangste bygedra. Hierdie verhouding was aansienlik hoër as die ooreenstemmende syfer van 10 persent in 1978/79 maar nog steeds effens laer as in 1974/75 toe die inkomste-ontvangste vanaf die goudmynmaatskappye ook aansienlik toegeneem het vanweë 'n skerp styging in die goudprys. Die inkomstebelastingkomponent van die ontvangste vanaf goudmynmaatskappye het in 1979/80 22 persent van die totale inkomstebelasting-invorderings bedra, vergeleke met 15 persent gedurende die voorafgaande fiskale jaar.

Soos in die bygaande tabel getoon word, het feitlik alle komponente van die inkomste gedurende 1979/80 aansienlik toegeneem. Die enigste uitsondering was die bobelasting op invoergoedere, wat 'n afname getoon het vanweë die verlaging van die koers van die bobelasting. Die inkomstebelasting-ontvangste, uitgesonderd dié vanaf goudmynmaatskappye, het met 11 persent gestyg, niesteenstaande die uitgebreide belastingtoegewings wat in die Begroting vir 1979/80 toegestaan is. Hierdie toename was in skerp teenstelling met die koers van toename van slegs 2 persent in 1978/79 toe die inkomstebelasting-opbrengs oor die algemeen nog 'n stadige ekonomiese herstel en 'n matiger toename in die pryse van uitvoerkommoditeite as in die daaropvolgende jaar weerspieël het.

As gevolg van die afname in die invorderings van die bobelasting op invoergoedere en die hoër ontvangste vanaf die goudmynmaatskappye, het die

Staatsinkomstefonds¹ – Inkomste-invorderings

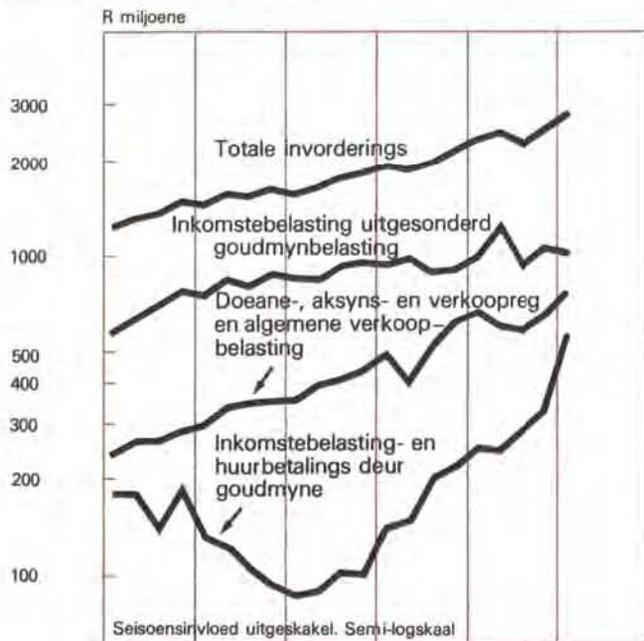
R miljoene

	Januarie – Maart		Fiskale jaar geëindig Maart		
	1979	1980	1979	1980	
				Begrotingsramings	Werklike ontvangstes
Invoerreg	84	118	371	446	453
Bobelasting op invoere	85	64	359	236	251
Aksynsreg	277	342	983	1 023	1 039
Verkoopreg ²	—	—	121	1	1
Algemene verkoopbelasting ²	287	351	672	1 175	1 277
Sub-totaal	734	874	2 506	2 881	3 021
Inkomstebelasting- en huurbetalings deur goudmyne	308	666	862	855	1 502
Ander inkomstebelastingbetalings	1 248	1 273	3 799	3 795	4 203
Ander inkomste-invorderings	551	557	1 596	1 590	1 791
Totaal	2 842	3 370	8 763	9 121	10 517

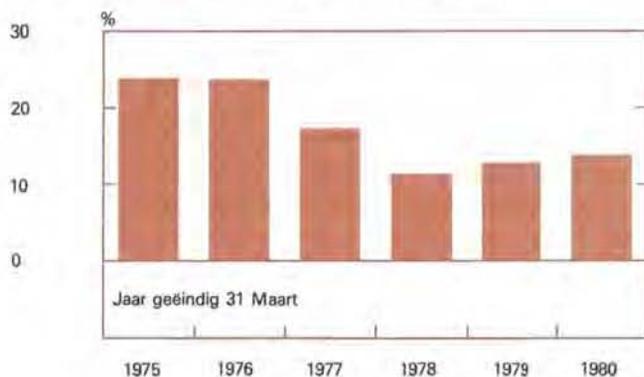
1. Insluitende bedrae oordraagbaar aan aangrensende gebiede kragtens Doeane-Unie-ooreenkomste.

2. Die verkoopreg is in Julie 1978 afgeskaf en 'n algemene verkoopbelasting ingestel.

Inkomste-invorderings – Staatsinkomstefonds



Persentasieverandering in skatkisuitreikings



verhouding van die indirekte belasting tot die totale inkomste, uitgesonderd bedrae oordraagbaar aan ledelande van die Doeane-unie, in 1979/80 effens afgeneem tot 26 persent. Hierdie verhouding was nietemin nog vër bo die vlak van 20 persent in 1975/76 toe daar met die proses van belastinghervorming, waarvolgens in die toekoms groter klem op indirekte belastings as 'n bron van inkomste geplaas sou word, begin is.

Skatkistekort hoofsaaklik uit binnelandse nie-bankbronne gefinansier

'n Surplus van R82 miljoen (voor lenings en skuldaflossing) is gedurende die eerste kwartaal van 1980 op die Skatkisrekening aangeteken, hoofsaaklik as gevolg van groter ontvangste vanaf die goudmynmaatskappye en die betreklik lae vlak van die skatkisuitreikings gedurende hierdie tydperk. In teenstelling met die

Skatkisrekeningfinansiering

R miljoene

	Januarie – Maart		Fiskale jaar geëindig Maart	
	1979	1980	1979	1980
Tekort (–) of surplus	–318	82	–2 089	–1 769
Finansiering				
Binnelandse bronne:				
Staatskuldkommissarisse ¹	468	321	1 291	741
Private nie-banksektor	254	339	1 488	999
Monetêre banksektor	–159	–619	–344	61
Sub-totaal	563	41	2 435	1 801
Buitelandse sektor	–245	–124	–346	–32
Totale finansiering	318	–82	2 089	1 769

1. Insluitende die Departement van Pos- en Telekommunikasiewese.

patroon van die skatkisfinansiering gedurende die voorafgaande nege maande van die fiskale jaar 1979/80, was die Tesourie in die eerste kwartaal van 1980 in staat om sy netto skuldposisie teenoor die monetêre banksektor te verminder en om aansienlike terugbetalings van buitelandse lenings te maak.

Gedurende die fiskale jaar 1979/80 in sy geheel het die tekort op die Skatkisrekening R1 769 miljoen bedra, of R320 miljoen minder as in 1978/79. Soos in die bygaande tabel getoon word, is die grootste deel van die tekort, naamlik R1 740 miljoen, gefinansier deur middel van lenings wat deur binnelandse nie-bankbronne, dit wil sê deur die Staatskuldkommissarisse en die private nie-banksektor, opgeneem is. Die Tesourie se netto skuldposisie teenoor die monetêre banksektor, wat in 1978/79 met R344 miljoen afgeneem het, het in 1979/80 met R61 miljoen toegeneem. Die netto terugbetaling van skuld aan die buitelandse sektor het R32 miljoen bedra, wat die bedrag wat gedurende die afgelope twee jaar afgelos is, op R378 miljoen te staan gebring het.

Twee nuwe uitgiftes van staatseffekte is op 15 April 1980 vir inskrywing aangebied en is beplan om saam te val met die aflossing van effekte ten bedrae van R337 miljoen wat vervaldatum bereik het. Die opbrengskoers op die nuwe korttermyn-effekte is op 5,00 persent vasgestel, en dié op die nuwe langtermyn-effekte op 9,25 persent. Die inskrywings op die korttermyn- en langtermyn-effekte het onderskeidelik R404 miljoen en R107 miljoen bedra. Beleggers in die private sektor het min belangstelling in hierdie uitgiftes getoon vanweë verwagtings aangaande 'n styging in die rentekoerse.

Die Begroting van die sentrale regering vir die fiskale jaar 1980/81

Toe hy die Begroting vir 1980/81 aangebied het, het die Minister van Finansies verklaar dat die regering se breë ekonomiese beleid vir die tydperk vorentoe een van "gedissiplineerde groei vanuit 'n posisie van basiese krag" sal bly. Ontwikkelings gedurende die

afgeloopde jaar, wat daartoe gelei het dat die fiskale beleid meer konserwatief en minder ekspansionisties was as wat aanvanklik beplan is, tesame met die gunstige uitwerking van die owerhede se breë finansiële beleid, het nie alleen die onderliggende krag van die ekonomie verhoog nie, maar ook die ruimte vir vinniger groei vergroot. Die beleid is derhalwe gerig op die benutting van die ekonomie se groeipotensiaal. Daar is egter verklaar dat die volgehoue klem op groei gepaard sal gaan met 'n ewe sterk klem op volgehoue finansiële dissipline. Die groei in die owerheidsbesteding sal derhalwe beperk word sodat daar aan die private sektor sowel die ruimte as die aanmoediging vir vinniger ekonomiese groei voorsien word, sonder om die beskikbare hulpbronne te ooreis. Boonop sal die tekort aan inkomste gefinansier word sonder om die geldvoorraad te verhoog.

Benewens die bevordering van produksie, werkverskaffing en investering, sal 'n verdere belangrike doelstelling van die amptelike ekonomiese beleid in 1980/81 die beteueling van die koers van inflasie wees. Volgens die Minister se sienswyse is die bestaande inflasie hoofsaaklik van die kostedruk-soort, wat nie doeltreffend bekamp kan word deur die totale vraag te demp nie. Dit word aanvaar dat tekorte aan geskoolde arbeid en ander knelpunte in die jaar vorentoe waarskynlik opwaartse druk op die arbeids- en sekere ander koste sal veroorsaak, maar daar is tot die slotsom gekom dat hierdie probleem ook nie opgelos kan word deur die vraag te beperk nie. Die inflasie sal derhalwe op ander maniere teengegaan word, naamlik (1) doeltreffende beheer oor die owerheidsbesteding en die toename in die geldvoorraad, met die doel om die ontstaan van vraaginflasie teen te gaan; (2) die stimulering van die aanbod deur groter klem te plaas op die opleiding en beter benutting van arbeidsbronne; verhoogde invoer en die voorkoming van monopolistiese praktyke; (3) 'n verdere appresiasie van die rand teenoor ander geldeenhede, indien die vraag-en-aanbodtoestand op die buitelandse-valutamark dit toelaat; (4) streng dissipline ten opsigte van die verhoging van geadministreerde pryse; en (5) belastingvoorstelle wat daarop gemik is om sekere koste te verlaag of ten minste die koers van toename daarin te verlangsaam.

Om hierdie beleidsdoelstellings ten uitvoer te bring is die begrotingsvoorstelle gerig op die onderskraving van die herstel in die private verbruiksbesteding en die investering deur die reële beskikbare inkomste van individue te verhoog en deur die finansiële vermoë van maatskappye en hul vaste en voorraadinvestering uit te brei, te versterk en om tot die stryd teen inflasie by te dra. Laasgenoemde sal bereik word deur die groeikoers van die owerheidsuitgawes te beperk, die "tekort voor lenings" te finansier sonder toevlug tot geldskepping, die bobelasting op invoergoedere af te skaf, die voorsiening van bykomstige fondse vir opleiding en onderwys, en die verhoging van subsidies op voedsel, vervoer en behuising. Daarbenewens is die begrotingsvoorstelle

gemik op die voortsetting van die proses van strukturele belastinghervorming waarmee voorheen begin is.

Maatreëls ten opsigte van veranderinge in die belastingstruktuur en belastingverligting het bestaan uit, ten eerste, die instelling van 'n enkele basiese inkomstebelastingkoers vir sowel getroude as ongetroude persone en die vervanging deur 'n nuwe en omvattende stelsel van belastingkortings van die een van inkomstekortings. Die differensiasie tussen getroude en ongetroude belastingbetalers sal bewerkstellig word deur 'n laer korting vir ongetroude persone toe te staan en deur hul belastingverpligtinge met 'n toeslag van 20 persent te verhoog. Ten tweede sal die progressie van die basiese marginale skale van normale inkomstebelasting só aangepas word dat dit 'n maksimum van 50 persent (voorheen 55 persent) bereik by 'n belasbare inkomste van R40 000 (voorheen R30 000) in die geval van getroude persone en by 'n inkomste van R28 000 (voorheen R22 000) in die geval van ongetroude persone. Ten derde is die verpligte leningsheffing op individue en maatskappye afgeskaf. Ten vierde is toegewings toegestaan ten opsigte van hereregte, boedelbelasting, belastingvrye enkelbedragbetalings deur pensioen- en uittredingsannuïteitsfondse, die belastingvrye gedeelte van die inkomste van getroude vroue en belasting deur Swartes betaal.

Met inagneming van die geraamde belastingtoegewings van R909 miljoen, is die totale inkomste van 1980/81 op R10 856 miljoen geraam, wat 'n styging van ongeveer 11 persent verteenwoordig. Die totale uitgawes in 1980/81, met inbegrip van voorsienings vir hoër salarisse en lone in die staatsdiens, verhoogde maatskaplike en siviele pensioene, bykomende fondse vir opleiding en onderwys en verhoogde subsidies, is geraam op R13 083 miljoen, of 14 persent meer as in die vorige fiskale jaar. Die "tekort voor lenings" sal na verwagting van 'n voorlopige syfer van R1 683 miljoen in 1979/80 tot R2 227 miljoen in 1980/81 toeneem. Laasgenoemde syfer, tesame met lenings-terugbetalings van R1 430 miljoen, sal 'n geraamde finansieringsbehoefte van R3 657 miljoen tot gevolg hê. Dit is in die vooruitsig gestel dat hierdie bedrag hoofsaaklik gefinansier sal word deur lenings by die Staatskuldkommissarisse en die private nie-banksektor aan te gaan.

Kapitaalmark

Verstewiging van die mark vir vaste-rentedraende effekte

Die mark vir vaste-rentedraende effekte, wat teen die einde van 1979 tydelik vernou het, het gedurende die grootste deel van die eerste kwartaal van 1980 weer verruim. Gedurende die tweede helfte van Maart is die mark egter gekenmerk deur 'n verandering in die verwagtings aangaande die bewegings van langtermyn-rentekoerse en 'n huiwering aan die kant van beleggers om langtermyn-effekte aan te skaf. Hierdie strammer toestand het gedurende April voortgeduur. Onder hierdie omstandighede, en ten einde nie met 'n uitgifte van staatseffekte saam te val nie, is twee nuwe uitgiftes van effekte deur openbare korporasies, wat vir April beplan was, tot Mei en Junie uitgestel.

Die opbrengskoerse op langtermynstaatseffekte in die sekondêre mark het van 9,32 persent in Desember 1979 tot 9,26 persent in Februarie 1980 gedaal, gedurende Maart op dié vlak gebly en in April tot 9,41 persent gestyg. 'n Ietwat laer opbrengskoerse van 9,25 persent is vir 'n nuwe uitgifte van langtermynstaatseffekte in April vasgestel. Die langtermynopbrengskoerse op semi-prima-effekte van die hoogste graad in die sekondêre mark het van 9,53 persent in Desember 1979 tot 9,48 persent in Februarie en 9,42 persent in Maart 1980 gedaal voordat dit tot 9,59 in April gestyg het. Die opbrengskoerse in die sekondêre mark op langtermynmaatskappyskuldbriefe het nie gedurende die eerste vier maande van 1980 enige

Opbrengskoerse in sekondêre mark



duidelike neiging getoon nie afgesien daarvan dat die gemiddelde opbrengskoerse van 11,28 persent in April effens hoër as in Desember 1979 was.

Die nuwe fondse wat deur die openbare sektor in die mark vir vaste-rentedraende effekte opgeneem is, het gedurende die eerste kwartaal R335 miljoen beloop, vergeleke met R169 miljoen gedurende die laaste kwartaal van 1979 en 'n kwartaallikse gemiddelde van R162 miljoen gedurende 1979. Nuwe fondse ten bedrae van R103 miljoen is gedurende die eerste kwartaal deur maatskappye in die private sektor wat op die effektebeurs genoteer is, opgeneem, vergeleke met R42 miljoen in die voorafgaande kwartaal en 'n kwartaallikse gemiddelde van R48 miljoen gedurende 1979.

Nuwe rekord omset- en prysvlakke op die aandelemark

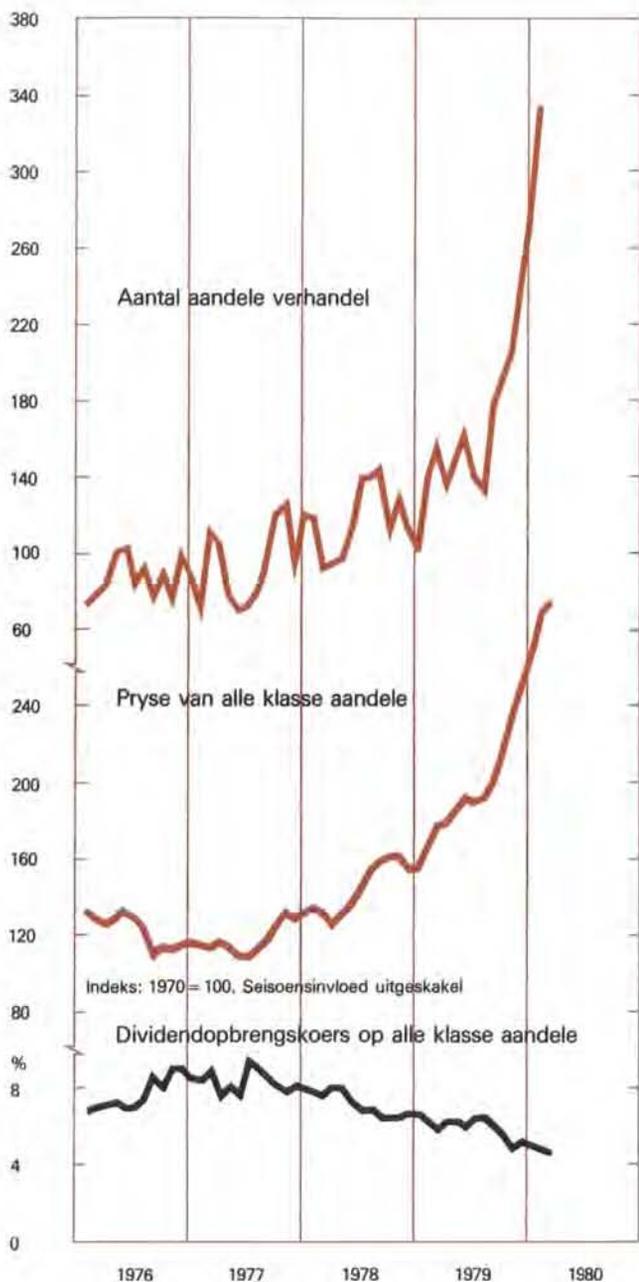
Die aandelebeursomset en aandelepryse het gedurende die eerste kwartaal van 1980 nuwe rekordvlakke bereik, maar die omset het ná Januarie na laer vlakke teruggekeer en die aandelepryse het in Maart begin daal. Alhoewel laer omsette gedurende Februarie en Maart aangeteken is, het die totale aantal aandele wat gedurende die eerste kwartaal verhandel is, die totaal vir die voorafgaande kwartaal en die kwartaallikse gemiddelde vir 1979 met onderskeidelik 34 persent en 69 persent oorskry.

Gelyktydig met die skerp styging in die prys van goud het die aandelepryse gedurende Januarie sterk gestyg. Die pryse het gedurende Februarie bly styg en het 'n vlak bereik wat gemiddeld 48 persent hoër as die hoogtepunt van Mei 1969 was. Die meeste aandelepryse het gedurende Maart gedaal maar die allesomvattende aandeleprysindeks, wat alle klasse aandele insluit, was nogtans 9 persent hoër as in Desember 1979. Die pryse van nywerheids- en handelsaandele het die hoogste koerse van toename getoon, wat agtereenvolgens deur finansiële en mynbouaandelepryse gevolg is. 'n Verdere klein daling in die pryse het gedurende April voorgekom.

Persentasieverandering in aandelepryse

	1979		1980	
	3e kw.	4e kw.	1e kw.	April
Mynaandele:				
Goud	19,4	39,1	6,1	-0,7
Steenkool	14,7	7,2	8,2	-1,6
Ander metale en minerale	12,8	15,7	10,3	-9,3
Finansiële aandele:				
Mynbou	16,4	34,9	3,5	-5,6
Nywerheid en algemeen	16,9	11,0	18,8	-1,8
Vaste eiendom	19,6	14,9	22,1	-4,3
Banke en versekering	14,9	9,1	11,1	-1,1
Nywerheids- en handelsaandele:				
Nywerheid	15,2	17,1	10,1	-2,6
Handel	17,2	14,0	16,6	1,1
Alle aandele	16,9	23,5	8,8	-2,0

Effektebeurs



Met uitsondering van handelsaandele, was die dalende neiging in die pryse gedurende Maart en April in al die hoofklasse van aandele merkbaar.

Die dividendopbrengskoers op alle klasse aandele het marginaal van 5,05 persent in Desember 1979 tot 5,00 persent in Maart gedaal voordat dit tot 5,15 persent in April gestyg het. Hierdie verandering was sterk in ooreenstemming met dié in ander langtermynopbrengskoerse en die opbrengskoersgaping tussen langtermynstaatseffekte en aandele het byvoorbeeld bykans onveranderd gebly en in Desember en Maart 4,26 persent en in April 4,27 persent bedra.

Die effekte trusts het gedurende die eerste kwartaal 'n verdere uitvloeiing van fondse ten bedrae van R16 miljoen aangeteken. Hierdie uitvloeiing is hoofsaaklik deur die netto verkoop van effekte gefinansier. In ooreenstemming met die styging in aandelepryse het die markwaarde van hulle netto bates gedurende die eerste kwartaal met R11 miljoen tot 'n vlak van R596 miljoen gestyg. Hierdie bedrag was aansienlik laer as die toename van R84 miljoen gedurende die laaste kwartaal van 1979 en die gemiddelde kwartaallikse toename van R49 miljoen in 1979.

Hernieude skerp toename in besit aan langertermynfondse by depositonemende en verwante spaarinstellings

Die koers van toename in die besit aan langertermynfondse by depositonemende en verwante spaarinstellings het gedurende die eerste kwartaal van 1980 weer skerp versnel nadat dit gedurende die tweede helfte van 1979 geneig het om af te plat. Die seisoensaangesuiwerde toename in die besit aan langertermynfondse het in die eerste kwartaal R1 237 miljoen beloop in vergelyking met R771 miljoen gedurende die laaste kwartaal van 1979 en 'n kwartaallikse gemiddelde van R783 miljoen gedurende 1979.

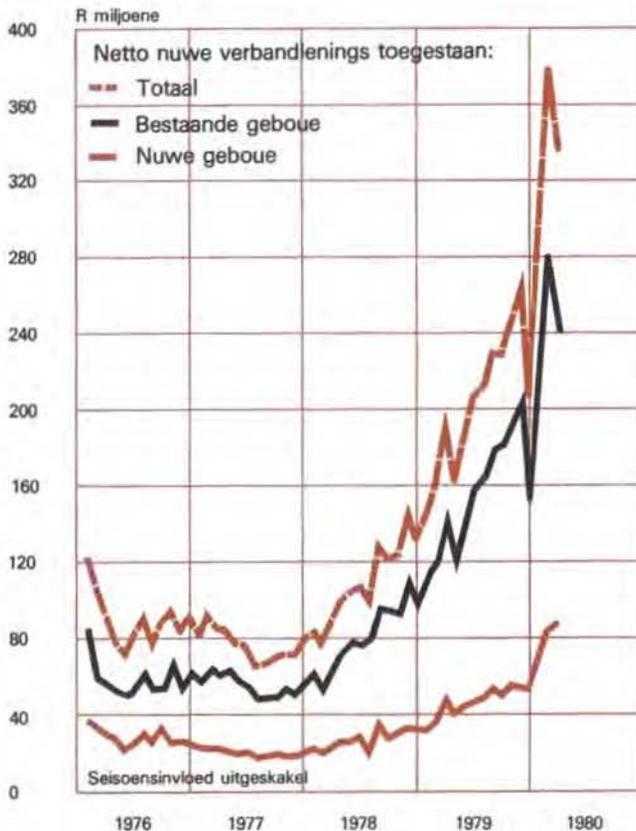
Die besit aan langertermynfondse by die bouverenigings het, net soos gedurende 1979, die grootste toename getoon, gevolg deur beleggings by bankinstellings en staatsspaarfasiliteite. Die inname van nuwe fondse deur die deelnemingsverbandskemas het gedurende die eerste kwartaal effens toegeneem, wat dui op 'n ietwat groter belangstelling in hierdie soort verbandfinansiering. Die bouverenigings het hulle

Toename in die besit aan langertermynfondse by depositonemende en verwante instellings belê.

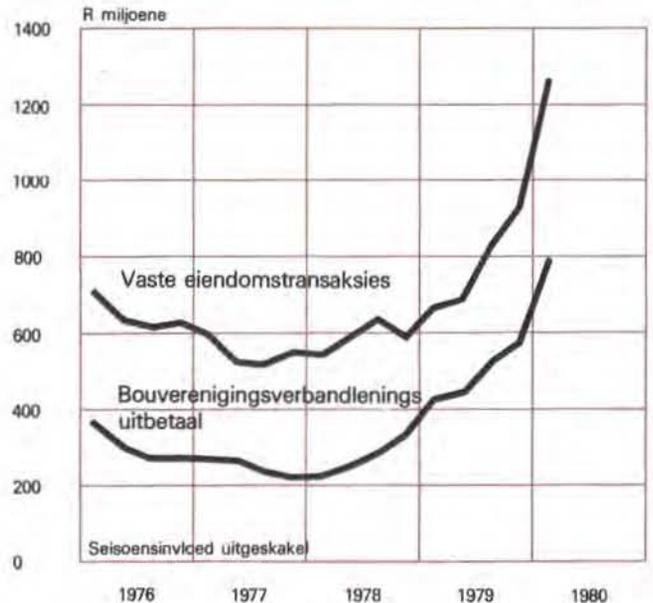
Seisoensaangesuiwerde gegewens
R miljoene

	1979				1980
	1e kw.	2e kw.	3e kw.	4e kw.	1e kw.
Bankinstellings	396	327	194	219	564
Bouverenigings	418	356	385	436	529
Deelnemingsverbandskemas	-2	-6	-10	4	16
Staatsspaarfasiliteite	98	107	108	112	128
Totaal	910	784	667	771	1 237

Bouverenigings



Vaste eiendomstransaksies en verbandenings uitbetaal



koers op spesiale spaardeposito's, dit wil sê deposito's wat onderhewig is aan 'n beperkte aantal onttrekkings per maand en die hou van 'n minimum saldo, op 1 Maart met ½ persent verlaag.

'n Ontleding van die oorsprong van die fondse wat gedurende 1979 by die bouverenigings belê is, toon dat die oorheersende deel van die verenigings se nuwe fondse, soos in die verlede, van individue en nief-winssoekende organisasies afkomstig was. 'n Interessante kenmerk was egter die toename in die relatiewe belangrikheid van die vloei van nuwe fondse vanaf die nie-bank finansiële instellings na die bouverenigings. Terselfdertyd het die relatiewe belangrikheid van netto nuwe beleggings deur maatskappye, wat gedurende 1978 skerp toegeneem het, 'n beduidende afname getoon.

Verdere skerp toename in bedrywigheid in die vaste eiendoms- en verbandmarkte

Die bruto bedrag aan verbandenings wat deur die bouverenigings toegestaan is het gedurende die eerste kwartaal R1 120 miljoen beloop, in vergelyking met R873 miljoen in die voorafgaande kwartaal en 'n kwartaallikse gemiddelde van R721 miljoen gedurende 1979. Die nuwe lenings wat vir die oprigting van geboue toegestaan is het gedurende die eerste kwartaal R221 miljoen beloop, wat 'n aansienlike toename was in vergelyking met die kwartaallikse gemiddelde

van R140 miljoen gedurende 1979. Die hoër koers van verbandfinansiering deur die bouverenigings is weerspieël in die toename in nuwe verbandenings toegestaan maar nog nie uitbetaal nie van R880 miljoen aan die einde van Desember 1979 tot R1 137 miljoen aan die einde van Maart 1980. Die oorskotbesit aan voorgeskrewe beleggings, wat gedurende 1979 deurgaans die verpligtinge ten opsigte van lenings toegestaan maar nog nie uitbetaal nie oorskry het, was aan die einde van Maart ongeveer gelyk aan die verenigings se nuwe leningsverpligtings. Dit dui op 'n sterker vraag na verbandenings en 'n kleiner behoefte aan die kanalisering van nuwe fondse na voorgeskrewe beleggings.

Die bouverenigings het hul uitleenkoerse in Februarie 1980 met ½ persent verlaag. Die koerse op verbandenings vir woonhuise is verlaag na 'n patroon van 9,0–11,0 persent, terwyl koerse van 10,5 tot 11,5 persent vir verbandenings op sake-eiendomme sedert Februarie deur die bouverenigings gekwoteer word.

Die seisoensaangesuiwerde waarde van vaste eiendomstransaksies het gedurende die eerste kwartaal 'n verdere skerp toename getoon en was 38 persent hoër as in die laaste kwartaal van 1979 en 60 persent hoër as die kwartaallikse gemiddelde gedurende 1979. Hierdie vinnige toename was deels die gevolg van 'n skerp styging in eiendomspryse, soos weerspieël is deur die toename van 21 persent in die gemiddelde waarde van bruto verbandenings op huise wat gedurende die eerste kwartaal deur die bouverenigings toegestaan is. Die seisoensaangesuiwerde waarde van bouplanne wat gedurende die eerste kwartaal goedgekeur is, was 24 persent hoër as in die voorafgaande kwartaal en 50 persent hoër as die kwartaallikse gemiddelde van 1979.

Verklarings insake monetêre beleid

Uitgereik deur die Suid-Afrikaanse Reserwebank

25 Maart 1980

In my Voorsittersrede gelewer voor die Algemene Jaarvergadering van die Reserwebank gehou op 21 Augustus 1979, het ek aangedui dat die Reserwebank van mening is dat die plafonmetode van kredietbeheer so gou doenlik afgeskaf moet word, maar dat dit vervang sal moet word deur 'n onregstreekse metode wat beter resultate sal lewer as wat in die verlede met voorskrifte ten opsigte van likwiede bates behaal is. In opvolging van hierdie gedagterigting het die Bank nou, ná die gebruiklike oorlegpleging met die Minister van Finansies, besluit om sekere stappe te doen wat daarop gemik is om voortaan meer klem op kontantreserwevereistes en ondersteunende opemarktransaksies as instrumente van kredietbeheer te plaas, met die oog daarop om mettertyd weg te doen met die regstreekse metode van beheer waarvolgens kwantitatiewe perke op bankinstellings se kredietverlening aan die private sektor geplaas word.

Met die geleidelike verandering in die metode van kredietbeheer moet daar natuurlik rekening gehou word met die onderliggende ekonomiese omstandighede en met die algemene doelstellings van die huidige ekonomiese beleid. Die totale hoeveelheid geld en kwasi-geld het gedurende die laaste twee kwartale van verlede jaar teen die onaanvaarbaar hoë jaarkoers van 30 persent gestyg, terwyl 'n groot hoeveelheid oortollige likwiditeit in sowel die banksektor as in die private nie-banksektor opgebou het. Drie van die hoof faktore wat tot verandering in die geldvoorraad bydra, het teen die einde van 1979 'n ekspansionistiese invloed uitgeoefen. Die betalingsbalans in geheel het 'n oorskot getoon, die banke se kredietverlening aan die private sektor het toegeneem en die banksektor se netto eise teen die regeringsektor het gestyg. Terselfdertyd het die private sektor se langtermyndeposito's by die banksektor, wat gedurende die eerste helfte van 1979 skerp toegeneem en aldus die geldvoorraad negatief beïnvloed het, teen 'n baie stadiger tempo gestyg.

In die lig van hierdie gebeure en die hoë inflasiekoers sal toegesien moet word dat die hoeveelheid geld en kwasi-geld nie voortgaan om oormatig toe te neem nie. Dit pas egter in by die breë ekonomiese beleid van die aanmoediging van 'n hoër ekonomiese groeikoers dat banke se kredietverlening aan die private sektor nie nou te veel aan bande gelê word nie. Met inagneming van die gunstige betalingsbalansposisie is dit dus van besondere belang hoe die Regering in die komende jaar sy uitgawes gaan finansier. Verder sal die Reserwebank deur middel van opemarktransaksies 'n deel van die oortollige likwiditeit moet opskep.

Teen hierdie agtergrond het die Reserwebank besluit om nou die volgende aanpassings in sy monetêre beleidsmaatreëls aan te bring:

Likwiede batevereistes

Groot banke, dit wil sê bankinstellings waarvan die totale bates meer as R800 miljoen bedra, moet tans 10 persent van die toename in hulle korttermynverpligtings plus 4 persent van die toename in hulle middeltermynverpligtings sedert 30 September 1975 as 'n aanvullende vereiste in likwiede bates belê. Hierdie aanvullende likwiede batevereiste, wat reeds in 1979 verminder is en vir ander banke (waarvan die totale bates R800 miljoen of minder bedra) afgeskaf is, word nou ook vir die groot banke soos vanaf datum van sertifisering van hulle maandstate (B W Vorm Nr 7) vir 31 Maart 1980 afgeskaf.

Kontantreserwevereistes

Alle bankinstellings moet tans bo en behalwe die basiese kontantreserwevereistes, waarvolgens hulle 8 persent van hulle korttermynverpligtings teenoor die publiek as 'n rentelose saldo by die Reserwebank moet hou, ook nog 'n aanvullende kontantreserwe gelyk aan 7 persent van hulle korttermynverpligtings by die Nasionale Finansiële Korporasie van Suid-Afrika hou. Ten einde meer klem op kontantreserwevereistes te plaas en dit as beleidsinstrument meer doeltreffend te gebruik, is besluit om te vereis dat alle bankinstellings hierdie aanvullende kontantreserwes, soos vanaf die datum van sertifisering van hulle maandstate (B W Vorm Nr 7) vir 31 Maart 1980, by die Reserwebank as 'n rentelose saldo hou, in plaas van by die Nasionale Finansiële Korporasie.

Die bogenoemde afskaffing van die aanvullende likwiede batevereiste ten opsigte van die toenames in die kort- en middeltermynverpligtings van die groot banke bring mee dat 'n aansienlike bedrag van hulle likwiede bates vrygestel word. In die lig van die bestaande oortollige likwiditeit in die ekonomie en die moontlikheid dat daar in die komende maande verdere groot toevoegings tot likwiditeit mag plaasvind, is besluit om vir die groot banke nou 'n addisionele aanvullende likwiede batevereiste in die vorm van 'n kontantreserwe in te stel gelykstaande aan 5 persent van hulle uitstaande middeltermynverpligtings teenoor die publiek. Aangesien banke rente op al hulle middeltermyndeposito's betaal, word dit as regverdig beskou dat hierdie addisionele kontantreserwe in die vorm van 'n saldo by die Nasionale Finansiële Korporasie gehou word sodat dit die gewone daggeldrentekoers wat die Korporasie op deposito's betaal, kan verdien.

Ten einde die klemverskuiwing na kredietbeheer deur middel van kontantreserwevereistes verder deur te voer, is besluit dat bankinstellings waarvan die totale bates R800 miljoen of minder bedra, voortaan ook 'n kontantreserwevereiste teenoor hulle middel-

termynverpligtings moet nakom. Hierdie banke moet tans 7 persent van hulle middeltermynverpligtings as 'n aanvullende vereiste in likwiede bates belê. Daar is besluit om nie die totale likwiede batevereistes vir hierdie banke nou te verhoog nie, maar om wel te vereis dat hulle soos vanaf die datum van sertifisering van hulle maandstate vir 31 Maart 1980, 3 persent van hulle middeltermynverpligtings as 'n aanvullende kontantreserwe by die Nasionale Finansiële korporasie moet hou, en vanaf daardie datum slegs 4 persent van hulle middeltermynverpligtings as 'n aanvullende vereiste in ander likwiede bates moet belê.

Die kontantreserwe- en likwiede batevereistes wat op onderskeidelik die "groot" en die "ander" banke soos vanaf die datum van sertifisering van hulle maandstate vir 31 Maart 1980 van toepassing sal wees, word in die aangehegte tabel saamgevat.

Dit moet beklemtoon word dat die vereistes ten opsigte van kontantreserwes en ander likwiede bates soos tans bepaal, in die komende maande in heroorweging geneem sal word soos die banke se nuwe maandstate beskikbaar word en die invloed van die gewysigde vereistes beter bepaal kan word.

Diskontohuise

Ingevolge 'n voorskrif van die Reserwebank mag die diskontohuise tans nie meer as 35 persent van hulle totale bates in bankaksepte en handelswissels, wat as likwiede bates moet kwalifiseer, belê nie. Ten einde hierdie instellings in staat te stel om 'n groter deel van hulle totale fondse na die private sektor te kanaliseer, is besluit om die diskontohuise toe te laat om voortaan tot 'n maksimum van 37½ persent van hulle totale bates in likwiede bankaksepte en handelswissels te belê. Hierdie toegewing tree onmiddellik in werking.

Kredietplafonne

Die voorgaande wysigings in die kontantreserwe- en likwiede batevereistes, behoort, tesame met ondersteunende opemarktransaksies deur die Reserwebank, dit moonlik te maak om die plafonmetode van kredietbeheer mettertyd af te skaf, maar dit sou onwys wees om dit nou reeds in hierdie oorgangstadium te doen.

Aangesien 'n aantal banke egter reeds probleme met hulle kredietplafonne ondervind, is besluit om die plafonne wat op alle bankinstellings se diskonteringe, lenings en voorskotte aan die private sektor, en ook op hulle beleggings in effekte van die private sektor van toepassing is, soos vanaf 31 Maart 1980 met 6 persent van die basissyfers soos op 31 Desember 1975 te verhoog. Hierdie verhoging is bykomend tot die bestaande verhoging van 'n ½ persent per maand van die basissyfers.

Bankinstellings waarvan die totale kredietverlening aan die private sektor nie méér as R25 miljoen beloop nie, is tans van die kredietplafonne vrygestel. Hierdie perk word soos vanaf 31 Maart 1980 na R30 miljoen opgeskuif.

Likwiede batevereistes vir bankinstellings soos vanaf datum van sertifisering van maandopgawe (B.W. Vorm Nr. 7) vir 31 Maart 1980

A. Banke met totale bates van meer as R800 miljoen

Vereistes	Verpligtings teenoor die publiek ¹			
	Kort-termyn	Middel-termyn	Lang-termyn	Verpligtings uit hoofde van aksepte
	%	%	%	%
Basies:				
Reserwesaldo's by Suid-Afrikaanse Reserwebank	8	—	—	—
Ander	22	20	5	10
Aanvullend:				
Reserwesaldo's by Suid-Afrikaanse Reserwebank	7	—	—	—
Reserwesaldo's by Nasionale Finansiële korporasie	—	5	—	—
Ander	18	10	—	—
Totaal	55	35	5	10

B. Banke met totale bates van R800 miljoen of minder

Vereistes	Verpligtings teenoor die publiek ¹			
	Kort-termyn	Middel-termyn	Lang-termyn	Verpligtings uit hoofde van aksepte
	%	%	%	%
Basies:				
Reserwesaldo's by Suid-Afrikaanse Reserwebank	8	—	—	—
Ander	22	20	5	10
Aanvullend:				
Reserwesaldo's by Suid-Afrikaanse Reserwebank	7	—	—	—
Reserwesaldo's by Nasionale Finansiële korporasie	—	3	—	—
Ander	13	4	—	—
Totaal	50	27	5	10

1. Soos verminder vir doeleindes van die likwiede batevereistes, waar toepaslik.

Depositokoersbeheer

Kragtens die spesiale magte wat aan die Reserwebank ooreenkomstig die Wet op Wissels en Betaalmiddele (Wet Nr 9 van 1933) verleen is, word daar tans maksimum rentekoerse voorgeskryf wat bankinstellings en bouverenigings op deposito's van die publiek mag betaal. Hierdie maksimumperke is tans in die

algemeen heelwat hoër as die koerse wat in die praktyk op deposito's betaal word en in die lig daarvan is besluit om die bestaande voorskrifte in hierdie verband onmiddellik terug te trek.

Opemarktransaksies

Die Reserwebank was gedurende die afgelope paar jaar besonder bedrywig met die koop en verkoop van bates ten einde likwiditeitstoestande in die geldmark en in die private nie-banksektor te beïnvloed. Die doeltreffende beheer van kredietverlening deur bankinstellings deur middel van kontantreserweveristes is baie afhanklik van 'n doeltreffende opemarktransaksiebeleid deur die Reserwebank, met inbegrip van sy verdiskonteringsbeleid, en van streng dissipline in die hantering van die staatsfinansies.

Die Bank is daarvan bewus dat daar nog heelwat gebreke in die geld- en kapitaalmarkte in Suid-Afrika aanwesig is wat dit vir hom moeilik maak om opemarktransaksies doeltreffend uit te voer. In hierdie stadium ondervind die Bank byvoorbeeld 'n groot tekort aan die nodige bates wat hy vir hierdie doel kan gebruik aangesien sy portefeulje van staatseffekte reeds gedurende die afgelope jaar ten volle verkoop is. Die Bank is egter van voorneme om binnekort met die uitreiking van spesiale Reserwebankskuldbriewe te begin wat uitsluitend vir opemarktransaksies bedoel is. Hierdie skuldbriewe, wat vir verskillende looptye uitgereik kan word, sal as likwiede bates kwalifiseer indien hulle 'n onverstreke looptyd van minder as drie jaar het. Die skuldbriewe sal teen markkoerse uitgereik word en oordraagbaar en verhandelbaar wees. Aansoek sal ook by die Johannesburgse Effektebeurs vir die notering van die skuldbriewe gedoen word.

Die Bank sal verder, soos in die verlede, voortgaan om staatseffekte en skatkiswissels te verkoop en te koop.

18 April 1980

Die gaping tussen korttermynrentekoerse in Suid-Afrika en vergelykbare rentekoerse in die buiteland is tans so groot dat die verskuiwing van die finansiering van Suid-Afrika se buitelandse handel van buitelandse na plaaslike bronne in omvang toegeneem het met die gevolg dat die geldmark aansienlik vernou het. Ten einde te verhoed dat hierdie neiging té ver gevoer word, vind die Bank dit nodig om soos vanaf vandag sy diskonto vir dollartermyndekking met 'n maksimum looptyd van een jaar te verhoog van die bestaande 2½ persent na 12 persent per jaar. Uitvoerders behoort hierdeur ontmoedig te word om krediet vir lang tydperke aan buitelandse kopers van Suid-Afrikaanse produkte toe te staan, terwyl invoerders weer meer geredelik van buitelandse finansieringsbronne gebruik behoort te maak. Hierdie koers vir dollartermyndekking sal van tyd tot tyd aangepas word soos rentekoerse en ander ekonomiese omstandighede verander.