

**South African Reserve Bank
Suid-Afrikaanse Reserwebank**

Quarterly Bulletin
Kwartaalblad

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Quarterly Bulletin

Kwartaalblad

June 1990 Junie

No. 176

Contents

Quarterly economic review	3
Statement regarding repurchase agreements	28
Notes on inflation ¹	31
Notes to tables	45
Contents: Statistical tables	S-0

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Inhoudsopgawe

Kwartaallike ekonomiese oorsig	48
Verklaring in verband met terugkoopooreenkomste	76
Termynvalutatransaksies van die Suid-Afrikaanse Reserwebank ²	79
Opmerkings oor tabelle	89
Inhoudsopgawes: Statistiese tabelle	S-1

¹ Die Afrikaanse weergawe van hierdie opmerkings sal in die September 1990-uitgawe van die *Kwartaalblad* verskyn.

² The English version of this article appeared in the March 1990 issue of the *Quarterly Bulletin*.

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Quarterly economic review

Introduction

Aggregate real output in the South African economy showed a mild further decline in the first quarter of 1990 at a seasonally adjusted annual rate that is preliminarily estimated at approximately 1½ per cent. This followed a decrease at a similar rate in the fourth quarter of 1989.

Technically, the sequence of two consecutive quarters of negative real output growth can be taken to mean that the "consolidation" of the economy which was experienced in the course of 1989, has now hardened to a light recession. The "soft landing" nature or generally quite gradual character of the economy's cyclical slowing-down since the first quarter of 1989 should not, of course, be understood as being inconsistent with eventual mild fall-offs in aggregate real domestic output and demand.

The moderate decline shown by the real gross domestic product in the fourth quarter of 1989 was, however, essentially due only to a drop in real value added by agriculture (after harvesting of the large 1988/89 maize crop had been completed in the third quarter of 1989). In a similar manner, the mild further contraction of the real domestic product in the first quarter of 1990 could be attributed primarily to some further shrinkage of real value added in agriculture as well as to notably more substantial declines in physical output in the mining sector, particularly in the gold-mining industry.

Only a slight decrease in total real output was shown in the first quarter of 1990 by the secondary or industrial sectors; real value added in the tertiary (trade and other services) sectors continued to rise moderately at an annualised rate of slightly more than 2 per cent. Total real output of the *non-primary* sectors of the economy (i.e. excluding agricultural and mining production) accordingly still rose in the first quarter of 1990 at an annualised rate of the order of 1½ per cent. The moderately lower level of *total* real gross domestic product in the first quarter of 1990 vis-à-vis the average quarterly level of total real output in 1989 does mean, however, that quarter-to-quarter growth at a fairly significantly positive rate will have to be attained in the remaining three quarters of 1990 if non-negative real growth is to be realised from the calendar year 1989 to the calendar 1990 as a whole. In the currently prevailing conditions (and without the aid of another unusually good crop year in agriculture) the economy may have some difficulty in doing so.

On the spending side of the economy a continuation was shown in the first quarter of 1990 (for the fourth consecutive quarter, but at a notably more modest pace than in the preceding two quarters) of the decline

in aggregate *real gross domestic expenditure*. A moderate decrease was displayed by real gross domestic fixed investment for the second consecutive quarter; further decreases were also registered in aggregate real inventories. A major increase was recorded, however, in total real government consumption expenditure on intermediate goods and services in particular. A moderate further rise was also shown by total real private consumption expenditure, despite households' further trimming of their real expenditures on both durable and semi-durable goods.

In the *labour market*, increases in total non-agricultural employment recovered in the course of the first three quarters of 1989 to a rate of growth which (in seasonally adjusted and annualised terms) significantly exceeded the year-to-year rates of increase in employment in the upswing years 1986-1988. However, such information as is available for the fourth quarter of 1989 points to a slow-down in employment increases, if not to actual total employment declines, towards the end of the year. Registered *unemployment* among the White, Coloured and Asian population groups, and unemployment among Black workers as measured by the Current Population Survey, showed renewed declines in the third and part of the fourth quarter of 1989 in apparent contradiction to the cooling-down of the economy. The most recently available monthly data for late 1989 and early 1990 do not yet display any pronounced upward trend.

The *inflation rates*, which had reached recent peaks in the second quarter or towards the middle of 1989, mostly improved significantly in the second half of 1989 and continued to do so in the first three months of 1990. The mildly downward drift (and some rather more dramatic improvements) of most inflation rates from mid-1989 onwards was aided by the firmer tone, significant strengthening and only mild subsequent weakening of the effective exchange rate of the rand in the third and the fourth quarter of 1989 and the first quarter of 1990. During much of this period, however, the inflation picture brightened against a background of accelerating nominal wage increases and rising unit labour costs in both real and nominal terms. Comparatively little headway was also made as yet in bringing down the rate of inflation in *consumer* prices – particularly when measured over twelve-month periods.

The moderate further slackening of aggregate real gross domestic expenditure in the first quarter of 1990 helped to strengthen the surplus on the *balance of payments on current account*. This surplus widened under the impact of a significant recovery in merchandise export earnings and a substantial retreat in net service and transfer payments to foreigners from the uncom-

monly high level these payments had reached in the preceding quarter. These two positive elements more than made up for a marked decline in the value of the net gold exports and some renewed increase in merchandise imports.

A dramatic improvement – mainly because of a huge "swing" in short-term capital movements – was observed on the capital account of the balance of payments in the first quarter of 1990. Between them, the current account surplus and the small remaining net outflow of non-reserve-related capital gave rise to a major strengthening of both the total South African gross and net foreign reserves during this period. However, repayments on foreign loans that had been converted into three-year loans in 1986 and on other debts outside the standstill net, caused the Bank's gross foreign reserve holdings to fall back moderately in April and, to a lesser extent, also in May.

The effective exchange rate of the rand weakened mildly in January–February 1990 and more significantly in March. After holding steady in April, it retreated modestly again in May.

Cooling-down of the economy was reflected increasingly in decelerations of the rates of increase in *credit extended by monetary institutions* to the private sector and, to a distinctly less impressive degree, also in the *M3 money supply*. The slowing-down of these growth rates from late 1988 through 1989 and early 1990 has, however, only recently brought most of these rates to below the 20 per cent level. The tempo of monetary expansion has, therefore, remained at significantly higher levels to date than at comparable stages in the slowdown in new credit extension from late 1984 to early 1987; the extent of the drop in the twelve-month growth rate of M3 from its high point in August 1988 has, moreover, patently failed to match the extent of the deceleration over comparable timespans during this earlier period.

Growth in the monetary aggregates and in bank credit was boosted in 1988 and 1989 by "liquidity preference proper" and by reintermediation phenomena. Rapid expansion of banking institutions' commitments under repurchase agreements during parts of 1989 in particular, represented these institutions' attempts at a partial reversal of these developments. The very large volume of buy-backs outstanding caused the Reserve Bank to announce on 24 April 1990 that, primarily in the interest of sound banking practices, the excess of banking institutions' repurchase commitments over the level of these commitments as at the end of February 1990 was to be made subject to cash reserve and liquid asset requirements.

As they presented themselves to observers in mid-June 1990, the national accounts data for the first quarter of 1990, and most of the more recently available readings of cyclically sensitive time series, did not yet suggest a major weakening of business conditions or an abrupt downward adjustment of economic activity.

Certain developments did, however, "point downwards" or suggest a possible strengthening of the rate at which the economy may currently be cooling down.

Firstly, downward trends are displayed by the recent behaviour of, among other things, net new company registrations, wholesale and retail sales at constant prices, and the number of new motor vehicles sold. Motor traders have, however, also had to cope with irregular deliveries and inadequate supplies; they experienced a marked recovery in vehicle sales during May.

Secondly, the slow-down in the rate of extension of new bank credit to the private sector (which appears to reflect banks' increased reluctance to lend as well as private borrowers' increased unwillingness or inability to borrow) has now proceeded quite far. The most recently recorded increases in banks' claims on the private sector are close to the Reserve Bank's morally prescribed "norm" of not more than 1 per cent per month. They are also close to an absence of growth in bank credit outstanding in real or inflation-adjusted terms.

Thirdly, "confidence" in April, May and June 1990 does not seem to have been able to maintain fully its generally high levels of the first few months of the year. Business and consumer sentiment appear to have become more "brittle", in the light of, among other things, rapid recent and prospective socio-political developments and the potentially momentous but as yet only very dimly foreseeable nature of these developments. Less buoyantly confident sentiment has also tended to result from gold price declines such as those in late March and in late May and early June, and from the impact of these gold price movements on the behaviour of share prices on the stock exchange.

Total real output of the economy in the second quarter of 1990 is likely to show itself to have been affected adversely by the usual succession of public holidays and long week-ends in April and May as well as by recent increases in the incidence of politically motivated absenteeism and labour unrest, recent and current intergroup friction in certain parts of the country, and recent and current "industrial action" in various sectors and sub-sectors of the economy. Against these various negative elements, however, the main text of this *Review* also draws attention to factors that will tend to support private-sector consumption expenditure in the quarters ahead. In addition, more stimulus than was provided for in the Budget of March 1990 may emanate from the Central Government's spending policies in the fiscal year 1990/91.

The *capital markets* in the first quarter of 1990 witnessed further very large increases in turnover of shares and public-sector stock traded on the stock exchange. Share prices also showed a modest further recovery, and a further increase was recorded in the value of real estate transactions. April, however, saw a sharp drop in trading activity in both stocks and shares and some general weakening of share prices.

Relatively tight conditions continued to be maintained in the *money market*; call rates in the market rose to levels of 21,25; 20,00; 20,25; 21,00 and 20,75 per cent over the month-ends from January to May 1990 respectively. A relatively high degree of stability, on the other hand, was displayed by the rates on short-term market instruments after the Bank rate increase of October 1989. *Inter alia* to counteract the easing effect of increases in the Reserve Bank's net foreign reserve holdings on market conditions, the Bank made intermittent use of dollar swap arrangements with major banks from 23 February 1990 onwards.

National accounts

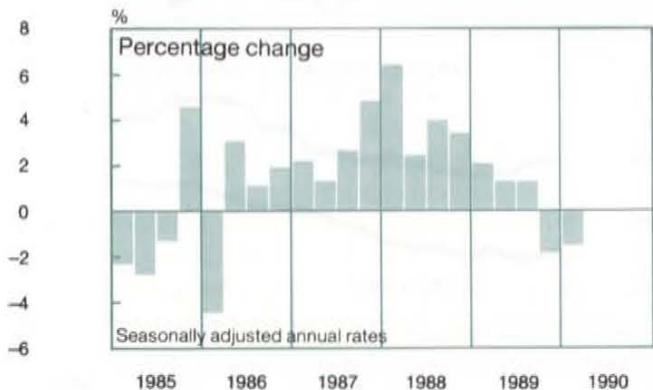
Domestic output

First estimates indicate that the South African real gross domestic product contracted further in the first quarter of 1990. Information currently available suggests that the tempo of this decline amounted to a seasonally adjusted and annualised rate of approximately 1½ per cent. This follows a decline at a similar rate in the fourth quarter of 1989.

Sectoral production estimates show that real value added declined significantly in the first quarter of 1990 in the *primary sectors*, i.e. in agriculture and mining. In the mining sector the decline in real output in the first quarter of 1990 reached a seasonally adjusted and annualised rate of as much as 12 per cent. This was the result of substantially lower gold production and a lack-lustre performance by other sub-divisions of the mining industry. The gold-mining industry – apart from being caught in its longer-term problem of rising working costs and prolonged relative weakness of the gold price – was affected adversely by sporadic labour unrest, technical difficulties at certain mines and a resultant decline in milling operations. It also experienced a decline in the average grade of ore milled.

Real output in the *secondary sectors*, i.e. the industrial sectors, in the first quarter of 1990 appeared to have decreased slightly from levels attained in the fourth quarter of 1989. Small declines in real value added in manufacturing and construction outweighed a slight expansion of real output in the sector electricity, gas and water. Production decreases in manufacturing were recorded mainly in the sub-sectors food, paper and printing, and base metals. Increased output levels were recorded, however, in non-metallic mineral production and in machinery and transport equipment.

Real gross domestic product



Real value added in the *tertiary sectors*, i.e. in the trade and services sectors, is estimated to have increased moderately in the first quarter of 1990 at an annualised rate of slightly more than 2 per cent. Output increases appeared to have occurred in broadly all tertiary sectors; the tempo of these increases, at annualised rates, ranged from 1 to approximately 2½ per cent.

The relative firmness of real output growth in the tertiary sectors could be attributed, among other things, to the continued strength of foreign demand and to the positive mood regarding the South African socio-political situation that still prevailed among most of both the household and the business sector during the greater part of the first three months of 1990.

Within the total of tertiary activities, positive real growth was displayed by virtually all sub-sectors of *transport and finance*. In the sector *commerce*, improvements were shown by both wholesale and retail trade. Real value added in the motor trade, on the other hand, contracted at an annualised rate of approximately 7 per cent. The motor trade was influenced unfavourably by cutbacks in households' real durable consumption

expenditure, less buoyant crop prospects in agriculture and diminishing real investment expenditure by business enterprises. In addition, motor dealers were hampered by supply constraints that affected trade in heavy commercial vehicles in particular.

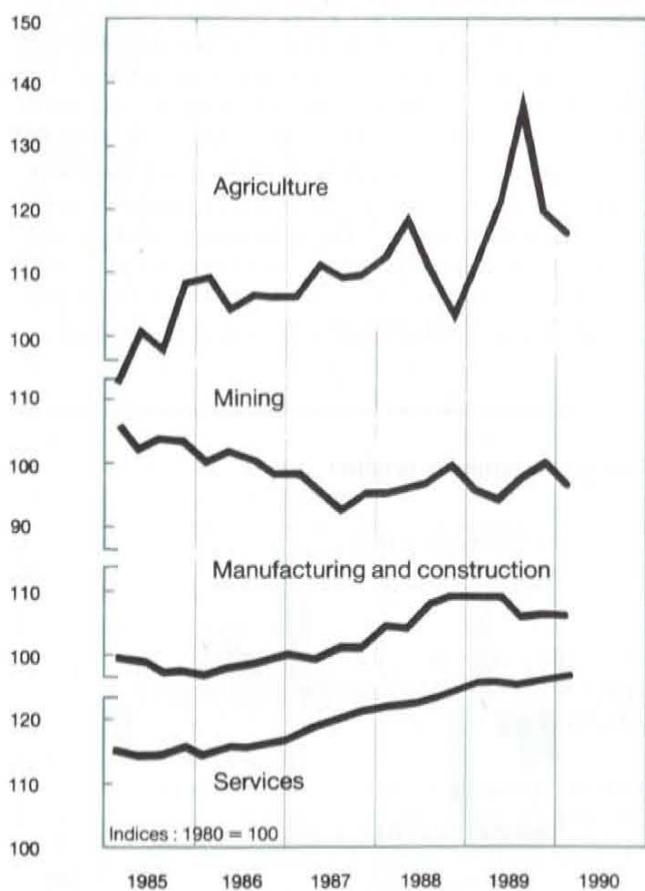
Domestic expenditure

Aggregate real gross domestic expenditure decreased at an annualised rate of ½ per cent in the second quarter of 1989 and at annualised rates of 6½ and 7½ per cent in the third and the fourth quarter. Current estimates indicate that these declines in aggregate real expenditure were continued in the first quarter of 1990 for a fourth consecutive quarter, but at a lower rate which is provisionally estimated at somewhat more than 1½ per cent.

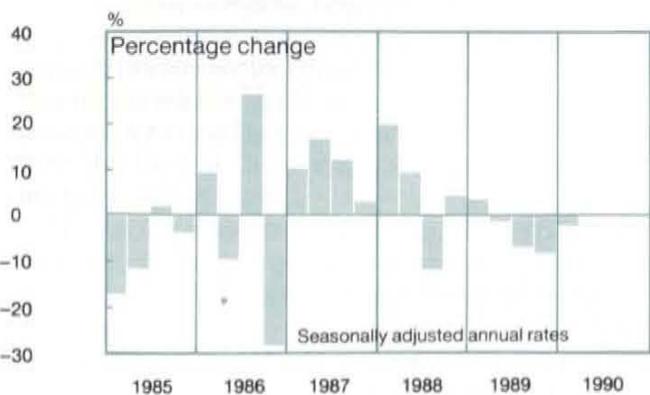
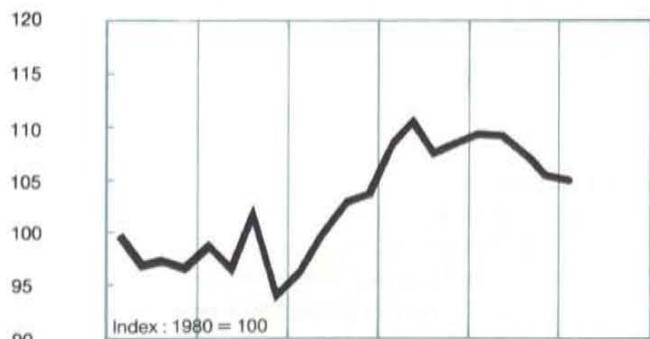
As a result of the shrinkage of total real gross domestic expenditure from the second quarter of 1989 onwards, the level of this expenditure in the first quarter of 1990 was nearly 5 per cent lower than in the first quarter of 1989.

The slowing-down of the rate of contraction of aggregate real gross domestic expenditure from the second half of 1989 to the first quarter of 1990 could be attributed to a slight reacceleration of growth in real

Components of real gross domestic product



Real gross domestic expenditure



private consumption expenditure, and to a major quarter-to-quarter rise in real government consumption expenditure after three quarters of declines. Aggregate real gross domestic fixed investment, on the other hand, is provisionally estimated to have slipped down further. Further decreases are also estimated to have occurred in aggregate real inventories.

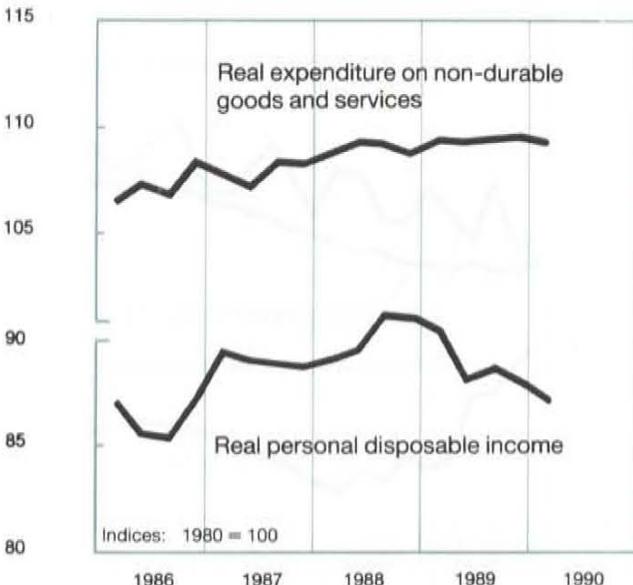
The moderate increase in real *private consumption expenditure* was mainly based on increases in real outlays on non-durable consumer goods and on services. These increases more than made up for further declines (although at lower rates than in the preceding two quarters) in real household expenditures on durable and semi-durable goods. The tempo of the contraction in households' real outlays on consumer *durables*, which had reached an average annualised rate of 11½ per cent in the second half of 1989, slowed down markedly in the first quarter of 1990. This could be attributed to a deceleration of the decline in households' real outlays on personal transport equipment and to continued firmness of their real spending on furniture.

The shrinkage of households' real spending on *semi-durable* goods arose from reductions in real outlays on items such as clothing, household textiles, and automotive spares and accessories. The modest rise in total real private-sector expenditure on *non-durable* consumption goods and on services reflected the more essential and non-discretionary nature of spending in these categories as well as the relative shift towards non-durable expenditure that tends to characterise periods of "consolidation" in the real economy and of fall-offs in real personal disposable income per capita. Such shifts may involve some actual *substitution* of non-durable spending for durable spending, which may mean actual *increases* in real non-durable spending per capita in the face of declines in *total* real consumption expenditure per capita. In addition to these cyclical elements, however, recent increases in the relative importance of non-durable spending in aggregate real private-sector consumption expenditure may also have incorporated the effect of shifts in the distribution of real personal disposable income between income recipients in different categories of income by size.

Prospects for households' real expenditure on durable and semi-durable goods during the remainder of 1990 should be buoyed significantly by certain policy adjustments that were effected in the first quarter of 1990. These included the relaxation of hire-purchase terms (concerning minimum downpayments and maximum repayment periods) in respect of articles such as stoves, refrigerators and television sets, which became effective on 10 March 1990, and the lowering of the surcharges on imported goods – as announced in the Government's Budget for 1990/91 – which should hold back price increases (if not calling forth actual price reductions) in respect of these goods.

In addition, various adjustments to the taxation of personal incomes were announced in the Budget which

Personal disposable income and expenditure per capita

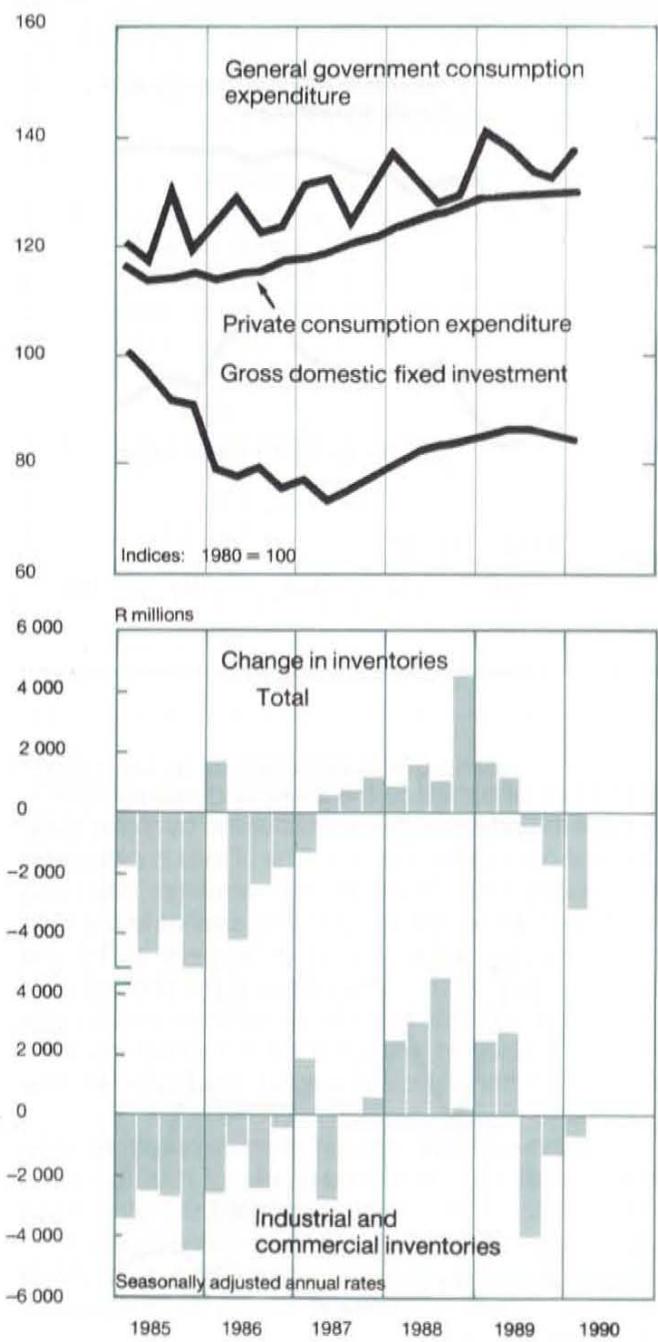


should be of benefit to the lower-and middle-income groups in particular; the relief afforded by these measures should be felt from the time of their implementation in July 1990 onwards. Improvements have also been announced with regard to the salaries and wages of various low-wage groups of workers in the civil service. Against this, further steps in the phasing-in of the taxation of fringe benefits will impinge unfavourably on real household spending on consumer durables (notably motor vehicles) among the higher-income groups.

Real government consumption expenditure rose substantially again in the first quarter of 1990 (i.e. in the final quarter of the fiscal year 1989/90) after three consecutive quarters of significant spending declines. This large first-quarter rise arose mainly from major increases in real government outlays on intermediate goods and services.

The seasonally adjusted and annualised rate of increase in total real government consumption expenditure in the first quarter of 1990 was estimated at nearly 16½ per cent. Although obviously large, this rate of increase was nevertheless considerably smaller than its counterpart of some 40 per cent in the first quarter of 1989. The most recent two fiscal years have, in fact, seen a major change in the time profile of government consumption expenditure in the course of these fiscal years: whereas such spending used to reach its seasonal high point in the first quarter of fiscal years, it did so in the final quarters of both fiscal 1988/89 and fiscal 1989/90.

Main components of real gross domestic expenditure



The level of real government consumption expenditure in the first quarter of 1990 was about 2½ per cent lower than in the first quarter of 1989. Total real government consumption expenditure in the fiscal year 1989/90 is, however, estimated to have risen by some 1 per cent vis-à-vis the preceding fiscal year, against an increase of approximately 3 per cent in fiscal 1988/89.

Growth in aggregate real *gross domestic fixed investment* faded away almost entirely in the third quarter of 1989; total gross fixed investment then declined in the fourth quarter of 1989 at an annualised rate of approximately 4½ per cent. Present indications are that this decline continued in the first quarter of 1990 at an annualised rate of approximately 4 per cent.

In the *private* sector declines in real fixed investment were recorded in the first quarter of 1990 in the sectors agriculture, construction and finance. In the case of agriculture, real fixed investment was held back by the less favourable prospects for crops and for farmers' real gross incomes in 1990 than in 1989, by relatively high real interest rates and by the trend towards the withdrawal of marginal land from cultivation. Capital formation in the construction sector is affected by cutbacks in government spending on highways and other infrastructural facilities; in addition, real outlays on residential buildings (and on auxiliary structures, such as roads and streets, sewerage systems, and water and power reticulation) seem unlikely to rise from 1989 to 1990.

In the financial and real-estate sector the decline in real fixed investment was associated with the downturn in real outlays on private residential buildings. Declines were also recorded in real outlays on machinery and transport equipment financed by leasing contracts.

Some increases were still recorded in real expenditure on fixed capital formation in manufacturing, commerce and the mining industry. Real fixed investment in manufacturing would nevertheless appear to be responding downwards to, among other things, some recent widening of the margins of unused or underutilised production capacity, the anticipated low real growth rate of the economy in general in 1990, less impressive cash flows of business enterprises, and somewhat less plenteous corporate liquidity.

Real gross fixed investment in the *public* sector continued to decline from its most recent peak in the third quarter of 1989. This was mainly accounted for by the downward trend in real fixed investment spending by *public authorities*. Among the business enterprises of general government, real fixed investment by the South African Transport Services showed a notable increase in the first quarter of 1990. This was more than fully counterbalanced, however, by declines in real fixed investment expenditures by the Department of Posts and Telecommunications, and by a downturn in such expenditures by general government.

Divergent tendencies were shown by real fixed investment by *public corporations* in their various sub-sectors. The continued rise in real fixed capital spending by public corporations in manufacturing industry was due to the sustained high level of activity at the Moss-gas project. In the sector electricity, gas and water real outlays on fixed capital formation showed a decline over the same period.

Total real inventories, which had been declining since the third quarter of 1989, continued to do so in the first quarter of 1990. De-stocking during this quarter was observed in the mining sector, private manufacturing, and retail and wholesale trade. Decreases were also recorded in real agricultural and diamond stocks-in-trade; the drawing-down of diamond inventories was a reflection of buoyant sales at the international "sights" during the first quarter of 1990.

Factor income and saving

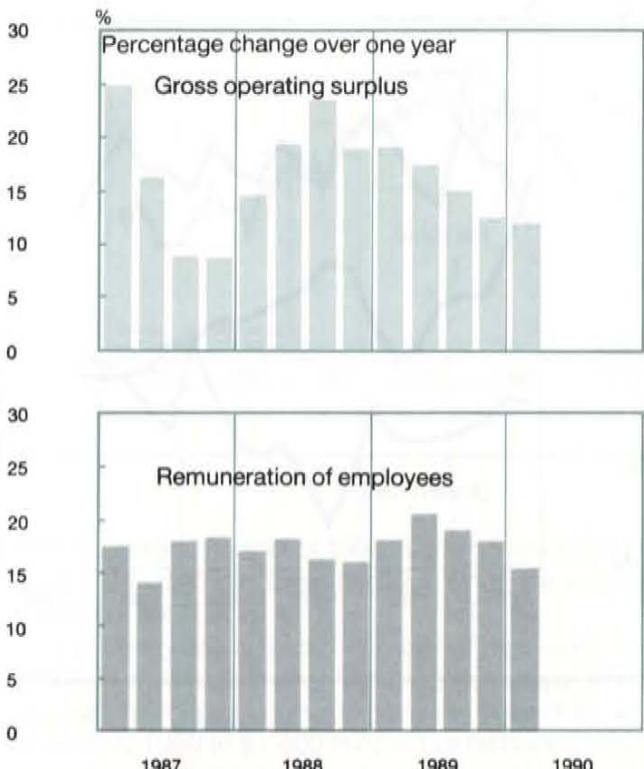
The rate of increase in aggregate nominal factor income at *market prices*, seasonally adjusted and annualised, in the first quarter of 1990 amounted to 11 per cent. Total factor income at market prices was only 14 per cent higher in the first quarter of 1990 than in the first quarter of 1989, against a year-to-year increase of 18½ per cent from the calendar year 1988 to the calendar year 1989. This slow-down was a reflection of the downward trend in the rate of increase over four-quarter periods which has been in evidence in respect of both the principal components of nominal factor income (namely remuneration of employees and the gross operating surplus of business enterprises) since the second half of 1989.

With the exception of transport and finance, a slowing-down of the rate of increase in total nominal *remuneration of employees* was apparent in all sectors of the economy. It was conspicuous in particular, however, in the mining sector and in general government. In the mining sector this could be attributed, among other things, to gradual reductions of the number of workers employed, especially in the gold-mining industry where a number of marginal or vulnerable mines have been cutting back on their mining operations. In addition, the National Union of Mineworkers submitted its annual wage demands only at the beginning of the second quarter of 1990.

In the case of general government, a general wage and salary increase of 10 per cent was granted only as from the second quarter of 1990; this may be compared with the general adjustment of 15 per cent in 1989 which became effective from the beginning of that year. Other sectors recorded gradually lower rates of increase in total nominal remuneration of employees in the first quarter of 1990 as a reflection of apparently reduced rates of new job creation and somewhat easier labour market conditions, against the background of the current and prospective cooling-down of the economy.

The annualised rate of increase in the *total remuneration of employees*, which had already fallen back from an average of as much as 23½ per cent in the first half of 1989 to an average of 12½ per cent in the second half, slackened further to about 10 per cent in the first quarter of 1990. Total nominal labour rewards in the first quarter of 1990 were nevertheless still some 15½ per cent higher than in the first quarter of the pre-

Gross operating surplus and remuneration of employees

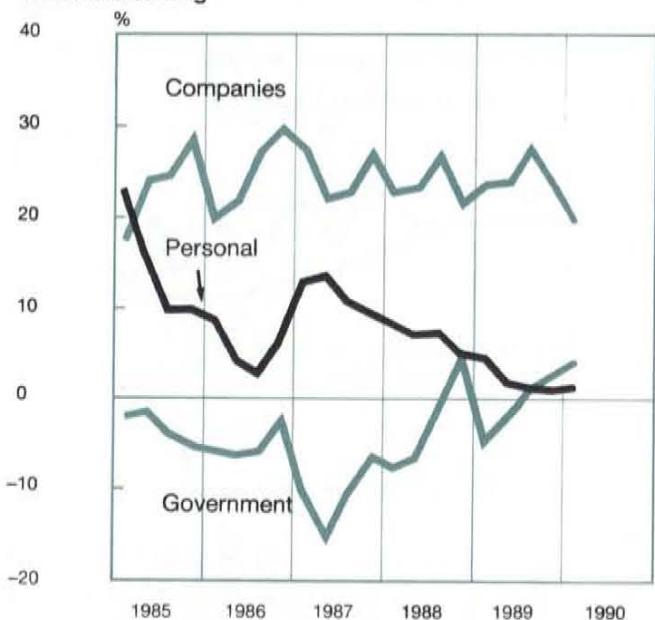


ceding year. This rate of increase also meant a slight further rise in aggregate labour remuneration in real terms.

As was noted in this *Review* for March 1990, the *total gross operating surplus* of business enterprises actually *contracted* slightly in the fourth quarter of 1989 – mainly on account of lower operating surpluses in agriculture and less impressive rates of increase in company profits in the manufacturing industry, commerce and finance. This was followed, however, by a substantial quarter-to-quarter increase in the *total gross operating surplus* in the first quarter of 1990, as a reflection of relatively favourable financial results among companies in certain sub-sectors of commerce, transport and finance as well as of the manufacturing industry. More moderate financial results were, however, reported by companies in the mining sector and in construction. Moreover, the rate of change *over four quarters* in the *total gross operating surplus* in the first quarter of 1990 – which amounted to 11½ per cent – was slightly lower than the average annualised rate of increase in the surplus in the second half of 1989 and significantly lower than the year-to-year increase of approximately 15½ per cent from 1988 to 1989.

Gross domestic saving relative to gross domestic product strengthened mildly from an average of nearly 22 per cent in the first half of 1989 to 23 per cent in

Components of savings as percentage of gross domestic saving



both the third and the fourth quarter, but retreated again to 22 per cent in the first quarter of 1990. This first-quarter decline was a reflection of sustained low levels of personal saving and a decline in net saving by companies; these developments outweighed a moderate rise in net saving by general government.

The receding tendency in gross domestic investment from the fourth quarter of 1989 caused the excess of gross domestic saving over gross domestic investment to improve substantially to 12 per cent in the first quarter of 1990, from an average of only 6½ per cent in the year 1989. Although the slackening of the domestic investment performance is clearly not to be welcomed, the widening of the savings excess may also be viewed more positively as facilitating South Africa's compliance with its commitments regarding reductions of its foreign debt.

The improvement in net saving by *general government* arose from the fact that current revenue in the fiscal year 1989/90 increased by a substantially larger amount (mainly because of higher direct-tax receipts) than had been foreseen in the March 1989 Budget, whereas current expenditure exceeded the Budget estimates to a considerably more modest extent. Positive net saving by general government has, in fact, been recorded again since the third quarter of 1989. This development therefore represents the first *sustained* improvement in the government's saving performance since net *dissaving* by general government on a quarterly basis was recorded for the first time in the first quarter of 1984.

The decline in net saving by the *corporate* sector in the first quarter of 1990 followed very high levels of corporate saving in 1989. This decrease – which occurred in the face of the marked improvement in the total gross operating surplus already referred to – was due to increases in companies' payments of dividends and direct tax, as based on the generally excellent performance of company profits in the second half of 1988 and the first half of 1989 in particular.

Net personal saving rose slightly in the first quarter of 1990 but, relative to personal disposable income, still remained at its lowest quarterly level since the net personal *dissaving* that had been recorded in the advanced stages of the mini-boom in the first quarter of 1984. A variety of short-term, cyclical and longer-term factors is contributing to households' currently low propensities to save; as already observed in this *Review* for March 1990, however, households' savings efforts have had to contend in recent quarters with, among other things, the depressing effects on total and per capita real personal disposable income of large recent increases in real personal income tax, lower net interest income on account of comparatively high current levels of mortgage and other interest rates, and comparatively high current levels of consumer debt.

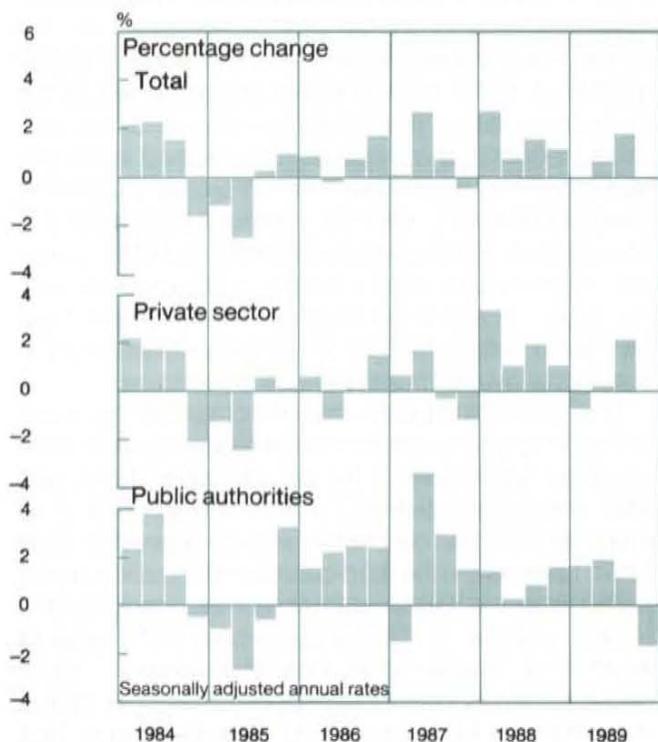
Employment

Total employment in the non-agricultural sectors of the South African economy in the first three quarters of 1989 was higher than in the first three quarters of 1988 by an average of 0,8 per cent. This may be compared with year-to-year increases in the annual average level of such employment of 0,4, 0,9 and 1,2 per cent in the three years of cyclical upswing from 1986 to 1988.

The most recently updated and seasonally adjusted labour statistics indicate that total non-agricultural employment exhibited little or no change in the first quarter of 1989 vis-à-vis the last quarter of 1988, but subsequently increased at annualised rates of 0,6 per cent and 1,7 per cent in the second and the third quarter. However, such information as is available for the fourth quarter of 1989 points to a slow-down in employment increases in the closing months of 1989.

Accelerated employment increases in the *third* quarter of 1989 were observed in (among other sectors and sub-sectors) the mining industry and in trade, among insurance companies and building societies, and in a number of other service industries. Staff *reductions* or continued staff reductions, on the other hand, were recorded in private road transportation, the construction industry, the South African Transport Services and the Department of Posts and Telecommunications, local authorities and certain statutory bodies. Data for the *fourth* quarter of 1989 indicate employment increases in central government, the Department of Posts and Telecommunications, among

Employment in non-agricultural sectors



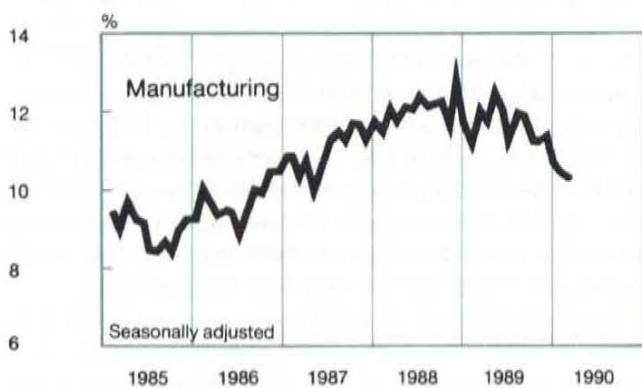
banking institutions and in the building society movement. Continued lay-offs of staff, however, were displayed by most of the industries that had shown employment reductions in the third quarter, while retrenchments of personnel were also recorded in the mining industry, manufacturing, wholesale trade and universities.

Total employment in the non-agricultural *private* sector changed at seasonally adjusted and annualised rates of -0,7, +0,1 and +2,0 per cent in the first three quarters of 1989 respectively; when the trade sector (the employment data of which are still subject to confirmation) is excluded, these percentage changes in the four successive quarters of 1989 amounted to -1,4, -0,4, +1,2 and -2,0 per cent. In the first half of 1989, therefore, relative employment changes in the private sector compared unfavourably with that of public authorities. Total employment by *public authorities* increased uninterruptedly in the first three quarters of 1989 at seasonally adjusted and annualised rates of 1,6, 1,8 and 1,0 per cent respectively, but decreased at an annualised rate of 1,6 per cent in the fourth quarter.

Following net retrenchments in the fourth quarter of 1989, employment in manufacturing industry, construction and electricity generation would appear to have picked up again in the first quarter of 1990.

The ratio of *overtime hours* to normal hours worked in manufacturing declined from the third quarter of

Overtime hours as percentage of ordinary hours worked



1989 to the first quarter of 1990. In the construction industry, this ratio has been declining since the second quarter of 1989.

The seasonally adjusted number of registered *unemployed* workers in the White, Coloured and Asian population groups increased from a low point of 45 400 in January 1989 to 51 400 in April, but fell back – in apparent contradiction to the cooling-down of the economy – to a new four-year low of 42 000 in December 1989 before increasing again to 49 500 in February 1990.

The seasonally adjusted *total* number of registered unemployed workers increased, on balance, from a low point of 109 900 in February 1989 to 125 700 in December. Again in apparent contradiction to the cooling-down of the economy, however, this figure then retreated to 113 000 in February 1990.

The number of unemployed *Black* workers, as measured by the Current Population Survey, reached a low point of 734 000 in April 1989, rose briefly to 791 000 in May, but decreased to a new low point of 719 000 in November 1989. It then rose to 725 000 in January 1990, this being equal to some 10,7 per cent of the estimated Black labour force.

Labour costs and productivity

The tempo of increases in the *nominal wage per worker* in the non-agricultural *private* sector slowed down slightly from an average quarterly year-on-year rate of 17,6 per cent in the last three quarters of 1988 to year-on-year rates of 16,6, 17,8 and 17,0 per cent (for an average of 17,1 per cent) in the first three quarters of 1989.

In contrast to this slight slackening of private-sector wage increases, the tempo of nominal wage increases among workers employed by *public authorities* accelerated sharply from year-on-year rates of only 9,1 and

8,4 per cent in the last two quarters of 1988 to rates of as much as 19,9, 17,7, 23,3 and 21,1 per cent (for an average of 20,4 per cent) in the four consecutive quarters of 1989. As a result, the year-on-year rate of increase in the average nominal wage of all workers in the non-agricultural sectors of the economy also advanced steadily from 14,6 per cent in the final quarter of 1988 to 17,6, 17,8 and 18,9 per cent (for an average of 18,1 per cent) in the first three quarters of 1989. In comparison, the increase in the average nominal wage level of all non-agricultural workers from the year 1987 to the year 1988 had amounted to 15,6 per cent.

Notable features of wage developments in the first three quarters of 1989 were therefore, firstly, the general speeding-up of the rate of increase in the nominal wage level from 1988 to 1989, despite the decline in the growth rate of the real economy and in the face of more modest increases in the demand for non-agricultural labour in 1989 than in 1988. Secondly, in contrast to developments from 1985 to 1988, the rates of increase in nominal wages paid by public authorities in 1989 were significantly higher than the rates of wage increases in the private sector.

The *real*/wage per worker in the non-agricultural sectors of the economy, which had decreased from 1985 to 1987, rose by 2,5 per cent in 1988 and in the first three quarters of 1989 was 3,1 per cent higher than in the first three quarters of 1988. On a quarterly basis, the year-on-year increase in the real wage per worker rose from 1,9 per cent in the fourth quarter of 1988 to 3,6 per cent, 2,6 per cent and 3,1 per cent in the first three quarters of 1989.

Real non-agricultural *labour productivity* improved relatively strongly (by 2,7 per cent) from 1987 to 1988. In the course of 1989, however, the quarterly year-on-year rates of productivity changes sagged from +2,4 and +2,1 per cent in the first and the second quarter to -0,2 per cent in the third quarter.

The acceleration in nominal wage increases on the one hand, and the more sideways movement and eventual decline in physical labour productivity on the other hand, caused the year-on-year rate of increase in *nominal unit labour costs* to rise from 11,0 per cent in the fourth quarter of 1988 to 14,8 per cent, 15,4 per cent and a disturbing 19,2 per cent in the first three quarters of 1989. In similar fashion and for similar reasons, the year-on-year rise in *real* unit labour costs accelerated from 1,1 and 0,4 per cent in the first two quarters of 1989 to as much as 3,4 per cent in the third quarter. The average level of real unit labour costs in these three quarters was accordingly some 1,6 per cent higher than in the first three quarters of 1988.

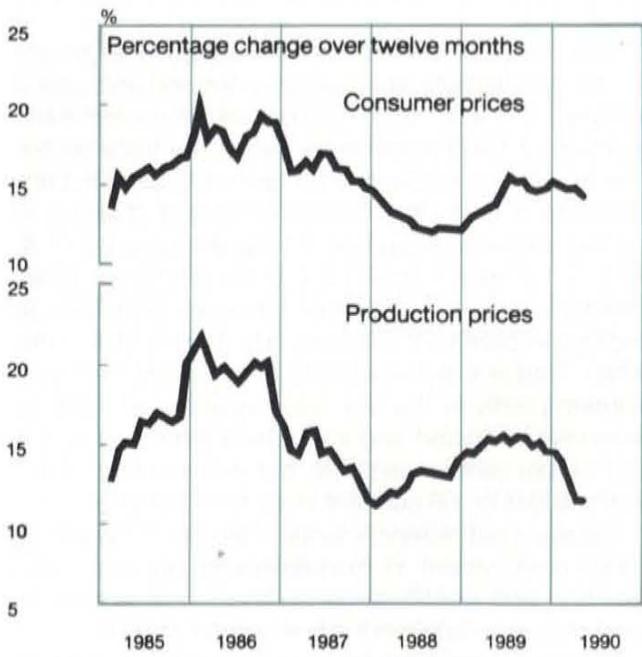
Inflation

Inflation rates, which had reached recent peaks in the second quarter or towards the middle of 1989, mostly improved significantly in the second half of 1989 and

continued to do so in the first two or three months of 1990. The mildly downward drift (and some rather more dramatic improvements) of most inflation rates from mid-1989 onwards was clearly aided by the firmer tone of the exchange rate of the rand in the third quarter of 1989, the significant strengthening of the exchange rate in the fourth quarter, and the very limited extent of the weakening of the rand in the first two months of 1990. The inflation picture during this period brightened, however, against a background of accelerating nominal wage increases and of rising real and nominal unit labour costs. Comparatively little headway has also been made as yet in bringing down the rate of inflation in *consumer* prices – when measured over twelve-month periods in particular.

The quarter-to-quarter rate of increase in the prices of *imported goods* (after the most recent revision of the seasonal adjustment of the relevant price index, and after annualisation) dropped from a high point of as much as 26,8 per cent in the second quarter of 1989 to 14,1 per cent in the third quarter and to as low as 6,6 per cent in the fourth quarter. It then reaccelerated mildly, however, to 7,5 per cent in the first quarter of 1990. The *twelve-month* rate of increase in these prices retreated from its high point of 19,3 per cent in June 1989 to 14,7 per cent in December and to 14,4 per cent in January 1990. Despite the mild weakening of the exchange value of the rand in the first quarter of 1990, this rate then fell back more rapidly to 10,1 per cent in April; to some extent, however, this accelerated

Prices



decline was only a statistical reflection of the rapid rise in import prices in the early months of 1989.

The quarter-to-quarter rate of increase in the prices of *domestically produced goods*, in seasonally adjusted and annualised terms, slowed down from a high point of 18,1 per cent reached as early as the first quarter of 1989, to 16,0, 12,8 and 12,2 per cent in the last three quarters of 1989 and to 9,7 per cent in the first quarter of 1990 – its lowest level during the past six years. The *twelve-month* rate of increase in these prices declined at a more moderate pace from 15,4 per cent in May 1989 to 11,3 per cent in March 1990, and reaccelerated to 12,0 per cent in April.

The quarter-to-quarter rate of increase in the *total production price index* accelerated to a high point of 17,9 per cent in the second quarter of 1989, but fell back quite dramatically to only 9,3 per cent in the first quarter of 1990 – its first drop below the double-digit level since the first quarter of 1984. The *twelve-month* rate of increase in the overall production price index reached its 1989 high point (of 15,8 per cent) in May 1989. It then receded fairly gradually to 11,6 per cent in both March and April 1990.

The quarter-to-quarter rate of inflation in *consumer prices*, which had doubled from a seasonally adjusted and annualised level of only 9,2 per cent in the first quarter of 1988 to 18,4 per cent in the second quarter of 1989, slowed down to 13,3 per cent in the fourth quarter of 1989 but reaccelerated disappointingly to 14,7 per cent in the first quarter of 1990. Quarter-to-quarter increases in the costs of consumer services were generally lower than those in the prices of consumer goods and in the overall index in the third and the fourth quarter of 1989. In the first quarter of 1990, however, the costs of services again rose faster than the overall consumer price index, despite an annualised rate of increase in food prices of as much as 18,2 per cent (against a rate of only 5,5 per cent in the first quarter of 1989).

The rate of increase in the consumer price index over *twelve-month periods* reached a high point of 15,7 per cent in June 1989. From this high point, the twelve-month rate of consumer price inflation then retreated only relatively slightly, on balance, to 14,9 per cent in both February and March 1990 and to 14,6 per cent in April. The rates of increase in food prices and in the costs of consumer services also slowed down up to April, despite recent large increases in (among other things) several kinds of dairy products and in homeowners' costs respectively.

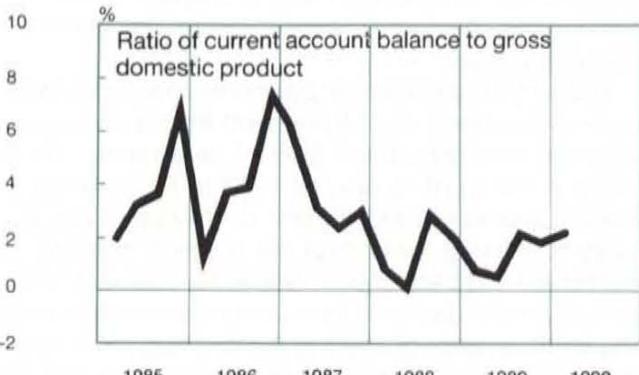
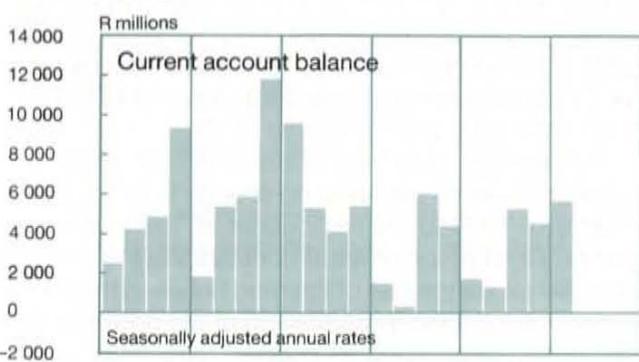
Balance of payments and exchange rates

Current account

Data concerning the current account of the South African balance of payments have been affected appreciably by the reclassification of Namibia as a foreign country instead of as part of the domestic South African economy. The revised statistics resulting from this reclassification show that the seasonally adjusted and annualised quarterly South African current account surplus reached an average level of R1,4 billion (rather than R2,3 billion) in the first two quarters of 1989 and retreated from R5,2 billion in the third quarter of 1989 to R4,4 billion in the fourth quarter (instead of having increased marginally from R5,8 billion to R5,9 billion). The current account surplus, excluding Namibia, for 1989 as a whole amounted to R3,1 billion rather than R4,1 billion.

In the first quarter of 1990 the current account surplus (again excluding Namibia) showed a further improvement from its levels as in the third and the fourth quarter of 1989 to a seasonally adjusted and annualised figure of close to R5,6 billion. This further strengthening of the balance on current account was a reflection of a

Balance of payments



Balance of payments on current account¹

Seasonally adjusted annual rates

R millions

	1989				1990	
	1st qr	2st qr	3rd qr	4th qr		1st qr
Merchandise exports	34 842	42 866	39 986	38 646	39 085	41 660
Net gold exports	18 970	18 150	19 670	20 122	19 228	17 793
Merchandise imports	-41 519	-48 560	-44 841	-42 368	-44 322	-43 577
Net service and transfer payments	-10 640	-11 293	-9 628	-11 971	-10 883	-10 299
Balance on current account	1 653	1 163	5 187	4 429	3 108	5 577

¹ Excluding Namibia.

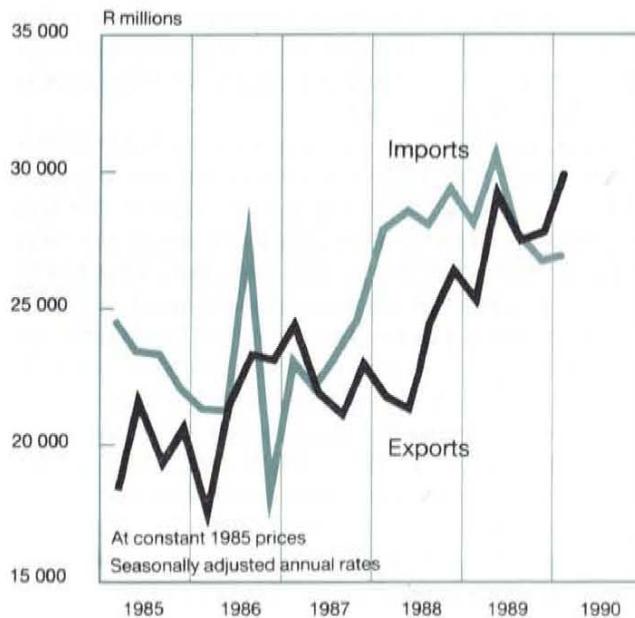
renewed increase in merchandise export earnings and of a substantial decline in net service and transfer payments to non-residents from the uncommonly high level these payments had registered in the fourth quarter of 1989. Between them, these two positive developments more than made up for a marked decline in the value of net gold exports and some renewed increase in the value of merchandise imports.

The value of merchandise exports rose by nearly 8 per cent from the fourth quarter of 1989 to the first quarter of 1990. This was entirely a matter of increased export volumes, in particular of mineral exports, paper and paper products, and textiles. Having slipped back mildly in the third quarter of 1989, the volume of South African merchandise exports in fact reached a new record level in the first quarter of 1990, which was some 2½ per cent higher than the volume of these exports in the second quarter of 1989 and a very impressive 7½ per cent higher than the low point of these exports reached in the first quarter of 1986.

The average price level of South African exports in domestic currency showed no change from the fourth quarter of 1989 to the first quarter of 1990. This was primarily a reflection of virtual constancy of the average effective exchange rate of the rand between these two periods; in addition, a weakening of the prices of certain base metals such as copper, ferro-chrome and nickel on the international metal exchanges was counterbalanced by higher export prices for precious metals and coal.

Net service and transfer payments to foreigners fell back substantially (by 14 per cent) from a seasonally adjusted and annualised level of very nearly R12,0 billion in the fourth quarter of 1989 to R10,3 billion in the first quarter of 1990; the first-quarter figure was actually somewhat lower than the quarterly average of net service and transfer payments in the course of 1989. Included in the decline in this current account item from the fourth quarter of 1989 to the first quarter of 1990 was a decrease in gross service payments as well as an increase in gross service receipts. Gross service payments declined mainly because of lower payments

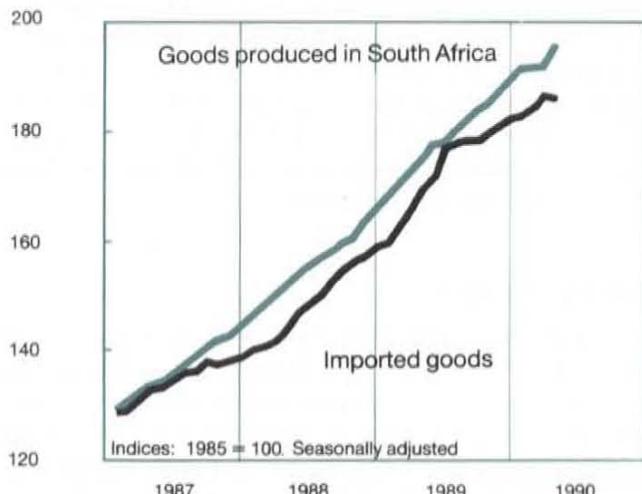
Real merchandise imports and exports



of interest and dividends to non-residents, which was partly a reflection of South African companies' less buoyant financial results from the second half of 1989 onwards. Gross service receipts rose because of increased transportation services rendered, higher dividend payments by overseas companies to South African shareholders, and increased tourist and travelling expenditures by non-residents in South Africa.

The 1½ per cent drop in the value of the net gold exports from the fourth quarter of 1989 to the first quarter of 1990 was more than fully accounted for by a decline in physical gold production, owing to a decline in milling operations as well as in the average grade of ore milled. At its seasonally adjusted and annualised level of R17,8 billion, the value of the net gold exports

Production prices



in the first quarter of 1990 was actually lower than in any quarter since the second quarter of 1987; the physical volume of quarterly gold production was at its lowest level since the third quarter of 1987, when the goldmining industry was troubled by extensive labour unrest.

The average rand price of gold, as based on the London gold price fixings, rose by some 2 per cent from R1 024 per fine ounce in the fourth quarter of 1989 to R1 045 in the first quarter of 1990. In US dollar terms the gold price strengthened from an average of \$390 per fine ounce in the fourth quarter of 1989 to \$407 in the first quarter of 1990. The dollar price of gold fell back sharply, however, in the last week of March and again in late May and early June, to a two-month average of \$372 per fine ounce in April-May 1990 and to a daily average fixing price of \$353 per fine ounce on

7 June. The average rand price of gold in April-May amounted to R985 per fine ounce.

The value of *merchandise imports* picked up modestly (by not quite 3 per cent) from the fourth quarter of 1989 to the first quarter of 1990, on account of slight increases in both import volumes and import prices. The *volume* of merchandise imports rose by nearly 1 per cent after two quarters of volume declines; the level of imports by volume in the first quarter of 1990 was, however, still 12½ per cent lower than at its high point in the second quarter of 1989. Stepped-up quantities of imports were recorded in particular in the categories of machinery and electrical equipment and of chemical products.

The average *price level* of imports, which had declined mildly (by 2 per cent) in the fourth quarter of 1989, rose similarly mildly (also by 2 per cent) in the first quarter of 1990. Incorporated in this minor price increase was a slight hardening of international crude oil prices; other price increases were restrained, however, by the relatively stable average effective exchange rate of the rand in the first quarter of 1990 and by relatively low inflation rates in most trading partner countries. The cheapening of imports relative to domestically produced goods from approximately the middle of 1989 seems likely to have provided some stimulus for an increase in import volumes.

Capital account

The capital account of the balance of payments improved substantially in the first quarter of 1990. The total net outflow of capital not related to reserves fell back from more than R1,1 billion in the fourth quarter of 1989 (and from a quarterly average of a similar size in the course of 1989) to R0,4 billion in the first quarter of 1990. This was the smallest such outflow since the first quarter of 1987.

The R0,7 billion improvement in the extent of the outflow of non-reserve-related capital from the fourth

Net capital movements (not related to reserves)

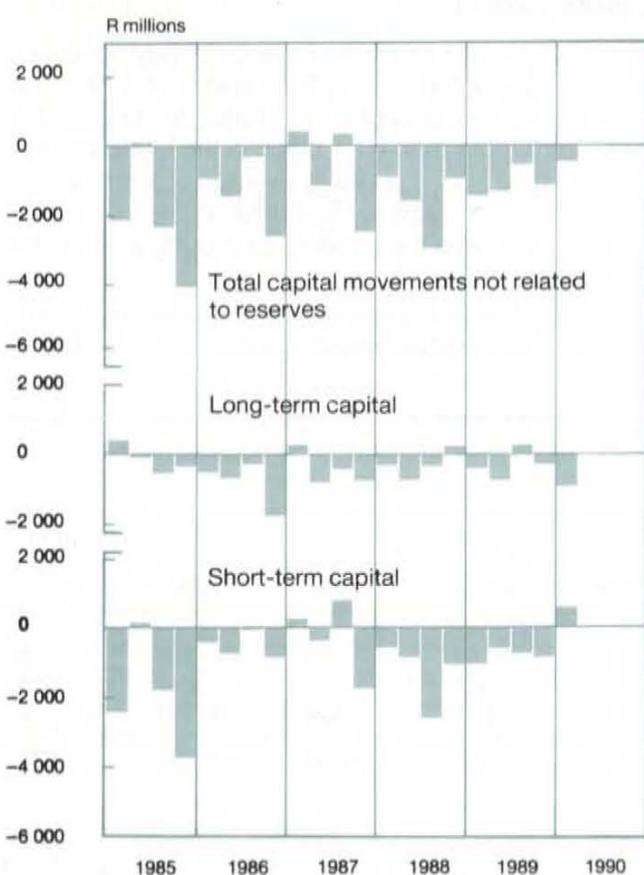
R millions

	1989				1990	
	1st qr	2nd qr	3rd qr	4th qr	Year	1st qr
Long-term capital						
Public authorities	-313	-143	-170	-20	-646	-206
Public corporations	124	316	-62	58	436	473
Private sector	-213	-899	413	-321	-1 020	-1 204
Total long-term capital	-402	-726	181	-283	-1 230	-937
Short-term capital including unrecorded transactions, but excluding reserve-related liabilities	-1 020	-555	-711	-829	-3 115	531
Total capital movements excluding liabilities related to reserves	-1 422	-1 281	-530	-1 112	-4 345	-406

quarter of 1989 to the first quarter of 1990 was more than fully explained by a "swing" of more than R1,3 billion (from an outflow of R0,8 billion to an inflow of R0,5 billion) in the net movement of *short-term* capital (including unrecorded transactions) between these two quarters. The net inflow of short-term capital in the first quarter of 1990 followed net outflows of short-term capital (to an aggregate amount of R9,9 billion) during an unbroken period of nine calendar quarters from the fourth quarter of 1987 onwards. Part of the inflow of short-term capital in the first three months of 1990 consisted of an increase in trade-related foreign liabilities.

In contrast to this marked improvement in the short-term capital position, the outflow of *long-term* capital rose from R0,3 billion in the fourth quarter of 1989 to nearly R0,9 billion in the first quarter of 1990 – the largest such outflow since the fourth quarter of 1986. This increase in the aggregate outflow of long-term capital was overwhelmingly accounted for by private-sector capital movements, and more specifically by increased net sales by non-residents of securities that are listed on the Johannesburg Stock Exchange (which, however, under the financial rand system do not, of course, lead

Net capital movements

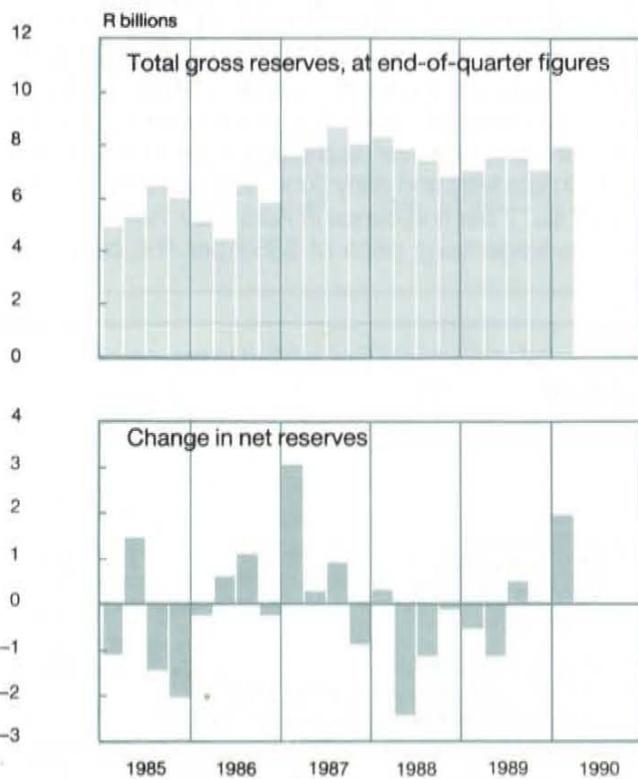


to a loss of gross foreign reserves). In addition, however, public authorities made increased net repayments on debt outside the standstill net. Against this, public corporations in the first quarter of 1990 were net importers of foreign capital for a second consecutive quarter. The net amount of long-term foreign capital taken up by the public corporations (in the form of project financing) in the first three months of 1990 actually exceeded the total amount of their net new foreign borrowing in all of 1989.

Foreign reserves

The marked amelioration of the position on the capital account of the balance of payments, in conjunction with the sustained surpluses on the current account, caused the South African total *net* gold and other foreign reserves to rise by R1,9 billion in the first quarter of 1990. This followed a *decline* in the net foreign reserves of R1,2 billion during the year 1989. The substantial strengthening of the overall balance of payments situation allowed the South African banking sector to reduce its reserve-related foreign liabilities by R0,9 billion during the first quarter of 1990. Despite these debt redemptions, however, the South African total *gross* gold and other foreign reserves still increased by R0,9 billion in the first quarter from R6,9

Gold and other foreign reserves



billion at the end of December 1989 to R7,8 billion at the end of March 1990; the gross reserves as at the end of March 1990 were equal to some nearly 2½ months of merchandise imports and to some 1½ months of imports of both goods and services.

In April 1990 the gross gold and other foreign reserves of the Reserve Bank declined by R429 million. This was mainly due to repayments on foreign loans that had been rescheduled into longer-term loans in accordance with the provisions of the First Interim Arrangements as concluded with foreign creditor banks in 1986, and to the renegotiation of gold swap agreements with overseas banks at lower gold prices. The Reserve Bank's gold holdings rose from 3,1 million fine ounces at the end of December 1989 to 3,6 million fine ounces at the end of April 1990.

Exchange rates

The effective exchange rate of the rand, which had drifted down slightly (by 1,1 per cent) from the end of 1989 to the end of February 1990, declined by 2,5 per cent during March, but held steady at its new lower level during April. During May the effective exchange rate weakened by another 1,0 per cent. Among other developments, this mild softening of the rand reflected strength of the American dollar in the international exchange markets and the sharply lower level of the dollar price of gold from late March 1990 onwards. During the first five months of 1990 the rand depreciated against most of the major currencies but gained 1,0 per cent against the Japanese yen.

The financial rand firmed remarkably, partly on the strength of the State President's address at the open-

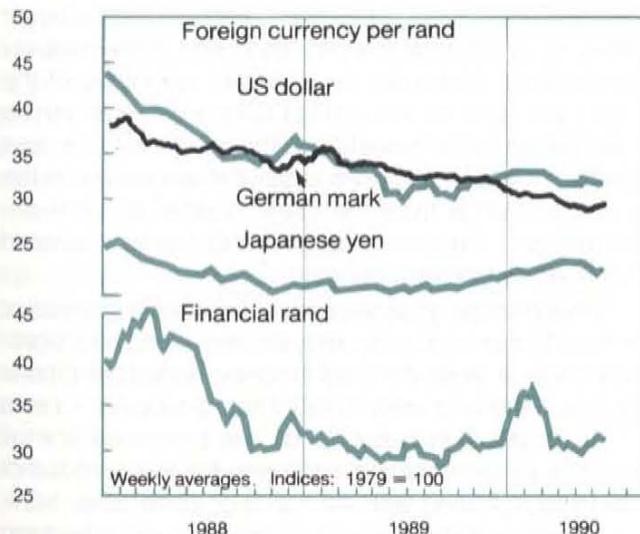
Changes in exchange rates of the rand

%

	31 Dec 1988 to 31 Dec 1989	31 Dec 1989 to 28 Feb 1990	28 Feb 1990 to 31 May 1990
Weighted average	-4,3	-1,1	-3,8
US dollar	-6,7	-0,3	-3,7
British pound	4,2	-5,1	-4,5
German mark	-11,8	-0,1	-4,9
Swiss franc	-5,1	-3,8	-8,6
Japanese yen	6,3	3,3	-2,1
French franc	-11,6	-1,0	-5,4
Financial rand	6,8	-2,3	-5,3

ing of Parliament on 2 February, to R3,13 per dollar on 6 February 1990, but weakened sharply again in subsequent weeks when more sober assessments of the prevailing and prospective socio-political situation set in. On 2 April the financial rand was quoted at R4,19 to the dollar; this represented a discount vis-à-vis the commercial rand of 36,3 per cent. On 29 May the financial rand's discount against the commercial rand stood at 32,0 per cent, compared with its discount of 19,2 per cent on 6 February.

Exchange rates



Financial markets

Money supply

The uneven and rather slow subsidence of the rates of increase in the M3 money supply, which had started in the third quarter of 1988 and had been maintained during 1989, was continued into the first few months of 1990. The seasonally adjusted and annualised quarter-to-quarter rate of increase in the quarterly average of M3 (after the exclusion of Namibia from the monetary statistics) fell back from its high point of 28,5 per cent in the third quarter of 1988 to only 20,7 per cent in the second quarter of 1989, but rebounded to 26,7 per cent in the third quarter. It then dropped to 21,4 per cent in the final quarter of 1989 and to 19,0 per cent in the first quarter of 1990.

The twelve-month rate of increase in M3 receded, on balance, from its high point of 27,5 per cent in August 1988 to 22,4 per cent in December 1989. After reaccelerating mildly in January 1990 and decelerating in February, this rate reached 20,0 per cent in March 1990, but rose again to 21,7 per cent in April; the reacceleration of the twelve-month growth rate in April could, however, be attributed largely to the abnormally low level of M3 in April 1989.

The net shrinkage of some six percentage points in the twelve-month rate of increase in M3 from September 1988 to April 1990 – i.e. over a 20-month period – may be contrasted with a decline of more than ten percentage points in this twelve-month growth rate (namely from 19,5 to 9,4 per cent) over a comparable 20-month period during the preceding cyclical decline in the rate of monetary expansion from December 1984 onwards. It will be recalled, however, that this earlier monetary deceleration took place mostly against a background of pronounced recessionary conditions in the general economy and of a very rapid lowering of short-term interest rates.

When the amounts of the banks' commitments (not including the discount houses' commitments) under repurchase agreements with non-bank private-sector parties are added to M3, the twelve-month behaviour of the growth rate of this extended M3 aggregate differs from that in M3 itself in detail only. The rate of increase in this "M3-plus" quantity declined from a high point of 26,9 per cent in August 1988 to 23,0 per cent in December 1989, and to 20,1 per cent in April 1990.

The seasonally adjusted and annualised rate of increase in M3 from the presumed starting-point of the 1990 "guidelines" for growth in the M3 money supply – i.e. from mid-November 1989 – up to the end of April 1990 amounted to 15,5 per cent. This rate of increase therefore exceeded the upper boundary of the guidelines (of 15 per cent) to only a modest degree.

Even at its somewhat more moderate recent levels, the quarter-to-quarter rate of growth in the quarterly

average of M3 still exceeded the quarter-to-quarter rate of increase in the gross domestic product at current prices. The income velocity of circulation of M3 (which had been declining by an average of 1,4 per cent per quarter in the nine quarters after the most recent upper turning-point in M3's velocity in the third quarter of 1987) accordingly shrank by another 1,7 per cent in the first quarter of 1990. The overall decline in M3's velocity of circulation of 13,6 per cent from the third quarter of 1987 to the first quarter of 1990 may be compared with a 72,5 per cent increase in the quarterly average of M3 (seasonally adjusted) over this period.

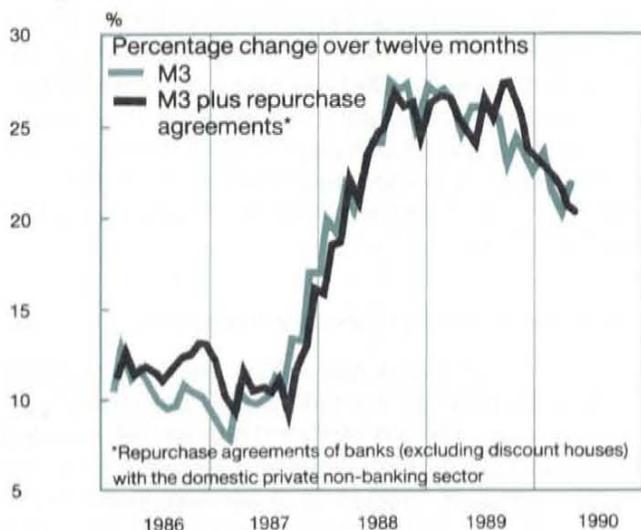
Growth in M3 in excess of growth in the nominal gross domestic product and expenditure (and therefore presumably also in excess of increases in the transaction needs for money balances) has over the past two years been attributed primarily to reintermediation phenomena and to increases in the private non-banking sector's "liquidity preference proper". *Reintermediation* tends to occur in periods of strong credit demand, rising interest rates and associated declines in banks' lending rate/deposit rate differentials; reintermediation phenomena have probably been strengthened lately by the authorities' restrictive policy actions of the past few quarters and by the tightness in money market conditions which accompanied these policy measures.

"*Liquidity preference proper*" is based on expectations of rising interest rates (which imply capital losses on fixed-interest-bearing securities) and on interest rate uncertainty (which increases the perceived capital risk of fixed-interest securities). Expectations of rises in interest rates and interest rate uncertainty probably played an important part in the general public's (also including, for example, the large institutional investors) demand for depository investments in 1988 and early 1989 and in late 1989 and early 1990 respectively.

Other factors that are likely to have strengthened the demand for deposits, as included in M3, in recent quarters included (1) the comparatively high interest rates on deposits at the very short end of the maturity spectrum in particular; (2) a gradual spreading of the belief that positive real interest rates will henceforth be maintained by the monetary authorities; and (3) the less single-mindedly upward course of share prices on the stock exchange from the fourth quarter of 1989 onwards, and the more sluggish and hesitant upward trend in fixed-property prices.

"Round-tripping" as a source of accelerated increases in the M3 money supply, may also have played a significant role at times in the tight money market conditions of late 1989 and early 1990. Round-tripping – i.e. a state of affairs in which funds are borrowed from a bank or other monetary institution for the purpose of being redeposited with the same or some other bank or monetary institution – represents an extreme form of intermediation or reintermediation. It arises when intermediaries' normal lending rate/deposit rate rela-

Growth in broad monetary aggregates

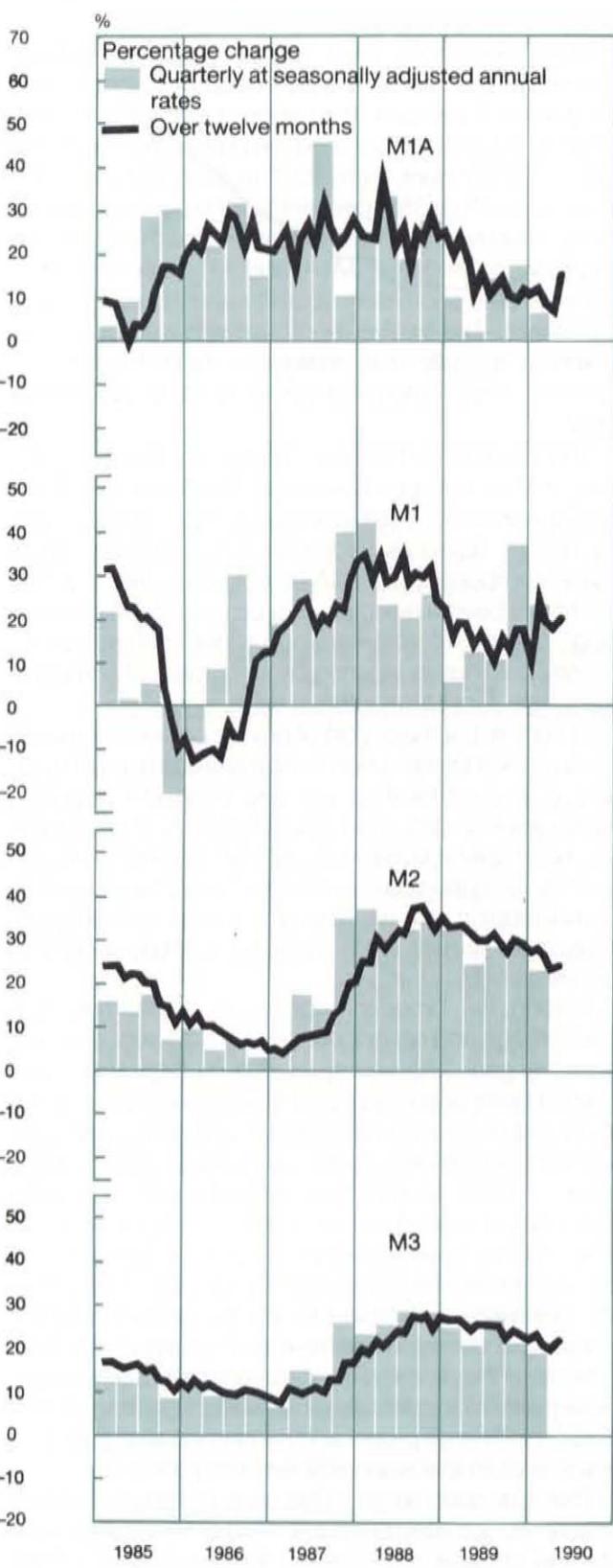


tionships are inverted, as when the month-end interbank rates and call rates in the money market actually come to exceed the commercial banks' prime overdraft rate. This was particularly the case at the end of January 1990.

In an attempt to lower the average cost of funding of their asset portfolios, certain banks and discount houses at various stages in the course of 1989 greatly increased their recourse to repurchase agreements as a form of off-balance-sheet financing; such deliberate off-balance-sheet financing serves as a partial counterweight to re-intermediation phenomena. However, on 24 April 1990 it was announced by the Reserve Bank that cash reserve and liquid asset requirements would be made to apply to banks' commitments under repurchase agreements in excess of the level of such commitments as at the end of February 1990. (These requirements were to take effect from the date of the banks' certification of their monthly returns for May 1990. Where applicable, they would therefore be reflected in the banks' minimum required holdings of liquid assets and of cash reserve balances with the Reserve Bank from approximately 21 June 1990 onwards.) The prime objective of this measure, which anticipates the introduction of pertinent provisions in the proposed Deposit-Taking Institutions Act, was to strengthen banks' reserve asset holdings for prudential purposes and in the interest of sound banking practices. The Reserve Bank's action in this area did not, therefore, signify a shift in the Bank's monetary policy stance.

The quarter-to-quarter and twelve-month rates of increase in the "narrow" monetary aggregates, M1A and M1, generally remained well below those of M3 in the course of 1989 and the first four months of 1990.

Monetary aggregates



The twelve-month growth rate of M1A (and, to a lesser extent, also the growth rate of M2) also declined more rapidly than the growth rate of M3 during this sixteen-month period.

From December 1988 to April 1990 the twelve-month growth rate in M3 declined, on balance, from 27,2 to 21,7 per cent; the twelve-month growth rates in M1A, M1 and M2 declined, on balance, from 25,0 to only 13,8 per cent, from 22,7 to 20,0 per cent, and from as much as 35,1 per cent to 23,9 per cent respectively. However, the twelve-month growth rates in the "narrow" aggregates, M1A and M1, also displayed considerable short-term volatility and apparent capriciousness. The twelve-month growth rate of M1, for example, actually rose, on balance, to 26,5 per cent in January 1990 before retreating to 20,0 per cent in April.

The pronounced drop in the twelve-month growth rate of M1A between December 1988 and April 1990 was a reflection of diminishing growth in the demand for money balances for transaction purposes. Since major components of M1A do not earn interest, it may also have been a reflection of a progressive "economising" on non-interest-earning or low-interest-earning money holdings in a general environment of comparatively high short-term interest rates.

In contrast, a major part of private parties' increased money holdings has been concentrated in recent quarters in interest-bearing call and overnight deposits, which are included in M1 but not in M1A. These deposits have drawn comparatively high interest rates and also serve as the prime vehicle for round-tripping when round-tripping occurs. This accounted for comparatively rapid growth in M1 in recent quarters relative to growth in M1A.

Among the broader aggregates, reintermediation phenomena and enhanced liquidity preference proper over the past 2½ years, as well as high short-term interest rates on a downward-sloping yield curve at the short end of the maturity spectrum, have found expression in increased demand for "other short"- and medium-term deposits (comprising deposits with unexpired maturities of more than one day up to six months inclusive). As has been observed on earlier occasions, this has accounted for comparatively very rapid growth in M2 relative to growth in M3. By the same token, the more rapid decline in twelve-month growth in M2 than in M3 over the past few quarters may have been attributable partly to a gradually diminishing significance of liquidity preference proper and reintermediation phenomena in a more stable interest rate environment.

The main counterpart, in the accounting sense, to the seasonally adjusted increase in M3 of R5,1 billion from the end of December 1989 to the end of March 1990 was a R4,3 billion increase in monetary institutions' extension of credit to the domestic private sector. Monetary institutions' net claims on the government sector, which had declined by R2,7 billion in the course of

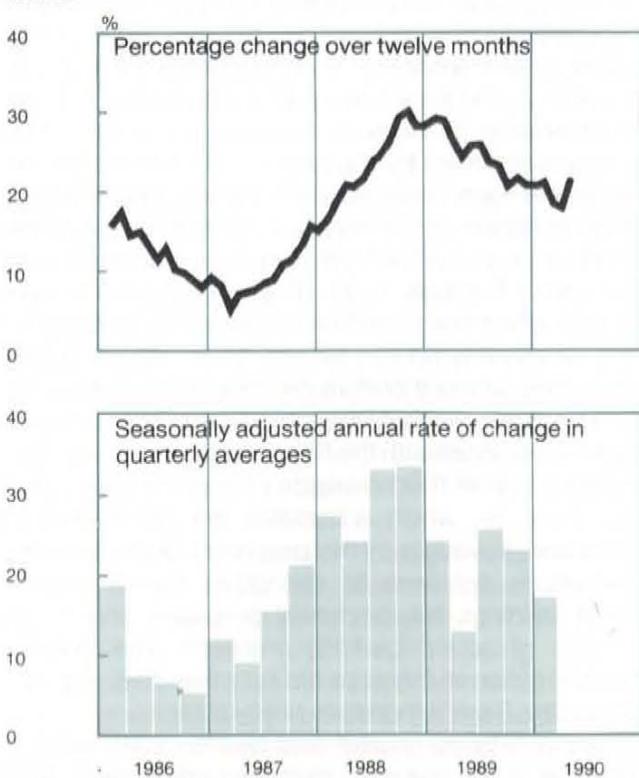
1989, decreased by another R0,6 billion in the first quarter of 1990. Because of large increases in government deposits with the banking system, monetary institutions' net claims on the government sector actually turned negative at the end of November 1989 and at the end of January 1990 reached a negative amount (not seasonally adjusted) of as much as R2,4 billion. The net gold and other foreign reserve holdings of the money-creating sector decreased by R1,2 billion in 1989, but rose by no less than R1,3 billion in the first quarter of 1990.

Credit extension by monetary institutions

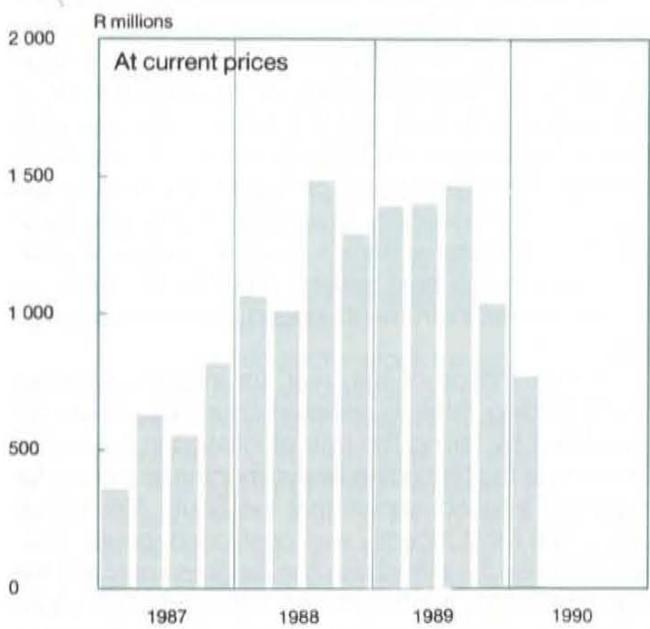
The quarter-to-quarter rate of increase in the quarterly average of monetary institutions' claims on the private sector, seasonally adjusted and annualised, receded markedly from its high point of 33,2 per cent in the fourth quarter of 1988 to 22,8 per cent in the fourth quarter of 1989 and to 16,9 per cent in the first quarter of 1990. The twelve-month rate of increase in these claims slowed down from 28,6 per cent in December 1988 to 20,6 per cent in December 1989 and to 17,7 per cent in March 1990.

From the end of December 1989 to the end of March 1990 monetary institutions' claims on the private sector rose at a seasonally adjusted annual

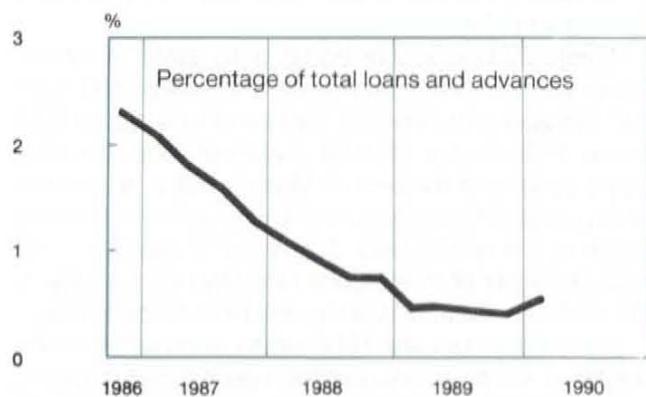
Claims of monetary institutions on domestic private sector



Changes in hire-purchase credit and leasing finance



Overdue loans and advances with banks



rate of only 12,3 per cent. This rate of increase was, in fact, marginally lower than the (annualised) maximum rate of growth of 1 per cent per month which the money-creating institutions have been asked to observe by the Reserve Bank. It was also significantly lower than recent twelve-month rates of increase in the consumer price index.

These quite impressive decelerations (which, however, still left the tempo of credit growth at fairly high levels) provided evidence of the cumulative effect of higher interest rates and of the general cooling-down of the economy, as well as of the shrinking of unused credit lines, banks' less accommodative attitude in meeting new credit applications, the waning significance of temporary distress borrowing by corporate entities in particular, and households' increased hesitancy in adding further to consumer debt.

From the end of March 1989 to the end of March 1990, "bills discounted" in the portfolios of monetary institutions still rose by a major 39,7 per cent, as these institutions strove to expand their actual liquid asset holdings in line with the statutorily required minima; private banks' holdings of liquid bankers' acceptances actually increased by as much as 44,9 per cent. Hire-purchase credit and leasing finance and monetary institutions' mortgage advances rose by 23,2 and 17,2 per cent respectively. "Other" loans and advances (consisting mainly of overdrafts) rose by 16,1 per cent; a rising proportion of the increase in these advances was extended to corporate clients rather than to households and individuals. Monetary institutions' in-

vestments in private-sector securities, on the other hand, decreased by as much as 26,0 per cent, partly as a reflection of the use of these securities as underlying assets in repurchase agreements.

Slow-downs in households' acquisition of durable consumer goods and in private businesses' fixed investment activities were reflected in the decline in the quarterly increase in monetary institutions' hire-purchase and leasing finance outstanding from approximately R1,4 billion in each of the first three quarters of 1989 to R1,0 billion in the fourth quarter of 1989 and to R0,8 billion in the first quarter of 1990. The quarterly increase in monetary institutions' total holdings of mortgage advances similarly fell back from around R2,5 billion in the first two quarters of 1989 to approximately R1,8 billion and R1,9 billion in the third and the fourth quarter, and to R2,1 billion in the first quarter of 1990.

"Overdue" amounts on the loan accounts of the banks' borrowing clients, which had contracted from 2,3 per cent of total borrowings at the end of December 1986 to only 0,4 per cent at the end of December 1989, rose slightly but significantly to 0,5 per cent at the end of March 1990.

Money market conditions

Money market conditions, as measured by the market's need for Reserve Bank accommodation, remained tight throughout the first five months of 1990 as compared with the first five months of the preceding year, but took on a somewhat easier tone after the end of January 1990. The average daily level of the Bank's accommodation of the market at the discount window rose from R3,8 billion in the fourth quarter of 1989 to R4,8 billion in January 1990; it then receded to R3,9 billion, R3,9 billion, R3,5 billion and R2,8 billion in February, March, April and May respectively.

The *month-end* amount of accommodation at the discount window reached an all-time high (in nominal

terms) of R5,5 billion at the end of January 1990. This was followed by amounts of R5,0 billion, R4,7 billion, R4,0 billion and R3,6 billion at the month-ends from February to May.

Overnight loan accommodation to banks at the discount window over month-ends amounted to R1,4 billion at the end of February 1990 and to a record R2,7 billion (indicating a marked dearth of rediscountable liquid assets) at the end of March. This amount then dropped to R1,2 billion at the end of April and to R0,8 billion at the end of May. The monthly average of the daily amounts of these loans retreated from a peak of R1,0 billion in March 1990 to only R0,1 billion in May.

From early January 1990 up to approximately the middle of March an easing effect was exerted on money market conditions by substantial increases in the Reserve Bank's net gold and other foreign reserve holdings. In view of the Bank's policy stance and policy intentions, this effect was counteracted partly through the Bank's introduction of dollar swap arrangements with major banks from 23 February. In terms of these arrangements, dollars sold by the Reserve Bank to the banks as authorised foreign exchange dealers are deposited by the banks with the Reserve Bank; the dollars are subsequently repurchased by the Bank at predetermined exchange rates which ensure a market-related interest rate.

An easing effect on market conditions was also exercised by the declining trend in government deposits with the Reserve Bank, as these deposits retreated from the extraordinarily high level of R13,5 billion they had reached on 25 January 1990. The monthly average of the daily totals of the balances on the Exchequer Account, the Paymaster General Account and the Stabilisation Account declined from R12,1 billion and R12,2 billion in January and February 1990 to R11,0 billion in March, R10,0 billion in April and R9,9 billion in May.

Net sales of government stock by the Reserve Bank in April-May 1990 amounted to R3,5 billion, against R1,7 billion in April-May 1989. On 15 May 1990 an amount of R1,3 billion in government stock was redeemed by the Treasury; open-market sales of stock and other measures were used by the Reserve Bank to forestall an undue easing of money market liquidity as a result of this redemption.

The amount of Treasury bills on offer at the weekly tender was raised to R40 million on 30 March 1990, to R50 million from 7 April, to R70 million from 11 May, and to R100 million on 15 June.

Money market interest rates

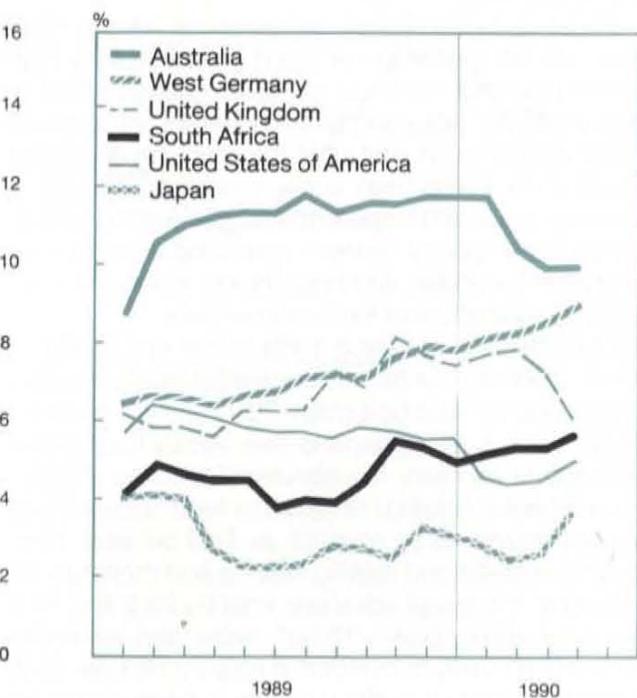
The market rate on three-month liquid bankers' acceptances, which had firmed to 18,70 per cent on 30 January 1990, eased to 18,50 per cent on 6 February and further to 18,30 per cent on 22 March. From late March to mid-June 1990 this rate showed a high de-

gree of stability as it moved within a narrow band ranging from 18,30 to 18,50 per cent.

The discount houses' call rate hardened to 21,25 per cent in the tight market conditions at the end of January 1990, resulting in round-tripping by large clients of banking institutions. At the month-ends of February, March, April and May the call rate rose more moderately to levels of 20,00, 20,25, 21,00 and 20,75 per cent. As a diminishing probability came to be assigned to the possibility of a further increase in Bank rate and the Reserve Bank's associated accommodation rates in the next several months, the rates on money market instruments edged downwards marginally.

An examination of the "real" (or inflation-adjusted) prime lending rates in selected countries (which are calculated by taking the rate of inflation in consumer prices over the preceding twelve months as a proxy for expected inflation) shows that the South African real prime rate most recently was positioned roughly halfway between the lowest rate (the Japanese rate) and the highest rate (the Australian rate) in the sample of countries investigated. The improvement in the South African inflation rates from approximately the middle of 1989, and the increase (to 21,0 per cent) in the commercial banks' nominal prime overdraft rate from 11 October 1989, were reflected in an increase in the South African real prime rate from 3,7 per cent in June 1989 to 5,6 per cent in April 1990.

Real prime lending rates



Capital market developments

Trading activity in the capital markets, which had recovered vigorously in the third quarter of 1989 and increased markedly further in the fourth quarter, rose to quite extraordinarily high levels in the first quarter of 1990. Very high turnovers were recorded in the trading of public-sector stock as well as of company shares on the stock exchange. Share prices also showed a modest further recovery, and a further increase was recorded in the value of real estate transactions. The month of April, however, saw a sharp drop in trading activity in both stocks and shares and some general weakening of share prices.

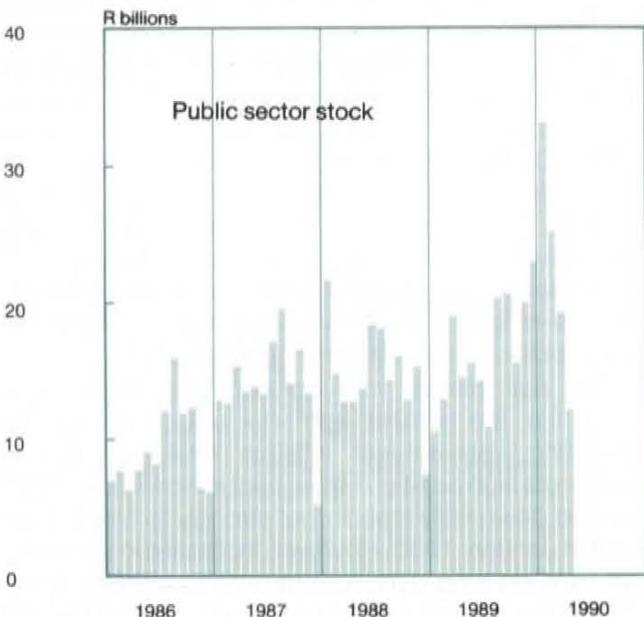
The value of *public-sector stock* traded on the stock exchange rose by a remarkable 33 per cent from its earlier record level of R58,1 billion in the fourth quarter of 1989 to a new record high of no less than R77,3 billion in the first quarter of 1990. However, the value of these transactions in April, at R12,0 billion, was less than half as large as the average monthly figure of R25,8 billion in the preceding three months.

The sharp decline in stock-trading activity in April could be attributed partly to the usual large number of public holidays and long week-ends during that month. To a minor extent, however (since transactions involving non-residents have made up only a very small proportion of all trading in stocks on the stock exchange), it also reflected a marked decline in purchases, sales and net purchases of public-sector stock by non-residents during April, in comparison with non-residents' purchases and sales of such stock in each of the pre-

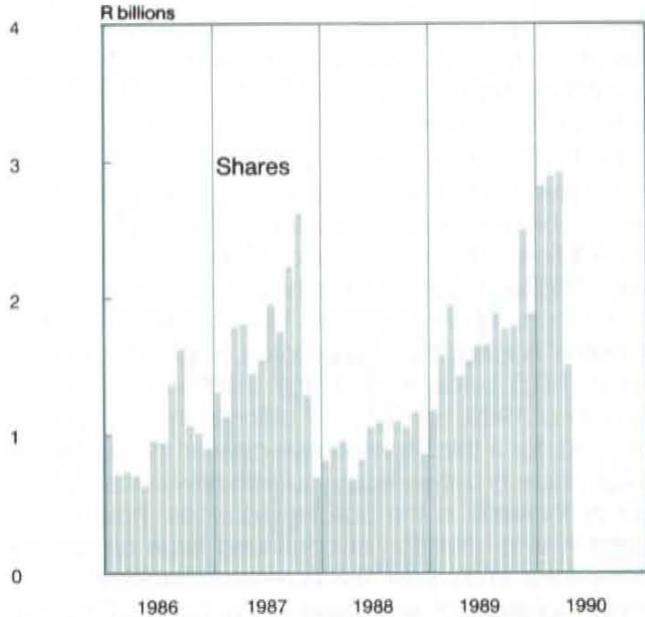
ceding three months; this seems likely to have been influenced, among other things, by the significant hardening of real yields on gilt-edged and other long-term instruments in several of the world's major industrial economies since the beginning of 1990. (*Net purchases* of all public-sector securities by non-residents on the Johannesburg Stock Exchange retreated from a monthly average of some R0,2 billion in the first quarter of 1990 to significantly less than half that amount in April.) Finally, the figures concerning overall trading in public-sector stock in April may have been influenced downwards already by a decline in the volume of repurchase transactions for which such stocks serve as the underlying instruments.

The value of *shares* traded on the stock exchange rose by nearly 39 per cent from its previous record level of R6,2 billion in the fourth quarter of 1989 to a new record amount of R8,6 billion in the first quarter of 1990. The average monthly value of these transactions, however, subsequently fell back significantly from slightly less than R2,9 billion in the first quarter of 1990 to only R1,5 billion in April – its lowest level in the most recent twelve months. This may have been a reflection of the impact of the sharply lower gold price on market sentiment from late March 1990 onwards, as well as of the market's increased sense of uncertainty about unsettled issues concerning South Africa's future socio-political and economic dispensation. However, *net sales* of shares by *non-residents* on the Johannesburg Stock Exchange also fell back considerably.

Stock exchange transactions



Stock exchange transactions



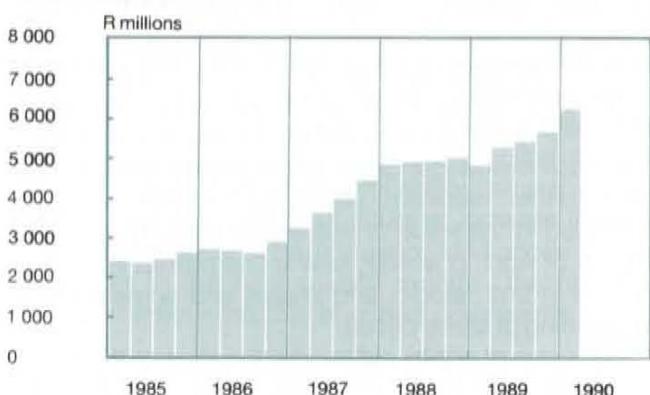
The average *price level* of all classes of shares, which had risen by 7 per cent in the fourth quarter of 1989, increased by a further 4 per cent in the first quarter of 1990. This further increase in the general price level in the first quarter arose mainly from advances in the average prices of financial shares and of industrial and commercial shares, which rose by 8 and 9 per cent respectively. In contrast, the average price level of gold-mining shares fell back by a further 7 per cent during the quarter.

In February 1990 the average price levels of financial shares, industrial and commercial shares and of "all classes" of shares exceeded their earlier record levels of September 1987 by 11 per cent, by a marginal 1 per cent and by 3 per cent respectively; the average price level of gold-mining shares, on the other hand, had retreated from its high point in December 1989 to a level that was some 16 per cent lower than its 1987 peak. In April 1990 the average price level of "all classes" of shares fell back materially (by 5 per cent) in the wake of the weakening of the dollar price of gold and the market's then prevailing sense of unease about possible longer-term socio-political and economic developments.

In the *primary markets*, relatively low levels of new-issue activity were displayed in the first quarter of 1990 by borrowing entities in both the private and the public sector. An amount of only R60 million was raised in this quarter by companies listed on the stock exchange in the form of new issues of fixed-income securities; this may be compared with an amount of R162 million in the preceding three months. New issues of ordinary shares by listed companies dropped from R5,7 billion (including the Iscor privatisation issue) in the fourth quarter of 1989 to a meagre R0,3 billion in the first quarter of 1990. "Net new borrowing" by the public sector through the issuance of fixed-interest securities did strengthen somewhat, however, from a net *repayment* of debt of R0,8 billion in the fourth quarter of 1989 to a net *repayment* of only R0,4 billion in the ensuing quarter.

In the *mortgage market*, the amount of mortgage loans paid out by building societies, which had peaked at R2,7 billion in the third quarter of 1988, amounted to R1,9 billion in the first quarter of 1990. This was significantly higher, however, than the amount of R1,5 billion in the fourth quarter of 1989. The increase in building societies' *holdings* of mortgage loans, which had amounted to R0,5 billion in both the third and the fourth quarter of 1989, rose to R0,7 billion in the first quarter of 1990; for a third consecutive quarter the sustained large disparity between pay-outs on new loans and the actual increase in the building societies' holdings of loans was a reflection of continued large capital redemptions. In contrast, the increase in *banking institutions*' holdings of mortgage loans declined slightly from R1,3 billion in the fourth quarter of 1989 to R1,2 billion in the first quarter of 1990.

Real estate transactions



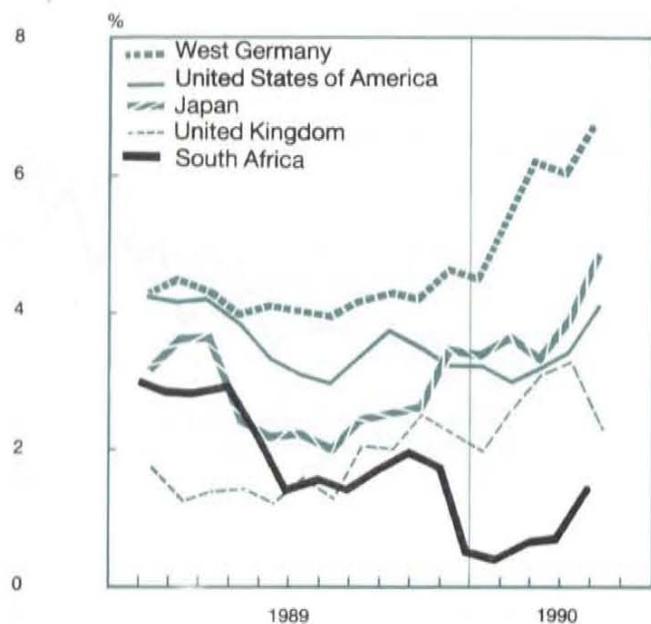
The value of *real estate transactions* rose from its record total of R5,7 billion in the fourth quarter of 1989 to a new record amount of R6,2 billion in the first quarter of 1990. The total of these transactions in 1989, at R21,2 billion, was 8 per cent higher than in 1988. In *real terms*, however, i.e. after adjustment for inflation as measured by the consumer price index, the volume of real estate transactions in 1989 fell back by some 6 per cent.

Long-term yields and interest rates

The downward movement in the *yield on long-term government stock*, which – for various reasons, such as the Government's early completion of its borrowing programme for budgetary purposes in the fiscal year 1989/90, and generally positive investor sentiment among both residents and non-residents – had started towards the middle of the fourth quarter of 1989, ran out of steam and began reversing itself in February 1990. The monthly average yield on long-term government stock declined relatively steeply from 16,9 per cent in October 1989 to 15,5 per cent in January 1990, but backed up to 15,6 per cent in February, 15,7 per cent in March and 16,2 per cent in April, on the strength of considerations such as the recent disappointing behaviour of the dollar price of gold and the market's re-emerging concerns about potential longer-run socio-political and economic developments.

The *real* interest rate on long-term government stock (i.e. the nominal rate after adjustment for the prevailing year-on-year inflation rate), which had reached a high point of 3,9 per cent in November 1988, slipped down fairly steadily but strongly to only 0,3 per cent in January 1990. However, increases in the nominal yield on long-term government stock, and a decline in the inflation rate, subsequently caused the real interest rate to recover somewhat to 1,4 per cent in April 1990.

Real long-term interest rates

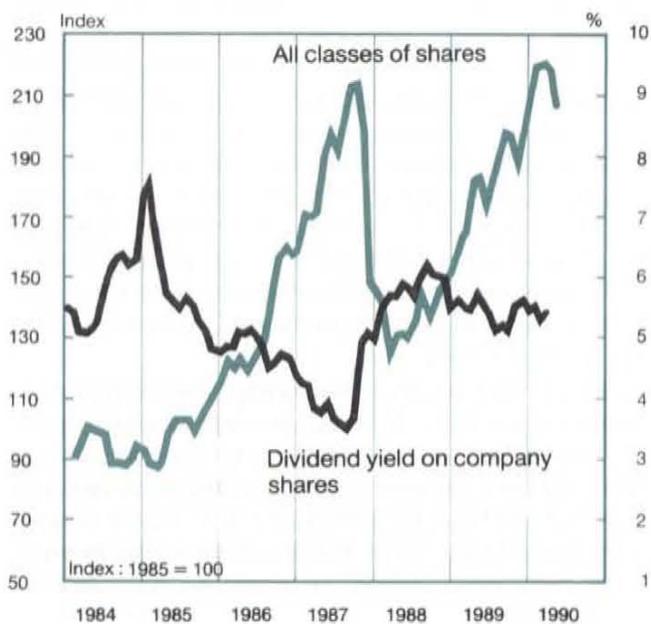


Mirroring the further improvement in the general level of share prices in the first quarter of 1990, the monthly average *dividend yield* on all classes of shares declined from 5,7 per cent in December 1989 to 5,3 per cent in March 1990. Weaker share prices then caused this yield to strengthen again to 5,5 per cent in April. The average *earnings yield* on all classes of shares (excluding gold-mining shares) eased from 15,4 per cent in December 1989 to 14,6 per cent in April 1990, largely because of less impressive financial results of companies in various sectors of the economy during this period.

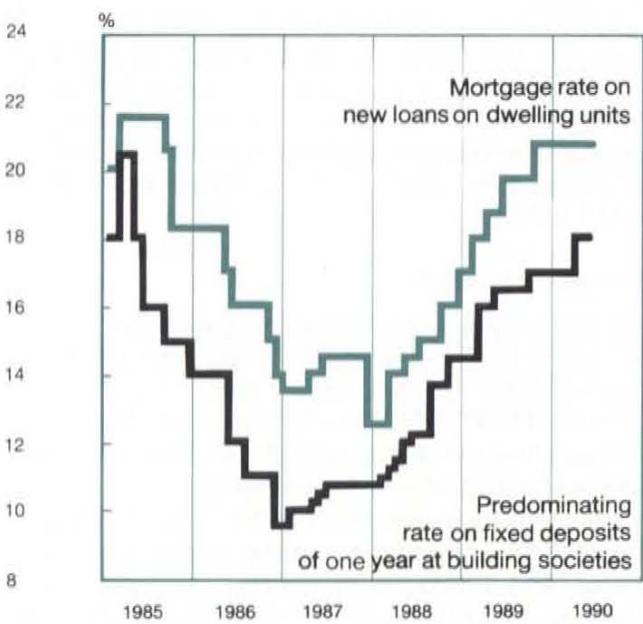
The building societies' predominant home mortgage rate, which had been raised to 19,75 per cent in June 1989, was maintained at that level during the ensuing four months. Following the increase in Bank rate on 11 October 1989, this rate was raised to 20,75 per cent in October.

The predominant rate on twelve-month deposits with banks and building societies, which is regarded as representative of deposit rates in general, was raised from 16,5 per cent to 17,0 per cent in October 1989 and to 18,0 per cent in April 1990.

Share prices and yields



Building societies' interest rates



Government finance

Exchequer issues

In the first three quarters (the June, September and December quarters) of the fiscal year 1989/90 the year-on-year rates of increase in Exchequer issues to government departments (after the usual adjustment for changes in the balance on the Paymaster-General Account) amounted to 33,8, 15,9 and 26,1 per cent. However, in the March quarter of fiscal 1989/90 (i.e. in the first quarter of 1990) Exchequer issues were actually 1 per cent *lower* than in the March quarter of fiscal 1988/89. This steep decline in the year-on-year rate of increase was a reflection of limited additional government expenditure, which is normally incurred in the final or March quarter of fiscal years; the limited amount of additional expenditure for which appropriation had to be sought was, in turn, a reflection of the high degree of financial discipline that had been exercised by the authorities in the course of the fiscal year.

Government expenditure for the fiscal year 1989/90 as a whole rose by 16,2 per cent, against the original Budget estimate of 13,2 per cent or of 15,0 per cent if the Budget's provision of R1 billion for unforeseen expenditure is included; the actual increase rises to 17,1 per cent when adjustment is made for the change in the balance on the Paymaster-General Account. In *real* terms the increase in government expenditure in fiscal 1989/90 amounted to 1,1 per cent, or to 1,9 per cent after adjustment for the change in the balance on the Paymaster-General Account.

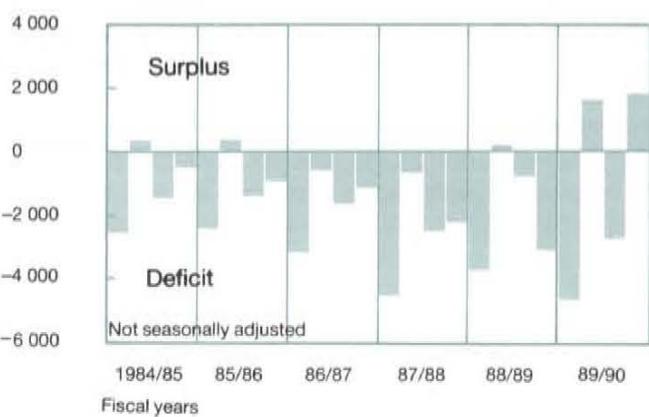
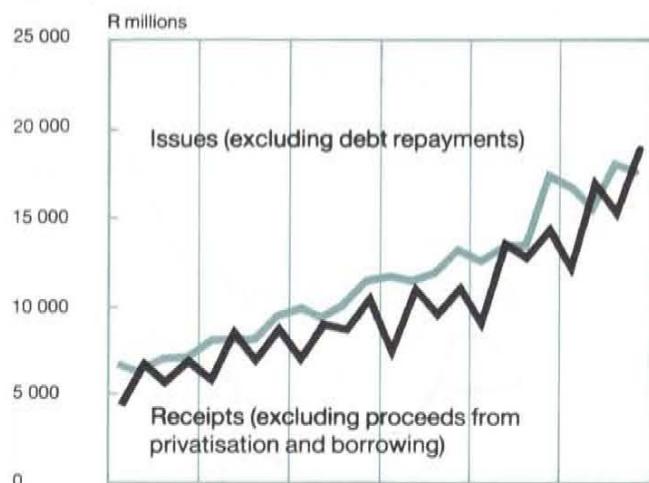
In April 1990, i.e. in the first month of fiscal 1990/91, Exchequer issues (after adjustment for changes in the balance on the Paymaster-General Account) were as much as 4,0 per cent *lower* than in April 1989. This, however, was mainly a result of the relatively high level of these issues in April 1989. The decrease over twelve months in Exchequer issues in April 1990 should not, therefore, be regarded as a harbinger of the prospective course of these issues in the remainder of the fiscal year 1990/91.

Exchequer receipts

The year-on-year rates of increase in Exchequer receipts (excluding the proceeds from privatisation actions) in the first three quarters of the fiscal year 1989/90 amounted to 37,2, 26,4 and 20,4 per cent. This rate of increase then jumped up again to 32,5 per cent in the final or March quarter of fiscal 1989/90.

Compared with the final quarter of the fiscal year 1988/89, the increase in income tax receipts from companies and individuals in the final quarter of fiscal 1989/90 amounted to an astonishingly high 39,3 per cent. The corresponding increase over four-quarter periods in receipts from the general sales tax and from

Exchequer Account

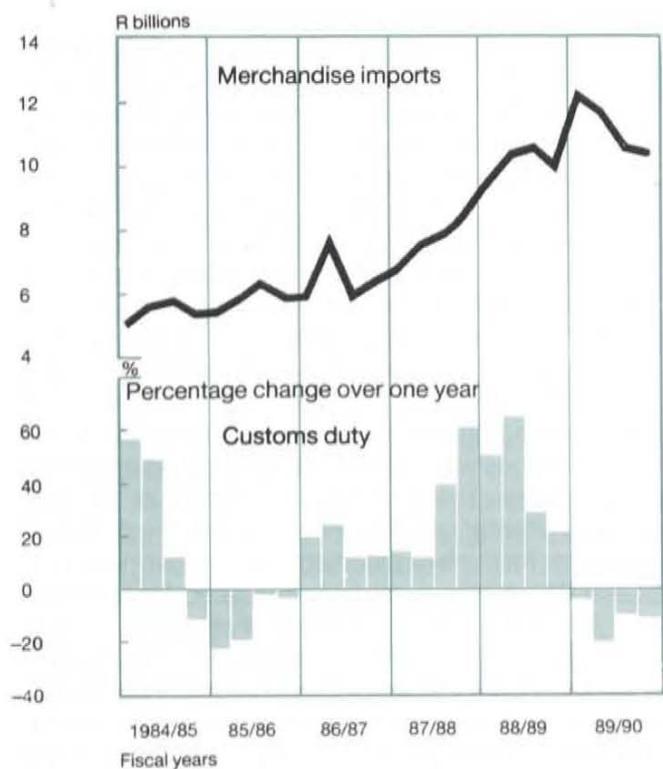


customs and excise duties amounted to 24,6 and 9,3 per cent. The relatively modest percentage increase in customs and excise duties arose from the fact that the surcharge on imports yielded only 13,8 per cent more in the March quarter of fiscal 1989/90 than in the March quarter of fiscal 1988/89. In addition, customs duties actually produced 10,3 per cent *less* than in the preceding year, which, among other things, reflected the effect of shifts in the composition of merchandise imports (as well as of a mild net decline in the volume of these imports) in the first quarter of 1990 vis-à-vis the first quarter of 1989.

Government revenue (excluding privatisation proceeds) during fiscal 1989/90 as a whole was a major 28,2 per cent higher than in the preceding fiscal year. This may be compared with the increase of 16,0 per cent that had been budgeted for in the original Budget estimates of March 1989. In *real* terms, revenue receipts in the fiscal year 1989/90 increased by a substantial 11,5 per cent.

In April 1990 Exchequer receipts were 19,3 per cent higher than in April 1989. This percentage increase

Merchandise imports and customs duty



was well in excess of the rate of increase in government revenue of 5,8 per cent that had been budgeted for with regard to the fiscal year 1990/91 as a whole. At this very early stage in the new fiscal year, however, the observed rate of year-on-year increases in revenue receipts should not yet be regarded as indicative of trends that will apply in the course of the fiscal year.

Deficit before borrowing

A *surplus* before borrowing and debt repayment, amounting to R1 421 million, was recorded in the March quarter of fiscal 1989/90; this may be compared with a deficit of R2 480 million in the March quarter of fiscal 1988/89.

For the fiscal year 1989/90 as a whole, the deficit before borrowing and debt repayment (excluding the proceeds from privatisation actions, and computed on a basis of comparability with data as provided by the Minister of Finance in his Budget speech) amounted to R3 996 million. This was as much as R5 953 million less than the deficit of R9 949 million that had been foreseen by the Minister in his original Budget estimates. Relative to the nominal gross domestic product, the eventual actual deficit amounted to only 1,7 per cent; the deficit as originally budgeted for, would have amounted to 4,1 per cent of gross domestic product as projected at the time of the 1989/90 Budget with regard to the fiscal year.

The deficit of R3 996 million in fiscal 1989/90 was financed from the *net* proceeds of new issues of borrowing instruments (and of the loan levy) as follows:

	R millions
Government stock	10 165
Treasury bills	3 326
Loan levy	692
Non-marketable securities	-890
Foreign loans	-174
	<hr/>
Plus: Privatisation proceeds	2 975
Less: Discount on new issues	4 331
Less: Transfers to Stabilisation and other accounts	3 416
Less: Increase in available cash balances	4 351
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Total net financing (= deficit before borrowing)	3 996
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At the same time, the deficit of R3 996 million, plus the discount of R4 331 million on new issues of government stock (adding up to a total of R8 327 million), was financed from the various available sources of financing as follows:

	R millions
Public Investment Commissioners	4 111
Non-bank private sector	6 204
Banking sector:	
Corporation for Public Deposits	1 886
Other banks	-6 868
Foreign sector	19
Proceeds from privatisations	2 975
Total	8 327
	<hr/>

Budgets of Own Affairs Administrations for 1990/91

Provision was made in the 1990/91 General Affairs Budget of the Minister of Finance for a total allocation to Own Affairs Administrations of R12 482 million. In addition, these administrations were to utilise R261 million from their own resources; aggregate expenditure by these administrations in 1990/91 was therefore budgeted to amount to R12 743 million. Of this total, amounts of R8 138 million, R3 386 million and R1 219 million were to be spent by the Administrations of the House of Assembly, the House of Representatives and the House of Delegates respectively.

Statement regarding repurchase agreements entered into by banking institutions

Issued by Dr C.L. Stals, Governor of the South African Reserve Bank

24 April 1990

Banks and discount houses have been using repurchase agreements that do not appear on their balance sheets on an increasing scale as a funding mechanism. At the end of February 1990 unexpired repurchase agreements entered into by banks amounted to R11,1 billion, which represented almost 10 per cent of the total on-balance-sheet liabilities to the public of all banks taken together. Comparable figures for discount houses at the end of March 1990 amounted to R4,0 billion and 266 per cent, respectively. In the case of individual banks the ratio of off-balance-sheet funding commitments (in the form of repurchase agreements) to comparable on-balance-sheet liabilities to the public at the end of February 1990 ranged from 0 per cent for banks that do not make use of this device to 550 per cent. Corresponding ratios for discount houses as at the end of March 1990 ranged from 88 to 430 per cent. In addition, referring once again to some individual institutions and comparing "on" as well as "off"-balance-sheet funding commitments with capital and reserves, imprudently high gearing ratios exist.

The Reserve Bank is of the opinion that the conclusion of a repurchase agreement is in substance a funding operation. It carries risks which are similar to those associated with normal on-balance-sheet funding operations, and should therefore be subject to the same minimum prudential requirements. Most repurchase agreements are in fact used specifically as an alternative funding mechanism in order to avoid such prudential requirements.

The inevitable result is that the institution itself and its depositors carry a greater risk exposure as some of its commitments are not subject to appropriate prudential requirements. All depositors and shareholders may not always be aware of these additional risk exposures because off-balance-sheet risks are not always fully disclosed.

Another undesirable consequence of banking institutions' enhanced risk exposures (emanating from the avoidance of prudential requirements) is that an undue responsibility is placed on the Reserve Bank in its capacity as lender of last resort to the banking system. Moreover, the Reserve Bank as supervisory authority does its utmost to protect the cash and savings of the public placed with registered deposit-taking institutions, and must therefore satisfy itself that all these institutions comply with the established statutory minimum prudential requirements.

The off-balance-sheet activities by banks also detract from the reliability of monetary analyses for monetary policy purposes. These practices lead to understate-

ments of the size, and also to distortions of, the real changes in the money supply or total bank lending. In order to further safeguard the soundness of banking in South Africa and improve the quality of banking statistics, it is anticipated that in revised banking legislation (as proposed in the Deposit-taking Institutions Bill) which is now being finalised for tabling in Parliament and which is likely to come into effect by the end of 1990, deposit-taking institutions will have to meet the prudential requirements provided for in respect of their "on" as well as "off"-balance-sheet commitments and claims. It is advisable, therefore, that during the next few months banking institutions prepare themselves for compliance with the more broadly based prudential requirements. The principles embodied in the proposed prudential requirements as well as the proposed new basis for such requirements are set out in the proposed Bill which was recently circulated for comment and information to all banking institutions, mutual building societies and building societies. The intention is to develop the details of these requirements in consultation with the relevant institutions during the remainder of 1990 and to embody such details in the regulations to be made in terms of the proposed Bill.

The proposed new legislation *inter alia*, provides for a comprehensive review of prudential requirements for banking institutions and building societies, the gradual phasing out of call money with discount houses as liquid assets and for matters relating to the deposit-taking activities of institutions not registered as banks or building societies.

It is recognised that piecemeal implementation of the new requirements will have a disruptive impact on trading activities in the money and capital markets and will also have a material influence on bank margins. However, to avoid any further erosion of prudential provisioning under the existing regulatory regime – with a view to safeguarding the interests of depositors and shareholders as well as the financial soundness of the banking system – the measures mentioned below are now introduced by the Reserve Bank and, where necessary, will be contained in Rules which will be issued shortly by the Bank in terms of Proclamation No. R.184 of 1967. To avoid possible disruption of normal security dealing the Rules may provide for certain exemptions and will, in this respect, be compiled after consultation with appropriate parties.

The premise is accepted that repurchase agreements (which include any agreement in terms of which funds are acquired through the sale of a security and which is coupled to the condition that the seller of such security is obliged to repurchase the same or any other security on a specific future date or within a fixed period of time) entered into by banks, discount houses,

mutual building societies and building societies, in substance represent the acquisition of funds by these institutions against some form of collateral. Accordingly banks and all building societies will in future be required to report the value of all securities sold under repurchase agreements on their balance sheets at repurchase prices, and to record similar amounts on their balance sheets as liabilities to the public, which will be subject to reserve balance and liquid asset requirements. All repurchase agreements by discount houses will in future similarly be recorded on their balance sheets and be subject to the provisions of the Banks Act, 1965.

Banking institutions other than discount houses

As an interim measure, it has been decided, in the case of individual banks to exempt from the reserve balance and liquid asset requirements imposed by the Banks Act, 1965, an amount equal to the amount of liabilities arising from the conclusion of repurchase agreements outstanding as at the end of February 1990, as reported to the Registrar of Banks in their monthly returns of BA Form 7 for February 1990. Only the amount of repurchase agreements by banks in excess of this amount will, as from the date of certification of their monthly returns of BA Form 7 for May 1990, be subject to prudential requirements imposed by the Banks Act, 1965. This exemption will lapse on the date when the proposed new legislation as contained in the Deposit-taking Institutions Bill comes into operation.

These measures will entail that –

- (i) commitments by banks in respect of repurchase agreements will henceforth have to be reported on their balance sheets; and
- (ii) the value of repurchase agreements concluded by banks in excess of the amount reported in returns of BA Form 7 for February 1990 will, as from the date of certification of the BA Form 7 return for May 1990, be subject to the normal statutory reserve balance and liquid asset requirements imposed by the Banks Act, 1965.

Rules will also be issued by the Reserve Bank to avoid –

- (i) the maintenance of reserve balance and liquid asset requirements by banks in respect of repurchase agreements concluded by these institutions with the Reserve Bank or the Corporation for Public Deposits;
- (ii) that double reserve balance and liquid asset requirements are maintained in respect of repurchase agreements concluded between banks; and
- (iii) that an asset, which forms the basis of a repurchase agreement and which will in future be required to be reported on balance sheet, is regarded as

encumbered and thus required to be deducted from paidup capital and unimpaired reserves as required by section 1(5) of the Banks Act, 1965.

Discount houses

All repurchase agreements concluded by discount houses will henceforth also have to be reported on their balance sheets. The provisions of section 22 of the Banks Act, 1965, which contain limitations on transactions concluded by discount houses, will, however, not be applicable to repurchase agreements concluded by discount houses up to an amount equal to the value of repurchase agreements concluded by them and outstanding as at the end of February 1990, as reported in returns submitted to the Reserve Bank. As with the banks, the limitations will also not be applicable to repurchase agreements concluded with the Reserve Bank and the Corporation for Public Deposits, whereas all provisions of the Banks Act, 1965, will, as from 21 June 1990, be applicable to repurchase agreements concluded by discount houses in excess of the amount of such agreements recorded in the monthly return for February 1990 to the Reserve Bank. All provisions of the Deposit-taking Institutions Bill will be applicable to discount houses when that Bill, as approved by Parliament, comes into operation.

Building societies

Mutual building societies and building societies are at present not involved in repurchase agreements as part of their funding operations to any great extent. Although it will in future also be expected of them to record repurchase agreements on balance sheet, it is not at this stage thought appropriate to issue any formal directive to these societies in this regard. Building societies will be subject to similar requirements as banking institutions once the proposed Deposit-taking Institutions Bill is enacted. In the meantime, however, the co-operation of the societies will be solicited towards the recording of all repurchase agreements on balance sheet and the Reserve Bank will not hesitate, if this is deemed desirable, to prepare and propose amending legislation to Parliament or to take other measures to rectify unacceptable situations in respect of repurchase agreements concluded by mutual building societies and building societies.

The regular statutory returns submitted by banking institutions, mutual and equity building societies to the Registrar of Banks or of Building Societies will, if necessary, be adapted to provide for data concerning repurchase agreements. Banking institutions, mutual building societies and building societies will shortly be requested by the Registrar of Banks and of Building Societies to submit certified analyses of repurchase agreements concluded by them and outstanding at the end of March 1990.

The prohibitions contained in Circular No. RB 160, issued in July 1979, covering *inter alia* the conclusion of repurchase agreements in respect of fictitious assets and by way of simulated transactions, remain in force and will also be made applicable to mutual and equity building societies.

In conclusion, the Reserve Bank wishes to reiterate that these interim measures in anticipation of the promulgation of new regulations, after the enactment of the Deposit-taking Institutions Bill, are designed (i) to avoid any further erosion of prudential provisioning by banks under the existing regulatory regime, without, however, (ii) distorting the existing competitive positions of individual institutions.

It is fully recognised that there remains a need for further consultation and investigation with regard to the impact of the enactment of the proposed Bill on the proper development of a securities market in South Africa.

Notes on inflation*

Double-digit inflation in consumer prices on a year-to-year basis – i.e. increases in the annual average level of consumer prices of more than 10 per cent from one year to the next – has been a disturbing, unhealthy and unpleasant feature of the South African economy uninterrupted from 1974 to 1989. During this sixteen-year period South African consumer prices increased at an average annual rate of nearly 13,6 per cent; as a result, the average item on the average household's shopping list was some 7,7 times more expensive (in money terms) in 1989 than in 1973. One hundred rand of the average household's family income in 1989 bought as much – or as little – as did R13,02 in 1973.

For reasons referred to below, prolonged inflation – at any level, but certainly at double-digit levels – is now generally accepted to militate against the most effective utilisation of the economy's productive resources, to hold back economic growth and development and therefore to reduce the nation's material well-being. Protracted inflation, moreover, also acts as a constant source of irritation, resentment, ill-feeling and social friction.

Inflation has been recognised by the South African monetary and fiscal authorities as an evil on many occasions. Not surprisingly, therefore, the De Kock Commission in its *Final Report* (entitled *The Monetary System and Monetary Policy in South Africa*), which was submitted in May 1985, stated that "in the long term the primary objective of monetary policy should be the maintenance of reasonable stability of the domestic price level."¹ In accordance with this and related recommendations in the Commission's *Report*, Article 3 of the new South African Reserve Bank Act, 1989 (Act No. 90 of 1989), which came into effect on 1 August 1989, stipulates that the pursuance of monetary stability and balanced economic growth shall rank as the primary objectives of the Bank's actions in the Bank's exercise of its powers and the performance of its duties.

Shortly after promulgation of the new Reserve Bank Act, the present Governor of the Reserve Bank, Dr C.L. Stals, stated in his first Governor's Address to the Bank's shareholders on 29 August 1989 that the time was now "opportune" for the "serious launching" of an attack on inflation. This attack was to be made on a

wide front, but to be spearheaded by appropriately restrictive monetary and fiscal policies. Since August 1989 the Reserve Bank's interest rate and associated policy actions have therefore been predicated, more strongly, explicitly and consistently than before, on the perceived need for counteracting the forces of inflation in the South African economy.

Against the background of this policy orientation, the following "notes" on inflation aim to marshall – in a fairly non-technical manner and for the purpose of reminding, informing and explaining rather than of being polemical – some of the facts and features of inflation as it has manifested itself in South Africa in the post-war period. Introductory paragraphs start off by providing a definition of inflation. Subsequent paragraphs briefly trace the extent and course of inflation in South Africa since 1946 and note the relationship between inflation in South Africa, inflation in the economies of South Africa's main international trading partners, and the effective exchange rate of the rand.

Some evidence is presented suggesting that economic growth does indeed respond unfavourably to protracted inflation, and reasons are given why inflation may be expected to lower the performance of the economy and to be detrimental to economic growth and development. It is then argued that whatever the causes of increases in the general price level, inflation is "always and everywhere a monetary phenomenon": inflation appropriately so called will not normally occur in the absence of "excessive" growth in the money supply, and observed inflation rates adhere closely over a period of years to rates of increase in the relative money supply.

It is observed in the course of this exposition that although a curbing of growth of the money supply cannot but be part of any comprehensive and successful anti-inflation strategy, a lowering of the rate of monetary expansion will rarely if ever be an entirely painless exercise. Monetary "targets" (or "guidelines") may be introduced in an endeavour to strengthen or facilitate financial discipline; structural features of the economic system – at least one of which seems to be unusually strong in the South African financial environment – may, however, make a targeting operation both more complex and more difficult than it would appear to be at first sight.

Inflation defined

Inflation is best described as a *sustained* rise in the *general level* of prices. The operative words in this definition are "sustained", "rise" and "general level": inflation refers to the process or processes of *rising* prices rather than to a state of "*high*" prices (which it would be hard to define meaningfully). Described in this manner, inflation can be identified only by observing, over some

* The author of this article is Dr. J.H. Meijer. Valuable assistance in the article's preparation was, however, provided by other members of the Economics Department of the Reserve Bank, notably by Mr. B.L. de Jager (who drafted an earlier version of "notes" on inflation) and by Mr. W.S. Pretorius, Dr. B.E. van der Walt and Mr. P.J. Weideman of the Business Cycle Studies Section of the Economics Department. Assistance in the form of helpful comments and suggestions by various members of the staff of the Reserve Bank is also gratefully acknowledged.

¹ Republic of South Africa, Commission of Inquiry into the Monetary System and Monetary Policy in South Africa: *The Monetary System and Monetary Policy in South Africa* (Final Report), RP 70/1984, Government Printer, Pretoria, 1985 par. 13.22.

fairly prolonged period, changes in some aggregate measure of prices, and not by observing changes in the price of a single specific commodity, good or service.

Various comments may be made concerning this definition. Firstly, rates of inflation may be measured with regard to a variety of sets of goods and/or services. Different sets of goods and services, their prices and changes in these prices, will be of concern to different groups of people or decision-makers in the economy. Measuring inflation rates with regard to different sets of goods and services may also be helpful in analysing the causes and sources of inflation generally and in shedding light on the nature and dynamics of the inflation process. In South Africa, the more important price indices that are used for measuring inflation include the indices for the prices of imported goods and domestically produced goods, the overall production price index and the consumer price index.

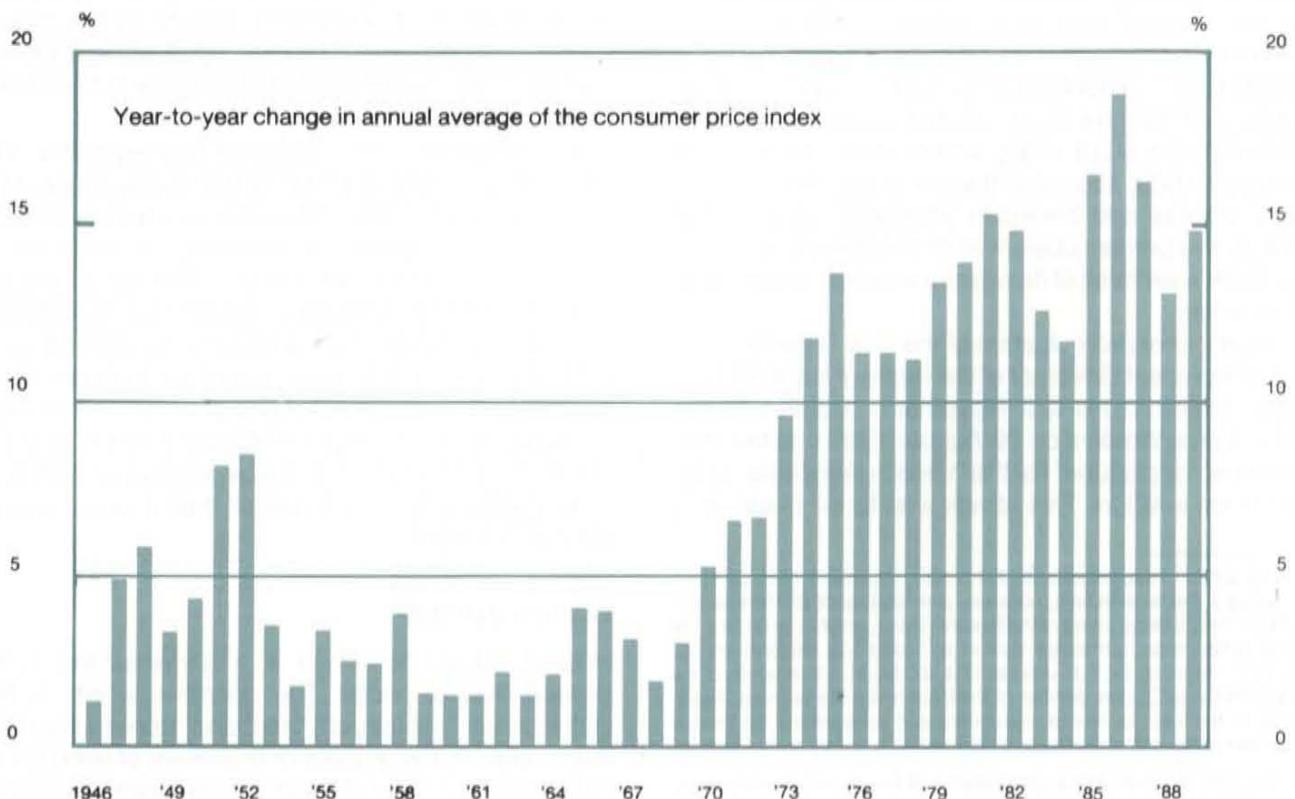
Secondly, inflation refers to the rate of increase in the *average* (normally a *weighted* average) of the prices of the goods and services that are included in the price index or price indices concerned. Although inflation usually means that all or most of the prices included in a certain price index are moving upwards simultaneously, this need not be the case, nor do all the prices covered by a certain price index have to rise

in anywhere near the same proportion or to anywhere near the same extent over any given period. As goods and services are becoming more expensive (in money terms) in general, some goods and services may still become either cheap or expensive *relative to others*. Inflation, therefore, normally still allows of *relative* price changes (which will usually be a "good thing"), and will most probably also produce some *relative* price changes of its own (which is rather less likely to be a "good thing").

Thirdly, inflation has been stated to be a *sustained* rise in the general price level. A purely temporary rise in the price level that soon reverses itself, or a once-and-for-all rise in the price level over a relatively short period, will not normally be regarded as inflation.

Finally, the definition provided above does not have anything to say about the *cause* or causes of inflation. Being silent about the causes of inflation, the definition also contains no hints as to the manner in which inflation may or should be combated or brought under control. More tendentious definitions may, however, be drawn up. Inflation may, for example, be defined – usually by people belonging to some particular school of economic thought – as consisting of price rises that are due to wage increases in excess of productivity increases, or of price increases that arise from preceding, unduly large, increases in an "exogenously determined" money supply.

Graph 1: Changes in consumer prices



The South African inflation record

Graph 1 shows the record of inflation in the South African economy from 1946 (as the first full calendar year in the post-World War II period). Inflation is represented here by the year-to-year percentage change in the annual average of the consumer price index.

A number of observations may again be added. Firstly, some increase in the annual average level of consumer prices was recorded in every single year of the post-war period. As displayed by Graph 2, during the forty-four years from 1946 to 1989 (both years inclusive), the average level of consumer prices rose more than twenty-fold, increasing by 1 996 per cent. The average annual rate of increase in consumer prices during these forty-four years accordingly amounted to somewhat more than 7,1 per cent.

Inflation, however, clearly reached considerably higher levels from the mid-1970s onwards than in the first quarter century or so after the War. A dividing line may be drawn at the end of 1973, which marked the last calendar year in which the year-to-year rise in consumer prices did not yet exceed 10 per cent. In fact, the years from 1973 to approximately 1975, which bore the imprint of the first international oil crisis, tend to stand out as watershed years (and sometimes as "quantum jump" years) in analyses of various trends in the South African economy, as well as of trends in the world's major industrial economies and in the international economy as a whole.

In the single-digit inflation years from 1946 through 1973, the annual average level of the South African consumer price index rose by a factor of 2,7, or at an average annual rate of nearly 3,7 per cent. This period, however, can itself be divided into three sub-periods. In the first of these sub-periods, from 1946 through 1952, price changes were still influenced by post-war adjustments (including the devaluation of the South African pound in 1949), as well as by the economic re-

percussions of the Korean War (which lasted from June 1950 to July 1953, although active hostilities had generally ceased before the end of 1951). The average annual rate of consumer price increases during this seven-year period amounted to very nearly 5,0 per cent; the 5 per cent level of year-to-year inflation was exceeded on three occasions during those years.

A comparatively high degree of price stability prevailed during the remainder of the 1950s and during the 1960s. From 1953 through 1968 the average annual rate of consumer price inflation amounted to a modest 2,4 per cent; at this rate, a doubling of the average level of consumer prices would require a period of more than 29 years. In no year during the sixteen-year period concerned did the year-to-year inflation rate exceed 5 per cent (or even 4 per cent).

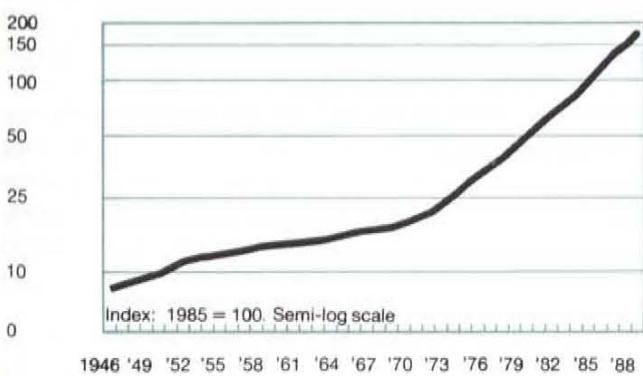
The "transition years" from 1969 to 1973 saw the run-up to double-digit inflation. The average annual rate of increase in the general level of consumer prices during those years accelerated to 6,0 per cent. In 1973 the average level of consumer prices was some 34 per cent higher than in 1968.

In the *double-digit* inflation years from 1974 onwards, the average annual rate of consumer price increases amounted to the approximate 13,6 per cent already referred to in the introductory remarks to these notes; inflation at this rate implies a doubling of the general price level approximately every five years, five months and eight days (and, therefore, *multiplication* of the general price level by an astounding *factor* of nearly 7476 during one's Biblical lifespan of 70 years).² In 1989 the average level of consumer prices, apart from being more than 20 times higher than at the end of the War, was some 7,7 times higher than in 1973.

Fluctuations of increasing amplitude were displayed by the year-to-year inflation rate during the double-digit inflation period to date. Disturbingly, however, each of the successive upper and lower turning-points in the year-to-year inflation rate – in 1975, 1981 and 1986 and in 1978, 1984 and 1988 respectively – was consistently at a higher level than the immediately preceding one.

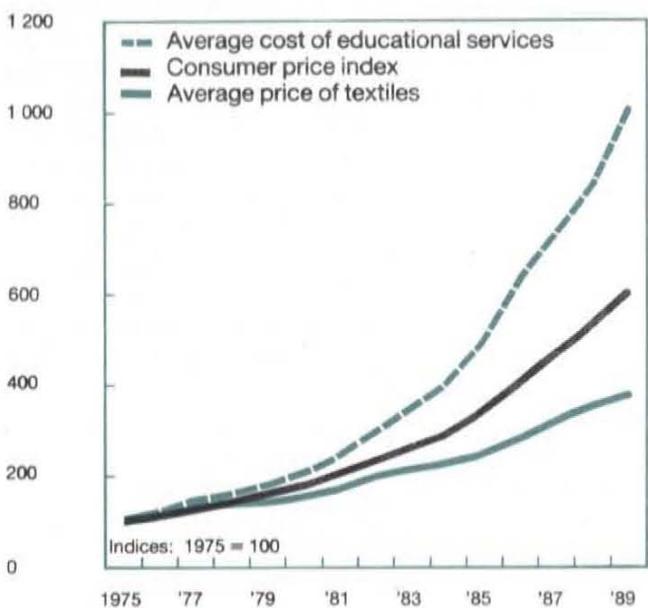
Inflation, however – as was also noted above – does not mean that all prices encompassed by a certain price index have to rise in the same proportion over any particular period. By way of illustration of this statement, Graph 3 shows that the average inflation rate in the prices of "textiles" (as included in the consumer price index) was quite considerably lower than inflation in the cost of "educational services" over any period (up to the present) that has its beginning in 1975. The percentage rise in the cost of educational services also easily outpaced the rise in the consumer price index in nearly all years from 1976 onwards, whereas the year-to-year rate of increase in the prices of textiles has

Graph 2: The consumer price index

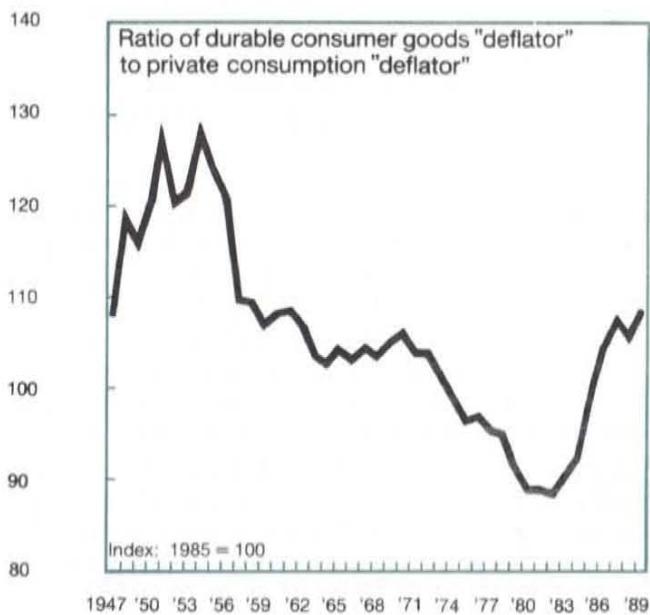


² This rises to multiplication by a factor of nearly 8493 if one happens to live for 71 rather than 70 years.

Graph 3: Differences in price movements in components of consumer price index



Graph 4: Relative expensiveness of durable consumer goods



been lower than that in the general price index in every year since 1978. (It may be observed, of course, that this disparity in price behaviour could exist only by virtue of the fact that textiles and educational services can by no stretch of the imagination be considered close substitutes for each other in the average family's household spending pattern.)

An interesting and important example of differential rates of price increases over prolonged periods is provided by the behaviour of the prices of durable consumer goods relative to the behaviour of the general level of consumer prices. Graph 4 shows the ratio of the price "deflator" for durable consumer goods relative to the "deflator" for consumer expenditure in general since 1975.

Over the years, major advances in technology and associated improvements in production methods and techniques have allowed savings to be made in the use of materials, labour and capital in production processes. Such savings were clearly of greater relative importance in the manufacturing of consumer durables than in the production of semi- and non-durable goods and in the provision of services; they accordingly held back the rate of price increases in consumer durables relative to the rate of price advances in consumer goods and services in general.

In addition, rising real incomes in the post-war period meant a broadening and deepening of the market for consumer durables and probably allowed manufacturers of these goods more fully to exploit economies of scale in their production. Durable goods in South Africa, however, have a relatively high imported component. This caused the prices of these goods to be affected disproportionately by the weakening of the exchange rate of the rand from 1981 onwards. As a result, the downward trend in the relative expensiveness of these goods, which had been in evidence from the mid-1950s up to the early 1980s, appears to have been reversed since approximately 1983.

During most of the 1980s, the double-digit inflation rates in South Africa substantially exceeded the inflation rates in the economies of South Africa's principal international trading partner countries. Such inflation differentials must eventually affect the exchange rate of the rand vis-à-vis other currencies: as the quantity of (internationally tradeable) goods and services that can be bought for one rand in South Africa diminishes relative to the quantities of such goods and services that can be bought for one dollar in the United States or for one Deutsche mark in Germany, people who have the option of buying in any of these countries will clearly become willing to pay – and will normally also have to pay – an increased number of rand for one American dollar or for one Deutsche mark.

Conversely, however, an increase – for whatever reason – in the number of rand that has to be paid for one dollar or for one Deutsche mark will obviously tend to raise the rand prices in South Africa of goods that

have been imported from the United States or Germany – and all too often also the rand prices of these goods' South African-made equivalents or substitutes. In principle, of course, an accelerated rise in the rand prices of imported goods and import-competing goods may be counterbalanced by a slower rise in the rand prices of South African-made non-traded goods and services, thereby leaving the South African inflation rates (or at least some of these rates) unaffected. More usually, however, an accelerated rise in import prices will tend to raise the tempo of observed increases in the comprehensive South African production and consumer price indices, and therefore have an "inflationary" effect.

In broad terms and over adequately extensive periods, a *doubling* (say) of the ratio of a comprehensive index of South African goods prices in rand to indices of comparable goods prices in dollars in the USA or in Deutsche mark in Germany, must also mean an approximate *doubling* of the rand "prices" of dollars and Deutsche mark – which means that it must imply a *halving* of the exchange value of the rand in terms of units of these other currencies or a 50 per cent *depreciation* of the exchange rate of the rand vis-à-vis these other currencies.

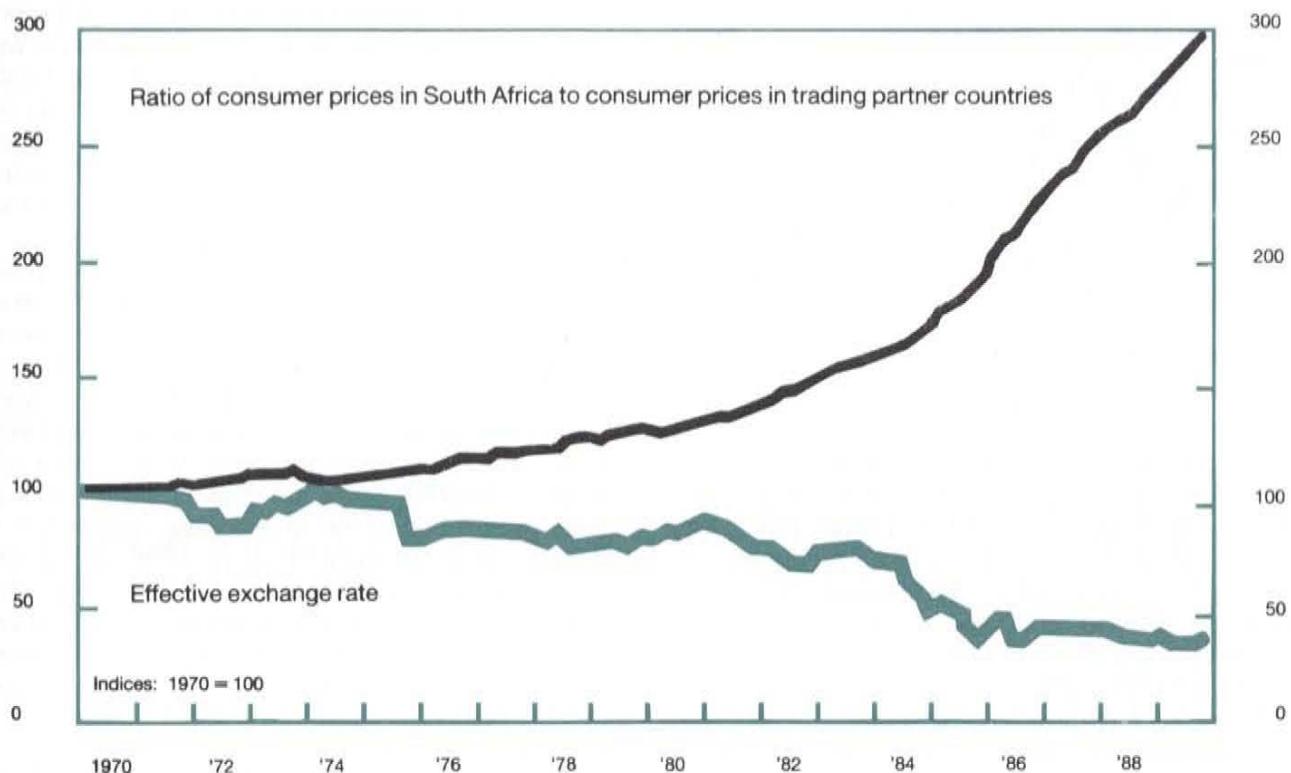
In practice, of course, the inflation differentials between South Africa and its various international trading partner countries have themselves differed – to more

or less important degrees – from trading partner country to trading partner country; this has contributed to differences in the increases in the rand prices of (units of) the various foreign currencies concerned and in the corresponding declines of the exchange value of the rand in terms of these various currencies.

It must also be noted that over shorter periods at least, the exchange value of the rand in terms of any other currency or in terms of all other currencies may be influenced powerfully by factors that have little to do with the relative *purchasing power* of the rand and of these other currencies in their respective home countries. In addition, the *consumer price index* in South Africa and elsewhere covers many items (goods as well as services) that are not normally traded internationally or cannot be traded internationally.

Graph 5 shows nevertheless how the rise in the ratio of the index of the rand prices of consumer goods and services in South Africa to the (weighted) average index of consumer prices (in dollars, Deutsche mark, yen, etc.) in trading partner countries, has been matched fairly closely by a broadly commensurate weakening of the average effective exchange rate of the rand (i.e. by a decline in the effective exchange value of the rand) since approximately 1983 in particular: the near-threefold increase in the ratio of the South African consumer price index to the weighted average index of consumer prices in trading partner

Graph 5: Relative inflation and the exchange rate



countries from 1970 to 1989 has been accompanied by a decrease in the average effective exchange value of the rand to some one-third of its value in 1970.

Why inflation should be combated

Few economists will dispute that, through stimulation of the economy by monetary and/or fiscal policy means, it is possible to reduce unemployment, foster increased degrees of capacity utilisation, raise the real gross domestic product and, therefore, bring about a higher observed rate of real economic growth for some time at least – even if the authorities' stimulatory policies should be expected eventually also to produce an increased rate of inflation. From this generally accepted view, conclusions have been drawn to the effect that some measure of inflation should be tolerated if a satisfactory real economic growth rate is to be attained; that some measure of inflation serves as evidence of the economy's resources being utilised, and its potential for growth being exploited, to the full; and even that inflation itself is to be regarded as beneficial for or conducive to economic growth.

At the same time, observations of historical inverse relationships between inflation and unemployment (higher inflation rates being accompanied by lower unemployment rates and *vice versa*, as embodied in the so-called Phillips curve) for some time suggested the possibility of a quasi-permanent unemployment/inflation "trade-off": societies would apparently have a choice of, on the one hand, "going for" lower unemployment and stepped-up economic activity, output, saving and investment (and therefore also for accelerated economic growth) at the price of somewhat higher inflation, or, on the other hand, acquiescing in more modest levels of activity and economic growth while enjoying the benefits (such as they would still be) of relative stability of the general price level.

No particular thought was given, at first, to the sustainability of any given rate of unemployment at its corresponding inflation rate. The empirical Phillips curves themselves, by merely setting out in schedule form the record of historically observed combinations of inflation rates and unemployment rates, afforded no insight in the adjustment processes that had caused these combinations to come about.

The original Phillips curves, moreover, provided no grounds for doubting the stability of the shapes and positions of these curves; neither did they give reason to suspect that any particular inflation rate/unemployment rate combination should possibly be regarded as unique and as specific to the moment of its occurrence and, for that reason, could not, perhaps, either be reproduced or be maintained "indefinitely." High levels of employment, it seemed at the time, could be enjoyed "forever" at the price of only a little inflation; with memories of the Great Depression still alive, this seemed a price well worth paying.

More recent views have not been able to sustain this early and somewhat innocent optimism. In one current approach (initially a more monetarist approach) to these matters, prolonged inflation at a more or less steady rate will eventually become fully expected and anticipated. As the inflation becomes fully anticipated, adjustments in decision-makers' behaviour will force unemployment back to its so-called "natural" level – as determined by certain basic characteristics of the labour force and by relevant features (essentially structural features) of the labour market and the general economy. Aggregate real output, saving, investment and the real economic growth rate, as well as unemployment, will then revert (at best) to the levels that prevailed in the pre-inflationary period. Society will then still be burdened with its inflation, but the unemployment situation will be no better than it used to be.

A permanently (or at least durably) higher level of real economic activity and growth would be attainable, according to these views, only at the price of ever-accelerating inflation. Ever-accelerating inflation will, however – in this or any other theoretical approach – eventually result in the abandonment of the use of money for payment purposes and in a breakdown of the monetary system in general; this will inevitably be accompanied by a severe loss of real output and of economic well-being. Permanently higher inflation at a possibly variable but not consistently accelerating rate, on the other hand, would not only be of no help in durably raising the growth rate of the real economy. It would much more likely also exercise significant deleterious effects on the efficiency of resource allocation and of the economy's production processes. Even if the long-term rate of increase in real output eventually were much the same again as in the pre-inflationary period, this loss of efficiency would cause the level of real output to be significantly and permanently lower than it could have been. The level of real output might also for some time be lower than before the inflation experiment was embarked upon.

Graph 6 shows that the relatively low inflation rates in South Africa in most of the 1950s and 1960s were accompanied by relatively high rates of growth in the real economy. It also shows that the high and generally rising double-digit inflation rates from 1974 onwards have been accompanied by a long-term downward trend in the year-to-year rates of real economic growth. Similar findings, on a cross-sectional basis, have been reported by Gylfason (and others) with regard to a large number of "high-inflation" and "low-inflation" countries during the period 1980–1986 (or other selected periods).³ Gylfason's statistical tests "suggest" that output growth was significantly lower on average in the high-inflation economies than in the low-inflation

³ Gylfason, T.: "Inflation and Economic Decline: A Coincidence?", *Skandinaviska Enskilda Banken Quarterly Review*, 2/1989, pp. 35–40.

economies and that the low rate of economic growth achieved on average by the high-inflation economies almost certainly was "not coincidental".

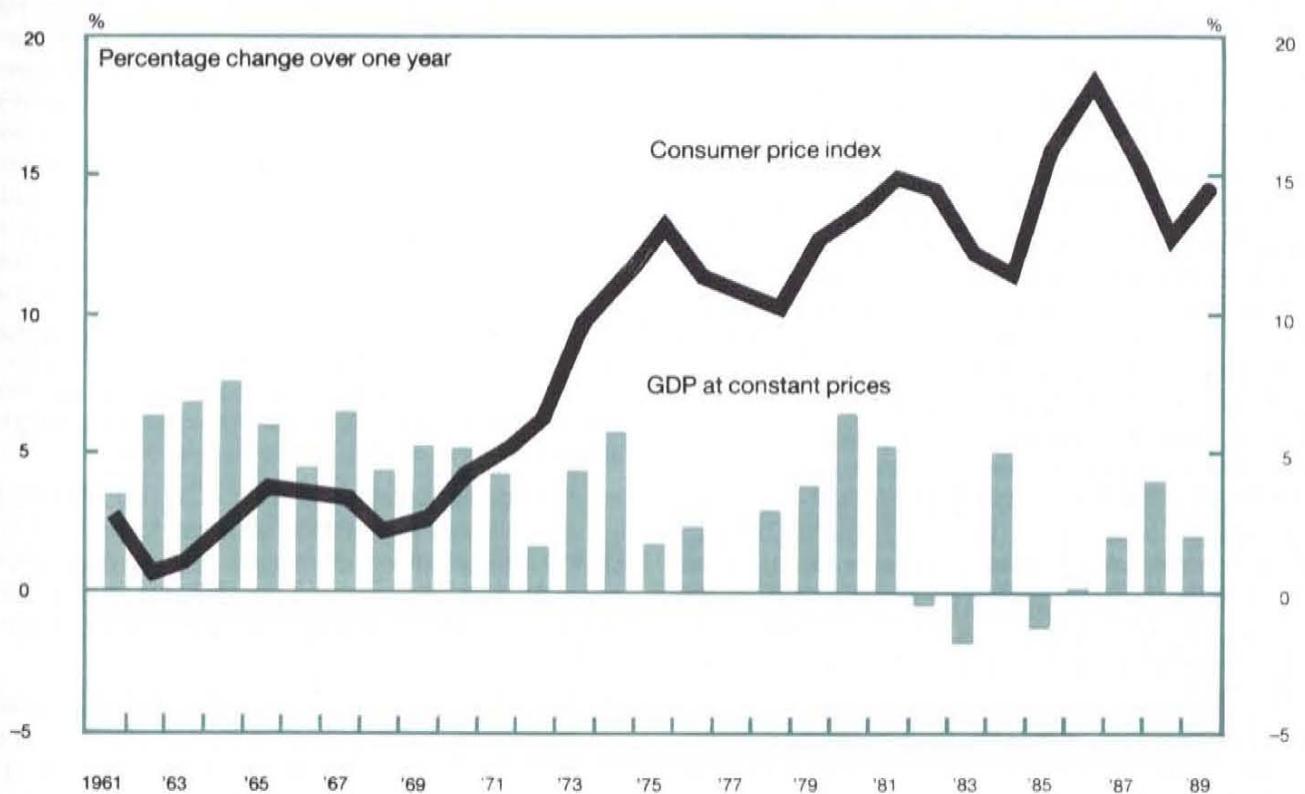
It should be noted, of course, that no "proof" exists that South Africa's real economic growth rate has been declining *because* South Africa's inflation rate has been rising, or that low-growth/high-inflation countries are low-growth countries *by virtue of* their being high-inflation countries. As has also been observed by Gylfason, inflation may be high because real growth is low; various mechanisms can be thought of that would impart an inflationary bias to a (newly) low-growth economy. Alternatively, both low growth and high inflation may be joint and simultaneous results of some third factor or set of factors. In the South African case, moreover, the possibility is not to be ruled out that the retardation of real economic growth and the acceleration of inflation since the mid-1970s have, in fact, been separate results of independently operating factors or sets of factors which, purely by coincidence, have happened to strike the economy at the same time.

Both the South African and the international experience are nevertheless suggestive of the view that prolonged inflation at more than a certain (low) maximum rate almost certainly is "not good for" growth and very probably is "bad for" growth. In the South African

case this would mean that the double-digit inflation rates experienced since the mid-1970s have been a factor in bringing about the weakening of the growth performance of the economy during that period as compared with the considerably more impressive growth performances of the 1950s and 1960s. Various reasons may be advanced why inflation impinges unfavourably on the level of real output in the economy and lowers the economy's real growth rate:

- Prolonged high inflation may weaken business and consumer confidence by creating doubts about the authorities' competence in managing the economy or about the authorities' resolve in maintaining sound monetary and financial conditions. Once double-digit inflation is being tolerated, fears and expectations may be aroused concerning "inflation feeding on itself" or of a possible lack of resistance among the authorities against *ever-accelerating* inflation. Against the possibility of ever-accelerating inflation has to be set the possibility of abrupt corrective action by the authorities for bringing the inflation under control.
- Upward price revisions that are part of the inflation process may be mistaken for changes in *relative* prices owing to shifts in demand or supply conditions, which would normally have signalled a need for a reallocation of productive resources among various produc-

Graph 6: Inflation and economic growth



tion activities. Inflation therefore lessens the allocative powers of the market pricing mechanism, meaning that the pricing mechanism becomes less efficient and less effective in ensuring optimal use of all available means of production. *Indexation* of prices (including wages), on the other hand – i.e. the automatic or quasi-automatic adjustment of prices in proportion to changes in a more comprehensive price index – may prevent changes in relative prices even where such changes are, in fact, pressingly called for.

- Real resources are absorbed in the constant recalculations and revision of prices, the gathering of information on recent price changes, determining the significance of these price changes, and the public justification of unpopular price increases.
- Inflation discourages the use of non-interest-earning forms of money. More generally, it fosters an economising on "real" money balances (i.e. money balances measured in terms of their purchasing power), which serve both as a capital good to businesses and as a durable consumer good to consumers. This implies a loss of business efficiency and of the "convenience, liquidity and security" which real money balances confer on their holders.

Some of these effects (notably the last-mentioned "real balance" effect, which has enjoyed significant attention in the economic literature) would persist even when prolonged inflation at a steady rate has become fully expected and is being fully anticipated. As a practical matter, however, less than fully anticipated and to some extent unpredictable inflations have several further effects which account for most of the general public's resentment of inflation as well as for most of the unfavourable impact of inflation on real economic activity, growth and prosperity:

- Inflationary price increases, made for reasons which the man in the street may have heard about but cannot be expected to appreciate fully, leave a sense of being exploited. They also create opportunities for *unwarranted* price increases that do amount to abuse and exploitation. In the resulting climate of mistrust and antagonism, the authorities may feel called upon to introduce administrative arrangements, or create new bureaucratic bodies, for enhanced consumer "protection". (More generally, of course, a period of inflationary price rises may tempt the authorities into imposing more or less comprehensive administrative price *controls*, which place judgements as to the prices that articles should fetch in the market in the hands of government officials rather than leaving the relevant pricing decisions to the market pricing mechanism.)
- More important, inflation is likely to result in an arbitrary and unfair redistribution of income and wealth. Such a redistribution will typically be mostly at the expense of persons or groups of persons (such as pen-

sioners, unemployed workers, and people of limited means and financial sophistication) who are unable, or are no longer able, to "re-contract" with regard to the terms on which they sell their (labour) services or with regard to the returns earned on their real or financial asset holdings, and who often have no or only limited access to inflation-resistant forms of wealth-ownership. Given non-indexation (i.e. "non-inflation-proofing") of most after-tax incomes and the progressivity that is built into most income tax systems, governments – through the well-known processes of "bracket creep" or "fiscal drag" – commonly rank among the beneficiaries of inflation-induced redistributions of income and wealth in all but relatively very severe inflations. This is likely to give rise to an increase in the share of government spending in aggregate real gross domestic expenditure during inflationary periods. A presumption exists, however, that government spending in excess of certain relatively low maxima will be sub-optimal from the point of view of fostering real economic growth and development.

- Inflation, whether as a cause or as an effect, is frequently accompanied by sub-optimally low (and quite possibly negative) *real* interest rates. When allowance is also made for the impact of taxation on business costs and on money earnings (and of bracket creep on taxation), the *effective* real after-tax interest cost of borrowed funds in inflationary periods may be very low to borrowers, while the *effective* real after-tax interest return on financial assets in such periods may be very low for savers. The various untoward results of these distortions may well include a decline in aggregate real domestic saving; they will almost certainly include a misdirection of a part of real investment spending into unduly and sub-optimally capital-intensive production facilities and processes. The demand for labour and the level of the average real wage or real labour remuneration will then be lower than they would, could and should have been; this is likely to find expression in increased unemployment and higher partial or disguised unemployment. At the same time, unduly low real interest rates may give rise to excessively high gearing ratios and related unsound financing practices among business enterprises. Such practices may make these businesses more vulnerable to unfavourable turns in the monetary-financial climate.
- Imperfectly foreseeable inflation complicates wage and related negotiations and may force more frequent renegotiations of wages and related labour rewards. This increases the possibility of labour/management conflict, strikes, lock-outs and industrial unrest.
- Inflation invites a search for inflation-resistant assets or inflation "hedges" and for ways of avoiding or evading taxes which – partly because of fiscal drag – may be felt to have become unduly and unfairly burdensome. For various reasons, non-entrepreneurial

private-sector investors are likely to select tangible hedge assets (such as, for example, beach cottages, "second homes" and other forms of easily manageable fixed property) that are likely to lay claim to the economy's real savings for their construction but, as a part of the economy's real fixed capital stock, are likely to be severely sub-optimal from the point of view of more long-lasting employment creation and for economic growth.⁴ Inflation and currency depreciation may also encourage capital outflows from the country which may be felt by the authorities to call for the introduction or tightening of exchange controls. More directly, a not-insignificant portion of labour and other productive resources may become tied up in the quest for and exploitation of ways of avoiding the painful consequences of inflation (as evidenced, for example, by a burgeoning of businesses specialising in tax and investment consultancy). It may also cause the financial system to become unduly and disproportionately "sophisticated" with regard to the variety of facilities, services and investment instruments it is able and willing to provide.

- Inflation, by calling forth high *nominal* interest rates, also creates conditions in which monetary policy may readily become highly volatile. A nominal Bank rate of 22 per cent – in response to an (expected) inflation rate of, say, 18 per cent – can obviously be reduced, *in principle*, by anything up to its full 22 percentage points; theoretically, therefore, it allows of a *real* Bank rate that could become negative up to the full extent of the inflation rate, i.e. (in the example used) by up to 18 per cent. The very wide range of *potential* real Bank rate reductions in an inflationary environment may come to be accompanied by high instability of the *actual* real Bank rate in circumstances that appear to call for decisive countervailing action (as well as for frequent policy reversals) by the monetary authorities. The wide swings in the level of real (short-term) interest rates may then, however, become an additional source of uncertainty to the business community that is discouraging to enterprise and initiative.

Inflation as a "monetary" phenomenon

The nature of inflation as being "always and everywhere a monetary phenomenon" may be explained by reference to the well-known *Equation of Exchange*, which states (in the present context) that –

$$MV = Py.$$

⁴ The tendency to invest in debt-financed fixed property during inflationary periods will, however, be counteracted to some extent by the "frontloading" that is present in the fixed monthly instalments payable on a mortgage bond during its lifetime in such periods. "Front-loading" refers to the relatively heavy *real* burden of the fixed monthly instalment in the early years of the mortgage bond; included in these instalments is an unintentionally large element of repayment of the principal debt (in real terms) in addition to interest. At the same time, high *nominal* interest rates in inflationary periods may entail cash-flow problems for debtor groups such as home-owners.

In this equation *y* is the real gross domestic product during any given period of time. *P* is the average money price level of the goods and services included in the real gross domestic product during the period concerned. *Py* is, therefore, the gross domestic product at current prices. *M* is the (average) quantity of money, in terms of any of its various definitions, during the time period concerned. *V* is the "velocity of circulation" of the money supply, which may be thought of, in the present context, as the average number of times each unit of money in the money supply has had to be used (i.e. "passed from hand to hand") in "paying for" the gross domestic product as it was either being generated or being bought (by households, business enterprises, the government, etc.).

The Equation of Exchange is *not* a theory or derived from any theory. Instead, it is an identity or tautology, the timeless and unassailable truth of which is based on the definition of "velocity".⁵ It amounts to a statement that the amount of money "paid for" the gross domestic product at current prices during any period (*M.V*) is equal to the money value of the gross domestic product at current prices (*Py*) during that period.⁶

From $MV = Py$, it follows that $P = \frac{MV}{y}$. Stated in this manner, the Equation of Exchange draws attention

⁵ Note that *V* is calculated as the ratio between the gross domestic product at current prices in any period and the average quantity of money during that period, i.e. $V = Py/M$. The Equation of Exchange therefore states that $M(Py/M) = Py$, which can hardly be disputed.

⁶ While not amounting to any kind of theory in itself, the Equation of Exchange has historically served as the point of departure for the so-called Quantity Theory of Money, which is to be understood as the quantity-of-money theory of the general price level. This theory sought to explain changes in the general price level from changes in the quantity of money. In its most elementary form it postulated strict proportionality between relative changes (percentage changes) in the money supply *M* and in the price level *P*: an *x* per cent increase in the money supply would cause, and therefore be followed or accompanied by, an *x* per cent increase in the general price level. This result could be obtained by assuming that both *y* and *V* are constant over relevant periods and are, therefore, also independent of *M*. (The real gross domestic product *y* was assumed to be fixed and constant at the full-employment level of economic activity; velocity *V* was assumed to change only very slowly over prolonged periods, in response to slow changes in payment habits, payment mechanisms and payment facilities.)

More generally, a quantity-of-money theory of the price level (which allows price level changes to be predicted from changes in the money supply, and from changes in the money supply *only*) requires that two conditions be satisfied. Firstly, changes in the money supply must be "exogenous" and must not themselves depend on changes in *V*, *P* or *y*. Exogeneity of the money supply means that "causality", if it exists at all, will run from money supply changes to price level changes, or from the left-hand side of the Equation of Exchange to the right-hand side. Secondly, *V* and *y* must be constant during the period to which the analysis applies; alternatively, they must respond only to changes in the money supply, and must do so in a predictable way. *V* obviously depends on people's desired money holdings relative to the money value of the gross domestic product. Under fairly typical "monetarist" assumptions, the demand for *nominal* money balances would vary in strict proportionality to the price level. "Real" money balances being taken to be a luxury good, the demand for "real" money balances *per capita* would be an increasing function of real "permanent" income *per capita*; "permanent" income p.c. could be proxied by a (weighted) average of past levels of measured real income p.c.



to the fact that, as long as y is constant, an increase in the price level P (which could be part of an inflation) can arise *only* "in association with" (1) an increase in the money supply M , or (2) a rise in money's velocity of circulation V , or (3) some combination of (1) and (2).

It is worth noting that, other things being equal, an x per cent rise in money's velocity of circulation V is as powerful in raising the price level P as is an x per cent rise in the money supply M itself. It may also be worth observing again that – whatever the direction of causation between MV and P_y – as long as both V and y are constant, the price level P must necessarily rise proportionately to an increase in the money supply M and vice versa. A steady rise of 15 per cent p.a. in the money supply will then be accompanied – inevitably and irresistibly – by a 15 per cent rise in the general price level year after dreary inflationary year. Finally, it may be noted that in the absence of an increase in the money supply (and assuming that the real gross domestic product y is at least not declining), a rise in the general price level is possible only to the extent that the velocity of circulation of money will rise, or will allow itself to be increased.

In actual fact, neither the real gross domestic product y nor the velocity of circulation of the money supply V has, of course, been at all constant over the years. P has not, therefore, increased in simple proportionality to M or even to MV ; instead, it has moved up in accordance with MV relative to y .

As regards the velocity of circulation, it has most definitely not been stable in either the short, the medium or the long run. Major forces have been at work at virtually all times and over short- and medium- as well as long-term periods that have influenced people's decisions as to the amount of money they have wished to hold relative to the nominal or money amounts of their incomes and expenditures.

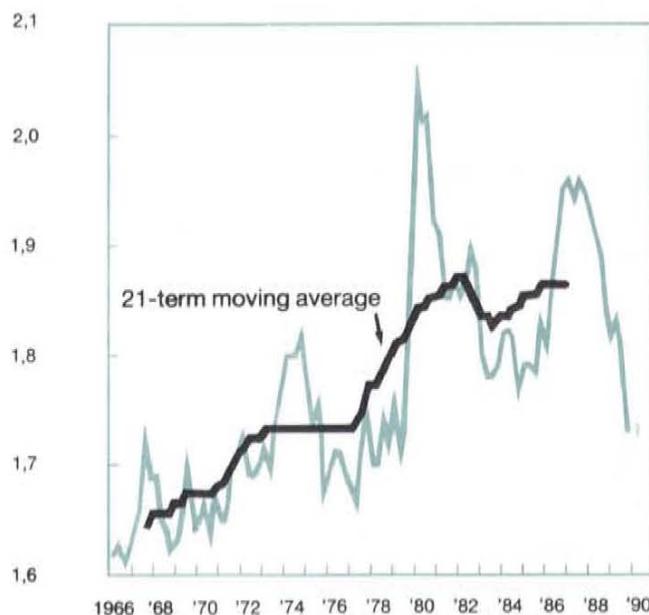
Problems would still remain, however, in predicting how a change in MV , on account of a (duly exogenous) change in M , would "distribute itself" between changes in the real gross domestic product y (with its possible feedback effects on permanent income or wealth and therefore on the velocity of circulation), on the one hand, and changes in the general price level P , on the other hand. This would depend fairly obviously on the elasticity of real output with regard to changes in real *ex ante* effective demand (i.e. the planned or desired increase in MV in real terms). This elasticity, in turn, would very largely be a matter of the prevailing degree of unemployment and of idle resources in general: the higher the prevailing unemployment rate, the more would a planned increase in MV in real terms call forth additional real output rather than inflation (or an acceleration of inflation).

The information required here, however, could be extracted, in principle, from historical "Phillips-curve-type" data. Such data could show – again at least in principle – how given increases in the money supply from its presumed exogenous sources, and the associated increases in *ex ante* effective demand, had been reflected historically in declines in unemployment (and in associated increases in physical production and in real income), on the one hand, and in accelerations of the inflation rate, on the other hand, in any original resource-use situation. For some time, therefore, it was thought that "the" Phillips curve provided the missing link in predicting price level changes from changes in the money supply.

Such forces have included, for example, a variety of ultra-short-term "random" factors, such as purely temporary and incidental money holdings related to new share issues on the stock exchange; the waxing and waning of "window-dressing" practices of private companies over month-ends, which is partly a seasonal phenomenon; the cyclical forces of rising and declining interest rates and the narrowing or widening of banks' lending-rate/deposit-rate margins – provoking "reintermediation" or "disintermediation"; changes in interest rate expectations; interest rate uncertainty as a source of "liquidity preference proper"; changes in the laws, rules and regulations concerning depository institutions, affecting these institutions' willingness and/or ability to pay interest on deposits, on certain kinds of deposits or on deposit substitutes (such as repurchase agreements); credit ceilings and statutory deposit interest rate controls, also as a source of disintermediation; the drawn-out effects of prolonged negative real after-tax rates of return on depository investments; changes in banks' payment and credit facilities offered (e.g. credit cards), in the public's payment habits, and in the degree of monetisation of the overall economy; and rises and declines in the level of real income per person as a possible source of shifts in the demand for real money balances *per capita*.

Graph 7 shows the fluctuations in $M3$'s velocity of circulation over the years since 1965. It also shows the slight long-term upward tendency in $M3$'s velocity of circulation (which may or may not have been flattening

Graph 7: Income velocity of $M3$



out in the 1980s). Finally, it displays the very limited extent – amounting to some 7 per cent – to which M3's velocity has increased on balance over a 25-year period.

It is important to note, therefore, that however significant the percentage changes in the velocity of circulation over shorter and even over rather longer periods may have been, *they have been of comparatively very minor importance relative to the very large percentage changes that have taken place in the money supply itself over more extensive periods*. This means that – although changes in both M/y and in V have played a part in "accounting for" changes in the general price level, in accordance with the formulation which states that $P = \frac{MV}{y}$ or $P = \frac{M}{y} \cdot V$ – *changes in nominal price level over these more extensive periods have been associated overwhelmingly with the rise in the nominal amount of money per unit of physical production (M/y), rather than with any (net) increase in money's velocity of circulation V*. For example, during the period from the second quarter of 1965 to the first quarter of 1990 (for which a consistent statistical series of the M3 money supply is available), the general price level as measured by the so-called gross domestic product "deflator" (P in $MV = Py$) rose nearly sixteen-fold, namely by 1 465 per cent. This was "accounted for" by an increase of 2 920 per cent in M3, by an increase of 1 357 per cent in the quantity of M3 per unit of the real gross domestic product, and by a net increase of only 7 per cent (or 7.4 per cent, to be exact) in the velocity of circulation of the M3 money supply.

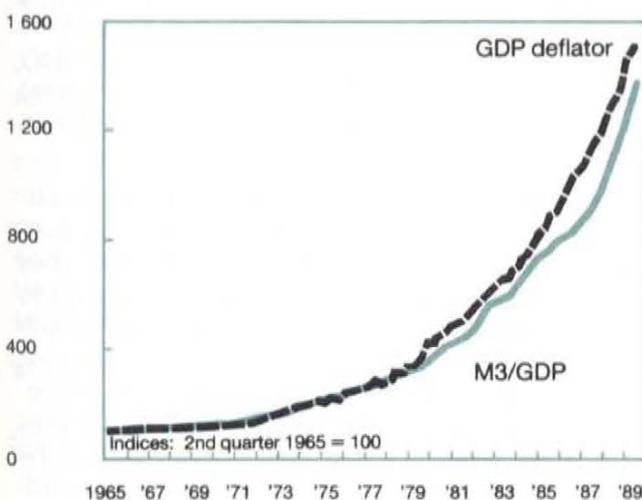
Graph 8 shows that the persistent and accelerating rise in the gross domestic product deflator from 1965

through 1989 adhered relatively closely to the rise in the ratio of M3 to the real gross domestic product, i.e. to the rise in the "relative money supply" M3/y. Growing disparities between the trajectories of these two quantities could be observed, however, in the second half of 1979 and in early 1980, and again in most of 1986 and in early 1987, when the levels of the deflator increasingly rose above the levels "implied" (or at least "suggested") by the then prevailing levels of the concurrent relative money supply. An inspection of Graph 7 duly shows that these two periods were periods of rising velocities of circulation.

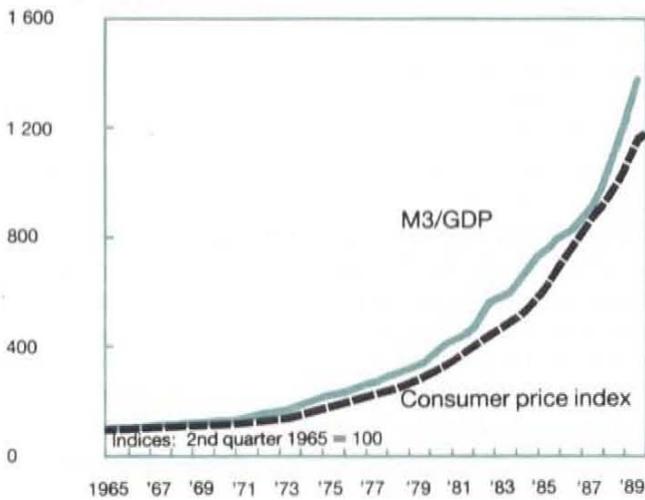
Consumer prices, to be sure, did not rise quite as strongly as the gross domestic product deflator over the past 25 years – partly because they were not affected in any direct manner by the rise in the (dollar price and the rand) price of gold. From the second quarter of 1965 to the first quarter of 1990 the consumer price index increased somewhat more than twelve-fold, namely by 1 104 per cent. Graph 9 makes clear, however, that "even" the rise in the consumer price index adhered fairly closely to the rise in the relative money supply.

As was noted earlier, however, the fact that inflation has remained closely linked to changes in the ratio of M3 to y cannot simply be taken to mean that inflation is caused by increases in M relative to y (although this is certainly a possibility and does, in fact, describe accurately what has happened in a large number of economies over the centuries). *Inescapable, however, is the fact that growth in the money supply is at least a necessary condition for inflation*. As far as can readily be established, velocity changes by themselves do not appear ever to have either caused or permitted an inflation appropriately so called. Inflations, therefore, do

Graph 8: The GDP deflator and the "relative money supply"



Graph 9: The consumer price index and the "relative money supply"



not seem ever to have occurred as yet in the absence of rates of increase in the money supply that have been (well) in excess of rates of growth of the real gross domestic product. Conversely, clearly excessive rates of increase in the money supply ($M > y$) have rarely, if ever, failed to be either followed or accompanied by inflation.

As long as inflation will not occur in the absence of excessive rates of increase in the money supply, but *will* occur in the *presence* of excessive rates of increase in the money supply, it follows that the monetary authorities will not be able to claim victory in their war against inflation as long as the growth rate of the money supply remains unduly high – regardless of the original or current *causes* of inflation and of whatever other steps may be taken by the authorities for bringing the inflation under control. At the same time, the observed rate of increase in the money supply (to the extent that it is not called forth by increases in liquidity preference proper and is not accompanied by declines in the velocity of circulation) remains indicative of the inflationary pressures still present in the economy.

As regards the *causes* of inflation, it has become commonplace to observe that these are likely to be complex. Once inflation is under way, it increasingly involves the fears, hopes, expectations and desires of virtually all decision-makers. As these decision-makers seek to protect themselves against the welfare-eroding effects of inflation on their own income and wealth positions, their defensive actions themselves usually become part of the inflation process. The effect of such actions then is another half-turn of the inflationary screw.

It has been rightly pointed out, however, that it is the *spending* of money, not money itself, that is inflationary. (If newly created money is "hoarded", the effect on MV of the increase in the money supply M will be counterbalanced exactly by a corresponding decline in money's velocity of circulation V.) More often than not, moreover, it is also increases in the *spending* of money that allows organised labour successfully to demand increases in the money rewards for labour services well in excess of increases in labour's physical *productivity* – and to do so with impunity, i.e. without a loss of employment opportunities.

The roots of every inflation (before inflation *expectations* take over as an engine of inflation in their own right) therefore have to be looked for in factors – such as an autonomous increase in debt-financed government spending, too low a level of officially ordained nominal and real interest rates, or various shocks originating in the foreign sector, goods or factor markets – that have caused the nominal monetary *demand* for goods and services at their prevailing prices to be larger than the *supply* of these goods and services forthcoming at these prices in any given period.

Fortunately, however, measures that are aimed at curbing the *spending* of money on current output will

normally also discourage the *borrowing* of money, as well as the *creation* of new money by banks that are in the business of making loans for spending purposes. Conversely, measures that seek to restrain the creation of new money will usually also discourage the borrowing and spending of money.

The bad news is then, however, that money cannot usually be made scarcer without also making it more "expensive" for some time at least. If the monetary authorities take steps to reduce the money supply (or to reduce the *actual* rate of increase in the money supply to below the *expected* rate of increase in the money supply), interest rates will rise. If the authorities' actions do not result in higher interest rates, money and credit cannot *effectively* have become scarcer – which means that there will be no good reason for inflation not to continue much as it did before. Conversely, if the authorities raise interest rates, these higher interest rates will not be sustained unless the money supply and the availability of credit are *effectively* reduced. If money and credit have not been made effectively harder to obtain, they cannot effectively have been made more expensive for any great length of time.

When the preceding paragraphs are read in conjunction with one another, it follows that, *technically*, stopping an inflation is no harder than adequately curbing the rate of increase in the money supply. There is no doubt that central banks are technically capable of doing so. As a *practical* matter, however, stopping an inflation is as hard as the economic, social, political, charitable, humanitarian and occasionally strategical arguments against temporarily high interest rates and the accompanying temporary losses of output and employment can make it. Complex sets of economic, social and political conditions, arrangements and considerations may cause the rate of monetary expansion to become too high in different countries in the first place; similar conditions and considerations may then lead the governments in these countries to acquiesce in its being too high. Careful thought has therefore to be given to the ramifications of curbing the monetary growth rate, to the potential victims and beneficiaries of such action, and to the prospects of keeping inflation from returning at a later stage.

Countries that have been notably successful in subduing their inflations in the 1980s, have rarely succeeded as yet in eliminating inflation altogether. They also find that perpetual watchfulness is required to prevent inflation from flaring up again. The South African monetary authorities' current "high" interest rate and related policies, and their endeavours henceforth to ensure appropriately positive real interest rates at all times, represent their best efforts – within the framework of a more comprehensive anti-inflation strategy – to neutralise inflation and its painful consequences while also minimising the pain of doing so.

A final note on monetary targeting

The above notes have sought to deal with certain aspects of inflation and of the role of money in inflation, rather than with monetary target-setting as a tool of monetary policy. Monetary targeting is a subject worthy of a detailed exposition in its own right. However, in the light of the emphasis placed on monetary expansion as a *sine qua non* of inflation, a few observations on monetary targeting with a view to curbing monetary expansion may be appropriate in the present context.

A target with regard to growth in M3 was set in South Africa for the first time in respect of the calendar year 1986. Monetary targeting was therefore slow in coming to South Africa: by 1986, some disillusionment (or "realistic scepticism") with regard to targeting exercises had already set in in several of the world's major economies (most of which, however, had already achieved signal success in bringing their inflation rates down from peak levels in the early 1980s). Elsewhere in the world, therefore, monetary targets were being downgraded or de-emphasised (if not actually discontinued altogether) by the time of their introduction in South Africa.

The late introduction of formal monetary target-setting in South Africa was explained partly by the monetary authorities' having awaited publication of the *Final Report* of the Commission of Inquiry into the Monetary System and Monetary Policy in South Africa (the De Kock Commission). In the Commission's approach, the attainment of ("low-profile" and "flexible") targets for the rate of increase in M3 (or some other monetary aggregate) was to be viewed as an "intermediate objective" of the strongly market-orientated monetary policies that were advocated by the Commission. Little time was spent by the Commission in its *Report* in discussing the reasons for or the merits of the adoption of monetary targets. In subsequent elucidations, however, the Reserve Bank has mostly used arguments such as the following:

- Limits to the growth in the money supply imply *de facto* limits to the inflation rate, at least over somewhat more extensive periods. Inflation rates will be reduced by bringing down the realised rates of increase in the money supply (or, more correctly, by the kinds of actions that are needed for bringing down the rate of increase in the money supply). Whatever the causes of inflation, and however complex inflation as a socio-politico-economic phenomenon may be, inflation cannot persist unless the money supply is allowed to continue to rise at unduly high rates.
- The existence of targets is helpful in explaining the need for occasionally unpopular measures of a restrictive monetary policy. They may therefore serve to make such measures more generally acceptable.
- The rate of increase in the money supply that is being aimed at or is considered desirable – in com-

parison with recently observed or expected *actual* rates of monetary expansion – will be indicative of the ease or tightness of the authorities' future monetary policy stance. As such, it will provide guidance to business enterprises in planning their pricing policies and other aspects of their behaviour. It will also serve as a useful input in the formulation of wage and related demands, and in reaching agreement in wage negotiations. More generally, if the target has any credibility at all, it will have a beneficial effect on inflation expectations.

- Monetary targets provide a norm by which the efficacy and adequacy of the authorities' current monetary policies can be judged. They also compel the authorities, on an "on-going" basis, to review, assess and possibly to reconsider the appropriateness of these policies and to justify their policy stance.

With regard to the year 1990, the limits to growth in M3 as propounded by the Reserve Bank were denoted "guidelines" rather than "targets", so as to bring home their nature as an indication of what *should* happen to growth in the money supply in the prevailing conditions, rather than as an authoritative forecast of, or as a binding commitment to, a certain rate of monetary growth that stands to be realised at all costs through the Bank's management of monetary conditions. Fairly limited success had been attained by the Bank in reaching its targets in the preceding years 1986-1989: although the target was hit squarely in 1987, an "undershoot" had been registered in 1986; significant "overshoots" were subsequently recorded in both 1988 and 1989.

Rather more success was attained in reaching the targets in all of these years when allowance is made for changes in M3's velocity of circulation, i.e. when the targets are taken to apply to the "effective" or "velocity-adjusted" money supply (MV rather than "just M"). Such adjustments for velocity changes, however, have failed to impress a number of observers. They have also given rise to the *misunderstanding* that the Bank is in effect targeting MV rather than M3; since MV equals Py (as noted earlier), this would amount to targeting the money value of the gross domestic product at current prices.

Certain arguments may, however, be advanced why velocity changes *should* be taken into account in judging the success or failure of a targeting exercise and in determining the feedback effects that observed rates of money growth should be allowed to have on the authorities' policy actions:

- Changes in M3's velocity of circulation in the South African economy have been indicative, primarily, of major shifts in the "disintermediation" or "reintermediation" of bank credit (i.e. in the *substitution* of *direct lending* between non-banking parties for credit previously or normally extended by banks, and vice

versa), and of decreases or increases in deposit holdings by private-sector parties on account of changes in their "liquidity preference proper". Disintermediation and reintermediation phenomena do not in themselves amount to a decrease or increase in the *overall* extension of credit by *both* bank and non-bank lending parties.⁷ At the same time, deposits held for satisfying a need for "liquidity preference proper" by their very nature are not being held for spending purposes. Such deposits, therefore, are not inflationary in themselves, do not foreshadow or accompany an increase in spending, and are not indicative or representative of inflationary developments in the economy.⁸

- Failure to accommodate "liquidity preference proper", or the taking of steps to counteract the effect of increased liquidity preference on the measured money supply, would, therefore, amount to subjecting the economy to unduly and unnecessarily restrictive policies. Such policies would then be needlessly constrictive or unduly damaging to economic activity in the prevailing situation.

Changes in velocity, however, highlight one of at least two structural features that greatly complicate the task of successful targeting in South Africa within a one-year targeting period. Firstly, reintermediation phenomena – causing accelerated growth in the measured money supply and a corresponding decline in money's velocity of circulation – tend to occur during periods of strong credit demand and rising interest rates; these are also periods which customarily show a narrowing of the banks' average lending rate/deposit rate differentials. "Perverse" accelerations of money growth rates *in periods of high or rising interest rates* are not unknown in other Western economies with regard to growth rates of the more comprehensive monetary aggregates in particular. The general structure, household/company distribution, and high degree of concentration of deposit holdings in South Africa do, however, seem to make the South African

monetary system more strongly pre-disposed to this kind of "perversion" than is true of the monetary systems of these overseas economies.

Secondly, in South Africa as elsewhere, substantial *lags* normally occur in the visible effects of monetary policy measures on real economic activity. The "real" economy may not react observably for some three to five quarters after the introduction of a policy change; the inflation rates customarily respond even more tardily. These lags are long in proportion to the targeting period of one calendar year. During the lags in their "real" effects, moreover, increases in interest rates as part of a tighter money policy may (through various channels, such as distress borrowing and the debiting of interest) actually cause bank credit and the money supply to expand more rapidly than before. Developments of this nature may make the authorities' actions – even when these are wholly appropriate and will eventually succeed in their purpose – look worse than merely ineffective for some time at least and may reflect unfavourably on the authorities' credibility. They also carry a risk of an eventual over-reaction ("overkill", "doing too little in time and too much too late") in the manner in which the authorities conduct their monetary policies.

⁷ Note that reintermediation and disintermediation are *substitution* phenomena: "primary lender" A, when reintermediating, in effect elects to extend credit to "ultimate borrower" B via a banking institution rather than direct. The bank's lending to B *takes the place* of A's lending to B: there is no net increase in the aggregate lending to ultimate borrowers in the economy. Also note that the reintermediation process, although resulting in an increase in the measured money supply and in total bank credit, actually is *restrictive* in itself: it is restrictive inasmuch as the banks, experiencing an increase in their total assets and in their liabilities to the public, will also experience a shortfall in their statutorily required minimum cash reserve holdings, and may also come to experience a tightness in their liquid asset holdings where no such tightness existed before.

⁸ In a more extensive discussion of these matters it should be pointed out that, in systems where the money supply is essentially *demand-determined*, such deposit holdings should also not necessarily be regarded as harbouring an inflation *potential*. (A subsequent decline in the demand for such deposits, on account of a waning of "liquidity preference proper", will cause such deposits to be *destroyed* – rather than *spent* – unless *other* factors, which should then be encouraging to spending, are at work at the same time.)

Notes to tables

Removal of SWA/Namibia data from South African statistics

Independence of the Republic of Namibia with effect from 21 March 1990 has necessitated adjustments to all time series and other statistics in the *Quarterly Bulletin* which, in the past, have contained elements pertaining to the SWA/Namibian economy, the Government of SWA/Namibia and/or the SWA/Namibian monetary and financial system.

Without exception, data as published in Tables S-2 to S-115 in the March 1990 issue of the *Quarterly Bulletin* still included, where relevant, information relating to the SWA/Namibian economy. In contrast, all statistical series and other data as published in the present (June 1990) issue of the *Quarterly Bulletin* (with the exception of one set of tables in the International Economic Relations section, as noted below) have been revised to exclude elements pertaining to the SWA/Namibian or Namibian economy wherever it has been possible to do so.

Further notes and observations concerning the removal of Namibia from the South African time series in the areas of money and banking, international economic relations, the national accounts, government finance and capital market are provided below.

Money and banking. – The balance sheet data and the monetary and credit aggregates, as presented in the revised Tables S-2 up to S-28, now reflect the non-inclusion of banks that are registered in Namibia (which were all commercial banks) in the banking sector, the reclassification of deposits of the Government of Namibia with South African banks as foreign government deposits rather than as domestic government deposits, and the reclassification of loans and advances to, and securities of, the Namibian Government held by South African banks as foreign assets of these banks rather than as claims of these banks on the government sector. However, because of non-availability of the requisite information, it has not been possible to reclassify as foreign liabilities and assets of South African banks those liabilities and assets which have arisen in the past from the banks' transactions with private-sector residents of SWA/Namibia or Namibia.

The exclusion of Namibia from the South African money and banking statistics has generally had only a comparatively small effect on the levels of the main monetary and credit aggregates. For example, whereas the level of M3 at the end of February 1990 amounted to R147 643 million when Namibia was still included, the exclusion of Namibia has reduced this level to R146 257 million, or by 0,94 per cent. The twelve-month rates of increase in the monetary and credit

aggregates have similarly been affected only marginally. The twelve-month rate of increase in M3 as in February 1990, for example, amounted to 21,36 per cent when Namibia was still included and to 21,17 per cent after the exclusion of Namibia from the monetary and banking statistics.

International economic relations. – The tables in this section of the Statistical Tables part of the *Quarterly Bulletin* which are affected by the exclusion of Namibia, are S-64 to S-70 and S-114 to S-115. In the present (June 1990) issue of the *Bulletin*, suitably adjusted and revised time series and other data are shown in Tables S-64 to S-71, S-114 and S-115. *The data on South Africa's foreign transactions, assets and liabilities, as set out in Tables S-72 to S-78, will be revised only after the census of foreign transactions, liabilities and assets, which is currently in the process of being conducted, has been completed.*

To ensure the consistency of the available time series, all balance of payments data have been revised from 1980 onwards. Data for the years prior to 1980 will be revised as soon as possible.

Apart from the adjustments necessitated by the exclusion of Namibia from the official balance of payments statistics, other adjustments and revisions – as based on new, more complete or accurate, and up-to-date information - have been made simultaneously to improve the general quality of the statistics provided.

Trade statistics released by the Commissioner of Customs and Excise will continue to cover the entire Southern African Customs Union. They will, therefore, continue to include trade statistics in respect of Namibia for as long as the Republic of Namibia remains part of the Customs Union.

The exclusion of Namibia from the South African balance of payments statistics has had major effects on, for example, the surpluses registered on the current account of the balance of payments in the four quarters of 1989. The general impact of the exclusion of Namibia has been to lower these surpluses. To a major extent, this arises from the fact that transfer payments to SWA/Namibia now rank as transfer payments to non-residents.

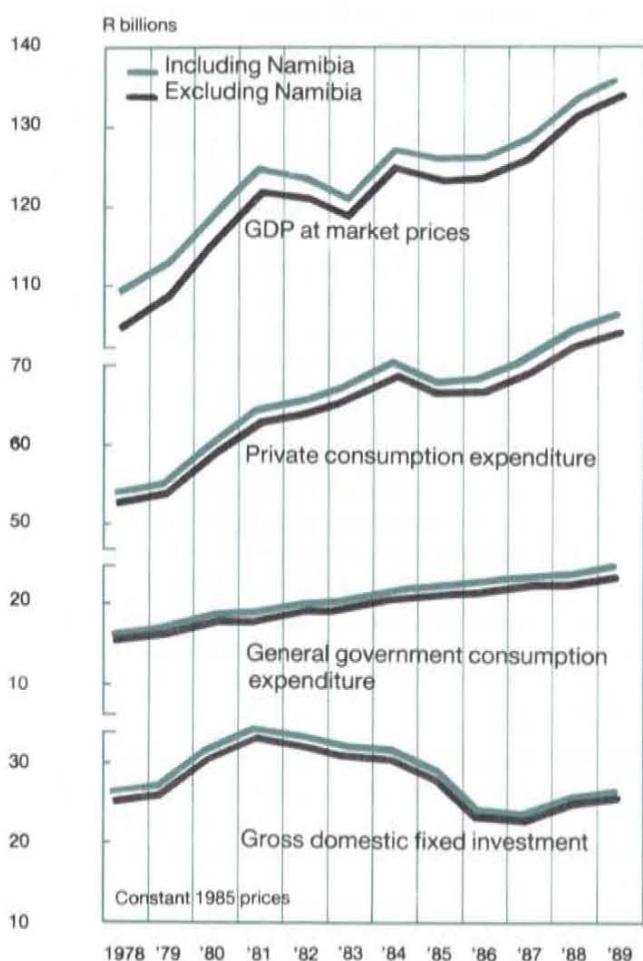
The national accounts. – Exclusion of SWA/Namibia from the national accounts statistics as compiled by the Economics Department of the Reserve Bank means that these accounts now consist of production, expenditure and savings accounts for the Republic of South Africa (including the so-called self-governing states) and for the Republics of Transkei, Bophuthatswana, Venda and Ciskei only.

All historical national accounts data have been re-

vised and are comparable. However, all derived series which depend on balance of payments statistics are available in revised form from 1980 only. The national accounts data for the years prior to 1980 will be adjusted when the necessary revisions have been made to the relevant balance of payments data for the years concerned.

Exclusion of SWA/Namibia from the aggregate national accounts estimates produces somewhat lower absolute values for virtually all major components of income, expenditure and saving. As is also brought out by the accompanying graphs, however, the cyclical trends in the major national accounts aggregates on an annual basis are not affected by this exclusion to any significant degree. The differences in the year-to-year growth rates in the real gross domestic product and in the components of real final domestic demand before and after exclusion of SWA/Namibia do not exceed 0,5 percentage points in any year.

Comparison of major national accounts components



Estimates with regard to the various macro-economic aggregates in SWA/Namibia relative to the size of these aggregates in South Africa, ranged from a maximum of nearly 5 per cent in respect of real consumption expenditure by general government to not more than 4 per cent in respect of real gross domestic fixed investment, 3 per cent in respect of the real gross domestic product, and only 2½ per cent in respect of real private consumption expenditure.

More significant differences are apparent in a comparison of the *quarter-to-quarter* rates of growth in the various macro-economic aggregates before and after exclusion of SWA/Namibia. This is mainly a reflection of the greater volatility displayed by quarter-to-quarter changes in these aggregates on account of fluctuations in (for instance) value added by important sectors such as agriculture and the mining industry.

Data excluding SWA/Namibia were arrived at by subtracting from the existing national accounts estimates the aggregate estimates that had originally been included in respect of SWA/Namibia. Notably with regard to the period more immediately prior to Namibian independence (which saw a pick-up in Namibian economic activity in various sectors, such as construction and various service industries), these "add-ons" to the South African data with regard to SWA/Namibia (which have now been subtracted again) may be mild underestimates of the quantities actually involved. For this and related reasons, the "derived" estimates for South Africa, excluding SWA/Namibia, and the estimates of the national accounts statistics for SWA/Namibia that have been published by the SWA/Namibian Department of Finance since 1982, will not necessarily add up to the "old" national accounts series including SWA/Namibia for the years concerned.

Government finance. – Adjustments have been made to Tables S-55, S-56 and S-62 to S-63 as follows:-

Table S-55: Financing of the Exchequer Account deficit. Changes in the net indebtedness of the Exchequer Account to Namibian banks have been transferred from the "Banking sector" to the "Foreign sector" with effect from February 1987.

Table S-56: Government deposits. The deposits of the former Administration of South West Africa have been excluded throughout from the deposits of Provincial Administrations.

Tables S-62 to S-63: Ownership distribution of domestic marketable stock debt of Central Government. Holdings of such stocks by the SWA/Namibian or Namibian commercial banks have been transferred from "Commercial banks" to "Other holders" with effect from February 1987.

Capital market. – The following adjustments have been made:-

Tables S-31 to S-33: Permanent building societies: liabilities, assets, and selected items and transactions: Information relating to building societies in SWA/Namibia.

Namibia or Namibia has been excluded as from January 1990.

Table S-34: Permanent building societies: classification of depositors, shareholders and borrowers: Information relating to SWA/Namibian or Namibian building societies has been excluded from 1981. Data relating to the transactions or relationships of residents of SWA/Namibia or Namibia with South African building societies have been reclassified from "resident" to "non-resident".

Table S-35: Deposit-receiving and other savings institutions: Information relating to SWA/Namibian or Namibian institutions has been excluded as follows:

- in the case of banking institutions, as from the first quarter of 1987;
- in the case of building societies, as from the first quarter of 1990;
- in the case of participation mortgage bond schemes, as from the first quarter of 1986.

Table S-36: Participation mortgage bond schemes: Information relating to such schemes in SWA/Namibia or Namibia has been excluded as from the first quarter of 1986.

Table S-42: Non-financial public enterprises: liabilities and assets: Information relating to SWA/Namibian or Namibian enterprises has been excluded as from the fourth quarter of 1984.

In all these cases, the data for dates prior to the dates indicated will be adjusted for the removal of Namibia as soon as possible.

Kwartaallikse ekonomiese oorsig

Inleiding

Die totale reële produksie in die Suid-Afrikaanse ekonomie het in die eerste kwartaal van 1990 'n lige verdere afname getoon teen 'n seisoensaangesuiwerde jaarkoers wat volgens die voorlopige ramings ongeveer 1½ persent beloop het. Dit het gevolg op 'n daling teen 'n soortgelyke koers in die vierde kwartaal van 1989.

Tegnies kan die opeenvolging van twee kwartale ná mekaar waarin die reële produksie teen negatiewe koerse gegroei het, geag word om te beteken dat die "konsolidasie" van die ekonomie wat in die loop van 1989 ondervind is, nou die omvang van 'n lige resessie aangeneem het. Die "sagte-landings"-karakter of deurgaans baie geleidelike aard van die konjunkturele verlangsaming van die ekonomie sedert die eerste kwartaal van 1989 behoort uiteraard nie beskou te word as onverenigbaar met geringe dalings wat uiteindelik wel in die totale reële binnelandse vraag en produksie kan intree nie.

Die matige daling wat die reële bruto binnelandse produk in die vierde kwartaal van 1989 aan die dag gelê het, was egter wesenlik slegs die gevolg van 'n skerp afname in die reële toegevoegde waarde in die landbou (nadat die insameling van die groot mielie-oes van 1988/89 in die derde kwartaal van 1989 voltooi is). Op soortgelyke wyse kon die lige verdere insinking van die reële binnelandse produk in die eerste kwartaal van 1989 hoofsaaklik toegeskryf word aan 'n mate van verdere inkrimping van die reële toegevoegde waarde in die landbou, asook aan aanmerklik meer belangrike dalings in die fisiese produksie van die mynbousektor, en wel veral in die goudmynbedryf.

Die sekondêre of nywerheidsektore het in die eerste kwartaal van 1990 slegs 'n geringe daling in hul totale reële produksie getoon; die reële toegevoegde waarde in die tersiêre sektore (die handels- en dienstesekture) het voortgegaan om teen 'n matige jaarkoers van effens meer as 2 persent toe te neem. Die totale reële produksie van die *nie-primêre* sektore van die ekonomie (waarby die landbou- en mynbouproduksie dus nie ingesluit is nie) het dienooreenkomsdig in die eerste kwartaal van 1990 nog teen 'n jaarkoers van omstreeks 1½ persent gestyg. Die feit dat die vlak van die *totale* reële bruto binnelandse produk in die eerste kwartaal van 1990 ietwat laer was as die gemiddelde kwartaallikse vlak van die totale reële produksie in 1989, beteken egter wel dat die groei van kwartaal tot kwartaal in die oorblywende drie kwartale van 1990 taamlik beduidende positiewe koerse moet behaal om van die kalenderjaar 1989 tot die kalenderjaar 1990 in sy geheel nog reële groei teen 'n nie-negatiewe koers tot stand te bring. In die tans bestaande omstandig-

hede (en sonder die hulp van 'n verdere ongewoon goeie oesjaar in die landbou) sal die ekonomie dit moontlik ietwat moeilik vind om hieraan te voldoen.

Aan die bestedingskant van die ekonomie is daar in die eerste kwartaal van 1990 (vir die vierde agtereenvolgende kwartaal, maar teen 'n aanmerklik meer gematigde tempo as in die voorafgaande twee kwartale) 'n voortsetting van die daling in die totale *reële bruto binnelandse besteding* aangeteken. 'n Matige afname het vir die tweede opeenvolgende kwartaal in die reële bruto binnelandse vaste investering voorgekom; die totale reële voorrade het eweneens verdere afnames getoon. Hierteenoor is daar veral in die totale reële owerheidsverbruiksbesteding aan intermediêre goedere en dienste 'n belangrike stygting aangeteken. 'n Matige verdere stygting is – ten spyte van huishoudings se verdere besnoeiing van hul reële besteding aan duursame sowel as semi-duursame goedere – ook deur die totale reële private verbruiksbesteding aan die dag gelê.

In die *arbeidsmark* het die toenames in die totale werkverskaffing buite die landbou in die loop van die eerste drie kwartale van 1989 herstel tot by 'n groekoers wat (ná seisoensaansuiwering en omrekening na 'n jaarvlak) die koerse van toename in die werkverskaffing van jaar tot jaar gedurende die opgangsjare 1986-1988 beduidend te bove gegaan het. Sodanige inligting as wat tans vir die vierde kwartaal van 1989 beskikbaar is, dui egter op 'n verlangsaming van die toenames in die werkverskaffing, of selfs op werklike afnames in die totale werkverskaffing, teen die einde van die jaar. Die geregistreerde *werkloosheid* onder die Blanke, Kleurling- en Asiérbevolkingsgroepe, en die werkloosheid onder Swart werkers soos dit deur die Lopende Bevolkingsopname gemeet word, het in die derde en 'n deel van die vierde kwartaal van 1989, in skynbare teenstryd met die afkoeling van die ekonomie, hernieuwe afnames getoon. Die jongste beskikbare gegewens vir die laaste deel van 1989 en die begin van 1990 toon nog steeds geen aanmerklike opwaartse neiging nie.

Die *inflasiekoste*, wat in die tweede kwartaal of teen die middel van 1989 hul jongste hoogtepunte bereik het, het in die meeste gevalle in die tweede helfte van 1989 beduidend teruggesak en in die eerste drie maande van 1990 met hierdie verbetering voortgegaan. Die lige afwaartse beweging (en enkele heelwat meer dramatiese verbeterings) van die inflasiekoste vanaf die middel van 1989 het steun ontleen aan die fermer ondertoon, die beduidende verstewiging en die slegs geringe daaropvolgende verswakking wat die effektiewe wisselkoers van die rand in die derde en die vierde kwartaal van 1989 en die eerste kwartaal van 1990 aan die dag gelê het. Gedurende 'n groot deel

van hierdie periode het die opheldering van die inflasioneel egter plaasgevind teen 'n agtergrond van versnelende nominale loonsverhogings en van eenheidsarbeidskoste wat sowel reëel as nominaal gestyg het. Hierbenewens is daar tot dusver vergelykenderwys nog slegs min vordering gemaak met die verlaging van die koers van die inflasie in die verbruikerspryse – veral indien hierdie koers oor periodes van twaalf maande bereken word.

Die matige verdere verslapping van die totale reële bruto binnelandse besteding in die eerste kwartaal van 1990 het daar toe bygedra om die oorskot op die lopende rekening van die betalingsbalans verder op te bou. Hierdie oorskot het verruum onder die invloed van 'n beduidende herstel van die goedere-uitvoerverdienstes en van 'n aansienlike daling in die netto dienstes- en oordragbetalings aan buitelanders vanaf die ongewoon hoë peil waarop hierdie betalings in die voorafgaande kwartaal te staan gekom het. Hierdie twee positiewe faktore het meer as vergoed vir 'n aanmerklike daling in die waarde van die netto gouduitvoer en vir 'n sekere hernieuwe styging in die goedere-invoer.

'n Dramatiese verbetering kon – hoofsaaklik vanweë 'n baie groot ommeswaai in die bewegings van korttermynkapitaal – in die eerste kwartaal van 1990 op die kapitaalrekening van die betalingsbalans waargeneem word. Gesamentlik het die oorskot op die lopende rekening en die klein oorblywende netto uitvloeiing van kapitaal nie verwant aan reserwes nie, daar toe gelei dat die totale Suid-Afrikaanse bruto sowel as netto reserwes gedurende hierdie periode in belangrike mate verstewig het. Terugbetalings van buitelandse lenings wat in 1986 in lenings met 'n driejarige looptyd omskep is, en terugbetalings op ander skulde buite die stilstandsnet, het egter meegebring dat die Reserwebank se bruto buitelandse-batebesit in April beduidend en ook in Mei in 'n meer beperkte mate teruggesak het.

Die effektiewe wisselkoers van die rand het in Januarie-Februarie 1990 in geringe mate en in Maart meer beduidend verswak. Nadat dit in April stabiel gebly het, het dit in Mei weer 'n effense daling getoon.

Die afkoeling van die ekonomie het by toeneming in verlangsamings van die groeikoerse in die kredietverlening van monetêre instellings aan die private sektor en, in 'n duidelik minder indrukwekkende mate, ook in dié van die M3-geldvoorraad tot uiting gekom. Die verlangaming van hierdie groeikoerse vanaf laat in 1988 tot en met 1989 en die eerste deel van 1990 het die meeste van hierdie koerse egter eers onlangs tot op peile van minder as 20 persent afgebring. Die tempo van die monetêre uitbreiding het derhalwe tot dusver nog steeds op beduidend hoër vlakke gebly as wat in vergelykbare stadiums van die verlangaming in die verlening van nuwe krediet vanaf laat in 1984 tot vroeg in 1987 die geval was; hierbenewens het die mate waarin die groeikoers in M3 oor periodes van twaalf maande vanaf sy hoogtepunt in Augustus 1988 terug-

gesak het, ook duidelik nie daarin geslaag om die omvang van die verlangaming oor vergelykbare periodes gedurende hierdie vroeëre tydperk te ewenaar nie.

Die groei in die monetêre totale en in die bankkrediet is in 1988 en 1989 opgestoot deur "egte likwiditeitsvoordeur" en deur herintermediasieverkynsels. Die vinnige uitbreiding van bankinstellings se verbintenissoos ingevolge terugkoopooreenkomste, wat veral gedurende sekere dele van 1989 na vore getree het, was 'n weerspieëeling van hierdie instellings se pogings om 'n gedeeltelike ommekeer van hierdie prosesse te bewerkstellig. Die baie groot omvang van die totaal aan uitstaande terugkoopooreenkomste het die Reserwebank daar toe gelei om, hoofsaaklik ter wille van die behoud van gesonde bankpraktekye, op 24 April aan te kondig dat die bedrag waarmee bankinstellings se terugkoopverpligtings die vlak van hierdie verpligtings soos aan die einde van Februarie 1990 oorskry, aan kontantreserwe- en likwiedebatevereistes onderhewig gestel sou word.

Soos die statistieke van die nasionale rekeninge vir die eerste kwartaal van 1990 en die meeste meer onlangs beskikbare lesings van konjunkturgevoelige tydreeks hulle in die middel van Junie 1990 aan waarnemers voorgedoen het, het hierdie gegevens nog geen aanduiding gegee van 'n belangrike verswakkking van die algemene saketoestand of van 'n skerp en skielike afwaartse aanpassing van die ekonomiese bedrywigheid nie. Sekere gebeurtenisse het egter wel "afwaarts gewys" of gedui op 'n moontlike versnelling van die tempo waarteen die ekonomie tans besig mag wees om af te koel.

In die eerste plek tree afwaartse neigings na vore uit die jongste verloop van onder andere die netto nuwe registrasies van maatskappye, die groot- en kleinhandelsomsette teen konstante pryse, en die aantal nuwe motorvoertuie verkoop. Die motorhandelaars het egter ook te kampe gehad met ongerekende aflewerings en ontoereikende voorrade en het in werklikheid gedurende Mei weer 'n aanmerklike herstel van hul verkoop-syfers ondervind.

In die tweede plek het die verlangaming van die uitbreidingstempo van nuwe bankkrediet aan die private sektor (wat skynbaar 'n weerspieëeling is van bankinstellings se verhoogde teësinnigheid om uit teleen sowel as van private leners se verhoogde onwilligheid of onvermoë om teleen) nou reeds heel aansienlike vordering gemaak. Die mees onlangs aangetekende stygings in die banke se eise teen die private sektor lê ná aan die Reserwebank se moreel voorgeskrewe rig-snoer van nie meer as 1 persent per maand nie. Hulle lê ook ná aan die punt waar daar reëel gesproke of ná aansuiwing vir die inflasie, geen groei in die uitstaande bankkrediet sal wees nie.

In die derde plek wil dit lyk asof die "vertroue" in April, Mei en Junie 1990 nie daarin kon slaag om die deurgaans hoë peil daarvan wat in die eerste paar maande van die jaar bestaan het, ten volle te handhaaf nie. Dit

wil voorkom asof die gemoedstoestand in die sakewêreld en onder verbruikers, onder andere op grond van die vinnige onlangse en te wagte maatskaplike politieke ontwikkelings en die potensieel gewigste maar slegs baie dof vooruitsienbare aard van hierdie gebeure, meer "kwesbaar" geraak het. 'n Gemoedstoestand van minder opgewekte vertroue het ook geneig om voort te spruit uit dalings van die goudprys soos dié wat laat in Maart en teen die einde van Mei en in die begin van Junie ingetree het, en uit die invloed wat hierdie goudprysbewegings op die verloop van die aandelepryse op die effektebeurs uitgeoefen het.

Dit lyk waarskynlik dat die totale reële produksie van die ekonomie in die tweede kwartaal van 1990 die afwaartse uitwerking sal toon van die gebruiklike opeenvolging van openbare vakansiedae en lang naweke in April en Mei sowel as van onlangse toenames in die voorkoms van polities-geïnspireerde absentisme, wegblêry en arbeidsonrus, onlangse en huidige gevallen van wrywing tussen bevolkingsgroepe in sekere dele van die land, en onlangse en huidige gevallen van vakbondoptrede in verskeie sektore en sub-sektore van die ekonomie. Teenoor hierdie verskeie negatiewe elemente vestig die hoofteks van hierdie *Oorsig* egter ook die aandag op faktore wat daartoe sal neig om die verbruiksbesteding van die private sektor in die kwartale wat voorlê, op peil te hou. Hierbenewens is dit moontlik dat daar van die Staat se bestedingsbeleid in die fiskale jaar 1990/91 'n groter stimulerende invloed sal uitgaan as waarvoor daar in die Begroting van Maart 1990 voorsiening gemaak is.

Die *kapitaalmarkte* was in die eerste kwartaal van 1990 getuie van verdere baie groot toenames in die omsette van aandele en van effekte van die openbare sektor wat op die beurs verhandel word. Die aandelepryse het ook 'n matige verdere herstel getoon, terwyl daar 'n verdere stygging in die waarde van die transaksies in vaste eiendom aangeteken is. In April het daar egter 'n skerp daling in die bedrywigheid van die handel in sowel effekte as aandele, asook 'n mate van algemene verswakkning van die aandelepryse, ingetree.

In die *geldmark* het die betreklike stram toestande nog voortgeduur; die daggeldkoerse in die mark het oor die maandeindes van Januarie tot Mei 1990 tot onderskeidelik 21,25; 20,00; 20,25; 21,00 en 20,75 persent gestyg. Hierteenoor het die koerse op korttermyn-geldmarkinstrumente ná die Bankkoersverhoging van Oktober 1989 'n betreklik hoë mate van stabiliteit aan die dag gelê. *Onder andere* om die verruimende invloed teen te werk wat stygings in die Reserwebank se netto besit aan buitelandse reserwes op die marktoestand uitgeoefen het, het die Bank vanaf 23 Februarie 1990 van tyd tot tyd gebruik gemaak van dollar-ruiloooreenkoms wat met die vooraanstaande banke aangegaan is.

Binnelandse ekonomiese ontwikkelings

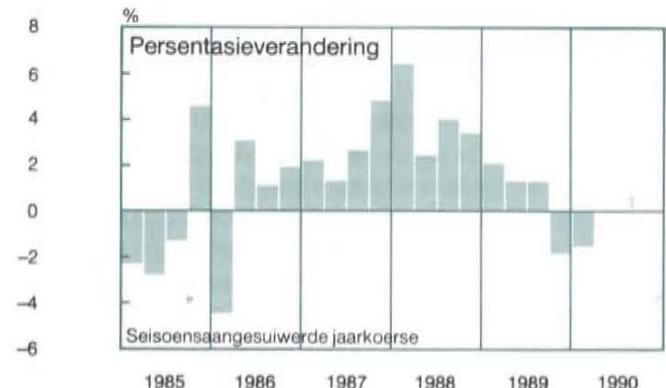
Binnelandse produksie

Die eerste ramings van die nasionale rekeninge dui aan dat die Suid-Afrikaanse reële bruto binnelandse produk in die eerste kwartaal van 1990 verder ingekrimp het. Die tans beskikbare inligting dui daarop dat die tempo van hierdie afname 'n seisoensaangesuiwerde jaarkoers van ongeveer 1½ persent beloop het. Dit volg op 'n afname teen 'n soortgelyke koers in die vierde kwartaal van 1989.

Ramings van die produksie volgens sektore toon dat die reële toegevoegde waarde in die *primêre sektore*, dit wil sê in die landbou en die mynbou, in die eerste kwartaal van 1990 beduidend afgeneem het. In die mynbousektor het die daling in die reële produksie in die eerste kwartaal van 1990 op 'n seisoensaangesuiwerde jaarkoers van nie minder nie as 12 persent te staan gekom. Dit was die gevolg van 'n aansienlik laer produksie van goud en van betreklik oninspirerende produksieprestasies in ander onderafdelings van die mynboubedryf. Die goudmynbou is – behalwe deur sy langertermynprobleem van vasgeklemdheid tussen stygende bedryfskoste aan die een kant en langdurige betreklike slapte van die goudprys aan die ander kant – nadruklik getref deur sporadiese arbeidsonrus, tegniese probleme by sekere myne en 'n gevoldlike afname in die vergruisingsbedrywigheid. Terselfertyd is daar ook 'n daling in die gemiddelde goudgehalte van die vergruisde erts ondervind.

Die reële produksie in die *sekondêre sektore*, dit wil sê in die nywerheidsektore, het, na dit wil voorkom, in die eerste kwartaal van 1990 effens gedaal vanaf dievlakte wat dit in die vierde kwartaal van 1989 bereik het. Klein afnames in die reële toegevoegde waarde van die fabriekswese en in die konstruksiebedryf het meer as ten volle opgeweeg teen die effense

Reële bruto binnelandse produk



uitbreiding van die reële produksie wat in die sektor elektrisiteit, gas en water aangeteken is. Produksieafnames in die fabriekswese is hoofsaaklik in die subsektore voedsel, papier en drukwerk, en onedele metale aangeteken. Verhoogde produksievlekke het egter in die nie-metaalhoudende mineraalproduksie en in die vervaardiging van masjinerie en vervoertoerusting voorgekom.

Die reële toegevoegde waarde in die *tertiere sektore*, dit wil sê in die handels- en dienstesektore, het na raming in die eerste kwartaal van 1990 matig toegenem, naamlik teen 'n jaarkoers van effens meer as 2 persent. Dit wil voorkom asof produksietoenames in bykans alle tersiêre sektore aangeteken is; die tempo van hierdie toenames het, teen jaarkoerse, van 1 tot ongeveer $2\frac{1}{2}$ persent gewissel.

Die betreklik stewige koerse van die reële produksiegroei in die tersiêre sektore kon onder andere toege-skryf word aan die volgehoud sterke van die buitelandse vraag en aan die positiewe gemoedstoestand wat gedurende die grootste deel van die eerste drie maande van 1990 nog met betrekking tot die Suid-Afrikaanse maatskaplik-politieke situasie onder die

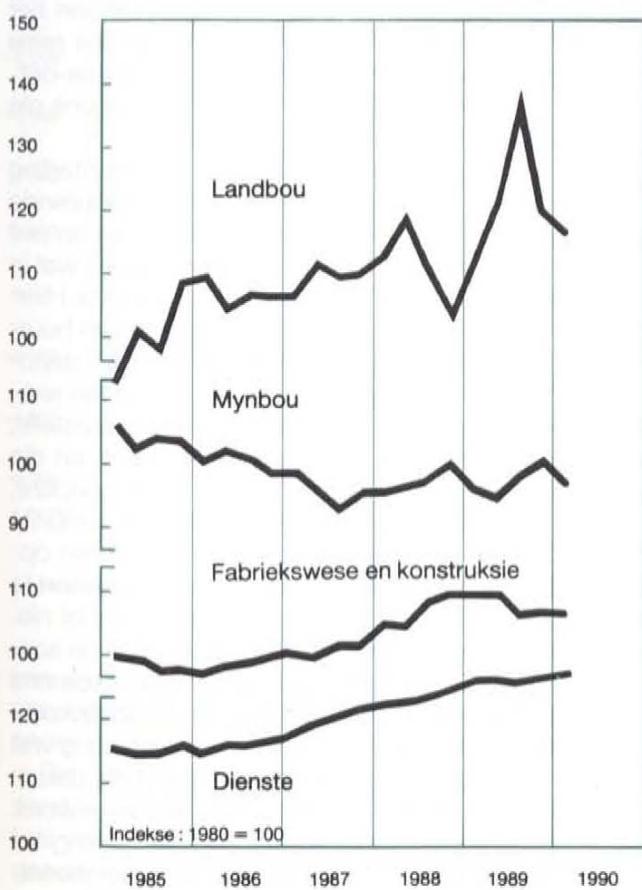
grootste deel van sowel die huishoudelike as die sake-sektor bestaan het.

Binne die totaal van die tersiêre bedrywigheid het bykans al die subsektore van *vervoer* en van die *finansiewese* positiewe reële groei getoon. In die *handelssektor* het sowel die groot- as die kleinhandel verbeterings aan die dag gelê. Die reële toegevoegde waarde van die motorhandel het daarenteen teen 'n jaarkoers van ongeveer 7 persent ingekrimp. Die motorhandel is ongunstig geraak deur besnoeiings van huishoudings se reële duursame verbruiksbesteding, minder gunstige oesvooruitsigte in die landbou, en verminderende besteding aan reële investering deur sakeonderneemings. Daarbenewens het motorhandelaars te kampe gehad met belemmerings van die aanvoer wat veral die afset van swaar handelsvoertuie nadelig beïnvloed het.

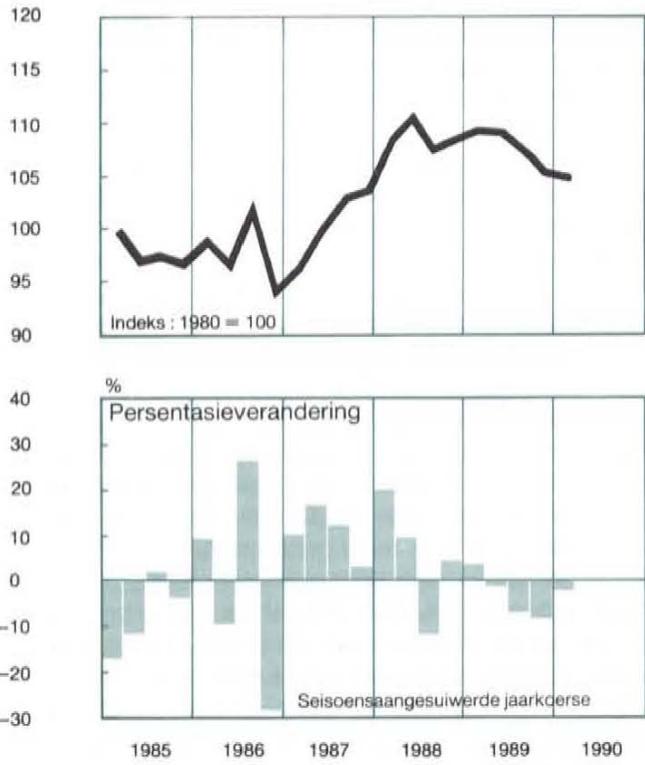
Binnelandse besteding

Die totale reële bruto binnelandse besteding het in die tweede kwartaal van 1989 teen 'n jaarkoers van $1\frac{1}{2}$ persent en in die derde en die vierde kwartaal teen jaarkoerse van $6\frac{1}{2}$ en $7\frac{1}{2}$ persent afgeneem. Die huidige ramings dui daarop dat hierdie afnames in die totale reële besteding in die eerste kwartaal van 1990 vir 'n vierde opeenvolgende kwartaal voortgesit is,

Komponente van reële bruto binnelandse produk



Reële bruto binnelandse besteding



maar teen 'n laer koers wat voorlopig op effens meer as 1½ persent geraam word.

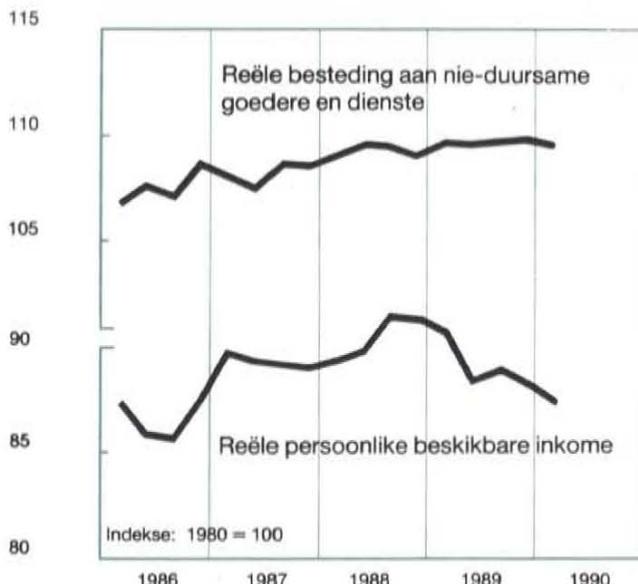
As gevolg van die inkrimping van die totale reële bruto binnelandse besteding in die tweede kwartaal van 1989 en daarná, was die vlak van hierdie besteding in die eerste kwartaal van 1990 bykans 5 persent laer as in die eerste kwartaal van 1989.

Die verlangsaming van die koers waarteen die totale reële bruto binnelandse besteding van die tweede helfte van 1989 tot die eerste kwartaal van 1990 ingekrimp het, kon toegeskryf word aan 'n effense herversneling van die groei in die reële private verbruiksbesteding en aan 'n groot toename in die reële overhedsverbruiksbesteding van kwartaal tot kwartaal nadat hierdie besteding drie kwartale ná mekaar afgeneem het. Daarteenoor het die totale reële bruto binnelandse vaste investering volgens die voorlopige ramings verder gedaal, terwyl verdere verminderings na raming ook in die totale reële voorrade voorgekom het.

Die matige toename in die reële *private verbruiksbesteding* was hoofsaaklik gebaseer op toenames in die reële besteding aan nie-duursame goedere en aan dienste. Hierdie toenames het meer as vergoed vir verdere afnames (wat weliswaar teen laer koerse as in die voorafgaande twee kwartale plaasgevind het) in huishoudings se reële besteding aan duursame en semi-duursame goedere. Die tempo van die inkrimping in huishoudings se reële besteding aan *duursame verbruiksgoedere*, wat in die tweede helfte van 1989 'n gemiddelde jaarkoers van 11½ persent bereik het, het in die eerste kwartaal van 1990 aanmerklik afgeneem. Dit kon toegeskryf word aan 'n verlangsaming van die daling in huishoudings se reële besteding aan persoonlike vervoertoerusting en aan die feit dat hul reële besteding aan meubels nog steeds op 'n stetige peil gestaan het.

Die inkrimping van huishoudings se reële besteding aan *semi-duursame goedere* het voortgespruit uit verminderings van hul reële uitgawes aan bestedingsposte soos klerasie, huishoudelike tekstiele, en motoronderdele en -toebehore. Die matige toename in die totale reële besteding van die private sektor aan *nie-duursame verbruiksgoedere* en aan dienste was 'n weerspieëeling van die meer noodsaaiklike en nie-diskresionêre aard van die uitgawes in hierdie bestedingskategorieë, asook van die relatiewe verskuiwing in die rigting van nie-duursame besteding waardeur periodes van "konsolidasie" in die reële ekonomie en van terugsakkings in die reële persoonlike beskikbare inkomme per capita neig om gekenmerk te word. Sodaanige verskuiwings kan behels dat duursame besteding tot op sekere hoogte deur nie-duursame besteding vervang word, wat weer kan beteken dat die reële nie-duursame besteding per capita kan *toeneem* terwyl die *totale* reële verbruiksbesteding per capita in werklikheid besig is om af te neem. Benewens hierdie konjunktuurelemente, kon die onlangse toename in

Persoonlike beskikbare inkomme en besteding per capita

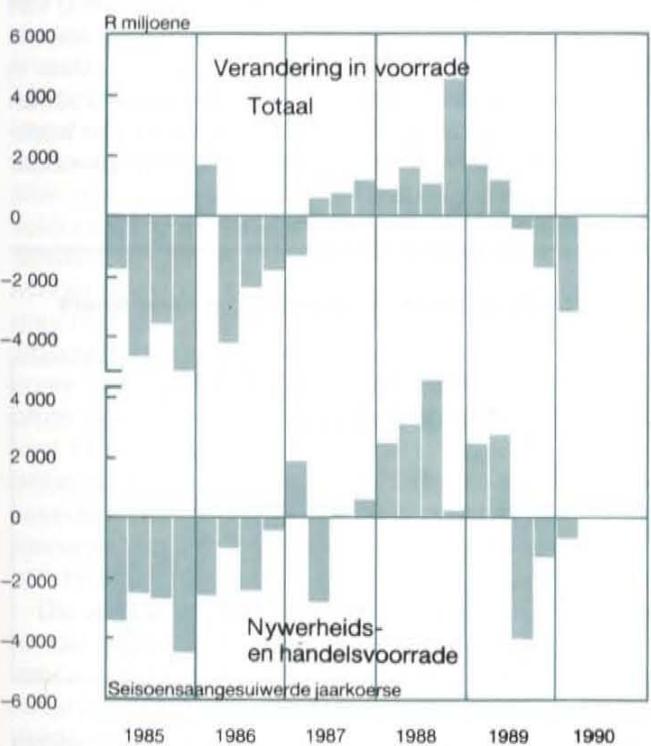
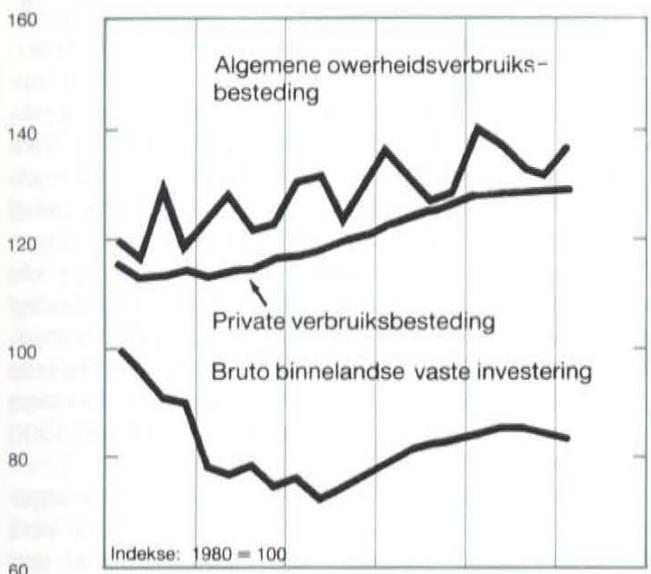


die relatiewe belangrikheid van die nie-duursame besteding binne die totaal van die reële private verbruiksbesteding moontlik egter ook die invloed getoon het wat deur verskuiwings in die *verdeling* van die reële persoonlike beskikbare inkomme tussen inkomme-ontvangers in verskillende kategorieë inkomme volgens die grootte daarvan, daarop uitgeoefen is.

Die vooruitsigte vir huishoudings se reële besteding aan duursame en semi-duursame goedere gedurende die res van 1990 behoort in beduidende mate op peil gehou te word deur sekere beleidsaanpassings wat in die eerste kwartaal van 1990 in werking gestel is. Hierby is onder andere ingesluit die verslapping van huurkoopvooraardes (met betrekking tot minimum deposito's en maksimum terugbetalingstydperke) ten aansien van artikels soos stowe, yskaste en televisiestelle, wat op 10 Maart 1990 van krag geword het, en die verlaging van die bo-belasting op ingevoerde goedere, wat in die Sentrale Regering se Begroting vir 1990/91 aangekondig is en waardeur prysverhogings ten opsigte van die betrokke goedere teruggehou behoort te word indien dit nie tot werklike prysverlaging lei nie.

Hierbenewens is daar in die Begroting verskeie aanpassings van die belasting op persoonlike inkomens aangekondig waaruit veral die laer- en middelinkomstegroepe voordeel behoort te trek; die verligting wat hierdie maatreëls meebring, behoort vanaf die datum van hul tenuitvoerlegging in Julie 1990 gevoel te word. Verbeterings is ook aangekondig met betrekking tot die lone en salarissose van verskeie groepes laagbesoldigde Staatsdienspersoneel. Daarteenoor sal verdere stappe in die proses van gefaseerde inwerkingstelling

Hoofkomponente van reële bruto binnelandse besteding



van die belasting op byvoordele die reële besteding aan duursame verbruiksgoedere (veral motorvoertuie) onder die hoër-inkomstegroepe ongunstig beïnvloed.

Die *reële owerheidsverbruiksbesteding* het in die eerste kwartaal van 1990 (dit wil sê in die laaste kwartaal van die fiskale jaar 1989/90), ná drie opeenvolgende kwartale van betekenisvolle bestedingsafnames, weer aansienlik gestyg. Die betrokke groot stygging in die eerste kwartaal van 1990 het hoofsaaklik

voortgespruit uit groot toenames in die reële owerheidsbesteding aan intermediêre goedere en dienste.

Die seisoensaangesuiwerde jaarkoers van toename in die reële owerheidsverbruiksbesteding in die eerste kwartaal van 1990 word op ongeveer 16½ persent geraam. Ofskoon hierdie koers van toename klaarblyklik hoog was, was dit nietemin aansienlik laer as die teenhanger daarvan in die eerste kwartaal van 1989, wat ongeveer 40 persent beloop het. Die jongste twee fiskale jare was in werklikheid getuie van 'n belangrike verskuiwing in die tydprofiel van die owerheidsverbruiksbesteding in die loop van hierdie twee fiskale jare: terwyl hierdie soort besteding normaalweg in die eerste kwartaal van fiskale jare sy seisoenshoogtepunt aangeteken het, het dit in die fiskale jaar 1988/89 sowel as 1989/90 eers in die laaste kwartaal sy hoogtepunt bereik.

Die vlak van die reële owerheidsverbruiksbesteding was in die eerste kwartaal van 1990 sowat 2½ persent *laer* as in die eerste kwartaal van 1989. Die totale reële owerheidsverbruiksbesteding in die fiskale *jaar* 1989/90 was na raming egter ongeveer 1 persent hoër as in die voorafgaande fiskale jaar, teenoor die toename van ongeveer 3 persent wat in die fiskale jaar 1988/89 aangeteken is.

Die groei in die totale reële *bruto binnelandse vaste investering* het in die derde kwartaal van 1989 bykans geheel en al weggekwyn; in die vierde kwartaal van 1989 het die bruto vaste investering vervolgens teen 'n jaarkoers van ongeveer 4½ persent ingekrimp. Die huidige aanduidings is dat hierdie daling in die eerste kwartaal van 1990 teen 'n jaarkoers van ongeveer 4 persent voortgesit is.

In die *private* sektor is daar in die eerste kwartaal van 1990 afnames aangeteken in die reële vaste investering in die landbousektor, die konstruksiebedryf en die finansiewese. In die geval van die landbou is die reële vaste investering teruggehou deur vooruitsigte vir ooste, en vir die boere se reële bruto inkomens, wat in 1990 minder gunstig is as in 1989; deur die betreklik hoë reële rentekoerse; en deur die neiging om marginale landbougrond aan bewerking te onttrek. Die kapitaalvorming in die konstruksiebedryf word beïnvloed deur die besnoeiing van die owerheidsbesteding aan deurpaaie en ander infrastrukturele kapitaalwerke; hierbenewens lyk dit onwaarskynlik dat die reële besteding aan woongeboue (en aan ondersteunende konstruksiewerk, soos paale en strate, riolstelsels en krag- en waterverspreiding) van 1989 tot 1990 sal toeneem.

In die sektor finansies en vaste eiendom het die daling in die reële vaste investering in verband gestaan met die afgang in die reële besteding aan private woongeboue. Dalings is ook aangeteken in die reële besteding aan masjinerie en vervoertoerusting wat deur bruikhuurkontrakte gefinansier is.

Enkele toenames is nog in die reële besteding aan vaste kapitaalvorming in die fabriekswese, die handel

en die mynbousektor aangeteken. Dit wil nietemin voorkom asof die reële vaste investering in die fabriekswese 'n afwaartse reaksie toon op faktore soos die onlangse effense verruiming van die marges van ongebruikte of onderbenutte produksiekapasiteit, die lae reële groeikoers wat die ekonomie in die algemeen na verwagting gedurende 1990 aan die dag sal lê, die minder indrukwekkende kontantvloeい van sakeondernemings, en die feit dat die likwiditeit van maatskappye tans ietwat minder oorvloedig is.

Die reële bruto vaste investering in die *openbare sektor* het verder gedaal vanaf sy jongste hoogtepunt in die derde kwartaal van 1989. Dit kon hoofsaaklik verklaar word aan die hand van die afwaartse neiging in die reële besteding aan vaste investering deur die *openbare owerhede*. Onder die sakeondernemings van die algemene owerheid het die reële vaste investering deur die Suid-Afrikaanse Vervoerdienste in die eerste kwartaal van 1990 'n opmerklike toename getoon. Dit is egter meer as ten volle deur afnames in die reële besteding aan vaste investering deur die Departement van Pos- en Telekommunikasiewese en deur 'n afwaartse beweging in hierdie soort besteding deur die algemene owerheid geneutraliseer.

Uiteenlopende neigings het na vore gekom in die reële vaste investering deur die *openbare korporasies* in hul onderskeie subsektore. Die voortgesette toename in die reële vaste-kapitaalbesteding deur die openbare korporasies in die fabriekswese kon toege-skryf word aan die volgehoudende hoë vlak van die bedrywighede by die Mossgas-projek. In die sektor elektrisiteit, gas en water het die reële besteding aan vaste-kapitaalvorming oor dieselfde tydperk 'n afname getoon.

Die totale reële voorrade, wat reeds vanaf die derde kwartaal van 1989 gedaal het, het hierdie neiging in die eerste kwartaal van 1990 voortgesit. Afbouing van voorrade kon gedurende hierdie kwartaal in die mynbousektor, die private fabriekswese en die klein- en groothandel opgemerk word. Afnames is ook in die reële landbouvoorraad en in die diamantvoorraad-in-die-handel aangeteken; die vermindering van die diamantvoorraad was 'n weerspieëeling van die lewendige verkoop wat gedurende die eerste kwartaal van 1990 by die internasionale diamantveilings plaasgevind het.

Faktorinkome en besparing

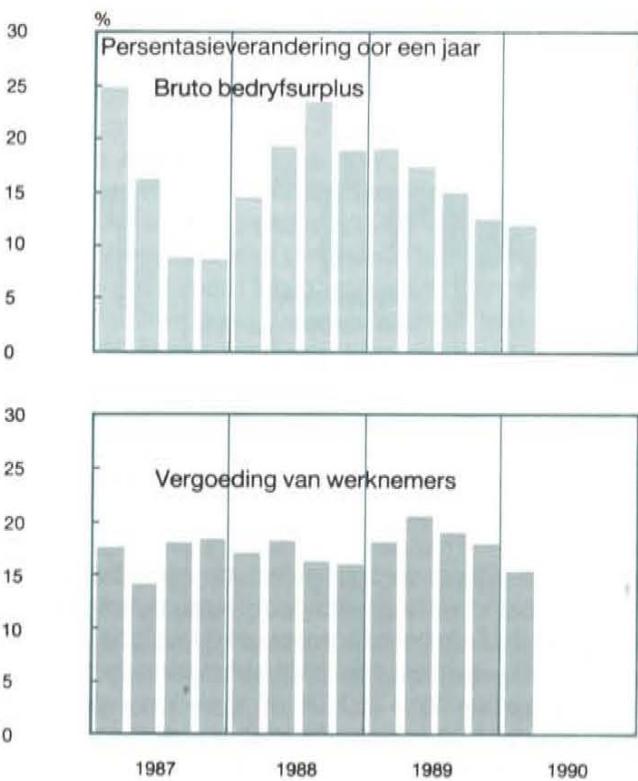
Die seisoensaangesuiwerde jaarkoers van toename in die totale nominale faktorinkome *teen markpryse* het in die eerste kwartaal van 1990 11 persent bedra. Die totale faktorinkome teen markpryse was in die eerste kwartaal van 1990 slegs 14 persent hoër as in die eerste kwartaal van 1989, teenoor 'n toename van jaar tot jaar van 18½ persent van die kalenderjaar 1988 tot die kalenderjaar 1989. Hierdie verlangsaming was 'n weerspieëeling van die afwaartse neiging in die koers van toename oor tydperke van vier kwartale wat sedert

die tweede helfte van 1989 by albei die vernaamste komponente van die nominale faktorinkome (naamlik die vergoeding van werknemers en die bruto bedryfsurplus van sakeondernemings) opgemerk kon word.

Met uitsondering van die vervoersektor en die finansiële sektor, het verlangsamings van die koers van toename in die totale nominale *vergoeding van werknemers* in alle sektore van die ekonomie na vore gekom. Dit was egter besonder opvallend in die mynbousektor en by die algemene owerheid. In die geval van die mynbousektor kon dit onder andere toege-skryf word aan geleidelike verminderings van die aantal werknemers, en wel veral in die goudmynbedryf waar 'n aantal marginale of kwesbare myne hul mynbedrywighede begin inkort het. Hierbenewens het die Nasionale Mynwerkersvakbond sy jaarlikse looneise eers aan die begin van die tweede kwartaal van 1990 ingedien.

In die geval van die algemene owerheid is 'n algemene loon- en salarisverhoging van 10 persent eers vanaf die tweede kwartaal van 1990 toegestaan, wat vergelyk kan word met die algemene aanpassing van 15 persent wat in 1989 vanaf die begin van daardie jaar in werking getree het. In ander sektore is daar in die eerste kwartaal van 1990 geleidelik laer koers van toename in die totale nominale vergoeding van werknemers aangeteken as 'n weerspieëling van skynbaar

Bruto bedryfsurplus en vergoeding van werknemers



laer koers van uitbreiding van werkgeleenthede en 'n ietwat ruimer toestand in die arbeidsmark teen die agtergrond van die huidige en verwagte afkoeling van die ekonomie.

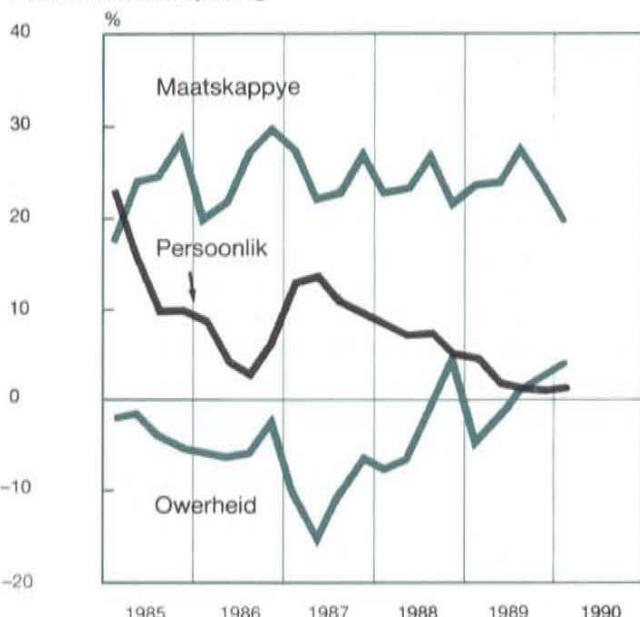
Die jaarkoers van toename in die totale vergoeding van werknemers, wat reeds van 'n gemiddelde van nie minder nie as 23½ persent in die eerste helfte van 1989 tot 'n gemiddelde van 12½ persent in die tweede helfte teruggesak het, het in die eerste kwartaal van 1990 verder, naamlik tot ongeveer 10 persent, afneem. Die totale nominale arbeidsvergoeding was in die eerste kwartaal van 1990 nietemin nog steeds ongeveer 15½ persent hoër as in die eerste kwartaal van die voorafgaande jaar. Hierdie koers van toename het ook beteken dat die totale arbeidsvergoeding reëel gespreek nog effens verder gestyg het.

Soos reeds in hierdie *Oorsig van Maart 1990* vermeld is, het die totale *bruto bedryfsurplus* van sakeondernemings in die vierde kwartaal van 1989 in werkelikhed effens ingekrimp, en wel hoofsaaklik vanweë laer bedryfsurplusse in die landbousektor en minder indrukwekkende koers van toename in die winste van maatskappye in die fabriekswese, die handel en die finansiewese. Dit is egter in die eerste kwartaal van 1990 deur 'n aansienlike toename van kwartaal tot kwartaal in die totale bruto bedryfsurplus gevvolg, wat 'n weerspieëeling was van die betreklik gunstige finansiële resultate wat deur maatskappye in sekere subsektore van die handel, die vervoersektor en die finansiewese, asook in die fabriekswese, aangeteken is. Minder opmerklik gunstige finansiële resultate is egter deur maatskappye in die mynbousektor en in die konstruksiebedryf openbaar gemaak. Bowendien was die koers van verandering *oor vier kwartale* in die totale bruto bedryfsurplus in die eerste kwartaal van 1990 (wat 11½ persent bedra het) effens laer as die gemiddelde jaarkoers van toename in die totale surplus in die tweede helfte van 1989, en ook beduidend laer as die toename van jaar tot jaar van ongeveer 15½ persent van 1988 tot 1989.

Die verhouding van die *bruto binnelandse besparing* tot die bruto binnelandse produk het effens verbeter van 'n gemiddelde van byna 22 persent in die eerste helfte van 1989 tot 23 persent in sowel die derde as die vierde kwartaal, maar het in die eerste kwartaal van 1990 weer tot 22 persent teruggesak. Die afname in die eerste kwartaal was 'n weerspieëling van die volgehoue lae peil van die persoonlike besparing en van 'n daling in die netto besparing deur maatskappye; die verloop van sake op hierdie twee fronte het die matige toename in die netto besparing van die algemene owerheid meer as geneutraliseer.

Die dalende neiging in die bruto binnelandse investering vanaf die vierde kwartaal van 1989 het meegebring dat die mate waarin die bruto binnelandse besparing die bruto binnelandse investering oorskry het, aansienlik, naamlik van 'n gemiddelde van slegs 6½ persent in die jaar 1989 tot 12 persent in die eerste

Komponente van besparing as persentasie van bruto binnelandse besparing



kwartaal van 1990, verbeter het. Ofskoon die verslapping van die binnelandse investeringsprestasie klaarblyklik nie verwelkom behoort te word nie, kan die toename in die besparingsoorskot ook in 'n meer positiewe lig beskou word as 'n faktor wat dit vir Suid-Afrika makliker maak om sy verpligtings met betrekking tot die vermindering van sy buitelandse skuld na te kom.

Die verbetering in die netto besparing van die *algemene owerheid* het voortgespruit uit die feit dat die lopende owerheidsinkome in die fiskale jaar 1989/90, hoofsaaklik vanweë hoër ontvangste aan direkte belastings, aansienlik groter was as die bedrag wat in die Begroting van Maart 1989 voorsien is, terwyl die lopende owerheidsbesteding die Begrottingsramings in 'n heelwat meer beskeie mate oorskry het. Positiewe netto besparing deur die algemene owerheid is in werkelikhed weer sedert die derde kwartaal van 1989 aangeteken. Hierdie gang van sake het derhalwe die eerste *volgehoue* verbetering in die owerheid se spaarprestasie beteken sedert netto *ontsparing* deur die algemene owerheid op 'n kwartaalgrondslag vir die eerste keer in die eerste kwartaal van 1984 aangeteken is.

Die daling in die netto besparing deur die *maatskappye* sektor in die eerste kwartaal van 1990 het gevvolg op baie hoë vlakke van die maatskappyebesparing in 1989. Hierdie daling – wat hom voorgedoen het in weerwil van die aanmerklike verbetering in die totale bruto bedryfsurplus waarvan hierbo reeds melding gemaak is – was die gevolg van toenames in maatskappye se betaalings van dividende en direkte belasting, wat self weer gegronde was op die deurgaans uitstekende winsresul-

tate wat veral in die tweede helfte van 1988 en die eerste helfte van 1989 deur baie maatskappye behaal is.

Die netto persoonlike besparing het in die eerste kwartaal van 1990 effens toegeneem maar in verhouding tot die persoonlike beskikbare inkomme nog steeds op die laagste kwartaalvlak gebly wat sedert die netto persoonlike *ontsparing* in die gevorderde stadiums van die mini-boom in die eerste kwartaal van 1984 daarin aangeteken is. 'n Verskeidenheid korttermyn-, konjunkturele en langertermynfaktore dra by tot huishoudings se huidige lae spaargeneigdheid; soos reeds in hierdie *Oorsig* van Maart 1990 opgemerk is, het huishoudings se pogings om te spaar oor die afgelope aantal kwartale onder andere egter ook te kampe gehad met die neerdrukkende uitwerking wat onlangse groot toenames in die reële persoonlike inkomstebelasting, laer netto rente-inkomste op grond van die betreklik hoë huidige vlakke van die verbandkoerse en ander rentekoerse, en die betreklik hoë huidige peil van die verbruikerskuld op die totale reële persoonlike beskikbare inkomme en op die reële beskikbare inkomme per capita uitgeoefen het.

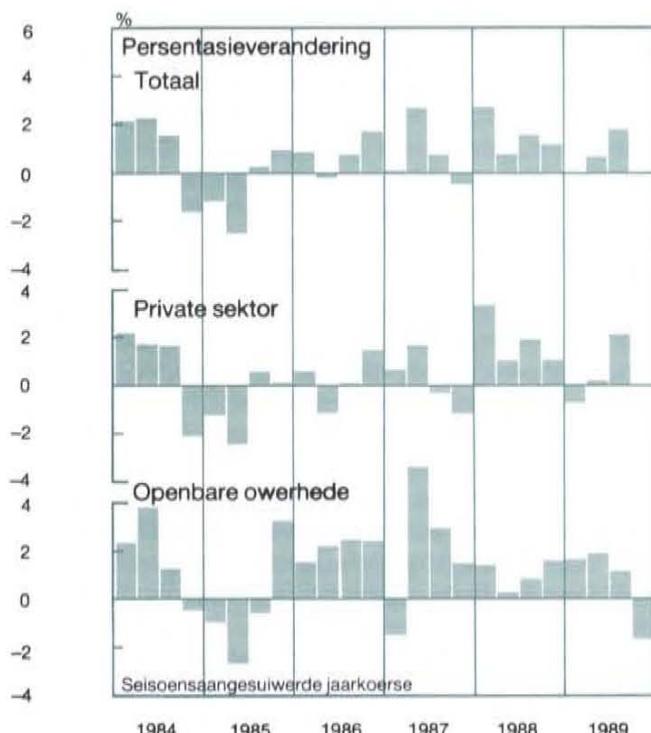
Werkverskaffing

Die totale werkverskaffing in die Suid-Afrikaanse ekonomie buite die landbou was in die eerste drie kwartale van 1989 gemiddeld 0,8 persent hoër as in die eerste drie kwartale van 1988. Dit kan vergelyk word met toenames van jaar tot jaar in die jaarlike gemiddelde vlak van die werkverskaffing wat in die drie konjunkturele opgangsjare van 1986 tot 1988 onderskeidelik 0,4, 0,9 en 1,2 persent beloop het.

Die mees onlangs bygewerkte en seisoensaangesuiwerde arbeidstatistiek toon dat die totale werkverskaffing buite die landbou in die eerste kwartaal van 1989, in vergelyking met die laaste kwartaal van 1988, weinig of geen verandering getoon het nie maar daarna in die tweede en die derde kwartaal teen jaarkoerse van 0,6 persent en 1,7 persent toegeneem het. Sodaanige inligting as wat tans vir die vierde kwartaal van 1989 beskikbaar is, dui egter daarop dat die toename in die werkverskaffing in die laaste paar maande van 1989 verlangsaam het.

Versnelde toenames in die werkverskaffing kon in die derde kwartaal van 1989 onder andere in die mynbou, die handel, by versekeringsmaatskappye en bouverenigings, en in 'n aantal ander dienstebedrywe opgemerk word. Daarteenoor is daar in die private padvervoer en die konstruksiebedryf en by die Suid-Afrikaanse Vervoerdienste, die Department van Pos- en Telekommunikasiewese, plaaslike owerhede en sekere statutêre liggeme *verminderings* of voortgesette verminderings van personeel aangeteken. Inligting vir die vierde kwartaal van 1989 dui op toenames in die werkverskaffing by die sentrale regering, die Department van Pos- en Telekommunikasiewese en

Werkverskaffing in nie-landbousektore

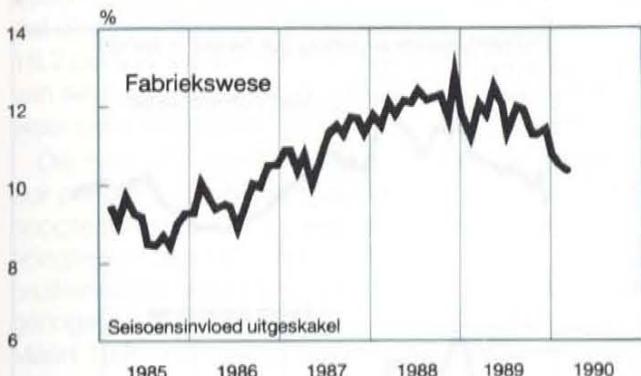


bankinstellings en in die bouverenigingbeweging. Voortgesette verminderings van personeel het egter voorgekom by die meeste van die nywerhede wat ook reeds in die derde kwartaal personeelverminderinge getoon het, terwyl afdankings ook in die mynbou, die fabriekswese en die groothandel en by universiteite aangeteken is.

Die totale werkgeleenheid in die *private sektor* buite die landbou het in die eerste drie kwartale van 1989 teen seisoensaangesuiwerde jaarkoerse van onderskeidelik -0,7, +0,1 en +2,0 persent verander; indien die handelsektor (waarvan die werkverskaffingsgewens nog bevestig moet word) uitgesluit word, het hierdie persentasieveranderings in die vier opeenvolgende kwartale van 1989 -1,4, -0,4, +1,2 en -2,0 persent bedra. Die relatiewe veranderings in die werkverskaffing in die private sektor in die eerste helfte van 1989 het derhalwe ongunstig vergelyk met dié van die *openbare owerhede*. Die totale werkverskaffing deur die openbare owerhede het in die eerste drie kwartale van 1989 ononderbroke toegeneem, naamlik teen seisoensaangesuiwerde jaarkoerse van onderskeidelik 1,6, 1,8 en 1,0 persent, maar het in die vierde kwartaal teen 'n jaarkoers van 1,6 persent ingekrimp.

Dit wil voorkom asof die werkverskaffing in die fabriekswese, die konstruksiebedryf en elektrisiteitsopwekking, ná netto afdankings in die vierde kwartaal

Oortydure as persentasie van gewone ure gewerk



van 1989, in die eerste kwartaal van 1990 weer toegenem het.

Die verhouding van *oortydure* tot gewone ure gewerk het in die fabriekswese van die derde kwartaal van 1989 tot die eerste kwartaal van 1990 afgeneem. In die konstruksiebedryf het hierdie verhouding reeds sedert die tweede kwartaal van 1989 'n afwaartse neiging getoon.

Die seisoensaangesuiwerde aantal geregistreerde *werkloses* in die Blanke, Kleurling- en Asiérbevolkingsgroepe het van 'n laagtepunt van 45 400 in Januarie 1989 tot 51 400 in April toegeneem, maar het – in skynbare teenstryd met die afkoeling van die ekonomie – in Desember 1989 tot op sy laagste punt (42 000) van die afgelope vier jaar gedaal voordat dit weer tot 49 500 in Februarie 1990 toegeneem het.

Die seisoensaangesuiwerde *totale* aantal geregistreerde werkloses het per saldo van 'n laagtepunt van 109 900 in Februarie 1989 tot 125 700 in Desember toegeneem. Daarna het hierdie syfer egter, weer eens in kennelike teenstryd met die afkoeling van die ekonomie, tot 113 000 in Februarie 1990 teruggesak.

Die aantal werklose *Swart* werkers, soos dit deur die Lopende Bevolkingsopname gemeet word, het in April 1989 'n laagtepunt van 734 000 bereik en kortstondig tot 791 000 in Mei toegeneem, maar in November 1989 tot 'n nuwe laagtepunt van 719 000 gedaal. Daarna het dit tot 725 000 in Januarie 1990 gestyg, wat aan ongeveer 10,7 persent van die geraamde Swart arbeidsmag gelykgestaan het.

Arbeidskoste en produktiwiteit

Die tempo waarteen die *nominale loon per werker* in die *private* sektor buite die landbou toegeneem het, het effens verlangsaam van 'n kwartaallikse gemiddelde koers van toename oor vier kwartale van 17,6 persent in die laaste drie kwartale van 1988 tot koerse wat in die eerste drie kwartale van 1989 16,6, 17,8 en 17,0 persent (en gemiddeld dus 17,1 persent) beloop het.

In teenstelling met hierdie effense verlangsaaming van die loonsverhogings in die private sektor, het die tempo van die verhogings van die nominale lone van werkers wat in diens van die *openbare owerhede* is, skerp versnel van koerse oor vier kwartale van slegs 9,1 en 8,4 persent in die laaste twee kwartale van 1988 tot koerse wat in die vier opeenvolgende kwartale van 1989 nie minder nie as 19,9, 17,7, 23,3 en 21,1 persent (met 'n gemiddelde van 20,4 persent) beloop het. As gevolg hiervan het die koers van toename oor vier kwartale in die gemiddelde nominale loon van *alle* werkers in die ekonomie buite die landbou gestadig van 14,6 persent in die laaste kwartaal van 1988 tot 17,6, 17,8 en 18,9 persent (met 'n gemiddelde van 18,1 persent) in die eerste drie kwartale van 1989 toegeneem. In vergelyking hiermee het die toename in die gemiddelde nominale loonvlak onder alle werkers buite die landbou van die jaar 1987 tot die jaar 1988 'n stygting van 15,6 persent getoon.

Opvallende kenmerke van die loonontwikkeling oor die eerste drie kwartale van 1989 het derhalwe in die eerste plek bestaan uit die algemene versnelling wat die koers van toename in die nominale loonpeil, ondanks die afname in die groeikoers van die reële ekonomie en ten spyte van die feit dat die toename in die vraag na nie-agrariese werkkrugte in 1989 meer gematigd was as in 1988, van 1988 tot 1989 aan die dag gelê het. In die tweede plek was die koerse van toename in die nominale lone wat deur die openbare owerhede betaal is, in 1989 – in teenstelling met die verloop van sake van 1985 tot 1988 – aansienlik hoër as die koerse van toename in die lone in die private sektor.

Die *reële* loon per werker in die ekonomie buite die landbou, wat van 1985 tot 1987 gedaal het, het in 1988 met 2,5 persent toegeneem en was in die eerste drie kwartale van 1989 3,1 persent hoër as in die eerste drie kwartale van 1988. Op 'n kwartaalbasis het die koers van toename in die *reële* loon per werker oor vier kwartale van 1,9 persent in die vierde kwartaal van 1988 tot 3,6 persent, 2,6 persent en 3,1 persent in die eerste drie kwartale van 1989 gestyg.

Die *reële arbeidsproduktiwiteit* buite die landbou het van 1987 tot 1988 betreklik sterk (naamlik met 2,7 persent) verbeter. Die kwartaallikse koers van verandering in die produktiwiteit oor periodes van vier kwartale het egter in die loop van 1989 van +2,4 en +2,1 persent in die eerste en die tweede kwartaal tot -0,2 persent in die derde kwartaal teruggesak.

Die versnelling van die nominale loonsverhogings aan die een kant, en die meer sywaartse beweging en uiteindelike daling in die fisiese arbeidsproduktiwiteit aan die ander kant, het meegebring dat die koers van toename in die *nominale arbeidseenheidskoste* oor periodes van vier kwartale van 11,0 persent in die vierde kwartaal van 1988 tot 14,8 persent, 15,4 persent en 'n verontrustende 19,2 persent in die eerste drie kwartale van 1989 gestyg het. Op soortgelyke wyse en

om soortgelyke redes het die koers van toename in die *reële arbeidseenheidskoste* oor vier kwartale van 1,1 en 0,4 persent in die eerste twee kwartale van 1989 tot nie minder nie as 3,4 persent in die derde kwartaal versnel. Die gemiddelde vlak van die *reële arbeidseenheidskoste* was uit hoofde hiervan in die eerste drie kwartale van 1989 ongeveer 1,6 persent hoër as in die eerste drie kwartale van 1988.

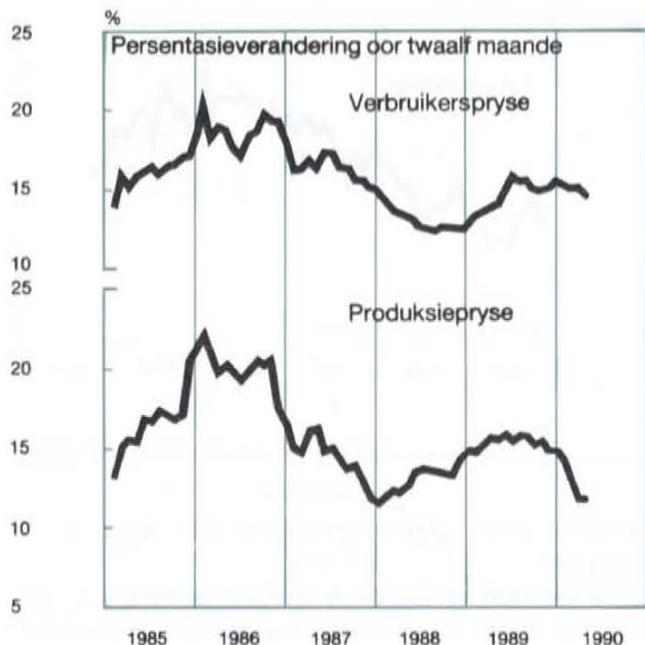
Inflasie

Die inflasiekoers, wat in die tweede kwartaal of teen die middel van 1989 hul jongste hoogtepunte bereik het, het in die tweede helfte van 1989 oor die algemeen aansienlik verbeter; hierdie verbetering is in die eerste twee of drie maande van 1990 voortgesit. Die matig afwaartse beweging (en die enkele taamlik meer dramiese verbeterings) van die meeste inflasiekoers vanaf die middel van 1989 het duidelik steun ontleen aan die fermer ondertoon en die betekenisvolle verstewiging wat die wisselkoers van die rand onderskeidelik in die derde en die vierde kwartaal van 1989 aan die dag gelê het, en aan die baie beperkte mate waarin die rand vervolgens in die eerste twee maande van 1990 verswak het. Die verheldering van die inflasietoneel gedurende hierdie tydperk het egter plaasgevind teen 'n agtergrond van versnellende nominale loonsverhogings en van stygende reële en nominale arbeidseenheidskoste. Hierbenewens is daar tot dusver ook nog vergelykenderwys min vordering gemaak met die verlaging van die koers van die inflasie in die *verbruikerspryse* – veral indien hierdie koers oor tydperke van twaalf maande gemeet word.

Die koers van toename in die prys van *ingevoerde goedere* van kwartaal tot kwartaal het (ná die jongste hersiening van die seisoensaansuiwing van die betrokke prysindeks, en ná omrekening tot jaarvlakke) van 'n hoogtepunt van nie minder nie as 26,8 persent in die tweede kwartaal van 1989 tot 14,1 persent in die derde kwartaal en tot so laag as 6,6 persent in die vierde kwartaal afgeneem. Daarná het dit in die eerste kwartaal van 1990 egter weer effens tot 7,5 persent versnel. Die koers van toename in hierdie prys *oor tydperke van twaalf maande* het van 'n hoogtepunt van 19,3 persent in Junie 1989 tot 14,7 persent in Desember en tot 14,4 persent in Januarie 1990 afgeneem. Neteenstaande die effense verswakking van die ruiwalde van die rand in die eerste kwartaal van 1990, het hierdie koers vervolgens vinniger teruggesak, naamlik tot 10,1 persent in April; hierdie versnelde daling was tot op sekere hoogte egter slegs 'n statistiese weerspieëling van die skerp *styging* van die invoerpryse wat in die eerste paar maande van die *voorafgaande* jaar plaasgevind het.

Die seisoensaangesuiwerde jaarkoers van toename van kwartaal tot kwartaal in die prys van *binnelandse geproduseerde goedere* het van 'n hoogtepunt van 18,1 persent, wat reeds in die eerste kwartaal van

Pryse



1989 bereik is, tot 16,0, 12,8 en 12,2 persent in die laaste drie kwartale van 1989 en tot 9,7 persent in die eerste kwartaal van 1990 teruggesak; laasgenoemde koers was op die laagste vlak wat in die afgelope ses jaar aangeteken is. Die koers van toename in hierdie prys *oor twaalf maande* het teen 'n meer gematigde tempo van 15,4 persent in Mei 1989 tot 11,3 persent in Maart gedaal en in April 1990 weer tot 12,0 persent versnel.

Die koers van toename van kwartaal tot kwartaal in die *totale produksieprysindeks* het tot by 'n hoogtepunt van 17,9 persent in die tweede kwartaal van 1989 versnel maar in die eerste kwartaal van 1990 nogal heel dramaties tot slegs 9,3 persent teruggesak; dit was die eerste keer sedert die eerste kwartaal van 1984 dat hierdie koers tot onder die dubbelsyfervlak gedaal het. Die koers van toename in die totale produksieprysindeks *oor periodes van twaalf maande* het in Mei 1989 sy hoogtepunt (van 15,8 persent) van die jaar bereik. Daarná het dit taamlik geleidelik tot 11,6 persent in sowel Maart as April 1990 afbeweeg.

Die inflasiekoers van kwartaal tot kwartaal in die *verbruikerspryse*, wat verdubbel het van 'n seisoensaangesuiwerde jaarvlak van slegs 9,2 persent in die eerste kwartaal van 1988 tot 18,4 persent in die tweede kwartaal van 1989, het in die vierde kwartaal van 1989 tot 13,3 persent verlangsaam maar in die eerste kwartaal van 1990 op teleurstellende wyse weer tot 14,7 persent versnel. Die koers van toename van kwartaal tot kwartaal in die koste van *verbruikersdienste* was oor die algemeen in die derde en die vierde kwartaal van

1989 laer as dié van die pryse van verbruiksgoedere en van die totale indeks. In die eerste kwartaal van 1990 het die koste van dienste egter – ondanks die feit dat die pryse van lewensmiddele teen 'n jaarkoers van 18,2 persent toegeneem het, teenoor 'n stygingskoers van slegs 5,5 persent in die eerste kwartaal van 1989 – weer eens vinniger as die algehele indeks toegeneem.

Die koers van toename in die verbruikersprysindeks oor periodes van twaalf maande het in Junie 1989 'n hoogtepunt van 15,7 persent bereik. Vanaf hierdie hoogtepunt het die koers van die inflasie in die verbruikerspryse vervolgens per saldo in slegs betreklik geringe mate tot 14,9 persent in sowel Februarie as Maart 1990 en tot 14,6 persent in April teruggesak. Die koers van toename in die pryse van lewensmiddele en in die koste van verbruikersdienste het ook tot en met April verlangsaam ten spyte van die feit dat, andersyds, die pryse van (onder andere) verskeie soorte suwelprodukte, en, andersyds, die koste van huiseienaarskap, onlangs weer groot stygings getoon het.

Betalingsbalans en wisselkoerse

Lopende rekening

Die gegewens van die lopende rekening van die Suid-Afrikaanse betalingsbalans is aanmerklik beïnvloed deur die herklassifikasie van Namibië as deel van die res van die wêreld in plaas van as deel van die binelandse Suid-Afrikaanse ekonomie. Die hersiene statistiek wat uit hierdie herklassifikasie voortgevloei het, toon dat die kwartaallikse oorskot op die Suid-Afrikaanse lopende rekening, ná seisoensaansuiwering en teen 'n jaarkoers, in die eerste twee kwartale van 1989 'n gemiddelde vlak van R1,4 miljard (in plaas van R2,3 miljard) bereik het en vanaf R5,2 miljard in die derde kwartaal van 1989 tot R4,4 miljard in die vierde kwartaal teruggesak het (in plaas daarvan dat dit marginaal van R5,8 miljard tot R5,9 miljard gestyg het). Die oorskot op die lopende rekening het, nadat Namibië uit die statistiek verwyder is, gedurende 1989 in sy geheel R3,1 miljard in plaas van R4,1 miljard beloop.

In die eerste kwartaal van 1990 het die oorskot op die lopende rekening (weer eens ná uitskakeling van Namibië) 'n verdere verbetering getoon vanaf die vlakte waarop dit in die derde en vierde kwartaal van 1989 te staan gekom het, tot by 'n seisoensaangesuiwerde jaarsyfer van nagenoeg R5,6 miljard. Hierdie verdere verstewiging van die saldo op die lopende rekening was 'n weerspieëling van 'n hernieuwe toename in die goedere-uitvoerverdienstes en van 'n aansienlike daling in die netto dienste- en oordragbetelings aan nie-inwoners vanaf die ongewoon hoë vlak wat in die vierde kwartaal van 1989 ten opsigte van hierdie betelings aangeteken is. Gesamentlik het hierdie twee positiewe ontwikkelings meer as vergoed vir 'n aanmerklike daling in die waarde van die netto gouduitvoer en 'n matige hernieuwe toename in die waarde van die goedere-invoer.

Die waarde van die goedere-uitvoer het van die vierde kwartaal van 1989 tot die eerste kwartaal van 1990 met bykans 8 persent gestyg. Dit was geheel en

Lopende rekening van die betalingsbalans¹

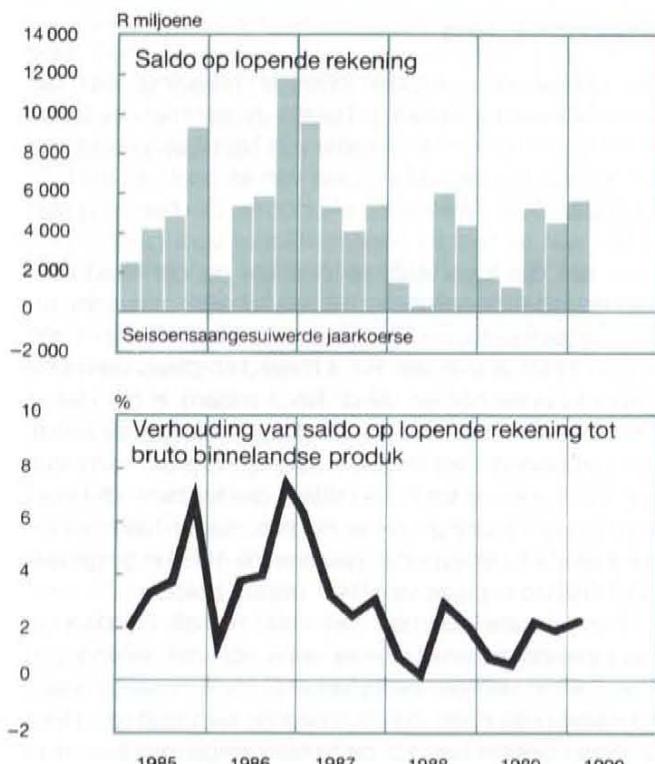
Seisoensaangesuiwerde jaarkoerse

R miljoene

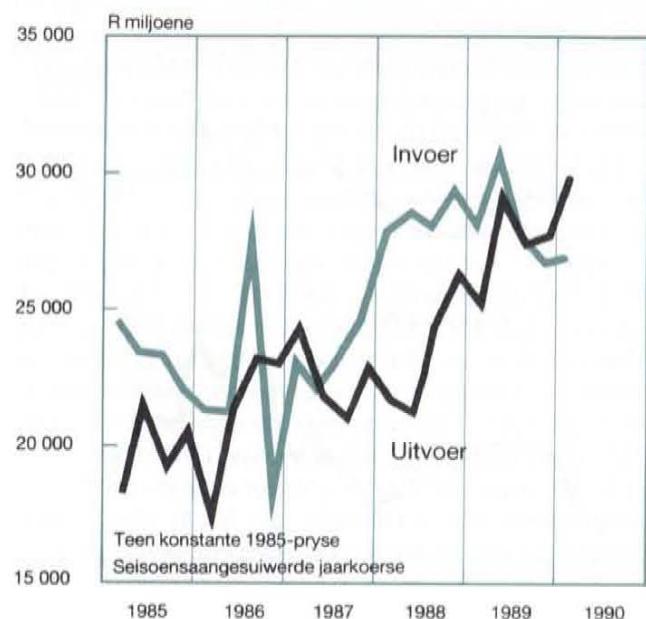
	1989				1990
	1e kw	2e kw	3e kw	4e kw	Jaar
Goedere-uitvoer	34 842	42 866	39 986	38 646	39 085
Netto gouduitvoer	18 970	18 150	19 670	20 122	19 228
Goedere-invoer	-41 519	-48 560	-44 841	-42 368	-44 322
Netto dienste- en oordragbetelings	-10 640	-11 293	-9 628	-11 971	-10 883
Saldo op lopende rekening	1 653	1 163	5 187	4 429	3 108
					5 577

¹ Uitsluitende Namibië.

Betalingsbalans



Reële goedere-invoer en -uitvoer



al 'n geval van verhoogde uitvoerhoeveelhede, in die besonder van minerale, papier en papierprodukte en tekstielgoedere. Nadat die omvang van die Suid-Afrikaanse goedere-uitvoer in die derde kwartaal van 1989 in ligte mate teruggesak het, het dit in die eerste kwartaal van 1990 in werklikheid 'n nuwe rekordvlak bereik wat ongeveer 2½ persent hoër was as die fisiese hoeveelhede van die goedere-uitvoer in die tweede kwartaal van 1989 en 'n baie indrukwekkende 7½ persent hoër was as die laagtepunt tot waarop die goedere-uitvoer in die eerste kwartaal van 1986 gedaal het.

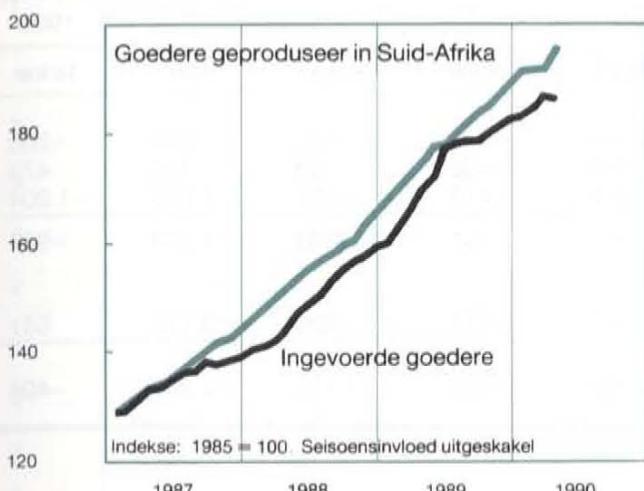
Die gemiddelde prysvlak van die Suid-Afrikaanse uitvoer, in die binnelandse geldeenheid uitgedruk, het van die vierde kwartaal van 1989 tot die eerste kwartaal van 1990 geen verandering getoon nie. Dit was hoofsaaklik 'n weerspieëeling van die feit dat die gemiddelde effektiewe wisselkoers van die rand van die eerste tot die tweede van hierdie twee periodes feitlik konstant gebly het; hierbenewens is 'n verswakkking in die prys van sekere onedele metale soos koper, ferro-chroom en nikkel op die internasionale metaalbeurse, deur hoër uitvoerpryse vir edelmetale en steenkool goedemaak.

Die netto dienste- en oordragbetalings aan buitelanders het aansienlik (naamlik met 14 persent) teruggeval van 'n seisoensaangesuiwerde jaarkoers van na-

genoeg R12,0 miljard in die vierde kwartaal van 1989 tot R10,3 miljard in die eerste kwartaal van 1990; die syfer vir die eerste kwartaal was in werklikheid selfs effens laer as die kwartaallikse gemiddelde van die netto dienste- en oordragbetalings in die loop van 1989. Ingeluit by die daling in hierdie pos op die lopende rekening van die vierde kwartaal van 1989 tot die eerste kwartaal van 1990 was 'n afname in die bruto dienstebetalings sowel as 'n toename in die bruto dienste-ontvangste. Die bruto dienstebetalings het hoofsaaklik gedaal as gevolg van laer rente- en dividendbetalings aan buitelanders, wat self gedeeltelik weer 'n weerspieëling was van die minder florisante finansiële resultate wat Suid-Afrikaanse maatskappye vanaf die tweede helfte van 1989 openbaar gemaak het. Die bruto dienste-ontvangste het gestyg as gevolg van groter verskaffing van vervoerdienste, hoër dividendbetalings deur oorsese maatskappye aan hul Suid-Afrikaanse aandeelhouers, en hoër reisen- en toerismebedeknings deur nie-inwoners in Suid-Afrika.

Die daling van 11½ persent in die waarde van die netto gouduitvoer van die vierde kwartaal van 1989 tot die eerste kwartaal van 1990 is meer as ten volle verklaar deur 'n afname in die fisiese goudproduksie, wat self weer voortgespruit het uit 'n daling in die vergrijsingsbedrywigheid sowel as in die gemiddelde goudgehalte van die vergrijsde erts. Op sy seisoensaangesuiwerde jaarvlak van R17,8 miljard was die waarde van die netto gouduitvoer in die eerste kwartaal van 1990 in werklikheid laer as in enige kwartaal sedert die tweede kwartaal van 1987; die fisiese omvang van die

Produksiepryse



kwartaallikse goudproduksie was op sy laagstevlak sedert die derde kwartaal van 1987, toe die goudmynboubedryf deur wydverspreide arbeidsonrus gekortwiek is.

Die gemiddelde *randprys* van goud, soos dit van die Londense goudprysvasstellings afgelei word, het van die vierde kwartaal van 1989 tot die eerste kwartaal van 1990 met sowat 2 persent van R1 024 per fyn ons tot R1 045 gestyg. In VSA-dollars het die goudprys van 'n gemiddelde van \$390 per fyn ons in die vierde kwartaal van 1989 tot \$407 in die eerste kwartaal van 1990 verstewig. Die dollarprys van goud het egter in die laaste week van Maart, en weer in die laaste paar dae van Mei en die begin van Junie, skerp teruggesak tot 'n tweemaandelikse gemiddelde van \$372 per fyn ons in April-Mei en tot 'n daagliks gemiddelde vasstellingsprys per fyn ons van \$353 op 7 Junie 1990. Die gemiddelde *randprys* van goud het in April-Mei R985 per fyn ons bedraa.

Die waarde van die *goedere-invoer* het van die vierde kwartaal van 1989 tot die eerste kwartaal van 1990, as gevolg van effense toenames in die ingevoerde hoeveelhede sowel as in die invoerpryse, 'n matige toename getoon (wat nie ten volle 3 persent beloop het nie). Die *fisiese omvang* van die goedere-invoer het na twee kwartale van hoeveelheidsdalings met bykans 1 persent gestyg; die vlak van die invoer volgens die hoeveelheid daarvan was in die eerste kwartaal van 1990 nietemin nog steeds 12½ persent laer as die hoogtepunt wat in die tweede kwartaal van 1989 aangeteken is. Verhoogde hoeveelhede van die invoer is in die besonder in die klasse masjinerie en elektriese toerusting en chemiese produkte aangeteken.

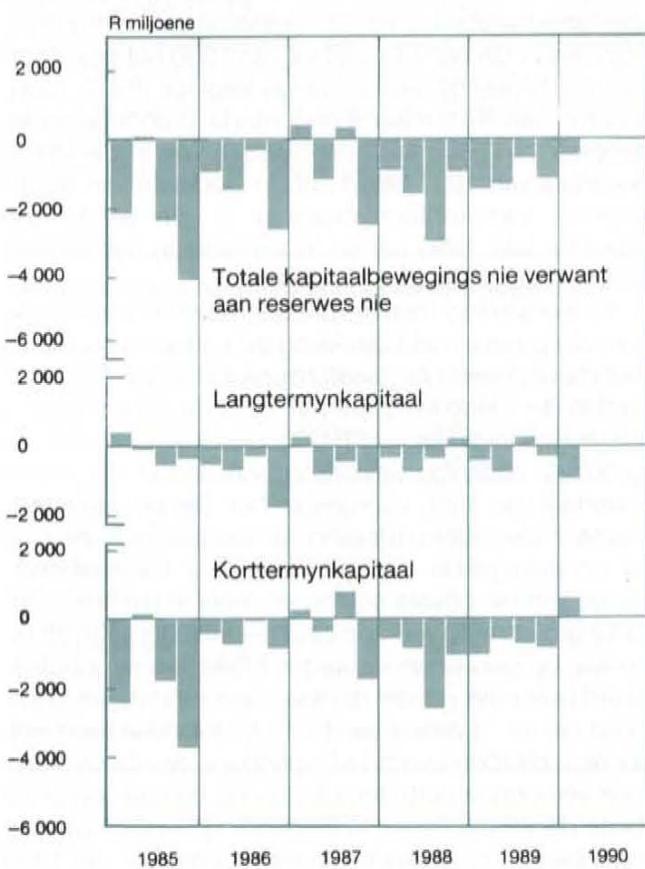
Die gemiddelde *prysvlak* van die invoer, wat in die vierde kwartaal van 1989 matig (naamlik met 2 per-

sent) gedaal het, het in die eerste kwartaal van 1990 'n soortgelyke klein styging (eweneens van 2 persent) getoon. Ingeluit by hierdie klein prystoename was 'n effense verstewiging van die internasionale ruolie-pryse; verdere prysstygings is egter deur die betreklik stabiele gemiddelde effektiewe wisselkoers van die rand in die eerste kwartaal van 1990 en deur die betreklik lae inflasiekoerse in die meeste handelsvennuolande teruggehou. Dit lyk waarskynlik dat die relatiewe prysdaling van ingevoerde goedere teenoor binnelands geproduseerde goedere vanaf ongeveer die middel van 1989 tot op sekere hoogte groter invoerhoeveelhede aangemoedig het.

Kapitaalrekening

Die kapitaalrekening van die betalingsbalans het in die eerste kwartaal van 1990 aansienlik verbeter. Die totale netto uitvloeiing van kapitaal nie verwant aan reserwes nie, het van meer as R1,1 miljard in die vierde kwartaal van 1989 (en van 'n kwartaallikse gemiddelde van ongeveer dieselfde omvang in die loop van 1989) tot R0,4 miljard in die eerste kwartaal van 1990 terug-

Netto kapitaalbewegings



Netto kapitaalbewegings (nie verwant aan reserwes nie)

R miljoene

	1989				1990	
	1ekw	2ekw	3ekw	4ekw	Jaar	
Langtermynkapitaal						
Openbare owerhede	-313	-143	-170	-20	-646	-206
Openbare korporasies	124	316	-62	58	436	473
Private sektor	-213	-899	413	-321	-1 020	-1 204
Totale langtermynkapitaal	-402	-726	181	-283	-1 230	-937
Korttermynkapitaal insluitende onaangetekende transaksies, maar uitsluitende laste verwant aan reserwes	-1 020	-555	-711	-829	-3 115	531
Totale kapitaalbewegings uitsluitende laste verwant aan reserwes	-1 422	-1 281	-530	-1 112	-4 345	-406

gesak. Dit was die kleinste sodanige uitvloeiing sedert die eerste kwartaal van 1987.

Die verbetering van R0,7 miljard in die omvang van die uitvloeiing van kapitaal nie verwant aan reserwes nie, van die vierde kwartaal van 1989 tot die eerste kwartaal van 1990, is meer as ten volle verklaar deur 'n "swaai" van meer as R1,3 miljard (van 'n uitvloeiing van R0,8 miljard tot 'n invloeiing van R0,5 miljard) in die netto beweging van *korttermynkapitaal* (waarby onaangetekende transaksies ook ingesluit is) tussen hierdie twee kwartale. Die netto invloeiing van korttermynkapitaal in die eerste kwartaal van 1990 het gevvolg op netto uitvloeiings van sodanige kapitaal (tot 'n totale bedrag van R9,9 miljard) gedurende 'n ononderbroke tydperk van nege kalenderkwartale wat in die vierde kwartaal van 1987 begin het. 'n Gedeelte van die invloeiing van korttermynkapitaal in die eerste drie maande van 1990 het uit 'n toename in handelsverwante buitelandse laste bestaan.

In teenstelling met hierdie aanmerklike verbetering van die posisie met betrekking tot korttermynkapitaal, het die uitvloeiing van *langtermynkapitaal* van R0,3 miljard in die vierde kwartaal van 1989 tot R0,9 miljard in die eerste kwartaal van 1990 toegeneem. Dit was die grootste sodanige uitvloeiing wat sedert die vierde kwartaal van 1986 voorgekom het. Die betrokke toename in die totale uitvloeiing van langtermynkapitaal is in oorweldigende mate verklaar deur kapitaalbewegings van die private sektor, en meer in die besonder deur groter netto verkope deur nie-inwoners van effekte wat op die Johannesburgse Effektebeurs genoteer word (wat egter, onder die finansiële-randstelsel, uiteraard nie tot 'n verlies aan bruto buitelandse reserwes lei nie). Hierbenewens het openbare owerhede egter ook verhoogde netto terugbetelings gemaak op skuld buite die stilstandsnet. In teenstelling hiermee was die openbare korporasies in die eerste kwartaal van 1990 vir die tweede opeenvolgende kwartaal weer netto invoerders van buitelandse kapitaal. Die netto bedrag

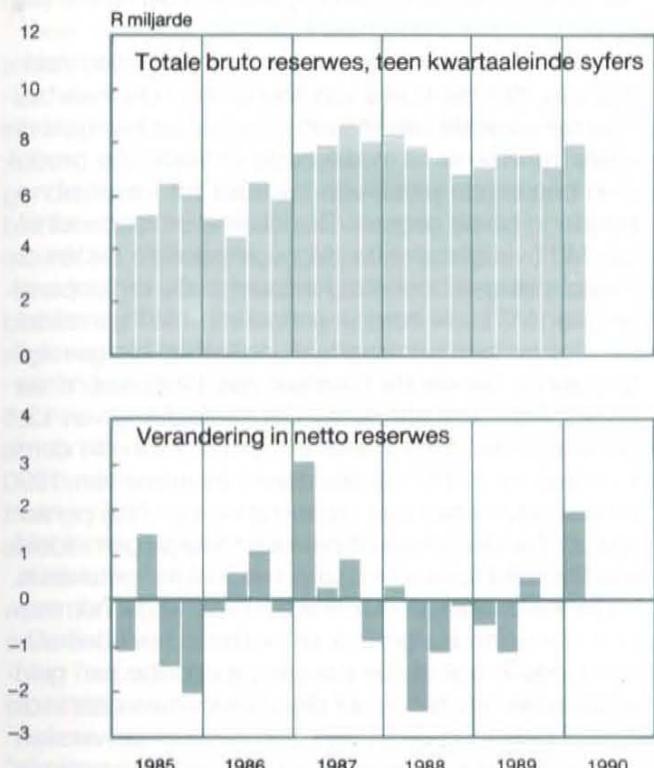
aan buitelandse langtermynkapitaal wat deur die openbare korporasies (in die vorm van projekfinansiering) in die eerste drie maande van 1990 opgeneem is, was in werklikheid groter as die totale bedrag wat hulle in die hele jaar 1989 aan netto nuwe buitelandse lenings in Suid-Afrika ingebring het.

Buitelandse reserwes

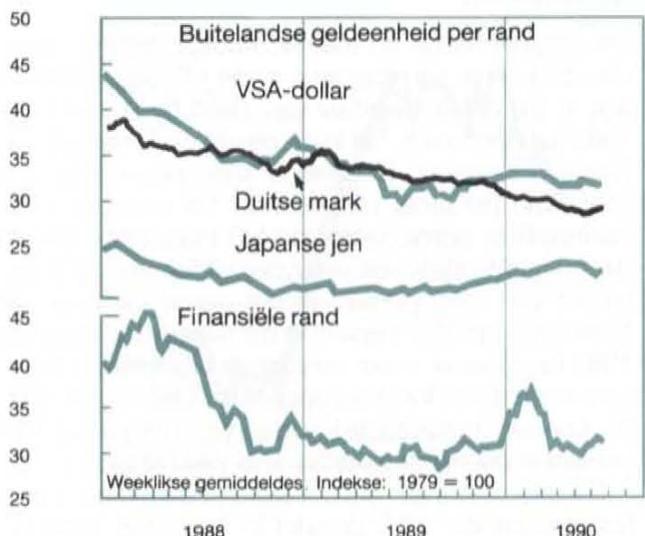
Die aanmerklike verbetering in die stand van die kapitaalrekening van die betalingsbalans het, tesame met die volgehoud oorskotte op die lopende rekening, meegebring dat die Suid-Afrikaanse totale *netto* goud- en ander buitelandse reserwes in die eerste kwartaal van 1990 met R1,9 miljard gestyg het. Dit het gevvolg op 'n *daling* in die netto reserwes van R1,2 miljard gedurende die jaar 1989. Die aansienlike verstewiging van die globale betalingsbalansposisie het die Suid-Afrikaanse banksektor in staat gestel om sy reserweverwante buitelandse laste in die eerste kwartaal van 1990 met R0,9 miljard te verminder. Ten spye van hierdie skuldterugbetelings het die Suid-Afrikaanse totale *bruto* goud- en ander buitelandse reserwes in die eerste kwartaal nog steeds met R0,9 miljard, naamlik van R6,9 miljard aan die einde van Desember 1989 tot R7,8 miljard aan die einde van Maart 1990, toegeneem; die bruto reserwes soos aan die einde van Maart 1990 het gelykgestaan aan bykans 2½ maande se invoer van goedere en aan ongeveer 1½ maande se invoer van sowel goedere as dienste.

In April 1990 het die bruto goud- en ander buitelandse reserwes van die *Reserwebank* met R429 miljoen gedaal. Dit kon hoofsaaklik toegeskryf word aan terugbetelings op buitelandse lenings wat, ooreenkomsdig die bepalings van die Eerste Tussentydse Reëlings wat in 1986 met die buitelandse krediteurbanke aangegaan is, tot langer-termynlenings "geher-skeduleer" is, asook aan die heronderhandeling van goudruiloooreenkomsste met oorsese banke teen laer

Goud- en ander buitelandse reserwes



Wisselkoerse



arie 1990, maar in die daaropvolgende weke skerp verswak namate nugterder beskouings van die huidige en toekomstige maatskaplik-politieke toestand weer die oorhand gekry het. Op 2 April is die finansiële rand genoteer op R4,19 teen die dollar; dit het 'n diskonto teenoor die kommersiële rand beteken van 36,3 persent. Op 29 Mei het die diskonto van die finansiële rand teenoor die kommersiële rand op 32,0 persent te staan gekom, in vergelyking met die diskonto van 19,2 persent wat op 6 Februarie aangeteken is.

Veranderings in die wisselkoerse van die rand %

	31 Des 1988 tot 31 Des 1989	31 Des 1989 tot 28 Feb 1990	28 Feb 1990 tot 31 Mei 1990
Geweegde gemiddelde	-4,3	-1,1	-3,8
VSA-dollar	-6,7	-0,3	-3,7
Britse pond	4,2	-5,1	-4,5
Duitse mark	-11,8	-0,1	-4,9
Switserse frank	-5,1	-3,8	-8,6
Japanse yen	6,3	3,3	-2,1
Franse frank	-11,6	-1,0	-5,4
Finansiële rand	6,8	-2,3	-5,3

goudprys. Die Reserwebank se *goudbesit* het van 3,1 miljoen fyn onse aan die einde van Desember 1989 tot 3,6 miljoen fyn onse aan die einde van April 1990 toegeneem.

Wisselkoerse

Die effektiewe wisselkoers van die rand, wat van die einde van 1989 tot die einde van Februarie 1990 effens (naamlik met 1,1 persent) afwaarts gesweef het, het gedurende Maart met 2,5 persent gedaal maar gedurende April in wese op sy nuwe laervlak bestendig gebly. Gedurende Mei het die effektiewe wisselkoers met 'n verdere 1,0 persent verswak. Benewens ander ontwikkelings, was hierdie matige verswakking van die rand 'n weerspieëling van die sterkte van die Amerikaanse dollar op die internasionale valutamarkte en van die heelwat laervlak van die dollarprys van goud wat vanaf laat in Maart 1990 in die mark geheers het. Gedurende die eerste vyf maande van 1990 het die rand teenoor die meeste van die belangrikste geldeenheide gedepresieer maar met 1,0 persent teenoor die Japanse yen verstewig.

Die *finansiële rand* het, gedeeltelik op grond van die rede wat die Staatspresident by die opening van die Parlement op 2 Februarie 1990 gelewer het, aanmerklik verstewig, naamlik tot R3,13 per dollar op 6 Febru-

Finansiële markte

Geldvoorraad

Die ongelykmatige en taamlik stadige verlangsaming van die koers van toename in die M3-geldvoorraad, wat in die derde kwartaal van 1988 begin het en in 1989 gehandhaaf is, het in die eerste paar maande van 1990 voortgeduur. Die seisoensaangesuiwerde jaarkoers van die groei van kwartaal tot kwartaal in die kwartaallikse gemiddelde van M3 (nadat Namibië uit die monetêre statistiek verwijder is) het van sy hoogtepunt van 28,5 persent in die derde kwartaal van 1988 tot slegs 20,7 persent in die tweede kwartaal van 1989 teruggesak, maar vervolgens weer tot 26,7 persent in die derde kwartaal opgeskiet. Daarna het dit tot 21,4 persent in die laaste kwartaal van 1989 en tot 19,0 persent in die eerste kwartaal van 1990 afgeneem.

Die groeikoers van M3 oor twaalf maande het van sy hoogtepunt van 27,5 persent in Augustus 1988 per saldo tot 22,4 persent in Desember 1989 teruggesak. Ná 'n ligte herversnelling in Januarie 1990 en 'n verlangsaming in Februarie, het hierdie koers in Maart 1990 op 20,0 persent te staan gekom, maar in April weer tot 21,7 persent gestyg; die herversnelling van hierdie koers in April kon egter grotendeels aan die abnormaal laevlak van M3 in April 1989 toegeskryf word.

Die netto inkrimping van sowat ses persentasiepunte wat die koers van toename in M3 oor twaalf maande van September 1988 tot April 1990 – dit wil sê oor 'n tydvak van 20 maande – aan die dag gelê het, kan gekontrasteer word met die daling van meer as tien persentasiepunte (naamlik van 19,5 tot 9,4 persent) wat hom oor 'n vergelykbare periode van 20 maande gedurende die vorige konjunkturele verlangsaming van die tempo van die monetêre uitbreiding vanaf Desember 1984 in hierdie groeikoers voorgedoen het. Dit sal egter onthou word dat hierdie vroeëre monetêre verlangsaming grotendeels plaasgevind het teen 'n agtergrond van sterk resessietoestande in die algemene ekonomie en van 'n baie vinnige verlaging van die korttermynrentekoerse.

Indien die bedrae van die banke se verpligtings (nie ook die diskontohuise se verpligtings nie) uit hoofde van terugkoopooreenkomste met teenparty in die private sektor wat nie banke is nie, by M3 ingetel word, verskil die verloop van die koers van toename in hierdie verruimde M3-begrip oor periodes van twaalf maande slegs in fyner besonderhede van dié van die betrokke groeikoers van M3 self. Die koers van toename in hierdie "M3-plus"-grootheid het van 'n hoogtepunt van 26,9 persent in Augustus 1988 tot 23,0 persent in Desember 1989 en tot 20,1 persent in April 1990 afgeneem.

Die seisoensaangesuiwerde jaarkoers van toename in M3 vanaf die veronderstelde beginpunt (middel-November 1989) van die "riglyne" vir die groei in die

M3-geldvoorraad vir 1990 tot aan die einde van April 1990, het op 15,5 persent te staan gekom. Hierdie toenamekoers het die boonste grens van die riglyne (van 15 persent) dus slegs in geringe mate oorskry.

Selfs op die ietwat meer gematigde onlangse vlakte daarvan, het die koers van toename in die kwartaallikse gemiddelde van M3 van kwartaal tot kwartaal die koers van toename in die bruto binnelandse produk teen heersende pryse van kwartaal tot kwartaal nog steeds te bove gegaan. Die inkomme-omloopsnelheid van M3 (wat gedurende die nege kwartale sedert die mees onlangse boonste draapunt in die omloopsnelheid van M3 in die derde kwartaal van 1987 gemiddeld met 1,4 persent per kwartaal gedaal het) het gevoldlik gedurende die eerste kwartaal van 1990 met 'n verdere 1,7 persent afgeneem. Die totale daling van 13,6 persent in die omloopsnelheid van M3 van die derde kwartaal van 1987 tot die eerste kwartaal van 1990 kan vergelyk word met die toename van 72,5 persent wat oor hierdie periode in die kwartaallikse gemiddelde van M3 self (ná seisoensaansuiwing) aangeteken is.

Die feit dat die groei in M3 die groei in die nominale bruto binnelandse produk en besteding (en derhalwe vermoedelik ook in die *transaksiebehoefte* aan geldsaldo's) oorskry het, is oor die afgelope twee jaar in die eerste plek toegeskryf aan herintermediasieverskynsels en aan toenames in die "egte likwiditeitsvoorkur" van die nie-bank-private sektor. Herintermediasie neig om homself voor te doen in periodes waarin die kredietvraag sterk is, die rentekoerse besig is om te styg, en die verskille tussen die banke se uitleen- en depositokoerse besig is om in samehang daarmee kleiner te word; herintermediasieverskynsels is waarskynlik in die laaste tyd verder aangemoedig deur die owerhede se beperkende beleidsmaatreëls van die afgelope paar kwartale en deur die stramheid van die geldmarktoestand wat met hierdie beleidsmaatreëls gepaard gegaan het.

"Echte likwiditeitsvoorkur" berus op verwagtings van stygende rentekoerse (wat kapitaalverliese op vaste-rentedraende effekte beteken) en op rentekoersonsekerheid (wat die kapitaalrisiko van vaste-rentedraende effekte hoër laat lyk). Verwagtings van stygings in die rentekoerse en rentekoersonsekerheid het waarskynlik onderskeidelik in 1988 en die eerste deel van 1989 en in die laaste deel van 1989 en die begin van 1990 'n belangrike rol gespeel in die algemene publiek (waarby byvoorbeeld ook die groot institutionele beleggers ingesluit is) se vraag na deposito-beleggings.

Ander faktore wat oor die afgelope aantal kwartale waarskynlik die vraag na deposito's, soos by M3 ingesluit, versterk het, het onder andere bestaan uit (1) die vergelykenderwys hoë rentekoerse wat met name op deposito's aan die baie kort kant van die looptydspeltrum verdien kon word; (2) die geleidelike verdere uitkringing van die oortuiging dat positiewe reële rentekoerse voortaan deur die monetêre owerhede gehand-

haaf sal word; en (3) die minder eensydig-opwaartse verloop van die aandelepryse op die effektebeurs in die vierde kwartaal van 1989 en daarná, en die traer en meer weifelende opwaartse neiging in die pryse van vaste eiendom.

"Uit-en-terugbewegings" van fondse ("leen-deponering", "round-tripping") kon eweneens by tye in die stram geldmarktoestande teen die einde van 1989 en in die begin van 1990 'n beduidende rol gespeel het as 'n bron van versnelde toenames in die M3-geldvoorraad. Uit-en-terugbewegings van fondse – dit wil sê 'n toedrag van sake waarvolgens fondse van 'n bank of ander monetêre instelling geleent word *met die doel* om weer by dieselfde of 'n ander bank of monetêre instelling gedeponeer te word – kom neer op 'n uiterste vorm van intermediasie of herintermediasie. Dit ontstaan wanneer die normale verwantskappe tussen die uitleenkoerse en die depositokoerse van finansiële tussenangers omgekeer raak, soos wanneer die interbank- en daggeldkoerse in die geldmark oor maand einde in werklikheid die prima-oortrekingskoerse van die handelsbanke begin oorskry. Dit was veral aan die einde van Januarie 1990 die geval.

In 'n poging om die gemiddelde koste van die befondsing van hul bateportefeuilles te verlaag, het sekere banke en diskontohuise op verskillende tye in die loop van 1989 in sterk verhoogde mate hul toevlug geneem tot terugkoopooreenkoms as 'n vorm van finansiering-buite-die-balansstaat; sodanige opsetlike finansiering-buite-die-balansstaat dien as 'n gedeeltelike teenwig teen herintermediasieverkynsels. Op 24 April 1990 het die Reserwebank egter aangekondig dat kontantreserwe- en likwiedebatevereistes van toepassing gemaak sou word op die bedrag waarmee die banke se verpligtings uit hoofde van terugkoopooreenkoms die bedrag van sodanige verpligtings soos aan die einde van Februarie 1990 oorskry. (Hierdie vereistes sou vanaf die datum van die banke se sertifisering van hul maandopgawes vir Mei 1990 van krag word. Waar van toepassing, sou hulle dus vanaf omstreeks 21 Junie 1990 in die banke se minimum vereiste besit aan likwiede bates en aan kontantreserwesaldo's by die Reserwebank weerspieël word.) Die belangrikste oogmerk van hierdie maatreël, wat vooruitloop op die inwerkingstelling van ter sake dienende bepalings in die Wetsontwerp op Depositonemende Instellings, was om die banke se besit aan reserwebates uit omsigtigheidsoorwegings en in die belang van gesonde bankprakteke te versterk. Die Reserwebank se optrede op hierdie gebied het dus nie 'n verskuiwing in die Bank se monetêre-beleidsingesteldheid beteken nie.

Die koers van toename in die "eng" monetêre totale, M1A en M1, van kwartaal tot kwartaal en oor periodes van twaalf maande het in die loop van 1989 en die eerste vier maande van 1990 deurgaans heelwat laer gebly as die koers van toename in M3. Die groeikoers van M1A oor twaalf maande (en in mindere mate ook

Groe in breë monetêre totale



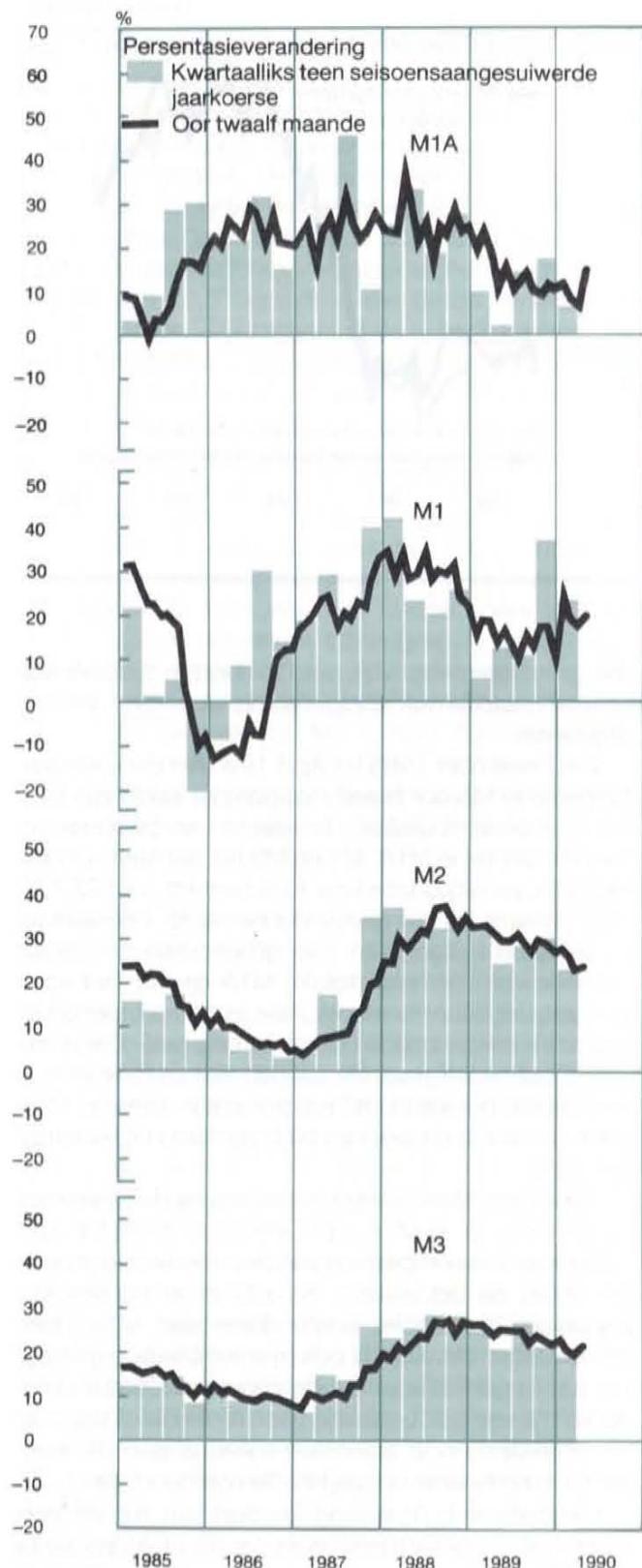
die groeikoers van M2) het oor hierdie tydperk van sestien maande ook vinniger as die groeikoers van M3 afgeneem.

Van Desember 1988 tot April 1990 het die koers van toename in M3 oor twaalf maande per saldo van 27,2 tot 21,7 persent gedaal; die koers van toename oor twaalf maande in M1A, M1 en M2 het per saldo onderskeidelik van 25,0 tot slegs 13,8 persent, van 22,7 tot 20,0 persent, en van nie minder nie as 35,1 persent tot 23,9 persent afgeneem. Die groeikoerse oor twaalf maande van die "eng" totale, M1A en M1, het egter ook aansienlike onbestendigheid in die kort termyn en skynbare wispelturigheid aan die dag gelê. Die groeikoers oor twaalf maande van M1 het byvoorbeeld in werklikheid per saldo tot 26,5 persent in Januarie 1990 gestyg voordat dit weer tot 20,0 persent in April teruggesak het.

Die aanmerklike daling in die koers van toename oor twaalf maande in M1A van Desember 1988 tot April 1990 was 'n weerspieëling van die afnemende groei in die vraag na geldsaldo's vir gebruik in *transaksies*. Aangesien belangrike bestanddele van M1A geen rente verdien nie, kon dit ook 'n weerspieëling gewees het van 'n geleidelik verder deurgevoerde "besuiniging" op vorms van geldbesit wat geen rente nie of slegs lae rente verdien, in 'n algemene milieu waarin die korttermynrentekoerse vergelykenderwys hoog was.

Hierteenoor is 'n belangrike deel van die vergrote geldbesit van private beleggers oor die afgelope aantal kwartale in rentedraende daggeld- en oornagdeposito's gekonsentreer. Hierdie deposito's het vergelykenderwys hoë rente getrek en dien ook as die belangrikste dratuig vir die uit-en-terugbeweging van fondse wanneer sodanige uit-en-terugbewegings wel voor-

Monetêre totale



kom. Hierin lê die verklaring waarom M1 oor die afgelope aantal kwartale in verhouding tot M1A vergelykenderwys vinnig toegeneem het.

Onder die meer omvattende monetêre totale het herintermediasieverkynsels en die verhoogde egte likwiditeitsvoorkoer van die afgelope 2½ jaar, en hoe korttermynrentekoerse op 'n opbrengskromme wat aan die kort kant van die looptydspiektrum 'n negatiewe helling getoon het, tot uiting gekom in 'n verhoogde vraag na "ander kort"- en middeltermyn-deposito's (waarby alle deposito's met onverstreke looptye van meer as een dag tot en met ses maande ingesluit is). Soos reeds by vorige geleenthede opgemerk is, het dit verklaar waarom M2 in verhouding tot M1 vergelykenderwys baie vinnig gegroei het. Om dieselfde rede kon die feit dat die groei oor twaalf maande in M2 oor die afgelope paar kwartale vinniger as die groei in M3 gedaal het, moontlik gedeeltelik toegeskryf word aan die geleidelik afnemende belangrikheid van die egte likwiditeitsvoorkoer en van herintermediasieverkynsels in 'n milieu waarin die rentekoerse groter bestendigheid getoon het.

Die belangrikste teenhanger, rekeningkundig beskou, van die seisoensaangesuiwerde bedrag van R5,1 miljard waarmee M3 van die einde van Desember 1989 tot aan die einde van Maart 1990 toegeneem het, was 'n toename van R4,3 miljard in die kredietverlening van die monetêre instellings aan die binne-landse private sektor. Die netto eise van die monetêre instellings teen die regeringsektor, wat in die loop van 1989 met R2,7 miljard gedaal het, het in die eerste kwartaal van 1990 met 'n verdere R0,6 miljard afgenem. As gevolg van groot stygings in die regeringsdeposito's by die bankstelsel het die netto eise van die monetêre instellings teen die regeringsektor aan die einde van November 1989 in werklikheid *negatief* geword en aan die einde van Januarie 1990 op 'n negatiewe bedrag (voor seisoensaansuiwering) van nie minder nie as R2,4 miljard te staan gekom. Die netto goud- en ander buitelandse reserwes van die geldskeppende sektor het in 1989 met R1,2 miljard gedaal, maar in die eerste kwartaal van 1990 met nie minder nie as R1,3 miljard toegeneem.

Kredietverlening deur monetêre instellings

Die seisoensaangesuiwerde jaarkoers van toename van kwartaal tot kwartaal in die kwartaallikse gemiddelde van die eise van die monetêre instellings teen die private sektor het aanmerklik van sy hoogtepunt van 33,2 persent in die vierde kwartaal van 1989 tot 22,8 persent in die vierde kwartaal van 1989 en tot 16,9 persent in die eerste kwartaal van 1990 teruggeval. Die koers van toename in hierdie eise oor periodes van twaalf maande het van 28,6 persent in Desember 1988 tot 20,6 persent in Desember 1989 en tot 17,7 persent in Maart 1990 verlangsaam.

Van die *einde* van Desember 1989 tot die *einde* van Maart 1990 het die eise van die monetêre instellings

Eise van monetêre instellings teen binnelandse private sektor

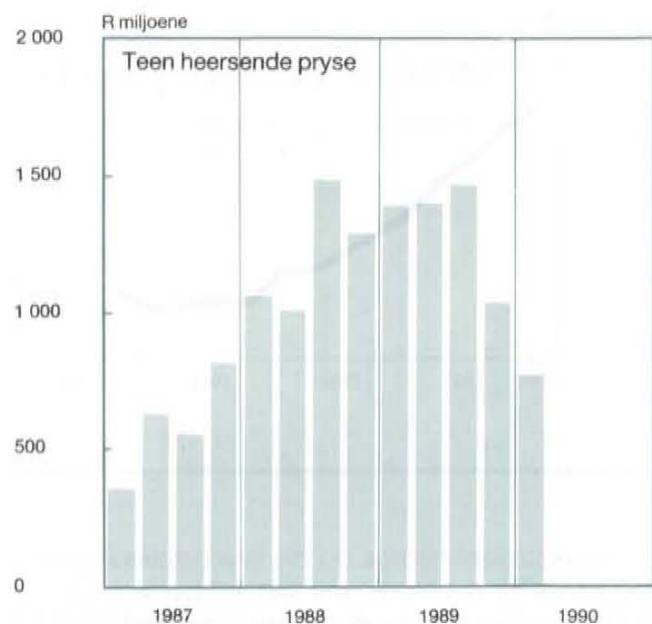


teen die private sektor teen 'n seisoensaangesuiwerde jaarkoers van slegs 12,3 persent gestyg. Hierdie stygingskoers was in werklikheid effens laer as die maksimum groeikoers (nadat dit tot 'n jaarvlak verhef is) van 1 persent per maand wat kragtens die Reserwefond se versoek deur die geldskeppende instellings in ag geneem behoort te word. Dit was ook beduidend laer as die onlangse koerse van stygging oor twaalf maande in die verbruikersprysindeks.

Hierdie nogal heel indrukwekkende verlangsamings (wat die tempo van die kredietverlening nietemin nog steeds op 'n taamlik hoë vlak gelaat het) het bewys gelewer van die kumulatiewe uitwerking van die hoë rentekoerse en van die algemene afkoeling van die ekonomie, asook van die geleidelike inkrimping van ongebruikte kredietfasilitate, die banke se minder tegemoetkomende houding by die oorweging van nuwe kreditaansoeke, die afnemende belangrikheid van tydelike kredietopname-uit-nooddrif (veral in die geval van korporatiewe leners), en die verhoogde huiverigheid van huishoudings om hul verbruikerskuld nog verder uit te brei.

Van die einde van Maart 1989 tot die einde van Maart 1990 het die "wissels verdiskonter" in die portefeuljes van die monetêre instellings nog met 'n aansienlike 39,7 persent toegeneem, namate hierdie instellings gepoog het om hul werklike likwiedebate-

Veranderings in huurkoop- en bruukhuurkrediet



besit ooreenkomstig die wetlik vereiste minima uit te brei; die *private banke* se besit aan likwiede bankakkas se het in werklikheid met nie minder nie as 44,9 persent toegeneem. Huurkoopkrediet en bruukhuurfinansiering, en monetêre instellings se besit aan verbandvoorskotte, het met onderskeidelik 23,2 en 17,2 persent gestyg. "Ander" lenings en voorskotte (wat hoofsaaklik uit oortrokke rekeninge bestaan) het met 16,1 persent toegeneem; 'n stygende deel van die toename in hierdie voorskotte is aan korporatiewe kliënte eerder as aan huishoudings en individue toegestaan. In teenstelling hiermee het die monetêre instellings se beleggings in effekte van die private sektor met nie minder nie as 26,0 persent afgeneem, gedeeltelik as weerspieëeling van die feit dat hierdie effekte as die onderliggende waardebewyse in terugkoopooreenkomsste gebruik word.

Verlangsamings van huishoudings se aankope van duursame verbruiksgoedere en van die vaste-investeringsbedrywigheede van private sakeondernemings is weerspieël in die feit dat die kwartaallikse toename in die uitstaande huurkoop- en bruukhuurfinansiering van die monetêre instellings van ongeveer R1,4 miljard in elk van die eerste drie kwartale van 1989 tot R1,0 miljard in die vierde kwartaal van 1989 en tot R0,8 miljard in die eerste kwartaal van 1990 afgeneem het. Die kwartaallikse toename in die monetêre instellings se totale besit aan verbandvoorskotte het op soortgelyke wyse van omstreeks R2,5 miljard in die eerste twee kwartale van 1989 tot ongeveer R1,8 miljard en R1,9 miljard in die derde en die vierde kwartaal en tot R2,1 miljard in die eerste kwartaal van 1990 verminder.

Agterstallige lenings en voorskotte by banke



"Agterstallige" bedrae op die leningsrekeninge van die banke se debiteure, wat van 2,3 persent van die totale leensom aan die einde van Desember 1986 tot slegs 0,4 persent aan die einde van Desember 1989 ingekrimp het, het in ligte maar betekenisvolle mate tot 0,5 persent aan die einde van Maart 1990 gestyg.

Toestand in die geldmark

Die toestand in die geldmark, soos dit aan die hand van die mark se behoeftes aan Reserwebankakkomasie gemeet word, het, in vergelyking met die eerste vyf maande van die vorige jaar, dwarsdeur die eerste vyf maande van 1990 stram gebly, maar ná die einde van Januarie 1990 tog 'n effens ruimer vooroms begin toon. Die gemiddelde daaglikske peil van die Bank se akkommadasie van die mark by die diskontovenster het van R3,8 miljard in die vierde kwartaal van 1989 tot R4,8 miljard in Januarie gestyg; van daar af het dit tot bedrae van onderskeidelik R3,9 miljard, R3,9 miljard, R3,5 miljard en R2,8 miljard in Februarie, Maart, April en Mei teruggesak.

Die bedrag van die akkommadasie by die diskontovenster oor maandeindes het, nominaal gespreek, aan die einde van Januarie 1990 op 'n ongeëwenaarde hoogtepunt van R5,5 miljard te staan gekom. Dit is oor die maandeindes van Februarie tot Mei deur bedrae van R5,0 miljard, R4,7 miljard, R4,0 miljard en R3,6 miljard gevolg.

Akkommadasie aan die banke in die vorm van *oornaglenings* by die diskontovenster oor maandeindes het aan die einde van Februarie 1990 R1,4 miljard beloop en aan die einde van Maart op 'n rekordbedrag van R2,7 miljard te staan gekom (wat 'n aanduiding was van 'n aanmerklike gebrek aan herdiskonterbare likwiede bates). Hierdie bedrag het vervolgens tot R1,2 miljard aan die einde van April en tot R0,8 miljard aan die einde van Mei teruggesak. Die maandelikse gemiddelde van die daaglikske bedrae van hierdie lenings

het van 'n hoogtepunt van R1,0 miljard in Maart 1990 tot slegs R0,1 miljard in Mei ingekrimp.

Vanaf die eerste deel van Januarie 1990 tot ongeveer die middel van Maart het aansienlike toenames in die Reserwebank se netto besit aan goud en ander buitelandse reserwes 'n verruimende invloed op die geldmarktoestand uitgeoefen. Op grond van die Bank se beleidsingesteldheid en beleidsbedoelings is hierdie invloed vanaf 23 Februarie gedeeltelik deur die Bank se instelling van dollar-ruiloooreenkoms met die groot banke teengewerk. Ingevolge die hierby betrokke reëlings word dollars wat die Reserwebank aan die banke as gemagtigde valutahandelaars verkoop het, weer deur die banke by die Reserwebank gedeponeer; hierdie dollars word dan later deur die Reserwebank teruggekoop teen voorafvasgestelde wisselkoers wat vir die banke 'n markverwante rentekoers verseker.

'n Verruimende invloed op die geldmarktoestand het ook uitgegaan van die dalende neiging in die regeringsdeposito's by die Reserwebank namate hierdie deposito's weer afwaarts beweeg het van die buitenewoon hoë peil van R13,5 miljard waarop dit op 25 Januarie 1990 te staan gekom het. Die maandelikse gemiddelde van die daaglikske totale van die saldo's op die Skatkisrekening, die Betaalmeester-Generaalrekening en die Stabilisasierekening het van R12,1 miljard en R12,2 miljard in Januarie en Februarie 1990 tot R11,0 miljard in Maart, R10,0 miljard in April en R9,9 miljard in Mei gedaal.

Die netto verkope van staatseffekte deur die Reserwebank het in April-Mei 1990 R3,5 miljard beloop, teenoor R1,7 miljard in April-Mei 1989. Op 15 Mei 1990 is 'n bedrag van R1,3 miljard aan staatseffekte deur die Tesourie afgelos; opemarkverkope van staatseffekte en ander maatreëls is deur die Reserwebank aangewend om 'n oormatige verruiming van die geldmarklikwiditeit as gevolg van hierdie aflossing te verhoed.

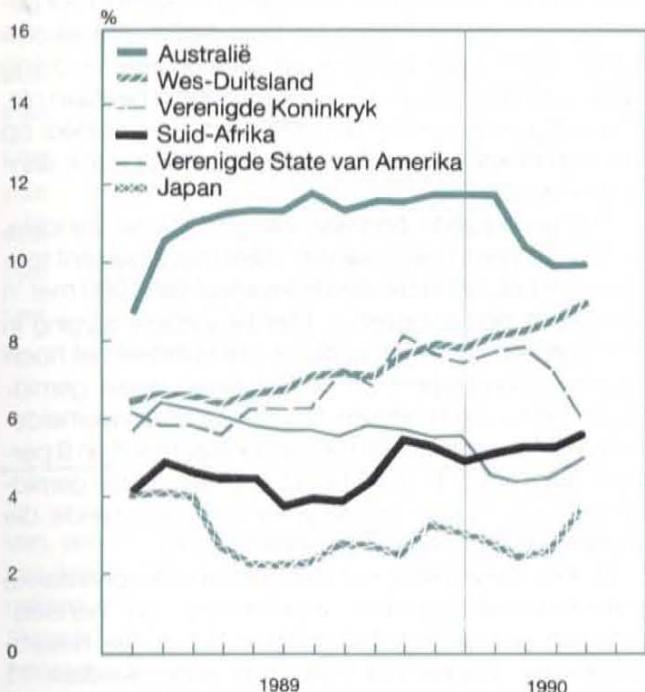
Die bedrag aan skatkiswissels wat by die weeklikse tender aangebied word, is op 30 Maart 1990 tot R40 miljoen, vanaf 7 April tot R50 miljoen, vanaf 11 Mei tot R70 miljoen en op 15 Junie tot R100 miljoen verhoog.

Geldmarkrentekoerse

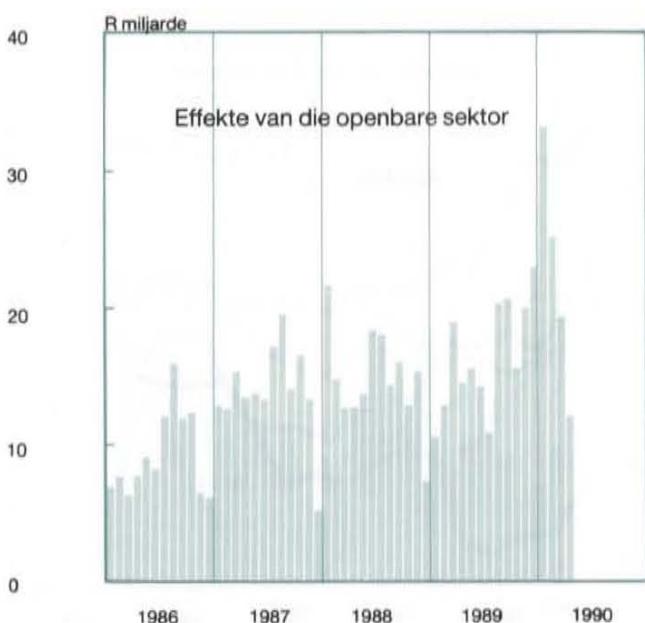
Die markkoers op likwiede bankaksepte van drie maande, wat tot 18,70 persent op 30 Januarie 1990 verstewig het, het tot 18,50 persent op 6 Februarie gedaal en vervolgens verder afbeweg tot 18,30 persent op 22 Maart. Vanaf laat in Maart tot die middel van Junie 1990 het hierdie koers 'n hoë mate van bestendigheid getoon waarby dit binne enge grense van 18,30 tot 18,50 persent geskommel het.

Die daggeldkoers van die diskontohuise het in die stram geldmarktoestand aan die einde van Januarie 1990 tot 21,25 persent verstewig, wat uit-en-terugplasings van fondse deur groot kliënte van bankinstellings tot gevolg gehad het. Oor die maandeindes van Februarie, Maart, April en Mei het die daggeldkoers

Reële prima uitleenkoerse



Effektebeurstransaksies



meer gematigd tot peile van 20,00; 20,25; 21,00 en 20,75 persent gestyg. Namate daar 'n krimpende waarskynlikheid toegeskryf is aan die moontlikheid dat die Bankkoers en die Reserwebank se stel verwante akkommodasiekoste binne die eersvolgende aantal maande verder verhoog sou word, het die koers op geldmarkinstrumente marginaal afwaarts beweeg.

'n Ondersoek na die "reële" (of "inflasie-aangesuiwerde") prima-uitleenkoerse in sekere uitgesoekte lande (wat bereken is deur die koers van die inflasie in verbruikerspryse oor die voorafgaande twaalf maande as 'n invaller-veranderlike vir die *verwagte* inflasie te gebruik) toon dat die Suid-Afrikaanse reële primakoers, binne die steekproef van lande wat by die ondersoek betrek is, min of meer halfpad tussen die laagste koers (dié in Japan) en die hoogste koers (dié in Australië) gelê het. Die verbetering in die Suid-Afrikaanse inflasiekoste vanaf ongeveer die middel van 1989, en die verhoging (tot 21,0 persent) van die nominale prima-oortrekkingskoers van die handelsbanke vanaf 11 Oktober 1989, is weerspieël in die feit dat die Suid-Afrikaanse reële primakoers van 3,7 persent in Junie 1989 tot 5,6 persent in April 1990 gestyg het.

Kapitaalmarkontwikkelings

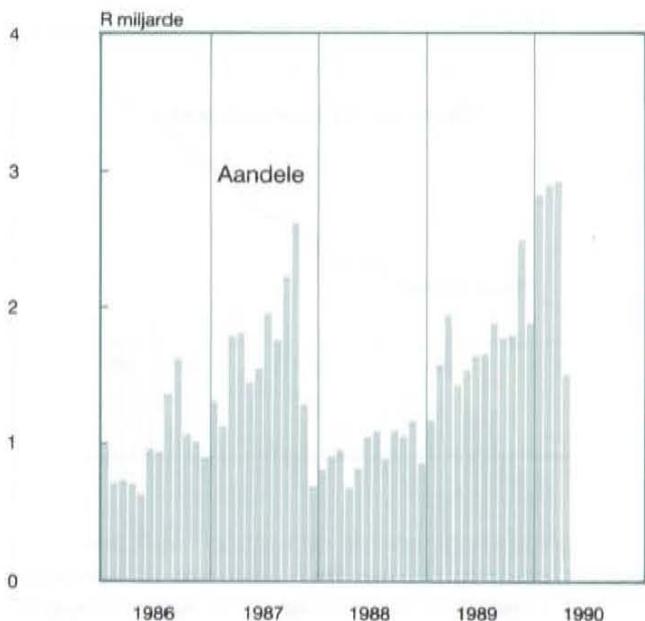
Die handelsbedrywigheid in die kapitaalmarkte, wat in die derde kwartaal van 1989 kragtig herstel en in die vierde kwartaal nog weer aanmerklik verder gestyg

het, het in die eerste kwartaal van 1990 tot werklik buitengewoon hoë vlakke aangeteken. Baie hoë omsette is aangeteken by die verhandeling van effekte van die openbare sektor en van maatskappyaandele op die effektebeurs. Hierbenewens het die aandelepryse 'n matige verdere herstel getoon terwyl daar ook 'n verdere toename in die waarde van die transaksies in vaste eiendom aangeteken is. In April het daar egter 'n skerp daling in die handelsbedrywigheid ten opsigte van sowel aandele as effekte en 'n sekere algemene verswakking van die aandelepryse ingetree.

Die waarde van die effekte van die *openbare sektor* wat op die effektebeurs verhandel is, het van sy vorige rekordvlak van R58,1 miljard in die vierde kwartaal van 1989 met 'n merkwaardige 33 persent tot by 'n nuwe rekordhoogtepunt van nie minder nie as R77,3 miljard in die eerste kwartaal van 1990 gestyg. In April was die waarde van hierdie transaksies, wat R12,0 miljard beloop het, egter minder as die helfte so groot as die gemiddelde maandelikse syfer van R25,8 miljard wat in die voorafgaande drie maande aangeteken is.

Die skerp afname in die effektehandel in April kon deeltelik toegeskryf word aan die gebruiklike groot aantal openbare vakansiedae en lang naweke gedurende daardie maand. In minder belangrike mate (aangesien transaksies waarby nie-inwoners betrokke was slegs 'n baie klein deel van die totale effektehandel op die effektebeurs uitgemaak het) was dit egter ook 'n weerspieëling van die feit dat die aankope, verkope en netto aankope van effekte van die openbare sektor deur nie-inwoners gedurende April in vergelyking met

Effektebeurstransaksies



laer goudprys vanaf laat in Maart 1990 op die ge moedstoestand in die mark uitgeoefen het, asook van die mark se verhoogde gevoel van onsekerheid oor geskilpunte met betrekking tot Suid-Afrika se toekom stige maatskaplik-politieke en ekonomiese bedeling waарoor daar nog geen eenstemmigheid bestaan nie. Die *netto verkope* van aandele deur *nie-inwoners* op die Johannesburgse Effektebeurs het egter ook aansienlik teruggesak.

Die gemiddelde *prysvlak* van alle klasse aandele, wat in die vierde kwartaal van 1989 met 7 persent toegeneem het, het in die eerste kwartaal van 1990 met 'n verdere 4 persent gestyg. Hierdie verdere styging in die algemene prysvlak in die eerste kwartaal het hoofsaaklik voortgespruit uit verbeterings in die gemiddelde pryse van finansiële aandele en van nywerheids- en handelsaandele, wat met onderskeidelik 8 en 9 persent gestyg het. In teenstelling hiermee het die gemiddelde pryspeil van goudmynaandele gedurende die kwartaal met 'n verdere 7 persent gedaal.

In Februarie 1990 het die gemiddelde prysvlakte van finansiële aandele, nywerheids- en handelsaandele en "alle klasse" aandele hul vorige rekordvlakte van September 1987 met onderskeidelik 11 persent, met 'n marginale 1 persent en met 3 persent oorskry; die gemiddelde prysvlak van goudmynaandele het daarenteen teruggesak vanaf die hoogtepunt wat dit in Desember 1989 bereik het tot 'n vlak wat sowat 16 persent laer was as die hoogtepunt van 1987. In April 1990 het die gemiddelde prysvlak van "alle klasse" aandele, in die voetspore van die verswakkings van die dollarprys van goud en van die gevoelens van ongerustheid oor moontlike maatskaplik-politieke en ekonomiese ontwikkelings op langer termyn wat in daardie stadium in die mark bestaan het, in wesenlike mate (naamlik met 5 persent) gedaal.

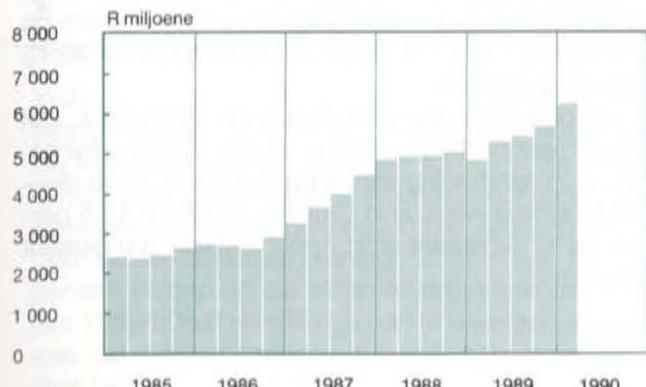
In die *prim re markte* het die leners in sowel die private as die openbare sektor met betrekking tot nuwe uitgiftes in die eerste kwartaal van 1990 slegs betreklik geringe bedrywigheid getoon. 'n Bedrag van slegs R60 miljoen is gedurende di  kwartaal deur maatskappye wat op die effektebeurs genoteer is, in die vorm van nuwe uitgiftes van vaste-rentedraende effekte opgeneem; dit kan vergelyk word met die bedrag van R162 miljoen wat in die voorafgaande drie maande opgeneem is. Nuwe uitgiftes van gewone aandele deur genoteerde maatskappye het van R5,7 miljard (waarby die privatiseringsuitgifte van Yskor ingesluit is) in die vierde kwartaal van 1989 tot 'n skamele R0,3 miljard in die eerste kwartaal van 1990 ingekrimp. Die "netto nuwe leenbedrywigheid" van die openbare sektor in die vorm van die uitreiking van vaste-rentedraende effekte het egter ietwat verstewig deurdat die netto *terugbetaling* van skuld ten bedrae van R0,8 miljard in die vierde kwartaal van 1989 tot 'n netto *terugbetaling* van slegs R0,4 miljard in die daaropvolgende kwartaal verminder is.

In die *verbandmark* het die bedrag aan uitbetalings

nie-inwoners se aan- en verkope van sodanige effekte in elk van die voorafgaande drie maande, aanmerklik gedaal het; dit lyk waarskynlik dat hierdie verskynsel onder andere die invloed getoon het van die beduidende verstewiging wat die re le opbrengskoerse op prima-effekte en ander langtermyn-waardepapier sedert die begin van 1990 in verskeie van die w relde se belangrikste nywerheidsekonomie  aan die dag gel  het. (Die *netto aankope* deur nie-inwoners van alle effekte van die openbare sektor op die Johannesburgse Effektebeurs het van 'n maandelikse gemiddelde van sowat R0,2 miljard in die eerste kwartaal van 1990, in April tot aansienlik minder as die helfte van daardie bedrag teruggesak.) Ten slotte is dit moontlik dat die omsetsyfers ten aansien van die effekte van die openbare sektor in April reeds afwaarts beïnvloed is deur 'n afname in die omvang van terugkooptransaksies waarvoor sodanige effekte as die onderliggende waardebewyse dien.

Die waarde van die *aandele* wat op die effektebeurs verhandel is, het vanaf sy vorige rekordvlak van R6,2 miljard in die vierde kwartaal van 1989 met byna 39 persent tot 'n nuwe rekordbedrag van R8,6 miljard in die eerste kwartaal van 1990 gestyg. Die gemiddelde maandelikse waarde van hierdie transaksies het dan  egter in betekenisvolle mate vanaf effens minder as R2,9 miljard in die eerste kwartaal van 1990 tot slegs R1,5 miljard in April teruggesak – die laagste vlak waarop hierdie transaksies in die jongste twaalf maande te staan gekom het. Dit kon moontlik 'n weer spieeling gewees het van die invloed wat die heelwat

Transaksies in vaste eiendom



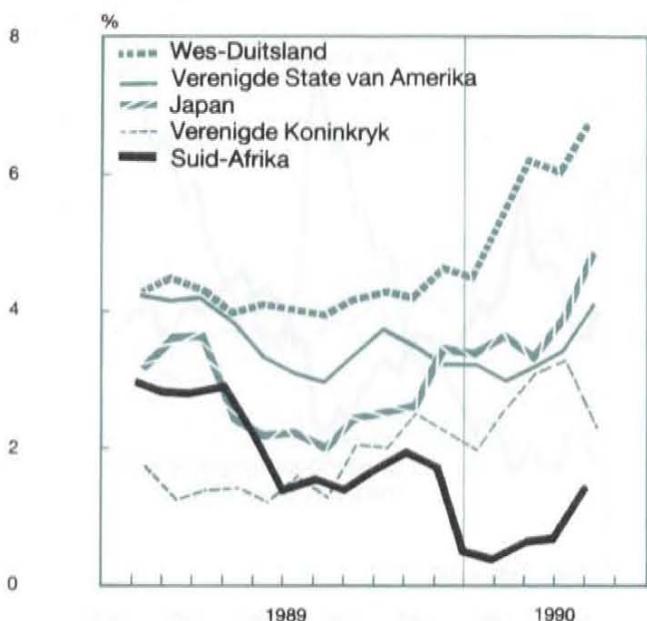
van verbandlenings deur die bouverenigings, wat in die derde kwartaal van 1988 'n hoogtepunt van R2,7 miljard bereik het, in die eerste kwartaal van 1990 slegs R1,9 miljard beloop. Dit was nietemin beduidend hoër as die bedrag van R1,5 miljard in die vierde kwartaal van 1989. Die toename in die bouverenigings se totale besit aan verbandlenings, wat in sowel die derde as die vierde kwartaal van 1989 R0,5 miljard bedra het, het in die eerste kwartaal van 1990 tot R0,7 miljard toegeneem; die volgehoudende groot verskil tussen uitbetalings op nuwe lenings en die werklike toename in die bouverenigings se besit aan lenings was vir die derde opeenvolgende kwartaal 'n weerspieëeling van voortgesette groot kapitaaldelgings. In teenstelling hiermee het die toename in die bankinstellings se besit aan verbandlenings effens afgeneem, naamlik van R1,3 miljard in die vierde kwartaal van 1989 tot R1,2 miljard in die eerste kwartaal van 1990.

Die waarde van die *transaksies in vaste eiendom* het van die rekordtotaal van R5,7 miljard in die vierde kwartaal van 1989 tot 'n nuwe rekordbedrag van R6,2 miljard in die eerste kwartaal van 1990 toegeneem. Die totale waarde van hierdie transaksies in 1989, wat R21,2 miljard beloop het, was 8 persent hoër as in 1988. *Reële* gesproke, dit wil sê ná aansuiwering vir die inflasie soos dit deur die verbruikersprysindeks gemeet word, het die omvang van die transaksies in vaste eiendom in 1989 egter met sowat 6 persent teruggesak.

Langtermyn-opbrengs- en rentekoerse

Die afwaartse beweging van die *opbrengskoers op langtermynstaatseffekte*, wat – om verskeie redes, soos die feit dat die Regering syleenprogram vir begrotingsdoeleindes vir die fiskale jaar 1989/90 reeds vroeg afgehandel het, en die deurgaans positiewe beleggersentiment onder sowel inwoners as nie-inwoners – teen die middel van die vierde kwartaal van

Reële langtermynrentekoerse

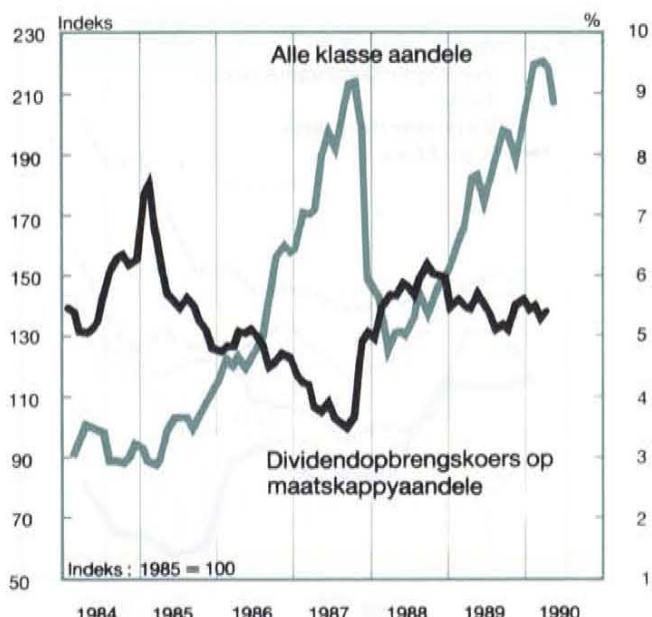


1989 'n aanvang geneem het, het in Februarie 1990 sy stukrag verloor en in trurat begin gaan. Die maandelikse gemiddelde opbrengskoers op langtermynstaatseffekte het betreklik skerp, naamlik van 16,9 persent in Oktober 1989 tot 15,5 persent in Januarie 1990, gedaal maar vervolgens, op grond van oorwegings soos die onlangse teleurstellende verloop van die dollarprys van goud en die mark se hernieuide kommer oor potensiële maatskaplik-politieke en ekonomiese ontwikkelings op langer termyn, weer tot 15,6 persent in Februarie, 15,7 persent in Maart en 16,2 persent in April opgeskuif.

Die *reële* rentekoers op langtermynstaatseffekte (dit wil sê die nominale koers ná aansuiwering vir die heersende inflasiekoers van jaar tot jaar), wat in November 1988 'n hoogtepunt van 3,9 persent bereik het, het betreklik geleidelik maar nietemin sterk tot slegs 0,3 persent in Januarie 1990 teruggesak. Daarna het die stygings in die nominale opbrengskoers op langtermynstaatseffekte en 'n afname in die inflasiekoers egter meegebring dat die *reële* rentekoers weer ietwat, naamlik tot 1,4 persent in April 1990, herstel het.

Die maandelikse gemiddelde *dividendopbrengskoers* op alle klasse aandele het, as die spieëlbeeld van die verdere verbetering in die algemene vlak van die aandelepryse in die eerste kwartaal van 1990, van 5,7 persent in Desember 1989 tot 5,3 persent in Maart 1990 afgeneem. Verswakkking van die aandelepryse het vervolgens meegebring dat hierdie opbrengskoers weer tot 5,5 persent in April verstewig het. Die gemiddelde *verdienste-opbrengskoers* op alle klasse aandele (met uitsondering van goudmynaandele) het van

Aandelepryse en opbrengskoerse

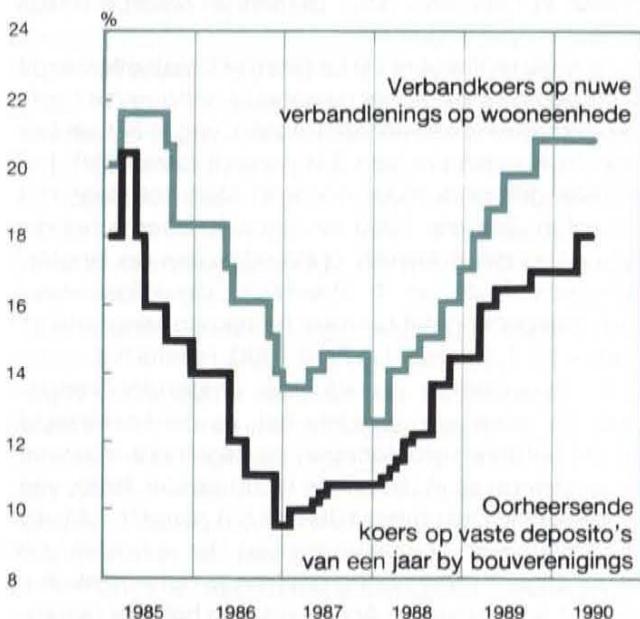


Die bouverenigings se oorheersende huisverbandkoers, wat in Junie 1989 tot 19,75 persent verhoog is, is in die daaropvolgende vier maande op daardie vlak gehandhaaf. Ná die verhoging van die Bankkoers op 11 Oktober 1989 is hierdie koers in Oktober tot 20,75 persent opgeskuif.

Die oorheersende rentekoers op deposito's van twaalf maande by die banke en die bouverenigings, wat as 'n aanduiding van depositokoers in die algemeen beskou word, is in Oktober 1989 van 16,5 persent tot 17,0 persent en in April 1990 tot 18,0 persent verhoog.

15,4 persent in Desember 1989 tot 14,6 persent in April 1990 gedaal, hoofsaaklik as gevolg van die minder indrukwekkende finansiële resultate wat maatskappye in die verskillende sektore van die ekonomie gedurende hierdie tydperk openbaar gemaak het.

Bouvereniging-rentekoerse



Staatsfinansies

Skatkisuitreikings

In die eerste drie kwartale (die Junie-, September- en Desember-kwartaal) van die fiskale jaar 1989/90 het die koers van toename van jaar tot jaar in die skatkisuitreikings aan staatsdepartemente (ná die gebruiklike aansuiwing vir veranderings in die saldo op die Betaalmeester-Generaalrekening) 33,8, 15,9 en 26,1 persent beloop. In die Maart-kwartaal van die fiskale jaar 1989/90 (dit wil sê in die eerste kwartaal van 1990) was die skatkisuitreikings in werklikheid egter 1 persent *laer* as gedurende die Maart-kwartaal van die fiskale jaar 1988/89. Hierdie skerp daling in die toenamekoers van jaar tot jaar was 'n weerspieëling van beperkte *addisionele* staatsbestedings, wat gewoonlik in die laaste of Maart-kwartaal van die fiskale jaar aangegaan word; die beperkte omvang van die addisionele bestedings waarvoor bewilliging verkry moes word, was op sy beurt weer 'n weerspieëling van die hoë mate van finansiële dissipline wat in die loop van die fiskale jaar deur die owerhede gehandhaaf is.

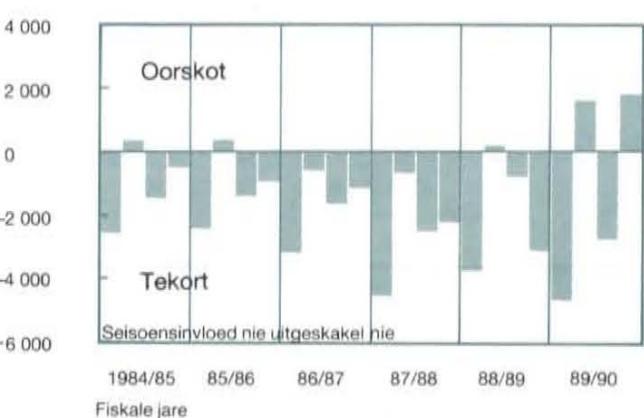
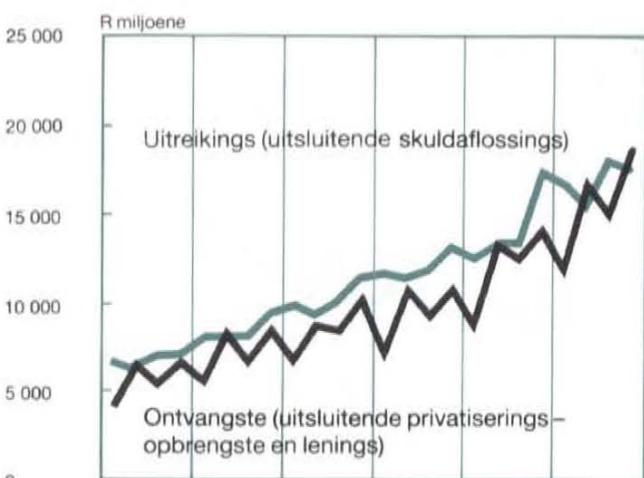
Die staatsbesteding het in die fiskale jaar 1989/90 in sy geheel met 16,2 persent toegeneem, teenoor die Begroting se oorspronklike raming van 13,2 persent of van 15,0 persent indien die bedrag van R1 miljard aan onvoorsiene uitgawes waarvoor in die Begroting toegelaat is, ook in berekening gebring word. Die werklike toename styg tot 17,1 persent wanneer dit met die verandering in die saldo op die Betaalmeester-Generaalrekening aangesuiwer word. *Reëel* het die toename in die staatbesteding in die fiskale jaar 1989/90 1,1 persent beloop, of 1,9 persent nadat dit met die verandering in die saldo op die Betaalmeester-Generaalrekening aangesuiwer is.

In April 1990, dit wil sê in die eerste maand van die fiskale jaar 1990/91, was die skatkisuitreikings (ná aansuiwing vir veranderings in die saldo op die Betaalmeester-Generaalrekening) nie minder nie as 4 persent *laer* as in April 1989. Dit kon egter hoofsaaklik aan die betreklik hoë vlak van hierdie uitreikings in April 1989 toegeeskry word. Die afname oor twaalf maande in die skatkisuitreikings in April 1990 behoort derhalwe nie beskou te word as 'n vooraanduiding van die verloop wat hierdie uitreikings na verwagting in die res van die fiskale jaar 1990/91 sal toon nie.

Skatkisontvangste

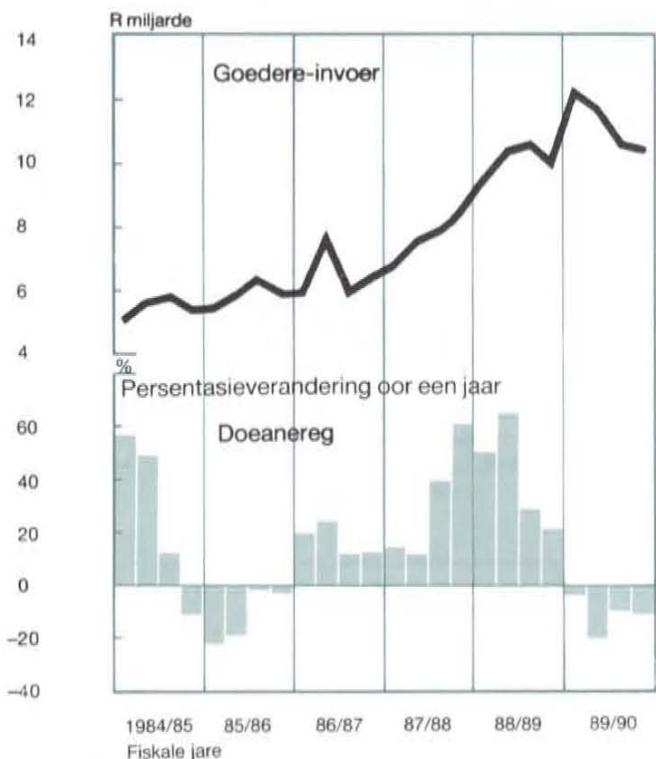
Die toename van jaar tot jaar in die *skatkisontvangste* (waarby die opbrengste van privatiseringsaksies nie ingesluit is nie) het in die eerste drie kwartale van die fiskale jaar 1989/90 37,2, 26,4 en 20,4 persent beloop. Hierdie koers van toename het vervolgens in die laaste of Maart-kwartaal van die fiskale jaar 1989/90 weer tot 32,5 persent opgeskiet.

Skatkisrekening



In vergelyking met die laaste kwartaal van die fiskale jaar 1988/89 het die toename in die ontvangste uit inkomstebelasting op maatskappye en individue in die laaste kwartaal van die fiskale jaar 1989/90 'n verbasend hoë 39,3 persent bedra. Die ooreenstemmende toename oor periodes van vier kwartale in die ontvangste uit algemene verkoopbelasting en uit doeane- en aksynsregte het 24,6 en 9,3 persent beloop. Die vergelykenderwys geringe persentasietoename in doeane- en aksynsregte het voortgespruit uit die feit dat die bo-belasting op ingevoerde goedere in die Maart-kwartaal van die fiskale jaar 1989/90 slegs 13,8 persent meer opgelewer het as in die Maart-kwartaal van die fiskale jaar 1988/89. Hierbenewens het die doeane-regte in werklikheid 10,3 persent *minder* opgelewer as in die vorige jaar, wat onder andere 'n weerspieëling was van die uitwerking wat verskuiwings in die samestelling van die goedere-invoer (en 'n geringe netto afname in die fisiese hoeveelheid van die goedere-invoer) in die eerste kwartaal van 1990 in vergelyking met die eerste kwartaal van 1989 daarop uitgeoefen het.

Goedere-invoer en doeanereg



Die staatsinkomste (waarby die opbrengste van privatisering nie ingesluit is nie) was gedurende die fiskale jaar 1989/90 in sy geheel 'n aansienlike 28,2 persent hoër as in die vorige fiskale jaar. Dit kan vergelyk word met die toename van 16,0 persent waarvoor daar in die oorspronklike Begrotingsramings van Maart 1989 begroot is. *Reëel* gesproke het die inkomste-ontvangste in die fiskale jaar 1989/90 met 'n aansienlike 11,5 persent gestyg.

In April 1990 was die skatkisontvangste 19,3 persent hoër as in April 1989. Hierdie persentasiestygging was heelwat hoër as die koers van toename in die staatsinkomste van 5,8 persent waarvoor daar vir die fiskale jaar 1990/91 in sy geheel begroot is. In hierdie baie vroeë stadium van die nuwe fiskale jaar behoort die waargenome koers van toename in die inkomste-ontvangste van jaar tot jaar egter nog nie beskou te word as 'n aanduiding van die neigings wat in die loop van die fiskale jaar sal geld nie.

Tekort voor lenings

'n Oorskot voor lenings en skuldaflossing ten bedrae van R1 421 miljoen is in die Maart-kwartaal van die fiskale jaar 1989/90 aangeteken; dit kan vergelyk word met 'n tekort van R2 480 miljoen in die Maart-kwartaal van die fiskale jaar 1988/89.

Vir die fiskale jaar 1989/90 in sy geheel het die tekort voor lenings en skuldaflossing (waarby die opbrengs

van privatisering nie ingesluit is nie, en wat op 'n basis van vergelykbaarheid met die gegewens soos dit deur die Minister van Finansies in sy Begrotingsrede verskaf is, bereken is) R3 996 miljoen bedra. Dit was 'n hele R5 953 miljoen *minder* as die geraamde tekort van R9 949 miljoen wat deur die Minister in sy oorspronklike Begrotingsrede in die vooruitsig gestel is. In verhouding tot die nominale bruto binnelandse produk het die uiteindelike werklike tekort slegs 1,7 persent bedra; die tekort waarvoor oorspronklik begroot is, sou 4,1 persent beloop het van die bedrag waarop die bruto binnelandse produk volgens die vooruitskatting ten tye van die Begroting van 1989/90 gedurende die fiskale jaar te staan sou kom.

Die tekort van R3 996 miljoen in die fiskale jaar 1989/90 is soos volg uit die netto opbrengs van nuwe leningsuitgifte (en van die leningsheffing) gefinansier:

	R miljoene
Staatseffekte	10 165
Skatkiswissels	3 326
Leningsheffing	692
Nie-bemarkbare lenings	-890
Buitelandse lenings	-174
	13 119
Plus: Opbrengs uit privatisering	2 975
Min: Diskonto op nuwe uitgifte	4 331
Min: Oordragte na die Stabilisasie- en ander rekeninge	3 416
Min: Toename in beskikbare kontantsaldo's	4 351
Totale netto finansiering (= tekort voor lenings)	3 996

Terselfdertyd is die tekort van R3 996 miljoen, plus die diskonto van R4 331 miljoen op nuwe uitgifte van staatseffekte (in totaal dus R8 327 miljoen), soos volg uit die verskillende beschikbare finansieringsbronne gefinansier:

	R miljoene
Openbare Beleggingskommissaris	4 111
Nie-bank- private sektor	6 204
Banksektor:	
Korporasie vir Openbare Deposito's	1 886
Ander banke	-6 868
Buitelandse sektor	19
Opbrengs uit privatisering	2 975
Totaal	8 327

Begrotings van Administrasies vir Eie Sake vir 1990/91

In die Begroting vir Algemene Sake van die Minister van Finansies vir 1990/91 is daar voorsiening gemaak vir 'n totale bewilliging aan die Administrasies vir Eie Sake ten bedrae van R12 482 miljoen. Daarbenewens

sou hierdie administrasies R261 miljoen van hul eie fondse benut; die totale besteding deur hierdie administrasies in 1990/91 sou volgens begroting dus op R12 743 miljoen te staan kom. Van hierdie totaal sou bedrae van onderskeidelik R8 138 miljoen, R3 386 miljoen en R1 219 miljoen deur die Administrasies van die Volksraad, die Huis van Verteenwoordigers en die Huis van Afgevaardigdes bestee word.

Verklaring in verband met terugkoop-ooreenkomste aangegaan deur bankinstellings

Uitgereik deur dr C.L. Stals, President van die Suid-Afrikaanse Reserwebank

24 April 1990

Banke en diskontohuise maak in 'n toenemende mate van terugkoopooreenkomste wat nie op hul balansstate verskyn nie as 'n befondsingsmeganisme gebruik. Aan die einde van Februarie 1990 het die uitstaande terugkoopooreenkomste wat deur banke gesluit is R11,1 miljard bedra, wat byna 10 persent verteenwoordig het van alle banke gesamentlik se totale verpligtigs teenoor die publiek wat op balansstaat getoon is. Vergelykbare syfers vir diskontohuise aan die einde van Maart 1990 het R4,0 miljard en 266 persent onderskeidelik bedra. In die geval van individuele banke het die verhouding van befondsingsverpligtigs (in die vorm van terugkoopooreenkomste) wat nie op balansstaat getoon word nie tot vergelykbare verpligtigs teenoor die publiek wat op balansstaat getoon is, aan die einde van Februarie 1990 van 0 persent, vir banke wat nie van hierdie metode gebruik gemaak het nie, tot 550 persent gewissel. Die vergelykbare verhoudings in die geval van diskontohuise aan die einde van Maart 1990 het van 88 tot 430 persent gewissel. Voorts toon 'n vergelyking van die befondsingsverpligtigs wat op sowel as nie op balansstaat getoon word nie met die kapitaal en reserwes van individuele instellings ook buitengewone hoë hefboomverhoudings op die betrokke datums.

Die Reserwebank is van mening dat die sluit van 'n terugkoopooreenkoms in wese 'n befondsingsbedrywigheid is. Dit dra risiko's wat ooreenstem met dié wat geassosieer word met befondsingsbedrywigheide wat op balansstaat getoon word, en behoort derhalwe aan dieselfde minimum voorsorgvereistes onderhewig te wees. Meeste terugkoopooreenkomste word inderdaad doelbewus as 'n alternatiewe befondsingsmeganisme gebruik ten einde voorsorgvereistes te vermy.

Die onvermydelike gevolg is dat die betrokke instelling self en sy deposante aan groter risiko's blootgestel is aangesien sommige van sy verpligtigs nie aan die toepaslike voorsorgvereistes onderhewig is nie. Alle deposante en aandeelhouers mag nie altoos van die bykomstige risikoblootstellings bewus wees nie, aangesien risiko's wat nie op balansstaat getoon word nie, nie altyd ten volle geopenbaar word nie.

Nog 'n ongewenste gevolg van bankinstellings se verhoogde risikoblootstellings (wat uit die vermyding van voorsorgvereistes voortspruit) is dat 'n onredelike verantwoordelikheid op die Reserwebank in sy hoedanigheid as lener in laaste instansie aan die bankstelsel geplaas word. As toesighoudende owerheid doen die Reserwebank bowendien sy uiterste om die kontant en besparings wat die publiek by geregistreerde depositonemende instellings hou, te beskerm, en hy moet homself derhalwe daarvan vergewis dat al hierdie

instellings aan die neergelegde statutêre voorsorgvereistes voldoen.

Die buitebalansstaataktiwiteit van banke doen ook afbreuk aan die betrouwbaarheid van monetêre ontleidings vir monetêre beleidsdoeleindes. Hierdie praktike lei tot die onderskatting van die grootte van, asook tot verwringings in, die werklike veranderings in die geldvoorraad en totale bankkredietverlening. Ten einde verder die gesondheid van die bankwese in Suid-Afrika te beskerm en die gehalte van bankstatistiek te verbeter, word verwag dat ooreenkombig die hersiene bankwetgewing (soos voorgestel in die Wetsontwerp op Depositonemende Instellings), wat tans vir tertafellegging in die Parlement gefinaliseer word en wat waarskynlik aan die einde van 1990 in werking sal tree, depositonemende instellings aan die voorsorgvereistes wat ten opsigte van verpligtigs en eise wat "op" sowel as "nie op" die balansstaat getoon word nie, sal moet voldoen. Dit is derhalwe raadsaam vir bankinstellings om hulself in die volgende paar maande voor te berei om later aan die breërgestruktureerde voorsorgvereistes te kan voldoen. Die beginsels wat in die voorgestelde voorsorgvereistes beliggaam is, asook die voorgestelde nuwe basis vir sodanige vereistes, word in die voorgestelde Wetsontwerp, wat onlangs vir kommentaar en inligting aan alle bankinstellings, onderlinge bouverenigings en bouverenigings gesirkuleer is, uiteengesit. Die bedoeling is om die besonderhede van hierdie vereistes in samewerking met die betrokke instellings gedurende die res van 1990 te ontwikkel en om sodanige besonderhede in die regulasies wat ingevolge die voorgestelde Wetsontwerp gemaak sal word, te vervat.

Die voorgestelde nuwe wetgewing maak onder andere voorsiening vir 'n omvattende hersiening van voorsorgvereistes vir bankinstellings en bouverenigings, vir die geleidelike uitfasering van daggeld by diskontohuise as likwiede bates, en vir aangeleenthede wat betrekking het op die depositonemende aktiwiteit van instellings wat nie as banke of bouverenigings geregistreer is nie.

Dit word erken dat die stuksgewyse implementering van die nuwe vereistes 'n ontwrigtende invloed op handelsaktiwiteit in die geld- en kapitaalmark sal hê en ook 'n aanmerklike invloed op bankmarges sal uitoeft. Ten einde egter 'n verdere erosie van voorsorgvoorsienings kragtens die bestaande reguleringsbestel te vermy – met die oog op die beveiliging van die belang van deposante en aandeelhouers asook die finansiële gesondheid van die bankstelsel – word die onderstaande maatreëls nou reeds deur die Reserwebank in werking gestel. Waar toepaslik, sal die Reserwebank eersdaags ingevolge Proklamasie No. R. 184 van 1967 die nodige Reëls uitvaardig. Om moontlike

ontwrigting van normale sekuriteitehandel te vermy, kan die Reëls voorsiening maak vir sekere uitsluitings en sal, in hierdie oopsig, saamgestel word na oorlegpleging met betrokke partye.

As uitgangspunt word aanvaar dat terugkoopooreenkomste (waarby inbegrepe is enige ooreenkoms ingevolge waarvan fondse verkry word deur die verkoop van 'n sekuriteit en waaraan die voorwaarde gekoppel is dat die verkoper van sodanige sekuriteit verplig is om dieselfde of enige ander sekuriteit op 'n gegewe toekomstige datum of binne 'n bepaalde tydperk terug te koop) wat deur banke, diskontohuise, onderlinge bouverenigings en bouverenigings gesluit word, in wese die verkryging van fondse deur hierdie instellings teen 'n bepaalde vorm van onderpand verteenwoordig. Van banke en alle bouverenigings sal gevoglik verwag word om in die toekoms die waarde van alle sekuriteite wat ingevolge terugkoopooreenkomste verkoop is, op hul balansstate teen terugkoopprys te toon en om soortgelyke bedrae as verpligtigs teenoor die publiek te toon wat aan reserwesaldo- en likwiedebatevereistes onderhewig sal wees. Alle terugkoopooreenkomste deur diskontohuise sal op dieselfde wyse in die toekoms op balansstaat getoon word en aan die bepalings van die Bankwet, 1965, onderhewig wees.

Bankinstellings uitgesonderd diskontohuise

As 'n tussentydse maatreël is besluit om, in die geval van individuele banke, 'n bedrag gelykstaande aan die bedrag van verpligtigs wat voortspruit uit die aangaan van terugkoopooreenkomste uitstaande aan die einde van Februarie 1990, soos aan die Registrateur van Banke verslag oor gedoen is in die maandelikse opgawes van BW-Vorm 7 vir Februarie 1990, van die reserwesaldo- en likwiedebatevereistes, opgelê deur die Bankwet, 1965, vry te stel. Slegs die bedrag van terugkoopooreenkomste deur banke wat hierdie bedrag oorskry, sal vanaf die datum van sertifisering van hul maandelikse opgawes van BW-Vorm 7 vir Mei 1990 onderhewig wees aan die voorsorgvereistes wat die Bankwet, 1965, neerlê. Hierdie vrystelling sal verval wanneer die voorgestelde nuwe wetgewing, wat in die Wetsontwerp op Depositonemende Instellings vervat is, in werking tree.

Hierdie maatreëls sal inhoud dat –

- (i) verpligtigs van banke ten opsigte van terugkoopooreenkomste voortaan op hul balansstate aangetoon moet word; en
- (ii) die waarde van terugkoopooreenkomste wat deur banke bo die bedrag aangegee in opgawes van BW-Vorm 7 vir Februarie 1990 aangegaan is, met ingang van die datum van sertifisering van die BW-Vorm 7-opsawe vir Mei 1990 onderworpe sal wees aan die normale statutêre reserwesaldo- en likwiedebatevereistes deur die Bankwet, 1965, opgelê.

Reëls sal ook deur die Reserwebank uitgevaardig word ten einde te vermy dat –

- (i) reserwesaldo- en likwiedebatevereistes deur banke ten opsigte van terugkoopooreenkomste wat deur dié instellings met die Reserwebank of die Korporasie vir Openbare Deposito's aangegaan is, gehandhaaf word;
- (ii) dubbele reserwesaldo- en likwiedebatevereistes ten opsigte van terugkoopooreenkomste wat tussen banke aangegaan is, gehou word; en
- (iii) 'n bate wat die grondslag van 'n terugkoopooreenkomsts vorm en wat voortaan op balansstaat aangetoon moet word, as beswaard beskou word en dus van gestorte kapitaal en onaangetaste reserwefondse afgetrek moet word, soos deur artikel 1(5) van die Bankwet, 1965, vereis word.

Diskontohuise

Alle terugkoopooreenkomste wat deur diskontohuise aangegaan is, sal voortaan ook op hul balansstate as verpligtigs getoon moet word. Die bepalings van artikel 22 van die Bankwet, 1965, wat beperkings op transaksies van diskontohuise neerlê, sal egter nie van toepassing wees op terugkoopooreenkomste wat deur diskontohuise aangegaan is nie, en wel tot 'n bedrag gelyk aan die waarde van terugkoopooreenkomste wat deur hulle aangegaan is en uitstaande was aan die einde van Februarie 1990, soos deur hulle in opgawes aan die Reserwebank gerapporteer is. Soos in die geval van banke, sal die beperkings ook nie van toepassing wees nie op terugkoopooreenkomste aangegaan met die Reserwebank en die Korporasie vir Openbare Deposito's, terwyl alle bepalings van die Bankwet, 1965, vanaf 21 Junie 1990 van toepassing sal wees op die bedrag van terugkoopooreenkomste wat deur diskontohuise aangegaan is bo die bedrag van sodanige ooreenkoms geboekstaaf in die maandelikse opgawe ten opsigte van Februarie 1990 wat aan die Reserwebank verstrek is. Al die bepalings van die Wetsontwerp op Depositonemende Instellings sal egter op diskontohuise van toepassing wees wanneer die Wetsontwerp, soos deur die Parlement goedgekeur, in werking tree.

Bouverenigings

Onderlinge bouverenigings maak tans nie in 'n groot mate van terugkoopooreenkomste as deel van hul fondsingsbedrywighede gebruik nie. Hoewel dit voortaan ook van hulle verwag sal word om terugkoopooreenkomste op balansstaat te toon, word dit nie in hierdie stadium toepaslik geag om 'n formele voorskrif aan hierdie verenigings uit te reik nie. Bouverenigings sal aan dieselfde vereistes as bankinstellings onderhewig wees wanneer die voorgestelde Wetsontwerp op Depositonemende Instellings aangeneem word. In die

tussentyd sal die samewerking van verenigings tot die rapportering van alle terugkoopooreenkomste op balansstaat egter gevra word en die Reserwebank sal nie huiwer om, indien dit wenslik geag word, wysiende wetgewing voor te berei en aan die Parlement voor te lê nie, of om ander stappe te doen ten einde onaanneemlike situasies met betrekking tot terugkoopooreenkomste deur onderlinge bouverenigings en bouverenigings aangegaan, reg te stel nie.

Die gereeldé statutére opgawes wat deur bankinstellings en onderlinge en maatskappybouverenigings aan die Registrateur van Banke of van Bouverenigings voorgelê word, sal, indien nodig, aangepas word ten einde voorsiening te maak vir data betreffende terugkoopooreenkomste. Bankinstellings, onderlinge bouverenigings en bouverenigings sal eersdaags deur die Registrateur van Banke en van Bouverenigings versoek word om gesertifiseerde ontledings te verstrek van terugkoopooreenkomste wat deur hulle aangegaan is en wat aan die einde van Maart 1990 uitstaande was.

Die verbiedinge vervat in Omsendbrief No. RB 160, uitgereik gedurende Julie 1979, wat onder andere betrekking het op die sluiting van terugkoopooreenkomste ten opsigte van fiktiewe bates en by wyse van gesimuleerde transaksies, bly van krag en sal ook van toepassing gemaak word op onderlinge en maatskappybouverenigings.

Ten slotte wil die Reserwebank herhaal dat hierdie tussentydse maatreëls, in afgwagting van die promulgasie van nuwe regulasies, na die aanname van die Wetsontwerp op Depositonemende Instellings, daarop gerig is om (i) te verhoed dat enige verdere erosie van die behoud van voorsorgvereistes deur banke ingevolge die bestaande reguleringsbestel plaasvind, sonder egter om (ii) die bestaande mededingingsposisies van individuele instellings te wring.

Daar word ten volle besef dat 'n behoefte tot verdere samesprekings en ondersoeke bestaan met betrekking tot die uitwerking wat die aanname van die voorgestelde Wetsontwerp op die behoorlike ontwikkeling van 'n sekuriteitsmark in Suid-Afrika kan hê.

Termynvalutadekkingstransaksies van die Suid-Afrikaanse Reserwebank

deur E.J. van der Merwe

Oor ten minste die afgelope twintig jaar is tekorte oor die algemeen deur die Suid-Afrikaanse Reserwebank op die sogenoemde termynboek aangeteken. Slegs oor betreklik kort tydperke was die Bank in staat om oorskotte op termyntransaksies te wys. Op 'n jaarrbasis is tekorte in die meeste finansiële jare aangeteken. Hierdie tekorte was gedurende die laat ses-tigerjare onder die destydse betreklik vaste wisselkoersstelsel vergelykenderwys nog klein, maar het vanaf 1978 begin om skerp te styg. Die omvang van hierdie tekorte het grootliks afhang van die stand van die kontantwisselkoers van die rand gedurende 'n spesifieke jaar; hierdie tekorte het dus vanaf 1985 met die skerp depresiasi van die rand aansienlik gestyg.

Alhoewel hierdie "tekorte" en "oorskotte" voortspruit uit 'n doelbewuste oor- of onder-prysvasstelling van termyndekkingskoste met die oogmerk om sekere voorafbepaalde makro-ekonomiese beleidsdoelwitte na te streef, word gewoonlik daarna as "verliese" en "winste" op die Reserwebank se termynvalutatransaksies verwys. Soos in hierdie artikel verduidelik sal word, word hierdie "verliese" en "winste" vir die doel-eindes van makro-ekonomiese ontleding as kapitaal-oordragte tussen die Regering en die private sektor beskou. Dit moet nie verwarring word met die rekening-kundige konsep van verliese en winste wat uit normale kommersiële handelsoptredes ontstaan nie.

Die volgehoue verliese wat die Reserwebank ly en die aansienlike toename wat daarin voorgekom het, het onlangs heelwat aandag geniet. Vrae word gevra oor die rede waarom daar voortgegaan word om sulke verliese te ly en waarom hulle so groot moet wees as wat hulle is. Die doel van hierdie artikel is om sommige van hierdie vrae te bespreek, naamlik:

- Wat veroorsaak dat die Reserwebank termynverliese aangaan?
- Hoe word hierdie termynverliese in die makro-ekonomiese rekeninge van Suid-Afrika aangeteken?
- Watter makro-ekonomiese implikasies het hierdie termynverliese vir die land?
- Wat kan die monetêre owerhede doen om die verliese wat reeds aangegaan is, af te los en om toekomstige verliese te voorkom?

Faktore verantwoordelik vir verliese op die termynboek van die Reserwebank

Drie afsonderlike maar interafhanklike redes kan onderskei word waarom die Reserwebank verliese op sy termynvalutaboek ly, naamlik:

- (a) Die Bank tree as 'n "markskepper" op. Dit beteken dat die Bank 'n aktiewe deelnemer in die termynvalutamark is en dekking aan gemagtigde valutahandelaars *op die handelaar se inisiatief verskaf* en nie uitsluitlik as 'n deel van die Bank se eie intervension beleid om korttermynbewegings in die wisselkoers van die rand te beïnvloed nie.
- (b) Die Bank het 'n groot netto verkoopsaldo op termynboek wat nie "afgedek" word deur die gelyktydige aankoop van kontant- of termynvaluta nie en wat 'n aansienlike stygende neiging getoon het.
- (c) Die Bank voorsien dekking teen "markbenaderde" termynwisselkoerse. Hierdie koerse word eenvoudig verkry deur die verskil tussen plaaslike en buitelandse rentekoerse aan te pas met die transaksiekoste van buitelandse banke en binnelandse gemagtigde handelaars.

Aktiewe deelnemer in mark

Die Reserwebank is 'n aktiewe deelnemer in die termynvalutamark sedert dié mark se ontstaan. Hierdie aktiewe betrokkenheid van die Bank was hoofsaaklik gerig op die ontwikkeling van die mark. Verskeie pogings is van tyd tot tyd aangewend om die reëlings met betrekking tot die werksaamhede van die termynvalutamark in Suid-Afrika te verbeter. Aansienlike veranderings, gebaseer op die aanbevelings van die Kommissie van Onderzoek na die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika (De Kock-kommissie), is veral na 1979 aangebring. Ondanks hierdie pogings kan die termynmark nog steeds beskryf word as baie beheerd, betreklik onderontwikkeld, kunsmatig en sterk aan bande gelê deur valutabeheerreëls en -regulasies.

Die Reserwebank het derhalwe sy rol as "markskepper" voortgesit alhoewel pogings aangewend is om die mark minder streng te beheer. Die uiteindelike doelwit van die owerhede bly egter nog steeds "'n termynmark buite die Reserwebank waarin dit sowel inwoners as nie-inwoners vrystaan om vryelik met mekaar termyntransaksies aan te gaan en waarin termynkoerse vir die rand, as gevolg van arbitrage-transaksies, sal neig om dieselfde in Suid-Afrika en oorsee te wees en om naby rentekoerspariteit te staan te kom"¹. Daar word gemeen dat dit die twee belangrikste tekortkomings van die termynmark sal uitskakel,

¹ Republiek van Suid-Afrika, Die Kommissie van Onderzoek na Die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika, *Die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika* (Finale verslag) RP 70/1984, Staatsdrukker, Pretoria, 1985, pp. 35 en 136.

naamlik die wanbalans in die Reserwebank se termynboek en die feit dat termyntransaksies nie ten volle hulle rol in die bepaling van kontant- en termynwisselkoerse vervul nie.

In ooreenstemming met die De Kock-kommissie¹ se aanbevelings, het die monetêre owerhede daarna gestreef om hulle geleidelik eerder as onmiddellik en plotseling van die termynmark te onttrek. Die Kommissie was van mening dat 'n onmiddellike onttrekking van die Reserwebank te drasties en ontwrigtend sou wees. Daar is aangevoer dat so 'n onttrekking sou "waarskynlik oormatige afwaartse druk plaas op of die Reserwebank se buitelandse reserwes en/of die wisselkoers van die rand, terwyl dit terselfdertyd waarskynlik ook sou veroorsaak dat rentekoerse skerp styg. Die rede hiervoor is dat die banke in die afwesigheid van die Reserwebank se termyndekking sowel as finansiële perke op banke, behalwe gewone toesigveriestes, waarskynlik sou probeer om hul termynverkope met kontantaankope af te dek en sodoende meer van die amptelike reserwes sou absorbeer."²

Veral in die tydperk 1983 tot 1985 het die Reserwebank 'n vasgestelde plan gevvolg om hom geleidelik van die mark te onttrek. Kwota's is aan elke handelaar toegeken vir die maksimum netto bedrag wat so 'n handelaar van die Bank in die vorm van ruitransaksies op termyn kon koop of verkoop. Vir die eerste jaar, dit wil sê van 5 September 1983 tot 31 Augustus 1984, is die totale bedrag van alle gemagtigde handelaars se blootstelling op VSA\$10 000 miljoen vasgestel. Op 1 September 1984 is hierdie bedrag met een-derde tot VSA\$6 667 miljoen verminder; met die bedoeling om dit op 1 September 1985 met 'n verdere een-derde te verminder en om die Reserwebank se verpligting om termyndekking aan valutahandelaars te verskaf op 31 Augustus 1986 heeltemal te beëindig.

Die Reserwebank was egter verplig om hierdie plan uit te stel as gevolg van die omstandighede wat tot die skuldstilstand in September 1985 aanleiding gegee het. Indien die Bank op daardie stadium met die plan voortgegaan het, sou dit waarskynlik binnelandse instansies met skuldverpligtings betitel in buitelandse geldeenheid genoop het om hierdie lenings so gou as moontlik terug te betaal. Indien hierdie lenings nie deur die skuldstilstandreëlings geraak is nie, sou hulle in werklikheid terugbetaal gewees het. Dit sou die wisselkoers van die rand onder selfs meer druk geplaas het en sou 'n selfs laer vlak van die buitelandse reserwes tot gevolg gehad het. Indien hierdie lenings binne die sogenaamde stilstandnet geval het en reeds hul oorspronklike vervaldatums bereik het, sou hulle na spesiale beperkte depositorekening by die Openbare Beleggingskommissarissoor geplaas moes word. Enige verliese wat uit wisselkoersveranderings ontstaan het, sou dan steeds vir die rekening van die

Tesourie gewees het. Ook van belang is dat die fundering van die terugbetaling van hierdie buitelandse lenings waarskynlik 'n toename in binnelandse rentekoerse sou veroorsaak het op 'n tydstip toe daar aansienlike onsekerheid en 'n algemene gebrek aan vertroue oor die toekoms van die binnelandse ekonomie bestaan het.

Hierdie omstandighede het tot 'n toename in die termynverpligtings van die Reserwebank geleid. Die Bank is egter nog steeds van voorneme om mettertyd op 'n ordelike wyse van die termynmark te onttrek. Dit is herbevestig deur die Bank in 'n brief wat op 8 Desember 1988 aan gemagtigde handelaars gerig is. In hierdie brief is ook aangedui dat die Bank met die oog op die vergemakliking van so 'n geleidelike onttrekking, sy betaling in VSA-dollar vir die produksie van goud wat die goudmyne aan die Bank verkoop, sou hervat en dat die goudmyne binne vasgestelde perke toegelaat sou word om die dollaropbrengste van hul vaste toekomstige goudproduksie vooruit te verkoop. Ondanks hierdie verklaarde voornemens, is die Bank egter terselfdertyd deur internasionale en binnelandse omstandighede verplig om sy optrede in die termynmark uit te brei ten einde die buitelandse valutareserves te beskerm. Vanaf die begin van 1989 het die Bank begin om termyndekking teen voorkeurkoerse te verskaf vir buitelandse kredietfasilitete wat vir handelsdoeleindes verkry is. Daarbenewens het die Bank ook die looptyd van termynkontrakte verleng tot tydperke langer as 'n jaar ten einde langtermyn- buitelandse financiering aan te moedig.

Die Reserwebank het derhalwe selfs in 'n groter mate in die mark betrokke geraak as wat voorheen die geval was. Die huidige verpligte van die Bank op die termynboek bestaan nou hoofsaaklik uit:

- Ruitransaksies wat met gemagtigde handelaars vir 'n maksimum tydperk van twaalf maande gesluit is. In ooreenstemming met die huidige reëlings sal 'n gemagtigde handelaar wat byvoorbeeld VSA-dollars op termyn aan 'n kliënt verkoop, eers die verlangde dollars in die kontantmark koop en dit daarna, verkiel weer in die mark, kontant verkoop en op termyn aankoop. Indien die handelaar nie in staat is om die tweede been van die transaksie in die mark af te sluit nie, mag hy 'n ruitransaksie met die Reserwebank aangaan. Hierdie terugkooptransaksie verseker dat die handelaar op die vasgestelde toekomstige datum in 'n posisie sal wees om die dollars teen 'n voorafbepaalde prys te verkry vir lewering aan sy kliënt in terme van die oorspronklike termynkontrak. 'n Groot deel van die termyntransaksies van die Bank bestaan uit hierdie tipe transaksies.
- Regstreekse termynvaluta-aankoop- en -verkoopkontrakte met gemagtigde handelaars teen dokumentêre bewys dat die onderliggende transaksie 'n verbruikersoorsprong het. Sulke transaksies word vir 'n maksimum bedrag van VSA\$10 miljoen per transaksie gesluit. Hierdie reëling is in Desember 1985

² Republiek van Suid-Afrika, Kommissie van Ondersoek na die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika, *op. cit.* p. 136.

ingestel met die bedoeling om spekulasié teen die rand, wat op daardie stadium voorgekom het, te ontmoedig. Hierdie transaksies word slegs onder buitenewone omstandighede gedoen. Die bedrae daarby betrokke is betreklik klein.

- Regstreekse termyndekking vir openbare korporasies en ander instellings in die openbare sektor vir tydperke van langer as twaalf maande op die rand/dollar-been van hulle buitelandse leningstransaksies. Alhoewel hierdie faciliteit in Januarie 1987 beëindig is, ontstaan 'n groot deel van die verliese op die termynboek van die Reserwebank nog steeds uit hierdie transaksies waar dekking voorsien is vir tydperke wat wissel van een tot vyftien jaar.
- Termyndekking op skuld wat na spesiale beperkte depositorekeninge by die Openbare Beleggingskommissarisie in ooreenstemming met die skuldstilstandreëlings met buitelandse krediteurbanke gekrediteer is. Die totale bedrag van hierdie deposito's, wat gedurende 1986 en 1987 betreklik groot was, het gedurende 1988 begin afneem. Tans is die termyndekkingfasilitete wat deur die Bank in hierdie kategorie voorsien word, dus betreklik klein.
- Termyndekking teen voorkeurkoerse vir kredietfasilitete wat deur gemagtigde handelaars verkry word vir befondsing van die buitelandse handel. Sodanige dekking is slegs beskikbaar teen dokumentêre bewys dat die buitelandse kredietfasilitete opgeneem is en op voorwaarde dat die vervaldatum van die dekking ooreenstem met die datum van die betrokke onderliggende buitelandse finansiering. Uitvoerders word onder hierdie maatreëls ook aangemoedig om van voor-uitvoer buitelandse finansiering gebruik te maak. Hierdie faciliteit is in 'n aansienlike mate benut en in die vierde kwartaal van 1989 het sodanige dekking gemiddeld sowat R1,7 miljard per maand beloop.
- Langtermyndekking vir projekfinansiering en dekking ten opsigte van fondse vasgevang in die skuldstilstandnet wat in langtermynlenings omskep is in ooreenstemming met die reëlings met buitelandse krediteurbanke. Die termyndekking vir projekfinansiering word vir die volle tydperk van sodanige langtermynfinansiering aangebied, maar moet met die vervaldatum van die onderliggende transaksie ooreenstem. Dekking word nie slegs vir die rand/dollar-been van die transaksie voorsien nie, maar ook in ander vryelik oordraagbare internasionale geldeenheide. Wat termyndekking van geaffekteerde skuld betref wat in langtermynlenings omskep is, moet dit met die aflossingstruktuur van die betrokke lenings ooreenstem en is dit slegs tot VSA-dollars beperk.

Groot netto verkoopsaldo op termynboek

Die Reserwebank was nie slegs 'n aktiewe deelnemer in die mark nie, maar het oor die afgelope twintig jaar ook 'n groot netto verkoopsaldo op termynboek ge-

had. In die sewentigerjare was hierdie netto verkoopsaldo hoofsaaklik die gevolg van die feit dat 'n groot deel van die valuta-ontvangste uit die uitvoer en sekere kapitaalbewegings regstreeks na die Reserwebank gevloeи het en nie die Bank deur middel van die gemagtigde handelaars bereik het nie. Die bedrae aan buitelandse valuta wat aan die handelaars deur hulle kliënte aangebied is, was dus bykans sonder uitsondering kleiner as die bedrae wat van die handelaars vir invoer en ander betalings aan buitelander aangevra is. Hierdie wanbalans in die kontantvalutamark het noodwendig met 'n soortgelyke wanbalans in die termynmark gepaard gegaan. Bowendien is 'n vaste kommissie van 1 persent op die kontantkoers van die Reserwebank vir sowel die Bank se termynaankope as -verkope in berekening gebring. Op enige gegewe tydstip het hierdie reëling of aankopers of verkopers begunstig en het derhalwe een-rigtingdekking tot gevolg gehad. Indien 'n depresiasié van die rand byvoorbeeld verwag is, sou die meeste invoerders verkie om dekking uit te neem, terwyl daar min aansporing vir uitvoerders was om dit te doen.

Met die oog op hierdie en ander tekortkomings het die owerhede belangrike veranderings in valutamarkprocedures aangebring. Om 'n beter balans tussen kontantaankope en -verkope te verkry, en derhalwe ook tussen termynaankope en -verkope in die private mark, is die opbrengste van die diamantuitvoer en buitelandse lenings wat deur openbare korporasies en ander instellings in die openbare sektor verkry is, regstreeks na gemagtigde handelaars gekanaliseer. In September 1983 is ook aangekondig dat die Reserwebank voortaan die goudmyne in VSA-dollars sou betaal vir nuut geproduceerde goud wat aan die Bank gelewer is sodat die myne hierdie dollars in die binelandse mark kon plaas. Veranderende omstandighede het die Reserwebank egter daarna verplig om hierdie reëling gedeeltelik te herroep, en vanaf Februarie 1985 tot die begin van Desember 1985 is die mynbedryf die helfte in rand en die helfte in dollars betaal vir hulle goudverkope aan die Bank. Volgehoue druk op die buitelandse reserwes het daarna veroorsaak dat hierdie reëling in Desember 1985 heeltemal herroep is en dat die goudmyne uitsluitlik in rand vir enige goudaankope betaal is. Eers vanaf Februarie 1988 was die Reserwebank in staat om hierdie maatreël weer in werking te stel en sedertdien word die goudmyne weer ten volle in VSA-dollars betaal vir goud wat aan die Bank verkoop word.

Sekere veranderings is ook regstreeks aan termynvalutamarkreëlings aangebring met die doel om in 'n toenemende mate ewewig tussen valuta-aankope en -verkope teweeg te bring. Die belangrikste van hierdie hervormings was onder meer 'n besluit dat die Reserwebank vanaf Desember 1979 slegs die rand/dollar-risiko verbonde aan die buitelandse lenings aangegaan deur openbare instellings, vooruit sou dek. In 1980 het die Bank begin om termynkoerse op 'n meer markbe-

naderde wyse, wat hieronder in meer besonderhede bespreek word, te kwoteer. In 1980 is valutabeheer-goedkeuring ook aan Suid-Afrikaanse uitvoerders verleen om krediet aan buitelandse invoerders te verskaf vir tydperke tot twaalf maande en aan bankinstellings om dekking vir hierdie tydperk te voorsien. Dit het die looptye van termyninvoer- en -uitvoerdekkings in ooreenstemming met mekaar gebring. Daarbenewens het die owerhede besluit om die goudmyne toe te laat om 'n deel van die verwagte opbrengs uit goudverkope wat binne twaalf maande ontvang sou word, vooruit te verkoop. In 'n verdere poging om 'n beter balans op die termynboek te bewerkstellig, het die owerhede dit vanaf Desember 1985 vir uitvoerders wat nie kontant verkoopt nie, verpligtend gemaak om hulle totale uitvoeropbrengste vooruit te dek, en om dit te doen binne 'n tydperk van nie meer nie as sewe dae na die datum van verskeping van die betrokke goedere.

Ten spyte van hierdie veranderings het die wanbalans op die Reserwebank se termynboek voortgeduur. Ná die gedwonge herroeping van gemagtigde handelaars se termynlimiete, het die Bank se netto verkoopsaldo op termynboek in werklikheid volgehoud om te styg tot 'n vlak van ongeveer VSA\$23 miljard in 1989. Verskeie faktore het waarskynlik tot hierdie verswakkings van die Bank se netto verkoopsaldo bygedra. Hieronder tel die struktuur van Suid-Afrika se buitelandse handel, wat bestaan uit groot gouduitvoer waarvan slegs 'n betreklik klein gedeelte tans vooruit gedeck word. Bowendien het die termynkoerse wat deur die Bank gekwoteer word en sedert 1989 in die besonder die voorkeurkoerse en die lae diskonto op die langtermyndekking, die termyndekking van invoertransaksies en van uitstaande lenings begunstig gedurende 'n tydperk waarin oor die algemeen verwag is dat die rand skerp sou depresieer. Laastens het die skuldstilstandreeëlings, wat in 1985 ingestel is, ook tot 'n groter dekking van buitelandse lenings bygedra.

Die wanbalans in die termynboek is dus nou verwant aan die doelwit om die vlak van die goud- en ander buitelandse reserwes van die land te beskerm. Soos reeds deur die De Kock-kommissie besef is, kan hierdie doelwit en die verkryging van 'n beter balans in die termynboek in konflik met mekaar wees in 'n mark wat nog op groot skaal deur die owerhede beheer word. Oor hierdie aangeleentheid was die Kommissie se bevinding dat: "by die aanvanklike ontwikkeling van 'n mededingende termynmark die Reserwebank die premies en diskonto's op termynvaluta dikwels so sal moet vasstel dat voorkeur aan die beskerming van die reserwes verleent word liever as aan 'n beter balans tussen termynverkope en -aankope met die oog op 'n vermindering van die Bank se valutaverliese. Mettertyd behoort omstandighede dit egter moontlik te maak om groter gewig aan die oogmerk van 'n verbeterde balans in die termynvalutamark te gee."³

Daar kan dalk geredeneer word dat alhoewel die Reserwebank gewoonlik 'n netto termynverkoopsaldo

het, verliese op die termynmark verhoed kon gewees het indien hierdie blootstelling binnelands of buitelands gedeck is. Die Reserwebank kon hierdie risiko's nie binnelands dek nie vanweë die onderontwikkelde private termynmark sowel as ander markte waarin beskerming teen die risiko's verky kan word. Die netto verkoopsaldo op die termynboek van die Bank kon ook nie internasionaal gedeck word nie vanweë die lae vlak van die buitelandse reserwes en die begeerte om die druk wat sodanige transaksies op die kontantwisselkoers van die rand sou plaas, te verhoed.

Markbenaderde termynwisselkoerse

Omdat die Reserwebank nie in staat was om sy netto verkoopsaldo te dek nie, was dit bykans onvermydelik dat verliese op die termynboek gely word onder die stelsel waarin termynkoerse voor Februarie 1979 bepaal is. Soos alreeds aangetoon, is die termynkoerse wat op daardie stadium deur die Reserwebank gekwoteer is vir beide aankoop- en verkooptransaksies, op die kontantwisselkoers plus 'n vaste kommissie van een persent vasgestel. Met 'n groot netto termynverkoopsaldo, het 'n depresiasi van meer as een persent noodwendig 'n verlies op die Bank se termynvalutatransaksies tot gevolg gehad. In 'n wêreld van swewende wisselkoerse kom sulke depresiasiën natuurlik heel dikwels voor.

Hierdie stelsel is derhalwe vervang met 'n nuwe stelsel waarin termynkoerse gebaseer is op die rand/dollar-kontantwisselkoers plus óf minus 'n persentasie-aanpassing vir rentekoersverskille tussen Suid-Afrika en die Verenigde State. Aanvanklik is hierdie termynkoerse vir slegs drie looptye gekwoteer, naamlik vir tydperke van 3 tot 121 dae, 122 tot 243 dae en 244 tot 365 dae. Later, dit wil sê in November 1980, is hierdie stelsel uitgebrei om 'n meer uitgebreide reeks koerse vir verskillende looptye in te sluit. In Desember is hierdie stelsel verder gewysig deur termynwisselkoerse in terme van punte eerder as persentasies te kwoteer.

Alhoewel die huidige stelsel vir die berekening van termynkoerse 'n groot verbetering is in vergeleke met die vorige stelsel, kan verliese op die termynboek nog steeds nie voorkom word waar aansienlike depresiasi van die rand plaasvind of waar kunsmatige lae binnelandse rentekoerse gehandhaaf word nie. Dit kan miskien die beste geillustreer word deur die huidige stelsel in Suid-Afrika met dié van 'n ontwikkelde termynvalutamark te vergelyk.

In 'n ontwikkelde termynvalutamark wat betreklik vry van valutabeheerbeperkings is, word kontantwisselkoerse, termynwisselkoerse en rentekoerse min of

³ Republiek van Suid-Afrika, Kommissie van Ondersoek na die Monetêre Stelsel en Monetêre Beleid in Suid-Afrika: *Wisselkoerse in Suid-Afrika* (Eerste Tussentydse Verslag, RP112/1978, Staatsdrukker, Pretoria, 1979 p. 34).

meer gelyktydig vasgestel. In so 'n mark word veranderings in die termynmark vinnig na veranderings in die kontantmark herlei, en omgekeerd. Die termynpremie of -diskonto van 'n land se wisselkoers teenoor dié van 'n ander land sal neig om gelyk te wees aan die verskil tussen die tersaaklike rentekoerse in die betrokke twee lande. Indien dit van hierdie "rentekoerspariteit" sou awyk, kan winste gemaak word deur fondse van die een na die ander geldeenheid oor te plaas. Enige sodanige beweging van fondse sal natuurlik weer neig om die rentekoersvlakte in die twee lande te beïnvloed; rentekoerse sal neig om te daal in die land wat 'n bykomstige vraag na sy geldeenheid ondervind, en om te styg in die ander land.

'n Voorbeeld sal dit toelig. Veronderstel dat die rentekoers in die Verenigde State 6 persent, is die rentekoers in die Verenigde Koninkryk 10 persent is en dat die drie-maande termynkoers op sterling op 'n diskonto van 5 persent teenoor die sterling/dollarwisselkoers staan. 'n Belegging in sterling wat vooruit gedeck word lewer dus 'n totale opbrengs van 5 persent, wat ongunstig vergelyk met 'n belegging in dollars. 'n Belegger kan gevoglik gedeekte sterling teen 5 persent leen en in dollars teen 6 persent belê. Hierdie toestand sal egter waarskynlik nie lank voortduur nie. Volgehewe sterlinglenings tesame met groot beleggings in dollar sal sterlengrentekoerse vinnig laat styg en dollar-koerse laat daal totdat rentekoerspariteit bereik word. Terselfdertyd beïnvloed die beweging van fondse van sterling na dollars ook die wisselkoers tussen die twee geldeenhede.

Hierdie min of meer gelyktydige bepaling van kontantkoerse, termynkoerse en rentekoersverskille in 'n goed ontwikkelde mark ontstaan uit drie tipes transakteurs se optrede. Eerstens verskans inwoners van die betrokke lande hulle handels- en finansiële transaksies teen moontlike skommelings in kontantwisselkoerse as deel van hulle normale handelsoptrede. Tweedens plaas arbitrageurs fondse van een geldeenheid na die ander oor wanneer termyndiskonto's of -premies uit lyn is met rentekoersverskille. Laastens tree spekulante in die mark op wat gewillig is om op die basis van verwagte wisselkoersveranderings blootstellings te handhaaf sonder enige onderliggende handels- of finansiële transaksie.

Die funksionering van hierdie markte word gewoonlik verder vergemaklik deur ontwikkelde Euro-valutamarkte in die geldeenhede waarin hulle sake doen. In die praktyk word termynkoerse, onder normale omstandighede, gewoonlik bepaal deur verskille tussen die Euro-koerse eerder as tussen die binnelandse rentekoerse in die betrokke lande wat deur overheidsopredes beïnvloed kan word. Die Euro-markte is wesenlik vrye markte wat vryelik deur inwoners en nie-inwoners gebruik kan word. Dit beteken dat die banke geredelik enige termynmarkverpligting kan dek.

In die Suid-Afrikaanse termynvalutamark word termyntransaksies tot slegs kommersiële transaksies

(onderliggende handels- en finansiële transaksies) beperk. Hierdie transaksies word deur verskillende valutabeheermaatreëls geregeleer. Daarbenewens bestaan 'n Euro-randmark omtrent nie en is dit onder huidige omstandighede moeilik om die ontwikkeling van so 'n mark in die nabije toekoms te voorsien. Die termynwisselkoerse wat deur die Reserwebank gekwoteer word, is dus gebaseer op kontantwisselkoerse en binnelandse rentekoerse wat onder beperkte toestande bepaal word en wat nie deur arbitrasie en spekulasië beïnvloed word nie. Hierdie termynkoerse is, met ander woorde, slegs gesimuleerde markkoerse; as sodanig mag hulle heeltemal teenstrydig wees met verwagte wisselkoers- of rentekoersbewegings soos wat hulle onder vryer toestande bepaal sou word. Aangesien hierdie verwagtings nie by die termynkoerse inbegrepe is nie, sal 'n aansienlike depresiasië van die rand tesame met 'n netto verkoopsaldo op die termynboek noodwendig verliese op termynvalutatransaksies tot gevolg hê.

Die vraag kan gevra word waarom die Reserwebank nie verwagte wisselkoersbewegings by die bepaling van termynkoerse in aanmerking neem nie? Die antwoord is natuurlik dat die Reserwebank nie kan bekostig om dit te doen nie aangesien dit aan die mark sou aandui wat die Bank se verwagtings aangaande toekomstige kontantwisselkoersontwikkelings is. Dit kan aanleiding gee tot spekulatiewe kapitaalbewegings wat die buitelandse reserwes onder groot druk kan plaas as 'n aansienlike verandering in die waarde van die rand aangedui word. Dit kan ook lei tot 'n om-skakeling vanaf buitelandse na binnelandse finansiellingsbronne wanneer die verskil tussen binnelandse en buitelandse rentekoerse laer is as die diskonto op die termynkoers, aangesien dit sal beteken dat die koste van gedeakte buitelandse lenings hoër as die koste van binnelandse lenings sal wees.

Klassifikasie van termynverliese in makro-ekonomiese rekening

In die Internasionale Monetäre Fonds se *Balance of Payments Manual* en die Verenigde Volke se *A System of National Accounts* word geen uitdruklike aanbevelings oor die klassifikasie van die verliese op 'n sentrale bank se termynboek gemaak nie. Albei die laaste uitgawes van hierdie twee handleidings het verskyn voor of net nadat die swewende wisselkoersstelsel in werking getree het. Dit wil dus voorkom asof sodanige verliese op daardie tydstip as te onbelangrik beskou is om 'n breedvoerige bespreking en uitdruklike instruksies te regverdig.

In die Internasionale Monetäre Fonds se *A Manual on Government Finance Statistics*, wat in 1986 gepubliseer is, word bepaal dat regeringsoordragte om te vergoed vir verliese wat gely is op die aankoop en verkoop van buitelandse valuta 'n deel uitmaak van subsidies indien dit op 'n *herhalende en gereelde* basis geskied. As dit egter *nie-herhalend of duidelik onge-*

reeld plaasvind, moet dit as kapitaaloordragte geklassifiseer word.

In Suid-Afrika is die verliese op die termynboek van die Reserwebank vir die rekening van die Tesourie. Die Tesourie maak egter nie gereelde betalings aan die Reserwebank om hierdie verliese af te los nie. Sodanige verliese kan in die boeke van die Reserwebank bly staan totdat die Tesourie en die Reserwebank dit as gewens beskou om die uitstaande saldo te vereffent. In die verlede is die Reserwebank se verliese op termyn-dekkingsoptredes boonop in sekere jare afgeskryf teen winste wat ontstaan het uit die herwaardering van Suid-Afrika se goudreserwes teen hoër prys, dit wil sê teen kapitaalwinste.

Die Reserwebank ly nie altyd verliese nie; daar is tye wanneer aansienlike winste gemaak word. Indien die Reserwebank se termynverliese as subsidies geklassifiseer word, behoort winste op hierdie boek onder indirekte belastings ingesluit te word. Indirekte belastings word in die nasionale rekeninge gedefinieer as verpligte betalings aan die regering wat gehef word op produsente ten opsigte van die produksie, verkoop, aankoop of gebruik van goedere en dienste. Winste op die termynvalutaboek is egter beslis nie verpligte betalings aan die regering nie. Hierdie kontrakte word vrywillig deur inwoners aangegaan om hulle teen wisselkoersveranderings te verskans. Hierdie tipe inkomste verskil dus heeltemal van ander betalings aan die regering wat as indirekte belasting geklassifiseer word, soos aksynsbelasting, verkoopbelasting, sakelisensies en eiendomsbelasting.

Bowendien is die doelwit van subsidies om pryse van produkte laer te hou as wat deur produksiekoste (insluitende 'n redelike winsgrens) geregverdig word. Die verliese wat die Reservewebank op termynvaluta-transaksies ly het bepaald nie ten doel om die koste van invoer- en uitvoergoedere en -dienste te verlaag nie, alhoewel dit hierdie resultaat in die praktyk tot gevolg mag hê. Omgekeerd was dit ook nie die owerhede se bedoeling om buitelandse handel te belas in die geval waar winste op hierdie transaksies gemaak word nie. Die oogmerk van die regering met die huidige regulering van die termynmark is eerder om die buitelandse reserwes te beskerm deur buitelandse finansiering aantreklik te maak.

Vanuit 'n praktiese oogpunt sal die klassifikasie van verliese op die termynboek as subsidies ook ernstige probleme veroorsaak. Die nasionale rekeninge en betalingsbalans word op 'n transaksiebasis en nie, soos die finansiële rekeninge nie, op 'n kontantbasis te boek gestel. Dit beteken dat indien hierdie verliese as subsidies beskou word, hulle ook toegedeel moet word na die tydperke waarin die tersaaklike goedere in- of uitgevoer is. Bykomstig tot hierdie tydsansuiwerings wat gemaak sou moes word, sou dit ook meer korrek gewees het om die winste en verliese op die termynboek op 'n bruto basis aan te teken, dit wil sê winste sou as indirekte belasting en verliese as subsidies

aangeteken moet word. Die teboekstelling van hierdie winste en verliese op 'n bruto basis sou die korrekte toedeling van hierdie waardasie-aansuiwerings tussen uitvoer en invoer vir betalingsbalansdoeleindes toelaat.

In ooreenstemming met hierdie oorwegings is die winste en verliese op die Reserwebank se termynboek as kapitaaloordragte in Suid-Afrika se makro-ekonomiese rekeninge geklassifiseer. Gevolglik verskyn dit nie in die produk- en uitgawerekening van die land nie en ook nie in die lopende inkomse- en uitgawerekeninge van die verskillende ekonomiese sektore nie. Dit word slegs in die kapitaalrekeninge van hierdie sektore aangeteken. In die betalingsbalans word slegs 'n deel van die netto wins of verlies op die Reserwebank se termynboek in die kapitaalrekening as kapitaalvloeiings van die nie-bank private sektor ingesluit. Slegs daardie deel van die netto wins of verlies wat verband hou met die werklike oordrag van fondse word hier ingesluit, omdat slegs hierdie verliese op transaksies met nie-inwoners gely word. Alle ander verliese op die termynboek word gely op transaksies tussen inwoners van Suid-Afrika wat nie die totale buitelandse reserwes van die land beïnvloed nie.

Makro-ekonomiese implikasies

Die verliese op die Reserwebank se termynboek het belangrike makro-ekonomiese implikasies. In hierdie afdeling word dié implikasies slegs op 'n kwalitatiewe wyse bespreek. Verdere empiriese navorsing is nodig om die presiese kwantitatiewe invloed van hierdie verliese te bepaal.

Invoer

Soos reeds aangetoon, is een van die redes waarom verliese op die Reserwebank se termynvalutatransaksies gely word dat die termyndiskonto van die rand teenoor, sê, die VSA-dollar laer as die werklike depre-siasië van die rand teenoor die dollar was. Betreklik lae termyndiskonto's maak gedekte invoer vir toekomstige aflewering goedkoper as wat dit sou wees teen die heersende wisselkoerse ten tye van aflewering of betaling. Hierdie betreklik lae koste van gedeakte invoer kan 'n toename in die hoeveelheid ingevoerde goedere ten koste van binnelandse produksie tot gevolg hê.

Veronderstel byvoorbeeld dat die koste van termyn-dekking teen die VSA-dollar 6 persent per jaar is en dat die verwagte inflasiekoers in die VSA 4 persent is. Dit maak die prys van VSA-goedere oor 'n jaar 10 persent duurder as wat dit vandag is. Met 'n verwagte toename van sê 13 persent in die randpryse van identiese goedere in Suid-Afrika, is die styging in die gedekte invoerkoste vanaf die VSA laer as die prysstygting in Suid-Afrika. As die pryne van die Suid-Afrikaans ver-vaardigde goedere tans ten volle mededingend is (maar nie meer as dit nie) met hulle teenhangers wat van die VSA af ingevoer word, sal die betreklik lae koste van die termyndekking lei tot 'n vervanging van plaaslik ge-

produseerde goedere vanaf die huidige tydstip met ingevoerde goedere en dus 'n styging in die fisiese hoeveelheid ingevoerde goedere tot gevolg hê.

Die betreklik lae koste van termynvalutadekking kan ook 'n bespoediging of vervroeging in die invoerhoeveelheid veroorsaak wat andersins op 'n latere tydstip sou plaasgevind het. Indien die gedekte invoerkoste tans laer is as die verwagte koste oor drie of ses maande, kan dit 'n vervroeging van bestellings sowel as afleverings en gevoglik 'n verswakkering in die lopende rekening van die betalingsbalans tot gevolg hê. Die betreklik lae termyndekingskoste kan dus ook meer onstabiele toestande skep, wat voorkom kon word as verwagte wisselkoers- en ander ontwikkelings in die koste van termyndekking weerspieël is of as die rentekoerse op 'n hoërvlak was.

Uitvoer

Suid-Afrika se valutabeheerregulasies bepaal dat alle uitvoergoedere wat op krediet verkoop word, binne sewe dae na verskeping vooruit gedeck moet word. Hierdie vereiste skakel die wins uit wat uitvoerders kon gemaak het indien hulle uitvoeropbrengste ongedek gelaat kon word en as die rand dan volgens verwagting sou depresieer. Dit behoort egter nie 'n belangrike invloed op die uitvoerhoeveelheid te hê nie aangesien uitvoerders met verloop van tyd deur die depresiasie van die kontantwisselkoers bevoordeel sal word. Verpligte termyndekking kan egter sloerings in uitvoerafleverings bevorder indien 'n groot depresiasie van die rand verwag word en dit kan ook die tydperk verkort waaroor uitvoerders gewillig is om krediet te voorsien. Gevolglik kan dit die bemarkingsdoeltreffendheid van uitvoerders beïnvloed en derhalwe onregstreeks 'n negatiewe invloed op die uitvoerhoeveelheid hê. In geheel gesien het verpligte termyndekking van uitvoeropbrengste egter waarskynlik nie 'n noemenswaardige invloed op die uitvoerhoeveelheid nie.

Kapitaalbewegings

Die belangrikste regverdiging vir die bestaan van die huidige stelsel van termynvalutadekking is dat dit 'n invloeiing van buitelandse kapitaal na die land aanmoedig sonder om 'n verhoging in rentekoerse te noodsaak om dieselfde resultaat te verkry. Alhoewel die gewone termynkoerse van die Reserwebank vir ruitransaksies met gemagtigde handelaars die koste van buitelandse lenings min of meer gelyk maak aan die koste van binnelandse lenings en dus nie regstreeks 'n kapitaalinvloeiing aanmoedig nie, voorkom die feit dat gemagtigde handelaars hulle posisie by die Reserwebank kan dek dat 'n aansienlike kapitaalinvloeiing plaasvind. Die lae voorkeurtariewe op handelstransaksies en die selfs laer koste van langtermyndekking bevorder natuurlik regstreeks 'n invloeiing van buitelandse kapitaal. Laasgenoemde fasilitet is gedurende 1989 in 'n aansienlike mate gebruik, wat gehelp het om die vlak van die buitelandse reserwes te ondersteun.

Geldmark

Die verliese op die Reserwebank se termyntransaksies lei tot 'n toename in die bates van die Bank in die vorm van eise teen die regering. 'n Toename in die bates van die Reserwebank is, *ceteris paribus*, 'n bron van nuwe kontantreserwes vir bankinstellings. Hierdie bron van nuwe kontantreserwes ontstaan deurdat die Reserwebank op die verval datum van die termynkontrak byvoorbeeld dollars aan die banke verskaf teen 'n rand/dollarwisselkoers wat onder die heersende waarde van die dollar is. Die banke betaal minder rand as die heersende waarde van die dollars wat hulle ontvang, met die gevolg dat die bedrag aan kontantreserwes wat van die private bankstelsel onttrek word, kleiner is as wat dit moes gewees het; die verskil tussen die heersende randwaarde van die dollars wat die Bank afstaan en die afname in bankiersdeposito's word goedgemaak deur die eis wat die Bank teen die Tesourie verkry. Alhoewel dit kontantreserwes verteenwoordig wat "nie vernietig is nie" eerder as kontantreserwes wat "geskep" is, is dit 'n "plusfaktor" in die berekening van die banke se kontantreserwebesit en het dit dieselfde uitbreidende uitwerking op die geldmark asof die Reserwebank kontantreserwes deur middel van opemarkoptredes of deur middel vanakkommodasie by die diskontovenster aan die banke voorsien het.

Wanneer hierdie eise deur die regering betaal word, het dit egter nie 'n ooreenstemmende vernouende invloed op die kontantreserwes van die banke nie. In hierdie geval word die daling in die Reserwebank se bates, wat ontstaan uit die betaling van die eis, deur 'n ooreenstemmende daling in die Bank se laste teen die regeringsektor, in die vorm van 'n afname in die Skatkisrekeningsaldo, geneutraliseer.

Staatsfinansies

Die verliese op die termynboek van die Reserwebank beïnvloed nie die finansiële posisie van die regering onmiddellik nie, in soverre dat die verliese nie dadelik deur die regering betaal word wanneer dit gely word nie. Aan die einde van elke finansiële jaar word hierdie verliese na die sogenaamde Goud- en buitelandsevalutagebeurlikhedsreserwerekening oorgeplaas en in hierdie rekening word dit afgeskryf teen winste of bygevoeg by verliese wat op goud en op die buitelandse laste en bates betitel in ander geldeenheide gemaak is. Die berekende netto verlies op hierdie rekening kan daarna op die rekening bly totdat die Tesourie en die Reserwebank dit wenslik ag om die uitstaande saldo of 'n deel daarvan te vereffen.

Alhoewel hierdie veliese nie onmiddellik in die rekening van die Tesourie aangeteken word nie, verteenwoordig dit staatskuld. In 'n ontleding van die staatskuld behoort dit by die totale bedrag uitstaande gevoeg te word en soos enige ander staatskuld plaas dit 'n las op toekomstige regeringsbelasting en ander in-

komste. Die termynvalutaverliese verskil egter in twee belangrike aspekte van ander staatskuld. Eerstens word daar nie 'n vaste datum vir die terugbetaling van hierdie skuld vasgestel nie. Tweedens word geen rente op die eise van die Suid-Afrikaanse Reserwebank teen die regering gehef nie.

Binnelandse produksie en besteding

Soos reeds aangetoon, neig die betreklik lae diskonto's op die Reserwebank se termynvalutatransaksies om 'n vervanging van ingevoerde goedere vir binnelands geproduseerde goedere te veroorsaak, met 'n gevolglike afname in die binnelandse produksie. Hierdie vervangingseffek word egter verminder in dié mate wat die korttermynprysvoordeel wat ondernemers geniet nie aan verbruikers deurgegee word nie, of slegs gedeeltelik deurgegee word. Met ander woorde, ingevoerde goedere word binnelands teen randpryse verkoop wat in geheel, of bykans in geheel, die omvang van die rand se depresiasisteenoor ander geldeenhede insluit, en die koers van toename in verbruikerspryse word slegs in 'n beperkte mate verminder deur die verliese op die Reserwebank se termynkontrakte. Hierdie praktyk verminder dus die vervangingseffek op binnelandse produksie, wat selfs meer sou afgeneem het as hierdie prysvoordeel aan die verbruikers deurgegee is. Alhoewel daar veral oor hierdie aspek verdere navorsing gedoen moet word, wil dit voorkom asof die termynverliese tot ietwat laer binnelandse produksie en hoër binnelandse besteding in reële en moontlik ook in nominale terme lei. Hierdie gevolgtrekking is in ooreenstemming met die verwagte verswakkings wat die huidige stelsel van termynvaluta waarskynlik ook op die lopende rekening van die betalingsbalans meebring.

Aflassing van termynverliese alreeds aangegaan

Drie benaderings kan deur die owerhede gevolg word met betrekking tot die termynverliese wat alreeds deur die Reserwebank vir die rekening van die Tesourie aangegaan is, naamlik:

- Die regering kan voortgaan om hierdie eise uit lopende inkomste te betaal. As die groot omvang van die opgelooste bedrag van onafgeloste termynverliese in aanmerking geneem word, sal sodanige betalings aan die Reserwebank oor 'n tydperk versprei moet word; die aflassing in 'n enkele bedrag sal te ontwrigtend wees. Die heffing van bykomstige belasting vir die aflassing van die totale bedrag van uitstaande verliese sal 'n baie groot deflationistiese uitwerking op die ekonomie hê. Dit sal ook die geldmark ernstig versteur en die Reserwebank verplig om uitgebreide hulp aan die mark te verskaf. Die huidige beleid om hierdie lenings terug te betaal wanneer die Minister van Finansies en die President van die Reserwebank dit gerade ag, lyk na die beste beleid wat onder die omstandighede gevolg kan word, veral aangesien dit by 'n

breër ekonomiese strategie en met toestande in die geld- en kapitaalmarkte ingepas kan word.

- Die regering kan nuwe effekte uitrek teen die eise wat uit die termynverliese ontstaan. Hierdie effekte kan regstreeks aan die Reserwebank voorsien of in die mark verkoop word. Indien dit regstreeks aan die Reserwebank beskikbaar gestel word, sal dit nie enige invloed op die geldmark of op die geldvoorraad hê nie, en hierdie effekte kan dan in toekomstige opemarkbedrywigheid gebruik word. Indien die effekte op die mark verkoop word en die opbrengs gebruik word om die Reserwebank te betaal, sal dit die kontantreserves van die banke verminder en kan dit ook tot 'n afname in die geldvoorraad lei (as 'n "eerste-ronde"- uitwerking) indien die transaksies nie deur middel van oortrekingsfasilitete gefinansier word nie. As die monetêre owerhede van mening is dat sodanige verkope te ontwrigtend is, kan die invloed daarvan op die geldmark natuurlik deur die Reserwebank geneutraliseer word deur die gelyktydige aankoop van papier in die mark. Die netto resultaat sal dan weer 'n aansienlike toename in die effektesbesit van die Reserwebank in ruil vir die Bank se eise teen die Tesourie wees.

So 'n substitusie van skuld impliseer egter dat die regering rentevrye skuld sonder 'n vaste termyn verruil vir rentedraende skuld met 'n vaste looptyd. So 'n procedure sal dus 'n bykomstige las op die belastingbetalers plaas, maar dit kan in 'n sekere mate geneutraliseer word deur groter winste wat die Reserwebank maak en wat aan die einde van elke finansiële jaar aan die regering oorbetaal word.

- Die derde benadering is om nik in verband met die valutaverliese wat die Reserwebank aangaan het, te doen nie. Hierdie benadering is gebaseer op die argument dat daar geen dringende rede is waarom hierdie verliese terugbetaal moet word nie: hulle het alreeds die ekonomie beïnvloed en het eenvoudig deel geword van die menigte gebeure wat tot die huidige ekonomiese toestand geleid het. Die terugbetaaling van hierdie verliese sal weer 'n nasleep op die heersende ekonomiese toestand hê en hierdie uitwerking kan dalk nie wees wat die huidige toestand vereis nie. Daar kan egter ook aangevoer word dat daar, met die oog op finansiële dissipline, van die regering vereis behoort te word om sy finansiële verpligtings na te kom.

Voorkoming van toekomstige termynverliese

Verskeie alternatiewe maatreëls kan deur die owerheid toegepas word om verliese op die Reserwebank se termynboek in die vervolg te voorkom. Die meeste van hierdie oplossings is egter onaanvaarbaar vanweë hulle moontlike nadelige uitwerking op die ekonomie.

- Een van die swakste oplossings sou wees om die rand op 'n kunsmatige hoëvlak te hou ten einde verliese op termynvalutatransaksies so klein as moont-

lik te maak. Dit sou veroorsaak dat die uitvoer toeneemend onmededingend word, veral as die inflasiekoers hoog bly, en dat binnelandse produsente aan ondraaglike buitelandse mededinging blootgestel word. Dit sou waarskynlik ook 'n aansienlike afname in buitelandse reserwes veroorsaak wat meer momentum sal verkry namate transakteurs meer seker word dat die owerhede nie in staat sal wees om die kunsmatige hoë vlak van die randwisselkoers te handhaaf nie.

- 'n Bykans ewe swak benadering sou wees as die owerhede termynkoerse sou aanpas om die verwagte inflasiekoersverskil tussen Suid-Afrika en byvoorbeeld die Verenigde State in ag te neem, terwyl rentekoerse kunsmatig laag gehou word. So 'n benadering sou kon lei tot die siening dat die sentrale bank 'n depresiasi van die rand verwag, wat meer spekulatiewe kapitaalbewegings en nadelige vervroegings en vertragings in in- en uitvoer kon bevorder. Die vasstelling van termynkoerse op hierdie wyse sou ook gedekte buitelandse finansiering duurder as binnelandse finansiering maak, wat in elk geval tot 'n omskakeling vanaf buitelandse na binnelandse finansieringsbronne en 'n ooreenstemmende daling in die buitelandse reserwes sou lei. Van nog meer belang is dat die kunsmatige lae vlak van binnelandse rentekoerse waarskynlik tot 'n wanallokasie van produktiewe bronne sou lei.
- Die owerhede sou ook kon besluit om alternatiewe metodes van termyndekking as 'n plaasvervanger vir die tradisionele termynmark te ontwikkel. Termynbeurse en opsiemarkte bied so 'n moontlikheid. Tans lyk dit na 'n onwaarskynlike alternatief vir Suid-Afrika vanweë die feit dat termynbeurse en opsiemarkte nog betreklik onderontwikkeld is. Boonop is daar in ander lande gevind dat hierdie markte 'n lang tyd neem om te ontwikkel en dat dit 'n groot hoeveelheid transaksies vereis wat op elke dag verval voordat hulle effektiewe verskansers vir valutarisiko's word. Selfs al sou dit moontlik wees om hierdie markte betreklik vinnig te ontwikkel, het hulle ook ander nadele wat hulle onwaarskynlike substitute vir die tradisionele termynmark maak. Hulle neig byvoorbeeld om duurder as termynmarkte te wees, word gewoonlik as meer kompleks beskou en is minder aantreklik vanweë standaardkontrakte, marges en margebetalings wat betrokke is. In die praktyk vul hulle normaalweg eerder die tradisionele termynmarkte aan as om plaasvervangers daarvoor te wees.
- Die Reserwebank kon onmiddellik van die mark ontrek. Dit sou enige toekomstige verliese op termynvalutatransaksies uitsluit, behalwe waar sodanige transaksies as deel van die doelbewuste intervensie deur die Reserwebank in die valutamark onderneem word. So 'n skielike ontrekking kan egter ernstige probleme meebring vir gemagtigde handelaars wat dit moeilik mag vind om hulle termynsaldo's te dek, veral vanweë die beperkte mark en die eensydige siening wat normaalweg tussen deelnemers geld. Hierdie pro-

bleme sal vererger word deur die feitlike afwesigheid van 'n Euro-randmark en deur die beperkings wat op kapitaalbewegings tussen Suid-Afrika en ander lande van toepassing is.

- Die onmiddellike ontrekking van die Reserwebank van die mark kan onder huidige omstandighede ook ernstige makro-ekonomiese implikasies hê. Dit sal waarskynlik tot 'n aansienlike depresiasi van die rand en tot hoër rentekoerse lei. Die daaruit voortspruitende hoër inflasiekoerse kan, op hulle beurt, verwagtings van 'n verdere depresiasi van die rand, 'n uityloeiing van kapitaal, uitputting van die goud- en ander buitelandse reserwes en 'n verdere versneling in die inflasiekoers veroorsaak.
- Die owerhede kon ook 'n beleid volg om rentekoerse te verhoog tot vlakke waar die diskonto op die termynkoers teen die rand/dollarkontantkoers die verwagte koers van depresiasi van die rand plus 'n premie vir tydvoordeur, risiko en ander transaksiekoste weerspieël. Gegewe die feit dat laasgenoemde koste gewoonlik naastenby gelyk is tussen lande, sal rentekoerse verhoog moet word na vlakke waar die Suid-Afrikaanse/VSA-rentekoersverskil naby aan die verwagte inflasiekoersverskil tussen Suid-Afrika en die Verenigde State is, of met die koopkragpariteit ooreensstem. Die koopkragpariteitvoorraarde is egter gewoonlik slegs in die lang termyn geldig. Hierdie benadering sal gevvolglik nie termynverliese oor die kort termyn voorkom nie, maar sodanige verliese sal aansienlik kleiner wees as onder 'n stelsel van minder realistiese rentekoerse.
- Die enigste bevredigende oplossing vir hierdie probleem, soos vir so baie ander ekonomiese probleme wat in Suid-Afrika ondervind word, is waarskynlik om die inflasiekoers te verminder tot vlakke wat ten minste net so laag is as dié in handelsvennootlande. Die owerhede kan dit egter moeilik vind om dit onmiddellik reg te kry. Intussen is die beste benadering waarskynlik om 'n kombinasie van realistiese rente- en wisselkoerse te handhaaf. Dit behoort verliese op die termynboek ten minste so laag as moontlik te hou terwyl 'n meer standhoudende oplossing gevind word. Vanuit 'n ekonomiese oogpunt is dit waarskynlik ook die mees wenslike benadering om te volg.

Terselfdertyd behoort die owerhede voort te gaan met die ontwikkeling van 'n gesofistikeerde private termynvalutamark en met die geleidelike ontrekking van die Reserwebank van die mark, dit wil sê met die uitvoering van die aanbeveling van die De Kock-kommisie. Hierdie benadering kan die nodige buigsaamheid verskaf wat die owerhede benodig in die buitenewone omstandighede waarin hulle moet optree. Dit is ook van die allergrootste belang dat daar 'n duidelike plan moet bestaan om die Reserwebank geleidelik uit die mark te ontrek en dat die Bank se blootstelling as "markskepper" so ver as moontlik beperk word.

Samevatting

Die volgehoue stygende neiging gedurende die afgelope twintig jaar in die verliese op die termynboek van die Reserwebank is hoofsaaklik te wyte aan die feit dat die Bank swaar in die mark betrokke gebly het. As 'n "markskepper" het die Bank gewoonlik 'n netto verkoopsaldo op termynboek en hierdie dekking is teen "markbenaderde" koerse aan die mark verskaf. Alhoewel hierdie termynkoerse basies vasgestel word op vlakke wat binnelandse en buitelandse rentekoersverskille weerspieël, neem hulle nie verwagte veranderings in kontantwisselkoerse in aanmerking nie. Die skerp depresiasié wat gedurende die grootste deel van die tagtigerjare in die wisselkoerswaarde van die rand voorgekom het, het gewoonlik die diskonto op die termynkoerse teen die kontantkoerse oorskry, met gevoglike aansienlike verliese op die termynboek.

Die owerhede het voortgegaan met hierdie groot kapitaaloordragte aan inwoners ten einde die goud- en ander buitelandse reserwes van die land, en derhalwe ook die wisselkoers van die rand, te beskerm. Die beste wyse waarop die owerhede verdere verliese op die termynboek kan voorkom, is deur die geleidelike onttrekking van die Reserwebank van die termynmark. Dit moet in ooreenstemming met 'n vasgestelde plan geskied, verkiëlslik sodra die vlak van die buitelandse reserwes dit toelaat. Intussen sal die owerhede moet voortgaan om verliese wat reeds aangegaan is, uit lopende inkomste af te los in ooreenstemming met breër beleidsdoelwitte en om realistiese rente- en wisselkoerse te handhaaf. Soos met so baie ander probleme in Suid-Afrika sal 'n inflasiekoers wat ten minste net so laag is as dié van handelsvennootlande, die termynverliesprobleem aansienlik verminder.

Die verliese op die Reserwebank se termynboek het belangrike makro-ekonomiese implikasies. Alhoewel verdere navorsing hieroor gedoen moet word, het dit waarskynlik 'n hoér hoeveelheid ingevoerde goedere, laer binnelandse produksie, 'n toename in binnelandse besteding en onstabiele toestande op die betalingsbalans tot gevolg. Terselfdertyd het die Bank se termynverliese 'n ekspansionistiese invloed op die geldmark wat in wese nie verskil het van die Bank se opemarkoptrede of akkommodasie aan die banke by die diskontovenster nie. Die grondliggende rede vir die voortgesette groot betrokkenheid van die Bank in die termynmark is dat die Bank se onttrekking uit die mark waarskynlik aansienlike kapitaaluitvloeiings tot gevolg kan hê.

Opmerkings oor tabelle

Verwydering van gegewens ten aansien van SWA/Namibië uit die Suid-Afrikaanse statistiek

Die onafhanklikwording van die Republiek Namibië op 21 Maart 1990 het dit noodsaklik gemaak dat alle tydreeks en ander statistiek in die *Kwartaalblad* wat in die verlede elemente met betrekking tot die ekonomie, die Regering en/of die monetêre en finansiële stelsel van SWA/Namibië ingesluit het, dienooreenkomsdig aangepas moes word.

Die gegewens wat in Tabelle S-2 tot S-115 in die uitgawe van Maart 1990 van die *Kwartaalblad* gepubliseer is, het, waar dit van toepassing was, sonder uitsondering nog inligting ten opsigte van die SWA/Namibiese ekonomie ingesluit. In teenstelling hiermee is alle statistiese reekse en ander gegewens wat in die huidige uitgawe (van Junie 1990) van die *Kwartaalblad* gepubliseer word (met uitsondering van een stel tabelle in die afdeling oor Internasionale Ekonomiese Verhoudinge, waarop hieronder nader ingegaan word), nou – in alle gevalle waar dit prakties moontlik was – hersien om die elemente wat op die SWA/Namibiese of Namibiese ekonomie betrekking het, daarvan uit te sluit.

Verdere aantekeninge en opmerkings oor die verwijdering van Namibië uit die Suid-Afrikaanse tydreeks op die gebied van die geld- en bankwese, die internationale ekonomiese betrekkinge, die nasionale rekeninge, die staatsfinansies en die kapitaalmark word hieronder aangebied.

Geld- en bankwese. – Die balanstaatgegewens en die monetêre en krediettotale soos dit tans in die hersiene Tabelle S-2 tot S-28 getoon word, weerspieël die feit dat die banke wat in Namibië geregistreer is (wat almal handelsbanke was), nou nie meer by die banksektor ingesluit is nie, dat die deposito's van die Regering van Namibië by Suid-Afrikaanse banke nou as buitelandse regeringsdeposito's in plaas van as binnelandse regeringsdeposito's geklassifiseer is, en dat die lenings en voorskotte aan, en effekte van, die Namibiese regering wat deur Suid-Afrikaanse banke besit word, nou as buitelandse bates van hierdie banke in plaas van as eise van hierdie banke teen die regeringssektor beskou word. Vanweë onbeskikbaarheid van die vereiste inligting, was dit egter nie moontlik om daardie bates en laste wat in die verlede in die banke se transaksies met inwoners van SWA/Namibië of Namibië in die private sektor hul ontstaan gehad het, te herklassifiseer as buitelandse bates en laste nie.

Die verwijdering van Namibië uit die Suid-Afrikaanse geld- en bankwesestatistik het oor die algemeen slegs 'n vergelykenderwys geringe uitwerking op die vlakte van die belangrikste monetêre en krediettotale.

Waar die vlak van M3 aan die einde van Februarie 1990 byvoorbeeld op R147 642 miljoen te staan gekom het toe Namibië nog daarby ingesluit was, word dit deur die weglatting van Namibië tot R146 257 miljoen, of met 0,94 persent, verminder. Die koers van toename in die monetêre en krediettotale word insgelyks slegs marginaal deur hierdie weglatting beïnvloed. Die koers van toename in M3 oor periodes van twaalf maande het in Februarie 1990 byvoorbeeld 21,36 persent beloop toe Namibië nog daarby ingetel was en beloop 21,17 persent noudat Namibië uit die monetêre en bankwesestatistik verwijder is.

Internasionale ekonomiese verhoudinge. – Die tabelle in hierdie afdeling van die Statistiese Tabelle in die *Kwartaalblad* wat deur die uitsluiting van Namibië geraak word, is S-64 tot S-70 en S-114 tot S-115. In die huidige uitgawe van die *Kwartaalblad* (van Junie 1990) word daar in tabelle S-64 tot S-71 en S-114 tot S-115 reeds gegewens getoon wat op die gepaste wyse hersien en aangepas is. *Die gegewens met betrekking tot Suid-Afrika se buitelandse transaksies, bates en laste, wat in tabelle S-72 tot S-78 verstrekk word, sal eers hersien word nadat die sensus oor buitelandse transaksies, laste en bates wat tans opgeneem word, voltooi is.*

Om konsekwendheid van die beskikbare tydreeks te verseker, is alle betalingsbalansgegewens vanaf 1980 hersien. Die gegewens vir die jare voor 1980 sal so gou as moontlik hersien word.

Afgesien van die aanpassings wat deur die verwijdering van Namibië uit die amptelike betalingsbalansstatistik noodsaklik gemaak is, is daar terselfdertyd ook ander hersienings en aanpassings gemaak – wat op nuwe, meer volledige of akkurate en jonger inligting gebaseer is – om die gehalte van die beskikbaar gestelde statistiek in die algemeen te verbeter.

Die handelstatistik wat deur die Kommissaris van Doeane en Aksyns beskikbaar gestel word, sal soos voorheen nog op die gebied van die hele Suid-Afrikaanse Doeane-unie betrekking hê. Hierdie statistiek sal dus voortgaan om handelstatistik met betrekking tot Namibië in te sluit solank as wat die Republiek Namibië 'n deel van die Doeane-unie bly.

Die verwijdering van Namibië uit die Suid-Afrikaanse betalingsbalansstatistik het onder andere 'n belangrike invloed op die oorskotte wat in die vier kwartale van 1989 op die lopende rekening van die Betalingsbalans aangeteken is. Die algemene uitwerking van die weglatting van Namibië is om hierdie oorskotte kleiner te maak. Dit is in belangrike mate die gevolg van die feit dat oordragbetalings aan SWA/Namibië nou as oordragbetalings aan nie-inwoners tel.

Die nasionale rekeninge. – Weglating van SWA/Namibië uit die statistiek van die nasionale rekeninge soos dit deur die Departement Ekonomie van die Reserwebank saamgestel word, beteken dat hierdie rekeninge nou slegs bestaan uit die produksie-, bestellings- en besparingsrekeninge vir die Republiek van Suid-Afrika (met inbegrip van die sogenaamde selfregerende state) en vir die Republieke van Transkei, Bophuthatswana, Venda en Ciskei.

Alle historiese gegewens van die nasionale rekeninge is hersien en is vergelykbaar. Alle *afgeleide* rekeninge waarby die betalingsbalansstatistiek 'n rol speel, is egter slegs vanaf 1980 in hul hersiene vorm beskikbaar. Die gegewens van die nasionale rekeninge vir die jare voor 1980 sal aangepas word sodra die ter sake dienende betalingsbalansgegewens vir die betrokke jare op die gepaste wyse hersien is.

Die verwydering van SWA/Namibië uit die ramings van die totale van die nasionale rekeninge bring vir bykans al die hoofkomponente van die inkome, bestellings-

ding en besparing ietwat laer absolute waardes mee. Soos ook deur die bygaande grafiese getoon word, word die konjunkturele tendense in die nasionale rekeninge, op 'n jaarbasis bereken, egter nie in enigsins betekenisvolle mate deur hierdie weglating beïnvloed nie. Die verskille tussen die groeikoerse van jaar tot jaar in die reële bruto binnelandse produk en in die komponente van die reële finale binnelandse vraag voor en ná die uitsluiting van SWA/Namibië is in geen jaar groter as 0,5 persentasiepunte nie.

Ramings van die onderskeie makro-ekonomiese totale in SWA/Namibië in verhouding tot die grootte van hierdie totale in Suid-Afrika, strek van 'n maksimum van byna 5 persent in die geval van die reële verbruiksbesteding deur die algemene owerheid tot nie meer as 4 persent nie in die geval van die reële bruto binnelandse vaste investering, 3 persent in die geval van die reële bruto binnelandse produk, en slegs 2½ persent in die geval van die reële private verbruiksbesteding.

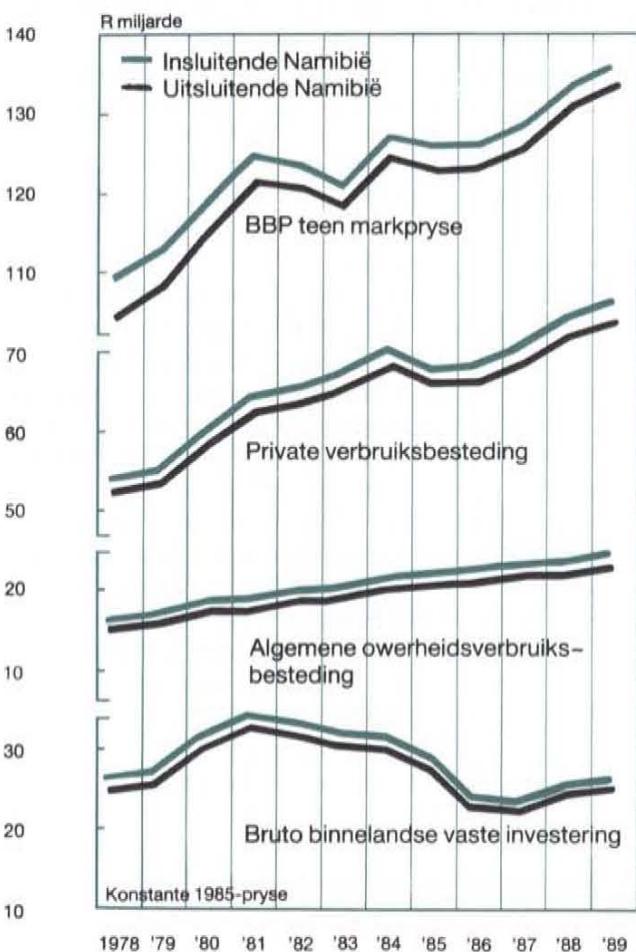
Meer beduidende verskille kom na vore wanneer die groeikoerse van *kwartaal tot kwartaal* in die verskillende makro-ekonomiese totale voor en ná die uitsluiting van SWA/Namibië met mekaar vergelyk word. Dit is hoofsaaklik 'n weerspieëling van die groter onbestendigheid wat, onder andere as gevolg van skommelings in die toegevoegde waarde van belangrike sektore soos die landbou en die mynbou, deur die veranderings van kwartaal tot kwartaal in die betrokke groothede aan die dag gelê word.

Die gegewens waarvan SWA/Namibië uitgesluit is, is bereken deur die geraamde totale wat oorspronklik ten aansien van SWA/Namibië by die ramings van die nasionale rekeninge ingetel is, weer van die bestaande ramings af te trek. Veral ten opsigte van die periode wat meer onmiddellik aan Namibië se onafhanklike wording voorafgegaan het (waarin daar in verskeie sektore van die Namibiese ekonomie, soos die konstruksiebedryf en verskeie dienstesektore, 'n oplewing van die ekonomiese bedrywigheid voorgekom het), is dit egter moontlik dat hierdie "bytellings" tot die Suid-Afrikaanse gegewens met betrekking tot SWA/Namibië (wat nou weer afgetrek is), in werklikheid effense onderskattings is van die hoeveelhede of bedrae wat werklik daarby betrokke was. Om hierdie en verwante redes sal die bymekaartelling van die "afgeleide" ramings vir Suid-Afrika *ná weglating* van SWA/Namibië, en die ramings van die gegewens van die nasionale rekeninge vir SWA/Namibië wat sedert 1982 deur die SWA/Namibiese Departement van Finansies gepubliseer word, nie noodwendig die totale oplewer wat deur die "ou" reekse van die nasionale rekeninge (waarby SWA/Namibië nog *ingesluit* was) vir die betrokke jare getoon word nie.

Die Staatsfinansies. – Tabelle S-55, S-56 en S-62 tot S-63 is soos volg aangepas:

Tabel S-55: Finansiering van die skatkisrekeningte-kort. Die veranderings in die netto skuldposisie van die skatkisrekening teenoor Namibiese banke is, begin-

Vergelyking van nasionale-rekeninggroothede



nende in Februarie 1987, vanaf die "Banksektor" na die "Buitelandse sektor" oorgeplaas.

Table S-56: *Regeringsdeposito's.* – Die deposito's van die voormalige Administrasie van Suidwes-Afrika is deurgaans uit die deposito's van Provinciale Administrasies weggeneem.

Tabelle S-62 tot S-63: *Binnelandse bemarkbare effekteskuld van Sentrale Regering volgens besitter.* Die besit van SWA/Namibiese of Namibiese banke aan die betrokke effekte is, beginnende in Februarie 1987, vanaf "Handelsbanke" na "Ander besitters" oorgeplaas.

Kapitaalmark. – Die volgende aanpassings is tot dusver gemaak:-

Tabelle S-31, S-32 en S-33: *Permanente bouverenigings: laste, bates en uitgesoekte poste en transaksies:* Inligting met betrekking tot bouverenigings in SWA/Namibië of Namibië is *vanaf Januarie 1990* uit die gegewens verwyder.

Tabel S-34: *Permanente bouverenigings: indeling van deposante, aandeelhouers en leners:* Inligting met betrekking tot SWA/Namibiese of Namibiese bouverenigings is *vanaf 1981* uit die gegewens verwyder. Gegewens ten opsigte van die transaksies of betrekkinge van inwoners van SWA/Namibië of Namibië met Suid-Afrikaanse bouverenigings is van die betrokke "inwoners"-kategorieë na die betrokke "nie-inwoners"-kategorieë oorgeplaas.

Tabel S-35: *Depositonemende en ander spaarinstellings:* Inligting met betrekking tot SWA/Namibiese of Namibiese instellings is soos volg uit die gegewens verwyder:

- in die geval van bankinstellings *vanaf die eerste kwartaal van 1987*;
- in die geval van bouverenigings *vanaf die eerste kwartaal van 1990*;
- in die geval van deelnemingsverbandskemas *vanaf die eerste kwartaal van 1986*.

Tabel S-36: *Deelnemingsverbandskemas:* Inligting met betrekking tot hierdie soort skemas in SWA/Namibië of Namibië is *vanaf die eerste kwartaal van 1986* uit die gegewens verwyder.

Tabel S-42: *Nie-finansiële openbare ondernemings: laste en bates:* Inligting met betrekking tot sulke ondernemings in SWA/Namibië of Namibië is *vanaf die vierde kwartaal van 1984* uit die gegewens verwyder.

In al hierdie gevalle sal die gegewens vir datums voor die aangeduide datums so gou as moontlik aangepas word om Namibië daaruit weg te laat.