

Notes on South Africa's foreign liabilities and assets

Information on South Africa's foreign liabilities and assets as at 31 December 1987 and 1988 is published in this issue of the *Quarterly Bulletin*. These figures are based on data obtained from censuses of foreign transactions, liabilities and assets for 1973 and 1980, which have been updated by means of sample surveys for subsequent years. Data on South Africa's foreign debt as calculated for the Standstill Coordinating Committee are also published as a separate table in this issue of the *Bulletin*. The breakdown of South Africa's foreign liabilities and assets by area is published as at 31 December 1988 only but the information as at 31 December 1987 is available on request from the address on page 2.

Foreign liabilities

After South Africa's total foreign liabilities had increased to a high of R83,5 billion at the end of 1985, they declined to R66,9 billion at the end of 1987 before increasing again to R70,2 billion at the end of 1988, slightly less than the 1986 figure of R71,9 billion. The increase of 5 per cent in South Africa's total foreign liabilities from 1987 to 1988 was mainly accounted for by valuation adjustments arising from the depreciation of the rand. South Africa actually made further net repayments on its foreign debt during 1988.

Total direct foreign investment in South Africa as a percentage of total foreign liabilities continued its downward trend in 1988 after temporary increases were recorded in 1986 and 1987. Such direct foreign investment amounted to 37,4 per cent of total investment at the end of 1988 – down from 38,4 per cent at the end of 1987 and from 47,3 per cent at the end of 1980. This decline in the ratio of direct investment was partly the result of further disinvestment by foreign organisations from South Africa. It could also be attributed, however, to the high proportion of equity capital in direct investment which is denominated in rand and is, therefore, not affected by exchange rate fluctuations.

During 1988 the share of non-bank private sector short-term foreign liabilities in total foreign liabilities declined further to 25,0 per cent from 25,4 per cent at the end of 1987 and as much as 30,7 per cent at the end of 1984.

After investment in South Africa by all the major regions distinguished in this analysis had shown declines in 1987, it rose again in 1988 in line with the increase in total foreign liabilities. During the nineteen-eighties the share of Europe and the Americas in South Africa's total foreign liabilities remained fairly stable; it declined from 90,5 per cent of total foreign liabilities at the end of 1980 to 87,9 per cent at the end of 1988.

Foreign assets

South Africa's total foreign assets increased from R32,1 billion in 1986 to R35,0 billion in 1987 and R35,8 billion in 1988 or by 8,9 and 2,2 per cent, respectively. If the gold reserves are excluded, however, the respective increases for 1987 and 1988 amounted to 5,9 and 8,7 per cent. The increase in foreign assets recorded in 1987 was achieved despite an appreciation of the rand during the year. The depreciation of the rand in 1988, on the other hand, boosted South Africa's total foreign assets in rand terms.

After South Africa's direct foreign investment had slipped back from 55 per cent of total foreign assets in 1985 to 49½ per cent in 1987, it increased again to 50½ per cent in 1988. This increase was mainly brought about by foreign investment in the form of share premium, reserves and undistributed profits.

At the end of 1988 the EEC countries regained their position as South Africa's most important area for foreign investment, after having been temporarily overtaken by North and South America in 1987. South Africa's total foreign investment in these two regions amounted to 64 per cent of its total foreign investment at the end of 1988.

Opmerkings oor Suid-Afrika se buitelandse laste en bates

Inligting oor Suid-Afrika se buitelandse laste en bates soos op 31 Desember 1987 en 1988 word in hierdie uitgawe van die *Kwartaalblad* gepubliseer. Hierdie syfers is gebaseer op inligting wat uit sensusse van buitelandse transaksies, laste en bates vir 1973 en 1980 verkry is en wat deur middel van steekproefopnames vir daaropvolgende jare bygewerk is. Gegewens oor Suid-Afrika se buitelandse skuld soos dit vir die Stilstandskoördinerende Komitee bereken word, word ook as 'n afsonderlike tabel in hierdie uitgawe van die *Kwartaalblad* gepubliseer. Die ontleding van Suid-Afrika se buitelandse laste en bates volgens gebied word slegs soos op 31 Desember 1988 gepubliseer maar dié inligting soos op 31 Desember 1987 is op aanvraag van die adres op bladsy 2 beskikbaar.

Buitelandse laste

Nadat Suid-Afrika se totale buitelandse laste tot 'n hoogtepunt van R83,5 miljard aan die einde van 1985 toegeneem het, het dit tot R66,9 miljard aan die einde van 1987 afgeneem voordat dit weer tot R70,2 miljard aan die einde van 1988, effens minder as die syfer van R71,9 miljard vir 1986, gestyg het. Die toename van 5 persent van 1987 tot 1988 in Suid-Afrika se totale buitelandse laste is hoofsaaklik verklaar deur waardasie-aansuiwerings wat uit die depresiasie van die rand voortgespruit het. Suid-Afrika het in werklikheid gedurende 1988 verdere netto terugbetalings op sy buitelandse skuld gemaak.

Die totale regstreekse buitelandse belegging in Suid-Afrika as 'n persentasie van totale buitelandse laste het in 1988 sy afwaartse neiging voortgesit nadat daar in 1986 en 1987 tydelik toenames aangeteken is. Sodanige regstreekse buitelandse belegging het aan die einde van 1988 37,4 persent van totale belegging beloop – laer as die 38,4 persent aan die einde van 1987 en as die 47,3 persent aan die einde van 1980. Hierdie afname in die verhouding van regstreekse belegging was gedeeltelik die gevolg van verdere disinvestering deur buitelandse organisasies uit Suid-Afrika. Dit kon egter ook toegeskryf word aan die hoë persentasie eienaarskapitaal in regstreekse belegging wat in rand gedenomineer is en derhalwe nie deur wisselkoerskommelings beïnvloed word nie.

Gedurende 1988 het die aandeel van korttermyn-buitelandse laste van die nie-bank- private sektor in die totale buitelandse laste verder gedaal tot 25,0 persent vanaf 25,4 persent aan die einde van 1987 en soveel as 30,7 persent aan die einde van 1984.

Nadat belegging in Suid-Afrika deur al die belangrikste gebiede wat in hierdie ontleding onderskei word in 1987 dalings getoon het, het dit in 1988 weer gestyg in ooreenstemming met die toename in die totale buitelandse laste. Gedurende die tagtigerjare het die aan-

deel van Europa en die Amerikas in Suid-Afrika se totale buitelandse laste taamlik stabiel gebly; dit het van 90,5 persent van die totale buitelandse laste aan die einde van 1980 tot 87,9 persent aan die einde van 1988 gedaal.

Buitelandse bates

Suid-Afrika se totale buitelandse bates het van R32,1 miljard in 1986 tot R35,0 miljard in 1987 en R35,8 miljard in 1988, of met onderskeidelik 8,9 en 2,2 persent, toegeneem. Indien die goudreserwes uitgesluit word, het die onderskeie toenames vir 1987 en 1988 egter 5,9 en 8,7 persent beloop. Die toename in die buitelandse bates wat in 1987 aangeteken is, is behaal ten spyte van die appresiasie van die rand gedurende die jaar. Daarteenoor het die depresiasie van die rand in 1988 Suid-Afrika se totale buitelandse bates in rand opgestoot.

Nadat Suid-Afrika se regstreekse buitelandse belegging van 55 persent van totale buitelandse bates in 1985 tot 49½ persent in 1987 teruggesak het, het dit in 1988 weer tot 50½ persent toegeneem. Hierdie toename is hoofsaaklik deur buitelandse belegging in die vorm van aandeelpremie, reserwes en onverdeelde winste teweeggebring.

Aan die einde van 1988 het die EEG-lande hul posisie as Suid-Afrika se belangrikste gebied vir buitelandse belegging herwin, nadat hulle in 1987 tydelik deur Noord- en Suid-Amerika verbygesteek is. Suid-Afrika se totale buitelandse belegging in hierdie twee gebiede het aan die einde van 1988 64 persent van sy totale buitelandse belegging verteenwoordig.