

Quarterly Bulletin

Kwartaalblad



South African Reserve Bank
Suid-Afrikaanse Reserwebank

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Quarterly economic review

Introduction

The promising recovery in aggregate domestic output growth in the last quarter of 1996 seems to have lost momentum as real gross domestic product declined at an annualised rate of 1 per cent in the first quarter of 1997. Although this decline was primarily caused by a steep decline in agricultural output from the exceptionally high levels attained in 1996, growth in the non-agricultural sectors also slowed down noticeably in the first quarter of 1997. Notwithstanding this weakness in quarter-to-quarter output growth, the growth in aggregate output over one year still amounted to 2½ per cent in the first quarter of 1997, and came to 1½ per cent in the non-agricultural sectors of the economy.

The slowdown in output growth suggested that the upturn in the economy, which has been in progress since 1993, could have been drawing to a close, or that the upper turning-point of the business cycle might already have been passed. The composite coincident business cycle indicator has been showing a gradually downward tendency since the middle of 1995. Contradicting these signs of an imminent downturn of the business cycle, was the relative strength of output growth in the secondary sectors of the economy during the first quarter of 1997. Manufacturing output, especially, not only maintained the upward momentum that had developed since the final quarter of 1996, but even accelerated quite substantially in the first quarter of 1997. What is more, the recent generally upward trend in the backlog of unfilled orders might have been pointing towards a continuation of manufacturing output growth in the remainder of 1997. It is conceivable that the resilience of manufacturing output growth might be a stabilising factor in 1997.

The decline in the level of total real domestic production in the first quarter of 1997 coincided with a continuation of the actual decline in real gross domestic expenditure which has been evident since the third quarter of 1996. Inventory levels were reduced in the first quarter of 1997 and the growth in real private consumption expenditure continued to decelerate. A decline in aggregate personal disposable income began to restrain the recurrent spending of private households. Real fixed investment expenditure still increased in the first quarter of 1997, but like private consumption expenditure, at a much reduced rate. In this instance too, the behaviour of the manufacturing sector was at variance with the general trend: whereas growth in real fixed investment in most sectors of the economy slowed down, that in the manufacturing sector exhibited a sturdy increase, although these capital outlays were not necessarily employment-enhancing.

Real government consumption expenditure increased at a rapid rate in the first quarter of 1997, thereby contributing to a decline in the already very low savings ratio of the economy. With little incentive being provided to private-sector entities to strengthen their saving propensities, the low national savings ratio is likely to prevail for some time to come. As the savings ratio is evidently inadequate to finance a higher rate of productive investment, the South African economy is becoming more and more dependent on inward flows of foreign investment capital to bolster its output and employment-creating capacity.

The strengthening of output growth in the non-agricultural sectors of the economy in the second half of 1996 had a positive influence on the overall level of formal-sector employment. Total employment accordingly increased in the fourth quarter of 1996. Although this rise in employment was not nearly sufficient to make any inroads on the total level of unemployment in the economy, it was the first such increase since a series of quarterly increases in total employment had come to an end in the fourth quarter of 1995. Significantly, the rise in employment in the fourth quarter of 1996 occurred entirely in the private sector of the economy. Equally significant was that this rise in employment, like the previous increases recorded from the end of 1994 to the end of 1995, generally coincided with slowdowns in the rate of growth of nominal unit labour costs.

Price inflation accelerated in the second half of 1996 in response to the depreciation of the rand from the middle of February 1996 and the stronger growth in the cost of labour per unit of output from the third quarter of 1995. Some moderation in quarter-to-quarter production price and consumer price inflation then became evident in the first quarter of 1997 as the rand started to appreciate against other currencies and the growth in nominal unit labour costs slowed down in the fourth quarter of 1996. It is, however, still unclear whether this pause in the upward movement of prices will be sustained in the forthcoming quarters and whether the general downward trend in inflation, which had been evident since the early 1990s, will be resumed. The outcome of the round of wage negotiations currently in progress will be important for the near-term evolution of price inflation.

The decline in the level of overall domestic economic activity resulted in a decline in the value and the volume of imports in the first quarter of 1997. Unfortunately, the value and the volume of exports of merchandise goods declined even more, mostly because of an unexpected decrease in the quantity of relatively price-insensitive goods exported. The decline in total export earnings was exacerbated by a decline in the dollar and the rand price

Notes to tables

The South African authorities have subscribed to the International Monetary Fund's Special Data Dissemination Standard (SDDS) and currently provide information on data availability at the IMF's Internet website. The authorities have indicated their willingness to fully observe the specifications of the SDDS before the end of 1998.

The SDDS prescribes that data on gross national product and gross domestic saving be disseminated with a quarterly frequency within one quarter of the quarter to which the data have relevance. To observe these specifications of the SDDS, a new table under the heading "National product and saving – selected items" is added to page S-120 of this and future editions of the *Quarterly Bulletin*. The table under the heading "Ratios of selected data" (page S-139) is also expanded by the addition of a column indicating total household debt as a percentage of personal disposable income. Household debt is defined to include outstanding consumer credit and outstanding mortgage debt.

Opmerkings oor tabelle

Die Suid-Afrikaanse owerhede onderskryf die Internasionale Monetêre Fonds se Spesiale Dataverspreidingstandaard (in Engels die Special Data Dissemination Standard, of SDDS) en voorsien tans inligting oor die beskikbaarheid van gegewens op die IMF se Internetwebstasie. Die owerhede het hulle bereid verklaar om voor die einde van 1998 ten volle aan die bepalings van die Standaard te voldoen.

Die Standaard skryf voor dat gegewens oor die bruto nasionale produk en bruto binnelandse besparing kwartaalliks versprei word, binne een kwartaal ná die kwartaal waarop die gegewens betrekking het. Ten einde aan hierdie bepalings te voldoen, verskyn 'n bykomende tabel onder die opskrif "Nasionale produk en besparing – uitgesoekte poste" op bladsy S-120 van hierdie en toekomstige uitgawes van die *Kwartaalblad*. Die tabel onder die opskrif "Verhoudings van uitgesoekte gegewens" (bladsy S-139) is ook uitgebrei deur die toevoeging van 'n kolom waarin die totale skuld van huishoudings as persentasie van persoonlike beskikbare inkomste aangedui word. Huishoudingskuld word omskryf as die som van uitstaande verbruikerskrediet en uitstaande verbandskuld.

of gold, with the result that the deficit on the current account of the balance of payments, which had been declining steadily since the second quarter of 1996, widened again in the first quarter of 1997.

The net inflow of capital, which became positive in the fourth quarter of 1996, gained further momentum and became considerably larger than the absolute value of the deficit on the current account of the balance of payments in the first quarter of 1997. Unlike the fourth quarter of 1996, when the inflow of capital consisted overwhelmingly of financing facilities with a short maturity, the inflow of capital in the first quarter of 1997 was mostly classified as long-term capital.

Keen buying interest was displayed by non-resident investors in the domestic bond and share markets during the first quarter of 1997. Although these "portfolio investments" are classified as long-term capital on grounds of their maturities, they do not always represent a permanent investment in an economy. However, there is good reason to believe that a significant portion of the non-resident purchases of South African bonds in the first quarter of 1997 formed the hedge counterpart of Eurorand bond issues which were made in that quarter. As these Eurorand bonds mostly had a maturity of one year or longer, their hedge counterparts were likely to have a similar duration. Another significant feature of Eurorand bond issues is that they give rise to forward purchases of rand, alternatively forward sales of dollars, thereby improving the balance between sales and purchases in the domestic forward foreign-exchange market. Equally significant, however, was that part of the inflow of funds via the bond and share markets was neutralised by outflows of funds which were related to asset swap transactions.

The surplus on the overall balance of payments in the first quarter of 1997 had as a consequence a sizeable improvement in the gold and foreign reserves of the country for the second calendar quarter in succession. This created a more positive sentiment in the foreign-exchange market and the rand strengthened rather robustly from the end of October 1996 to the end of April 1997. The appreciation of the rand was therefore partly caused by the surplus on the overall balance of payments, but was also causal to the inflow of international capital into the economy. Despite the rise in the foreign exchange value of the rand in the first quarter of 1997, the rand still depreciated in real terms by about 8½ per cent from December 1995 to March 1997, thereby indicating a meaningful gain in the international competitiveness of South African producers over this period.

As is often the case shortly after a rise in Bank rate and in the banks' lending rates, bank credit extension to the private sector accelerated in the first quarter of 1997. The firming of the growth in credit to the private sector was underpinned by the need to finance transactions in an economy where the nominal value of domestic expenditure and activity in financial markets were

expanding rapidly. Certain structural factors, such as the absorption of many South Africans into the mainstream of the modern sector of the economy and the further integration of South Africa into the international financial markets, also caused the demand for credit to remain robust. Credit growth was strengthened further by a strong increase in the monetary sector's claims on the government sector, which were not nearly counteracted by the relatively small increase of government deposits with the banking sector. All this contributed to an acceleration in the M3 money supply in the first quarter of 1997 at a rate of increase that was substantially higher than the potential real growth rate of the economy. Such monetary expansion, if left unchecked, would inevitably have serious repercussions on inflation expectations and ultimately on inflation itself.

Conditions in the money market remained tight in the first three months of 1997. Additional liquidity was supplied to the market by a decline in the value of notes and coin in circulation outside the Reserve Bank and through an increase in the net foreign assets of the Reserve Bank, but these were largely neutralised by the liquidity-reducing effect of surpluses stemming from the Bank's forward foreign-exchange transactions. The Reserve Bank generally allowed the market to reflect the tight underlying demand and supply conditions, but was at times prepared to provide assistance when liquidity was perceived to be in short supply. In April and May 1997 money market conditions became considerably less tight, owing mainly to a further improvement in the net foreign assets of the Reserve Bank. In May a strong injection of liquidity arising from the acquisition of an equity interest in Telkom by foreign companies had to be drained from the market by means of open-market and other operations with a similar effect.

As a reflection of the more positive sentiment created by the strengthening of the rand and the improvement in the net foreign assets of the Reserve Bank, market interest rates started to move downwards during the first three months of 1997. The yields on gilts and semi-gilts declined fairly substantially, whereas share prices generally rallied in the first quarter of 1997 and recovered most of the losses incurred in the last months of 1996. Trading in the secondary bond and share markets rose impressively, while non-resident participation relative to overall turnover in these markets showed major advances at the same time. Non-resident participation obviously added to liquidity in these markets, but the presence of non-residents also added some potential extra volatility to price movements in these markets.

The fiscal policy stance of the national government is becoming more supportive of the overall policy objective of maintaining overall financial stability. The deficit on the current revenue and expenditure account of the Central Government, relative to gross domestic product, was further reduced in the fiscal year ended March 1997 and is projected to decline even further in the current fiscal year. A primary surplus, i.e. an excess of current revenue

over expenditure when interest charges are not taken into consideration, is forecast for the fiscal year to March 1998. The danger of a persistent rise in the ratio of government debt to gross domestic product and the threat of such a development for overall financial stability, have apparently been put to rest. Nonetheless, the upward trend in tax revenues and total government expenditure relative to gross domestic product is yet to be arrested.

Domestic economic developments

Domestic output

The seasonally adjusted *real gross domestic product* declined at an annualised rate of 1 per cent in the first quarter of 1997. This contraction followed an uninterrupted series of 11 quarterly increases in the real gross domestic product and quarter-to-quarter growth of 3 per cent or more throughout 1996. The total value of the real gross domestic product in the first quarter of 1997 was, nevertheless, still about 2½ per cent higher than in the first quarter of 1996.

The decline in the real gross domestic product in the first quarter of 1997 was essentially a reflection of a steep decline in the *real value added by the agricultural sector*. Excellent climatic conditions during the previous growing season raised output levels in the agricultural sector to unprecedented heights in 1996. In the first quarter of 1997, when production levels became more aligned with conditions that could be termed "normal", agricultural output declined at a seasonally adjusted annualised rate of 34 per cent.

Real output in the sectors *outside the agricultural sector* continued to increase in the first quarter of 1997,

Real gross domestic product

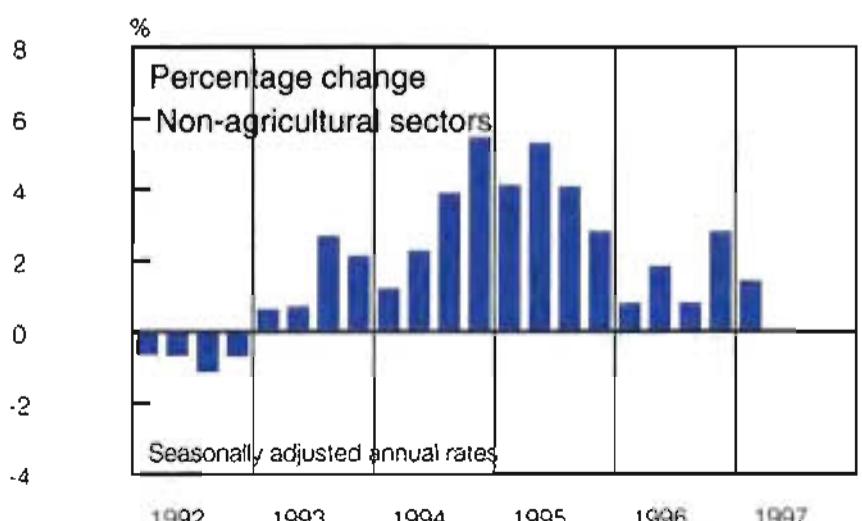
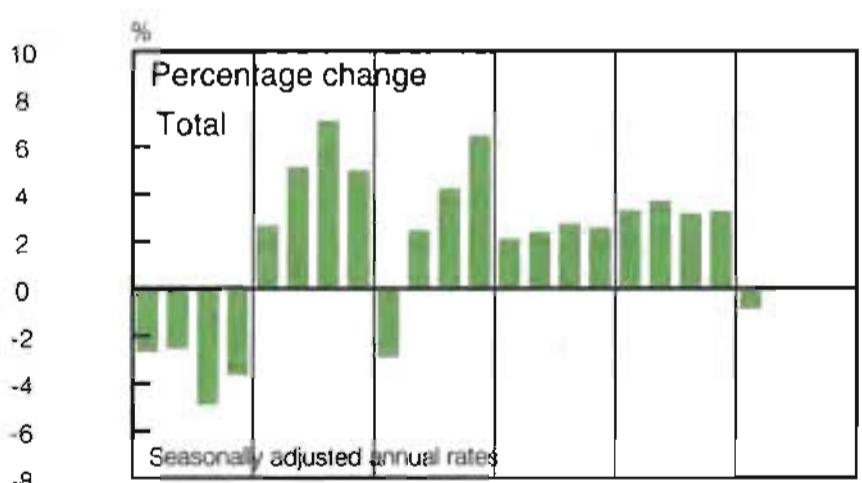


Table 1. Real gross domestic product

Percentage change at seasonally adjusted and annualised rates

Sectors	1996				1997	
	1st qr	2nd qr	3rd qr	4th qr	Year	1st qr
Primary sectors	23	13	15	5%	8	-16
Non-agricultural sectors.....	1	2	1	3	2	1½
Non-primary sectors.....	½	3	1½	2½	2	1½
Secondary sectors.....	½	3	½	2½	1	3½
Manufacturing.....	-1	3	-1	2	½	3½
Tertiary sectors.....	1	3	2	3	3	½
Total	3%	3%	3	3%	3	-1

but at an annualised rate of 1½ per cent which was considerably slower than the 3 per cent recorded in the fourth quarter of 1996. This slower expansion of output in the non-agricultural sectors was noticeable in all the main sectors of the economy, with the exception of the secondary sectors where growth was maintained at a rate of 3½ per cent in the first quarter of 1997.

Total output in the *mining* sector, which declined in each of the first three quarters of 1996, but increased at an annualised rate of about 1 per cent in the fourth quarter, resumed its downward tendency in the first quarter of 1997 at a rate of ½ per cent. Gold production, in particular, declined because of a reduction in the quantity and the quality of ore milled. Production volumes in the diamond- and coal-mining sectors also declined slightly, but the real value added by the subcategory "other mining" apparently responded positively to the weaker rand and the improvement in the international prices of certain base metals and minerals.

Output growth in the secondary sectors strengthened from an annualised growth rate of 2½ per cent in the fourth quarter of 1996 to 3½ per cent in the first quarter of 1997. This was the strongest quarter-to-quarter growth in seven quarters and was particularly evident in the manufacturing sector and in the sector supplying electricity, gas and water. The growth in real output of the *manufacturing* sector accelerated from 2 per cent in the fourth quarter of 1996 to 3½ per cent in the first quarter of 1997. Most of the main subsectors of manufacturing participated in the output expansion, but notable contributions came from the subsectors clothing, chemical products, and machinery and transport equipment. The real value added by the sector supplying electricity, gas and water increased in the first quarter of 1997, albeit at a growth rate of 4½ per cent that was somewhat lower than the high quarter-to-quarter growth rates of between 5 and 6½ per cent which had been registered during 1996.

Activity in the *tertiary* sectors slowed down perceptibly in the first quarter of 1997 and the growth in

the real value added by these sectors declined from a seasonally adjusted and annualised rate of 3 per cent in the fourth quarter of 1996 to ½ per cent in the first quarter of 1997. Business conditions in the motor and retail trade were badly affected by declining sales volumes. High levels of household debt, the high interest cost associated with this debt and the fact that the stock of durable consumer goods had largely been replenished during the strong sales recovery of 1995 and 1996, militated against the continuation of strong value-added growth in the retail sector. The real value added by the entire sector *commerce*, which had risen at an annualised rate of 3 per cent in the fourth quarter of 1996, accordingly declined by 1 per cent in the first quarter of 1997. Real output in the *transport and communication* sector showed little change from the fourth quarter of 1996 to the first quarter of 1997 as activity levels in this sector were constrained by a decline in the volume of internationally traded goods that had to be transported. The growth in the real value added by the sector *finance, insurance, real estate and business services* slowed down from an annualised rate of 4 per cent in the fourth quarter of 1996 to 2 per cent in the first quarter of 1997, owing mainly to a deceleration in the growth of the real value added by the banking sector.

Domestic expenditure

The gradual decline in aggregate real gross domestic expenditure, which had been evident since the third quarter of 1996, continued in the first quarter of 1997. Current estimates suggest that this decline amounted to a seasonally adjusted and annualised rate of ½ per cent; in the third and fourth quarters of 1996 annualised declines of 2 per cent were recorded in real gross domestic expenditure. However, the level of real gross domestic expenditure in the first quarter of 1997 was still 1½ per cent higher than in the first quarter of 1996.

The decline in aggregate real gross domestic expenditure in the first quarter of 1997 was mainly caused by a decline in the real value of inventories. In

Table 2. Real gross domestic expenditure

Percentage change at seasonally adjusted and annualised rates

Components	1996				1997	
	1st qr	2nd qr	3rd qr	4th qr	Year	1st qr
Private consumption expenditure.....	3½	4	3	2½	4	½
Government consumption expenditure.....	6½	9	5½	4½	5	5½
Gross domestic fixed investment.....	8	6	4½	2½	7	2
Change in inventories (R billions).....	1,4	6,7	3,0	0,2	2,8	-1,8
Gross domestic expenditure.....	1½	12	-2	-2	3	-½

addition, the growth in real outlays on private consumption expenditure slowed down, whereas real gross domestic fixed investment continued to increase at a rate slightly down from that of the fourth quarter of 1996. In contrast, real consumption expenditure by general government increased strongly in the first quarter of 1997.

The growth in *real private consumption expenditure*, which had already slowed down from an annualised rate of 4 per cent in the second quarter of 1996 to 2½ per cent in the fourth quarter, declined even further to only ½ per cent in the first quarter of 1997. This slowdown in real private consumption expenditure in the first quarter of 1997 was a consequence of a decline in real outlays on durable consumer goods and a weakening in the growth of real outlays on semi-durable and non-durable goods.

The seasonally adjusted real value of *household expenditure on durable consumer goods* declined at an annualised rate of 2½ per cent in the first quarter of 1997. This was caused by a steep reduction in real outlays on private transport equipment and on other durable goods such as furniture and household appliances. The rate of increase in real expenditure on *semi-durable goods*, particularly clothing and footwear, as well as expenditure on non-durable goods, slackened during the first three months of 1997. However, real household spending on

services increased at an annualised rate of about 1 per cent in the first quarter of 1997, which was more or less equal to the growth rate registered in the third and fourth quarters of 1996.

The weakening in the growth in private consumption expenditure towards the end of 1996 and in the first quarter of 1997 was a reflection of consumer responses to a set of circumstances that has developed over time, but which has until recently failed to contain the strong expansion of real spending by households. These circumstances include:

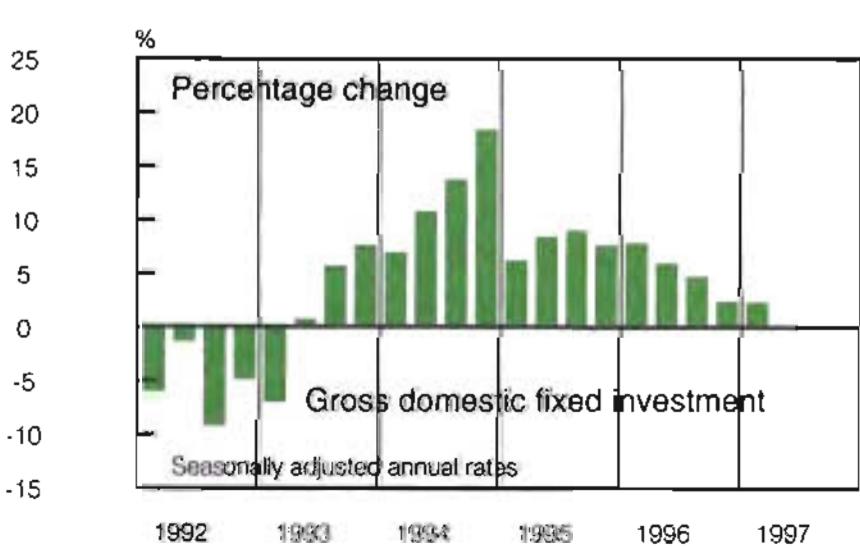
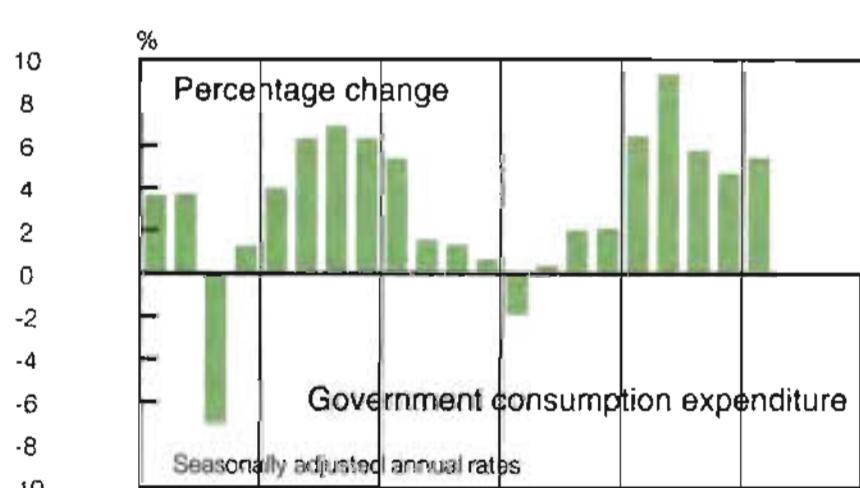
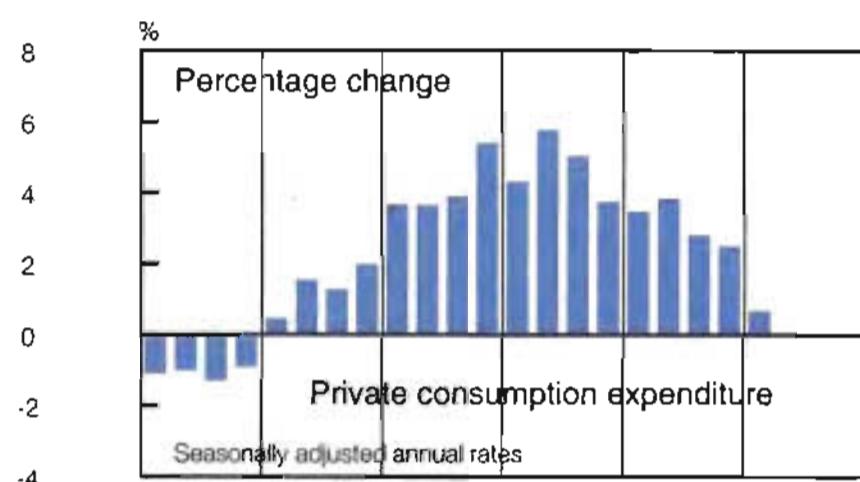
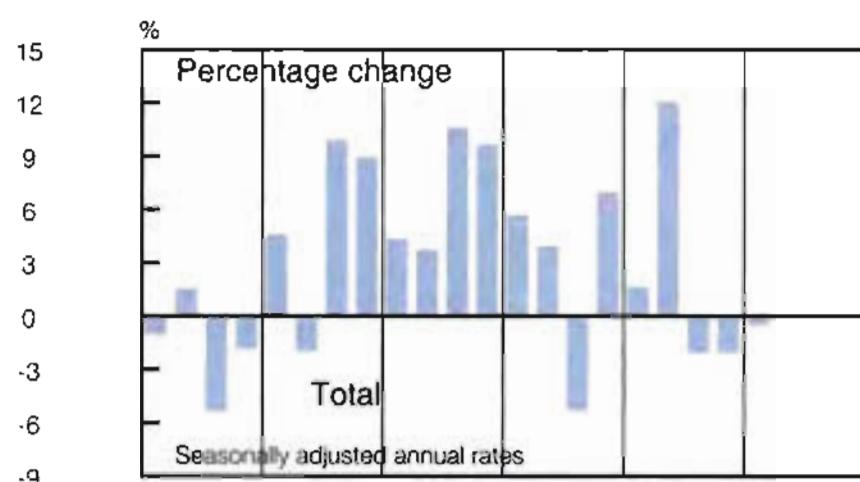
- the consistently applied, tight monetary policy and the resultant high level of interest rates;
- the high level of household debt in relation to personal disposable income: the ratio of household debt to personal disposable income reached a new high of 68 per cent in the first quarter of 1997;
- the cost of servicing household debt, which absorbed about 14 per cent of personal disposable income in the first quarter of 1997;
- caution among major retail stores regarding the issuing of private label credit cards which caused consumer credit facilities to become less freely available;
- smaller increases in salaries and wages and the rising level of unemployment;
- a decline in real income from property of households;

Table 3. Real private consumption expenditure

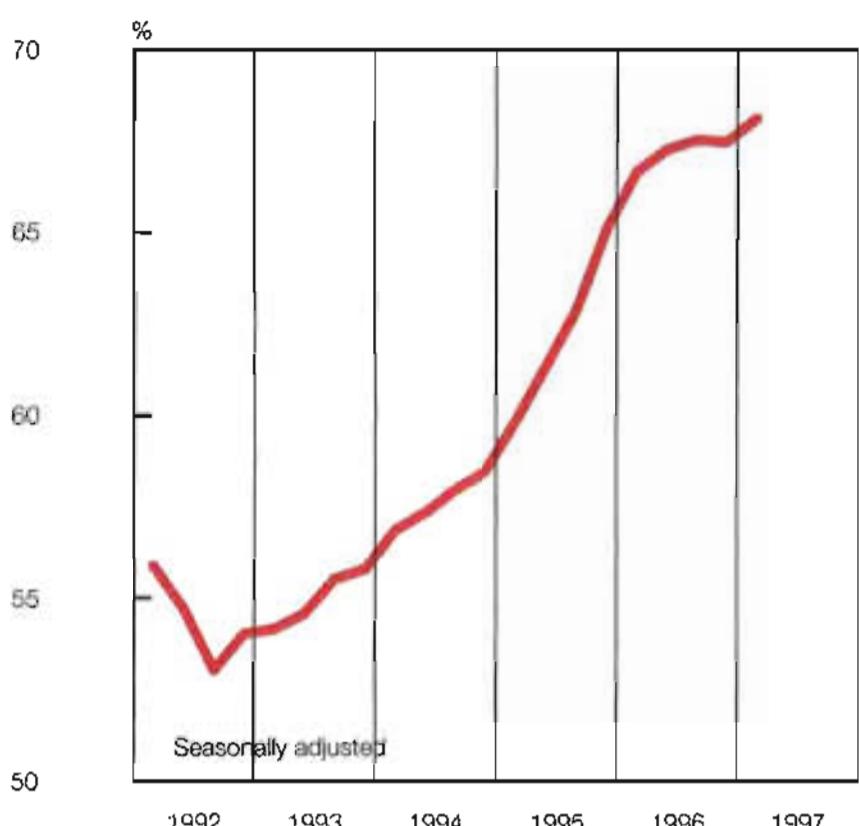
Percentage change at seasonally adjusted and annualised rates

Components	1996				1997	
	1st qr	2nd qr	3rd qr	4th qr	Year	1st qr
Durable goods.....	1½	11½	-1½	11½	6	-2½
Semi-durable goods	3	3	4	3½	3½	2½
Non-durable goods	4½	3½	4	1	4	½
Services.....	3	2	1	1	3	1
Total.....	3½	4	3	2½	4	½

Real gross domestic expenditure



Household debt as percentage of personal disposable income



and

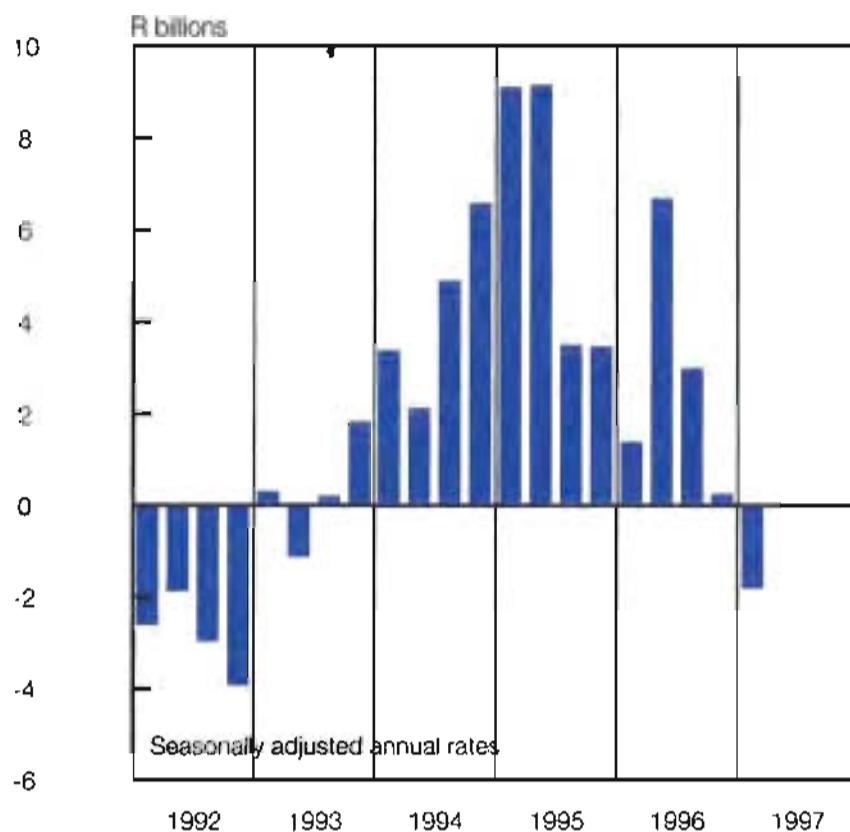
- the deterioration of the perceived wealth of households as real estate and share prices failed to maintain their strong upward thrust during 1996.

According to current estimates *real consumption expenditure by general government* increased at an annualised rate of 5½ per cent in the first quarter of 1997, compared with 4½ per cent in the last quarter of 1996. For the fiscal year 1996/97, real government consumption expenditure rose by nearly 6 per cent, whereas the increase in the previous fiscal year amounted to only 1 per cent. Expenditure on goods and services by the general government in the first quarter of 1997 was about 6½ per cent higher than in the corresponding quarter of the previous year; as a percentage of gross domestic product it increased from 20% per cent in the first quarter of 1996 to 21½ per cent in the first quarter of 1997.

After the growth in aggregate *real gross domestic fixed investment* had subsided from an annualised increase of 8 per cent in the first quarter of 1996 to 2½ per cent in the fourth quarter, it slowed down further to about 2 per cent in the first quarter of 1997. This resulted in the level of real gross domestic fixed investment being 3½ per cent higher in the first quarter of 1997 than in the corresponding quarter of 1996.

Total real gross domestic fixed investment in the private sector increased at an annualised rate of 2 per cent in the first quarter of 1997, which was decidedly lower than the average rate of increase of 6 per cent per quarter registered during 1996. This was, nevertheless,

Change in total real inventories



the sixteenth consecutive quarterly rise in real fixed investment in the private sector. The level of private-sector fixed capital formation in the first quarter of 1997 was consequently about 38 per cent higher than what it had been at the lower turning-point of the private-sector investment cycle in the first quarter of 1993.

Apart from the mining industry, all the major sectors of economic activity participated in the growth in real fixed investment by private business enterprises during the first quarter of 1997. Firm increases were particularly evident in the manufacturing sector (at an estimated rate of about 4½ per cent) and in the agricultural sector. Private-sector fixed investment was boosted further by the development of new retail shopping complexes and hotels, while investment in residential buildings remained relatively buoyant, particularly that in high-density units with strong security features.

Real fixed investment by *public corporations*, which had been declining at seasonally adjusted and annualised rates ranging between 2 and 12½ per cent in the last three quarters of 1996, increased by 1½ per cent in the first quarter of 1997. Those public corporations involved in the supply of electricity and communication services were principally responsible for this higher level of investment activity because they continued with the provision of essential services to the underdeveloped regions of the country.

In the first quarter of 1997, the real gross domestic fixed investment by *public authorities* increased at an annualised rate of about 4 per cent, following quarter-to-

quarter increases of between 2 and 6 per cent during 1996. This increase in the first quarter of 1997, as well as the preceding ones, occurred at the levels of central, provincial and local government and reflected progress made with infrastructural development in accordance with the reconstruction and development objectives of the government.

The gradual slowdown in the pace at which inventories had been accumulated in the second half of 1996 was followed by a decline in the level of inventories in the first quarter of 1997. This decline in the level of inventories, and the consequent negative change in inventory investment in the first quarter of 1997, were primarily evident in a sharp decline in strategic oil reserves, in the mining and manufacturing sectors and in retail and motor trade. Positive inventory investment still occurred in the wholesale trade and in agricultural stocks-in-trade, but these were relatively insignificant compared with the depletion of inventories in the other sectors of the economy. The level of industrial and commercial inventories as a percentage of gross domestic product decreased from 18½ per cent in the fourth quarter of 1996 to 18 per cent in the first quarter of 1997.

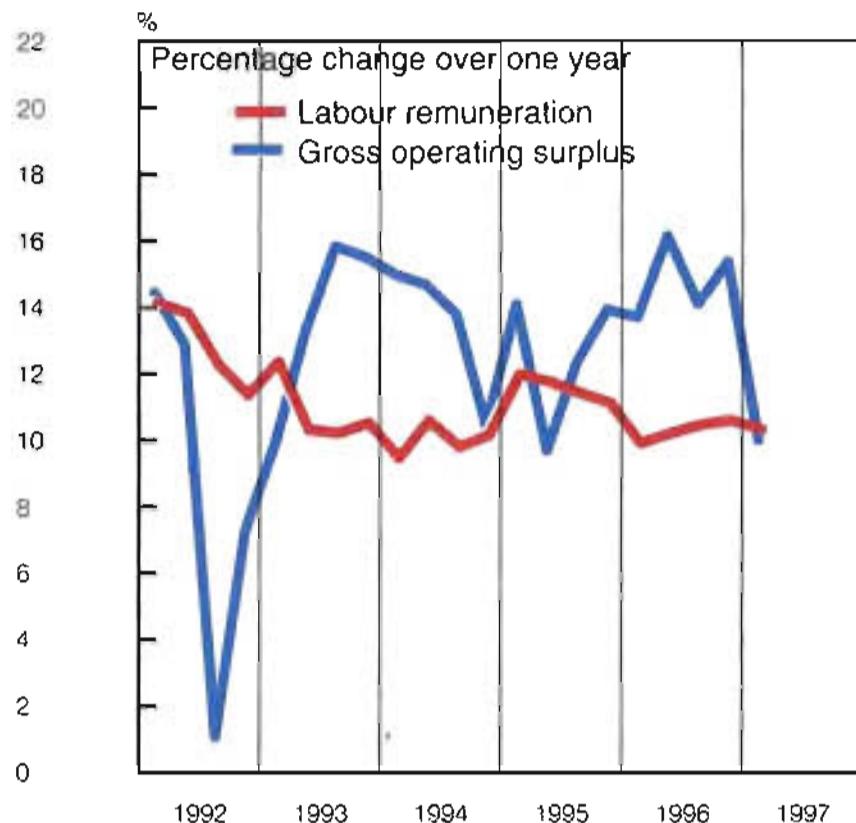
Factor income

The growth over four quarters in aggregate *nominal factor income* at market prices declined from 12 per cent in the fourth quarter of 1996 to 10½ per cent in the first quarter of 1997. This slowdown in nominal income growth was due to substantially lower increases in the operating surpluses of business enterprises and unchanged year-on-year growth in total labour remuneration.

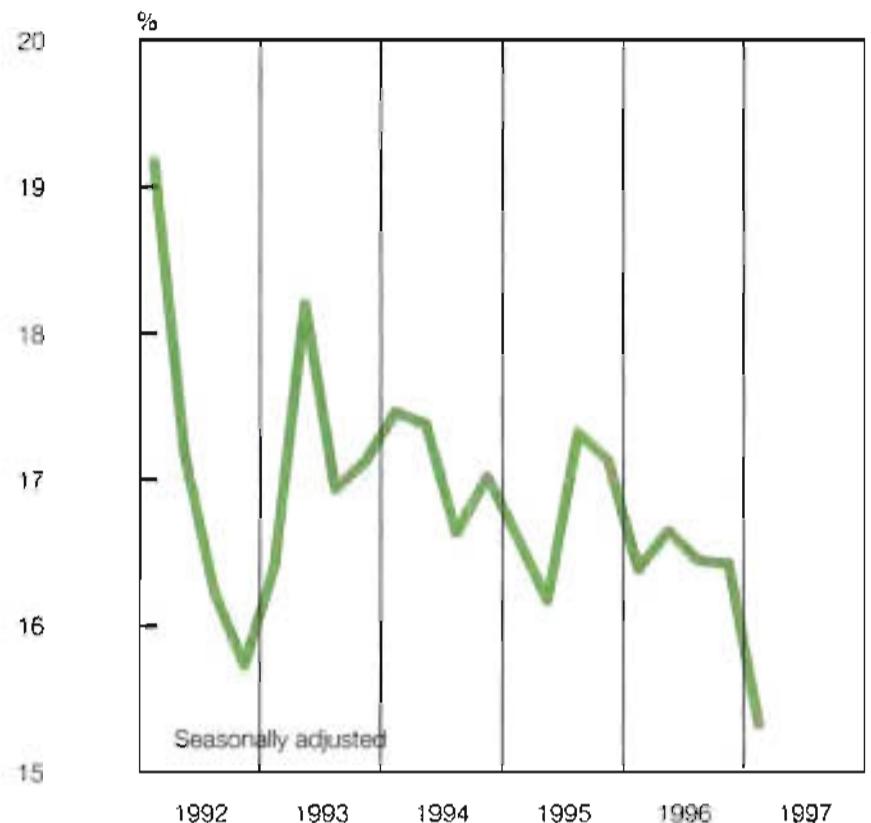
Growth in the *nominal gross operating surpluses* of business enterprises, measured over periods of four quarters, contracted from 15½ per cent in the fourth quarter of 1996 to 10 per cent in the first quarter of 1997. This weaker growth was a consequence of steep declines in the gross incomes of farmers and in the gross operating surplus of the mining sector. The gold-mining industry was adversely affected by the appreciation of the external value of the rand and the simultaneous decline in the dollar price of gold, which inevitably impacted negatively on the profitability of the industry. The growth over four quarters in the nominal gross operating surplus of the secondary and the tertiary sectors declined from 15 per cent in 1996 to 11 per cent in the first quarter of 1997. This decline was in keeping with the general slackening in the pace of economic activity in the first three months of 1997.

The year-on-year rate of increase in total remuneration of employees in the first quarter of 1997 remained unaltered at a rate of 10½ per cent recorded in the fourth quarter of 1996. This relative inflexibility in the growth of remuneration over four quarters was evident in almost all the sectors of the economy and was the result of small declines in the level of employment in the non-agricultural sectors of the economy and fairly moderate salary and

Gross operating surplus and labour remuneration



Gross domestic saving as percentage of gross domestic product



wage increases generally up to the first quarter of 1997. The increase in employee remuneration, however, still exceeded the rise in the aggregate gross operating surplus, causing the ratio of employee remuneration to total factor income to increase marginally from 59 per cent in the fourth quarter of 1996 to 59½ per cent in the first quarter of 1997.

Domestic saving

The ratio of total gross domestic saving to gross domestic product declined from 16½ per cent in the fourth quarter of 1996 to 15½ per cent in the first quarter of 1997. This extremely low savings ratio, which was the result of a continuing high level of dissaving by general government and a deterioration in the saving propensity of the private sector, warrants urgent attention in view of the need to bolster employment-enhancing fixed investment in the economy.

Net dissaving by general government as a percentage of gross domestic product deteriorated from 3½ per cent in the fourth quarter of 1996 to 4 per cent in the first quarter of 1997. This deterioration arose from an acceleration in expenditure by general government, mainly on goods and services and the servicing of government debt, which was not fully compensated for by a rise in direct and indirect tax revenue. The slowdown in the growth of operating surpluses and the consequent weakening of net saving in the corporate sector resulted in a decline in private-sector saving from 6½ per cent of gross domestic product in the fourth quarter of 1996 to 6 per cent in the first quarter of 1997.

Employment

Total employment in the formal non-agricultural sectors of the economy increased at a seasonally adjusted and annualised rate of 0.4 per cent in the fourth quarter of 1996. This has been the first quarterly increase in aggregate formal-sector employment since the fourth quarter of 1995. Declines from quarter to quarter at seasonally adjusted and annualised rates of 3.9 per cent in the first quarter of 1996, 1.0 per cent in the second quarter and 1.5 per cent in the third quarter preceded the fourth-quarter increase in total employment. The average level of employment in the formal sectors of the economy outside agriculture was consequently still 1.1 per cent lower in 1996 than the average level recorded in 1995. This decline in 1996 took the overall decline in employment opportunities in the formal sectors of the economy to 7.0 per cent over the period 1989 to 1996. In other words, about one out of every fourteen employment opportunities which had existed in 1989, became redundant in the ensuing seven years.

Employment in the private sector had declined for five consecutive quarters up to the third quarter of 1996 at seasonally adjusted and annualised rates varying between 0.6 per cent and 5.8 per cent, but then increased by 0.9 per cent in the fourth quarter. The increase in private-sector employment in the fourth quarter of 1996 occurred in the mining sector, the construction industry, retail trade and the insurance industry, whereas job-shedding continued in the

manufacturing, electricity generation, banking and the private road transportation sectors. Despite the increase in total private-sector employment during the last quarter of the year, the average level of employment in this sector still declined at a year-to-year rate of 2,7 per cent in 1996.

Total employment by public authorities increased by 0,5 per cent in both 1994 and 1995. A small decline in public-sector employment, at a seasonally adjusted and annualised rate of 0,2 per cent, was then recorded in the first quarter of 1996, followed by a strong increase at a rate of 3,9 per cent in the second quarter and 0,9 per cent in the third quarter. Although public-sector

employment declined again at a rate of 0,5 per cent in the fourth quarter, the average level of employment in this sector was still 2,0 per cent higher in 1996 than in 1995. As a percentage of total employment in the formal non-agricultural sectors, public-sector employment has increased from 30,3 per cent in the first quarter of 1990 to 34,7 per cent in the fourth quarter of 1996.

The decline in the average level of formal-sector employment was also mirrored in an increase of 8,3 per cent in the average *number of registered unemployed workers* in 1996. In December of last year the total number of registered unemployed workers amounted to approximately 283 000.

A major recent development likely to change the regulatory environment within which the labour market functions is the publication of the draft Basic Conditions of Employment Bill in April 1997. The purpose of the draft Bill is to advance economic development and social justice by establishing and enforcing basic conditions of employment. The Bill applies to a wide range of employers and employees and proposes, *inter alia*, a shorter working week, increased leave arrangements and a higher premium on overtime worked. A business levy to fund a training and education strategy for the country was also proposed. To the extent that the implementation of these proposals could lead to an increase in the wage and non-wage costs of labour, it could have adverse implications for the overall level of formal-sector employment in the economy.

Labour costs and productivity

The increase in the average *nominal remuneration per worker* accelerated from a year-to-year rate of 10,4 per cent in 1993 to 11,9 per cent in 1994. It then fell back to 9,4 per cent in 1995, before strengthening to a rate of 10,2 per cent in 1996. The year-on-year rate of increase in nominal remuneration per worker accelerated continuously from the most recent low of 7,1 per cent in the second quarter of 1995 to 11,1 per cent in the first quarter of 1996. Nominal remuneration growth declined slightly in the second and the third quarter of 1996, but then slowed down quite significantly to 9,1 per cent in the fourth quarter.

Nominal remuneration per worker in the *private sector* increased by 10,0 per cent in 1994, 11,2 per cent in 1995 and 10,7 per cent in 1996. The year-on-year rate of increase, when measured with a quarterly frequency, decelerated from 12,5 per cent in the first quarter of 1996 to 10,4 per cent in the second quarter and 11,2 per cent in the third quarter. A slowdown in nominal wage increases in the manufacturing sector and in wholesale, retail and motor trade then resulted in the year-on-year growth rate in private-sector remuneration per worker declining to 8,8 per cent in the fourth quarter of 1996.

The increase in remuneration per worker in the *public sector* slowed down from a rate of 14,9 per cent in 1994 to 6,5 per cent in 1995, but then accelerated to 8,9 per

Non-agricultural employment

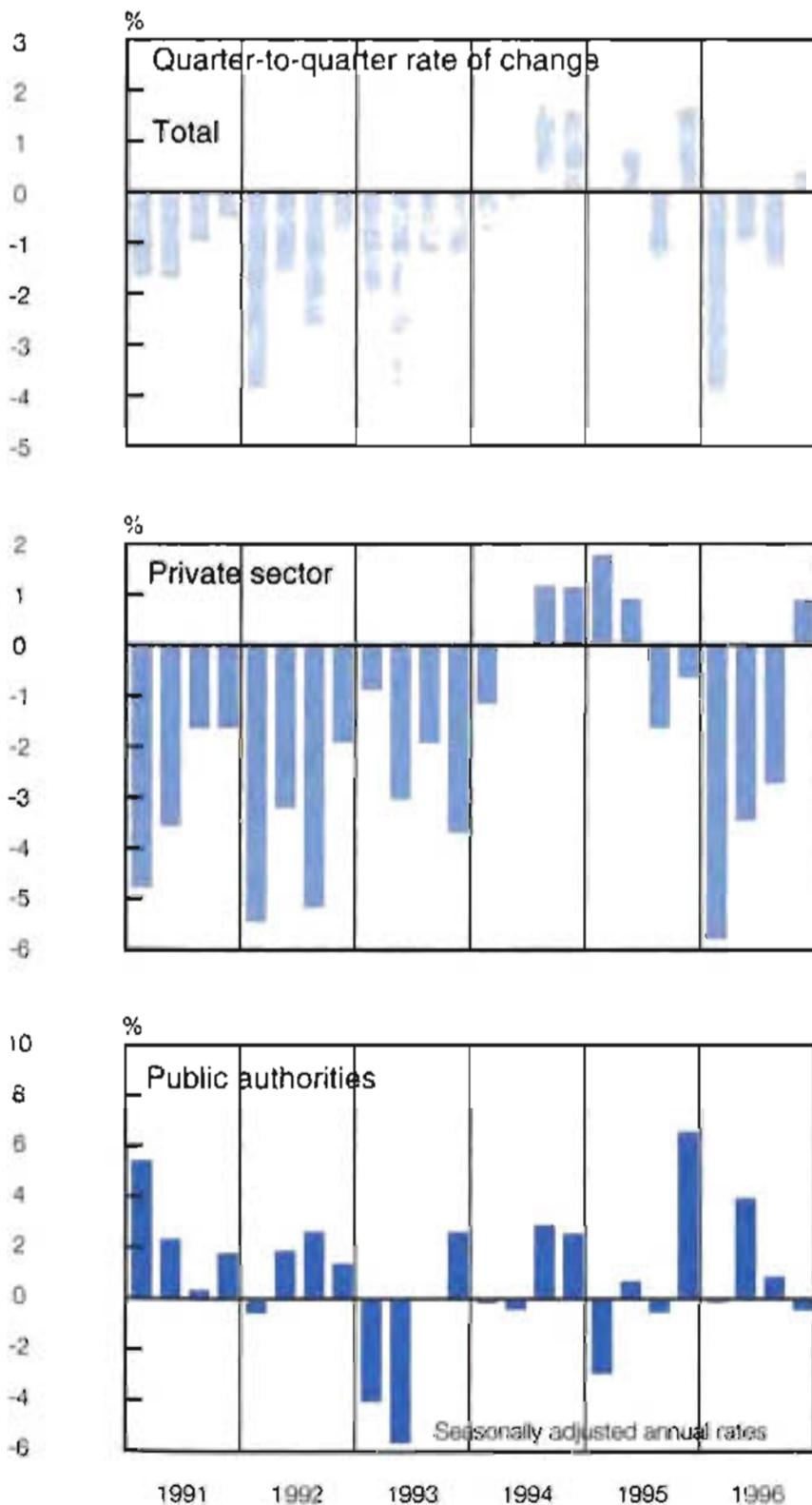


Table 4. Labour costs and productivity

Percentage change over one year

Period	Remuneration per worker		Productivity	Nominal unit labour costs
	Nominal	Real		
1995: 1st qr...	11,7	2,9	2,8	8,7
2nd qr...	7,1	-1,0	3,2	3,7
3rd qr...	8,9	0,6	3,9	4,7
4th qr...	10,1	0,8	3,1	6,8
Year.....	9,4	0,8	3,3	5,9
1996: 1st qr...	11,1	2,0	3,3	7,5
2nd qr...	10,3	0,6	3,1	7,0
3rd qr...	10,4	0,4	2,5	7,6
4th qr...	9,1	-1,1	3,1	5,8
Year.....	10,2	0,5	3,0	7,0

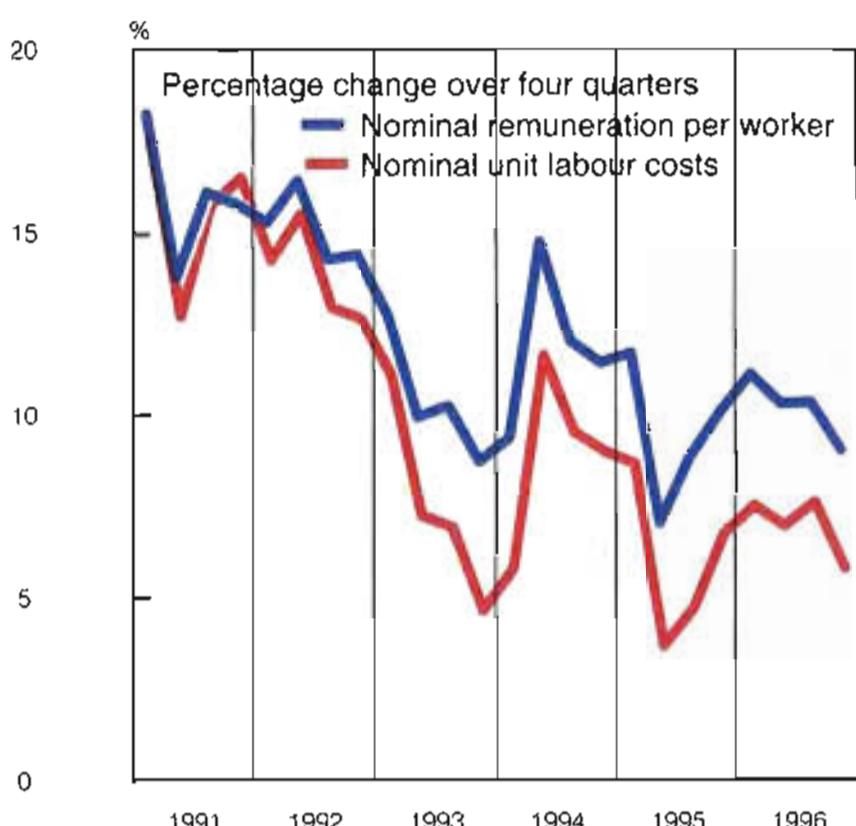
cent in 1996. Contrary to remuneration movements in the private sector, the year-on-year rate of increase in public-sector remuneration per worker accelerated from 8,4 per cent in the third quarter of 1996 to 9,0 per cent in the fourth quarter – a rate of increase broadly similar to the remuneration increase of workers in the private sector in that quarter.

The year-to-year rate of increase in the *real remuneration per worker* in the non-agricultural sectors of the economy (as deflated by the price deflator for the non-agricultural gross domestic product) slowed down from 3,2 per cent in 1994 to 0,8 per cent in 1995 and 0,5 per cent in 1996. The government's Growth, Employment and Redistribution strategy projected real wages to decline by 0,5 per cent in 1996. Although real remuneration per worker increased in calendar 1996 as a whole, it nevertheless declined at a year-on-year rate of 1,1 per cent in the fourth quarter. This decline was, however, preceded by relatively firm year-on-year growth rates during the first three quarters of 1996.

Real output per worker in the non-agricultural sectors of the economy increased by 2,7 per cent in 1994, 3,3 per cent in 1995 and 3,0 per cent in 1996. The productivity increase in 1995 was the highest recorded since 1984. These high rates of productivity growth were a consequence of local producers' response to increased competition from foreign suppliers and domestic cost pressures emanating partly from workers' demands for higher nominal wages. The response of domestic producers also caused a further deepening of the capital intensity of production processes in the South African economy, thereby suppressing the demand for labour and employment growth.

The strong productivity growth in recent years led to relatively low rates of increase in *nominal unit labour costs*. The year-to-year rise in nominal unit labour costs declined to 5,9 per cent in 1995 – the lowest year-to-year rate of increase recorded since 1972. The acceleration in

Nominal remuneration per worker and nominal unit labour costs



nominal wage growth and the slight decline in productivity growth then combined to accelerate the growth in nominal unit labour costs to 7,0 per cent in 1996. The year-on-year growth in *nominal unit labour costs*, however, slowed down from rates in excess of 7 per cent in the first three quarters of 1996 to 5,8 per cent in the fourth quarter.

Prices

The lower growth in labour costs per unit of production was an important factor in slowing down the inflation rate in 1995 and the first quarter of 1996. The slower rise in labour costs in 1995 was assisted by the consistent application of a counter-inflationary monetary policy, the lowering of tariffs on imported goods, relatively low food price increases and the relative strength of the rand in the foreign exchange market until the middle of February 1996. The overall slowdown in inflation was reversed in the second quarter of 1996 when some of these inflation-containing forces changed direction and began to exert additional upward pressure on prices: the rand started to depreciate in February 1996, the rise in nominal unit labour costs began to accelerate from the fourth quarter of 1995, food price increases accelerated strongly and the rapid expansion of money and credit aggregates led to the persistence of high inflation expectations. In the first quarter of 1997, the pace of price inflation appeared to be decelerating once again.

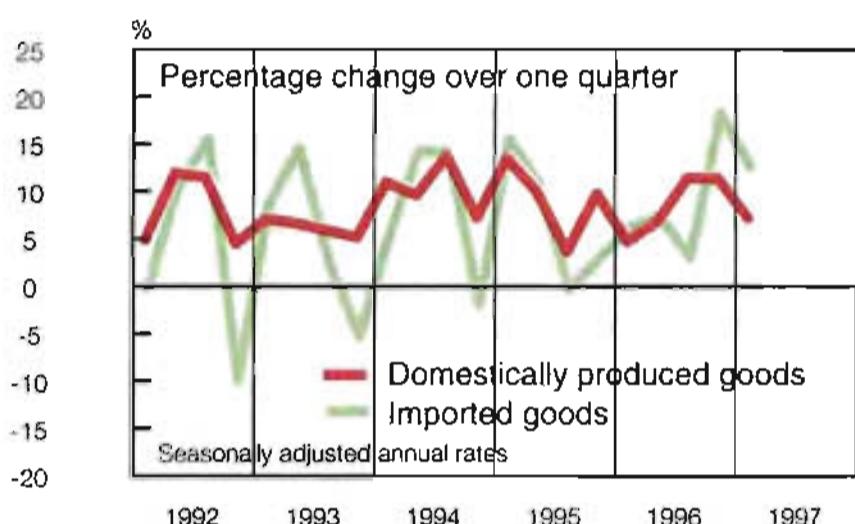
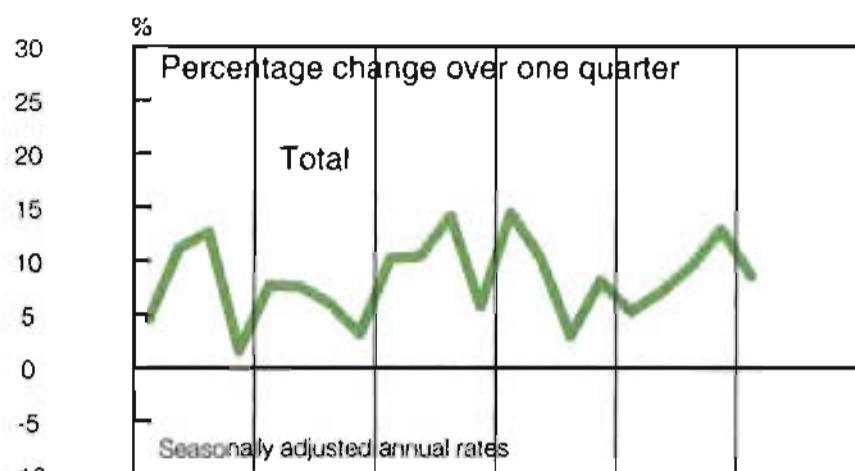
Inflation as measured by changes in the *all-goods*

production price index, declined from 9,6 per cent in 1995 to 6,9 per cent in 1996. The seasonally adjusted and annualised quarter-to-quarter rate of increase declined, on balance, from the most recent high point of 14,3 per cent in the first quarter of 1995 to 5,1 per cent in the first quarter of 1996, but then regained momentum and accelerated to 12,7 per cent in the fourth quarter of 1996 before slowing down again to 8,4 per cent in the first quarter of 1997. Measured over periods of twelve months, the overall production-price inflation fell to 5,3 per cent in April 1996, before re-accelerating to 9,3 per cent in February 1997 and a twenty-one-month high rate of 9,6 per cent in March.

The movements in the prices of *domestically produced goods* broadly mirrored that of the all-goods production price index. The year-on-year rise in the prices of domestically produced goods declined from 9,9 per cent in 1995 to 7,5 per cent in 1996. The quarter-to-quarter rate of increase in the prices of domestically produced goods decelerated on a seasonally adjusted and annualised basis from 13,6 per cent in the first quarter of 1995 to 4,8 per cent in the first quarter of 1996, only to accelerate again to 11,4 per cent in the fourth quarter. Agricultural food prices and rising unit labour costs contributed towards this acceleration in the prices of domestically produced goods. The quarter-to-quarter increase in the prices of domestically produced goods slowed down again to 7,2 per cent in the first quarter of 1997. The year-on-year increase in the prices of domestically produced goods accelerated recently from 5,9 per cent in April 1996 to 9,2 per cent in February 1997 and 9,5 per cent in March.

Largely on account of the relative price stability in South Africa's main trading partners and the strength of the rand in the latter part of 1995, the year-to-year rate of increase in the *prices of imported goods* declined from 7,6 per cent in 1995 to 5,3 per cent in 1996. Seasonally adjusted and annualised, the prices of imported goods increased from quarter-to-quarter at rates that generally accelerated from 6,0 per cent in the first quarter of 1996 to 18,1 per cent in the fourth

Production price index



quarter. The acceleration in the prices of imported goods during 1996 was interrupted somewhat unexpectedly by a small quarter-to-quarter rise of only 2,9 per cent in the third quarter. This was a consequence, firstly, of a decline in the prices of imported mining and quarrying products, including that of crude oil, and secondly, of the fact that the prices of goods constituting about one third of the weighting of the import component of the production price index

Table 5. Quarter-to-quarter rate of change in prices
Seasonally adjusted and annualised percentage

Quarter	Imported goods	Domestically produced goods	All-goods production prices	Consumer prices	Underlying inflation
1996: 1st qr.....	6,0	4,8	5,1	9,1	6,4
2nd qr.....	7,3	6,8	6,9	7,6	8,5
3rd qr.....	2,9	11,4	9,3	8,9	9,0
4th qr.....	18,1	11,4	12,7	11,6	12,6
1997: 1st qr.....	12,4	7,2	8,4	9,5	7,4

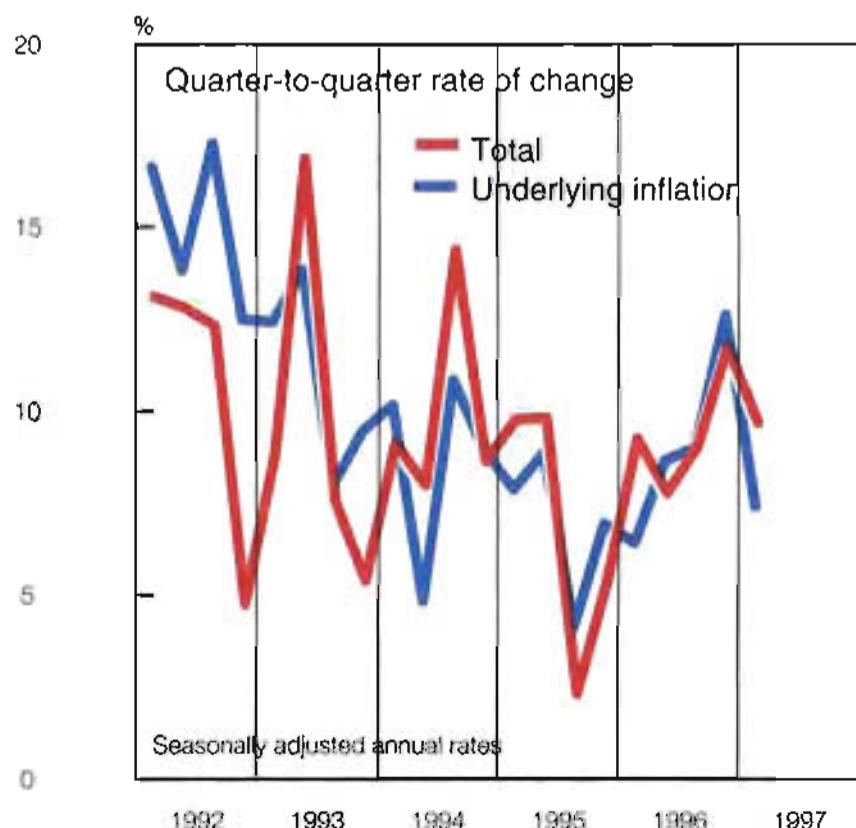
showed no change during the third quarter of 1996. The price level of this category of goods was not surveyed for a number of months during 1996. In the first quarter of 1997 the quarter-to-quarter increase in the prices of imported goods slowed down again to 12,4 per cent, mainly owing to the strengthening of the external value of the rand. Measured over periods of twelve months, the rate of increase in the prices of imported goods accelerated from 3,2 per cent in April 1996 to 10,3 per cent in February 1997 and 10,1 per cent in March.

The seasonally adjusted and annualised quarter-to-quarter rate of increase in the *overall consumer price index* declined from 14,3 per cent in the third quarter of 1994 to a low of 2,2 per cent in the third quarter of 1995. This rate of price increase has subsequently accelerated, on balance, to 11,6 per cent in the fourth quarter of 1996, before subsiding to 9,5 per cent in the first quarter of 1997. Measured over periods of twelve months, the increase in the overall consumer price index accelerated from 5,5 per cent in April 1996 (its lowest level since June 1972) to 9,8 per cent in February 1997, 9,6 per cent in March and 9,9 per cent in April.

Underlying inflation (i.e. the change in the overall consumer price index excluding the prices of food and non-alcoholic beverages, the cost of home ownership and value-added tax) measured from quarter to quarter, accelerated from a seasonally adjusted and annualised rate of 4,1 per cent in the third quarter of 1995 to 12,6

per cent in the fourth quarter of 1996, but then slowed down noticeably to 7,4 per cent in the first quarter of 1997. The year-on-year underlying inflation rate nevertheless accelerated from a low of 6,3 per cent in May 1996 to 9,7 per cent in February 1997, before slowing down somewhat to 9,2 per cent in March and 9,4 per cent in April.

Consumer price index



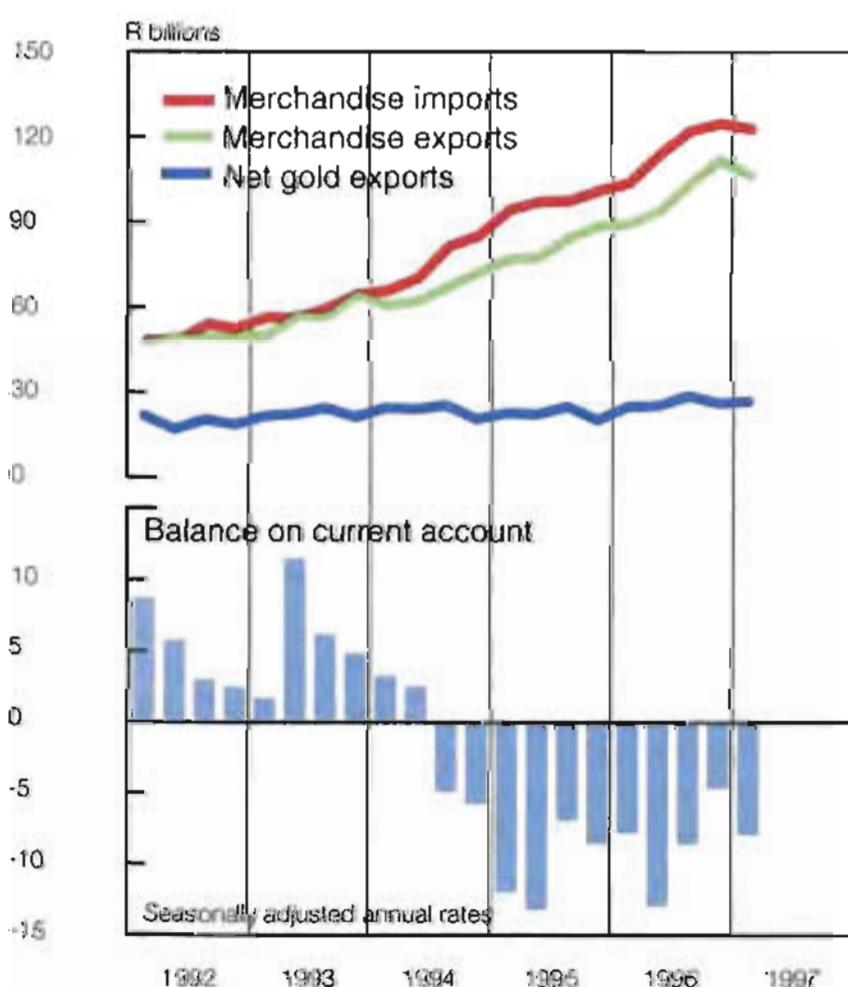
Foreign trade and payments

Current account

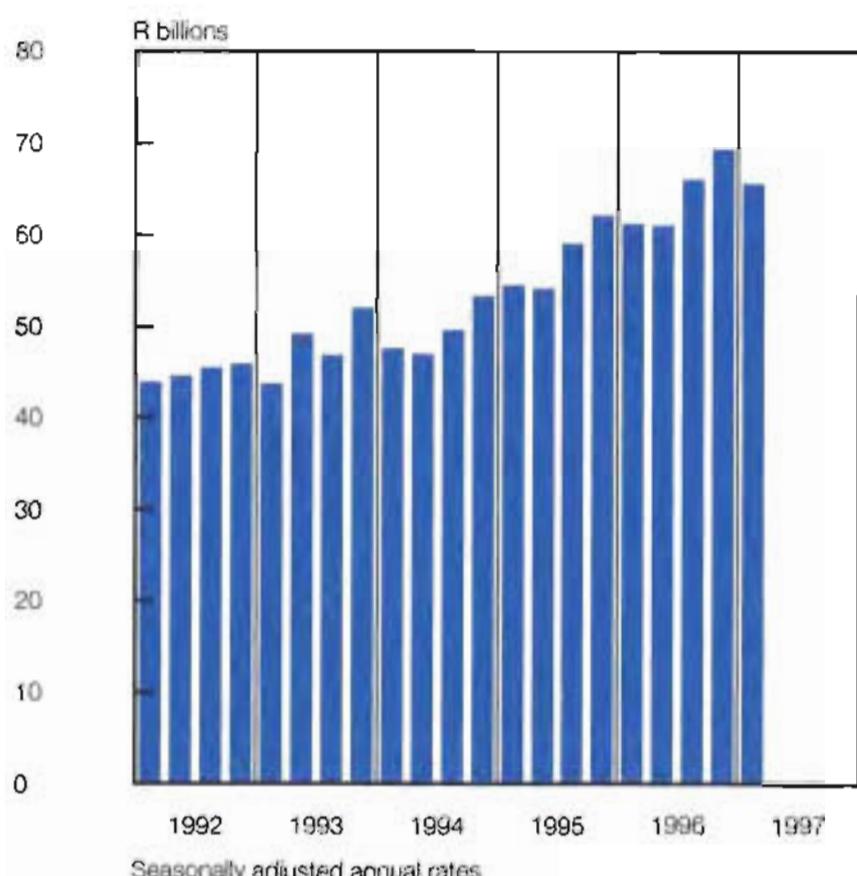
The deficit on the current account of the balance of payments widened from R0,1 billion in the fourth quarter of 1996 to R1,9 billion in the first quarter of 1997, largely because of a decline in the quantity of relatively price-insensitive goods exported. Calculated at a seasonally adjusted and annualised rate the deficit widened from R4,7 billion in the fourth quarter of 1996 to R7,9 billion in the first quarter of 1997. Prior to the fourth quarter of 1996, the deficit (seasonally adjusted and annualised) had narrowed from R12,9 billion in the second quarter of that year. As a ratio of gross domestic product, the current account deficit came to 1,4 per cent in the first quarter of 1997. In comparison, the average deficit ratio for 1996 was 1,6 per cent.

The value of merchandise exports (seasonally adjusted and annualised), which had increased strongly in the second half of 1996, declined by about 5 per cent from R111,0 billion in the fourth quarter of 1996 to R105,6 billion in the first quarter of 1997, mainly as the result of a decline of 5½ per cent in the volume of goods exported in the first quarter of 1997. Despite this decline, the volume of merchandise exports in the first quarter of 1997 was still 7½ per cent higher than the average quarterly level in the first half of 1996.

Current account



Volume of merchandise exports



An analysis of the changes in the value of exports by product category shows that sharp declines were recorded in the categories vegetable products, particularly edible fruit and nuts; and precious and semi-precious stones. The value of exports in the categories vehicles and transport equipment and paper products also recorded sizeable declines, whereas increases were recorded in the categories machinery and electrical equipment and textile products, resulting in only a modest decline in the total value of exports of manufactured goods.

After having declined throughout 1995 and 1996, international commodity prices rebounded in the first quarter of 1997. The potentially beneficial effect of this rise in commodity prices on export earnings was partially negated by the appreciation of the rand during the early months of 1997.

The value of net gold exports rose marginally from a seasonally adjusted and annualised value of R26,2 billion in the fourth quarter of 1996 to R26,8 billion in the first quarter of 1997. Export volumes of gold rose strongly in the first quarter of 1997 because sales from accumulated inventories at the mines were added to the sale of current production. In contrast, the average fixing price of gold on the international market fell from US\$376,00 per fine ounce in the fourth quarter of 1996 to \$351,21 in the first quarter of 1997. Declining inflation and the consequent expectation of lower future inflation in industrial countries, rising interest rates in the United States and rumours about imminent central bank gold sales were among the

Table 6. Balance of payments on current account

Seasonally adjusted and annualised rates
R billions

	1996				1997
	1st qr	2nd qr	3rd qr	4th qr	1st qr
Merchandise exports	88,5	93,1	102,6	111,0	105,6
Net gold exports	24,9	25,3	28,7	26,2	26,8
Merchandise imports	-104,1	-114,1	-122,2	-124,8	-122,9
Net service and transfer payments.....	-17,1	-17,2	-17,7	-17,1	-17,4
Balance on current account	-7,8	-12,9	-8,6	-4,7	-7,9

factors which impacted negatively on gold price movements. The value of gold sales was also influenced by the relative strength of the rand against the dollar, which caused the rand equivalent of the gold price to fall from R1 743,85 per fine ounce in the fourth quarter of 1996 to R1 584,57 in the first quarter of 1997. In April 1997, the average price of gold per fine ounce fell even further to \$344,59, or R1 532,18.

Normally, when the growth in gross domestic expenditure slows down, growth in the value of *merchandise imports* either slows down or turns negative. In this instance, the value of merchandise imports (seasonally adjusted and annualised) declined from R124,8 billion in the fourth quarter of 1996 to R122,9 billion in the first quarter of 1997. The volume of imports, which had declined by about 2 per cent from the third quarter of 1996 to the fourth quarter, declined further by $\frac{1}{2}$ per cent in the first quarter of 1997. The downward movement in the value of merchandise imports during the first quarter of 1997 was slightly attenuated by a decline of 1 per cent in the domestic-currency value of the prices of imported goods, essentially as a consequence of the

recent appreciation of the rand and low price inflation in trading-partner countries.

The decline in the value of merchandise imports was particularly prominent in the categories agricultural products and manufactured goods. These were partly countered by higher import values of mineral products, which include crude oil, and that of precious and semi-precious stones.

Net service and transfer payments to non-residents, which had declined from a high of R17,7 billion in the third quarter of 1996 to R17,1 billion in the fourth quarter, increased again to R17,4 billion in the first quarter of 1997. Although receipts for services increased on account of higher travel expenditure by foreign visitors to South Africa and higher investment income from the rest of the world, payment for services by South Africans travelling to other parts of the world, and dividend and interest pay-outs to non-resident investors rose even more.

Capital account

As could be expected in circumstances where the currency is strengthening, the large *net inward movement*

Table 7. Net capital movements not related to reserves

R billions

	1996				1997
	1st qr	2nd qr	3rd qr	4th qr	1st qr
Long-term capital					'
Public authorities	1,3	0,1	-0,2	2,1	1,1
Public corporations.....	0,9	1,0	-0,8	2,5	1,4
Monetary sector.....	-0,2	-0,4	-0,2	-0,4	-0,3
Private sector	2,3	1,2	1,1	-5,4	2,6
Total	4,3	1,9	-0,1	-1,2	4,8
Short-term capital	-4,4	-0,4	-0,7	4,5	-1,2
Total capital	-0,1	1,5	-0,8	3,3	3,6

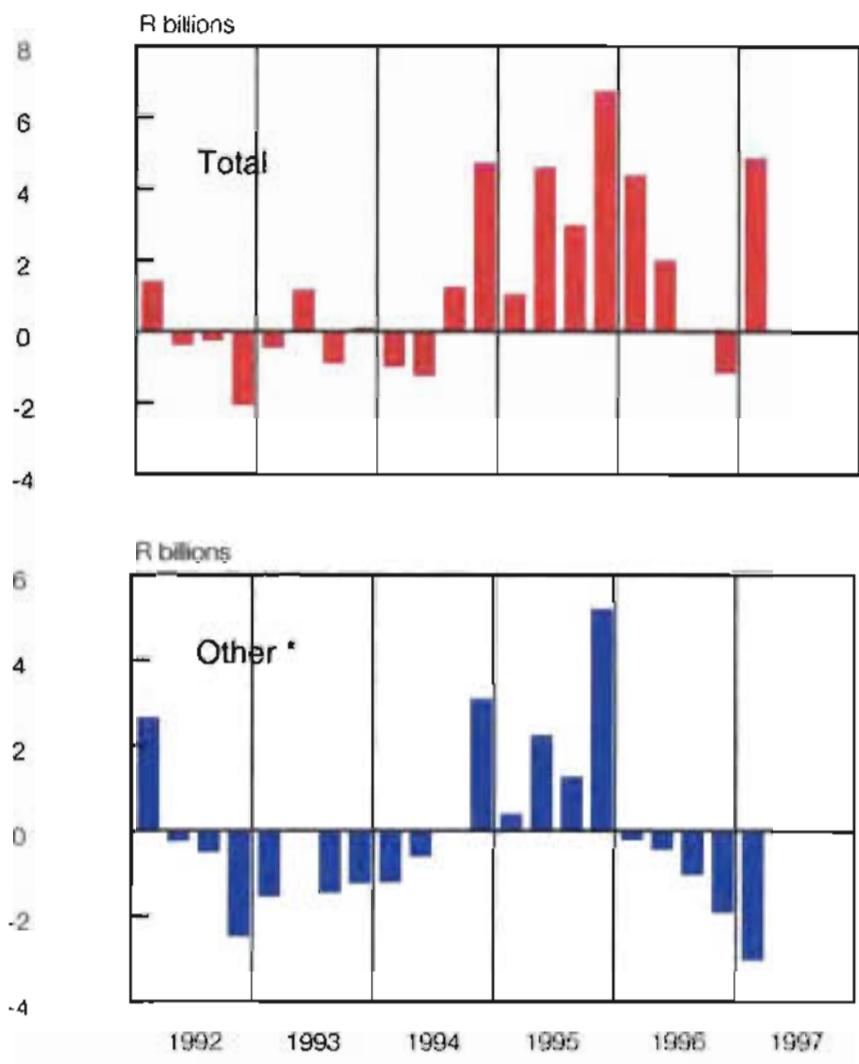
of capital (not related to reserves) which began in the fourth quarter of 1996, continued in the first quarter of 1997. In fact, the total net inward movement of capital not related to reserves increased from R3,3 billion in the fourth quarter of 1996 to R3,6 billion in the first quarter of 1997. By comparison, the total net inflow of capital unrelated to reserves in the calendar year 1996 as a whole amounted to some R3,9 billion. Unlike the fourth quarter of 1996 when capital movements were dominated by an inward movement of short-term capital, the inflows in the first quarter of 1997 were predominantly of a long-term nature.

Long-term capital movements changed from an outflow of R1,2 billion in the fourth quarter of 1996 to a net inflow of R4,8 billion in the first quarter of 1997. The inward flow of long-term capital in the first quarter of 1997 was primarily destined for non-bank private-sector entities and for the public sector, including public corporations. Contrary to these movements, the steady outflow of long-term capital from the banking sector, which had been observed in every quarter of 1996, continued in the first quarter of 1997.

By far the greatest part of the inflow of long-term capital during the first quarter of 1997 consisted of net purchases by non-residents of bonds in the domestic bond market and of shares listed on the Johannesburg Stock Exchange. The net payment for purchases of bonds by non-residents amounted to R3,9 billion in the first quarter of 1997. Net purchases to an amount of R2,2 billion were left unsettled at the end of the quarter, thereby holding the promise of further inflows of long-term capital in the remainder of the year. Shares listed on the Johannesburg Stock Exchange to the value of R3,5 billion were acquired by non-resident investors during the first quarter. The positive effect of these inflows of long-term capital through the bond and share market on the level of gold and other foreign reserves was partly negated by an outward flow of long-term capital to an amount of R3,4 billion, arising from the repayment of debt obligations which fell due in the first quarter of 1997, and by outflows of funds due to asset swap transactions.

It is generally assumed that portfolio investment flows could be highly volatile, and that they may have a destabilising effect on general macroeconomic equilibrium. The large portfolio investments from the beginning of 1997 could, therefore, impart some additional volatility to the South African securities markets and to the flows of capital into and out of the economy. This, however, may under current circumstances not necessarily be the case; to the extent that these investments were the hedging counterpart of some of the Euromand bond issues which had been made in the first quarter of 1997, they represented a relatively longer-term investment into the economy. Indeed, some of the Euromand bond issues of R7,1 billion issued in the first quarter of 1997 were hedged in the South African market through the purchase of bonds with a maturity of between one and five years. Another important

Long-term capital movements



* Excluding non-resident investment in South African securities

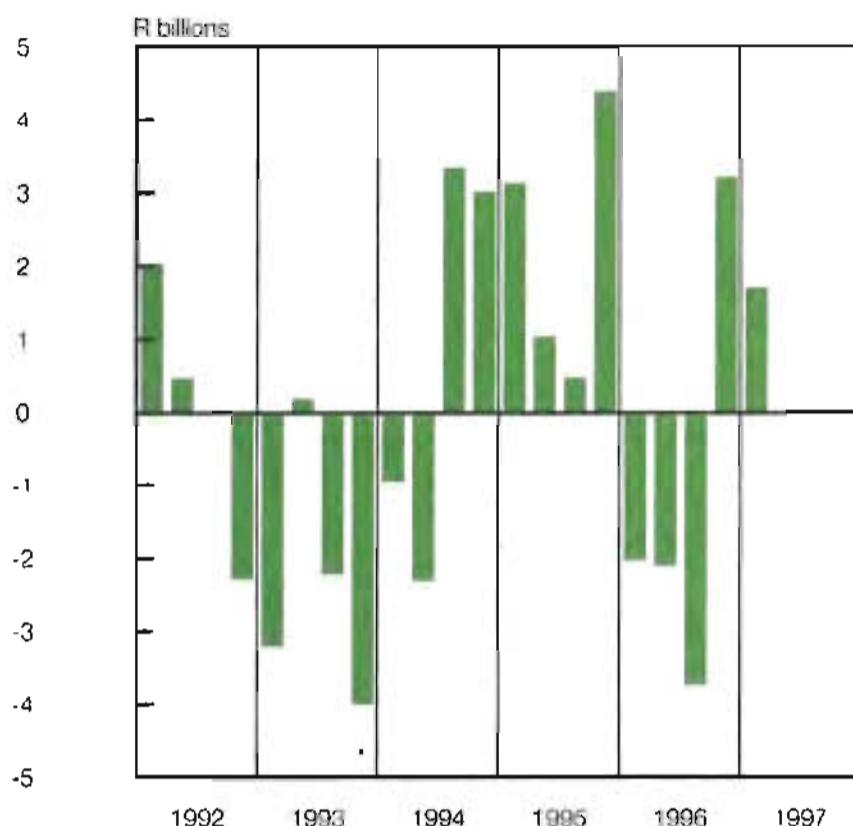
consequence of Euromand bond issues is that they gave rise to increased forward purchases of rand, or forward sales of dollars, thereby contributing to a more balanced position between the purchases and sales in the domestic forward foreign-exchange market.

Short-term capital movements (not related to reserves, but including unrecorded transactions) changed from an inflow of R4,5 billion in the fourth quarter of 1996 to an outflow of R1,2 billion in the first quarter of 1997. The proximate cause of this reversal of short-term capital flows was the repayment of part of the outstanding external loan liabilities of the private banking sector in the first quarter of 1997. Non-resident short-term deposits with the domestic private banking sector increased strongly in the first quarter of 1997, but this inflow was completely offset by an outward movement of short-term capital from the non-bank private sector. Many private-sector companies capitalised on the higher external value of the rand and repaid part of their uncovered foreign short-term liabilities.

Foreign reserves

The net inflow of foreign capital exceeded the absolute value of the deficit on the current account of the balance of payments (not adjusted for seasonal variation) in the

Change in total net gold and other foreign reserves



first quarter of 1997, with the result that the country's *net gold and other foreign reserves* increased by R1,7 billion in that quarter. This was the second consecutive quarter in which the net gold and other foreign reserves showed an improvement – during the first three quarters of 1996 the net foreign reserves declined by R7,8 billion. Between the end of September 1996 and the end of March 1997, the net foreign reserves have increased by R4,9 billion.

The gross *gold and other foreign reserves* rose from R16,8 billion at the end of 1996 to R19,5 billion at the end of March 1997, notwithstanding a decline of R0,2 billion in the gross foreign reserves of the private banking

sector. This level of gross reserves was equivalent to about six weeks' worth of imports of goods and services. In April 1997, the gross gold and other foreign reserves of the Reserve Bank increased by R1,3 billion, and in May by a substantial amount of R7,4 billion to reach a level of R21,8 billion. As a percentage of the total value of the Reserve Bank's foreign reserves, the value of gold holdings fell from 57 per cent at the end of December 1996 to 24 per cent at the end of May 1997.

Exchange rates of the rand

Frequent speculative attacks on the rand during the first ten months of 1996 caused the *nominal trade-weighted exchange rate* of the rand to decline by 22,7 per cent from the end of December 1995 to the end of October 1996. Stability returned to the foreign exchange market in the last two months of 1996, however, resulting in a slight appreciation of the rand of about 1 per cent from the end of October 1996 to the end of December.

As confidence was restored, the nominal effective exchange rate strengthened further by 8,9 per cent during the first quarter of 1997, taking the value of the rand against a basket of currencies of South Africa's most important trading partners to a level that was 10,0 per cent higher than the value that prevailed at the end of October 1996. In April 1997, the trade-weighted value of the rand against a basket of currencies remained broadly unchanged.

The recent strengthening of the rand occurred concurrently with a significant appreciation of the US dollar against all the other major currencies. The rand consequently also increased against these currencies. For example, from the end of October 1996 to the end of April 1997 the rand strengthened by 22,0 per cent against the Netherlands guilder, 21,7 per cent against the German mark, 20,5 per cent against the Italian lira and 19,1 per cent against the Japanese yen.

The strong showing of the rand since the end of October could be attributed to the effects of a range of factors which simultaneously influenced the foreign exchange market. Among these are:

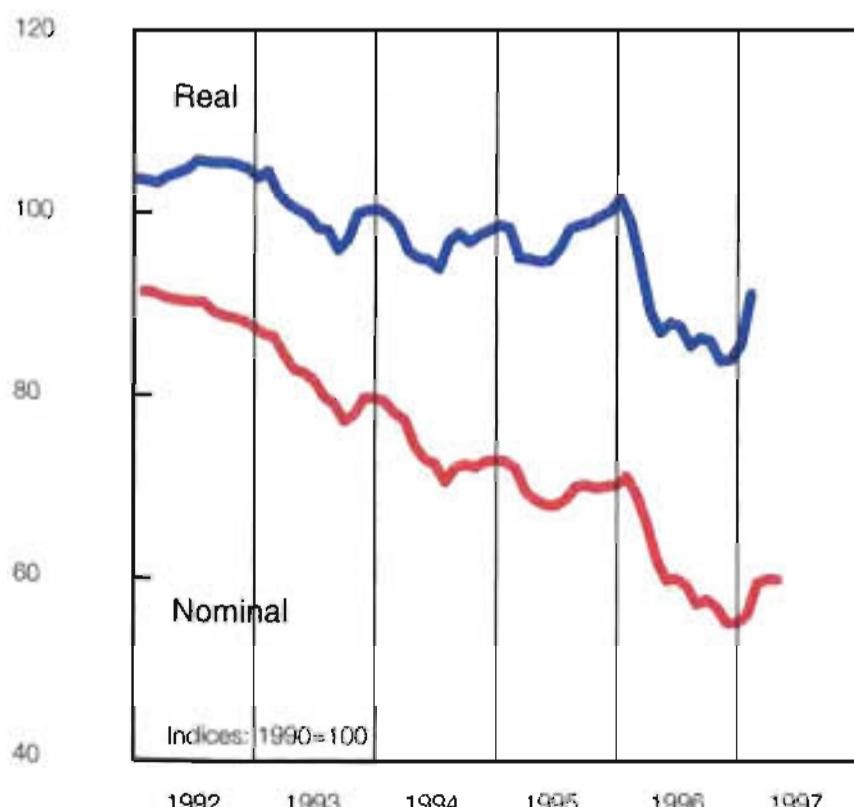
Table 8. Changes in the exchange rates of the rand
Per cent

	31 Dec 1995 to 31 Dec 1996	31 Dec 1996 to 27 Mar 1997	27 Mar 1997 to 30 Apr 1997 ¹	31 Oct 1996 to 30 Apr 1997
Weighted average	-21,9	8,9	0,0	10,0
US dollar	-22,1	6,0	-0,6	6,6
British pound.....	-28,9	10,3	-0,7	6,4
German mark	-15,7	14,6	2,0	21,7
Japanese yen	-12,1	12,8	1,8	19,1
Netherlands guilder	-15,4	14,9	2,0	22,0
Italian lira	-24,9	16,5	1,4	20,5

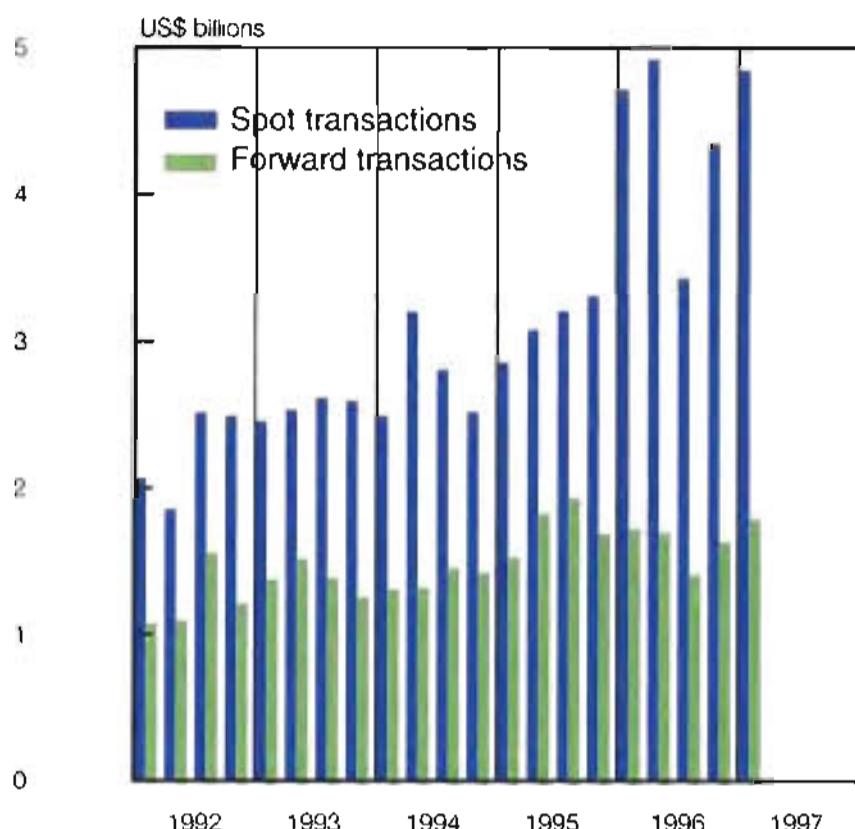
- the large-scale net purchases of securities by non-residents which were causal to, but also influenced by, the rising value of the rand;
- the sustained relatively high level of domestic interest rates;
- expectations of a substantially reduced current account deficit during the calendar year 1997;
- rises in the level of gross official foreign reserves and expectations of a continuing rise in the remainder of 1997;
- positive market sentiment following the announcement of a further liberalisation of foreign exchange control measures; and
- general satisfaction with the broad thrust of macroeconomic policies as indicated by the Minister of Finance when he presented the government's budget proposals for the 1997/98 fiscal year to Parliament.

The sharp increase in the nominal effective exchange rate of the rand in the first quarter of 1997, together with the widening inflation differential between South Africa and its main trading partners, resulted in an increase of approximately 9½ per cent in the *real effective exchange rate* of the rand over the period December 1996 to March 1997. The real effective exchange rate nevertheless still declined, on balance, by 8,3 per cent between December 1995 and March 1997. If the relatively low value of the effective exchange rate of the rand in May 1995 were used as a benchmark, the depreciation of the rand in real terms from May 1995 to March 1997 would come to only 3,0 per cent.

Effective exchange rates of the rand



Net average daily turnover in the South African foreign exchange market



The large-scale interest shown by non-residents in South African securities in the first quarter of 1997 contributed, *inter alia*, to an increase in turnovers in the South African market for foreign exchange. The average net daily turnover, i.e. gross turnover adjusted for double counting arising from local interbank transactions, rose from US\$6,0 billion in the fourth quarter of 1996 to \$6,7 billion in the first quarter of 1997. Abrupt changes in the exchange rate of the rand against the US dollar during February 1997 probably contributed to the average net daily turnover rising to US\$7,4 billion in that month. The appreciation in the external value of the rand during the first quarter of 1997 also contributed to a slowdown in the expansion of activity in the forward foreign exchange market and an improvement in the balance between sales and purchases in the forward foreign exchange market. It also resulted in substantial surpluses accruing to the Reserve Bank on account of transactions in the forward foreign-exchange market.

Monetary developments, interest rates and financial markets

Money supply

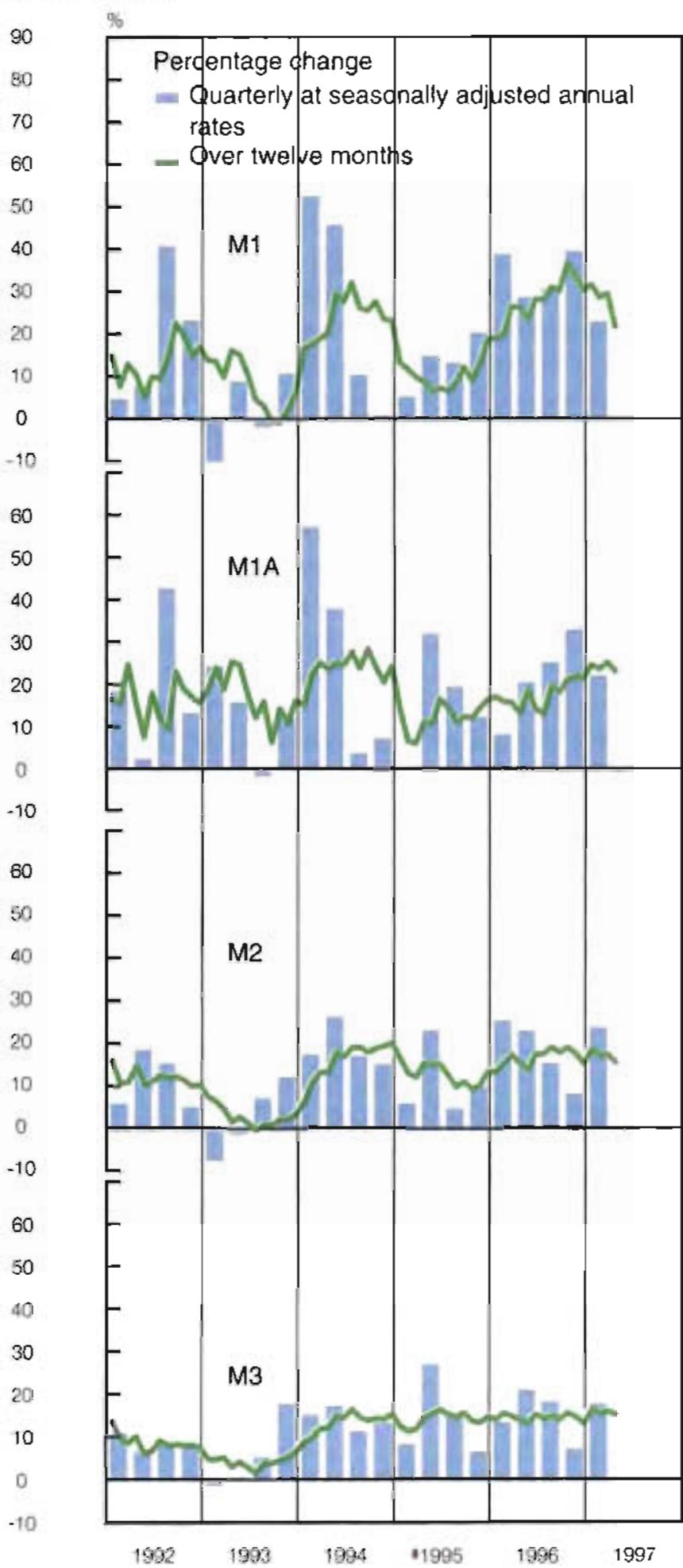
The slowdown in overall monetary expansion in the fourth quarter of 1996 appears to have been of a temporary nature as the growth in the more closely monitored monetary aggregates accelerated again in the first quarter of 1997. The quarter-to-quarter annualised growth rate in the seasonally adjusted, *broadly defined money supply* (M3), rebounded to 18,1 per cent in the first quarter of 1997, after having slowed down from 21,2 per cent in the second quarter of 1996 to 7,6 per cent in the fourth quarter. The growth over twelve months in M3 decelerated likewise from an upper turning-point of 16,1 per cent in February 1996 to 13,6 per cent in December, but then increased to 16,8 per cent in January 1997, 15,9 per cent in February and 16,5 per cent in March. These growth rates were followed by an increase of 15,7 per cent in April.

As was the case during 1996, the strong growth in the M3 money supply could be ascribed to a strong preference of individuals and other private-sector entities for call and other short- and medium-term deposits. The deposits of insurers and pension funds with banks, for example, increased by R5,2 billion in the first quarter of 1997. The increase in the deposit holdings of these institutions amounted to about 30 per cent of the increase in total M3 money supply in the first quarter of 1997. Furthermore, the non-bank private sector's investment in highly liquid negotiable certificates of deposit also increased sharply during the first three months of 1997.

As a reflection of strong investors' preference for liquidity, the *narrower monetary aggregates* rose more rapidly than the broad monetary aggregate, M3. The twelve-month growth rate of M1A accelerated during the second half of 1996 from a low point of 13,6 per cent in July to 21,9 per cent in December and then further to 25,7 per cent in March 1997. These were followed by growth over twelve months of 23,6 per cent in April 1997. The year-on-year growth of M1 fluctuated around a very high average level of 32,2 per cent during the second half of 1996, declining gradually from a peak of 37,2 per cent in October 1996 to 22,2 per cent in April 1997. Growth in M2 was sustained at relatively high year-on-year rates of between 15 per cent and 20 per cent in the second half of 1996. In the first quarter of 1997 these relatively high growth rates continued at 19,1 per cent in January, 17,5 per cent in February and 17,8 per cent in March. In April 1997 this growth rate fell back to 16,1 per cent.

The main balance sheet counterparts of the R17,4 billion increase in the M3 money supply during the first quarter of 1997 were increases in the banks' claims on the private non-bank sector and the government sector. Banks' claims on the non-bank private sector increased by R16,1 billion in the first quarter of 1997, whilst an increase of R5,2 billion in the banks' gross claims on the

Monetary aggregates



government sector during this period was only partially neutralised by an increase of R0,6 billion in government deposits with the banks, leaving a net amount of R4,6 billion of new bank credit extended to the government

Table 9. Growth over twelve months in monetary aggregates

Per cent

Period	M1A	M1	M2	M3		
1996:	Apr.....	13,9	26,9	15,8	14,4	
	May.....	19,0	24,1	14,3	13,6	
	Jun.....	14,7	28,7	17,9	15,7	
	Jul.....	13,6	28,7	18,1	14,7	
	Aug.....	20,1	31,6	19,6	15,4	
	Sep.....	18,7	30,7	18,4	14,5	
	Oct.....	21,6	37,2	19,5	16,0	
	Nov.....	22,4	34,0	18,2	15,2	
	Dec.....	21,9	30,9	15,8	13,6	
	1997:	Jan.....	25,1	32,2	19,1	16,8
	Feb.....	24,1	29,2	17,5	15,9	
	Mar.....	25,7	30,1	17,8	16,5	
	Apr.....	23,6	22,2	16,1	15,7	

sector. The remaining balance sheet counterparts of the increase in the M3 money supply reflected declines during the first quarter of 1997 – net foreign assets declined by R2,2 billion and "net other assets" by R1,1 billion.

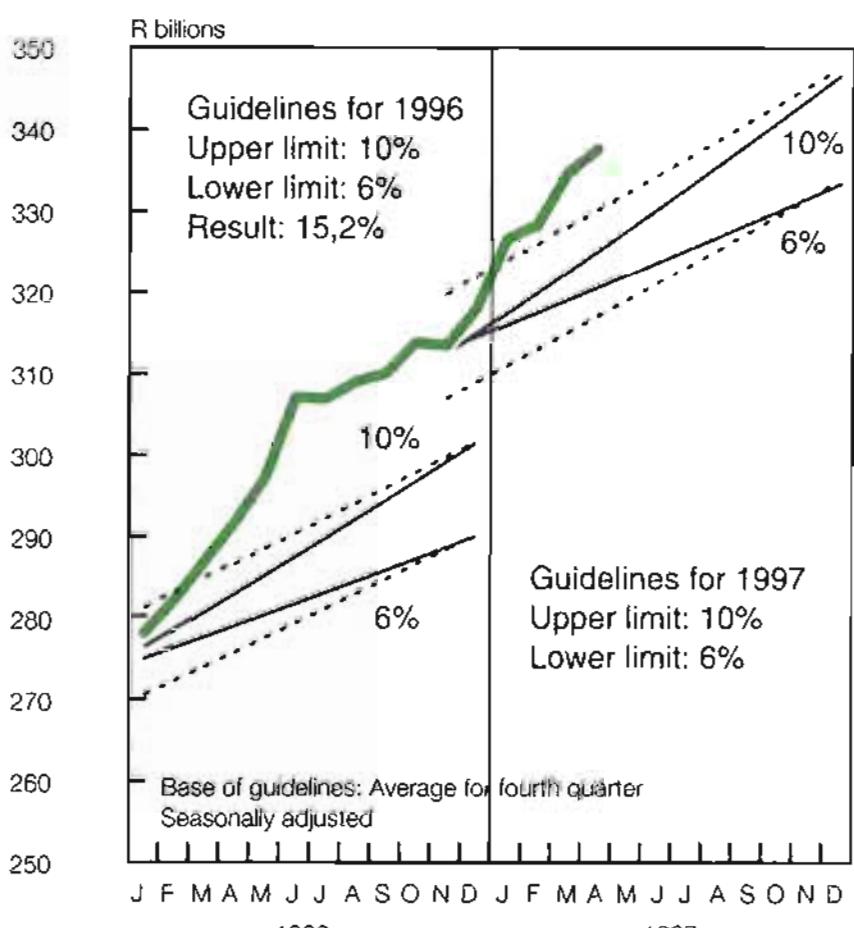
Money supply guidelines

The Governor of the Reserve Bank announced on 14 March 1997 that the Bank had decided to set the guideline range for acceptable growth in the quarterly average value of the M3 money supply at between 6 and 10 per cent for the guideline year from the fourth quarter of 1996 to the fourth quarter of 1997. The range which had been set for the 1995 and 1996 guideline years was thus left unchanged.

In his announcement the Governor repeated that the mission of the Reserve Bank was the protection of the value of the rand. Financial stability and the containment of inflation would therefore remain the overriding objective of monetary policy in 1997. The Governor expressed his concern about the acceleration of consumer price inflation since the second quarter of 1996. The rise in the underlying inflation rate was of particular concern because it pointed to the fact that more fundamental inflationary forces were at work. The reappearance of inflationary pressures was apparently not caused by an overheated economy. The persistently high increases in nominal unit labour costs from the second quarter of 1995 to the third quarter of 1996 and the depreciation of the rand during 1996 were singled out as important factors contributing to the rise in inflation.

Under such circumstances it had become necessary to reduce the strong growth in money supply and bank credit extension to the private sector to prevent these from fuelling the emerging and existing inflationary

Guidelines for growth in M3



pressures. Should a new cycle of continuous increases develop in the rate of inflation, it could jeopardise the achievement of the goals set by the government for reconstruction and development and delay the implementation of the *Growth, Employment and Redistribution* strategy.

The money supply guidelines of 6 to 10 per cent were decided upon with a view to accommodate possible growth in the real gross domestic product of between 2 and 3 per cent in the 1997 guideline year, whilst signalling the Reserve Bank's resolve to eventually reduce the rate of inflation to levels which are more compatible with the average rate of inflation in South Africa's main trading partners and competitors. The challenge for 1997 would be to contain the inflation rate at a level below 10 per cent.

The announcement of annual guidelines for an acceptable increase in the money supply is meant to contribute to greater transparency in the conduct of monetary policy. Deviations of actual money supply growth from these guidelines should signal pro-active policy responses by the Reserve Bank. Although the guidelines provide banks and the general public with a clear indication of the more important underlying forces that are likely to shape monetary policy steps, the guidelines are always applied with circumspection and discretion. The Reserve Bank has no intention of interpreting the guidelines as an inflexible money rule.

The rapid growth over twelve months in the money supply during the first quarter of 1997 raised the value of the seasonally adjusted, broad money supply to a level higher than the maximum acceptable level of M3 as indicated by the upper limit of the 6 to 10 per cent guideline range. At the end of March 1997 the seasonally adjusted value of M3 exceeded the upper limit of the guideline "cone" by R9,4 billion, or by 2,9 per cent.

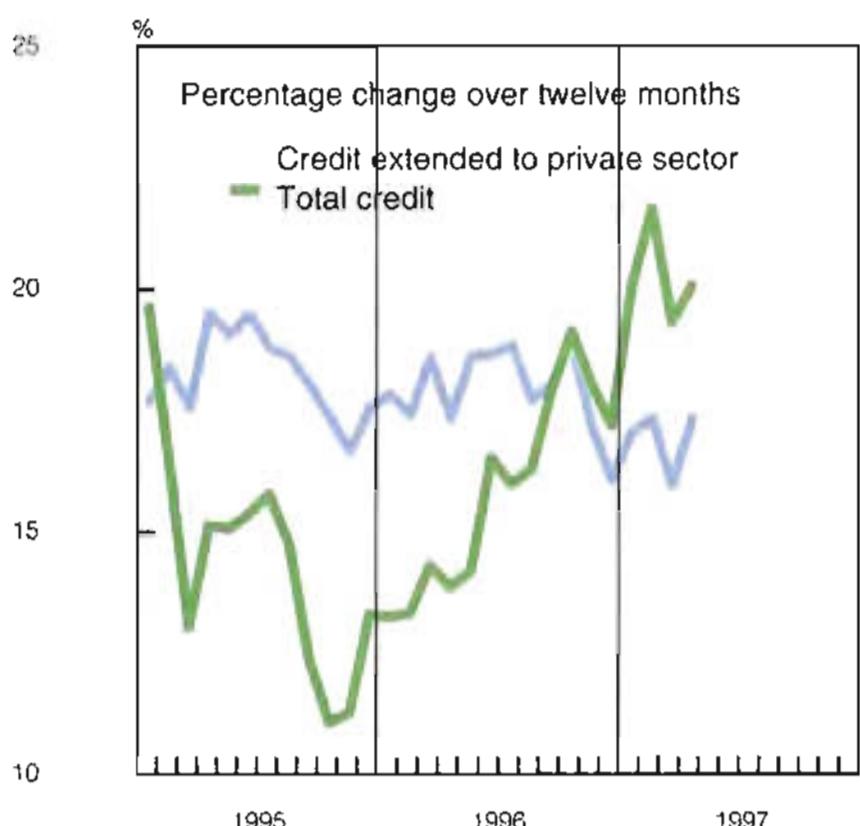
Credit extension

The growth in *total credit extension* by banks, which appears to have slowed down in the fourth quarter of 1996, increased with renewed vigour in the first quarter of 1997. The year-on-year increase in total domestic credit extension slowed down initially from 19,1 per cent in October 1996 to 17,1 per cent in December, but then accelerated to 21,6 per cent in February 1997, 19,3 per cent in March and 20,0 per cent in April. The strong growth in total credit extension in the first quarter of 1997 could be ascribed to the rapid increase in credit extended to the private sector.

The twelve-month rate of increase in credit extension by banks to the *private sector* decelerated from 18,9 per cent in October 1996 to 16,1 per cent in December, and then fluctuated in a narrow range between 16,0 per cent and 17,3 per cent over the next four months. These monthly growth rates consistently exceeded the rate of inflation as measured by changes in the consumer price index. However, with inflation having accelerated perceptibly since April 1996, the inflation-adjusted growth in credit extension to the private sector fell from 11,6 per cent in March 1996 to 6,8 per cent in April 1997.

The quarter-to-quarter growth in credit extension to the private sector (seasonally adjusted and annualised) slowed down from 22,4 per cent in the second quarter of 1996 to 11,8 per cent in the fourth quarter, but then accelerated to 17,0 per cent in the first quarter of 1997. The most important contributing factor to the persistently

Credit extension by monetary institutions



high rates of increase in credit extension to the private sector was probably the need to finance transactions in an economy where the nominal value of domestic expenditure and activity in financial markets were expanding rapidly. Certain structural changes, such as the absorption of increasing numbers of potential borrowers into the modern sector of the South African economy and the further integration of South Africa into the international financial markets, also caused the growth in credit demand to be higher than what it would otherwise have been. Some conversion of trade finance

Table 10. Credit extension to the private sector by main type of credit

Percentage change over twelve months

Period	Investment and bills discounted	Instalment sales	Leasing finance	Mortgage advances	Other loans and advances	Total
1996: Mar	18,4	28,8	17,5	16,7	18,0	18,6
Jun	12,2	26,8	16,8	16,5	20,3	18,7
Sep	5,2	24,1	19,8	17,1	19,2	18,1
Dec	-7,5	21,2	16,8	16,5	18,2	16,1
1997: Jan	-2,4	21,1	16,6	16,4	20,4	17,1
Feb	0,4	20,2	15,1	16,3	21,2	17,3
Mar	-6,1	18,1	14,3	15,8	19,9	16,0
Apr	1,3	19,5	12,9	15,5	22,5	17,3

to domestic rather than foreign sources of credit could also have contributed to the firmer growth in credit extension.

An analysis of the banks' claims on the private sector by type of credit shows that the high rates of increase in credit extension to the private sector in the first quarter of 1997 were mainly caused by rapid growth in "other loans and advances" and in instalment sale credit. In both these credit categories the year-on-year growth rates exceeded 20 per cent in January as well as February 1997. Some slowdown appears to have taken place in the year-on-year growth in "other loans and advances" and *instalment sale credit* in March 1997. The growth in the year to the first quarter of 1997 in *leasing finance*, *instalment sale credit* as well as *mortgage advances* declined to rates below those recorded during 1996. Furthermore, new business pay-outs of *instalment sale credit* and *leasing finance* declined in the first quarter of 1997 relative to the final quarter of 1996, reflecting slower growth of consumer spending on durable goods and investment expenditure.

The increase in private-sector credit in the first quarter of 1997 was predominantly utilised by households. Of the total increase of R16,1 billion in credit to the private sector in the first quarter of 1997, households utilised R11,8 billion, or 73,3 per cent, and companies only R4,3 billion, or 26,7 per cent. In terms of percentage change, the growth over twelve months in credit extension to both companies and households amounted to 16,0 per cent in the first quarter of 1997.

Interest rates and yields

The movement of *bond yields* in the first five months of 1997 has been strongly influenced by the strengthening of the rand until March 1997 and by the subsequent stability of the exchange rate in April. This gave rise to burgeoning net purchases of bonds by non-residents, which were reinforced by the need to hedge positions arising from Eurorand bond issues through purchases in the South African bond market. The monthly average yield on long-term government stock accordingly declined from 16,19 per cent in December 1996 to 15,82 per cent in January 1997 and 15,03 per cent in February. Subsequently, the monthly average yield on long-term government stock moved higher to 15,24 per cent in April 1997, but declined again to 15,08 per cent in May.

Yield movements were fairly volatile in the first four months of 1997. Market responses to changing expectations of inflation and the underlying real economic situation, as well as changes in interest rates and yields in the United States bond market, resulted in movements in the *daily average yield* on long-term government bonds ranging between extremes of 16,40 per cent at the beginning of January and 14,65 per cent on 26 February.

The *monthly average inflation-adjusted yield on long-term government bonds* declined steadily from 10,1 per cent in May 1996 to 4,8 per cent in February 1997 – its lowest level since March 1994. The inflation-adjusted yield on long-term South African government bonds increased slightly to 4,9 per cent in April 1997. If allowance were made for differences in country and

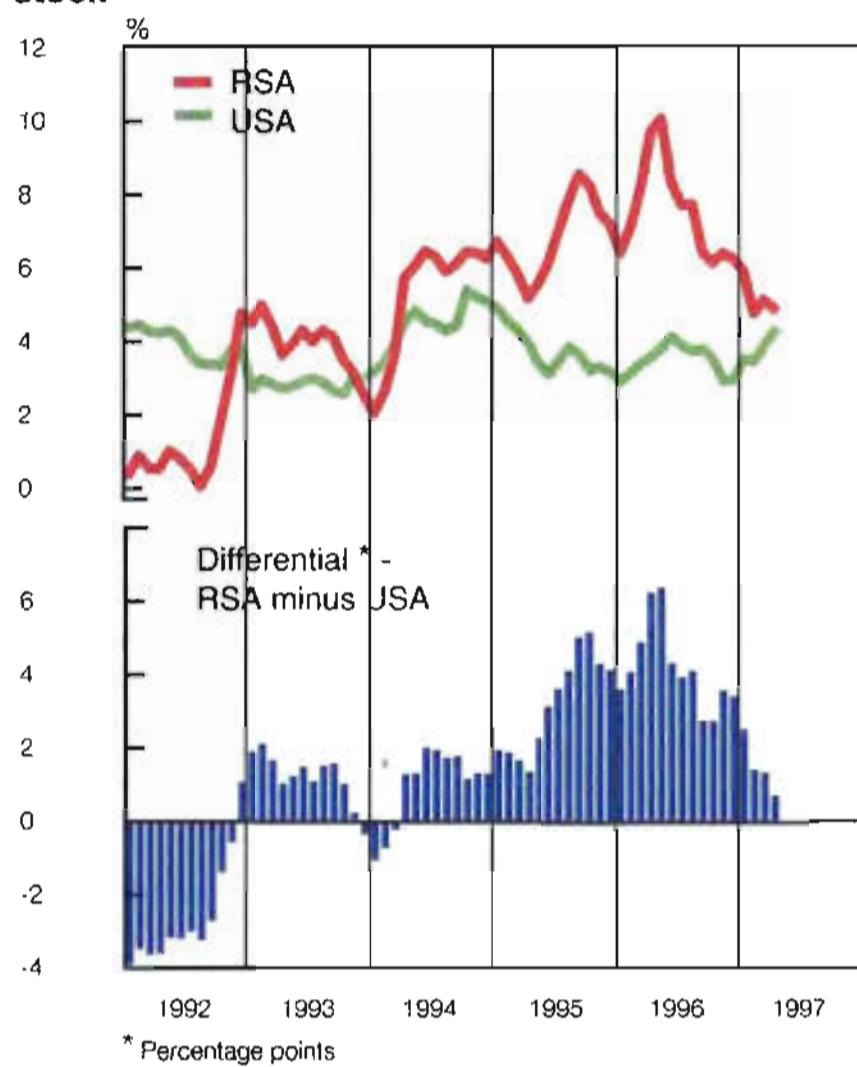
Table 11. Interest rates and yields

Per cent

Period	Monthly average yield on long-term government stock		3-month bankers' acceptances*	Prime overdraft rate*	Predominant rate on mortgage loans	Predominant rate on 12-month fixed deposits
	Nominal	Real				
1996:	Apr	15,78	9,7	15,20	19,50	18,25
	May.....	16,53	10,1	16,40	20,50	19,25
	Jun	15,78	8,3	15,20	20,50	20,25
	Jul	15,39	7,7	15,55	19,50	19,25
	Aug.....	15,82	7,7	15,95	19,50	19,25
	Sep.....	15,42	6,5	15,30	19,50	19,25
	Oct	15,80	6,1	15,80	19,25	19,00
	Nov.....	16,18	6,4	16,55	20,25	19,00
	Dec.....	16,19	6,3	17,00	20,25	20,00
	1997 Jan	15,82	5,9	16,15	20,25	20,00
	Feb	15,03	4,8	16,00	20,25	20,00
	Mar	15,16	5,1	16,05	20,25	20,00
	Apr	15,24	4,9	15,95	20,25	20,00
	May.....	15,08	...	15,85	20,25	20,00

* As at end of month

Inflation-adjusted yields on long-term government stock



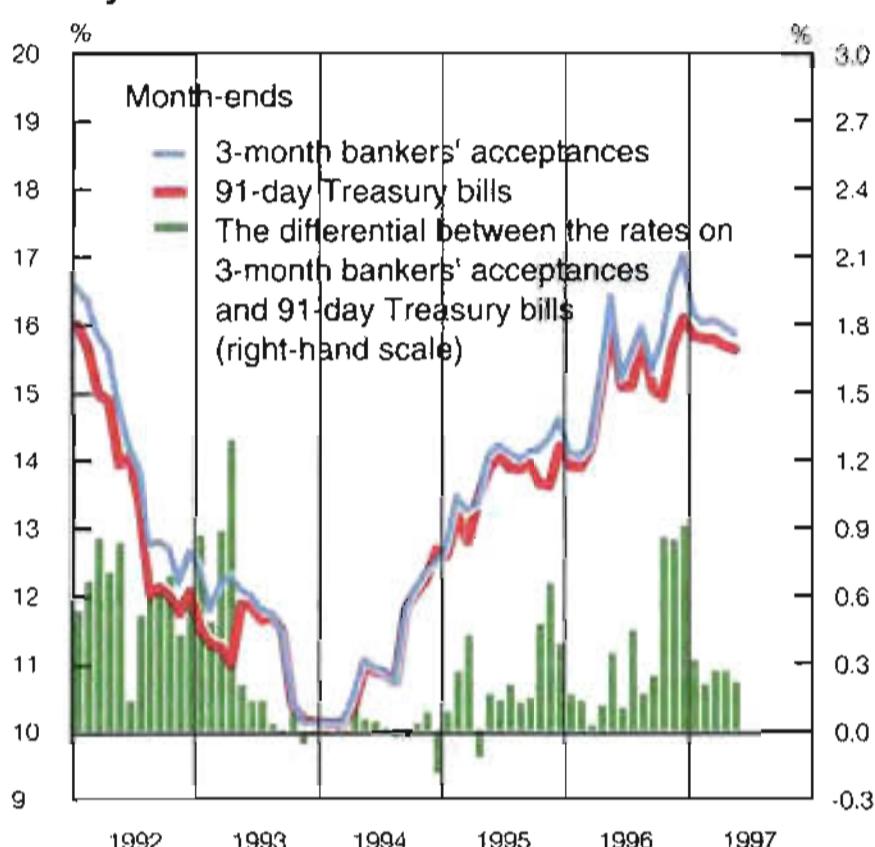
* Percentage points

currency risk premia, the inflation-adjusted yield in April was broadly in keeping with the similarly determined yield on long-term bonds of the United States Federal Government, which was calculated at 4,2 per cent for the same month.

Money market interest rates rose steeply in the fourth quarter of 1996 and then softened during the first five months of 1997. The rate on bankers' acceptances with a maturity of three months, for example, increased from 15,30 per cent at the end of September 1996 to 16,55 per cent at the end of November, after Bank rate had been increased earlier that month. The rate on three-month bankers' acceptances then moved higher to 17,00 per cent at the end of December 1996, but started to drift downwards in the first five months of 1997 to 15,85 per cent at the end of May 1997.

The tender rate on Treasury bills of three months which had at times moved in an opposite direction to the general movement in money market rates during the fourth quarter of 1996, once again began to move in harmony with other money market rates during the first five months of 1997. The average month-end margin between the tender rate on Treasury bills of three months and the rate on bankers' acceptances with a maturity of three months, which had widened from 0,28 percentage points in the third quarter of 1996 to 0,86 percentage

Money market interest rates

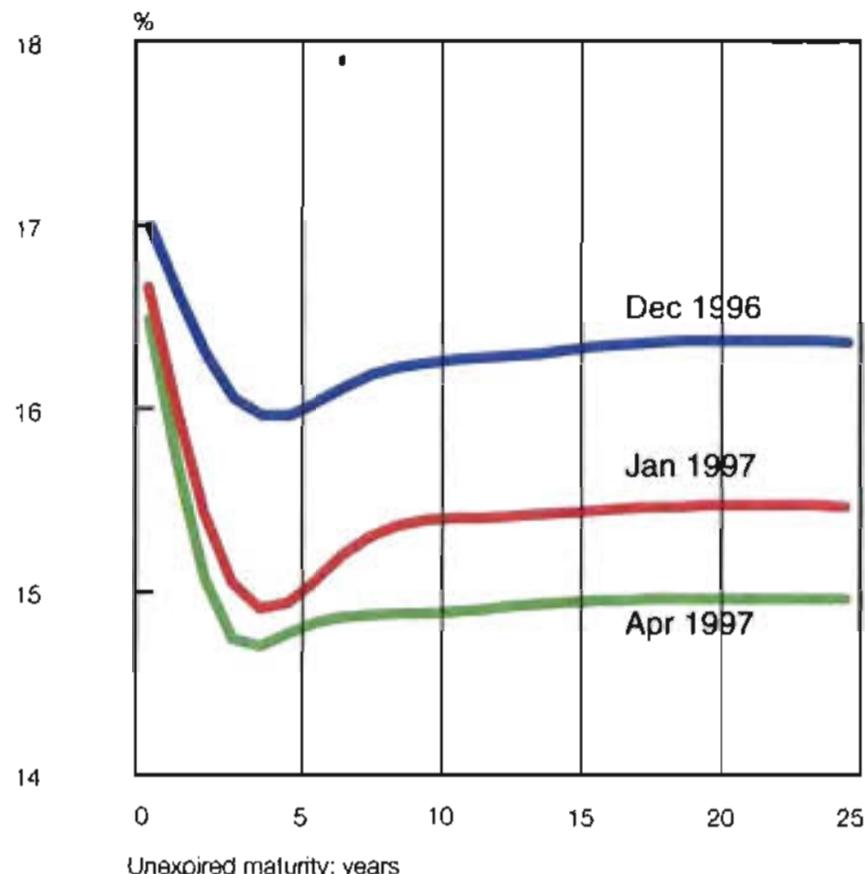


points in the fourth quarter, narrowed to 0,26 percentage points in the first quarter of 1997. This was a consequence of the more readily available supply of assets qualifying as first-tier collateral at the discount window. The Treasury bill rate accordingly declined from 16,10 per cent at the end of December 1996 to 15,64 per cent at the end of May 1997.

The level of the *yield curve* varied considerably in the course of 1996 on account of yield volatility across the maturity spectrum, but consistently maintained an inverted shape. The entire yield curve moved significantly upwards from January to December 1996, before declining slightly at the short end and more markedly at the long end in January 1997, thus becoming more inverted. It then settled more or less at this level in the next three months as the gradient changed marginally, with shorter-term yields being relatively stable amidst some volatility in longer term yields. The decline in the yield curve at the long end during the first four months of 1997 was indicative of expectations of lower inflation in the long run, the further consolidation of fiscal policy and the more positive sentiment in the foreign exchange market.

The prime overdraft rate of banks increased from 19,50 per cent at the end of the third quarter of 1996 to 20,25 per cent at the end of the fourth quarter. This was essentially a response to the abolition of the levy on financial services rendered by banks, which allowed a reduction in the prime overdraft rate of 0,25 percentage points on 1 October 1996, and an increase of one percentage point in Bank rate on 21 November 1996.

Yield curves



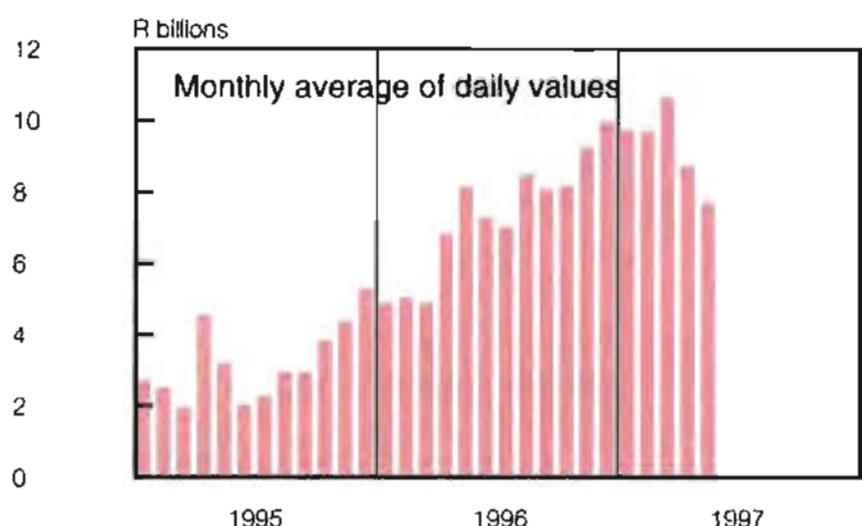
Since then, this rate has remained unaltered at 20,25 per cent. The *predominant rate on mortgage loans of banks*, which has followed the changes in the prime overdraft rate of banks closely, has also remained unchanged at 20,00 per cent since December 1996. This rate had been raised from 19,00 per cent to 20,00 per cent in December 1996, following the rise in the prime overdraft rate in November 1996.

The *predominant retail rate on twelve-month fixed deposits of banks* was lowered from 15,0 to 14,5 per cent in November 1996 and has remained unchanged since then. The *maximum permissible finance charges rates*, as laid down in terms of the Usury Act, were increased by one percentage point in March 1997, after having remained unchanged since September 1995. Since the increase, these rates have amounted to 29 per cent in respect of money lending, credit and leasing transactions for amounts of more than R6 000 but less than R500 000, and 32 per cent in respect of amounts up to R6 000.

Money market conditions

Money market conditions remained tight in the last three quarters of 1996 and in the first quarter of 1997. Measured in terms of *average daily values*, the money market shortage exceeded R9 billion during each month over the period November 1996 to March 1997 and reached a record level of R10,6 billion in March 1997. Somewhat less tight conditions prevailed during April and May 1997, when the average amount of accommodation receded to R8,7 billion and R7,6 billion, respectively.

Total accommodation at the discount window



The accommodation which the Reserve Bank had to extend to banks at *month-ends* rose from R9,3 billion at the end of September 1996 to R10,4 billion at the end of December and R10,5 billion at the end of March 1997. On balance, the liquidity position in the money market therefore remained virtually unchanged in the first quarter of 1997. Increases in the net foreign assets of the Reserve Bank and a net decline in the value of notes and coin in circulation outside the Reserve Bank added liquidity to the market during the first quarter of 1997. These were, however, largely counteracted by the draining of liquidity from the market through surpluses recorded on account of the Reserve Bank's involvement in forward foreign-exchange transactions. The money market "shortage" declined towards the end of April and May 1997, mainly as a result of a further strengthening of the net foreign asset position of the Reserve Bank.

The Reserve Bank's operations in the money market during the first quarter of 1997 were primarily directed towards permitting the money market "shortage" to signal the underlying pressures prevailing in the market. Nevertheless, when the market appeared to become exceedingly tight, as at the end of March 1997, the Bank was prepared to provide assistance. To this end the Reserve Bank entered into a number of foreign currency swap arrangements with banks and also purchased assets for the portfolio of the Corporation for Public Deposits. Conversely, liquidity arising from the partial privatisation of Telkom in May 1997 was mostly sterilised by means of open-market sales of bonds and other short-term measures with a similar impact, such as foreign currency swaps.

Bond market

Net issues of fixed-interest securities by the *public sector* in the *domestic primary bond market* decreased sharply from R9,8 billion in the third quarter of 1996 to R0,6 billion in the fourth quarter. This decline was a

Table 12. Bond market activity

Period	Primary market		Secondary market	
	Public-sector stock	Private-sector stock	Bonds traded on the Bond Exchange	Net purchases by non-residents on the Bond Exchange
	R billions	R billions	R billions	R billions
1996: 1st qr.....	8,5	-	753,2	2,4
2nd qr....	1,9	-	780,7	0,4
3rd qr.....	9,8	2,1	808,5	-0,6
4th qr.....	0,6	0,1	679,9	1,2
1997: 1st qr.....	8,2	-	882,9	6,1

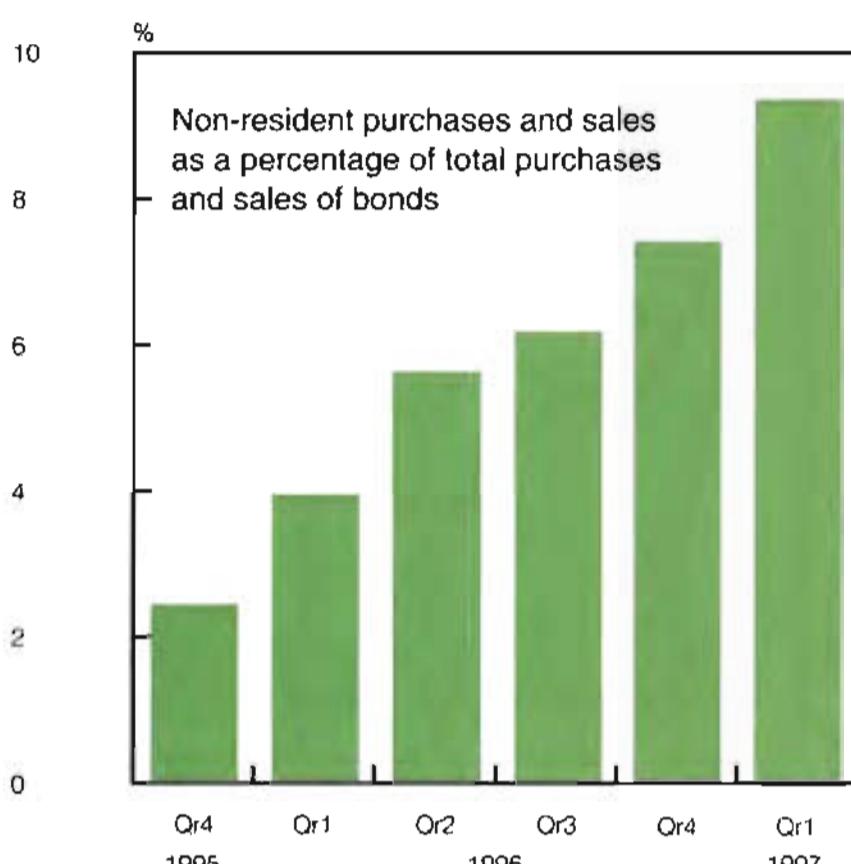
consequence of net stock redemptions, predominantly by the Central Government, amounting to R2,9 billion in November 1996. Net issues of public-sector stock subsequently increased to R8,2 billion in the first quarter of 1997, bringing the total amount raised by public-sector entities through issues of fixed-interest securities to R20,5 billion in fiscal 1996/97, as against a much larger amount of R29,5 billion in the previous fiscal year.

No rights issues of fixed-interest securities (including convertible preference shares and debentures) were made in the domestic primary capital market by listed private-sector companies during the first three months of 1997. An amount of R2,2 billion was raised by means of such issues in 1996. South African entities also abstained from issuing foreign-currency denominated bonds on the international primary bond market in the first quarter of 1997. During 1996 the government raised an amount of R3,4 billion in these markets and non-financial public-sector enterprises a total of R0,6 billion.

The value of transactions in the secondary bond market increased by 51 per cent during 1996. In the first quarter of 1997 the value of bonds traded on the Bond Exchange of South Africa increased even further to an all-time quarterly high of R882,9 billion; the average quarterly turnover amounted to R755,6 billion in 1996. Turnover in the secondary bond market was particularly lively in February 1997 when bonds to the value of R315,7 billion were traded. In April 1997 the value of bonds traded came to R249,9 billion, significantly down from the monthly average value of R294,3 billion in the first quarter of 1997.

Non-resident participation in the secondary bond market (measured as non-resident purchases and sales as a percentage of the total purchases and sales of bonds) increased sharply from about 5,8 per cent in 1996 to 9,9 per cent in the first four months of 1997. The value of net purchases by non-residents on the

Non-resident participation in the secondary bond market



Bond Exchange amounted to R6,1 billion in the first quarter of 1997, compared with total net purchases of R3,4 billion in the entire calendar year 1996. In April 1997 non-residents' purchases of bonds exceeded their sales by a further R4,7 billion, bringing total net purchases in the first four months of 1997 to R10,8 billion. Attractive yields on offer in the domestic market compared with those in other markets, the relative strength of the rand in the first quarter of 1997, expectations of a slowdown of inflation in the near future and general satisfaction with the policy direction indicated by the Minister of Finance when government's budget proposals were presented to Parliament, were among the more prominent factors responsible for the keen interest shown by foreigners in the domestic bond market. The changing perceptions of non-resident investors, however, could have imparted some additional volatility to the bond market.

Share market

Total capital raised in the primary equity market by companies listed on the Johannesburg Stock Exchange amounted to R7,8 billion in the first quarter of 1997, compared with R10,1 billion in the fourth quarter of 1996. Capital raised through rights issues of ordinary shares fell from R3,0 billion in the fourth quarter of 1996 to R1,6 billion in the first quarter of 1997.

Buoyant conditions prevailed in the secondary share market and the turnover on the Johannesburg Stock Exchange increased from R34,6 billion in the fourth quarter of 1996 to R41,2 billion in the first quarter of

Table 13. Share market transactions

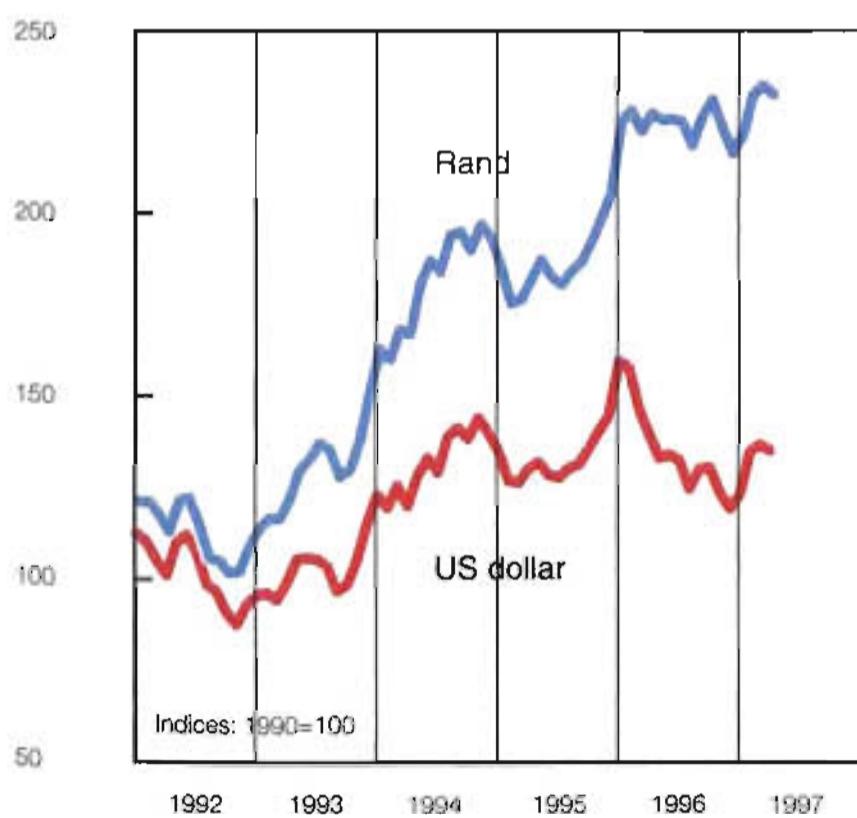
Period	Number of shares traded	Value of shares traded	Net purchases by non- residents
	billions	R billions	R billions
1996: 1st qr.....	1,9	27,2	2,3
2nd qr	1,9	27,4	1,9
3rd qr	2,4	27,8	1,4
4th qr	2,7	34,6	-0,5
1997: 1st qr.....	3,9	41,2	3,5

1997. Trading was particularly lively in February 1997 when the monthly turnover reached R17,1 billion. In April 1997 the value of shares traded increased even further to R17,4 billion, which was significantly higher than the monthly average of R13,7 billion recorded in the first quarter of 1997.

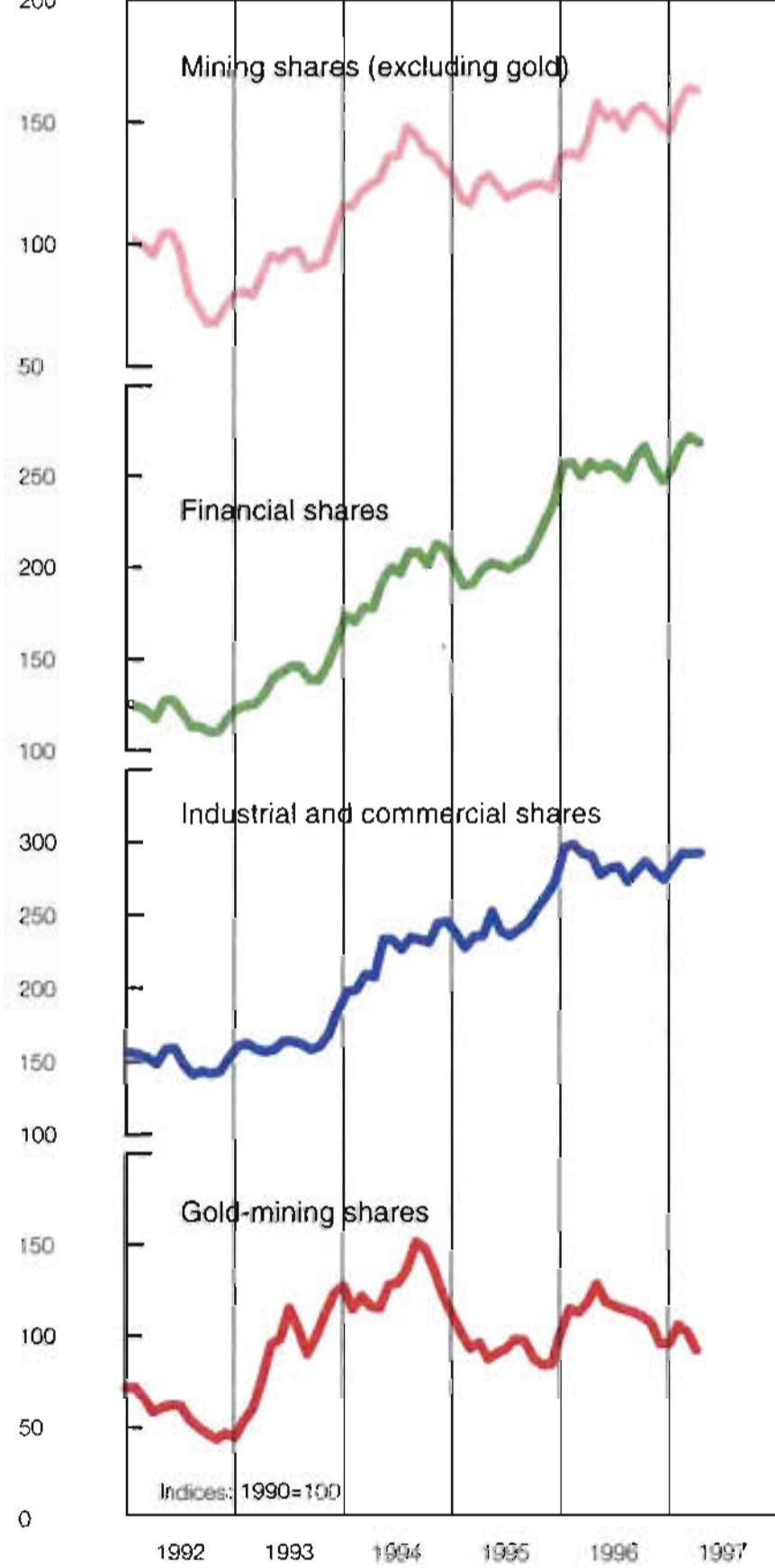
Non-residents traded actively in the secondary share market and accounted for about 33 per cent of turnover (measured as non-resident purchases and sales as a percentage of total purchases and sales of shares) on the Johannesburg Stock Exchange in 1996 and in the first four months of 1997. Buying interest of non-residents behaved as if it had been kindled by the strength of the rand which was the principal force

behind an increase of 13,2 per cent in the dollar value of the monthly average price level of all classes of shares between December 1996 and April 1997. Non-residents' trading activity was reversed from net sales of shares totalling R0,5 billion in the fourth quarter of 1996 to net purchases of R3,5 billion in the first quarter of 1997. In April 1997 net purchases of shares by non-residents increased to R2,8 billion, taking total net

Share price indices of all classes of shares



Share prices



purchases in the first four months of the year to R6,3 billion. By comparison, net purchases of shares by non-residents amounted to R5,3 billion in the entire calendar year 1996.

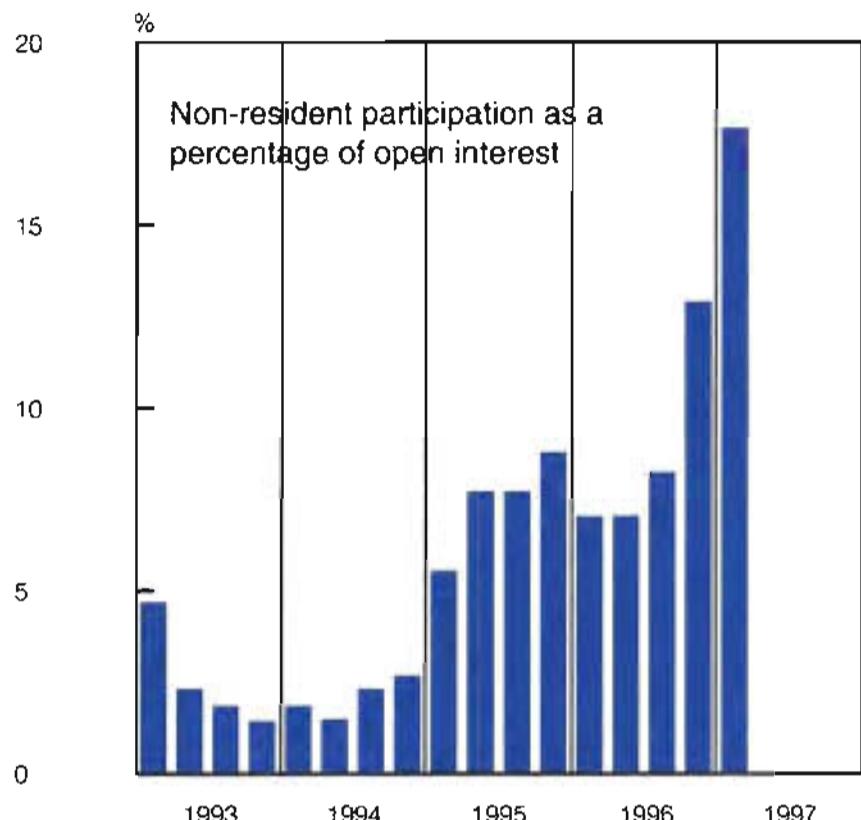
The *monthly average price level of all classes of shares* increased by 8,5 per cent from December 1996 to a new all-time high in March 1997. Share prices in the categories financial, industrial and commercial and non-gold-mining, in particular, rose firmly in the first quarter of 1997. This firming of share prices followed a period of relative weakness during which share prices initially rose by 1,3 per cent from February to October 1996 and then declined by 6,3 per cent from October to December. The monthly average price of *gold-mining shares*, which had fallen by 25,4 per cent from May 1996 to January 1997, rose by 10,8 per cent from January 1997 to February, but then shed these gains in March and April. The recent decline in gold-mining shares contributed to a decline in the monthly average price level of all classes of shares of 1,1 per cent in April 1997. The downward correction of share prices on Wall Street in the second half of March 1997 and in April probably also played a part in the decline of share prices on the Johannesburg Stock Exchange in April.

The monthly average *dividend yield* on all classes of shares increased steadily from 2,08 per cent in January 1996 to 2,46 per cent in January 1997, but then drifted downwards to 2,40 per cent in March when share prices strengthened. In April 1997, the dividend yield increased fractionally to 2,41 per cent. The monthly average *earnings yield* (excluding gold-mining shares) increased likewise from 5,50 per cent in January 1996 to 7,01 per cent in December, before falling back to 6,62 per cent in March 1997 and 6,66 per cent in April. The *yield differential* (the monthly average yield on long-term government stock less the dividend yield on all classes of shares) narrowed from 13,7 percentage points in December 1996 to 12,8 percentage points in April 1997 because the long-term yield on government bonds declined and the dividend yield remained essentially unchanged. The *price-earnings ratio* (excluding gold-mining shares) fell from 18,2 in January 1996 to 14,3 in December, but then rose to 15,0 in April 1997 as share prices strengthened more than earnings.

Other financial markets

Activity in the *formal derivatives market*, like that in the underlying share and bond markets was extremely brisk in the first quarter of 1997. Compared with the fourth quarter of 1996, the number of options on futures contracts traded increased by 92,8 per cent to 2,1 million contracts in the first quarter of 1997. The number of *futures contracts* traded increased, in turn, by 23,6 per cent to 1,3 million contracts during the first quarter of 1997. The increasing internationalisation of the South African capital market, and more specifically that of the derivatives market, is evident from *non-resident participation as a percentage of open interest* which increased from an average of 7,4 per

Non-resident participation in the derivatives market



cent in the first three quarters of 1996 to 12,9 per cent in the fourth quarter and even further to 17,7 per cent in the first quarter of 1997.

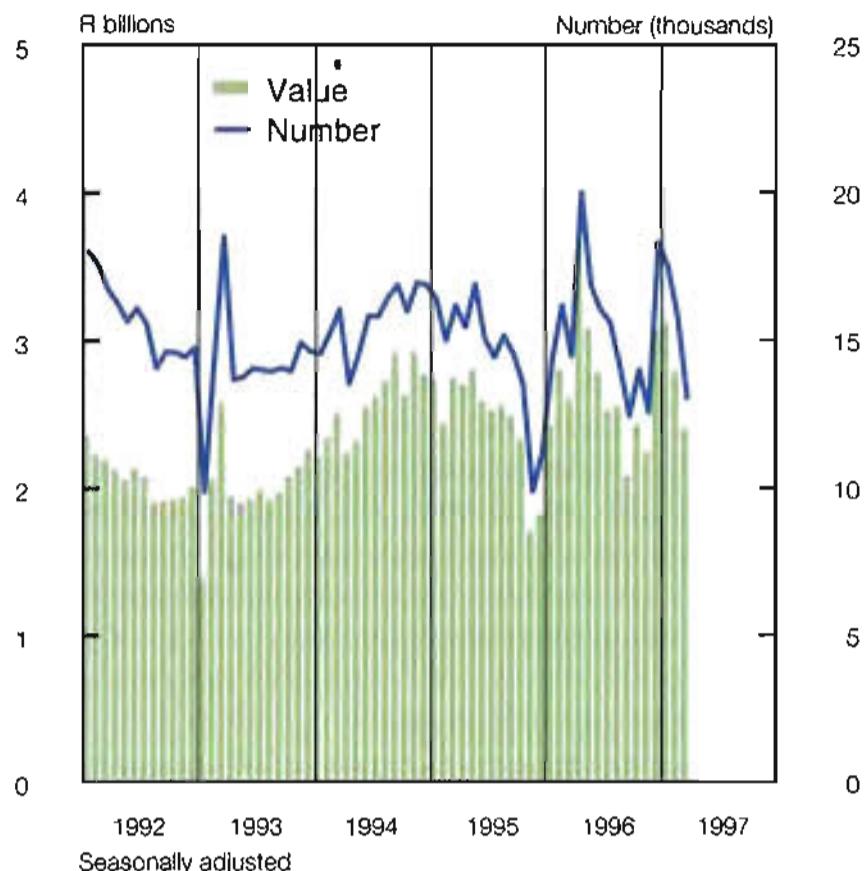
The Chicago Mercantile Exchange and the South African Futures Exchange both introduced *rand-dollar futures* contracts on 7 May 1997 as a further step in the gradual integration of South Africa into the world financial and foreign exchange markets. However, trading in rand-dollar futures on the South African Futures Exchange has been restricted to non-resident clients of members of the exchange and authorised foreign exchange dealers. Residents will, however, be able to hedge foreign exchange exposure in the rand-dollar forward market through authorised dealers, who will then be able to offset their risk in the forward cover market or through the futures market.

The need to manage price uncertainty in a deregulated market, arising from the termination of the marketing arrangements of the Maize Board on 30 April 1997, led to a sharp increase in the volume of *maize futures* traded as from the fourth quarter of 1996. This is also indicative of a greater acceptance and understanding of this market.

The *real estate market* became more buoyant as from the fourth quarter of 1996. The quarterly value of real estate transactions increased from R7,2 billion in the third quarter to R7,7 billion in the fourth quarter of 1996 and R8,3 billion in the first quarter of 1997. The value of real estate transactions in 1996 amounted to R32,3 billion, which was 9,5 per cent higher than in 1995. The number of transactions increased by 6,5 per cent over the same period.

Public finance

Real-estate transactions



Financing in the *mortgage market* levelled off as from the fourth quarter of 1996. The rate of increase over twelve months in mortgage advances receded from an average of 17,4 per cent in the first three quarters of 1996 to an average of 17,2 per cent in the fourth quarter and 16,5 per cent in the first quarter of 1997. The total amount of mortgage loans outstanding to banks, however, still increased from R152,4 billion at the end of December 1996 to R157,6 billion in March 1997.

Public-sector borrowing requirement

The *public-sector borrowing requirement* (i.e. the deficit before borrowing and debt repayment of the consolidated central government, provincial governments, local authorities and the non-financial public enterprises and public corporations) amounted to R32,6 billion in fiscal 1996/97; i.e. R2,4 billion more than the borrowing requirement in the preceding fiscal year. As a percentage of gross domestic product, the public-sector borrowing requirement declined from 6,1 per cent in fiscal 1995/96 to 5,9 per cent in fiscal 1996/97, in line with the government's stated objective of reducing the deficit on the Main Budget as a percentage of gross domestic product to a sustainable level before the year 2000.

The main reason for the increase in the rand value of the total public-sector borrowing requirement was the widening in the shortfall on the revenue and expenditure account of the consolidated central government from R28,8 billion in fiscal 1995/96 to R31,2 billion in 1996/97. A deficit of R1,3 billion was recorded by the provincial governments, which signalled a deterioration in their financial position from a small surplus of R24 million in fiscal 1995/96. The financial balance of non-financial public enterprises and public corporations was reversed from a deficit of R0,9 billion in fiscal 1995/96 to a surplus of R0,7 billion in fiscal 1996/97.

Exchequer account for 1996/97

Exchequer issues to government departments in fiscal 1996/97, which totalled R177,2 billion, were R3,5 billion higher than the original budgetary provision of R173,7 billion. This over-spending was mainly a consequence of higher-than-budgeted expenditure on debt servicing and substantial increases in expenditure on policing and transfers to provinces. The rate of increase in government spending accordingly amounted to 13,5 per cent in fiscal 1996/97, as opposed to an increase of 10,4 per cent envisaged in the Budget presented to Parliament in March 1996. The growth in Exchequer issues during the past fiscal year was nevertheless lower than the average growth in government spending of 14,5 per cent per year over the preceding five fiscal years. As a percentage of gross domestic product, government expenditure, nevertheless, rose further from the 31,3 per cent recorded in 1995/96 to 31,8 per cent in 1996/97.

Government receipts (excluding extraordinary revenue to an amount of R1,6 billion derived from the sale of strategic oil reserves) increased to R146,1 billion, or by 16,0 per cent in fiscal 1996/97, an increase which was considerably higher than the rate of increase of 13,6 per cent indicated in the initial budget proposals and also well above the rate of increase of 12,2 per cent recorded in the previous fiscal year.

The higher-than-budgeted rate of increase in govern-

ment receipts in fiscal 1996/97 was mainly the result of higher-than-budgeted receipts from income tax, which increased by 20,7 per cent, and customs duties, which increased by 22,1 per cent. Receipts from value-added tax and excise duties, in contrast, fell short of the budgetary projections. This could possibly be explained by the slowdown in the growth of private consumption expenditure. Improved tax administration and relatively high nominal income growth contributed to the increase in income tax and customs duties in fiscal 1996/97. As a ratio of gross domestic product, government receipts amounted to 26,3 per cent in fiscal 1996/97. This is higher than the ratio of 25,3 per cent recorded in fiscal 1995/96 and also more than the government's stated objective of 25 per cent of gross domestic product.

The higher-than-expected expenditure and receipts for fiscal 1996/97 resulted in a *deficit before borrowing and debt repayment* of R31,1 billion, which was slightly more than the budgeted deficit of R30,7 billion. As a percentage of gross domestic product, the deficit was estimated at 5,6 per cent in fiscal 1996/97, compared with the initial budgetary indication of 5,5 per cent and the ratio of 6,1 per cent recorded in the preceding fiscal year. The generally declining ratio of the fiscal deficit to gross domestic product is consistent with the objectives of the government's Growth, Employment and Redistribution strategy, which calls for a reduction in the overall budget deficit to 3 per cent of the gross domestic product in fiscal 1999/2000.

The deficit on the revenue and expenditure account of the national government in 1996/97 was financed mainly by means of government stock issues and, to a lesser extent, by a reduction in cash balances, the issuing of Treasury bills, the sale of strategic oil reserves and foreign loans. New funds obtained by issuing government stock amounted to R21,2 billion, whereas Treasury bills to an amount of R5,6 billion were issued.

Table 14. Government receipts by type of income in fiscal 1996/97

Percentage increase

Revenue category	Budgeted	Actual
Customs and excise	9,7	11,5
Customs duty	15,4	22,1
Excise duty	5,2	3,5
Other	9,5	10,8
Inland revenue	14,2	16,7
Income tax	17,5	20,7
Value-added tax	13,3	9,6
Other	-12,8	10,9
Total receipts	13,6	16,0

The government also accessed the international primary bond market by means of two foreign bond issues: one in the Eurobond market amounting to DM500 million (R1,5 billion) and with a maturity of seven years, and the other in the United States market to an amount of \$300 million (R1,4 billion) with a maturity of ten years. Part of these proceeds was used to redeem foreign debt of the government which fell due in the fiscal year.

The borrowing activity of the government, together with the substantial discount at which new stock was issued, resulted in an increase in government debt from R278,9 billion at the end of March 1996 to R310,0 billion at the end of March 1997. Slightly faster growth in the nominal gross domestic product, mainly on account of increases in the general price level, led to a marginal decline in the ratio of government debt to gross domestic product from 56,0 per cent at the end of March 1996 to 55,7 per cent at the end of March 1997.

The Budget for fiscal 1997/98

In presenting his Budget to Parliament in March, the Minister of Finance emphasised that the fiscal year 1997/98 would be one of consolidation and that the government's financial policy would be guided by the need for accelerated social service delivery, the promotion of economic growth and job creation, and the containment of inflation. The Minister reiterated the objectives of the government's macroeconomic strategy and described it as a reform programme directed towards:

- creating a competitive, fast-growing economy which will ensure sufficient jobs for all job seekers;
- redistributing income and opportunities in favour of the poor;
- establishing a society capable of ensuring that sound health, education and other services are available to all; and
- creating an environment in which safety and security prevail and places of work are conducive to productivity.

Table 15. Financing the government deficit in fiscal 1996/97

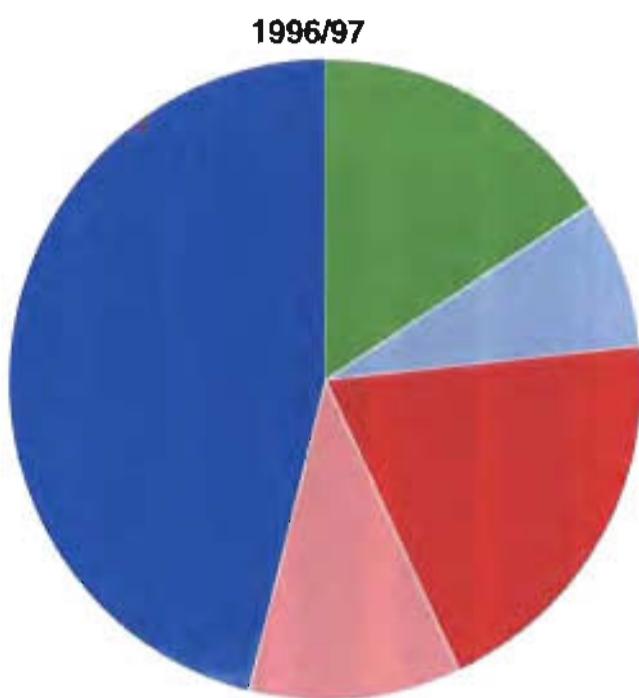
	R millions
Government stock (including discount).....	27 360
Less: Discount on government stock	-6 169
Net receipts from government stock	21 191
Treasury bills	5 567
Extraordinary receipts	1 603
Foreign loans	1 277
Non-marketable securities	-216
Money market instruments	-3 827
TBVC debt	-294
Decrease in available cash balances	5 836
Total net financing	31 140

The Budget was in line with the commitments made by the government when the macroeconomic strategy was presented to Parliament in June 1996.

It was estimated that total *government expenditure* would increase by 6,1 per cent to R186,7 billion in fiscal 1997/98. As a percentage of gross domestic product, total government expenditure was expected to decrease from 31,8 per cent in fiscal 1996/97 to 30,0 per cent in fiscal 1997/98. Interest to be paid on government debt was estimated at R38,5 billion in fiscal 1997/98, leaving an amount of R148,2 billion for non-interest recurrent and capital expenditure. This amount was only 5,3 per cent more than the revised estimate for such expenditure in 1996/97. Capital expenditure in fiscal 1997/98 was estimated at R13,2 billion, which in nominal terms was lower than the revised amount of capital expenditure of R14,6 billion in fiscal 1996/97. According to a functional classification of government expenditure, the proportion of total spending allocated to the provision of social services and debt servicing was expected to increase in fiscal 1997/98 at the expense of the respective shares of protection, economic and general administration services.

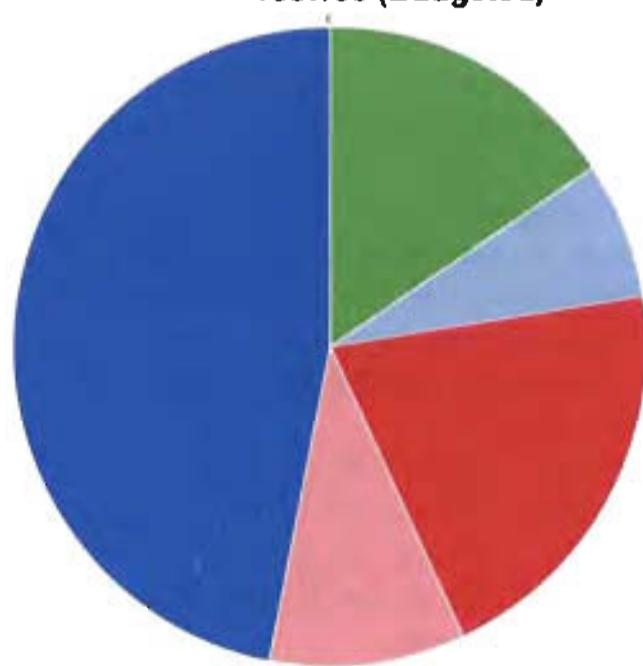
Total revenue was projected to increase by 11,2 per cent to R162,0 billion in fiscal 1997/98, equivalent to 26,0 per cent of gross domestic product. Although the ratio of government revenue to gross domestic product was expected to decline fractionally from 26,3 per cent in fiscal 1996/97, it would still be notably higher than the government's stated objective of 25 per cent. The government anticipated that an improvement in the

Functional classification of government expenditure as percentage of total government expenditure



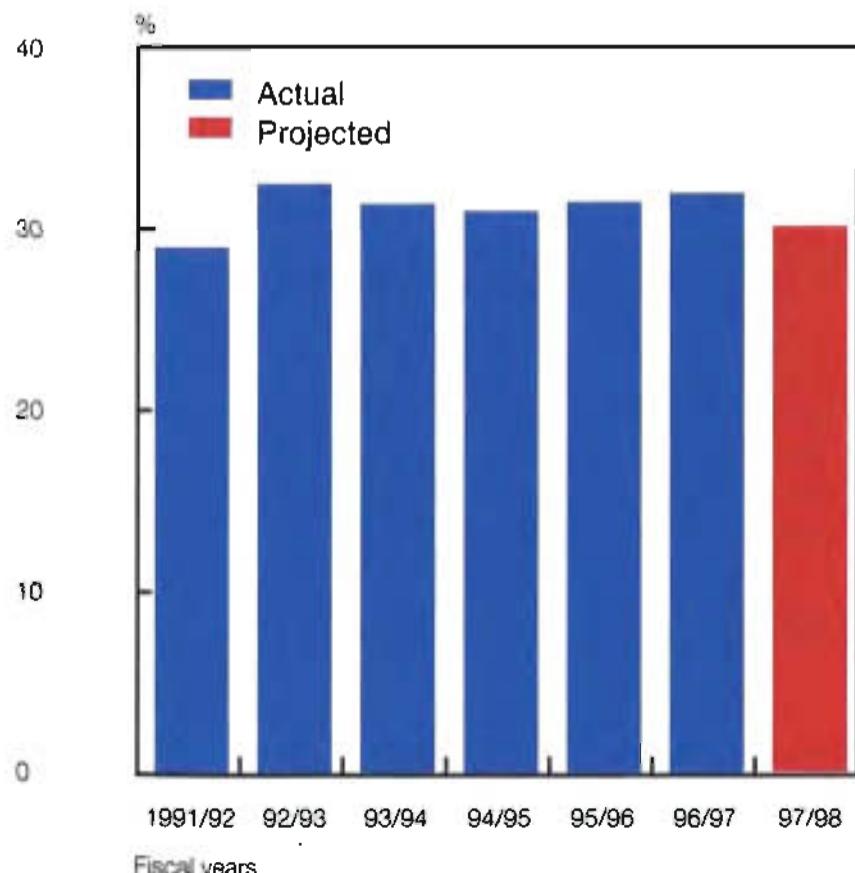
	%
Social	45,9
Interest	19,6
Protection	15,9
Economic	11,0
General	7,6

1997/98 (Budgeted)

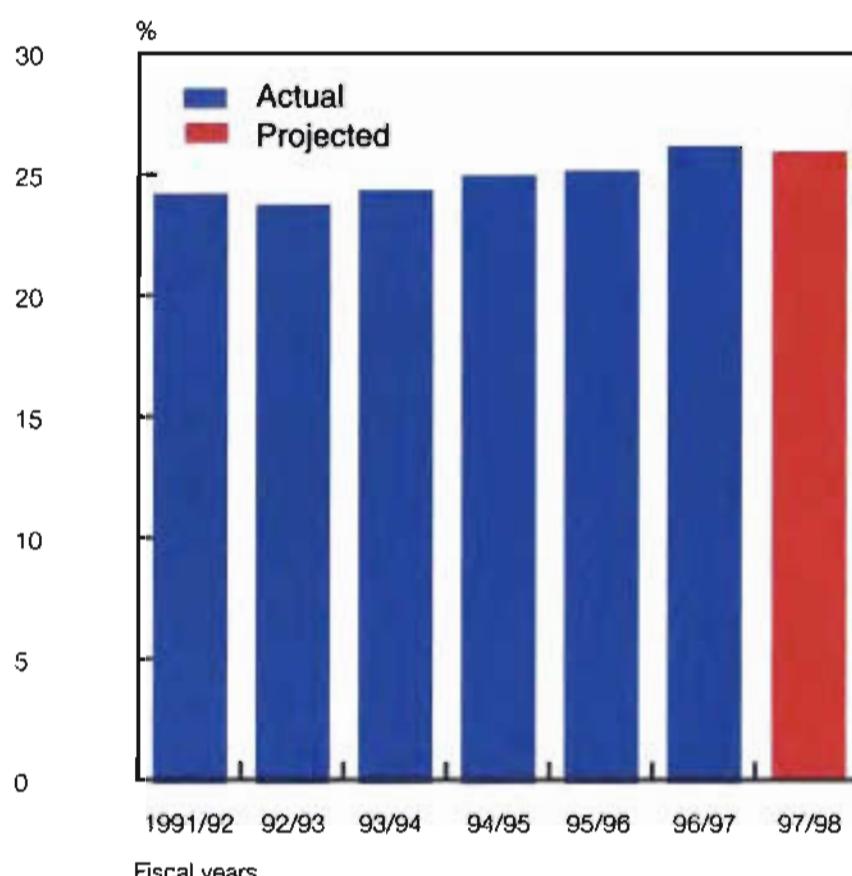


	%
Social	46,9
Interest	20,4
Protection	15,7
Economic	10,0
General	7,0

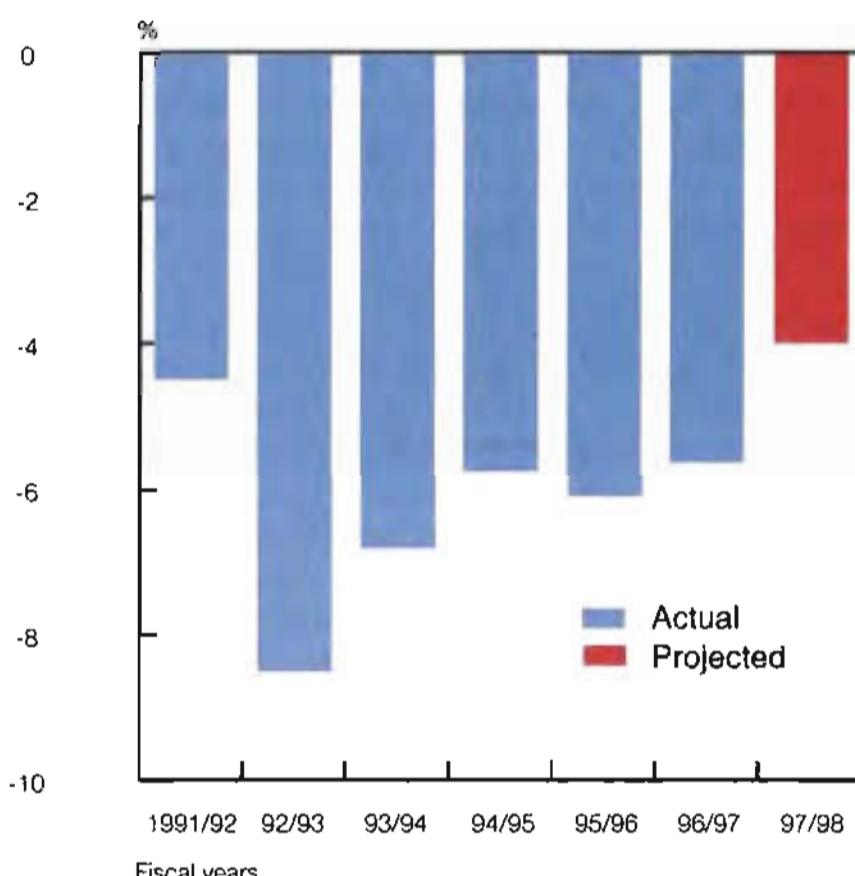
Exchequer issues to government departments as percentage of gross domestic product



Exchequer receipts as percentage of gross domestic product



Deficit before borrowing as percentage of gross domestic product



efficiency of tax administration and the collection of outstanding taxes was likely to contribute to the increase in government revenue. Furthermore, specific tax adjustments were announced to raise an additional amount of revenue of R1,6 billion. These tax proposals and other measures included the following:

- Amendments to income tax on individuals to alleviate the burden of taxation and compliance on those in lower-income categories. Among others, the marginal tax rate applicable to taxpayers with taxable incomes ranging from R40 000 to R45 000 was reduced from 41 per cent to 32 per cent, and the threshold at which an individual does not have to submit a tax return was increased from R50 000 to R60 000.
- Measures dealing with the tax treatment of company cars, travelling allowances and holiday accommodation provided by employers to employees. Steps would be taken to curb the abuse of such fringe benefits as tax avoidance instruments.
- Dividends received by retirement funds from property unit trust schemes would henceforth be subject to tax on retirement funds.
- Excise duties on tobacco products and alcoholic and certain other beverages were increased.
- The rate of marketable securities tax was lowered and the remaining levy on financial services would be abolished.

The net result of the budgeted expenditure of R186,7 billion and the estimated revenue of R162,0 billion

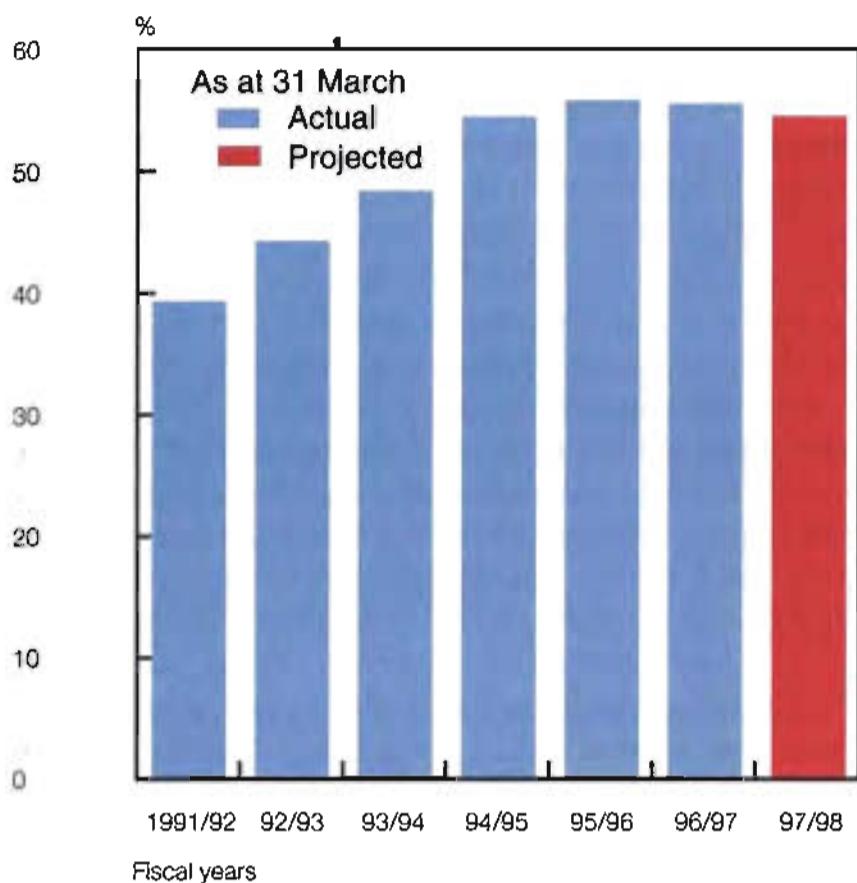
(excluding extraordinary revenue of R3,1 billion) was a deficit *before borrowing and debt repayment* of R24,8 billion, or 4 per cent of the estimated gross domestic product. This should be compared with a much larger deficit of R31,1 billion or 5,6 per cent of the gross domestic product for fiscal 1996/97.

After taking the scheduled loan redemptions of R12,1 billion into consideration, the gross financing requirement for fiscal 1997/98 is projected to amount to R36,9 billion. This was expected to be financed as follows:

	R billions
Government stock (excluding discount).....	27,7
Short-term loans	2,0
Foreign loans.....	4,0
Transfer from IMF Deposit Account at SARB	1,4
Transfer from Strategic Fuel Fund.....	1,3
Proceeds from the sale of state assets	0,5
Total financing.....	36,9

The net addition to total government debt during fiscal 1997/98, also taking into account the added responsibility for repaying part of Namibia's public debt, is unlikely to increase the ratio of government debt to gross domestic product. It is estimated that this ratio could decline to 54,8 per cent by the end of fiscal

Total government debt as percentage of gross domestic product



1997/98 from its level of 55,7 per cent at the end of 1996/97.

Exchequer account in April 1997

In April 1997 Exchequer issues to government departments (adjusted to reflect cash flows) were 9,5 per cent higher than in April 1996. This year-on-year increase was higher than the rate of 6,1 per cent anticipated in the Budget for fiscal 1997/98 as a whole. Exchequer receipts (excluding extraordinary receipts), on the other hand, increased at a year-on-year rate of 3,2 per cent, a rate which is substantially lower than the 11,2 per cent envisaged in the Budget. The net result of the lower-than-budgeted receipts and higher-than-budgeted expenditure was a deficit on the Exchequer account before borrowing and debt repayment of R6,2 billion, or 25,1 per cent of the budgeted deficit for the fiscal year 1997/98 as a whole. In April 1996 the deficit was equivalent to 17,8 per cent of the eventual deficit for fiscal 1996/97 as a whole.

Money supply guidelines for 1997

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

14 March 1997

1. Outcome for 1996

At the beginning of 1996, the Reserve Bank indicated that an appropriate rate of increase in the broad money supply (**M3**) between the fourth quarter of 1995 and the fourth quarter of 1996 would fall within the range of 6 to 10 per cent. These guidelines were regarded to be consistent with the medium and longer-term monetary objectives of the Reserve Bank and with the overriding goal of maintaining financial stability in support of sustainable economic growth and development.

The realised growth in **M3** over this guideline period, however, amounted to R41,2 billion, or 15,2 per cent. The actual month-end values of the broadly defined money supply also exceeded the corresponding projected values of the upper limit of the guideline range throughout 1996. The year 1996 represented the third consecutive year in which the growth in **M3** was considerably higher than desirable growth rates as indicated by the Reserve Bank. Owing to the high demand for money, the rate of increase in the broad money supply aggregate averaged 14,7 per cent from the beginning of 1994 up to the end of 1996. If allowance is made for business cycle developments and the two low economic growth years 1992 and 1993 are included in the comparison, the average annual growth in **M3** over the past five years comes down to a lower level of 11,6 per cent. Over this longer period the growth in **M3** therefore still exceeded the upper limit of 10 per cent of the money supply guidelines, and more or less equalled the growth rate in nominal gross domestic product, which indicates a relatively accommodative monetary policy stance.

The transaction motive for holding money, related to large increases in real expenditure and an almost explosive increase in the turnover in financial markets in recent years, was an important contributing factor to the high rates of increase in money supply. Certain structural changes, such as the integration of South Africa in international financial markets and the absorption of more South Africans in the market economy, also caused the growth in money supply to remain high for a longer period than would normally have been the case during the course of the business cycle. In addition, the high growth in money supply during 1995 and 1996, and particularly in the shorter-term components of **M3**, reflected an enhanced confidence in money as a store of value in view of more favourable yields on deposits.

The main statistical counterpart for this growth in money supply was a vigorous rate of increase in credit extension by monetary institutions to the private sector that fluctuated around a level of 17 per cent throughout

1995 and 1996. Credit extension was boosted on the demand side by strong consumer and investor confidence as fears of political instability subsided and economic growth improved. Restructuring in employment policies generally leading to a replacement of older by younger people and also a switching from foreign to domestic financing of international trade transactions arising from the instability in the foreign exchange market in 1996, contributed further to the steady high increase in credit demand. On the supply side, banks actively promoted the use of credit facilities, while retail outlets encouraged consumers to increase their spending by means of in-house credit cards.

In view of these developments and in pursuing its mission to protect the value of the rand, the Reserve Bank had no other option but to adopt a more restrictive monetary policy stance. The first Bank rate increase of one percentage point was already made on 26 September 1994, followed by two further increases in 1995 to bring Bank rate to a level of 15 per cent at the end of June 1995. Shorter-term as well as longer-term market interest rates and yields similarly moved up sharply in the first half of 1995, before the rates in the capital market started to contract in the second half of that year.

This downward movement in longer-term rates was reversed with the sudden decline in the net inflow of capital from abroad that occurred in the first quarter of 1996. A number of adverse developments at the time continued to trigger an outflow of short-term capital. Combined with a relatively large balance of payments current account deficit at that stage, an overall balance of payments deficit developed that created immediate shortages in the market for foreign exchange and forced a sharp depreciation in the exchange rate of the rand. The initial depreciation created negative expectations and caused leads and lags in trade financing to move strongly against South Africa, which brought about a further depreciation of the rand.

With only limited foreign exchange reserves and other means at its disposal to finance the external deficit, South Africa had no alternative than to reduce the deficit on the current account of the balance of payments to a more manageable level. A part of the needed adjustment process in any case resulted from the unavoidable secondary effects of the depreciation of the rand. A simultaneous decline in domestic liquidity was also reflected in a higher level of interest rates, which not only served to discourage the outflow of capital but also reduced the demand for bank credit and the growth in domestic expenditure. In these circumstances monetary policy was directed actively to support the market adjustment process. Bank rate was accordingly

increased further in two steps during 1996, in each case by one percentage point, to reach 17 per cent at the end of November.

The consistent restrictive monetary policy stance, together with other factors such as a slower growth in nominal unit labour costs, reductions in tariffs on imported prices and a relatively stable exchange value of the rand until the middle of February 1996, achieved considerable success in bringing the inflation rate down to single-digit levels. After having recorded rates of increase in the consumer price index verging around approximately 15 per cent since the early 1970s, which reached 18,6 per cent in 1986, consumer-price inflation moved to a level below 10 per cent in 1993. Moreover, the average annual rate of increase in the consumer price index declined from 9,7 per cent in 1993 to 7,4 per cent in 1996 – its lowest level since 1972.

2. Re-emergence of inflationary pressures

During the course of 1996, however, the downward trend in consumer-price inflation was reversed and the quarter-to-quarter rate of increase in the consumer price index (seasonally adjusted and annualised) accelerated from a lower turning-point of 7,8 per cent in the second quarter of 1996 to 11,6 per cent in the fourth quarter. Measured over periods of twelve months, the rate of increase in consumer prices also rose from a low of 5,5 per cent in April 1996 to 9,4 per cent in both December 1996 and January 1997.

To some extent this acceleration in consumer-price inflation can be ascribed to exceptional circumstances, such as the increase in food prices and the effect of higher interest rates on the cost of home ownership. More significantly, however, the underlying inflation rate (i.e. the change in the overall consumer price index, excluding the prices of food and non-alcoholic beverages, the cost of home ownership and value-added tax) also rose noticeably during 1996. Thus, the quarter-to-quarter seasonally adjusted and annualised underlying inflation rate accelerated from 6,4 per cent in the first quarter of 1996 to 12,4 per cent in the fourth quarter. Measured over periods of twelve months, underlying inflation rose from a low level of 6,3 per cent in May 1996 to 9,3 per cent in January 1997.

This increase in the underlying inflation rate clearly points to the fact that more fundamental factors were responsible for the rise in consumer-price inflation in the latter half of 1996. The reappearance of inflationary pressures apparently did not arise because of an overheated economy. This deduction is confirmed by an actual decrease in gross domestic expenditure in the second half of 1996, a decline in the utilisation of manufacturing production capacity from the second quarter of 1995 and a relatively large gap between potential and actual gross domestic product.

A rise in nominal unit labour cost (i.e. the change in the ratio between nominal remuneration per employee and the real output per worker) seems to have been an important contributing factor in the resurgence of price inflation. The year-on-year growth in nominal unit labour costs rose from 3,7 per cent in the second quarter of 1995 to 7,9 per cent in the third quarter of 1996 (latest available information), despite a relatively sharp increase in productivity over this period. The depreciation of the rand during 1996 also became an important factor in the acceleration of consumer-price inflation towards the end of 1996. Measured over a period of twelve months, the rate of increase in the prices of imported goods rose from 3,2 per cent in April 1996 to 4,7 per cent in September and then much more rapidly to 9,3 per cent in December.

3. Money supply guidelines for 1997

Under these circumstances it has become imperative to bring the current high growth in money supply and bank credit extension to the private sector to lower levels. A continuation of excessive increases in the money supply under present conditions will provide fuel to emerging and existing inflationary pressures. If not controlled at this stage, the situation could easily lead to a new cycle of continuous increases in the rate of inflation. Should the Reserve Bank fail in its efforts to protect the value of the currency, the goals set by government for economic reconstruction and development as well as the implementation of the **Strategy for Growth, Employment and Redistribution** will not be attainable. The present situation therefore clearly calls for the retention of a restrictive monetary policy stance.

Taking account of the overall economic situation, the Reserve Bank has therefore decided to set the guidelines for an acceptable rate of growth in the **M3** money supply again at 6 to 10 per cent for the period from the fourth quarter of 1996 to the fourth quarter of 1997. These guidelines are in agreement with the consistent approach over the medium and longer term that the Bank has been following in recent years, and indicate the Bank's resolve to bring the money supply growth down to a level compatible with lower inflation. The upper limit of 10 per cent takes account of a possible growth in real gross domestic product of between 2 and 3 per cent in 1997, whereas the unchanged lower limit of 6 per cent reflects the Reserve Bank's determination to reduce the rate of inflation over the longer term to levels more in line with the average rate of inflation of South Africa's main trading partners and competitors. For 1997, however, the challenge is to keep inflation to a level of below 10 per cent.

The provision of annual guidelines for an appropriate increase in the money supply contributes to a more transparent monetary policy. Major deviations from these

guidelines should trigger pro-active policy actions by the Reserve Bank, but it must again be emphasised that the Bank does not intend to follow a rigid money rule linked to these guidelines at all times. The money supply guidelines provide banking institutions and the public in general with a clear indication of the more important underlying forces that will determine monetary policy actions.

The experience of some other countries where some form of financial liberalisation took place in recent years shows that there is a tendency towards a strong expansion in bank credit during a period of structural economic transition. It is for this reason that the Reserve Bank will continue to exercise discretionary judgement in deciding what combination of money supply growth, bank credit extension, interest rates and exchange rates in any given set of circumstances will best serve its objectives of protecting the value of the currency in support of balanced and sustainable economic growth. The Bank's discretion to influence any one of these variables independently is, however, constrained by the high degree of interdependence that exists between these aggregates.

The role of financial co-operation in the development of the Southern African Development Community (SADC)

Lecture by Dr Chris Stals, Governor of the South African Reserve Bank, presented to the Harvard Institute for International Development
Boston, 1 May 1997

1. Background to the formation of SADC

The Southern African Development Community found its origin in 1980 when nine¹ countries in Southern Africa decided jointly "to pursue policies aimed at economic liberation and integrated development of our national economies". One of the main objectives of the association at that stage was to make the economies of these countries less dependent on South Africa – a country that was then an unwanted ally because of its unacceptable internal political and social policies.

After major political and social reforms in South Africa led to the fully democratic election of a Government of National Unity in April 1994, South Africa also joined SADC, to become the eleventh member, after a newly-independent Namibia already joined in 1990. Mauritius was the next country to join SADC, which now has twelve members with a total population of about 136 million people.

In August 1992, a revised Treaty for SADC was approved by a Summit Meeting of the Heads of State of the participating countries. Included in the main objectives of the Community are the following economic goals:

- To achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the peoples of Southern Africa, and support the socially disadvantaged through regional integration;
- to promote and maximise productive employment and utilisation of resources of the region; and
- to achieve sustainable utilisation of natural resources and effective protection of the environment.

To achieve its objectives, SADC shall

- harmonise political and socio-economic policies and plans of member States;
- mobilise the peoples of the region and their institutions to take initiatives to develop economic, social and cultural ties across the region, and to participate fully in the implementation of the programmes and operations of SADC and its institutions;
- develop policies aimed at the progressive elimination of obstacles to free movement of capital and labour,

goods and services, and of the peoples of the region generally among member States;

- promote the development of human resources;
- promote the development, transfer and mastery of technology; and
- improve economic management and performance through regional co-operation.

The Treaty provides for other political, social and cultural objectives which are not of direct relevance for the enhancement of financial co-operation in the region.

2. South Africa's position within SADC

The South African economy is by far the most advanced in the region. Although the total South African population of 42 million people accounts for but 31 per cent of the total population of all SADC countries together, the South African economy contributes about 80 per cent of the total gross domestic product of about \$170 billion produced in the twelve member states. South Africa also accounts for almost 70 per cent of the combined total exports of \$43 billion of the SADC region.

South Africa's dominance is even more pronounced in the financial markets. South Africa is about the only country in the region with well-functioning and independent specialised financial institutions such as banks, long- and short-term insurers, private-sector pension funds, mutual funds, participation mortgage bond schemes and mining and industrial finance houses. With a total market capitalisation of about \$280 billion, the Johannesburg Stock Exchange dominates the capital markets of the region, and with a daily turnover of about \$7 billion, the foreign exchange market in Johannesburg is providing an increasing service for international settlements for a number of other countries of the region. With a turnover of more than \$700 billion last year in the South African bond market and a growing market for derivatives, South Africa is in a favourable position to provide sophisticated financial services for the whole SADC region.

This dominating position of the South African economy has certain advantages, but at the same time makes harmonious regional co-operation more complex. Some of the other partners in SADC hold an understandable fear that their economic independence will be jeopardised by a too aggressive policy of economic integration of the region.

¹ Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe.

The role that South Africa plays within SADC must therefore be approached with tact and ingenuity. South Africa was given the responsibility for managing and developing the Finance and Investment Protocol². For this purpose, there is a Council of Ministers of Finance that meet from time to time under the chairmanship of the South African Minister of Finance to give guidance to a programme for closer financial co-operation amongst the participating countries in SADC. Two sub-committees were also established, one a Committee of Treasury Officials, and the other a Committee of Governors of Central Banks and their officials, with clearly defined terms of reference for each one of these Committees.

3. The work and functions of the Committee of Governors of Central Banks

When South Africa was given the special task of administering the Finance and Investment Protocol for SADC, the South African Reserve Bank saw in this arrangement a great opportunity for closer co-operation amongst the central banks of the region. In the beginning, however, it proved a major task to get recognition from the political leaders for the need of an independent Committee of Governors of Central Banks. In many of the participating countries the central bank is regarded, and often unfortunately also used, as just an extension of the Treasury Department of the central government. In succeeding to get the approval for the establishment of this Committee of Governors an important seed was sown in each one of these countries for the acceptance of the undeniable advantages, also for the politicians, of an independent central bank.

A second major obstacle was overcome when approval was granted for the establishment of a small specialised Secretariat and research facility within the South African Reserve Bank to serve the Committee of Governors. This avoided the need for adhering to the cumbersome procedure of communicating within the central banking fraternity through the conduit of the SADC Secretariat, based in Gaborone, the capital of Botswana.

The SADC Finance and Investment Sector was formally established only in 1995, and the Committee of

Governors held its first meeting on 24 November 1995 in Pretoria. Now, eighteen months later, this Committee can already look back on a number of accomplishments, and can report good progress with a number of projects being pursued in the interest of promoting economic development in the Southern African region. A number of Technical Subcommittees and Working Groups have been formed, consisting mainly of officials of the SADC central banks, to work on specialised projects.

4. The basic philosophy behind financial co-operation in the region

Before the Governors' Committee was established, SADC approached financial co-operation in the region on the basis of proposals made by European advisers that were based mainly on the model of financial integration in the European Community. The folly of this approach was immediately grasped by the Governors at their first meeting. The divergencies in the stage of economic development of the members of SADC are so vast that there can be no talk at this juncture of a European type of economic integration in Southern Africa. The Governors' Committee therefore had to design its own model for sensible financial co-operation in the region. In drafting its own mission statement, the Committee designed a model for financial co-operation that was described as a "bottom-up" approach. This approach is based on building financial co-operation by first laying an appropriate foundation in the form of an effective institutional framework for the financial system in each country. More grandiose schemes for the harmonisation or integration of macroeconomic monetary policies can be considered at a later stage, i.e. once central banks, private banking sectors and financial markets have been established and are functioning effectively in most of the participating countries.

A second challenge that had to be faced was the diverse roles and functions assigned by their Governments to the various central banks in the region. In finding an answer to the question of what contribution central banks can make towards the achievement of the goals of SADC, a consensus had to be found on what the task of the central banks should be in promoting optimum economic development and growth. There may not yet be full agreement on this daunting question, but the majority view now favours the contemporary approach of the more advanced economies that the central bank's responsibilities should be restricted to the creation and maintenance of a stable financial environment that will be conducive for sustainable economic growth. Central banks must protect the value of the currency. This is gospel, not only in more industrialised, but also in developing and emerging economies. Overall financial stability may not

² There are a number of other Protocols, co-ordinated by other countries, for example: Inland Fisheries (Malawi), Marine Fisheries and Resources (Namibia), Livestock Production and Animal Disease Control (Botswana), Environment and Land Management (Lesotho), Energy (Angola), Mining and Labour and Employment (Zambia), Tourism (Mauritius), Industry and Trade (Tanzania), Food, Agriculture and Natural Resources (Zimbabwe), Human Resource Development (Swaziland), and Culture and Information as well as Transport and Communication (Mozambique).

be a guarantee for, but certainly is a precondition for, sustainable economic growth.

5. The framework for financial co-operation within SADC

In terms of the bottom-up approach, the Committee of Governors kicked off its work programme by exchanging views on the nature, structure and functions of each central bank in the region. In many developing countries, central banks, acting as extensions of Government Finance Departments, are often directly involved in normal commercial and development banking, and in many other macroeconomic activities such as export promotion, social upliftment programmes, and financing of government budgetary shortfalls. This, of course, often creates a conflict with the prime objective of central banking, and that is to protect the value of the currency. The powers of the central bank in such countries must first be reduced to improve the effectiveness of monetary policy.

In the second phase of its deliberations, the Committee of Governors is concentrating on the quantity and quality of private banking in the region. The establishment of sound and well-managed privately-owned banking institutions must be encouraged to provide financial services in a competitive environment. The two tiers of banking, that is central banking and private banking, must be separated on a clearly-defined basis.

In the third phase of financial co-ordination, the central bank Governors are working together in a joint effort to develop compatible and inter-linkable national payments, clearing and settlement systems for financial transactions. Eventually, the national systems must be linked to each other to provide for more effective cross-border settlement of inter-regional financial transactions. This project requires some co-operation in the development of compatible electronic data processing and technology systems in the twelve participating central banks.

In a fourth phase, more attention will be focused on the development of financial markets in the region. A lot of research work must be done on the introduction of appropriate legal institutional frameworks, the introduction of financial instruments and the improvement of technological systems and human resource skills in the foreign exchange, money and capital markets. Some rationalisation in the use of the existing markets to the advantage of the whole region will be necessary.

Only then will it become possible to consider greater harmonisation and even integration of macroeconomic financial policies such as interest and exchange rate policies, the management of bank liquidity and credit extension on a regional basis, and operations by central banks in a more integrated financial market environment.

6. The practical implementation of the programme for financial co-operation

The SADC Committee of Governors is determined gradually to implement its plan for greater financial co-operation over the next few years in the whole region. On the African Continent, many ambitious plans for economic co-operation exist on paper, but are never executed. The Governors' Committee has already embarked on the implementation stage, and is now actively involved in a number of the ground-work projects:

- It has become necessary for the twelve Governors to have a better understanding of the regional economic environment within which they operate. For this purpose the Secretariat of the Governors' Committee established a statistical data base for essential economic time series from the twelve countries in the computer capacity of the South African Reserve Bank. It is the intention to connect all the central banks in due course with real-time on-line linkages to the data base.
- To enable Governors to learn from the experiences of each other, a data bank with information on issues such as legislation, relationships with Governments, functions and responsibilities, management, policy objectives, procedures and instruments of monetary policy, and administrative structures for each central bank, has been compiled and is now available to all the Governors.
- Programmes are encouraged for the establishment of efficient and well-managed privately-owned banking institutions in all SADC countries. Assistance is being provided for the revision of the banking laws in some countries, and central banks are encouraged where necessary to withdraw themselves from private-sector banking activity.
- The South African Reserve Bank is playing a leading role in the development of the quality of, and capacity for, proper bank regulation and supervision. Some harmonisation is encouraged on policies such as bank licensing, minimum financial prudential requirements, and regular auditing of banking institutions. A joint effort is also being made to take the necessary action against illegal banking activities in the region, such as money laundering and pyramid schemes.
- There is a great need for training and the development of skills in central banking in the region. The South African Reserve Bank has introduced a specialised Training Institute for Central Banking, and is now providing specialised courses in central banking and financial management for its own staff and officials of other central banks in the SADC region.

The central banks of the region also formed an East and Southern Africa Banking Supervisors Group (ESAF) to standardise bank regulation and supervision in the region. ESAF is providing specialised courses for the development of the financial regulatory capacity in the region.

There is also a more ambitious training programme provided through the Macroeconomic and Financial Management Institute (MEFMI). A number of Southern African countries, but not all members of SADC, participate in this venture. With its headquarters in Harare, MEFMI's operational mandate covers two broad areas:

- i) "In-depth capacity building, involving training, institutional development, net-working and technical support, to strengthen countries' ability to manage their debt and external reserves; and
- ii) "a training programme for public officials with duties relating to macroeconomic and financial management, providing courses in a wide range of high-priority fields".

MEFMI has the support of a number of international institutions, such as the World Bank, and has the potential to make an important contribution to the development of desperately needed skills for the management of the economic transformation of African countries.

- The removal of remaining exchange control measures in the region is a major priority of the Governors' Committee. Arrangements have been introduced for the unrestricted repatriation of notes and coin used in participating countries amongst the members of SADC, and the movement towards an unrestricted flow of capital in the region is being promoted. South Africa is lifting its remaining exchange control measures in respect of SADC countries faster than for the rest of the world. Two members, namely Zambia and Mauritius, have already removed all exchange control measures in their countries.

- Reference has already been made to the work that is being done in the area of electronic data processing and the development of a cross-border network for financial clearing, payment and settlement transactions. International assistance is now sought (through the World Bank) for the development of the national payment and clearing systems in the less-developed economies of the region.

7. The road ahead

There is growing enthusiasm in Southern Africa for a regional approach to economic development issues. There are, unfortunately, more than one initiative for multi-national regional economic co-operation arrange-

ments in Sub-Saharan Africa, initiatives that often compete with each other. In Southern Africa itself, SADC and COMESA (the Common Market for Eastern and Southern Africa), groupings provide many overlapping services and some countries belong to both organisations, and others to only one of the two. The time has come for Governments in the region to consider a merger of the two competing regional groupings in a more viable single regional association.

Both SADC and COMESA have their own Secretariats with a strong bureaucracy that often inhibits initiatives because of unnecessary rigid procedural requirements. In the case of the Committee of Governors of SADC, we often live in sin because of non-compliance with the prescribed procedures of the SADC Secretariat. Forgiveness, however, can easily be extorted, as long as progress and successes can be claimed.

There is among some governments still a strong suspicion of the motives behind closer economic co-operation in the region. The question arises whether it is perhaps not a real danger that the powerful South African economy will exploit the smaller economies for its own advantage: South Africa has to act with great discretion in performing its role in the programme. South Africa obviously has a vested interest in the economic development of the region as a whole.

Internally, South Africa still has many serious economic problems that must be resolved to improve the living conditions of its own people. Unemployment is high, many communities live in great poverty, and there is a relatively wide spread between high and low incomes earned in the country. Many people therefore believe that South Africa should concentrate all its resources on the development of its own economy. There is, however, a basic fallacy in this approach. Whenever South Africa makes some progress in solving its own economic problems without a parallel development in other countries in the region, the unemployed from the other countries get sucked into the South African system. If South Africa is not prepared to accept more exports from other African countries and does not want to allow part of the South African savings to be invested in these countries, the country will have to absorb great numbers of unemployed people from the rest of the region.

The region of SADC is gradually becoming an attractive place for foreign investors. Its potential for economic development is vast, and undeveloped human resources and the exploding demand for goods and services emanating from people who are now being absorbed for the first time in a real market economy, must lure many multi-national institutions to the Southern Africa region. It depends on us how attractive we can make our own region for the outside world as a place for long-term, durable, and productive investment.

Bank credit to the private sector¹

by S.J. van der Walt

Introduction

Bank credit is an important source of finance to the private sector in South Africa. Over the past twenty years bank lending to the private sector increased at a relatively high average annual rate, even though the development of sophisticated financial products and highly efficient financial markets seemed to favour borrowing from alternative non-bank sources of finance.

This note gives a short overview of changes in bank credit extension to the private sector during the period 1976 to 1996. A distinction is drawn between the different types of credit and between lending to companies and individuals. Finally, the banks' lending portfolio is disaggregated according to various sectors of economic activity.

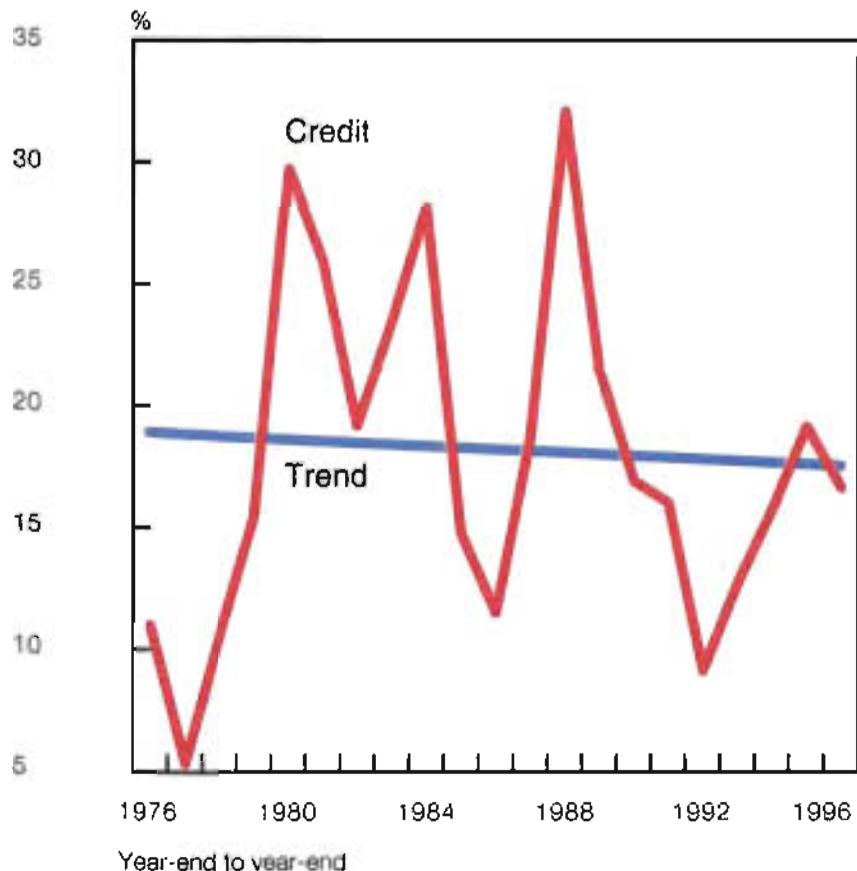
¹ In this note bank credit to the private sector includes bills discounted, instalment sale credit, leasing finance, credit card debtors, mortgage loans and other loans and advances extended by registered banks and mutual banks. The private sector refers to the non-bank private sector.

Behaviour of bank credit to the private sector, 1976 to 1996

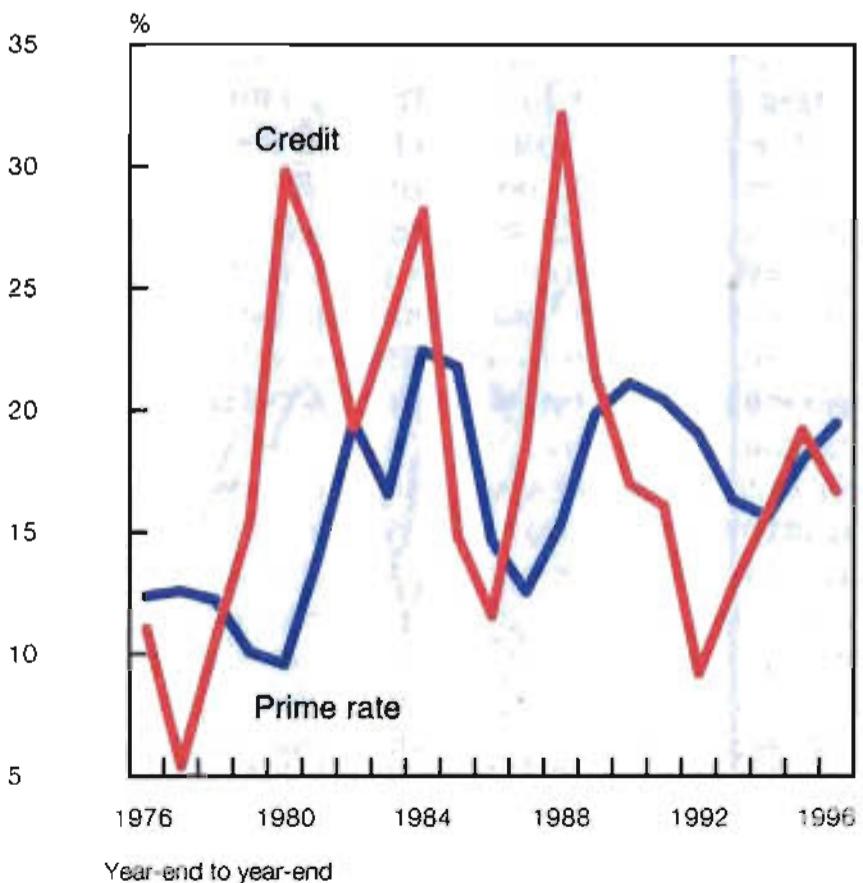
Bank lending to the private sector increased on average by 17,9 per cent per annum during the period 1976 to 1996. Annual increases fluctuated around a gently declining trend during this period and recorded a low of 5,4 per cent in 1977 and a high of 32,0 per cent in 1988. The growth of 16,6 per cent in 1996 declined to just below the value indicated by the fitted long-term trendline (see Graph 1).

Changes in bank lending during the period under review tended to precede changes in overall economic conditions. The year-end to year-end growth rate of bank lending generally started to accelerate ahead of an upturn in the business cycle and to slow down before the start of a downturn in the business cycle (see Graph 2). This probably reflects an increase in business demand for working capital in anticipation of an improvement in sales and economic activity generally, and the waning of the demand for funds when business liquidity improves and individuals reduce their use of bank credit during the advanced stages of a business cycle upturn.

Graph 1: Annual percentage change in bank credit to the private sector



Graph 2: Annual percentage change in bank credit to the private sector and average prime overdraft rate of banks



The demand for credit is, of course, also affected by the cost of credit. A rise in interest rates is generally followed after a while by a slowdown in the growth of bank credit extension which, in turn, is followed with a further time delay by a decline in economic activity. Similarly, a softening in interest rates is usually followed by an increase in the growth of credit extension and still later by a strengthening of overall economic activity. This course of events is illustrated in Graph 2. These changes clearly reflect the role played by banks in the transmission mechanism of monetary policy when adjustments in Bank rate serve as the operational policy variable of the monetary authorities.

Private households made extensive use of bank credit to finance consumption expenditure. Changes in bank lending to the private sector show a close correlation with the changes in nominal private consumption expenditure (see Graph 3). On average, bank credit extension to the private sector increased at a faster rate than private consumption expenditure during the period 1976 to 1996; whereas bank lending to the private sector increased at an average annual rate of 17,9 per cent between 1976 and 1996, the rise in private consumption expenditure came to an average rate of 16,0 per cent per year. Bank credit to the private sector also increased at a substantially higher average annual rate than the average annual rate of growth in the consumer price index over the period in question. Real discounts and advances to

the private sector (i.e. after adjustment for changes in the consumer price index) accordingly increased at an average rate of 4,4 per cent per year during this period, compared with an average annual growth rate of 1,8 per cent in real gross domestic product. Bank credit to the private sector, as a percentage of gross domestic product at market prices, consequently increased from 42,0 per cent in 1976 to 62,7 per cent in 1996. This development pointed to a substantial financial deepening in the economy during this period.

The average annual growth rate of the banks' total assets, which amounted to 16,7 per cent between 1976 and 1996, was markedly lower than the average annual increase of 25,2 per cent in the total assets of long-term insurers and the 18,3 per cent in the assets of private pension and provident funds over this period. At the end of 1996 the total assets of long-term insurers slightly exceeded those of banks (excluding mutual banks). Thus, despite banks' relatively strong asset growth, their dominant role in the financial system is being challenged by the even stronger growth of other types of institutions.

Bank credit to the private sector by type of credit

As shown in Table 1, the major portion of bank credit to the private sector consisted of *mortgage loans*, followed by "other" *loans and advances*, which include overdrafts, factoring and other loans and advances. These two components constituted, on average, 73,5 per cent of total bank lending to the private sector during the period 1976 to 1996. *Bills discounted*, which amounted to 6,9 per cent of the total in 1991, subsequently declined to a low of only 1,7 per cent in 1996. This decline in relative significance followed the removal of the liquid asset status of bankers' acceptances in terms of the Banks Act. Bankers' acceptances also became no longer eligible as collateral for overnight loans at the discount window as from May 1993.

Borrowers seem to switch with relative ease between *instalment sale credit* and *leasing finance*. On average, these two types of credit amounted to 21,2 per cent of total credit during the period 1976 to 1996, ranging from a low of 13,6 per cent of the total in 1976 to a high of 30,7 per cent in 1984. Changes in instalment sale credit and leasing finance generally corresponded fairly closely with the changes in private consumption expenditure on durable goods at current prices (see Graph 4). The graph also shows a relatively strong inverse relationship between changes in the total of instalment sale credit and leasing finance and the level of interest rates as indicated by the prime overdraft rate of the banks. This, of course, also

Graph 3: Annual percentage change in bank credit to the private sector and private consumption expenditure

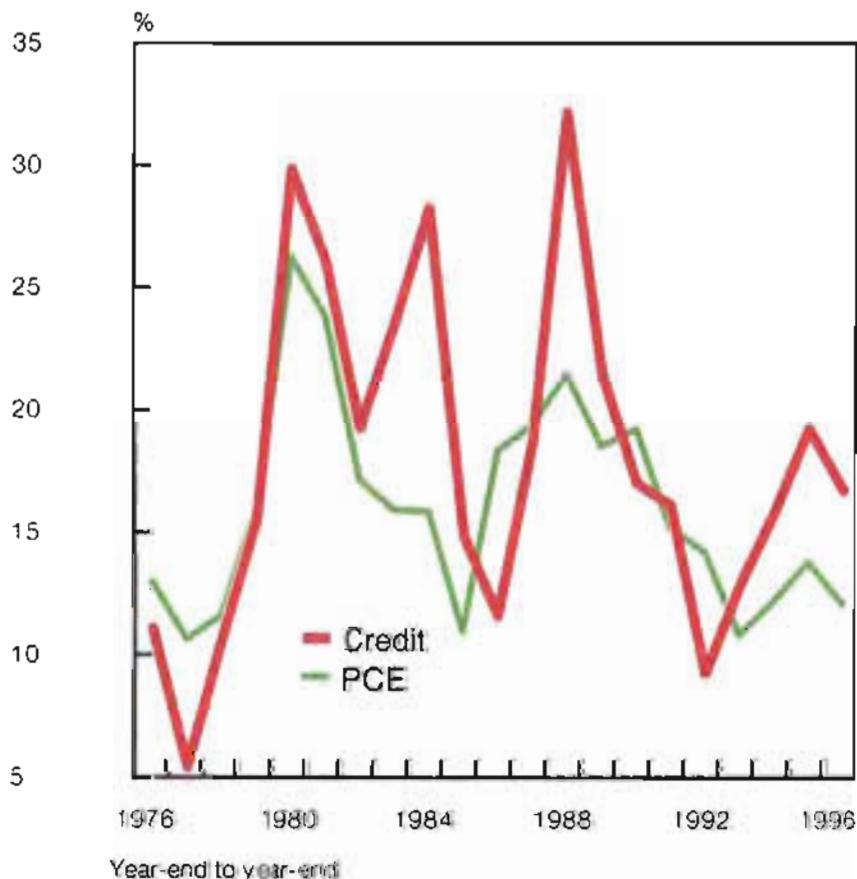


Table 1. Bank credit to the private sector by type of credit

End of	Bills discounted		Instalment sale credit		Leasing finance		Credit cards		Mortgage loans		Other		Total
	R millions	age of total	R millions	age of total	R millions	age of total	R millions	age of total	R millions	age of total	R millions	age of total	R millions
1976.....	830	6,6	804	6,4	923	7,3	...	...	5 553	44,1	4 484	35,6	12 594
1977.....	676	5,1	855	6,4	1 034	7,8	...	...	6 060	45,7	4 645	35,0	13 270
1978.....	602	4,1	1 317	9,0	1 263	8,6	...	...	6 572	44,8	4 922	33,5	14 676
1979.....	881	5,2	1 853	10,9	1 553	9,2	...	...	7 552	44,6	5 101	30,1	16 940
1980.....	1 446	6,6	2 959	13,5	2 145	9,7	...	...	9 594	43,7	5 833	26,5	21 977
1981.....	1 582	5,7	4 889	17,7	2 840	10,3	...	...	11 085	40,0	7 286	26,3	27 682
1982.....	2 204	6,7	6 196	18,8	3 638	11,0	...	...	12 124	36,7	8 832	26,8	32 994
1983.....	1 092	2,7	7 640	18,7	4 601	11,3	...	...	15 381	37,8	11 999	29,5	40 713
1984.....	1 243	2,4	10 401	19,9	5 605	10,8	...	...	18 066	34,6	16 851	32,3	52 166
1985.....	2 211	3,7	10 533	17,6	5 241	8,8	...	...	21 050	35,1	20 841	34,8	59 876
1986.....	2 598	3,9	10 309	15,4	4 889	7,3	...	...	24 818	37,2	24 154	36,2	66 768
1987.....	3 637	4,6	9 779	12,4	4 771	6,0	...	...	31 404	39,6	29 637	37,4	79 228
1988.....	5 735	5,5	12 422	11,9	6 988	6,7	...	...	41 152	39,3	38 316	36,6	104 613
1989.....	6 442	5,1	15 600	12,3	9 129	7,2	...	...	48 604	38,2	47 265	37,2	127 040
1990.....	8 746	5,9	18 054	12,2	10 976	7,4	...	...	55 891	37,6	54 846	36,9	148 513
1991.....	11 860	6,9	19 259	11,2	13 234	7,7	2 997	1,8	66 492	38,5	58 426	33,9	172 268
1992.....	12 537	6,7	19 552	10,4	14 500	7,7	3 613	1,9	78 457	41,7	59 355	31,6	188 014
1993.....	7 925	3,8	23 062	10,9	15 493	7,3	3 644	1,7	92 887	43,8	68 911	32,5	211 922
1994.....	7 284	3,0	29 423	12,0	16 613	6,8	4 794	2,0	110 166	44,9	76 920	31,3	245 200
1995.....	7 373	2,5	37 442	12,8	19 375	6,7	7 026	2,4	130 312	44,6	90 539	31,0	292 067
1996.....	5 863	1,7	45 380	13,3	22 637	6,6	8 834	2,6	152 406	44,8	105 440	31,0	340 560
Average annual growth (per cent).....	10,3		22,3		17,4		24,1		18,0		17,1		17,9

implies that changes in private consumption expenditure on durable goods and the level of the prime overdraft rate are inversely related.

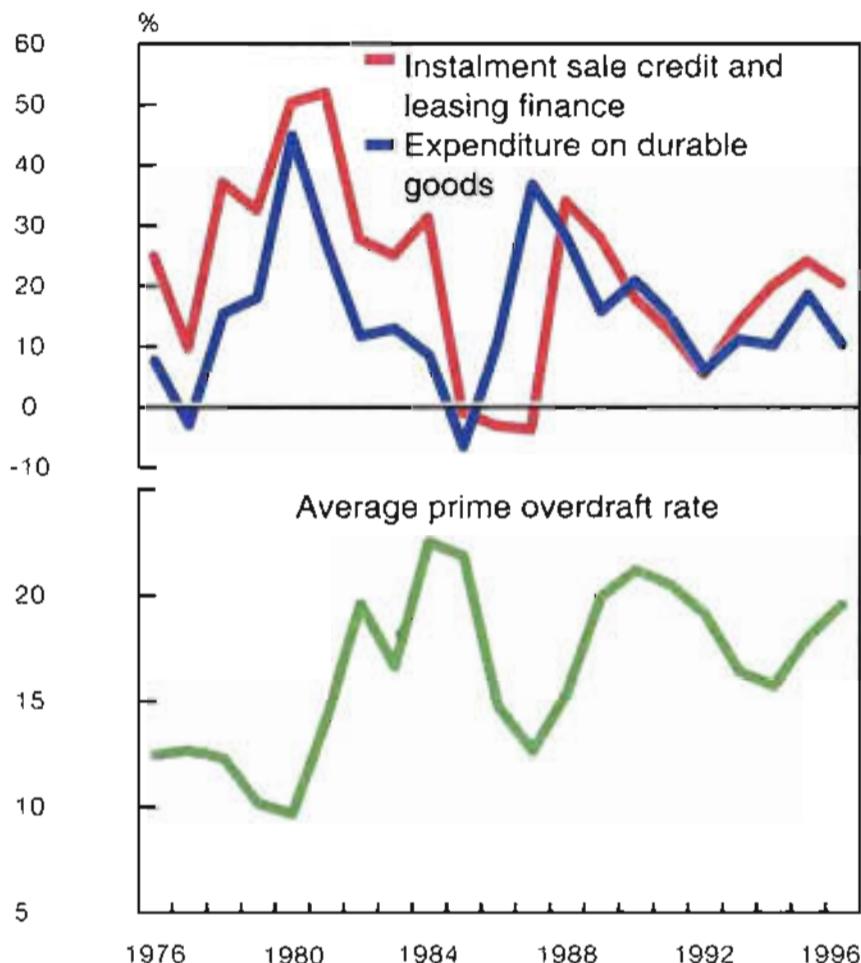
Data on credit card debtors are only available from 1991. At the end of 1996 this type of credit amounted to only 2,6 per cent of total bank credit to the private sector. On average, however, outstanding credit card debt increased by 24,1 per cent per year in the six years to 1996, which was substantially faster than the rate of increase in total bank credit to the private sector, which amounted, on average, to 14,6 per cent per year over the same period.

Mortgage loans, as a percentage of total bank credit to the private sector, declined from 45,7 per cent in 1977 to 34,6 per cent in 1984, before reverting to 44,8 per cent in 1996. Until 1990, the year-end to year-end rate of increase in mortgage loans followed a pattern broadly similar to that of total bank credit to the private sector, excluding mortgage loans. Since 1991, mortgage advances have been increasing at a surprisingly stable rate. In contrast, the rate of increase in non-mortgage

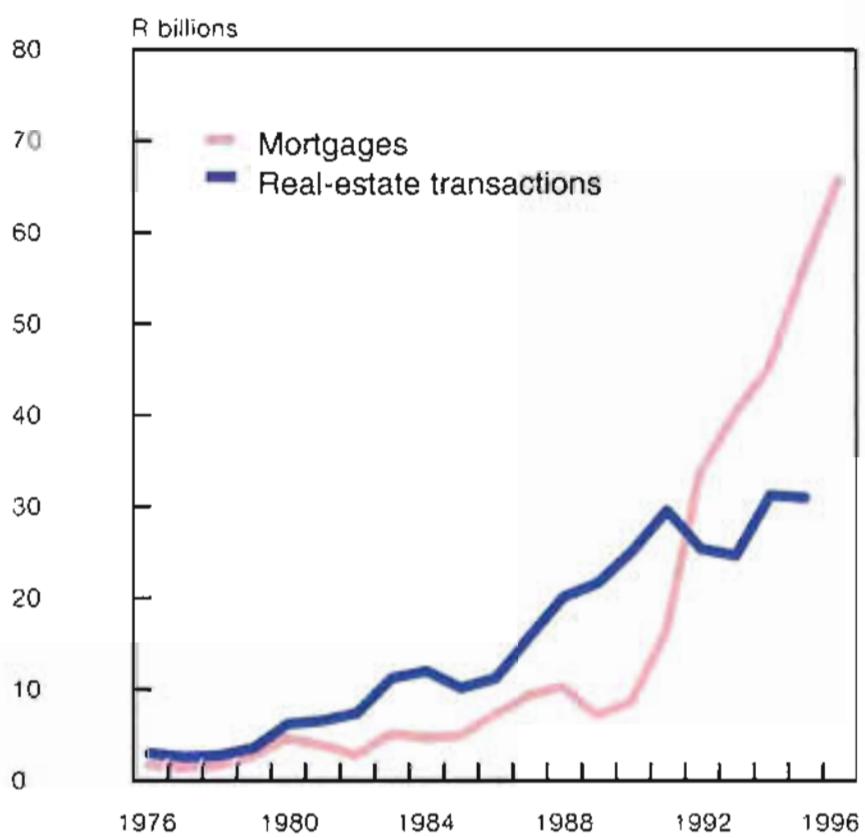
credit extended to the private sector continued to fall steeply in 1991 and 1992 but then accelerated progressively until 1995, before declining slightly in 1996 (see Graph 5). The introduction of flexible mortgage loans improved the attractiveness of this type of credit and enabled borrowers to use mortgage facilities for purposes other than the financing of real-estate transactions. The attractiveness of mortgage borrowing was enhanced further by the relatively low cost of this type of financing. From the supply side, banks actively encouraged the use of mortgages on account of the lower capital-risk weight that this type of asset attracts, as well as the supposedly lower risk of such loans for the lender. The use of mortgage loans for reasons other than the financing of fixed property is illustrated in Graph 6, which shows that the yearly mortgage loan payouts have increasingly exceeded the value of yearly real-estate transactions since 1992.

"Other" loans and advances amounted, on average, to 32,7 per cent of total bank credit to the private sector from 1976 to 1996, varying between a low of

Graph 4: Annual percentage change in private consumption expenditure on durable goods, instalment sale credit and leasing finance, and prime rate

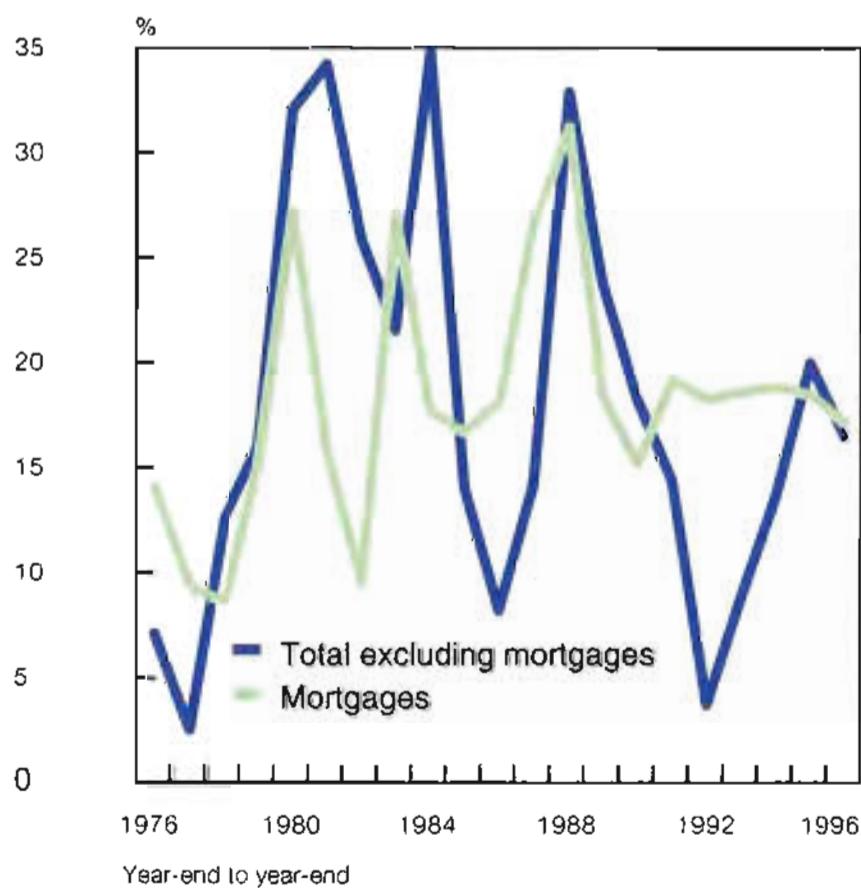


Graph 6: Mortgage loans paid out and value of real-estate transactions



26.3 per cent in 1980 and 36.9 per cent in 1990. This type of credit consists largely of overdrafts and is mainly used as working capital by businesses.

Graph 5: Annual percentage change in mortgage loans and in total credit to the private sector excluding mortgage loans



Bank credit to households and companies

A classification of bank credit to households and companies by type of credit is shown in Table 2. The household sector is the principal user of bank credit extended to the private sector: more than 60 per cent of total bank credit extended to the private sector is directed towards households. Furthermore, more efficient treasury operations and the introduction of various company cash management schemes gradually reduced the corporate sector's dependence on bank credit.

Households were the main recipients of bank loans in the form of mortgage advances: more than 90 per cent of this type of bank credit is allocated to households. Companies, on the other hand, mainly borrowed in the form of "other" loans and advances, including overdrafts and factoring. The corporate sector accounted for about two-thirds of this type of bank credit. An increasing portion of bank credit in the form of instalment sale credit and leasing finance also flowed to the corporate sector in recent years: the portion of outstanding instalment sale credit extended to companies increased from 45.2 per cent in 1992 to 52.6 per cent in 1996. Leasing finance extended to

Table 2. Classification of bank credit to households and companies by type of credit

	End of 1992		End of 1994		End of 1996	
	Amount R millions	Percentage of total of type %	Amount R millions	Percentage of total of type %	Amount R millions	Percentage of total of type %
Instalment sale credit						
Households.....	10 722	54,8	13 729	46,7	21 528	47,4
Companies	8 830	45,2	15 694	53,3	23 852	52,6
Leasing finance						
Households.....	6 807	46,9	7 817	47,1	7 910	34,9
Companies	7 693	53,1	8 796	52,9	14 727	65,1
Credit cards						
Households.....	3 455	95,6	4 637	96,7	8 642	97,8
Companies	158	4,4	157	3,3	192	2,2
Mortgage loans						
Households.....	73 320	93,5	101 503	92,1	137 117	90,0
Companies	5 137	6,5	8 663	7,9	15 289	10,0
Other loans*						
Households.....	21 126	29,4	26 293	31,2	42 781	38,4
Companies	50 766	70,6	57 911	68,8	68 522	61,6
Total						
Households.....	115 430	61,4	153 979	62,8	217 978	64,0
Companies	72 584	38,6	91 221	37,2	122 582	36,0
Total.....	188 014	100,0	245 200	100,0	340 560	100,0

* Including bills discounted

companies increased from 53,1 per cent of the total of this type of credit to 65,1 per cent over the same period.

Credit card debtors consist mainly of individuals. At the end of 1996, no less than 97,8 per cent of outstan-

ding credit card debt was owed by the household sector. The outstanding amount of credit card debt is still relatively small and amounted to only 4 per cent of households' total bank debt at the end of 1996 (see Table 3).

Table 3. Classification of bank credit to households and companies by type of credit as percentage of total credit to relevant sector

Per cent

	End of 1992		End of 1994		End of 1996	
	Households	Companies	Households	Companies	Households	Companies
Instalment sale credit.....	9,3	12,2	8,9	17,2	9,9	19,5
Leasing finance	5,9	10,6	5,1	9,6	3,6	12,0
Credit cards	3,0	0,2	3,0	0,2	4,0	0,1
Mortgage loans	63,5	7,1	65,9	9,5	62,9	12,5
Other loans*.....	18,3	69,9	17,1	63,5	19,6	55,9
Total.....	100,0	100,0	100,0	100,0	100,0	100,0

* Including bills discounted

Table 4. Banks' net claims on household and corporate sectors

R millions

	End of 1992		End of 1994		End of 1996	
	Households	Corporates	Households	Corporates	Households	Corporates
Gross claims	115 430	72 584	153 979	91 221	217 978	122 582
Deposits.....	103 322	48 464	119 266	69 115	147 743	102 179
Net claims.....	12 108	24 120	34 713	22 106	70 235	20 403

Households' borrowing from banks consisted mainly of mortgage loans; in general more than 60 per cent of households' total borrowing from the banks was accounted for by mortgage advances. "Other" loans and advances amounted to an average of about 18 per cent of households' total use of bank loans.

Instalment sale credit and leasing finance used by companies increased from about 23 per cent of the corporate sector's total borrowings from banks in 1992 to 31 per cent in 1996. These types of credit arrangements became increasingly popular for the financing of company car schemes. "Other" loans and advances, however, still form the dominant type of credit used by companies.

In the operations of banks as financial intermediaries, the household and corporate sectors are not only important users of funds, but they also serve as major sources of funds for banks. Both these sectors are, however, indebted to the banks on a net basis (see Table 4). Banks therefore play an important role in funding both the household and corporate sector.

Banks' net claims on the household sector showed a substantial increase in recent years; the growth in the banks' gross claims on households outstripped the growth in households' deposit holdings with banks by a fair margin. Banks' gross claims on households increased on average by 17,2 per cent per year from 1992 to 1996, while households' deposit holdings with banks increased at an average rate of 9,4 per cent per year over the same period. As a result, banks' net claims on the household sector increased from R12 108 million in 1992, to R70 235 million in 1996, or at an average rate of 55,2 per cent per year.

Households' deposit holdings with banks were adversely affected by the development of alternative investment opportunities over a period when the personal savings propensity remained weak. At the same time, bank credit extension to households increased from 52,7 per cent of personal disposable income in 1992 to 64,7 per cent in 1996. Many new entrants to the formal sector of the economy made extensive use of readily available bank credit during this period of rapidly growing aggregate domestic demand.

Banks' net claims on the corporate sector declined from R24 120 million in 1992 to R20 403 million in

1996. Over this period, the deposit holdings of the corporate sector increased at an average annual rate of 20,5 per cent, whereas the banks' gross claims on companies increased at a much slower annual rate of 14,0 per cent. This was essentially a reflection of improved liquidity in the corporate sector during a period of general economic recovery and strong profit growth.

Classification of bank credit by sector of economic activity

Banks not only provide loans to a wide spectrum of borrowers in different geographical areas, but also aim for a broad sectoral diversification of their lending activities. Data on the classification of bank credit to the private sector according to economic activity are shown in Table 5.² The data for 1996 were compiled from information submitted biannually by banks and mutual banks in terms of the Regulations promulgated under the Banks Act. These data show a conspicuously large increase in bank credit to borrowers in the category "Other", which may indicate that an accurate classification of bank credit according to economic activity has not yet been fully implemented by all reporting banks.

Bank credit extension to the non-bank private sector by kind of economic activity broadly corresponded with the relative contribution of the various sectors to gross domestic product at factor cost. The tertiary private sector, which accounted for 48,7 per cent of gross

² Data on the sectoral classification of discounts and advances by the then commercial banks, merchant banks and "other" monetary banks as at the end of 1986, were published in the June 1988 *Quarterly Bulletin*. In order to obtain consistency in the data series, information published for the period prior to 1986 was adjusted for changes in the definition of the banking sector. The data contained in this publication for the years 1976 and 1986 differ from those published previously because credit extended to the private sector by former "non-monetary" banks and former building societies had been added to the previously released data series.

Table 5. Classification of bank credit to the private sector by kind of economic activity

	End of 1976		End of 1986		End of 1996	
	Amount	Percentage of total credit	Amount	Percentage of total credit	Amount	Percentage of total credit
		R millions		%		%
Primary sector.....	948	7,5	5 413	8,1	9 082	2,7
Agriculture.....	758	6,0	4 657	7,0	7 401	2,2
Mining.....	190	1,5	756	1,1	1 681	0,5
Secondary sector.....	1 771	14,1	9 909	14,8	31 620	9,2
Manufacturing.....	1 377	10,9	8 181	12,3	24 862	7,3
Construction.....	210	1,7	1 111	1,7	3 879	1,1
Electricity, gas and water.....	184	1,5	617	0,9	2 879	0,8
Tertiary sector.....	2 231	17,7	13 452	20,1	135 829	39,9
Trade and accommodation.....	846	6,7	3 580	5,4	19 910	5,8
Transport and communication.....	n/a	-	n/a	-	4 555	1,3
Real estate.....	352	2,8	1 963	2,9	57 355	16,9
Financial services.....	832	6,6	2 222	3,3	7 017	2,1
Other.....	201	1,6	5 687	8,5	46 992	13,8
Total (excluding individuals).....	4 950	39,3	28 774	43,1	176 531	51,8
Individuals.....	7 644	60,7	37 994	56,9	164 029	48,2
Total.....	12 594	100,0	66 768	100,0	340 560	100,0

domestic product at factor cost in 1996 (excluding the general government sector), in that year utilised 39,9 per cent of total bank credit extended to the private sector. Bank credit to the private tertiary sector of the economy as a percentage of total bank credit extension increased modestly at first from 17,7 per cent in 1976 to 20,1 per cent in 1986, but then almost doubled over the next 10 years. In contrast, the value added by the private tertiary sector as a percentage of gross domestic product increased more moderately from 43,5 per cent in 1976 to 48,7 per cent in 1996. This indicates that the tertiary sector increased its use of bank credit extensively over the past twenty years.

Value added by the secondary sector as a percentage of gross domestic product increased marginally from 35,4 per cent in 1976 to 36,2 per cent in 1996. However, bank credit extended to this sector as a percentage of total bank credit extension to the private sector declined from 14,1 per cent in 1976 to 9,2 per cent in 1996. The relative significance of the secondary sector as a user of bank credit has, accordingly, waned over the past twenty years.

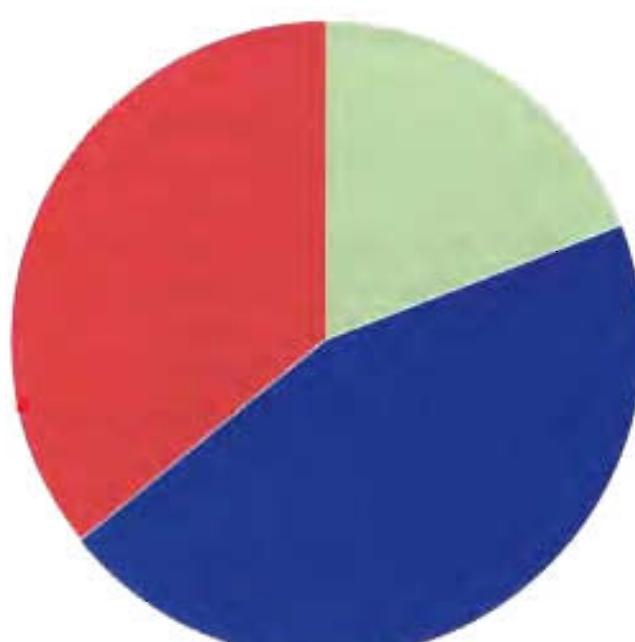
On balance, value added by the primary sector as a percentage of gross domestic product decreased from

21,1 per cent in 1976 to 15,1 per cent in 1996. However, bank credit to the primary sector, as a percentage of total bank credit extended to the private sector declined even more, viz. from 7,5 per cent in 1976 to only 2,7 per cent in 1996.

Bank credit to the agricultural sector as a percentage of total bank credit extended to the private sector increased from 6,0 per cent in 1976 to 7,0 per cent in 1986, before declining to only 2,2 per cent in 1996. In contrast, the agricultural sector's value added as a percentage of gross domestic product at factor cost showed a persistent decline from 8,3 per cent in 1976 to 6,4 per cent in 1986 and 5,5 per cent in 1996. As a result, bank credit utilised by this sector as a percentage of the value added by this sector increased from 35,9 per cent in 1976 to 63,6 per cent in 1986, before declining again to 32,8 per cent in 1996.

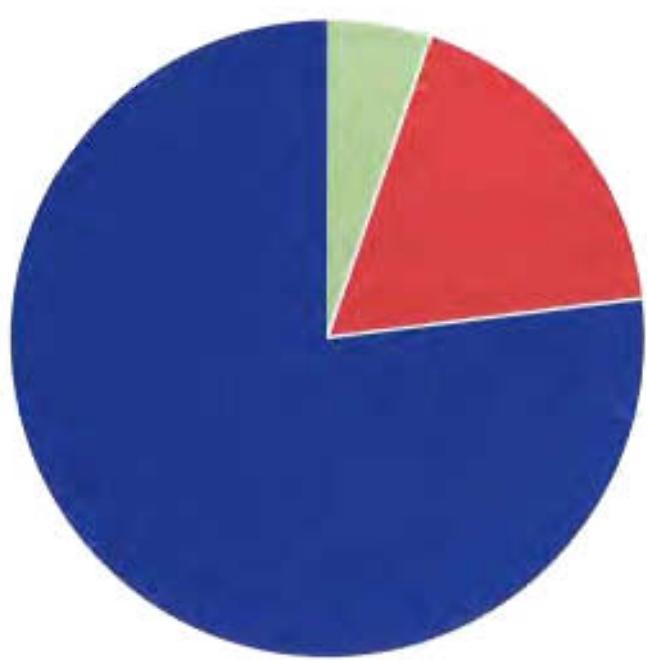
Mining in general is a capital-intensive industry. Given the high risks involved in mining exploration and the relatively long period before mining operations become profitable, such projects are mostly funded by equity capital and long-term debt. Only limited use is made of bank credit (see Table 5). Bank credit extension to the mining sector, as a percentage of total

Graph 7: Bank credit per economic sector as percentage of total bank credit to the private sector



1976

	%
Primary	7.5
Secondary	14.2
Tertiary	17.7



1996

	%
Primary	2.7
Secondary	9.2
Tertiary	39.9

bank credit to the private sector, decreased from an already low 1.5 per cent in 1976 to 1.1 per cent in 1986 and only 0.5 per cent in 1996. The mining sector's value added to the gross domestic product increased from 12.8 per cent in 1976 to 17.6 per cent in 1986 before falling back to 9.6 per cent in 1996. Bank credit utilised by the mining sector as a percentage of the value added to gross domestic product declined from 5.8 per cent in 1976 to 3.8 per cent in 1986, but then increased again to 4.3 per cent in 1996. This latter rise probably reflected an increased need for working capital in the mining sector as this sector's value added declined in real terms in 1996.

Bank credit to the manufacturing sector as a percentage of total bank credit extended to the private sector increased from 10.9 per cent in 1976 to 12.3 per cent in 1986, but decreased again to 7.3 per cent in 1996. This sector's smaller demand for bank credit in 1996 probably reflected an improvement in profitability and the availability of alternative sources of finance. The manufacturing sector's value added as a percentage of gross domestic product at factor cost increased on balance from 26.8 per cent in 1976 to 28.1 per cent in 1996. Manufacturing remained the single most important economic activity in the economy. Bank credit to the manufacturing sector as a percentage of

total bank credit to the private sector, however, remained relatively low compared with the contribution of this sector to the gross domestic product.

The value added by the sector electricity, gas and water as a percentage of gross domestic product increased from 3.1 per cent in 1976, to 4.9 per cent in 1986, but declined again to 4.6 per cent in 1996. Bank lending to this sector also remained relatively insignificant and declined from an already low 1.5 per cent of total bank credit to the private sector in 1976 to only 0.8 per cent in 1996. The activities of enterprises in this sector are such that long-term funding is preferred; their demand for bank credit is therefore relatively low.

Bank lending to businesses in the construction sector of the economy also amounted to a relatively small portion of total bank credit extended to the private sector, declining on balance from 1.7 per cent in 1976 to 1.1 per cent in 1996.

The nature of the activities of businesses in the sector "trade and accommodation" caused this sector to remain an important user of bank credit during the period 1976 to 1996. Bank credit extended to this sector as a percentage of the value added by this sector to gross domestic product increased from 21.6 per cent in 1976 to 25.6 per cent in 1996. This increase attests to the fact that the trade and accommodation sector increasingly

Table 6. Value added by kind of economic activity as percentage of nominal gross domestic product at factor cost

Sector	1976	1986	1996
Primary sector.....	21,1	24,0	15,1
Agriculture	8,3	6,4	5,5
Mining.....	12,8	17,6	9,6
Secondary sector.....	35,4	35,7	36,2
Manufacturing.....	26,8	26,7	28,1
Electricity, gas and water.....	3,1	4,9	4,6
Construction.....	5,5	4,0	3,5
Tertiary sector (excluding general government).....	43,5	40,3	48,7
Trade and accommodation.....	15,4	13,7	19,0
Other (excluding central government)	28,1	26,6	29,7

relies on bank credit for its financing requirements. Bank credit extended to trade and accommodation organisations, however, increased by less than total bank credit to the private sector, with the result that the portion of total bank credit apportioned to this sector declined from 6,7 per cent in 1976 to 5,8 per cent in 1996.

The available data indicate a substantial increase in bank credit extension to the category "Other" in the tertiary sector from 11,0 per cent of total bank credit extended to the private sector in 1976 to 14,7 per cent in 1986, and to 34,1 per cent in 1996. The contribution of this subsector to the gross domestic product only increased from 28,1 per cent in 1976 to 29,8 per cent in

1996. Bank credit utilised by these subsectors as a percentage of their contribution to gross domestic product consequently increased sharply from 19,4 per cent in 1976 to 32,5 per cent in 1986 and to no less than 95,1 per cent in 1996. This high ratio casts some doubt on the accuracy of the sectoral classification of bank credit at the end of 1996.

Conclusion

Banks were an important source of finance in South Africa during the period 1976 to 1996. Bank credit to the private sector continuously increased at a rate faster than the growth in the gross domestic product at market prices during this period. The growth in bank credit to the private sector differed among the various sectors of economic activity. Increases in bank lending also showed a relatively close inverse relationship with changes in the interest rate level, thereby attesting to the important role played by banks as conduits of monetary policy measures.

Bank lending to companies as a ratio of total bank lending to the private sector tended to decline as companies improved their cash management schemes, utilised new financial instruments and accessed more efficient markets to satisfy their funding requirements. Bank lending to households continued to increase unabatedly and the non-corporate sector now constitutes by far the larger portion of the banks' client base. Bank credit to the household sector consists mainly of mortgage loans, whereas companies obtained bank credit mainly by means of overdrafts and other loans. Both the corporate and household sectors are net debtors of the banks.

Banks maintained a well-diversified lending portfolio during the period under review. Bank credit to entities operating in the various sectors of economic activity, with some exceptions such as mining, tended to broadly resemble the sectors' contributions to the gross domestic product at factor cost. A clear shift in bank lending from entities in the primary and secondary sectors to entities in the tertiary sector occurred during the period 1986 to 1996. This partly reflects the growing importance of the services sector in the South African economy.

Table 7. Bank credit per sector as percentage of value added by kind of economic activity at factor cost

Sector	1976	1986	1996
Primary sector.....	17,7	19,8	14,7
Agriculture	35,9	63,6	32,8
Mining.....	5,8	3,8	4,3
Secondary sector.....	19,7	24,3	21,3
Manufacturing.....	20,2	26,8	21,6
Electricity, gas and water.....	23,7	11,0	15,2
Construction.....	15,1	24,3	27,1
Tertiary sector (excluding general government).....	20,2	29,2	68,0
Trade and accommodation.....	21,6	22,9	25,6
Other (excluding central government)	19,4	32,5	95,1

Kwartaallikse ekonomiese oorsig

Inleiding

Die belowende herstel in die groei in totale binnelandse produksie het blykbaar in die laaste kwartaal van 1996 momentum verloor toe die reële bruto binnelandse produk in die eerste kwartaal van 1997 teen 'n jaarkoers van 1 persent afgeneem het. Hoewel hierdie afname hoofsaaklik veroorsaak is deur die skerp daling in landbouproduksie vanaf die buitengewoon hoë vlakke wat in 1996 bereik is, het die groei in die sektore van die ekonomie buite die landbou in die eerste kwartaal van 1997 ook betekenisvol verlangsaam. Ondanks hierdie swakheid in die groei in produksie van kwartaal tot kwartaal, het die groei in totale produksie oor een jaar in die eerste kwartaal van 1997 nogtans $2\frac{1}{2}$ persent bedra en het dit in die nie-landbousektore van die ekonomie op 1% persent te staan gekom.

Die verlangsaming van die groei in produksie duï daarop dat die oplewing in die ekonomie wat sedert 1993 in swang is, sy einde kon bereik het of dat die boonste draaipunt van die konjunktuurgolf moontlik reeds verbygesteek is. Die saamgestelde samevallende konjunktuuraanwyser toon sedert die middel van 1995 'n geleidelik afwaartse neiging. Die betreklike sterk groei in produksie in die sekondêre sektore van die ekonomie gedurende die eerste kwartaal van 1997 het die tekens van 'n naderende afwaartse fase van die konjunktuurgolf weerspreek. Fabrieksproduksie veral, het nie net die opwaartse momentum wat sedert die laaste kwartaal van 1996 ontwikkel het volgehoud nie, maar in die eerste kwartaal van 1997 selfs heel betekenisvol versnel. Boonop mag die onlangse algemeen opwaartse neiging in die agterstand van onvoltooide bestellings moontlik duï op 'n voortsetting van die groei in fabrieksproduksie in die res van 1997. Dit is moontlik dat die veerkrachtige groei in fabrieksproduksie 'n stabilisrende faktor in 1997 mag wees.

Die daling in die vlak van totale reële binnelandse produksie in die eerste kwartaal van 1997 het saamgeval met 'n voortsetting van die werklike daling in die reële bruto binnelandse besteding wat sedert die derde kwartaal van 1996 voorgekom het. Die voorraadvlakke is in die eerste kwartaal van 1997 verminder en die groei in reële private verbruiksbesteding het bly afneem. 'n Afname in totale persoonlike beskikbare inkome het begin om die volgehoue besteding van private huishoudings te beperk. Reële vaste investeringsbesteding het in die eerste kwartaal van 1997 steeds gestyg, maar soos in die geval van private verbruiksbesteding, teen 'n baie laer koers. Ook in hierdie geval was die gebeure in die fabriekswese strydig met die algemene neiging: terwyl die groei in reële vaste

investering in die meeste sektore van die ekonomie verlangsaam het, het dié in die fabriekswese 'n stellige styging getoon, hoewel hierdie kapitaaluitgawes nie noodwendig werkverskaffing bevorder het nie.

Die reële owerheidsverbruiksbesteding het in die eerste kwartaal van 1997 teen 'n vinnige koers toegenem, en daardeur bygedra tot 'n afname in die reeds baie lae besparingsverhouding van die ekonomie. Met min aansporing aan ondernemings in die private sektor om hul besparingsgeneigdhede te versterk, sal die lae nasionale besparingsverhouding waarskynlik nog 'n geruime tyd voortduur. Aangesien die besparingsverhouding duidelik ontoereikend is om 'n hoër koers van produktiewe investering te finansier, raak die Suid-Afrikaanse ekonomie al hoe afhangeliker van die invloeiing van buitelandse investeringskapitaal om die produksie en werkskeppingsvermoë te verstewig.

Die versterking van die groei in produksie in die sektore van die ekonomie buite die landbou in die tweede helfte van 1996, het 'n positiewe uitwerking op die totale vlak van werkverskaffing in die formele sektore gehad. Die totale werkverskaffing het gevoldiglik in die vierde kwartaal van 1996 toegeneem. Hoewel hierdie styging in werkverskaffing nie naastenby voldoende was om enige inbreuk op die vlak van werkloosheid in die ekonomie te maak nie, was dit die eerste toename sedert 'n reeks kwartaallikse toenames in totale werkverskaffing in die vierde kwartaal van 1995 tot 'n einde gekom het. Dit is opmerklik dat die styging in werkverskaffing in die vierde kwartaal van 1996 slegs in die private sektor van die ekonomie voorgekom het. Net so betekenisvol is die feit dat hierdie styging in werkverskaffing, soos die vorige stylings wat vanaf die einde van 1994 tot aan die einde van 1995 aangeteken is, oor die algemeen met verlangsamings in die groeikoers van nominale arbeidseenheidskoste saamgeval het.

Prysinflasie het in die tweede helfte van 1996 versnel in reaksie op die depresiasi van die rand sedert die middel van Februarie 1996 en die sterker groei in die arbeidskoste per eenheid van produksie vanaf die derde kwartaal van 1995. 'n Mate van verlangsaming in die produksieprys- en verbruikersprysinflasie van kwartaal tot kwartaal het daarna in die eerste kwartaal van 1997 duidelik geword toe die rand begin het om teen die ander geldeenheide te appresieer en die groei in nominale arbeidseenheidskoste in die vierde kwartaal van 1996 stadiger toegeneem het. Dit is egter steeds onduidelik of hierdie verposing in die opwaartse beweging van prys in die komende kwartale sal voortduur en of die algemene afwaartse neiging in inflasie, wat sedert die vroeë negentigerjare plaasgevind het, hervat sal word. Die uitslag van die rondte van loononderhandelings wat tans aan die gang is, sal

belangrik wees vir die ontwikkeling van prysinflasie in die nabye toekoms.

Die afname in die vlak van totale binnelandse ekonomiese bedrywigheid het in die eerste kwartaal van 1997 tot 'n daling in die waarde en die omvang van invoer gelei. Ongelukkig het die waarde en die omvang van die uitvoer van goedere selfs meer gedaal, veral as gevolg van 'n onverwagte afname in die hoeveelheid betreklik prysonsensitiewe goedere wat uitgevoer is. Die vermindering in totale uitvoerverdienstes is vererger deur 'n daling in die dollar- en randprys van goud met die gevolg dat die tekort op die lopende rekening van die betalingsbalans, wat sedert die tweede kwartaal van 1996 geleidelik afgeneem het, in die eerste kwartaal van 1997 weer vergroot het.

Die netto invloeiing van kapitaal, wat gedurende die vierde kwartaal van 1996 positief geword het, het in die eerste kwartaal van 1997 verdere momentum verkry en was aansienlik groter as die absolute waarde van die tekort op die lopende rekening van die betalingsbalans. In teenstelling met die vierde kwartaal van 1996, toe die invloeiing van kapitaal oorwegend uit finansieringsmiddelle met 'n kort looptyd bestaan het, is die invloeiing van kapitaal in die eerste kwartaal van 1997 meesal by langtermynkapitaal ingedeel.

Nie-Inwonerbeleggers het gedurende die eerste kwartaal van 1997 lewendige belangstelling getoon om in die binnelandse effekte- en aandelemarkte te koop. Hoewel hierdie "portefeuiljebeleggings" op grond van hul aflossingstydperke as langtermynkapitaal bestempel word, verteenwoordig dit nie altyd 'n permanente investering in die ekonomie nie. Daar is egter genoegsame rede om te glo dat 'n beduidende deel van nie-inwoners se aankope van Suid-Afrikaanse effekte in die eerste kwartaal van 1997 die verskansingsteenhanger uitgemaak het van die Eurorand-effekte wat gedurende daardie kwartaal uitgereik is. Aangesien hierdie Eurorand-effekte meesal 'n looptyd van een jaar of langer het, sal hul verskansingsteenhangars waarskynlik ook oor 'n soortgelyke looptyd beskik. Nog 'n wesenlike kenmerk van die uitreiking van Eurorand-effekte is dat dit aanleiding gee tot vooruitaankope van rand, of anders gestel tot vooruitverkope van dollars, en sodoende die balans tussen die aankope en verkope in die binnelandse termynmark vir buitelandse valuta verbeter. Net so belangrik was egter dat 'n deel van die fondse wat deur die effekte- en aandelemarkte ingevloeい het geneutraliseer is deur die uitvloei van fondse wat met bate-ruitransaksies verband gehou het.

Die oorskot op die algehele betalingsbalans in die eerste kwartaal van 1997 het vir die tweede agtereenvolgende kalenderkwartaal 'n merkbare verbetering in die goud- en buitelandse reserwes van die land tot gevolg gehad. Dit het 'n positiever ingesteldheid in die mark vir buitelandse valuta geskep en die rand het vanaf die einde van Oktober 1996 tot die einde van April 1997 taamlik skerp verstewig. Die appresiasie van die rand is dus deels deur die oorskot op die

algehele betalingsbalans veroorsaak maar het ook die invloeiing van buitelandse kapitaal na die ekonomie beïnvloed. Ondanks die toename in die buitelandse ruilwaarde van die rand in die eerste kwartaal van 1997, het die rand in reële terme nogtans met ongeveer 8½ persent van Desember 1995 tot Maart 1997 gedepresieer, wat op 'n betekenisvolle toename in die internasionale mededingendheid van Suid-Afrikaanse vervaardigers oor hierdie tydperk dui.

Soos wat dikwels die geval is kort na 'n verhoging in Bankkoers en die uitleenkoerse van banke, het kredietverlening deur banke aan die private sektor in die eerste kwartaal van 1997 versnel. Die verstewiging van die groei in krediet aan die private sektor is aangehelp deur die behoefte om transaksies te finansier in 'n ekonomie waarin die nominale waarde van binnelandse besteding en die bedrywigheid in die finansiële markte vinnig uitgebrei het. Sekere strukturele faktore, soos die toetreden van baie Suid-Afrikaners tot die hoofstroom van die moderne sektor van die ekonomie en die verdere integrasie van Suid-Afrika in die internasionale finansiële markte het ook bygedra om die vraag na krediet hoog te laat bly. Die groei in kredietverlening is verder versterk deur 'n skerp toename in die eise van die monetêre sektor teen die regeringsektor, wat nie naastenby deur die relatiewe klein toename van regeringsdeposito's by die banksektor teengetrek is nie. Dit het alles bygedra tot 'n versnelling in die M3-geldvoorraad in die eerste kwartaal van 1997 teen 'n koers van toename wat aansienlik hoër was as die potensiële reële groeikoers van die ekonomie. Indien so 'n monetêre uitbreiding nie betrek word nie, sal dit onvermydelik 'n ernstige uitwerking op inflasieverwagtings en uitindelik op inflasie self hê.

Geldmarktoestande het in die eerste drie maande van 1997 stram gebly. Die afname in die waarde van munte en note in omloop buite die Reserwebank en 'n toename in die netto buitelandse bates van die Reserwebank het addisionele likiditeit aan die markte verleen. Dit is egter grootliks teengetrek deur die vermindering van likiditeit as gevolg van surpluses wat uit die Bank se termyntransaksies in buitelandse valuta gespruit het. Die Reserwebank het oor die algemeen toegelaat dat die mark die stram onderliggende vraag- en aanbodtoestande weerspieël maar was by tye bereid om bystand te verleen as 'n tekort aan likiditeit voorgekom het. Geldmarktoestande het gedurende April en Mei 1997 aansienlik minder stram geraak, hoofsaaklik as gevolg van 'n verdere verbetering in die netto buitelandse bates van die Reserwebank. Gedurende Mei moes 'n sterke likiditeitsinspuiting weens die verkryging van 'n aandelebelang deur buitelandse maatskappye in Telkom deur middel van opemark- en ander transaksies met 'n soortgelyke uitwerking uit die mark dreineer word.

Die verstewiging van die rand en die verbetering in die netto buitelandse bates van die Reserwebank het 'n positiever ingesteldheid tot gevolg gehad en is weer-

spieël deur rentekoerse in die mark wat gedurende die eerste drie maande van 1997 afwaarts begin beweeg het. Die opbrengskoerse op effekte het taamlik skerp gedaal, terwyl aandelepryse oor die algemeen in die eerste kwartaal van 1997 versnel het en meeste van die verliese van die laaste maande van 1996 herwin het. Bedrywigheid in die sekondêre aandele- en effektemarkte het indrukwekkend gestyg, terwyl die deelname van nie-inwoners in verhouding tot die totale omset in hierdie markte terselfdertyd groot toenames getoon het. Die deelname van nie-inwoners het natuurlik bygedra tot likiditeit in hierdie markte, maar die teenwoordigheid van nie-inwoners het ook bygedra tot 'n mate van potensiële bykomende onbestendigheid van die prysbewegings in hierdie markte.

Die fiskale beleidsingesteldheid van die nasionale regering is besig om toenemend ondersteuning te verleen aan die oorhoofse beleidsdoelwit om algehele finansiële bestendigheid te handhaaf. Die tekort op die lopende ontvangste- en uitgawerekkening van die Sentrale Regering in verhouding tot die bruto binnelandse produk, is in die fiskale jaar wat in Maart 1997 geëindig het verder verlaag en na verwagting sal dit in die huidige fiskale jaar selfs verder daal. 'n Primêre surplus, dlt wil sê 'n surplus van lopende inkomste teenoor uitgawes indien rentebetאלings nie in ag geneem word nie, word in die vooruitsig gestel vir die fiskale jaar wat in Maart 1998 eindig. Die gevær van 'n volgehoue styging in die verhouding van staatskuld tot die bruto binnelandse produk en die bedreiging wat so 'n verwikkeling vir algehele finansiële bestendigheid inhoud, is klaarblyklik uit die weg geruim. Nogtans moet die opwaartse neiging in belastingontvangstes en die totale regeringsuitgawes in verhouding tot die bruto binnelandse produk nog gestuit word.

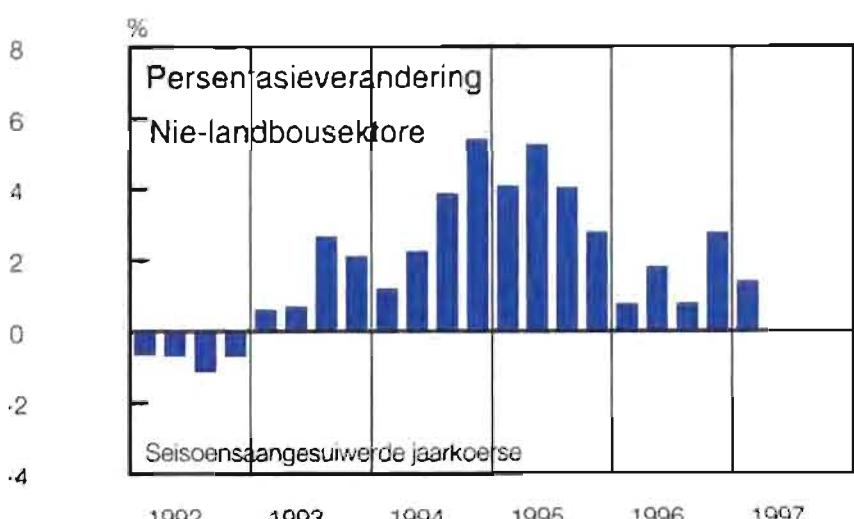
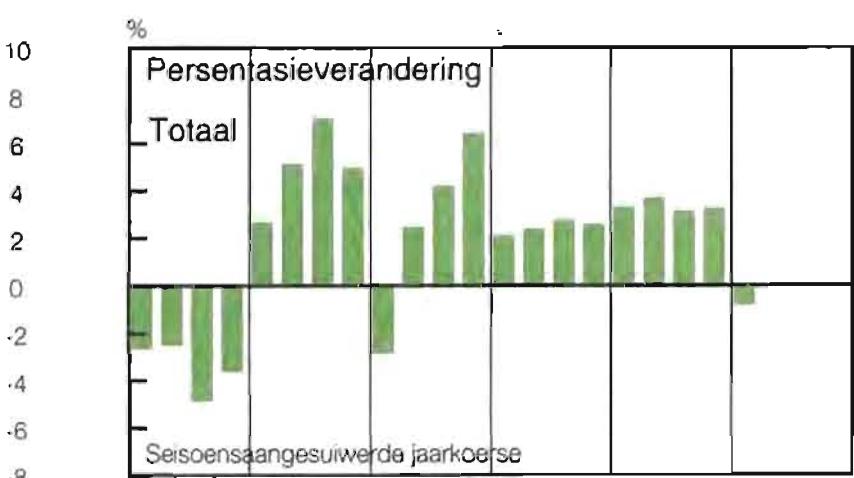
Binnelandse ekonomiese ontwikkelings

Binnelandse produksie

Die seisoensaangesuiwerde reële bruto binnelandse produk het in die eerste kwartaal van 1997 teen 'n jaarkoers van 1 persent gedaal. Hierdie inkrimping het op 'n ononderbroke reeks van 11 kwartaallikse toenames in die reële bruto binnelandse produk en groei van kwartaal tot kwartaal van 3 persent en meer in 1996 gevvolg. Die totale waarde van die reële bruto binnelandse produk in die eerste kwartaal van 1997 was nietemin steeds ongeveer 2½ persent hoër as in die eerste kwartaal van 1996.

Die daling in die reële bruto binnelandse produk in die eerste kwartaal van 1997 was hoofsaaklik 'n weer-spieëling van die skerp daling in die *reële toegevoegde waarde van die landbousektor*. Uitstekende klimaats-toestande gedurende die vorige groeiseisoen het die produksievlekke in die landbousektor in 1996 tot ongekende vlakke verhoog. Met die aanpassing van produksie in die eerste kwartaal van 1997 na 'n vlak wat as "normaal" bestempel kan word, het landbou-produksie teen 'n seisoensaangesuiwerde jaarkoers van 34 persent gedaal.

Reële bruto binnelandse produk



Tabel 1. Reële bruto binnelandse produk

Persentasieverandering teen seisoensaangesuiwerde jaarkoerse

Sektore	1996				1997	
	1e kw	2e kw	3e kw	4e kw	Jaar	1e kw
Primêre sektore	23	13	15	5½	8	-16
Nie-landbousektore	1	2	1	3	2	1½
Nie-primêre sektore	½	3	1½	2½	2	1½
Sekondêre sektore	½	3	½	2½	1	3½
Fabriekswese.....	-1	3	-1	2	½	3½
Tertiêre sektore	1	3	2	3	3	½
Totaal	3½	3½	3	3½	3	-1

Die reële produksie van die sektore *buite die landbou* het in die eerste kwartaal van 1997 bly toeneem, maar teen 'n jaarkoers van 1½ persent wat aansienlik laer was as die 3 persent wat in die vierde kwartaal van 1996 aangeteken is. Hierdie stadiger uitbreiding van produksie in die nie-landbousektore was in al die hoofsektore van die ekonomiese waarneembaar, behalwe in die sekondêre sektore waar groei in die eerste kwartaal van 1997 teen 'n koers van 3½ persent gehandhaaf is.

Die totale produksie van die *mynbousektor* wat in die eerste drie kwartale van 1996 gedaal, maar in die vierde kwartaal van 1996 teen 'n jaarkoers van sowat 1 persent toegeneem het, het sy afwaartse neiging in die eerste kwartaal van 1997 teen 'n koers van ½ persent voortgesit. Goudproduksie, in die besonder, het as gevolg van 'n vermindering in die hoeveelheid en die gehalte van gemaalde erts gedaal. Produksiehoeveelhede van die diamant- en steenkoolmynbou het ook effens gedaal, maar die reële toegevoegde waarde van die subsektor "ander mynbou" het klaarblyklik positief op die swakker rand en 'n verbetering in die internasionale prysen van sekere onedele metale en minerale gereageer.

Groei in die produksie van die sekondêre sektore het van 'n jaarkoers van 2½ persent in die vierde kwartaal van 1996 tot 3½ persent in die eerste kwartaal van 1997 verstewig. Dit was die sterkste groei van kwartaal tot kwartaal in sewe kwartale en was veral waarneembaar in die fabriekswese en in die sektor wat elektrisiteit, gas en water voorsien. Die groei in die reële produksie van die fabriekswese het van 2 persent in die vierde kwartaal van 1996 tot 3½ persent in die eerste kwartaal van 1997 versnel. Meeste van die belangrike subsektore binne die fabriekswese het bygedra tot die uitbreiding van produksie, maar opmerklike bydraes het veral van die subsektore klerasie, chemiese produkte en masjinerie, en vervoertoerusting gekom. Die reële toegevoegde waarde van die sektor wat elektrisiteit, gas en water voorsien het in die eerste kwartaal van 1997

toegeneem, ofskoon teen 'n koers van 4½ persent, wat effens laer was as die hoë groeikoerse van kwartaal tot kwartaal van tussen 5 en 6½ persent wat gedurende 1996 aangeteken is.

Die bedrywigheid van die tertiêre sektore het in die eerste kwartaal van 1997 merkbaar verlangsaam en die groei in die reële toegevoegde waarde van hierdie sektore het van 'n seisoensaangesuiwerde jaarkoers van 3 persent in die vierde kwartaal van 1996 tot ½ persent in die eerste kwartaal van 1997 gedaal. Saketoestande in die motor- en kleinhandel is nadelig geraak deur die afname in verkope. Die hoë vlakke van huishoudingskuld, die hoë rentekoste wat met hierdie skuld gepaardgaan en die feit dat die voorraad duursame verbruiksgoedere gedurende die sterk oplewing van verkope in 1995 en 1996 grootliks aangevul is, het die volgehoud sterk toename in die toegevoegde waarde van die kleinhandelsektor teengewerp. Die reële waarde wat deur die totale handelsektor toegevoeg is en wat in die vierde kwartaal van 1996 teen 'n jaarkoers van 3 persent gestyg het, het in die eerste kwartaal van 1997 met 1 persent gedaal. Die reële toegevoegde waarde van die sektor vervoer en kommunikasie het van die vierde kwartaal van 1996 tot die eerste kwartaal van 1997 min verandering getoon omdat die vlakke van bedrywigheid in hierdie sektor ingekort is deur 'n daling in die hoeveelheid goedere wat internasionaal verhandel en vervoer moes word.

Die groei in die reële toegevoegde waarde van die sektor finansies, versekering, vaste eiendom en sake-dienste het van 'n jaarkoers van 4 persent in die vierde kwartaal van 1996 tot 2 persent in die eerste kwartaal van 1997 verlangsaam, hoofsaaklik as gevolg van 'n verlangsamming van die groei in die reële toegevoegde waarde van die banksektor.

Binnelandse besteding

Die geleidelike afname in die totale reële bruto binnelandse besteding wat sedert die derde kwartaal van 1996 duidelik was, is in die eerste

Tabel 2. Reële bruto binnelandse besteding

Persentasieverandering teen seisoensaangesuiwerde jaarkoerse

Komponente	1996				1997	
	1e kw	2e kw	3e kw	4e kw	Jaar	1e kw
Private verbruiksbesteding	3½	4	3	2½	4	½
Verbruiksbesteding deur die algemene owerheid	6½	9	5½	4½	5	5½
Bruto binnelandse vaste investering	8	6	4½	2½	7	2
Verandering in voorrade (R miljarde)	1,4	6,7	3,0	0,2	2,8	-1,8
Bruto binnelandse besteding	1½	12	-2	-2	3	-½

kwartaal van 1997 voortgesit. Die jongste ramings duï daarop dat hierdie daling in die eerste kwartaal van 1997 op 'n seisoensaangesuiwerde jaarkoers van ½ persent te staan gekom het; in die derde en vierde kwartaal van 1996 is dalings teen jaarkoerse van 2 persent in die reële bruto binnelandse besteding aangeteken. Die vlak van die reële bruto binnelandse besteding in die eerste kwartaal van 1997 was nietemin steeds 1½ persent hoër as in die eerste kwartaal van 1996.

Die daling in die totale reële bruto binnelandse besteding in die eerste kwartaal van 1997 is hoofsaaklik deur 'n daling in die reële waarde van voorrade teweeggebring. Die groei in die reële private verbruiksbesteding het boonop verlangsaam, terwyl die reële bruto binnelandse vaste investering bly toeneem het teen 'n koers wat effens laer was as in die vierde kwartaal van 1996. In teenstelling hiermee het die reële verbruiksbesteding deur die algemene owerheid in die eerste kwartaal van 1997 sterk toegeneem.

Die groei in *reële private verbruiksbesteding*, wat reeds van 'n jaarkoers van 4 persent in die tweede kwartaal van 1996 tot 2½ persent in die vierde kwartaal verlangsaam het, het nog verder tot slegs ½ persent in die eerste kwartaal van 1997 gedaal. Hierdie verlangsaming in reële private verbruiks-

besteding in die eerste kwartaal van 1997 was die gevolg van 'n daling in die reële besteding aan duursame verbruiksgoedere en 'n verswakking van die groei in die reële besteding aan semi-duursame en nie-duursame goedere.

Die seisoensaangesuiwerde reële waarde van die besteding van *huishoudings aan duursame verbruiksgoedere* het in die eerste kwartaal van 1997 teen 'n jaarkoers van 2½ persent gedaal. Dit is deur 'n skerp daling in die reële besteding aan private vervoertoeusting en ander duursame goedere soos meubels en huishoudelike toestelle teweeggebring. Die koers van toename in die reële besteding aan *semi-duursame goedere*, in die besonder klerasie en skoeisel, sowel as die besteding aan nie-duursame goedere, het gedurende die eerste drie maande van 1997 verlangsaam. Die reële besteding van huishoudings aan *dienste* het in die eerste kwartaal van 1997 egter teen 'n jaarkoers van ongeveer 1 persent toegeneem wat min of meer dieselfde was as die groeikoerse wat in die derde en vierde kwartaal van 1996 aangeteken is.

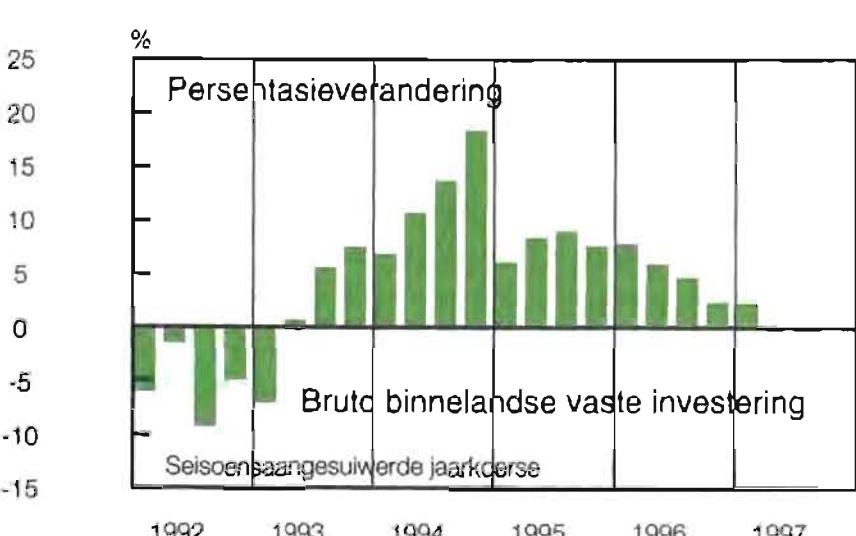
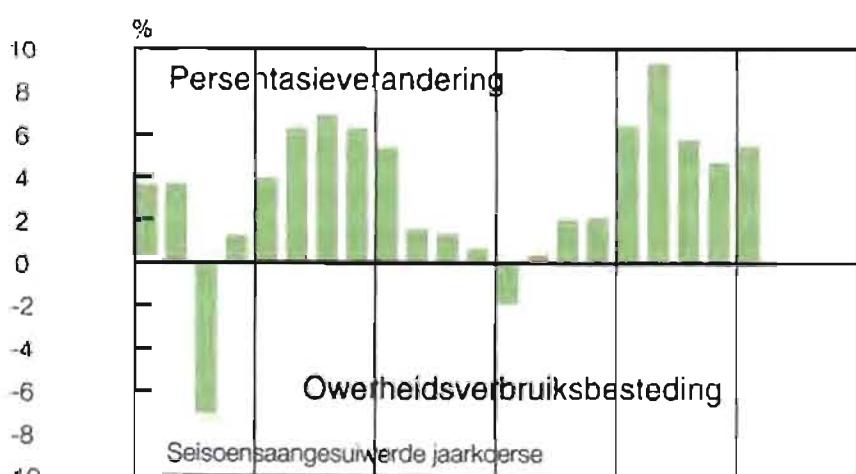
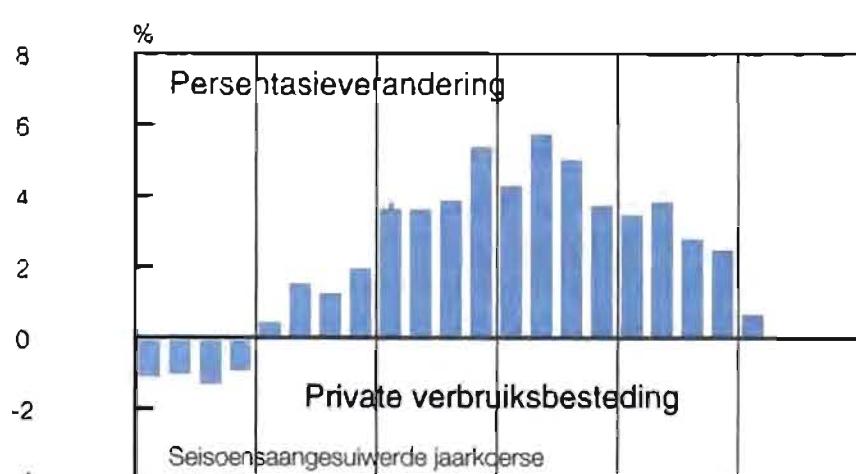
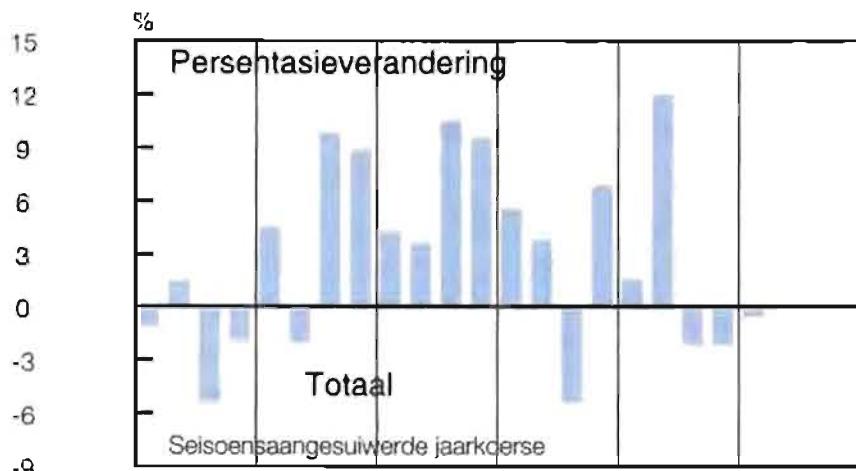
Die verswakking van die groei in private verbruiksbesteding teen die einde van 1996 en in die eerste kwartaal van 1997 was 'n weerspieëeling van die verbruiker se reaksie op 'n stel omstandighede

Tabel 3. Reële private verbruiksbesteding

Persentasieverandering teen seisoensaangesuiwerde jaarkoerse

Komponente	1996				1997	
	1e kw	2e kw	3e kw	4e kw	Jaar	1e kw
Duursame goedere	1½	11½	-1½	11½	6	-2½
Semi-duursame goedere	3	3	4	3½	3½	2½
Nie-duursame goedere	4½	3½	4	1	4	½
Dienste	3	2	1	1	3	1
Totaal	3½	4	3	2½	4	½

Reële bruto binnelandse besteding



wat oor tyd ontwikkel het, maar wat tot onlangs nie daarin kon slaag om die sterk uitbreiding van die reële besteding deur huishoudings in te perk nie. Hierdie omstandighede sluit in:

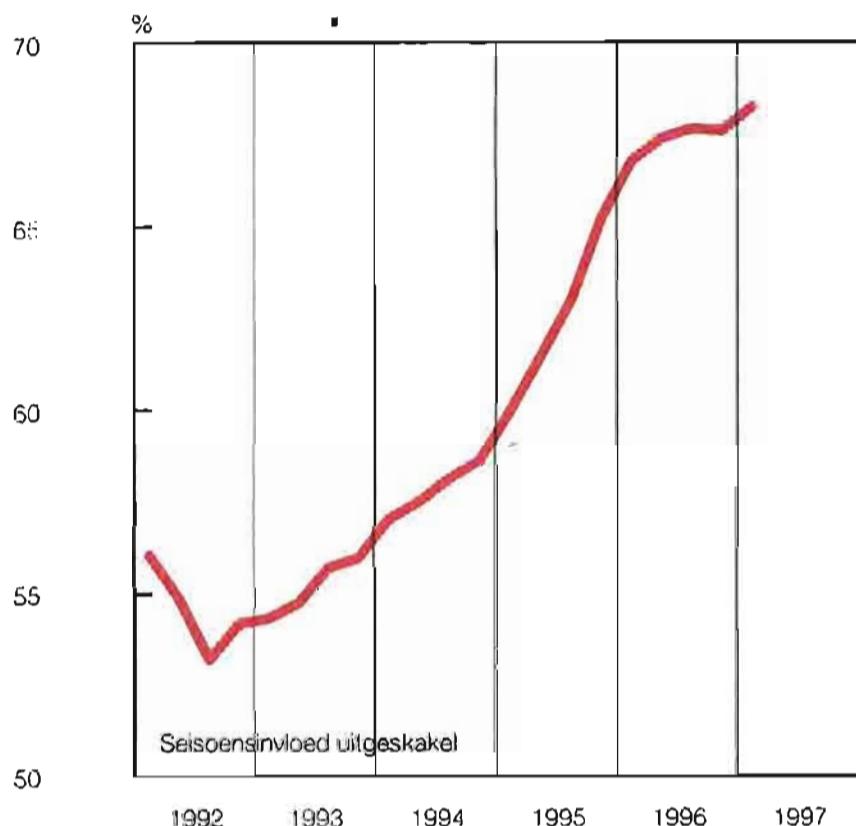
- die volgehoue toepassing van streng monetêre beleid en die gevolglike hoë vlak van rentekoerse;
- die hoë vlak van huishoudingskuld in verhouding tot persoonlike beskikbare inkome: die verhouding van huishoudingskuld tot persoonlike beskikbare inkome het in die eerste kwartaal van 1997 'n nuwe hoogtepunt van 68 persent bereik;
- die koste om huishoudingskuld te finansier, wat in die eerste kwartaal van 1997 ongeveer 14 persent van persoonlike beskikbare inkome uitgemaak het;
- die omsigtigheid van die groter kleinhandelaars met die uitreiking van handelsnaamkredietkaarte, wat veroorsaak het dat kredietgeriewe minder vryelik beskikbaar geraak het;
- kleiner toenames in salaris en lone en die stygende vlak van werkloosheid;
- 'n daling in die reële inkome van huishoudings uit eiendom; en
- die verswakkende welvaartsgevoel van huishoudings toe eiendoms- en aandelepryse gedurende 1996 nie daarin kon slaag om hul sterk opwaartse neiging vol te hou nie.

Volgens die jongste ramings het die *reële verbruiksbesteding deur die algemene owerheid* in die eerste kwartaal van 1997 teen 'n jaarkoers van $5\frac{1}{2}$ persent toegeneem, vergeleke met $4\frac{1}{2}$ persent in die laaste kwartaal van 1996. In die fiskale jaar 1996/97 het reële owerheidsverbruiksbesteding met byna 6 persent gestyg, terwyl die toename in die vorige fiskale jaar net 1 persent bedra het. Besteding aan goedere en dienste deur die algemene owerheid in die eerste kwartaal van 1997 was ongeveer $6\frac{1}{2}$ persent hoër as in die ooreenstemmende kwartaal 'n jaar tevore; as 'n persentasie van die bruto binnelandse produk het dit van 20% persent in die eerste kwartaal van 1996 tot $21\frac{1}{2}$ persent in die eerste kwartaal van 1997 toegeneem.

Nadat die groei in die totale *reële bruto binnelandse vaste investering* van 'n toename teen 'n jaarkoers van 8 persent in die eerste kwartaal van 1996 tot $2\frac{1}{2}$ persent in die vierde kwartaal afgeneem het, het dit in die eerste kwartaal van 1997 verder tot ongeveer 2 persent verlangsaam. Dit het veroorsaak dat die vlak van die reële bruto binnelandse vaste investering in die eerste kwartaal van 1997 nagenoeg $3\frac{1}{2}$ persent hoër was as in die ooreenstemmende kwartaal van 1996.

Die totale reële bruto binnelandse vaste investering van die *private sektor* het in die eerste kwartaal van 1997 teen 'n jaarkoers van 2 persent toegeneem, wat aansienlik laer was as die gemiddelde koers van toename van 6 persent per kwartaal wat gedurende 1996 aangeteken is. Dit was nietemin die sesstiende agtereenvolgende styging in die reële vaste investering van die private sektor. Gevolglik was die vlak van vaste

Huishoudingskuld as persentasie van persoonlike beskikbare inkomme



kapitaalvorming van die private sektor in die eerste kwartaal van 1997 ongeveer 38 persent hoër as by die onderste draaipunt van die golfbeweging van investering deur die private sektor in die eerste kwartaal van 1993.

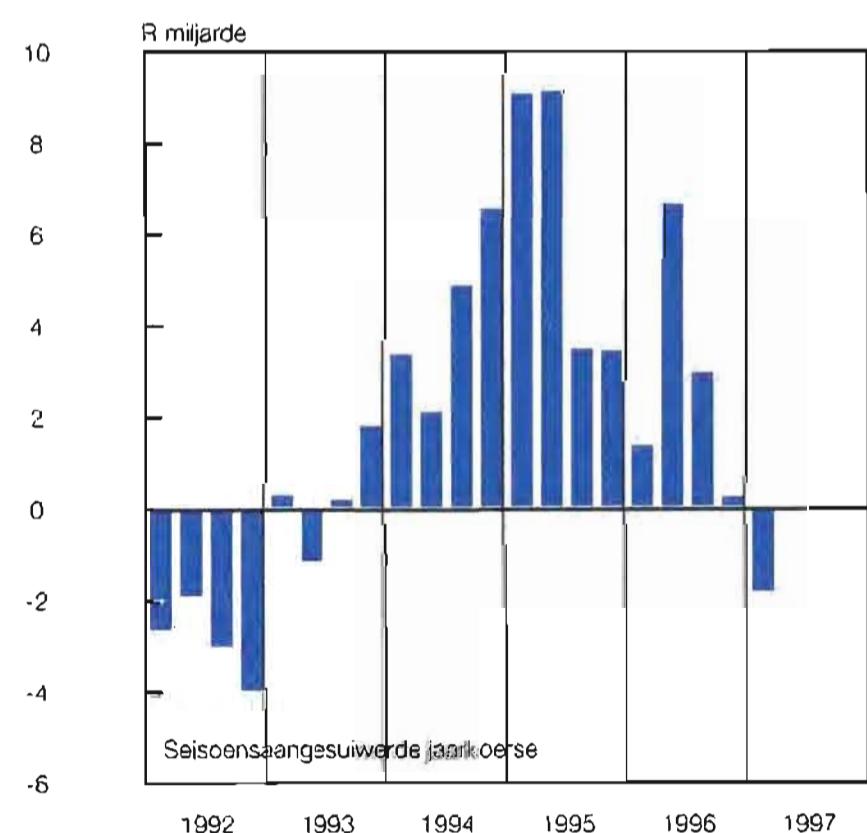
Met die uitsondering van die mynboubedryf, het al die hoofsektore van ekonomiese bedrywigheid gedurende die eerste kwartaal van 1997 bygedra tot die groei in die reële vaste investering van private sakeondernemings. Aansienlike toenames kon veral in die fabriekswesesektor (teen 'n geraamde koers van ongeveer 4½ persent) en in die landbousektor waargeneem word. Vaste investering deur die private sektor is verder deur die ontwikkeling van nuwe kleinhandelinkopiesentra en hotelle aangehelp, terwyl investering in woongeboue betreklik lewendig gebly het, veral in hoëdigtheidseenhede wat deur streng veiligheidsmaatreëls gekenmerk word.

Reële vaste investering deur *openbare korporasies* wat in die laaste drie kwartale van 1996 teen seisoensaangesuiwerde jaarkoerse van tussen 2 en 12½ persent gedaal het, het in die eerste kwartaal van 1997 met 1½ persent toegeneem. Die openbare korporasies wat verantwoordelik is vir die verskaffing van elektrisiteit en kommunikasiedienste was hoofsaaklik vir die hoër vlak van investeringsbedrywigheid verantwoordelik, omdat hulle met die verskaffing van noodsaaklike dienste in die onderontwikkelde streke van die land voortgegaan het.

In die eerste kwartaal van 1997 het die reële bruto binnelandse vaste investering deur die *openbare owerhede* teen 'n jaarkoers van ongeveer 4 persent toegeneem. Dit het gevolg op toenames van kwartaal tot kwartaal van tussen 2 en 6 persent gedurende 1996. Hierdie toename in die eerste kwartaal van 1997, soos dié in voorafgaande kwartale, het op sentrale, provinsiale en plaaslike owerheidsvlak voorgekom en was 'n weerspieëeling van die vordering met die implementering van infrastrukturele ontwikkeling ingevolge die heropbou- en ontwikkelingsmikpunte van die regering.

Die geleidelike verlangsaming in die pas waarteen voorrade in die tweede helfte van 1996 opgebou is, is in die eerste kwartaal van 1997 deur 'n daling in die vlak van voorrade gevolg. Hierdie daling in die vlak van voorrade en die gevoldlike negatiewe verandering in voorraadinvestering in die eerste kwartaal van 1997, was hoofsaaklik in die skerp daling in strategiese olievoorraad, en in die voorrade van die mynbou, fabriekswese, kleinhandel en motorhandel waarneembaar. Positiewe voorraadinvestering het nog in die groothandel en in die landbouvoorraad in die handel voorgekom, maar dit was betreklik onbeduidend in vergelyking met die vermindering van voorrade in die ander sektore van die ekonomie. Die vlak van nywerheids- en handelsvoorraad as 'n persentasie van die bruto binnelandse produk het van 18½ persent in die vierde kwartaal van 1996 tot 18 persent in die eerste kwartaal van 1997 afgeneem.

Verandering in totale reële voorrade



Faktorinkome

Die groei oor vier kwartale in die totale *nomiale faktorinkome* teen markpryse het van 12 persent in die vierde kwartaal van 1996 tot 10½ persent in die eerste kwartaal van 1997 afgeneem. Hierdie verlangSAMING van die groei in die nominale inkome was te wyte aan aansienlik laer toenames in die bedryfsurplusse van sakeondememings en onveranderde groei van jaar tot jaar in die totale arbeidsvergoeding.

Groei in die *nomiale bruto bedryfsurplusse* van sakeondernemings, gemeet oor tydperke van vier kwartale, het van 15½ persent in die vierde kwartaal van 1996 tot 10 persent in die eerste kwartaal van 1997 afgeneem. Hierdie swakker groei was die gevolg van skerp dalings in die bruto inkome van boere en in die bruto bedryfsurplus van die mynbousektor. Die goudmynboubedryf is nadelig geraak deur die toename in die eksterne waarde van die rand en die gelyktydige daling in die dollar-prys van goud wat noodwendig 'n negatiewe uitwerking op die winsgewendheid van die bedryf gehad het. Die groei oor vier kwartale in die nominale bruto bedryfsurplus van die sekondêre en tersiêre sektore het van 15 persent in 1996 tot 11 persent in die eerste kwartaal van 1997 afgeneem. Hierdie afname was in ooreenstemming met die algemene verlangSAMING in die pas van ekonomiese bedrywigheid in die eerste drie maande van 1997.

Die koers van toename van jaar tot jaar in die totale vergoeding van werknemers het in die eerste kwartaal van 1997 onveranderd gebly op die koers van 10½

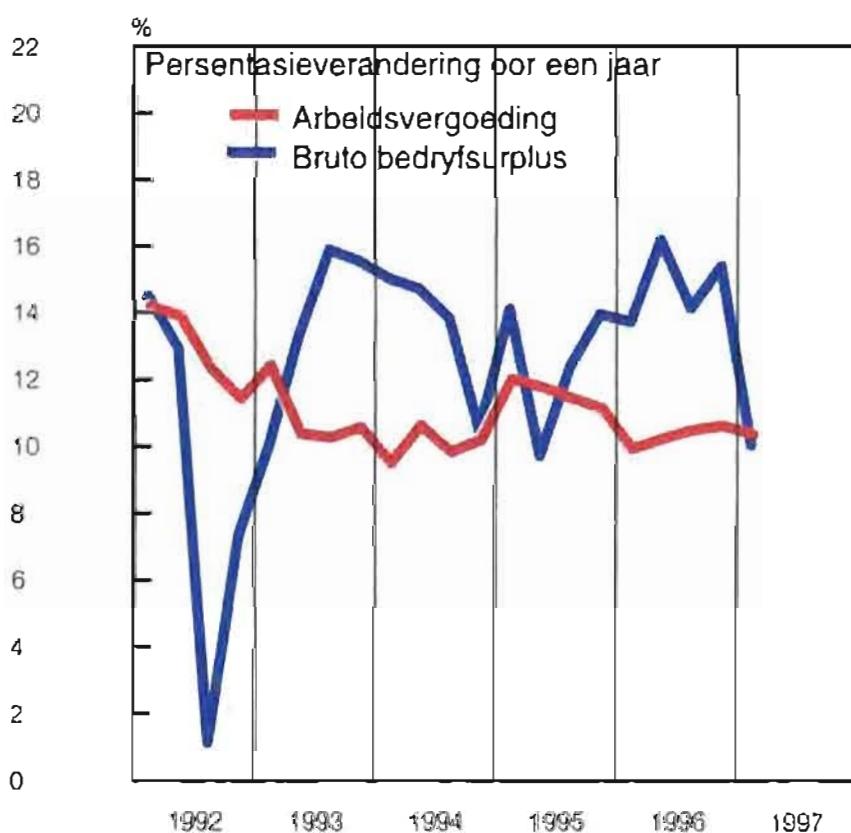
persent wat in die vierde kwartaal van 1996 aangeteken is. Hierdie betreklike onbuigsaamheid in die groei oor vier kwartale in werknemersvergoeding was in feitlik al die sektore van die ekonomie waarneembaar en was die gevolg van klein dalings in die vlak van werkverskaffing in die nie-landbousektore van die ekonomie en betreklik matige salaris- en loonaanpassings tot en met die eerste kwartaal van 1997. Die toename in die vergoeding van werknemers het egter steeds die styging in die totale bruto bedryfsurplus oortref, wat daartoe gelei het dat die verhouding van die vergoeding van werknemers tot die totale faktorinkome effens van 59 persent in die vierde kwartaal van 1996 tot 59½ persent in die eerste kwartaal van 1997 toegeneem het.

Binnelandse besparing

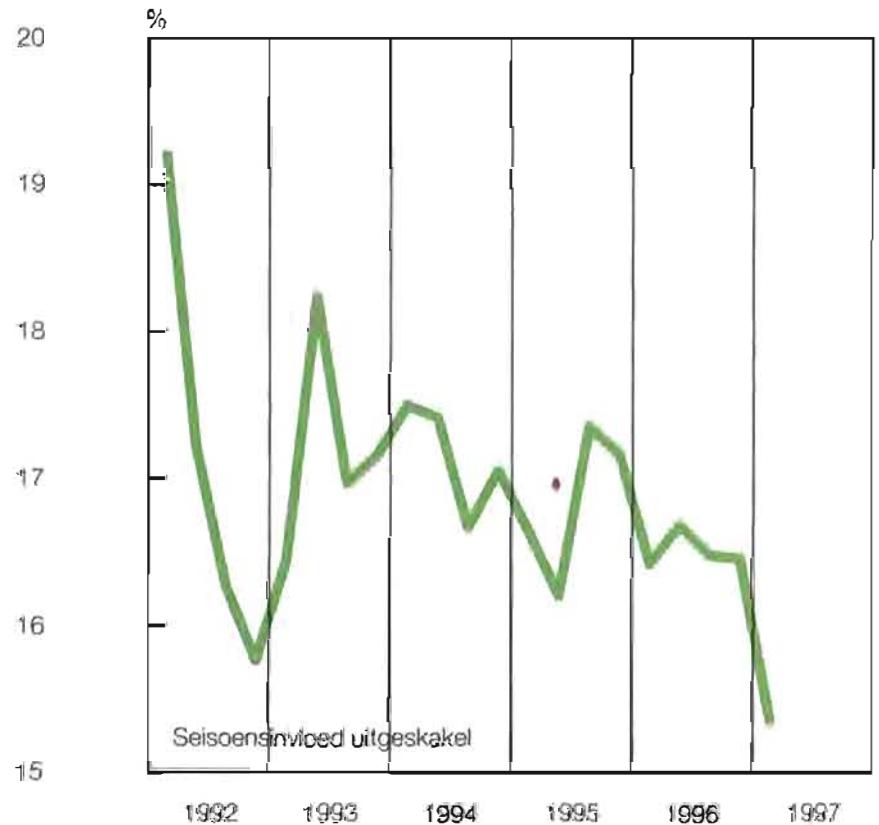
Die verhouding van die totale *bruto binnelandse besparing* tot die bruto binnelandse produk het van 16½ persent in die vierde kwartaal van 1996 tot 15½ persent in die eerste kwartaal van 1997 gedaal. Hierdie lae besparingsverhouding, wat die gevolg was van 'n volgehoue hoë vlak van ontsparing deur die algemene owerheid en 'n verswakking in die besparingsgeneigdheid van die private sektor, verdien dringende aandag in die lig van die behoefte om vaste investering in die ekonomie te bevorder met die oog op die bevordering van werkverskaffing.

Netto ontsparing deur die algemene owerheid as 'n persentasie van die bruto binnelandse produk het van

Bruto bedryfsurplus en arbeidsvergoeding



Bruto binnelandse besparing as persentasie van bruto binnelandse produk



3½ persent in die vierde kwartaal van 1996 tot 4 persent in die eerste kwartaal van 1997 verswak. Hierdie agteruitgang is veroorsaak deur 'n versneling in die besteding deur die algemene owerheid, hoofsaaklik aan goedere en dienste en rentebetalings op staatskuld, wat nie ten volle deur 'n styging in direkte en indirekte belasting gedek kon word nie. Die verlangsaming in die groei van die bedryfsurplus en die gevoulgleke verswakking in die netto besparing van die maatskappysektor was verantwoordelik vir 'n daling in die besparing van die private sektor van 6½ persent van die bruto binnelandse produk in die vierde kwartaal van 1996 tot 6 persent in die eerste kwartaal van 1997.

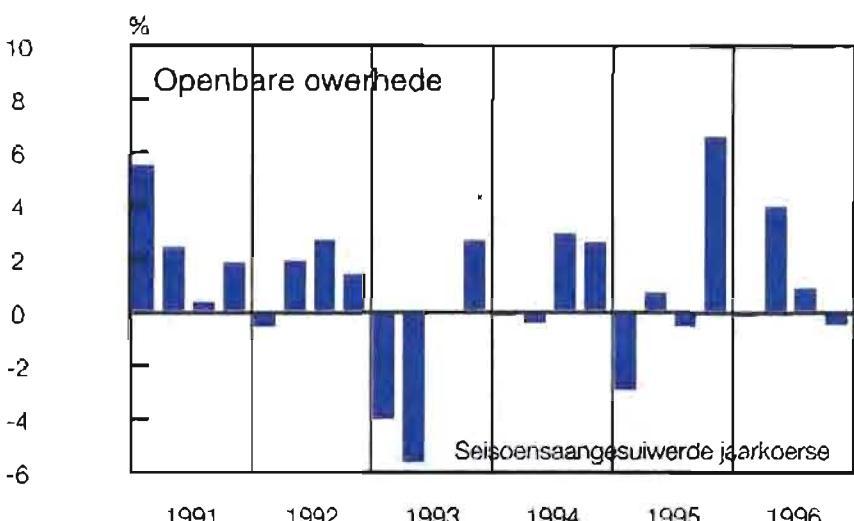
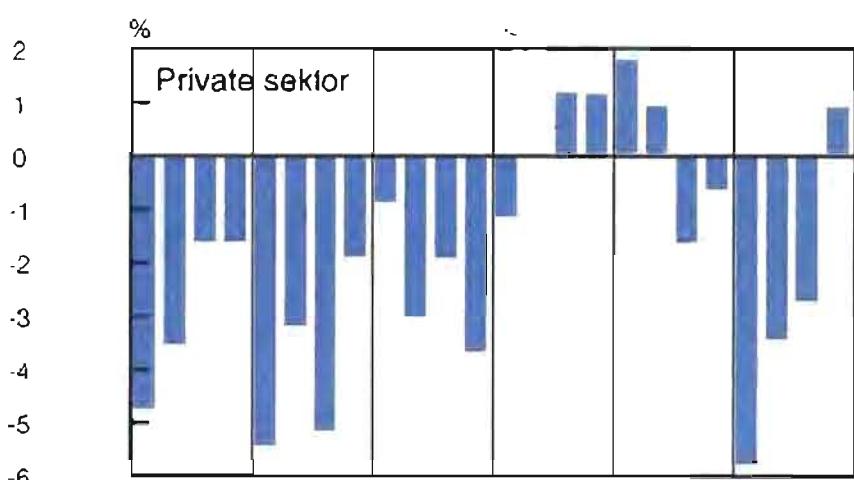
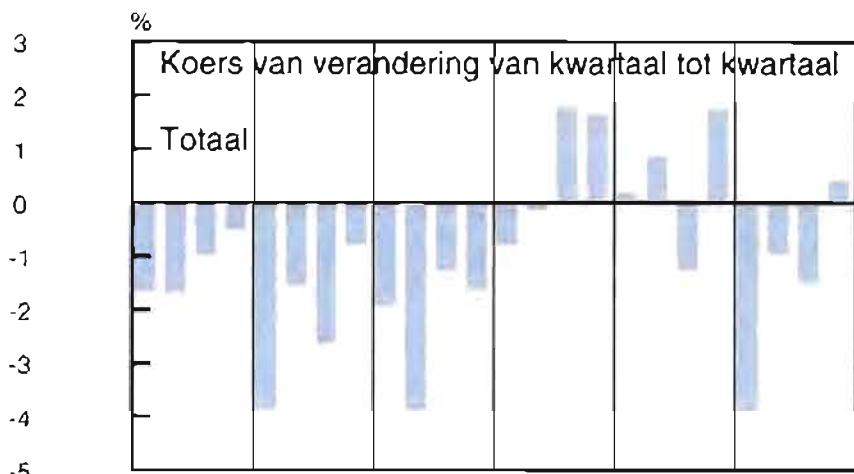
Werkverskaffing

Totale werkverskaffing in die formele sektore van die ekonomie buite die landbou het in die vierde kwartaal van 1996 teen 'n seisoensaangesuiwerde jaarkoers van 0,4 persent toegeneem. Dit was die eerste kwartaallikse toename in totale werkverskaffing in die formele sektor sedert die vierde kwartaal van 1995. Afnames van kwartaal tot kwartaal teen seisoensaangesuiwerde jaarkoerse van 3,9 persent in die eerste kwartaal van 1996, 1,0 persent in die tweede kwartaal en 1,5 persent in die derde kwartaal het die toename in totale werkverskaffing in die vierde kwartaal voorafgegaan. Die gemiddelde vlak van werkverskaffing in die formele sektore van die ekonomie buite die landbou was gevoulglek in 1996 steeds 1,1 persent laer as die gemiddelde vlak wat in 1995 aangeteken is. Hierdie afname in 1996 het die algehele afname in werkgeleenthede in die formele sektore van die ekonomie oor die tydperk 1989 tot 1996 op 7,0 persent te staan gebring. Ongeveer een uit elke veertien werkgeleenthede wat in 1989 bestaan het, het met ander woorde in die daaropvolgende sewe jaar tot niet gegaan.

Werkverskaffing in die *private sektor* het vir vyf opeenvolgende kwartale tot en met die derde kwartaal van 1996 afgeneem teen seisoensaangesuiwerde jaarkoerse wat tussen 0,6 persent en 5,8 persent gewissel het, maar daarna in die vierde kwartaal met 0,9 persent toegeneem. Die toename in werkgeleenthede in die private sektor het gedurende die vierde kwartaal van 1996 in die mynbou- en konstruksiesektor, die kleinhandel en die versekeringswese voorgekom, terwyl afnames in werkgeleenthede steeds in die fabriekswese, die opwekking van elektrisiteit, banke en die private padvervoersektor voorgekom het. Ten spyte van die verhoging in totale werkverskaffing deur die private sektor gedurende die laaste kwartaal van die jaar, het die gemiddelde vlak van werkverskaffing in hierdie sektor in 1996 nogtans teen 'n koers van 2,7 persent afgeneem.

Totale werkverskaffing deur *openbare owerhede* het in sowel 1994 as 1995 met 0,5 persent toegeneem. 'n Klein afname in werkverskaffing deur die openbare sektor teen 'n seisoensaangesuiwerde jaarkoers van 0,2 persent is daarna in die eerste kwartaal van 1996

Werkverskaffing buite die landbou



aangeteken, gevoulglek deur 'n sterk toename teen 'n koers van 3,9 persent in die tweede kwartaal en 0,9 persent in die derde kwartaal. Hoewel werkverskaffing deur die openbare sektor in die vierde kwartaal weer teen 'n koers van 0,5 persent afgeneem het, was die gemiddelde vlak van werkverskaffing in hierdie sektor in 1996 nogtans 2,0 persent hoër as in 1995. As 'n persentasie van totale werkverskaffing in die formele sektore buite die landbou, het werkverskaffing deur die openbare sektor van 30,3 persent in die eerste kwartaal van 1990 tot 34,7 persent in die vierde kwartaal van 1996 toegeneem.

Die afname in die gemiddelde vlak van werkverskaffing in die formele sektor is ook in die toename van 8,3 persent in die gemiddelde *getal geregistreerde werklose persone* in 1996 weerspieël. In Desember verlede jaar was die totale getal geregistreerde werklose persone ongeveer 283 000.

'n Belangrike onlangse ontwikkeling wat waarskynlik die reguleringsomgewing waarbinne die arbeidsmark funksioneer kan verander, was die publikasie van die Konsepwet op Basiese Diensvoorwaardes in April 1997. Die doel van die Konsepwet is om ekonomiese ontwikkeling en maatskaplike geregtigheid te bevorder deur basiese diensvoorwaardes daar te stel en af te dwing. Die Wet is op 'n wye reeks werkgewers en werkneemers van toepassing en stel onder andere 'n korter werkweek, langer vakansieverlof en 'n hoër premie vir oortydwerk voor. 'n Voorstel is ook ingedien dat 'n besigheidsheffing ingestel word ten einde 'n opleiding- en onderwysstrategie vir die land te befonds. In soverre die inwerkingstelling van hierdie voorstelle kan lei tot 'n verhoging in die loon- en nie-loonkoste van arbeid, kan dit nadelige gevolge vir die algehele vlak van werkverskaffing in die formele sektore van die ekonomie inhoud.

Arbeidskoste en produktiwiteit

Die koers van toename van jaar tot jaar in die gemiddelde *nominale vergoeding per werker* het van 10,4 persent in 1993 tot 11,9 persent in 1994 versnel. Dit het daarna in 1995 tot 9,4 persent teruggeval, voordat dit weer in 1996 tot 'n koers van 10,2 persent verstewig het. Die koers van toename oor vier kwartale in nominale vergoeding per werker het ononderbroke van 'n mees onlangse laagtepunt van 7,1 persent in die tweede kwartaal van 1995 tot 11,1 persent in die eerste kwartaal van 1996 versnel. Groei in die nominale vergoeding het in die tweede en die derde kwartale van 1996 effens afgeneem,

maar toe in die vierde kwartaal redelik betekenisvol tot 9,1 persent verlangsaam.

Die nominale vergoeding per werker in die *private sektor* het met 10,0 persent in 1994, 11,2 persent in 1995 en 10,7 persent in 1996 toegeneem. Indien die koers van toename oor een jaar kwartaalliks gemeet word, het dit van 12,5 persent in die eerste kwartaal van 1996 tot 10,4 persent in die tweede kwartaal en 11,2 persent in die derde kwartaal afgeneem. 'n Verlangsaming in die nominale loontoenames in die fabriekswesese sektor en in die groot-, klein- en motorhandel het daartoe geleid dat die koers van toename oor vier kwartale in vergoeding per werker in die private sektor daarna tot 8,8 persent in die vierde kwartaal van 1996 afgeneem het.

Die toename in vergoeding per werker in die *openbare sektor* het van 'n koers van 14,9 persent in 1994 tot 6,5 persent in 1995 verlangsaam, maar daarna in 1996 tot 8,9 persent versnel. In teenstelling met die verloop van vergoeding in die private sektor, het die koers van toename oor vier kwartale in die vergoeding per werker in die openbare sektor van 8,4 persent in die derde kwartaal van 1996 tot 9,0 persent in die vierde kwartaal versnel – 'n koers van toename wat naastenby dieselfde was as dié van werkers in die private sektor in daardie kwartaal.

Die koers van toename in die *reële vergoeding per werker* in die nie-landbousektore van die ekonomie (soos deur die prysdeflator vir die nie-landbou bruto binnelandse produk gedefleer) het van 3,2 persent in 1994 tot 0,8 persent in 1995 en 0,5 persent in 1996 verlangsaam. Die regering se strategie vir Groei, Werkverskaffing en Herverdeling het 'n afname van 0,5 persent in reële lone vir 1996 in die vooruitsig gestel. Hoewel reële vergoeding per werker in die kalenderjaar 1996 in die geheel toegeneem het, het dit nogtans oor een jaar teen 'n koers van 1,1 persent in die vierde kwartaal afgeneem. Hierdie afname is egter deur betreklike sterk jaar-tot-jaar-groeikoerse in die eerste drie kwartale van 1996 voorafgegaan.

Reële produksie per werker in die sektore van die ekonomie buite die landbou het met 2,7 persent in 1994, 3,3 persent in 1995 en 3,0 persent in 1996 toegeneem. Die toename in produktiwiteit in 1995 was die grootste wat sedert 1984 aangeteken is. Hierdie hoë koerse van toename in produktiwiteit was die gevolg van plaaslike produsente se reaksie op verskerpte mededinging van buitelandse verskaffers, asook binnelandse kostendruk wat deels uit werkers se eise vir hoër nominale lone gespruit het. Die reaksie van binnelandse produsente het ook tot 'n verdere toename in die kapitaalintensiteit van produksieprosesse in die Suid-Afrikaanse ekonomie geleid, met die gevolg dat die vraag na arbeid en groei in werkverskaffing onderdruk is.

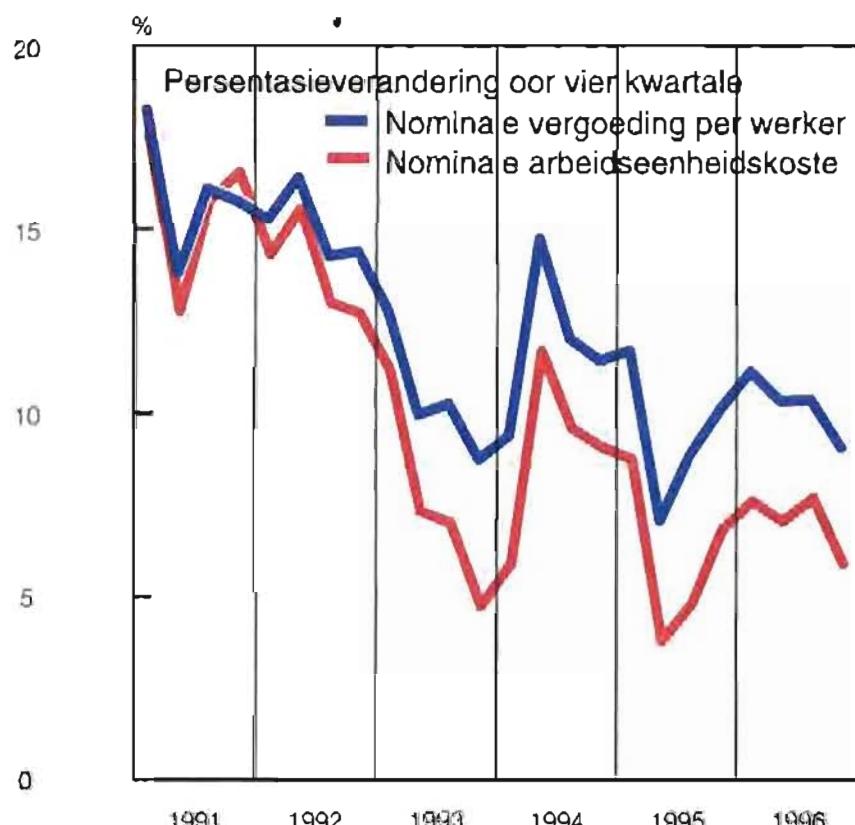
Die sterk groei in produktiwiteit in die onlangse jare het tot betreklik lae koerse van toename in die *nominale arbeidseenheidskoste* geleid. Die styging van jaar tot jaar in die nominale arbeidseenheidskoste het

Tabel 4. Arbeidskoste en produktiwiteit

Pesentasieverandering oor een jaar

Tydperk	Vergoeding per werker		Produk- twiteit	Nominale arbeidseen- heidskoste
	Nominaal	Reëel		
1995: 1e kw....	11,7	2,9	2,8	8,7
	2e kw....	7,1	-1,0	3,2
	3e kw....	8,9	0,6	3,9
	4e kw....	10,1	0,8	3,1
	Jaar.....	9,4	0,8	3,3
1996: 1e kw....	11,1	2,0	3,3	7,5
	2e kw....	10,3	0,6	3,1
	3e kw....	10,4	0,4	2,5
	4e kw....	9,1	-1,1	3,1
	Jaar.....	10,2	0,5	3,0

Nominale vergoeding per werker en nominale arbeidseenheidskoste



in 1995 tot 5,9 persent afgeneem – die laagste koers van toename van jaar tot jaar sedert 1972. Die versnelling in die nominale loongroei en die geringe afname in produktiwiteitsgroei het daarna gesamentlik die groei in die nominale arbeidseenheidskoste tot 7,0 persent in 1996 laat versnel. Die toename oor vier kwartale in die *nominale arbeidseenheidskoste* het egter van koerse hoër as 7 persent in die eerste drie kwartale van 1996 tot 5,8 persent in die vierde kwartaal verlangsaam.

Pryse

Die laer groei in die arbeidskoste per eenheid van produksie was 'n belangrike faktor wat bygedra het om

die inflasiekoers in 1995 en die eerste kwartaal van 1996 te laat verlangsaam. Die stadiger toename in arbeidskoste in 1995 is deur die deurlopende toepassing van 'n teeninflasionêre monetêre beleid, die verlaging van tariewe op ingevoerde goedere, betreklik klein toenames in voedselprysse en die relatiewe sterkte van die rand in die mark vir buitelandse valuta tot die middel van Februarie 1996 bewerkstellig. Die verlangsaming in inflasie is in die tweede kwartaal van 1996 omgekeer toe sekere van die kragte wat inflasie teruggehou het van rigting verander het en verdere opwaartse druk op prys begin uitoeft het: die rand het in Februarie 1996 begin depresieer, die styging in die nominale arbeidseenheidskoste het vanaf die vierde kwartaal van 1995 begin versnel, voedselprysstygings het vinnig versnel en die snelle uitbreiding van geld- en kredietgrootte het aanleiding gegee tot die voortsetting van verwagtings van hoë inflasie. Dit wil voorkom asof die tempo van prysinflasie in die eerste kwartaal van 1997 weer eens verlangsaam het.

Inflasie, soos gemeet aan veranderings in die *omvattende produksieprysindeks*, het van 9,6 persent in 1995 tot 6,9 persent in 1996 gedaal. Die toename van kwartaal tot kwartaal teen 'n seisoensaangesuiwerde jaarkoers het per saldo van 'n jongste hoogtepunt van 14,3 persent in die eerste kwartaal van 1995 tot 5,1 persent in die eerste kwartaal van 1996 gedaal, maar toe momentum herwin en in die vierde kwartaal van 1996 tot 12,7 persent versnel voordat dit in die eerste kwartaal van 1997 weer tot 8,4 persent verlangsaam het. Gemeet oor tydperke van twaalf maande, het omvattende produksieprysinflasie in April 1996 tot 5,3 persent afgeneem, voordat dit tot 9,3 persent in Februarie 1997 en 9,6 persent in Maart versnel het. Die koers in Maart 1997 was die hoogste koers wat in 21 maande waargeneem is.

Die bewegings in die prysse van *binnelands geproduseerde goedere* was min of meer 'n weerspieëeling van die omvattende produksieprysindeks. Die koers van toename van jaar tot jaar in die prysse van binnelands geproduseerde goedere het van 9,9 persent in 1995 tot 7,5 persent in 1996 gedaal. Die koers van toename van

Tabel 5. Die koers van toename van kwartaal tot kwartaal in prysse

Seisoensaangesuiwerde jaarkoerspersentasie

Kwartaal	Ingevoerde goedere	Binnelands geproduseerde goedere	Omvattende produksie-pryse	Verbruikers-pryse	Onderliggende inflasie
1996: 1e kw.....	6,0	4,8	5,1	9,1	6,4
2e kw.....	7,3	6,8	6,9	7,6	8,5
3e kw.....	2,9	11,4	9,3	8,9	9,0
4e kw.....	18,1	11,4	12,7	11,6	12,6
1997: 1e kw.....	12,4	7,2	8,4	9,5	7,4

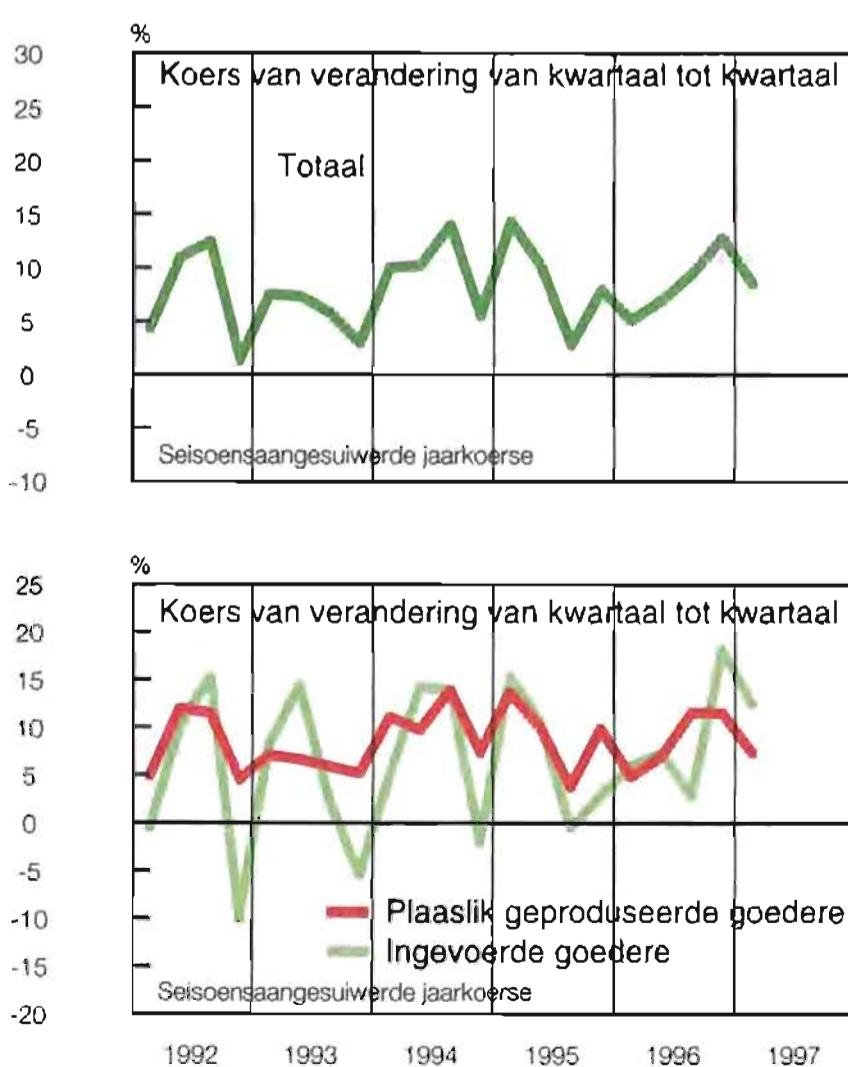
kwartaal tot kwartaal in die pryse van binnelands geproduseerde goedere het van 'n seisoensaangesuiwerde jaarkoers van 13,6 persent in die eerste kwartaal van 1995 tot 4,8 persent in die eerste kwartaal van 1996 verlangsaam, net om weer tot 11,4 persent in die vierde kwartaal te versnel. Hoërs voedselpryse in die landbou en stygende arbeidseenheidskoste het tot die versnelling in die pryse van binnelands geproduseerde goedere bygedra. Die toename van kwartaal tot kwartaal in die pryse van binnelands geproduseerde goedere het in die eerste kwartaal van 1997 weer tot 7,2 persent verlangsaam. Die koers van toename oor twaalf maande in die pryse van binnelands geproduseerde goedere het onlangs van 5,9 persent in April 1996 tot 9,2 persent in Februarie 1997 en 9,5 persent in Maart versnel.

Die koers van toename van jaar tot jaar in die pryse van ingevoerde goedere het hoofsaaklik as gevolg van die betreklike prysstabilitet in Suid-Afrika se belangrikste handelsvennootlande en die sterkte van die rand in die laaste helfte van 1995, van 7,6 persent in 1995 tot 5,3 persent in 1996 gedaal.¹ Teen seisoensaangesuiwerde jaarkoerse en van kwartaal tot kwartaal het die pryse van ingevoerde goedere toegeneem teen koerse wat oor die algemeen versnel het, van 6,0 persent in die eerste kwartaal van 1996 tot 18,1 persent in die vierde

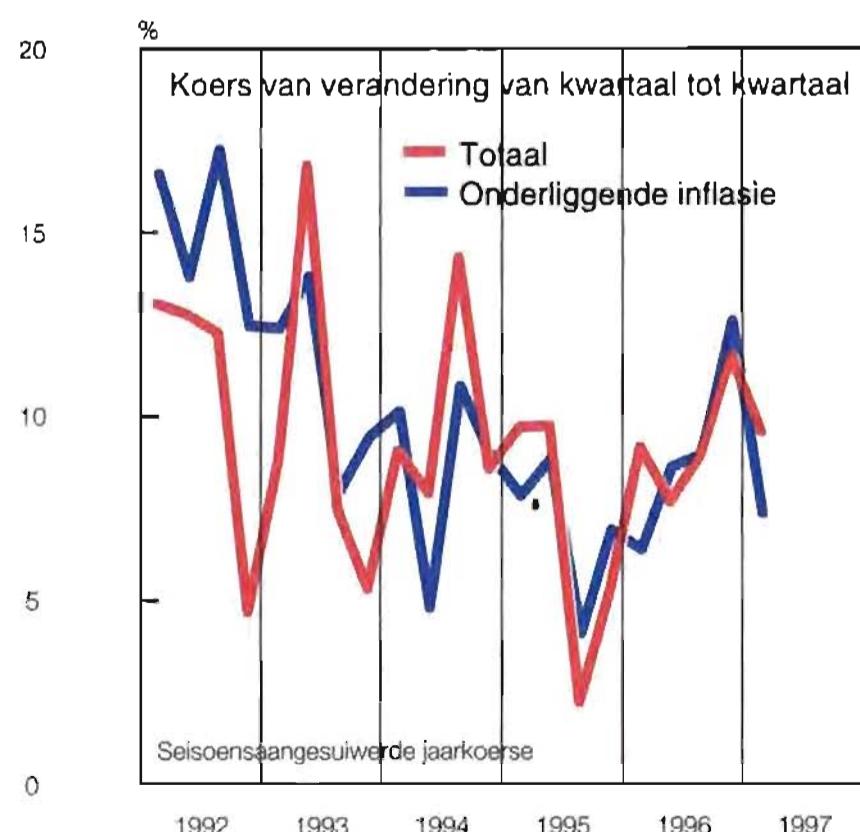
kwartaal. Die versnelling in die pryse van ingevoerde goedere is ietwat onverwag onderbreek deur 'n klein styging van kwartaal tot kwartaal van slegs 2,9 persent in die derde kwartaal van 1996. Dit was eerstens die gevolg van 'n daling in die pryse van ingevoerde mynbou- en steengroefprodukte wat ru-olie insluit, en tweedens vanweë die feit dat die pryse van goedere wat ongeveer een derde van die gewig van die ingevoerde komponent van die produksieprysindeks uitmaak gedurende die derde kwartaal van 1996 geen verandering getoon het nie. Die opname van die pryse van hierdie kategorie van goedere is vir 'n aantal maande gedurende 1996 nie gedoen nie. In die eerste kwartaal van 1997 het die toename van kwartaal tot kwartaal in die pryse van ingevoerde goedere weer tot 12,4 persent verlangsaam, hoofsaaklik as gevolg van die verstewiging van die eksterne waarde van die rand. Die koers van toename in die pryse van ingevoerde goedere, gemeet oor tydperke van twaalf maande, het van 3,2 persent in April 1996 tot 10,3 persent in Februarie 1997 en 10,1 persent in Maart versnel.

Die toename van kwartaal tot kwartaal teen 'n seisoensaangesuiwerde jaarkoers in die omvattende verbruikersprysindeks het van 14,3 persent in die derde kwartaal van 1994 tot 'n laagtepunt van 2,2 persent in die derde kwartaal van 1995 gedaal. Hierdie koers van toename in prys het vervolgens per saldo tot 11,6 persent in die vierde kwartaal van 1996 versnel, voordat dit in die eerste kwartaal van 1997 tot 9,5 persent teruggesak het. Die toename in die omvattende

Produksieprysindeks



Verbruikersprysindeks



verbruikersprysindeks, gemeet oor tydperke van twaalf maande, het van 5,5 persent in April 1996 (die laagstevlak sedert Junie 1972) tot 9,8 persent in Februarie 1997, 9,6 persent in Maart en 9,9 persent in April versnel.

Onderliggende *inflasie* (dit wil sê die verandering in die omvattende verbruikersprysindeks, met die uitsluiting van die pryse van voedsel en nie-alkoholiese drank, huiseienaarskoste en die belasting op toegevoegde waarde) gemeet van kwartaal tot kwartaal, het van 'n seisoensaangesuiwerde jaarkoers van 4,1 persent in die derde kwartaal van 1995 tot 12,6 persent in die vierde kwartaal van 1996 versnel, maar toe merkbaar tot 7,4 persent in die eerste kwartaal van 1997 verlangsaam. Die onderliggende inflasiekoers gemeet oor tydperke van twaalf maande het nietemin van 'n lae 6,3 persent in Mei 1996 tot 9,7 persent in Februarie 1997 versnel, voordat dit ietwat tot 9,2 persent in Maart en 9,4 persent in April verlangsaam het.

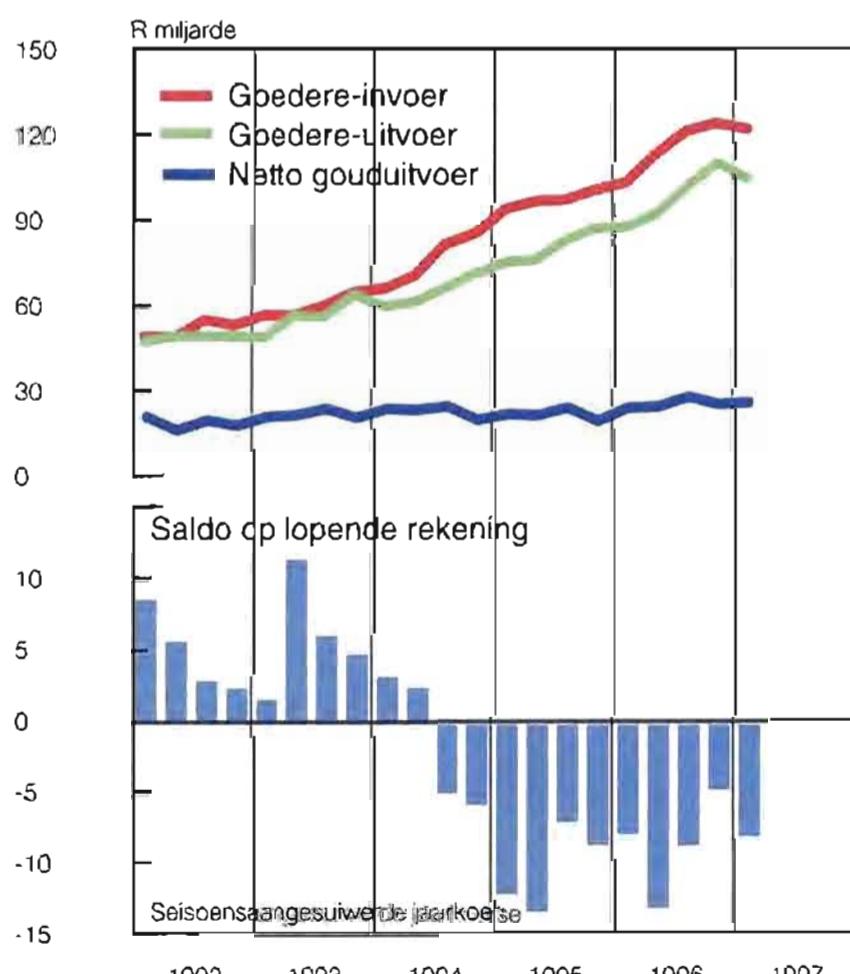
Buitelandse handel en betalings

Lopende rekening

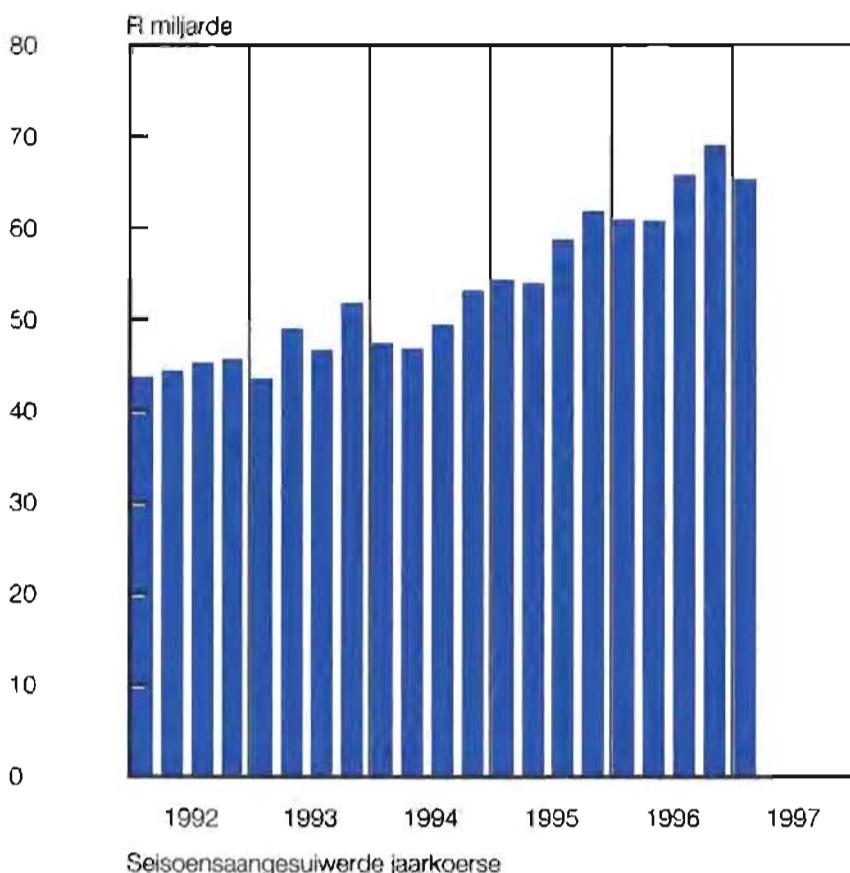
Die tekort op die lopende rekening van die betalingsbalans het van R0,1 miljard in die vierde kwartaal van 1996 tot R1,9 miljard in die eerste kwartaal van 1997 vergroot, hoofsaaklik omdat die uitvoerhoeveelhede van betreklik prydonsensitiewe goedere gedaal het. Gerekken teen 'n seisoensaangesuiwerde jaarkoers, het die tekort van R4,7 miljard in die vierde kwartaal van 1996 tot R7,9 miljard in die eerste kwartaal van 1997 toegeneem. Voor die vierde kwartaal van 1996 het die tekort (seisoensaangesuiwerd en teen 'n jaarkoers) van R12,9 miljard in die tweede kwartaal van daardie jaar vernou. In verhouding tot die bruto binnelandse produk, het die tekort op die lopende rekening in die eerste kwartaal van 1997 op 1,4 persent te staan gekom. Dit vergelyk met 'n gemiddelde verhouding van 'n tekort van 1,6 persent in 1996.

Die waarde van goedere-uitvoer (seisoensaangesuiwerd en teen 'n jaarkoers) wat in die tweede helfte van 1996 sterk toegeneem het, het met ongeveer 5 persent van R111,0 miljard in die vierde kwartaal van 1996 tot R105,6 miljard in die eerste kwartaal van 1997 gedaal. Hierdie daling was hoofsaaklik die gevolg van 'n

Lopende rekening



Fisiese omvang van goedere-uitvoer



afname van 5½ persent in die hoeveelheid goedere wat in die eerste kwartaal van 1997 uitgevoer is. Ondanks hierdie daling, was die fisiese omvang van goedere-uitvoer in die eerste kwartaal van 1997 steeds 7½ persent hoër as die gemiddelde kwartaallikse vlak in die eerste helfte van 1996.

'n Ontleding van die veranderings in die waarde van uitvoer volgens soort produk toon dat skerp dalings in die kategorieë plantaardige produkte, veral eetbare vrugte en neute, en edel- en halfedelstene aangeteken is. Die waarde van uitvoer in die kategorieë voertuie en vervoertoerusting en papierprodukte het ook noemenswaardig gedaal, terwyl toenames in die kategorieë masjinerie en elektriese toerusting en tekstielprodukte

voorgekom het sodat die totale waarde van die uitvoer van vervaardigde goedere slegs effens gedaal het.

Nadat internasionale grondstofpryse regdeur 1995 en 1996 gedaal het, het dit in die eerste kwartaal van 1997 gestyg. Die potensieel voordeelige uitwerking van hierdie styging in grondstofpryse op uitvoerverdienstes is deels deur die appresiasie van die rand gedurende die vroeë maande van 1997 teengewerk.

Die waarde van die *netto gouduitvoer* het marginaal van 'n seisoensaangesuiwerde jaarkoers van R26,2 miljard in die vierde kwartaal van 1996 tot R26,8 miljard in die eerste kwartaal van 1997 gestyg. Die *fisiese omvang van die gouduitvoer* het in die eerste kwartaal van 1997 sterk gestyg omdat verkope uit voorrade wat tevore by myne opgebou is, by verkope van die hêersende produksie gevoeg is. Hierteenoor het die gemiddelde vasstellingsprys van goud op die internasionale mark van VSA\$376,00 per fyn ons in die vierde kwartaal van 1996 tot \$351,21 per fyn ons in die eerste kwartaal van 1997 gedaal. Dalende inflasie en die gevvolglike laer inflasieverwagtings in die nywerheidslande, stygende rentekoerse in die Verenigde State en gerugte van toekomstige goudverkope deur sentrale banke het onder die faktore getel wat nadelig op goudprysbewegings ingewerk het. Die waarde van goudverkope is ook deur die betreklike sterkte van die rand teenoor die dollar beïnvloed, wat meegebring het dat die waarde in rand van die goudprys van R1 743,85 per fyn ons in die vierde kwartaal van 1996 tot R1 584,57 in die eerste kwartaal van 1997 gedaal het. In April 1997 het die gemiddelde prys van goud per fyn ons nog verder tot \$344,59, of R1 532,18, gedaal.

Normaalweg groei die waarde van *goedere-invoer* stadiger of word dit negatief wanneer die groei in die reële bruto binnelandse besteding verlangsaam. In hierdie geval het die waarde van goedere-Invoer (seisoensaangesuiwerd en teen 'n jaarkoers) van R124,8 miljard in die vierde kwartaal van 1996 tot R122,9 miljard in die eerste kwartaal van 1997 gedaal. Invoerhoeveelhede, wat vanaf die derde kwartaal van 1996 tot die vierde kwartaal met ongeveer 2 persent gedaal het, het

Tabel 6. Saldo op die lopende rekening van die betalingsbalans

Seisoensaangesuiwerde jaarkoerse

R miljarde

	1996				1997
	1e kw	2e kw	3e kw	4e kw	1e kw
Goedere-uitvoer.....	88,5	93,1	102,6	111,0	105,6
Netto gouduitvoer.....	24,9	25,3	28,7	26,2	26,8
Goedere-invoer.....	-104,1	-114,1	-122,2	-124,8	-122,9
Netto dienste- en oordragbetalings.....	-17,1	-17,2	-17,7	-17,1	-17,4
Saldo op lopende rekening.....	-7,8	-12,9	-8,6	-4,7	-7,9

in die eerste kwartaal van 1997 met 'n verdere $\frac{1}{2}$ persent afgeneem. Die afwaartse beweging in die waarde van goedere-invoer gedurende die eerste kwartaal van 1997 het effens verswak weens 'n daling van 1 persent in die plaaslike geldeenheidswaarde van die pryse van ingevoerde goedere, hoofsaaklik as gevolg van die onlangse versterking van die rand en lae prysinflasie in handelsvennootlande.

Die daling in die waarde van die invoer van goedere het veral in die kategorieë landbouprodukte en vervaardigde goedere voorgekom. Hierdie dalings is deels teengewerk deur hoër invoerwaardes van edel- en halfedelstene en mineraalprodukte, insluitende ruolie.

Netto dienste- en oordragbetalings aan nie-inwoners, wat van 'n hoogtepunt van R17,7 miljard in die derde kwartaal van 1996 tot R17,1 miljard in die vierde kwartaal gedaal het, het in die eerste kwartaal van 1997 weer tot R17,4 miljard toegeneem. Hoewel ontvangste vir dienste op grond van hoër toeristebesteding deur buitelandse besoekers aan Suid-Afrika en hoër beleggingsinkomste vanaf die res van die wêreld toegeneem het, het die betalings vir dienste deur Suid-Afrikaners wat na ander dele van die wêreld gereis het, asook dividend- en rentebetalings aan buitelandse beleggers, selfs meer gestyg.

Kapitaalrekening

Soos wat verwag kan word in omstandighede waar die geldeenheid verstewig, het die groot netto kapitaalinvloeiing (nie verwant aan reserwes nie) wat in die vierde kwartaal van 1996 'n aanvang geneem het, in die eerste kwartaal van 1997 voortgeduur. Die totale netto invloeiing van kapitaal wat nie aan reserwes verwant is nie het trouens van R3,3 miljard in die vierde kwartaal van 1996 tot R3,6 miljard in die eerste kwartaal van 1997 toegeneem. Vergelykenderwys het die totale netto invloeiing van sodanige kapitaal in die kalenderjaar 1996 in die geheel ongeveer R3,9 miljard beloop. Anders as in

die vierde kwartaal van 1996, toe kapitaalbewegings deur 'n invloeiing van korttermynkapitaal oorheers is, was die invloeiinge in die eerste kwartaal van 1997 oorwegend van 'n langtermynnaard.

Langtermynkapitaalbewegings het van 'n uitvloeiing van R1,2 miljard in die vierde kwartaal van 1996 tot 'n netto invloeiing van R4,8 miljard in die eerste kwartaal van 1997 verander. Die invloeiing van langtermynkapitaal in die eerste kwartaal van 1997 was hoofsaaklik bestem vir instellings in die nie-bank private sektor en die openbare sektor, met inbegrip van openbare korporasies. In teenstelling met hierdie bewegings, het die bestendige uitvloeiing van langtermynkapitaal vanaf die banksektor, wat in elke kwartaal van 1996 waargeneem is, in die eerste kwartaal van 1997 voortgeduur.

Verreweg die grootste deel van die invloeiing van langtermynkapitaal gedurende die eerste kwartaal van 1997 het bestaan uit nie-inwoners se netto aankope van effekte op die plaaslike effektemark en van aandele wat op die Johannesburgse Aandelebeurs genoteer is. In die eerste kwartaal van 1997 het die netto betaling vir aankope van effekte deur nie-inwoners R3,9 miljard beloop. Netto aankope tot die bedrag van R2,2 miljard was aan die einde van die kwartaal nie vereffen nie en het gevoldlik die belofte getoon van verdere invloeiings van langtermynkapitaal later in die jaar. Gedurende die eerste kwartaal het buitelandse beleggers aandele ten bedrae van R3,5 miljard op die Johannesburgse Aandelebeurs bekom. Die positiewe uitwerking op die vlak van goud- en ander buitelandse reserwes van hierdie instroming van langtermynkapitaal deur die effekte- en aandelemark is deels deur 'n uitvloeiing van langtermynkapitaal ten bedrae van R3,4 miljard teengewerk. Hierdie uitvloeiing het gespruit uit die nakoming van skuldverpligtinge in die eerste kwartaal van 1997, asook uit groot uitvloeiinge van fondse wat met bateeruittransaksies verband gehou het.

Dit word algemeen aanvaar dat portefeuilbeleggingsvloeiinge baie onbestendig kan wees, en dat dit

Tabel 7. Netto kapitaalbewegings nie verwant aan reserwes nie
R miljarde

	1996				1997
	1e kw	2e kw	3e kw	4e kw	1e kw
Langtermynkapitaal					
Openbare owerhede	1,3	0,1	-0,2	2,1	1,1
Openbare korporasies	0,9	1,0	-0,8	2,5	1,4
Monetêre sektor	-0,2	-0,4	-0,2	-0,4	-0,3
Private sektor	2,3	1,2	1,1	-5,4	2,6
Totaal	4,3	1,9	-0,1	-1,2	4,8
Korttermynkapitaal	-4,4	-0,4	-0,7	4,5	-1,2
Totale kapitaal	-0,1	1,5	-0,8	3,3	3,6

selfs 'n destabiliserende uitwerking op die algemene makro-ekonomiese ewewig kan hê. Die groot portefeuillebeleggings sedert die begin van 1997 sou derhalwe 'n groter mate van onbestendigheid aan die Suid-Afrikaanse markte vir sekuriteite en in die vloei van kapitaal in en uit die ekonomie kon veroorsaak. Dit hoef onder heersende omstandighede egter nie noodwendig die geval te wees nie; in soverre hierdie beleggings gemaak is ter verskansing van sommige Eurorand-effekte wat in die eerste kwartaal van 1997 uitgereik is, het hulle 'n belegging oor 'n betreklik langer termyn in die ekonomie verteenwoordig. Sommige van die uitgifte van Eurorand-effekte wat R7,1 miljard in die eerste kwartaal van 1997 beloop het, is inderdaad in die Suid-Afrikaanse mark verskans deur die aankoop van effekte met 'n looptyd van tussen een en vyf jaar. Nog 'n belangrike gevolg van die uitgifte van Eurorand-effekte is dat dit aanleiding gegee het tot verhoogde termynaankope van rand, of termynverkope van dollars, wat bygedra het tot 'n beter balans tussen die aankope en verkope in die plaaslike termynmark vir buitelandse valuta.

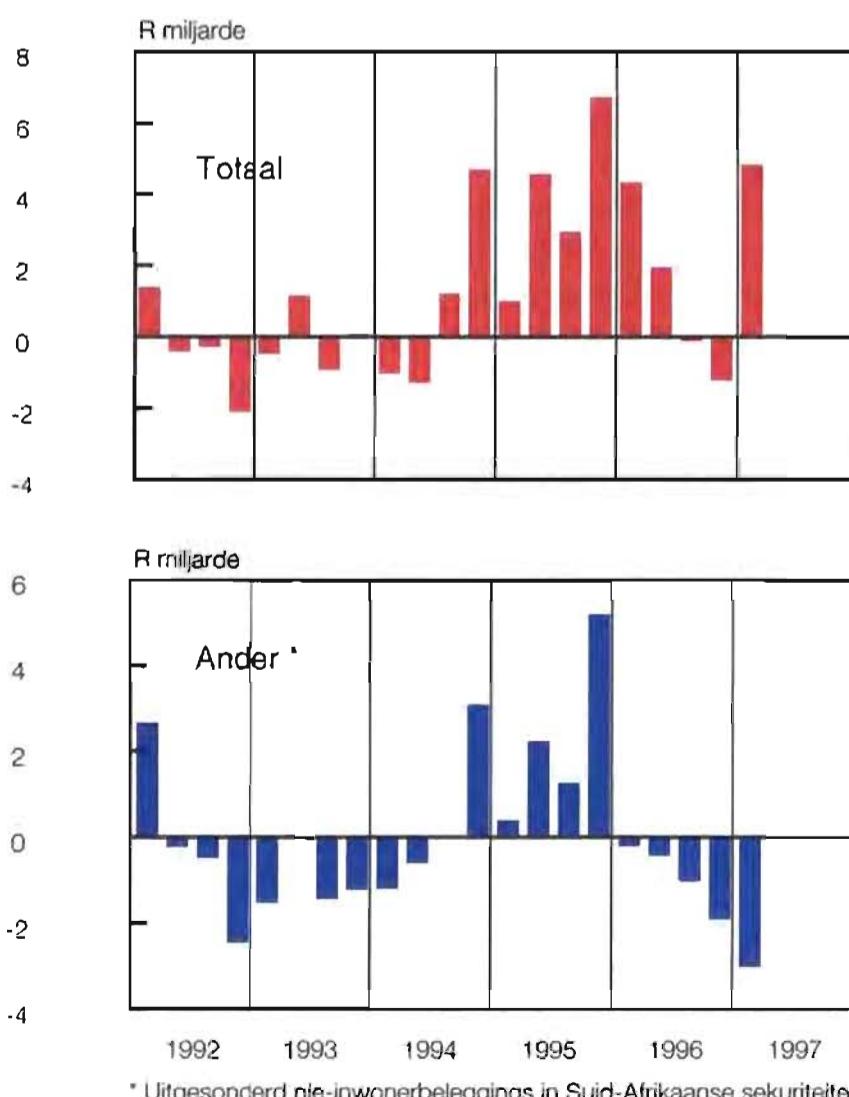
Korttermynkapitaalbewegings (nie verwant aan reserwes nie, maar met inbegrip van onaangetekende

transaksies), het omgeswaai van 'n invloeiing van R4,5 miljard in die vierde kwartaal van 1996 tot 'n uitvloeiing van R1,2 miljard in die eerste kwartaal van 1997. Die onmiddellike oorsaak van hierdie oomkeer van korttermynkapitaalvloeiinge was die terugbetaling in die eerste kwartaal van 1997 van 'n deel van die uitstaande buitelandse *leningsverpligtinge* van die private banksektor. Nie-inwoners se *korttermyndeposito's* by die binnelandse private banksektor het in die eerste kwartaal van 1997 sterk toegeneem, maar hierdie uitvloeiing is geheel en al deur 'n uitwaartse beweging van korttermynkapitaal vanaf die nie-bank private sektor geneutraliseer. Heelwat maatskappye in die private sektor het van die hoër buitelandse waarde van die rand gebruik gemaak en 'n deel van hul ongedekte buitelandse korttermynverpligtinge terugbetaal.

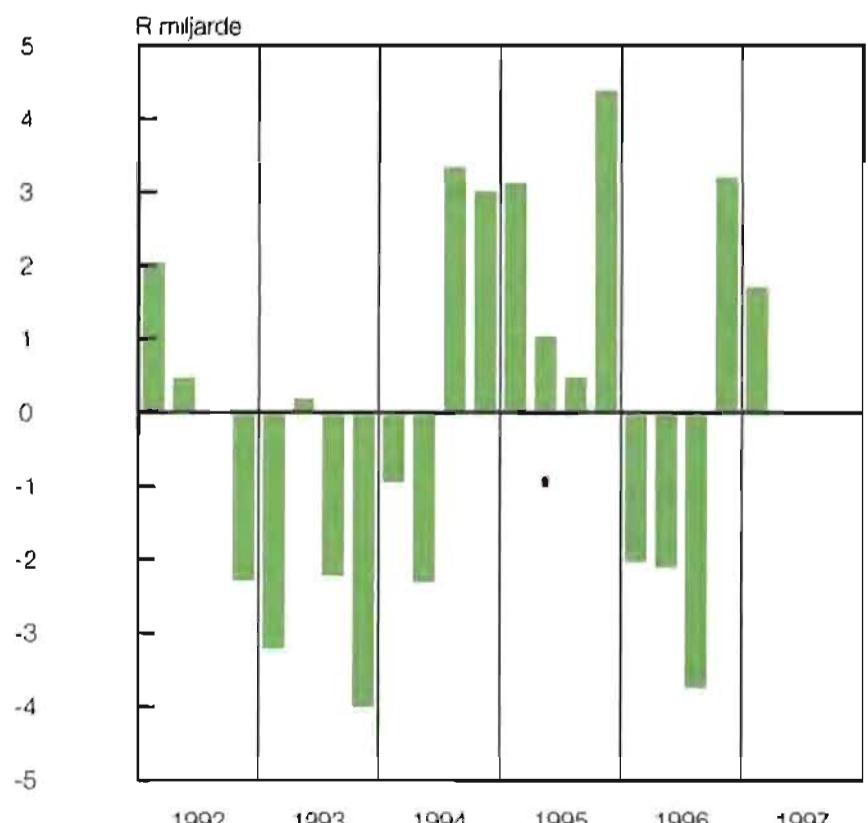
Buitelandse reserwes

Die netto invloeiing van buitelandse kapitaal het die absolute waarde van die tekort op die lopende rekening van die betalingsbalans (nie seisoensaangesuiwer nie) in die eerste kwartaal van 1997 oorskry, met die gevolg dat die land se *netto goud- en ander buitelandse reserwes* in dié kwartaal met R1,7 miljard gestyg het. Dit was die tweede agtereenvolgende kwartaal waarin die netto goud- en ander buitelandse reserwes 'n verbetering getoon het – gedurende die eerste drie kwartale van 1996 het die netto buitelandse reserwes met R7,8 miljard gedaal. Tussen die einde van September 1996 en die

Langtermynkapitaalbewegings



Verandering in totale netto goud- en ander buitelandse reserwes



einde van Maart 1997 het die netto buitelandse reserwes met R4,9 miljard toegeneem.

Die bruto goud- en ander buitelandse reserwes het van R16,8 miljard aan die einde van 1996 tot R19,5 miljard aan die einde van Maart 1997 gestyg, ondanks 'n daling van R0,2 miljard in bruto buitelandse reserwes van die private banksektor. Hierdie vlak van bruto reserwes was gelykstaande aan ongeveer ses weke se invoer van goedere en dienste. Die bruto goud- en ander buitelandse reserwes van die Reserwebank het in April 1997 met R1,3 miljard toegeneem en in Mei met 'n verdere aansienlike bedrag van R7,4 miljard om 'n vlak van R21,8 miljard te bereik. As 'n persentasie van die totale waarde van die Reserwebank se buitelandse reserwes het die waarde van goudbesit van 57 persent aan die einde van Desember 1996 tot 24 persent aan die einde van Mei 1997 gedaal.

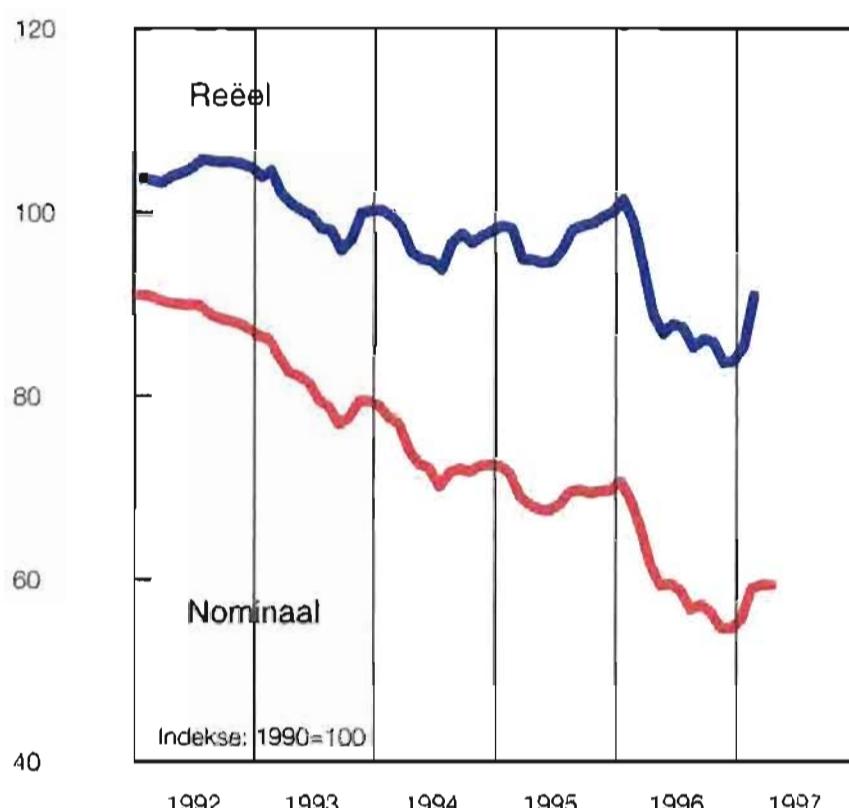
Wisselkoerse van die rand

Herhaalde spekulatiewe aanslae op die rand gedurende die eerste tien maande van 1996 het meegebring dat die *nominale handelsgeweegde wisselkoers* van die rand vanaf die einde van Desember 1995 tot die einde van Oktober 1996 met 22,7 persent gedaal het. Gedurende die laaste twee maande van 1996 is bestendigheid in die valutamark herstel, soos blyk uit 'n effense appresiasie in die rand van ongeveer 1 persent vanaf die einde van Oktober 1996 tot die einde van Desember.

Namate vertroue herstel het, het die nominale effektiewe wisselkoers gedurende die eerste kwartaal van 1997 verder met 8,9 persent versterk; dit het die waarde van die rand teenoor 'n mandjie van geldeenhede van Suid-Afrika se vernaamste handelsvennote gevoer tot 'n vlak wat 10,0 persent hoër was as die waarde wat aan die einde van Oktober 1996 van krag was. In April 1997 het die geweegde waarde van die rand teenoor 'n mandjie van geldeenhede min of meer konstant gebly.

Die onlangse verstewiging van die rand het saamgeval met 'n betekenisvolle appresiasie van die VSA-dollar teenoor al die ander vernaamste geldeenhede. Die

Effektiewe wisselkoerse van die rand



rand het gevolglik ook teenoor hierdie geldeenhede verstewig. Vanaf die einde van Oktober 1996 tot die einde van April 1997 het die rand byvoorbeeld met 22,0 persent teenoor die Nederlandse gulden, 21,7 persent teenoor die Duitse mark, 20,5 persent teenoor die Italiaanse lira en 19,1 persent teenoor die Japanse yen verstewig.

Die sterk vertoning van die rand sedert die einde van Oktober kan toegeskryf word aan die uitwerking van 'n reeks faktore wat die mark in buitelandse valuta gelyktydig beïnvloed het. Onder hierdie faktore tel:

- die grootskaalse netto aankope van sekuriteite deur nie-inwoners wat tot die stygende waarde van die rand

Tabel 8. Veranderings in die wisselkoerse van die rand

Persent

	31 Des 1995 tot 31 Des 1996	31 Des 1996 tot 27 Mrt 1997	27 Mrt 1997 tot 30 Apr 1997	31 Okt 1996 tot 30 Apr 1997
Geweegde gemiddelde	-21,9	8,9	0,0	10,0
VSA-dollar	-22,1	6,0	-0,6	6,6
Britse pond	-28,9	10,3	-0,7	6,4
Duitse mark	-15,7	14,6	2,0	21,7
Japanse yen	-12,1	12,8	1,8	19,1
Nederlandse gulden	-15,4	14,9	2,0	22,0
Italiaanse lira	-24,9	16,5	1,4	20,5

bygedra het, maar terselfdertyd ook daardeur beïnvloed is;

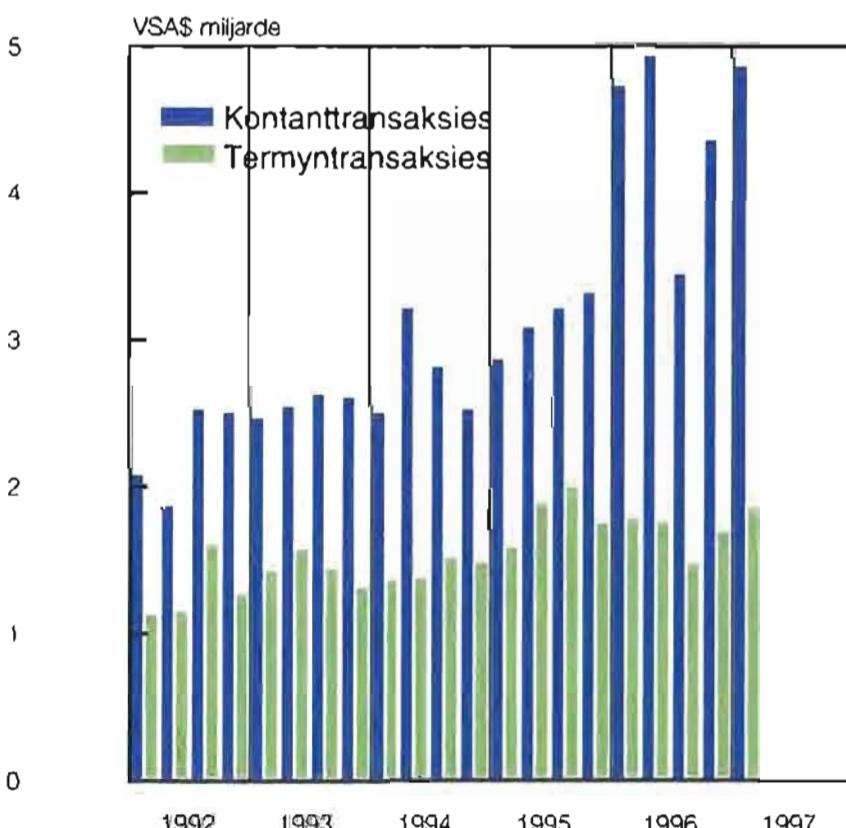
- die volgehoue betreklik hoë vlak van binnelandse rentekoerse;
- verwagtings van 'n aansienlik kleiner tekort op die lopende rekening gedurende die kalenderjaar 1997;
- stygings in die vlak van die amptelike bruto buitelandse reserwes en verwagtings van 'n volgehoue styging, ten minste gedurende die oorblywende deel van 1997;
- 'n positiewe markinstelling na die aankondiging van 'n verdere verslapping van die buitelandse valutabeheermaatreëls; en
- algemene tevredenheid met die rigting van makro-ekonomiese beleidsmaatreëls wat die Minister van Finansies aangedui het toe hy die regering se begrotingsvoorstelle vir die fiskale jaar 1997/98 aan die Parlement voorgelê het.

Die skerp toename in die nominale effektiewe wisselkoers van die rand in die eerste kwartaal van 1997, tesame met die groter inflasieverskil tussen Suid-Afrika en sy vernaamste handelsvennote, het 'n toename van ongeveer 9½ persent in die *reële effektiewe wisselkoers* van die rand oor die tydperk Desember 1996 tot Maart 1997 tot gevolg gehad. Die *reële effektiewe wisselkoers* het nogtans per saldo tussen Desember 1995 en Maart 1997 met 8,3 persent gedaal. Indien die betreklik lae waarde van die effektiewe wisselkoers van die rand in Mei 1995 as 'n hoogtemerk gebruik

word, sou die *reële depresiasie* van die rand vanaf Mei 1995 tot Maart 1997 slegs 3,0 persent wees.

Die grootskaalse belangstelling wat nie-inwoners in die eerste kwartaal van 1997 in Suid-Afrikaanse sekuriteite getoon het, het onder andere tot 'n toename in die omset in die Suid-Afrikaanse valutamark bygedra. Die gemiddelde netto daagliks omset, oftewel bruto omset aangepas vir dubbeltelling wat voortspruit uit binnelandse interbanktransaksies, het van VSA\$6,0 miljard in die vierde kwartaal van 1996 tot \$6,7 miljard in die eerste kwartaal van 1997 gestyg. Onverwagse veranderings in die wisselkoers van die rand teenoor die VSA-dollar gedurende Februarie 1997 het waarskynlik in daardie maand bygedra tot die styging in die gemiddelde daagliks netto omset tot \$7,4 miljard. Die appresiasie van die rand gedurende die eerste kwartaal van 1997 het ook tot 'n verlangsaming in die uitbreiding van bedrywigheid en 'n verbetering in die balans tussen verkope en aankope in die termynmark vir buitelandse valuta aanleiding gegee. Dit het ook geleei tot aansienlike oorskotte wat die Reserwebank op grond van die Bank se transaksies in die termynmark in buitelandse valuta behaal het.

Netto gemiddelde daagliks omset in die Suid-Afrikaanse valutamark



Monetêre ontwikkelings, rentekoerse en finansiële markte

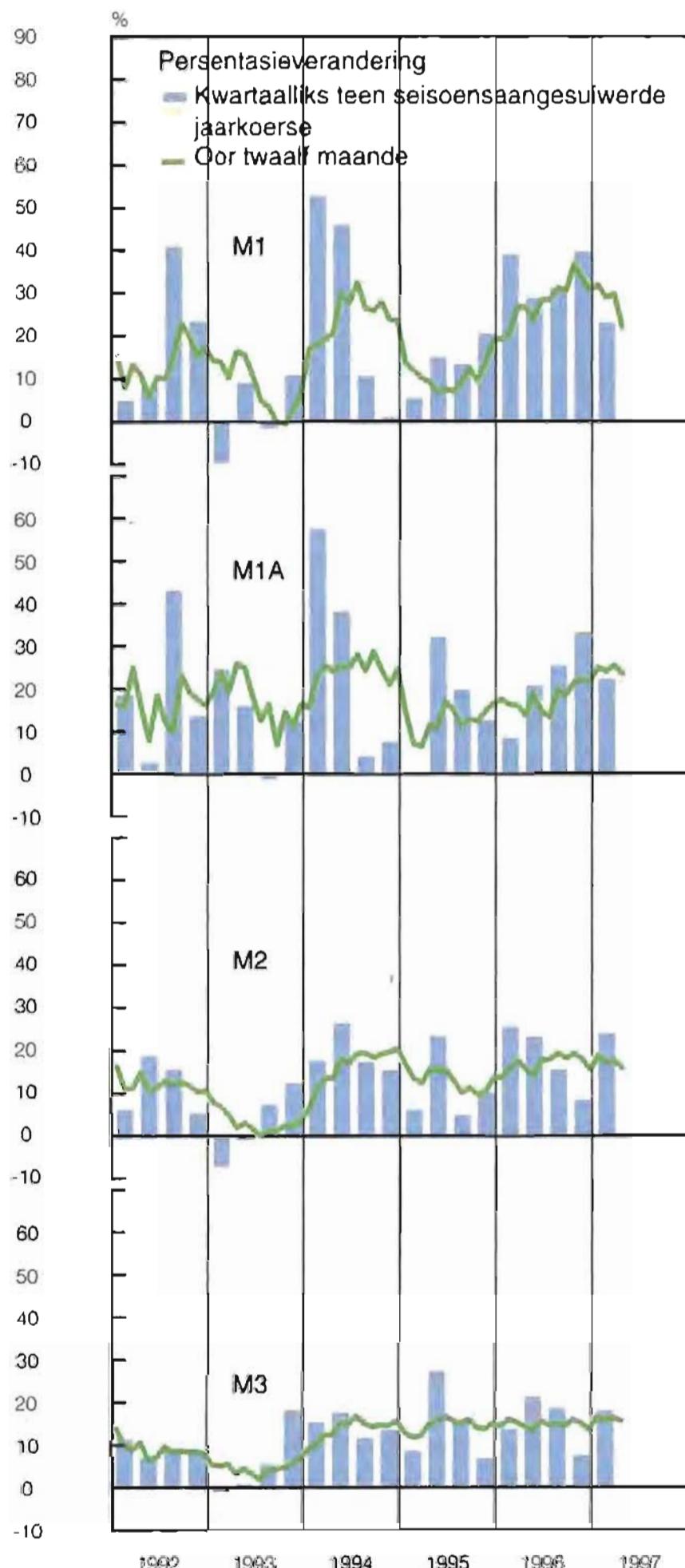
Geldvoorraad

Die verlangsaaming in die algehele monetêre uitbreiding in die vierde kwartaal van 1996 was klaarblyklik van 'n tydelike aard, aangesien die groei in die monetêre totale wat dopgehou word in die eerste kwartaal van 1997 weer versnel het. Die groei van kwartaal tot kwartaal teen 'n seisoensaangesuiwerde jaarkoers in die *omvattend gedefinieerde geldvoorraad* (M3) het in die eerste kwartaal van 1997 tot 18,1 persent versnel nadat dit van 21,2 persent in die tweede kwartaal van 1996 tot 7,6 persent in die vierde kwartaal verlangsaam het. Die groei oor twaalf maande in M3 het insgelyks van 'n boonste draaipunt van 16,1 persent in Februarie 1996 tot 13,6 persent in Desember verlangsaam, maar het daarna tot 16,8 persent in Januarie 1997, 15,9 persent in Februarie en 16,5 persent in Maart toegeneem. Hierdie groeikoerse is deur 'n toename van 15,7 persent in April gevolg.

Soos die geval gedurende 1996 was, kan die skerp groei in die M3-geldvoorraad aan die sterk voorkeur vir onmiddellik opeisbare en ander kort- en mediumtermyndeposito's van individue en ander organisasies in die private sektor toegeskryf word. Die deposito's van versekerkeraars en pensioenfondse by banke het byvoorbeeld in die eerste kwartaal van 1997 met R5,2 miljard toegeneem. Die toename in die deposito-besit van hierdie instellings het in die eerste kwartaal van 1997 bykans 30 persent van die toename in totale M3 bedra. Boonop het die private sektor buite die bankwese se beleggings in hoogs likiede verhandelbare depositosertifikate ook gedurende die eerste drie maande van 1997 skerp toegeneem.

As 'n weerspieëling van 'n sterk beleggersvoordeur vir likiditeit, het die enger *monetêre totale* vinniger as die breë monetêre totaal, M3, gestyg. Die groei oor twaalf maande in M1A het gedurende die tweede helfte van 1996 van 'n laagtepunt van 13,6 persent in Julie tot 21,9 persent in Desember en verder tot 25,7 persent in Maart 1997 versnel. Dit is deur groei oor twaalf maande van 23,6 persent in April 1997 gevolg. Die groei van jaar tot jaar in M1 het gedurende die tweede helfte van 1996 om 'n baie hoë gemiddelde vlak van 32,2 persent gewissel en geleidelik van 'n hoogtepunt van 37,2 persent in Oktober 1996 tot 22,2 persent in April 1997 afgeneem. Die groei van jaar tot jaar in M2 is in die tweede helfte van 1996 teen betreklik hoë groeikoerse van tussen 15 persent en 20 persent gehandhaaf. In die eerste kwartaal van 1997 het hierdie betreklik hoë groeikoerse teen 19,1 persent in Januarie, 17,5 persent in Februarie en 17,8 persent in Maart voortgeduur. In April 1997 het hierdie groeikoers tot 16,1 persent teruggesak.

Monetêre totale



Die belangrikste balansstaatteenhangers van die toename van R17,4 miljard in die M3-geldvoorraad gedurende die eerste kwartaal van 1997 was toenames in die banke se eise teen die private nie-banksektor en

Tabel 9. Groei oor twaalf maande in monetêre totale

Percent

Tydperk	M1A	M1	M2	M3	
1996:	Apr.....	13,9	26,9	15,8	14,4
	Mei.....	19,0	24,1	14,3	13,6
	Jun.....	14,7	28,7	17,9	15,7
	Jul.....	13,6	28,7	18,1	14,7
	Aug.....	20,1	31,6	19,6	15,4
	Sep.....	18,7	30,7	18,4	14,5
	Okt.....	21,6	37,2	19,5	16,0
	Nov.....	22,4	34,0	18,2	15,2
	Des.....	21,9	30,9	15,8	13,6
	1997:	Jan.....	25,1	32,2	19,1	16,8
	Feb.....	24,1	29,2	17,5	15,9
	Mrt.....	25,7	30,1	17,8	16,5
	Apr.....	23,6	22,2	16,1	15,7

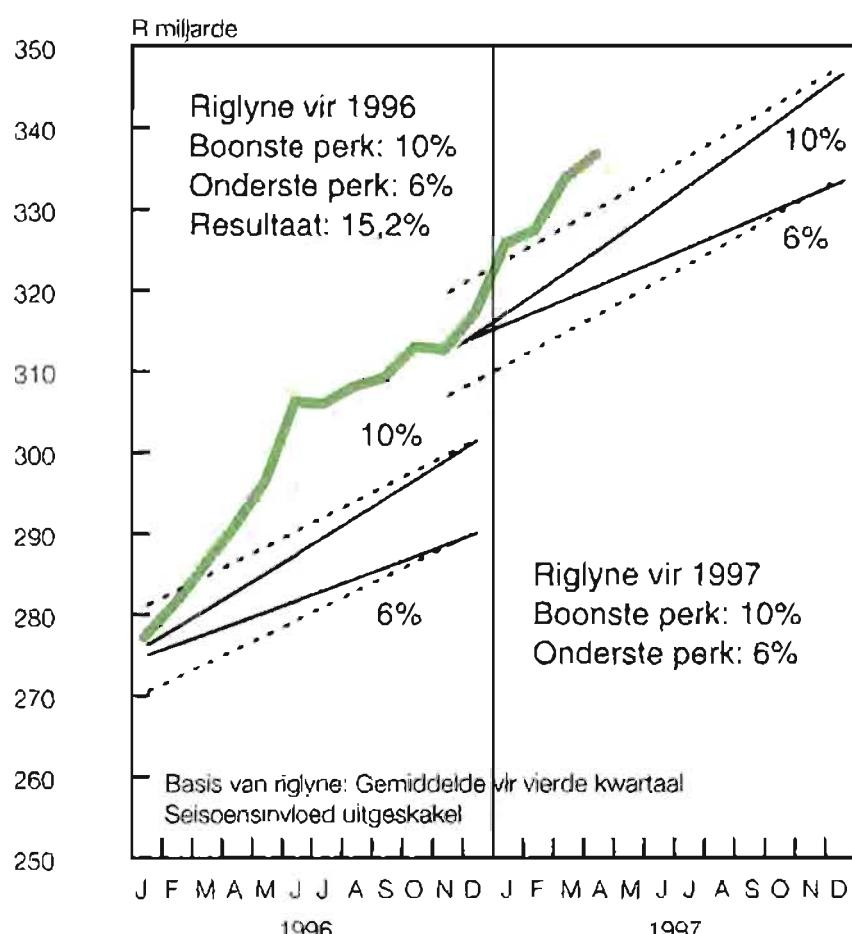
die regeringsektor. Banke se eise teen die nie-bank private sektor het in die eerste kwartaal van 1997 met R16,1 miljard toegeneem, terwyl 'n toename van R5,2 miljard in die banke se bruto eise teen die owerheidsektor in die tydperk slegs deels deur 'n verhoging van R0,6 miljard in regeringsdeposito's by banke geneutraliseer is. Dit het neergekom op 'n netto bedrag van R4,6 miljard van nuwe bankkrediet aan die regeringsektor. Die oorblywende balansstaatteenhangers van die toename in die M3-geldvoorraad het gedurende die eerste kwartaal van 1997 afnames getoon – netto buitelandse bates het met R2,2 miljard en "netto ander bates" met R1,1 miljard afgeneem.

Geldvoorraadriglyne

Die President van die Reserwebank het op 14 Maart 1997 aangekondig dat die Bank besluit het om die riglyne vir aanvaarbare groei in die kwartaallikse gemiddelde waarde van die M3-geldvoorraad vanaf die vierde kwartaal van 1996 tot die vierde kwartaal van 1997 tussen 6 en 10 te stel. Die perk wat vir die 1995 en 1996-riglynjare gestel is, is dus onveranderd gelaat.

In sy aankondiging het die President herhaal dat die missie van die Reserwebank die beskerming van die waarde van die rand is. Finansiële bestendigheid en die betrouwbaarheid van inflasie sou derhalwe die oorheersende doelwit van monetêre beleid gedurende 1997 bly. Die President het sy besorgdheid oor die versnelling in verbruikersprysinflasie sedert die tweede kwartaal van 1996 uitgespreek. Die verhoging in die onderliggende inflasiekous was veral 'n bron van kommer aangesien dit daarop gedui het dat meer fundamentele inflasionele kragte aan die werk was. Die feit dat inflasionele druk weer te voorskyn gekom het was klaarblyklik nie die gevolg van 'n oorverhitte ekonomie nie. Die volgehoud hoë toenames in nominale arbeidseenheidskoste vanaf

Riglyne vir groei in M3



die tweede kwartaal van 1995 tot die derde kwartaal van 1996 en die depresiasi van die rand gedurende 1996 is uitgesonder as die belangrikste faktore wat tot die verhoging in inflasie bygedra het.

Onder hierdie omstandighede het dit nodig geword om die sterk groei in die geldvoorraad en bankkredietverlening aan die private sektor in te kort om te verhinder dat dit die groeiende en bestaande inflasionele druk aanwakker. Indien 'n nuwe kringloop van voortdurende toenames in die koers van inflasie sou ontwikkel, kan dit die bereiking van die doelstellings van die regering ten opsigte van heropbou en ontwikkeling in gevaar stel, asook die implementering van die strategie vir Groei, Werkverskaffing en Herverdeling vertraag.

Daar is op die geldvoorraadriglyne van 6 tot 10 persent besluit met die oogmerk om moontlike groei van tussen 2 en 3 persent in die reële bruto binneilandse produk gedurende die 1997-riglynjaar te finansier, en terselfdertyd as teken te dien van die Reserwebank se vasberadenheid om die koers van inflasie te verminder tot vlakke wat meer versoenbaar is met die gemiddelde inflasiekous van Suid-Afrika se belangrikste handelsvennote en mededingers. Die uitdaging vir 1997 sou wees om die inflasiekous onder 'n vlak van 10 persent te hou.

Die aankondiging van jaarlikse riglyne vir 'n aanvaarbare toename in die geldvoorraad het ten doel om die uitvoering van monetêre beleid meer deursigtig te maak. Werklike groei in die geldvoorraad wat van

hierdie riglyne afwyk behoort tot pro-aktiewe beleidsreaksies deur die Reserwebank te lei. Hoewel die riglyne 'n duidelike aanduiding aan banke en die algemene publiek is van die belangrikste onderliggende kragte wat waarskynlik bepalend sal wees vir monetêre beleidstappe, word die riglyne altyd omsigtig enoordeelkundig toegepas. Die Reserwebank is nie voornemens om die riglyne as 'n onbuigsame monetêre reël te vertolk nie.

Die vinnige groei oor twaalf maande in die geldvoorraad gedurende die eerste kwartaal van 1997 het die waarde van die seisoensaangesuiwerde breeë geldvoorraad, M3, tot 'n hoër vlak gebring as wat deur die boonste perk van die riglyngebied van 6 tot 10 persent aangedui word. Aan die einde van Maart 1997 het die seisoensaangesuiwerde waarde van M3 die boonste perk van die riglyn-“kegel” met R9,4 miljard, of met 2,9 persent, oorskry.

Kredietverlening

Die groei in *totale kredietverlening* deur banke, wat oënskynlik in die vierde kwartaal van 1996 verlangsaam het, het in die eerste kwartaal van 1997 met hernieuide stukrag toegeneem het. Die toename van jaar tot jaar in totale binnelandse kredietverlening het aanvanklik van 19,1 persent in Oktober 1996 tot 17,1 persent in Desember verlangsaam, maar toe tot 21,6 persent in Februarie 1997, 19,3 persent in Maart en 20,0 persent in April versnel. Die sterk groei in totale kredietverlening in

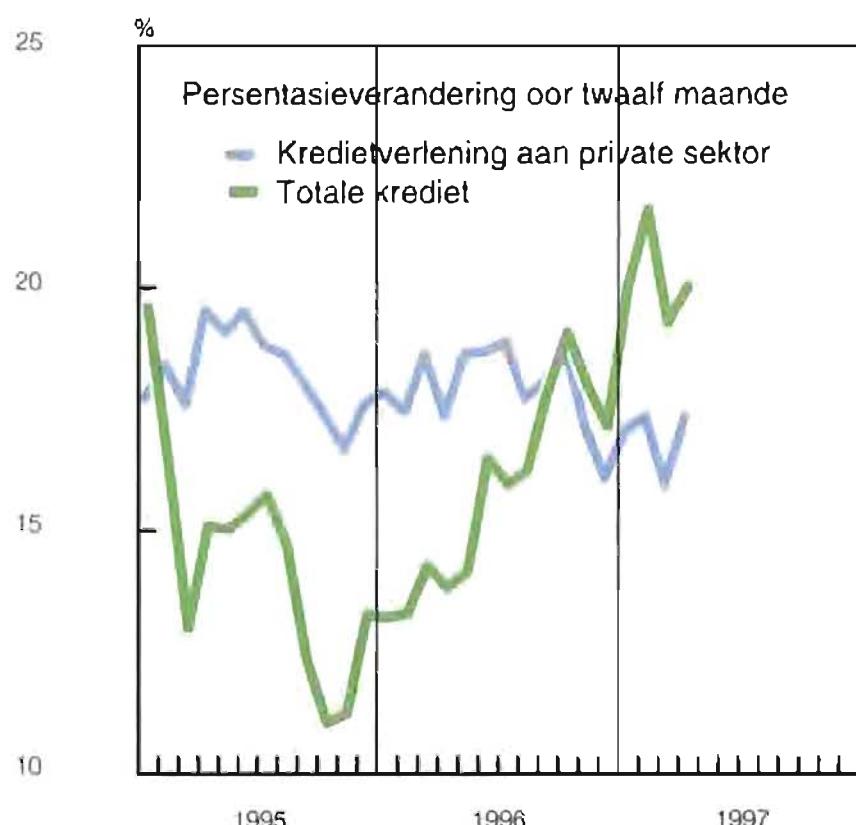
die eerste kwartaal van 1997 was hoofsaaklik te wyte aan die vinnige toename in kredietverlening aan die private sektor.

Die koers van toename oor twaalf maande in kredietverlening deur banke aan die *private sektor* het van 18,9 persent in Oktober 1996 tot 16,1 persent in Desember verlangsaam en toe in die daaropvolgende vier maande binne 'n smal band van tussen 16,0 persent en 17,3 persent gewissel. Hierdie maandelikse groeikoerse het die inflasiekoers soos gemeet deur veranderings in die verbruikersprysindeks deurgaans oorskry. Met inflasie wat egter sedert April 1996 merkbaar versnel het, het die inflasie-aangepaste groei in kredietverlening aan die private sektor van 11,6 persent in Maart 1996 tot 6,8 persent in April 1997 afgeneem.

Die groeikoers van kwartaal tot kwartaal in kredietverlening aan die private sektor (seisoensaangesuiwerd en teen 'n jaarkoers) het van 22,4 persent in die tweede kwartaal van 1996 tot 11,8 persent in die vierde kwartaal verlangsaam, maar toe tot 17,0 persent in die eerste kwartaal van 1997 versnel. Die belangrikste bydraende faktor tot die volgehoue hoë koerse van toename in kredietverlening aan die private sektor was waarskynlik die behoefte om transaksies te finansier in 'n ekonomie waar die nominale waarde van binnelandse besteding en bedrywigheid in finansiële markte besig was om vinnig uit te brei. Sekere strukturele veranderings, soos die toetreden van 'n toenemende aantal potensiële leners in die moderne sektor van die Suid-Afrikaanse ekonomie en verdere integrasie van Suid-Afrika in die internasionale finansiële markte het ook veroorsaak dat die groei in die vraag na krediet hoër was as wat dit andersins sou wees. 'n Mate van omskakeling van handelsfinansiering na binnelandse pleks van buitelandse kredietbronne kon ook tot die stewiger groei in kredietverlening bygedra het.

'n Ontleding van die banke se eise teen die private sektor volgens *soort krediet* toon dat die hoë koerse van toename in kredietverlening aan die private sektor in die eerste kwartaal van 1997 hoofsaaklik deur vinniger groei in "ander lenings en voorskotte" en afbetelingsverkoopkrediet veroorsaak is. In albei hierdie kredietkategorieë het die koers van jaar tot jaar in sowel Januarie as Februarie 1997 die perk van 20 persent oorskry. 'n Mate van verlangsaming het oënskynlik in die koers van toename oor een jaar in "ander lenings en voorskotte" en afbetelingsverkoopkrediet in Maart 1997 plaasgevind. Die groei in die jaar tot en met die eerste kwartaal van 1997 in bruikhuurfinansiering, afbetelingsverkoopkrediet sowel as verbandvoorskotte het afgeneem tot koerse wat laer is as wat in 1996 gemeet is. Boonop het nuwe uitbetelings op afbetelingskrediet en bruikhuurfinansiering in die eerste kwartaal van 1997 vergeleke met die laaste kwartaal van 1996 afgeneem, en stadiger groei in verbruiksbesteding aan duursame goedere en kapitaalvorming weerspieël.

Kredietverlening deur monetêre instellings



Tabel 10. Kredietverlening aan die private sektor volgens vernaamste soort krediet

Persentasieverandering oor twaalf maande

Tydperk	Beleggings en wissels verdiskonter	Afbetalings- verkope	Bruikhuur- finansiering	Verband- voorskotte	Ander lenings en voorskotte	Totaal
1996:	Mrt	18,4	28,8	17,5	16,7	18,0
	Jun	12,2	26,8	16,8	16,5	20,3
	Sep	5,2	24,1	19,8	17,1	19,2
	Des	-7,5	21,2	16,8	16,5	16,1
1997:	Jan	-2,4	21,1	16,6	16,4	20,4
	Feb	0,4	20,2	15,1	16,3	21,2
	Mrt	-6,1	18,1	14,3	15,8	19,9
	Apr	1,3	19,5	12,9	15,5	22,5
						17,3

Die toename in krediet aan die private sektor in die eerste kwartaal van 1997 is oorwegend deur huishoudings benut. Van die totale toename van R16,1 miljard in krediet aan die private sektor in die eerste kwartaal van 1997, het huishoudings R11,8 miljard, of 73,3 persent, en maatskappye slegs R4,3 miljard, of 26,7 persent benut. Persentasiegewys het die groei oor twaalf maande in kredietverlening aan sowel maatskappye as huishoudings 16,0 persent in die eerste kwartaal van 1997 bedra.

Rente- en opbrengskoerse

Die verloop van opbrengskoerse op effekte in die eerste vyf maande van 1997 is sterk beïnvloed deur die verstewiging van die rand tot en met Maart 1997 en deur die daaropvolgende bestendigheid van die wisselkoers in April. Dit het aanleiding gegee tot 'n opbloei in netto aankope van effekte deur nie-inwoners wat versterk is deur die verskansing van posisies, wat voortspruit uit effekte-uitgifte in Eurorand, deur middel van aankope in die Suid-Afrikaanse effektemark. Die

Tabel 11. Rente- en opbrengskoerse

Persent

Tydperk	Maandelikse gemiddelde opbrengskoers op langtermynstaatseffekte		Bankaksepte van 3-maande*	Prima oortrekkings- koers*	Oorheersende koers op verband- lenings	Oorheersende koers op vaste deposito's van 12 maande
	Nominaal	Reëel				
1996:	Apr	15,78	9,7	15,20	19,50	18,25
	Mei	16,53	10,1	16,40	20,50	19,25
	Jun	15,78	8,3	15,20	20,50	20,25
	Jul	15,39	7,7	15,55	19,50	19,25
	Aug	15,82	7,7	15,95	19,50	19,25
	Sep	15,42	6,5	15,30	19,50	19,25
	Okt	15,80	6,1	15,80	19,25	19,00
	Nov	16,18	6,4	16,55	20,25	19,00
	Des	16,19	6,3	17,00	20,25	20,00
						14,50
1997	Jan	15,82	5,9	16,15	20,25	20,00
	Feb	15,03	4,8	16,00	20,25	20,00
	Mrt	15,16	5,1	16,05	20,25	20,00
	Apr	15,24	4,9	15,95	20,25	20,00
	Mei	15,08	...	15,85	20,25	20,00
						14,50

* Teen maandeinde

maandelikse gemiddelde opbrengskoers op langtermynstaatseffekte het gevvolglik van 16,19 persent in Desember 1996 tot 15,82 persent in Januarie 1997 en 15,03 persent in Februarie afgeneem. Die maandelikse gemiddelde opbrengskoers op langtermynstaatseffekte het daarna in April 1997 tot 15,24 persent verhoog, maar toe in Mei tot 15,08 persent afgeneem.

Opbrengskoersbewegings was in die eerste vier maande van 1997 taamlik wisselvallig. Die mark se reaksie op veranderende verwagtings van inflasie en onderliggende reële ekonomiese toestande, sowel as verandering in rente- en opbrengskoerse in die Verenigde State se effektemark, het bewegings in die *daagliks gemiddelde opbrengskoers op langtermynstaatseffekte* tussen uiterstes van 16,40 persent aan die begin van Januarie en 14,65 persent op 26 Februarie tot gevolg gehad.

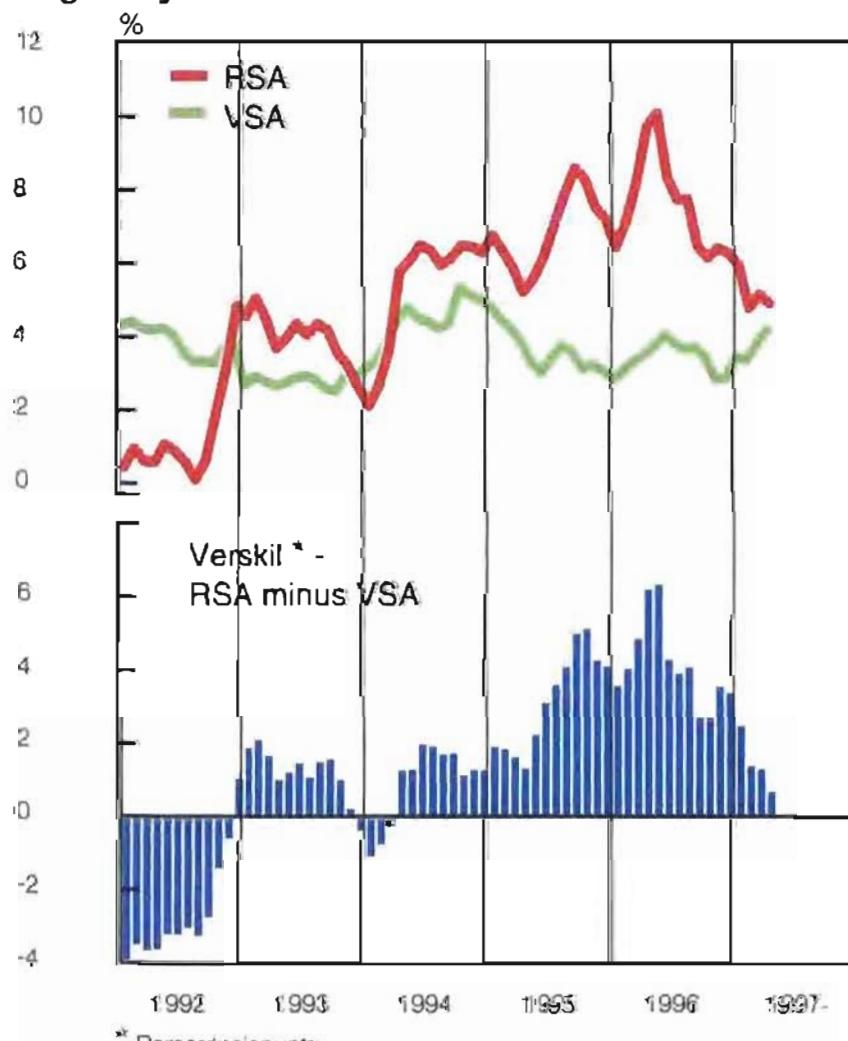
Die *maandelikse gemiddelde inflasie-aangepaste opbrengskoers op langtermynstaatseffekte* het voortdurend afgeneem van 10,1 persent in Mei 1996 tot 4,8 persent in Februarie 1997 – die laagste vlak sedert Maart 1994. Die inflasie-aangepaste opbrengskoers op Suid-Afrikaanse langtermynstaatseffekte het effens tot 4,9 persent in April 1997 toegeneem. As voorsiening gemaak word vir verskille in die risikopremies van lande en gelddeenhede, was die inflasie-aangepaste opbrengskoers

in April naastenby in ooreenstemming met die opbrengskoers op langtermynseffekte van die Federale Regering van die Verenigde State, wat volgens dieselfde metode en vir dieselfde maand op 4,2 persent bereken is.

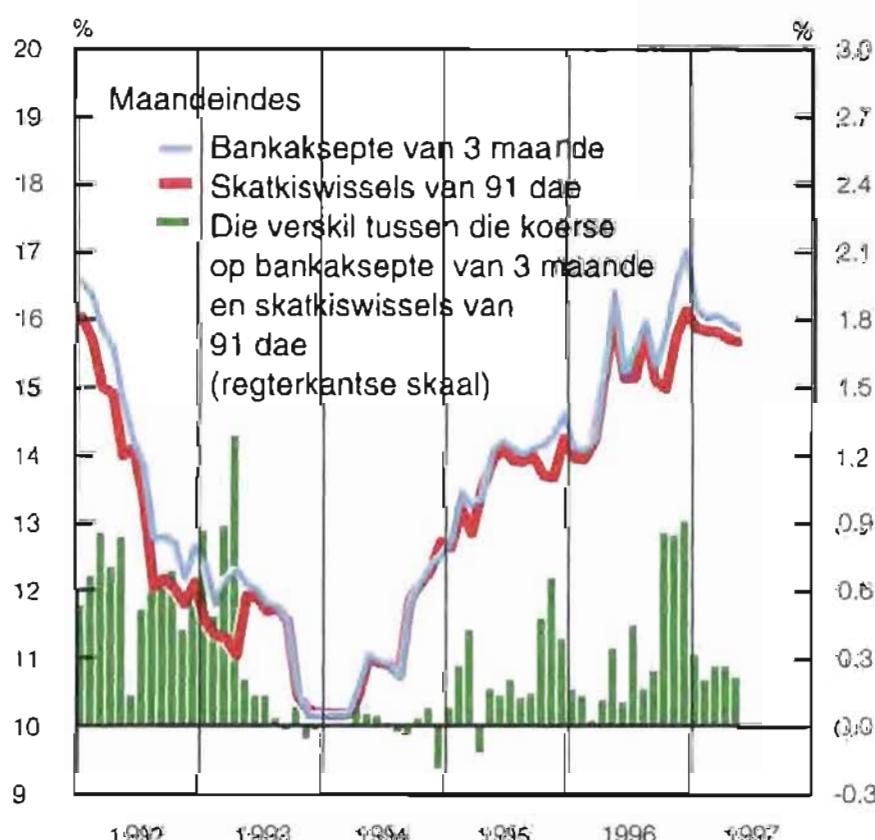
Geldmarkrentekoerse het in die vierde kwartaal van 1996 skerp gestyg en daarna gedurende die eerste vyf maande van 1997 gedaal. Die koers op bankaksepte met 'n looptyd van drie maande het byvoorbeeld van 15,30 persent aan die einde van September 1996 tot 16,55 persent aan die einde van November gestyg, nadat Bankkoers vroeër daardie maand verhoog is. Die koers op bankaksepte van drie maande het daarna opwaarts beweeg tot 17,00 persent aan die einde van Desember 1996, maar in die eerste vyf maande van 1997 weer afwaarts begin beweeg tot 15,85 aan die einde van Mei 1997.

Die *tenderkoers op skatkiswissels van drie maande* wat in die vierde kwartaal van 1996 by tye in 'n teenoorgestelde rigting as die algemene beweging in geldmarkrentekoerse beweeg het, het gedurende die eerste vyf maande van 1997 weer eens begin om saam met ander geldmarkrentekoerse te beweeg. Die gemiddelde gaping op maandeindes tussen die tenderkoers op skatkiswissels van drie maande en die koers op bankaksepte van drie maande wat van 0,28 persentasiepunte in die derde kwartaal van 1996 tot 0,86 in die vierde kwartaal verruum het, het in die eerste kwartaal van 1997 tot 0,26 persentasiepunte vernou. Dit was die gevolg van die meer geredelik beskikbare aanbod van bates wat as eerstevlak-onderpand vir

Inflasie-aangepaste opbrengskoerse op langtermynstaatseffekte



Geldmarkrentekoerse



maandelikse gemiddelde opbrengskoers op langtermynstaatseffekte het gevvolglik van 16,19 persent in Desember 1996 tot 15,82 persent in Januarie 1997 en 15,03 persent in Februarie afgeneem. Die maandelikse gemiddelde opbrengskoers op langtermynstaatseffekte het daarna in April 1997 tot 15,24 persent verhoog, maar toe in Mei tot 15,08 persent afgeneem.

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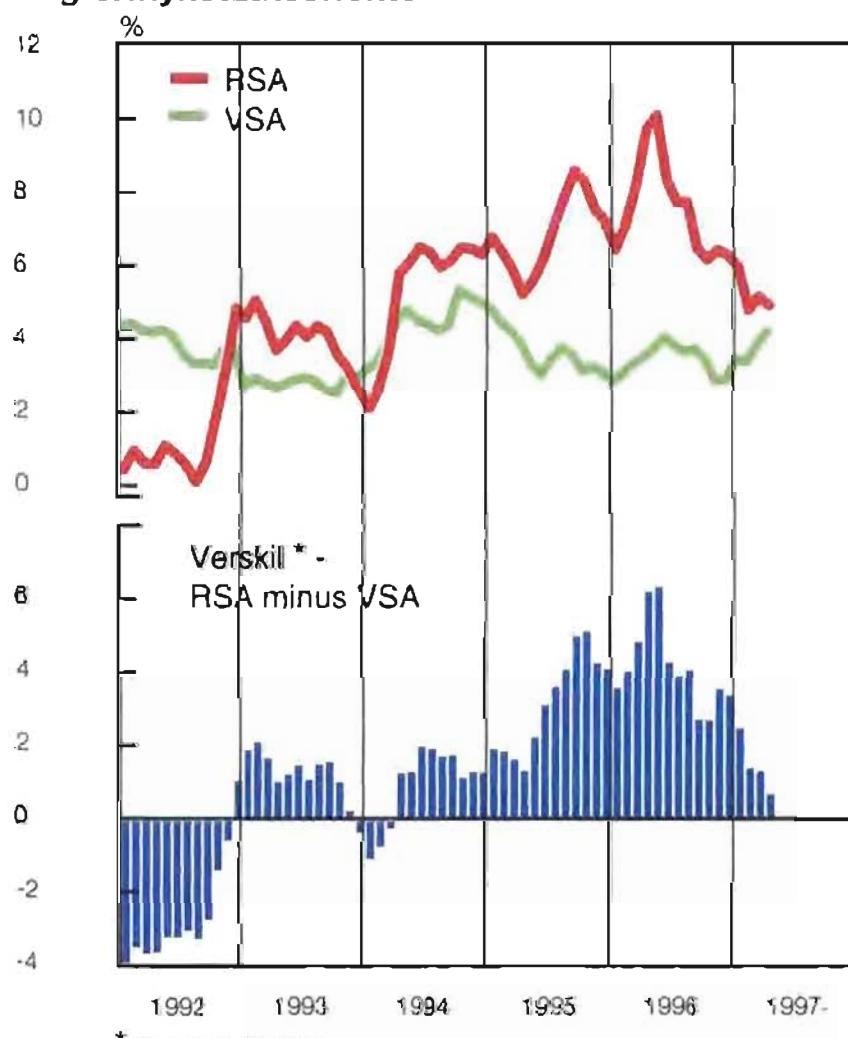
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in April naastenby in ooreenstemming met die opbrengskoers op langtermynseffekte van die Federale Regering van die Verenigde State, wat volgens dieselfde metode en vir dieselfde maand op 4,2 persent bereken is.

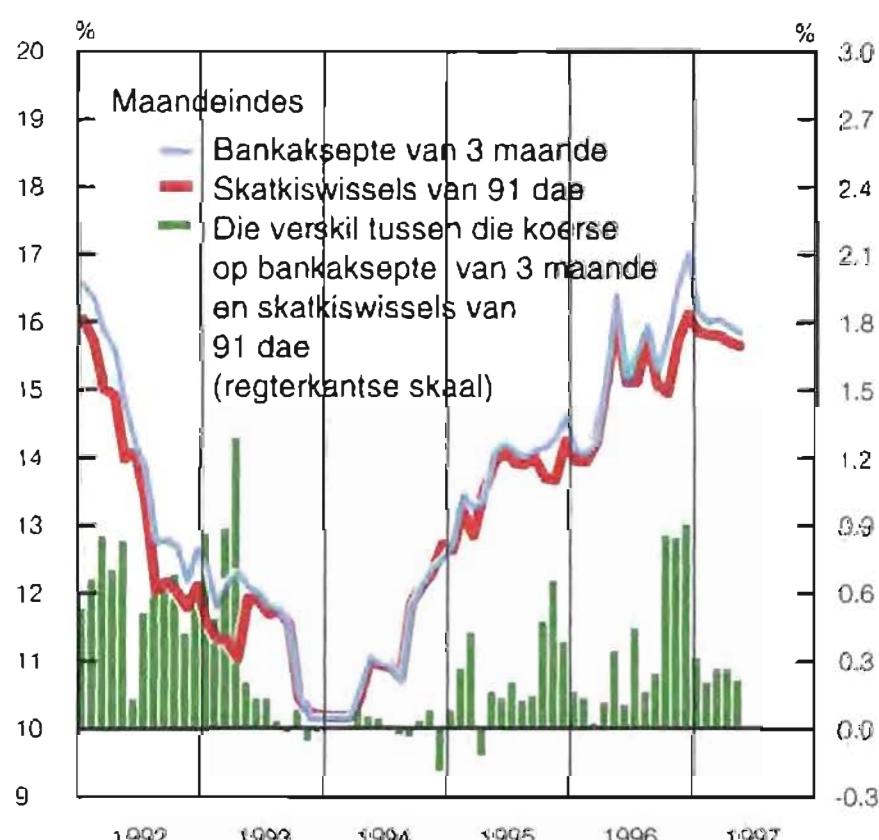
Geldmarkrentekoerse het in die vierde kwartaal van 1996 skerp gestyg en daarna gedurende die eerste vyf maande van 1997 gedaal. Die koers op bankaksepte met 'n looptyd van drie maande het byvoorbeeld van 15,30 persent aan die einde van September 1996 tot 16,55 persent aan die einde van November gestyg, nadat Bankkoers vroeër daardie maand verhoog is. Die koers op bankaksepte van drie maande het daarna opwaarts beweeg tot 17,00 persent aan die einde van Desember 1996, maar in die eerste vyf maande van 1997 weer afwaarts begin beweeg tot 15,85 aan die einde van Mei 1997.

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Inflasie-aangepaste opbrengskoerse op langtermynstaatseffekte



Geldmarkrentekoerse



akkommodasie by die diskontovenster kwalificeer. Die skatkiswisselkoers het dienooreenkomsdig van 16,10 persent aan die einde van Desember 1996 tot 15,64 persent aan die einde van Mei 1997 afgeneem.

Die vlak van die *opbrengskoerskromme* het in die loop van 1996 heelwat gewissel, as gevolg van onbestendigheid in opbrengskoerse regoor die aflossingstruktuur, maar het deurlopend 'n omgekeerde vorm behou. Die hele opbrengskoerskromme het vanaf Januarie tot Desember 1996 aansienlik opwaarts beweeg, voordat dit in Januarie 1997 effens aan die kort kant en meer beduidend aan die lang kant gedaal het en gevoldig nog meer omgekeerd geword het. Dit het toe in die volgende drie maande op ongeveer dieselfdevlak gebly, terwyl die helling ietwat verander het as gevolg van betreklik bestendige korttermynopbrengskoerse te midde van 'n mate van onbestendigheid in langertermynopbrengskoerse. Die daling in die opbrengskoerskromme aan die lang kant gedurende die eerste vier maande van 1997 was 'n aanduiding van verwagtinge van laer inflasie op die lange duur, die verdere konsolidasie van fiskale beleid en die positiewe ingesteldheid in die mark vir buitelandse valuta.

Die *prima-oortrekingskoers van banke* het van 19,50 persent aan die einde van die derde kwartaal van 1996 tot 20,25 persent aan die einde van die vierde kwartaal gestyg. Dit was hoofsaaklik in reaksie op die afskaffing van die heffing op finansiële dienslewering deur banke, wat 'n verlaging in die prima-oortrekingskoers van 0,25 persentasiepunte op 1 Oktober

1996 moontlik gemaak het, en 'n toename van een persentasiepunt in Bankkoers op 21 November 1996. Sedertdien het hierdie koers onveranderd op 20,25 persent gebly. Die *oorheersende koers op verbandlenings van banke*, wat naastenby met die verandering in die prima-oortrekingskoers van banke ooreenstem, het ook sedert Desember 1996 onveranderd op 20,00 persent gebly. Hierdie koers is in Desember 1996 van 19,00 persent tot 20,00 persent verhoog, nadat die prima-oortrekingskoers in November 1996 verhoog is.

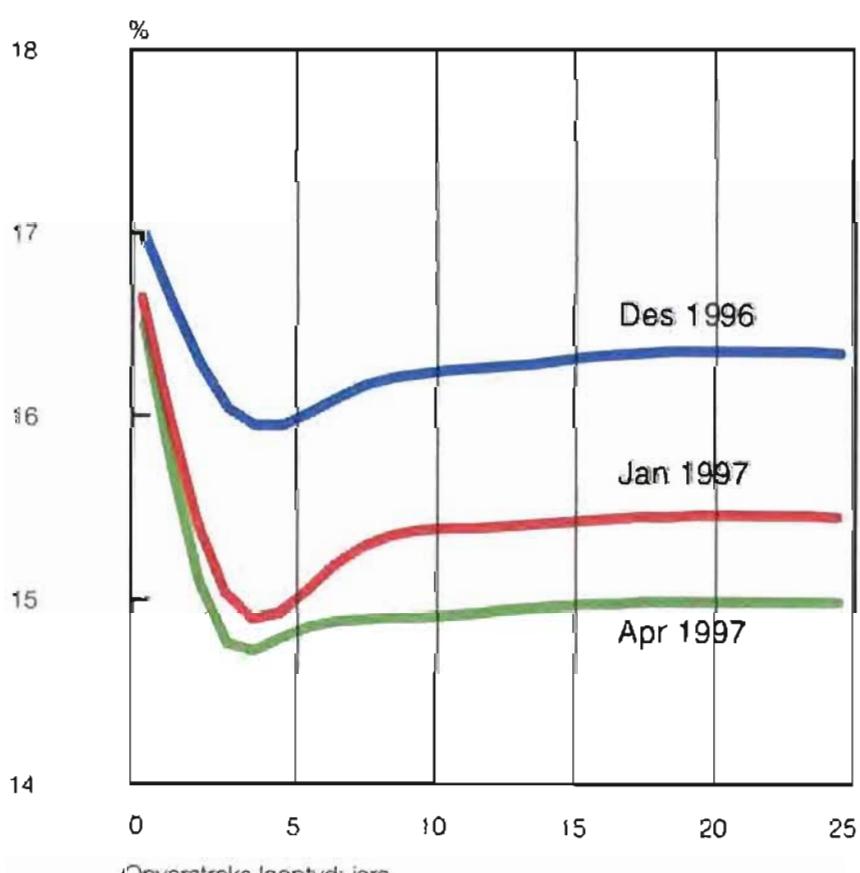
Die *oorheersende kleinhandelskoers op vaste deposito's van twaalf maande van banke* is in November 1996 van 15,0 persent tot 14,5 persent verlaag, en het sedertdien onveranderd gebly. Die *maksimum toelaatbare finansieringskostekoerse*, soos dit ingevolge die Woekerwet vasgestel word, is in Maart 1997 met een persentasiepunt verhoog nadat dit sedert September 1995 onveranderd gebly het. Sedert die verhoging was hierdie koerse 29 persent ten opsigte van geldlenings, krediet- en bruikhuurtransaksies vir bedrae van meer as R6 000, maar minder as R500 000, en 32 persent ten opsigte van bedrae tot en met R6 000.

Geldmarktoestande

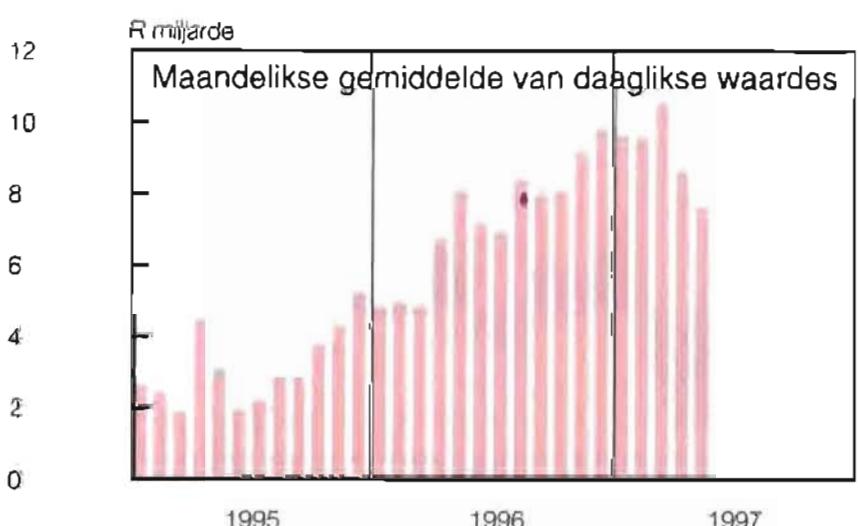
Geldmarktoestande het in die laaste drie kwartale van 1996 en in die eerste kwartaal van 1997 stram gebly. Gemaat aan *gemiddelde daagliks waardes*, het die geldmarktekort in die tydperk November 1996 tot Maart 1997 elke maand die bedrag van R9 miljard oorskry en in Maart 1997 'n rekordvlak van R10,6 miljard bereik. Ietwat minder stram toestande het in April en Mei 1997 geheers, toe die gemiddelde bedrag aan akkommodasie tot R8,7 miljard en R7,6 miljard onderskeidelik teruggesak het.

Die akkommodasie wat die Reserwebank op maandeindes aan banke moes verleen, het van R9,3 miljard aan die einde van September 1996 tot R10,4

Opbrengskoerskrommes



Totale akkommodasie by die diskontovenster



miljard aan die einde van Desember en R10,5 miljard aan die einde van Maart 1997 toegeneem. Die likiditeitsposisie van die geldmark het in die eerste kwartaal van 1997 per saldo dus onveranderd gebly. Toenames in die netto buitelandse bates van die Reserwebank en 'n netto afname in die bedrag aan note en munte in omloop buite die Reserwebank het in die eerste kwartaal van 1997 likiditeit tot die mark toegevoeg. Hierdie verwikkelinge is egter grootliks teengewerk deur die surplusse wat die Reserwebank uit hoofde van sy betrokkenheid by termyntransaksies in buitelandse valuta behaal het en wat likiditeit uit die mark dreineer het. Die "geldmarktekort" het teen die einde van April en Mei 1997 afgeneem, hoofsaaklik as gevolg van 'n verdere verstewiging van die netto buitelandse bateposisie van die Reserwebank.

Die Reserwebank se optrede in die geldmark gedurende die eerste kwartaal van 1997 was hoofsaaklik daarop gerig om toe te laat dat die "geldmarktekort" die onderliggende kragte in die mark weerspieël. Nogtans was die Bank bereid om hulp te verleen toe dit gelyk het asof die mark uitermate stram geword het, soos wat die geval aan die einde van Maart 1997 was. Met hierdie doel voor oë het die Bank 'n aantal buitelandse valutaruiloooreenkoms met die banke aangegaan en ook bates aangekoop vir die portefeuille van die Korporasie vir Openbare Deposito's. Aan die ander kant is verhoogde likiditeit wat uit die gedeeltelike privatisering van Telkom voortgespruit het deur middel van opemarkverkope van effekte en ander korttermynmaatreëls met 'n soortgelyke uitwerking, soos byvoorbeeld buitelandse valutaruiltransaksies, gedreineer.

Effektemark

Netto uitgiftes van vasterentedraende sekuriteite deur die *openbare sektor* in die *binnelandse primêre effektemark* het sterk afgeneem van R9,8 miljard in die derde kwartaal van 1996 tot R0,6 miljard in die vierde kwartaal. Hierdie afname was die gevolg van netto effekte-aflossings, hoofsaaklik deur die Sentrale Regering, ten bedrae van R2,9 miljard in November 1996. Netto uitgiftes van effekte van die openbare sektor het daarna tot R8,2 miljard in die eerste kwartaal van 1997 toegeneem, wat die totale bedrag wat instansies in die openbare sektor in die fiskale jaar 1996/97 deur uitgiftes van vasterentedraende sekuriteite bekom het op R20,5 miljard te staan laat kom het, teenoor 'n heelwat groter bedrag van R29,5 miljard in die vorige fiskale jaar.

Geen *regte-uitgiftes* van vasterentedraende sekuriteite (met inbegrip van omskepbare voorkeuraandele en skuldbrieve) is gedurende die eerste drie maande van 1997 in die binnelandse primêre kapitaalmark deur genoteerde maatskappye in die private sektor gemaak nie. 'n Bedrag van R2,2 miljard is in 1996 deur middel van sulke uitgiftes verkry. Suid-Afrikaanse instansies het hulself ook in die eerste kwartaal van 1997 daarvan

Tabel 12. Effektemarkbedrywigheid

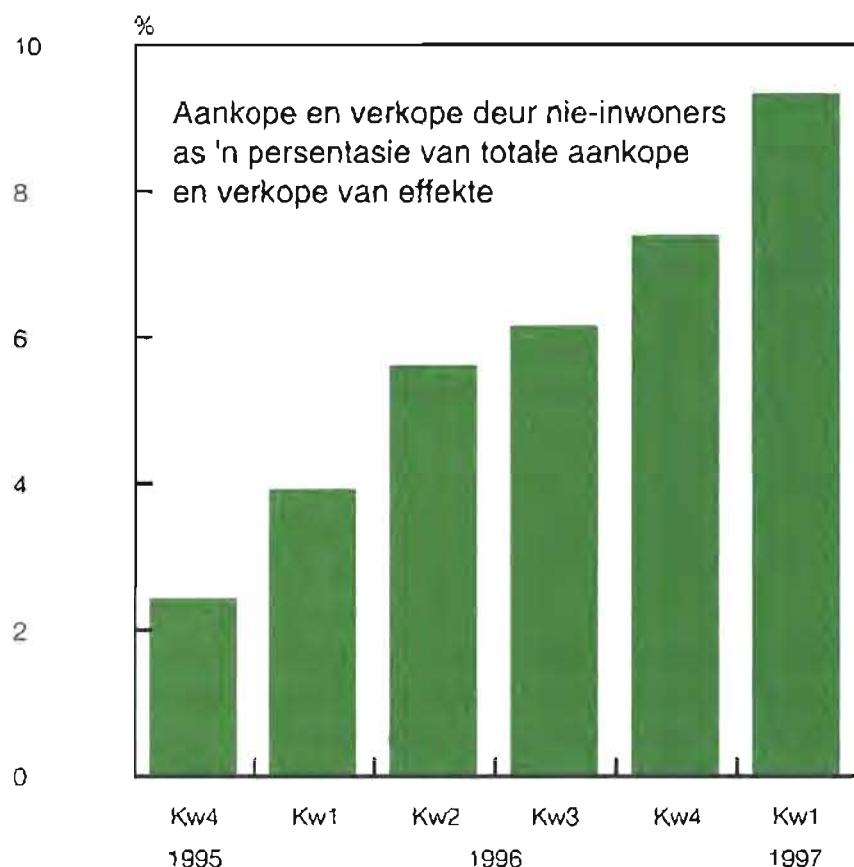
Tydperk	Primêre mark		Sekondêre mark	
	Effekte van die openbare sektor	Effekte van die private sektor	Effekte op die Effektebeurs verhandel	Netto aankope deur nie-inwoners op die Effektebeurs
	R miljarde	R miljarde	R miljarde	R miljarde
1996: 1e kw	8,5	-	753,2	2,4
2e kw	1,9	-	780,7	0,4
3e kw....	9,8	2,1	808,5	-0,6
4e kw....	0,6	0,1	679,9	1,2
1997: 1e kw....	8,2	-	882,9	6,1

weerhou om effekte wat in vreemde geldeenheide gedenomineer is in die internasionale primêre effektemark uit te gee. Gedurende 1996 het die regering 'n bedrag van R3,4 miljard, en nie-finansiële ondernemings in die openbare sektor 'n totaal van R0,6 miljard in hierdie markte verkry.

Die waarde van transaksies in die sekondêre effektemark het gedurende 1996 met 51 persent toegeneem. In die eerste kwartaal van 1997 het die waarde van effekte wat op die Effektebeurs van Suid-Afrika verhandel is selfs verder tot 'n kwartaallikse rekordhoogtepunt van R882,9 miljard toegeneem; die gemiddelde kwartaallikse omset in 1996 het R755,6 miljard bedra. Die omset in die sekondêre effektemark was veral in Februarie 1997 lewendig toe effekte ten bedrae van R315,7 miljard verhandel is. In April 1997 is effekte ten bedrae van R249,9 miljard verhandel, wat aansienlik laer is as die maandelikse gemiddelde waarde van R294,3 miljard in die eerste kwartaal van 1997.

Deelname deur nie-inwoners in die sekondêre effektemark (gemeet as aankope en verkope van nie-inwoners as 'n persentasie van die totale aankope en verkope van effekte) het skerp toegeneem van omtrent 5,8 persent in 1996 tot 9,9 persent in die eerste vier maande van 1997. In die eerste kwartaal van 1997 het die waarde van die netto aankope deur nie-inwoners op die Effektebeurs R6,1 miljard bedra, teenoor totale netto aankope van R3,4 miljard in die kalenderjaar 1996 in die geheel. In April 1997 het nie-inwoners se aankope van effekte hul verkope met 'n verdere R4,7 miljard oortref, wat die totale netto aankope in die eerste vier maande van 1997 op R10,8 miljard te staan gebring het. Aantreklike opbrengskoerse in die binnelandse mark vergeleke met dié in ander markte, die relatiewe sterkte van die rand in die eerste kwartaal van 1997, verwagtinge van 'n verlangsaming van inflasie in die nabije toekoms en

Deelname van nie-inwoners in die sekondêre effektemark



algemene tevredenheid met die beleidsrigting wat deur die Minister van Finansies aangedui is toe die regering se begrotingsvoorstelle aan die Parlement voorgelê is, was van die belangrikste faktore wat verantwoordelik was vir die lewendige belangstelling van buitelanders in die binnelandse effektemark. Die veranderende sienswyses van nie-inwoners is egter in staat om groter onbestendigheid aan die effektemark te verleen.

Aandelemark

Maatskappye wat op die Johannesburgse Aandelebeurs genoteer is, het in die eerste kwartaal van 1997 kapitaal ten bedrae van R7,8 miljard in die *primère aandelemark* verkry, vergeleke met R10,1 miljard in die vierde kwartaal van 1996. Kapitaal wat deur *regte-uitgiftes van gewone aandele* verkry is, het van R3,0 miljard in die vierde kwartaal van 1996 tot R1,6 miljard in die eerste kwartaal van 1997 afgeneem.

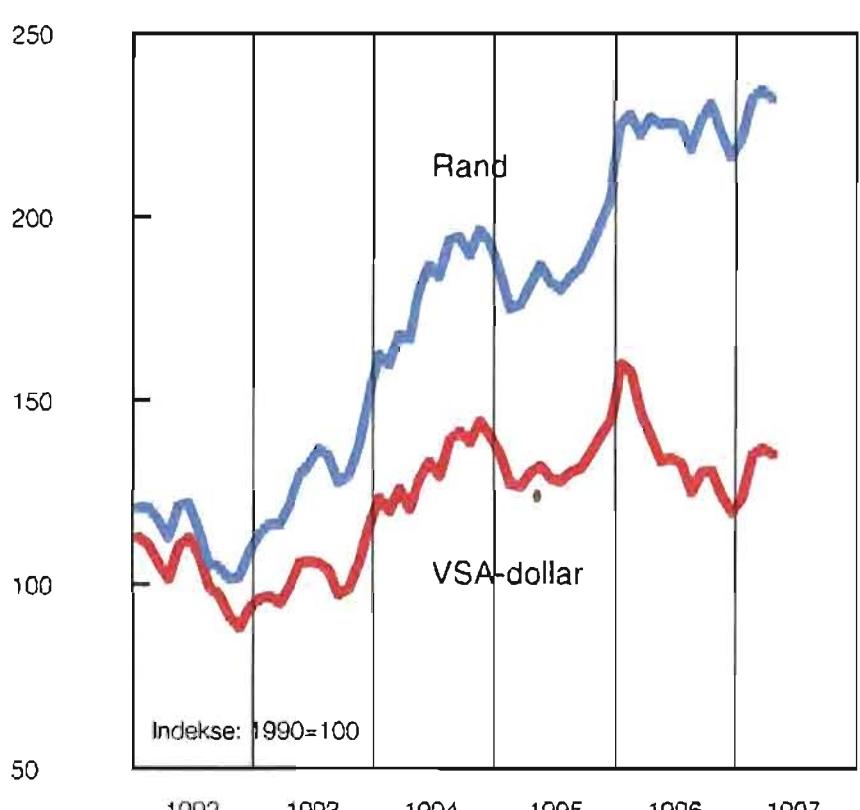
Lewendige toestande het in die *sekondêre aandelemark* voortgeduur en die omset op die Johannesburgse Aandelebeurs het van R34,6 miljard in die vierde kwartaal van 1996 tot R41,2 miljard in die eerste kwartaal van 1997 toegeneem. Verhandeling was veral in Februarie 1997 lewendig toe die maandelikse omset R17,1 miljard bereik het. In April 1997 het die waarde van aandele wat verhandel is selfs verder tot R17,4 miljard toegeneem, wat betekenisvol hoër was as die maandelikse gemiddelde van R13,7 miljard wat in die eerste kwartaal van 1997 aangeteken is.

Tabel 13. Aandelemarktransaksies

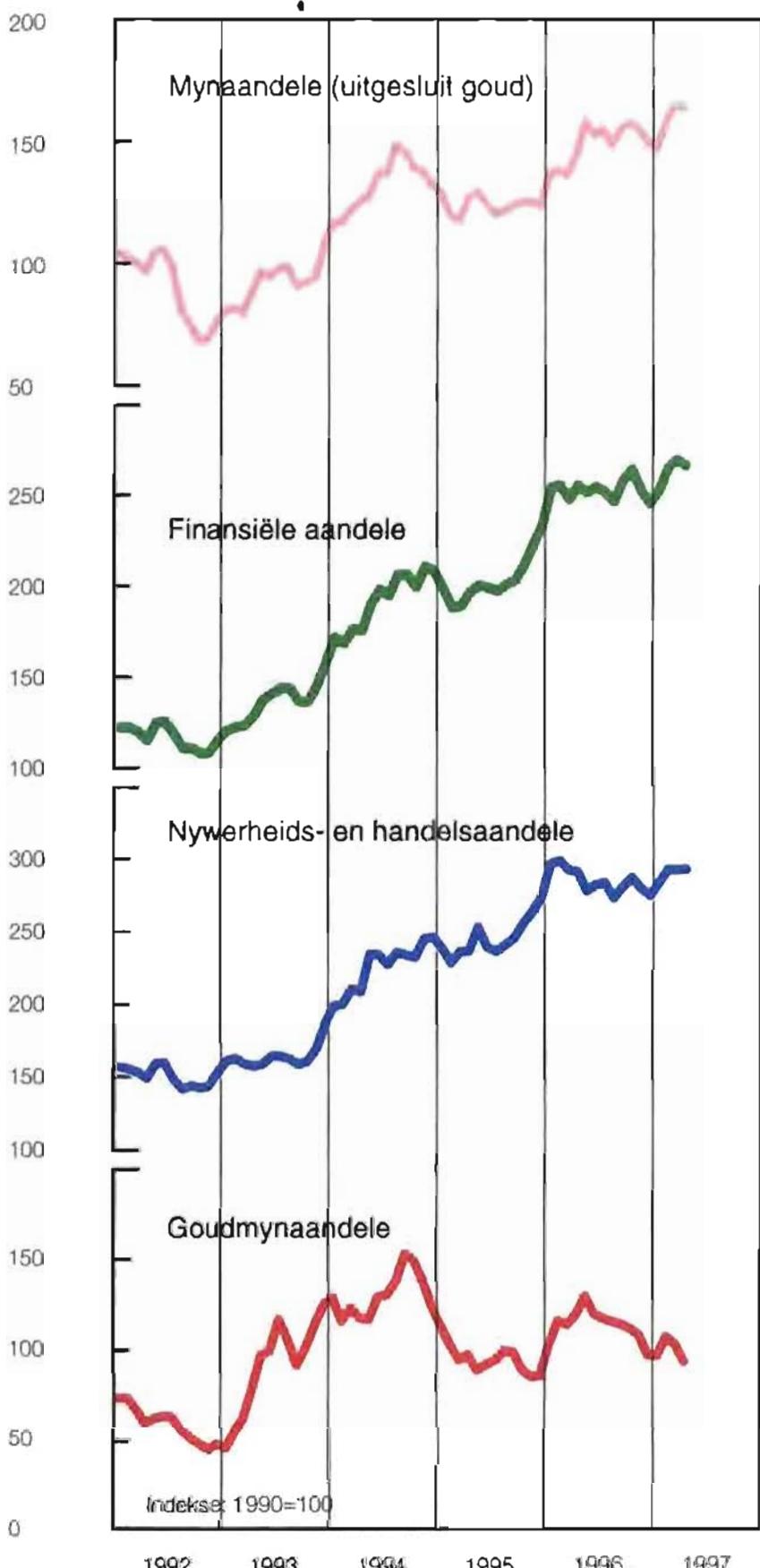
Tydperk	Aantal aandele verhandel	Waarde van aandele verhandel	Netto aankope deur nie-inwoners
	miljard	R miljard	R miljard
1996: 1e kw	1,9	27,2	2,3
2e kw	1,9	27,4	1,9
3e kw	2,4	27,8	1,4
4e kw	2,7	34,6	-0,5
1997: 1e kw	3,9	41,2	3,5

Nie-inwoners het aktief in die sekondêre aandelemark handel gedryf en was in 1996 en die eerste vier maande van 1997 vir ongeveer 33 persent van die omset (gemeet as aankope en verkope van nie-inwoners as 'n persentasie van totale aankope en verkope van aandele) op die Johannesburgse Aandelebeurs verantwoordelik. Dit wou voorkom asof nie-inwoners se koopbelangstelling deur die sterkte van die rand aangewakker is, wat die vernaamste oorsaak van 'n toename van 13,2 persent in die dollar-waarde van die maandelikse gemiddelde prysvlak van alle klasse aandele tussen Desember 1996 en April 1997 was. Die handelsbedrywigheid van nie-inwoners het van netto verkope van aandele ten bedrae van R0,5 miljard in die vierde kwartaal van 1996 tot netto aankope

Aandeleprysindekse van alle klasse aandele



Aandelepryse



Die maandelikse gemiddelde prysvlak van alle klasse aandele het vanaf Desember 1996 met 8,5 persent tot 'n nuwe hoogtepunt in Maart 1997 gestyg. Aandelepryse in die finansiële, nywerheids- en handels- en niegoudmynkategorieë het in die eerste kwartaal van 1997 aansienlik gestyg. Hierdie verstewiging van aandelepryse het gevvolg op 'n tydperk van betreklike swakheid waartydens aandelepryse aanvanklik met 1,3 persent vanaf Februarie tot Oktober 1996 gestyg het en daarna met 6,3 persent vanaf Oktober tot Desember gedaal het. Die maandelikse gemiddelde prys van goudmynaandele, wat vanaf Mei 1996 tot Januarie 1997 met 25,4 persent gedaal het, het vanaf Januarie 1997 tot Februarie met 10,8 persent gestyg, maar toe in Maart en April al hierdie winste verloor. Die onlangse daling in goudmynaandele in April 1997 het tot 'n daling van 1,1 persent in die maandelikse gemiddelde prysvlak van alle klasse aandele bygedra. Die afwaarts regstelling van aandelepryse op Wallstraat in die tweede helfte van Maart 1997 en in April het waarskynlik ook bygedra tot 'n afname in die aandelepryse op die Johannesburgse Aandelebeurs in April.

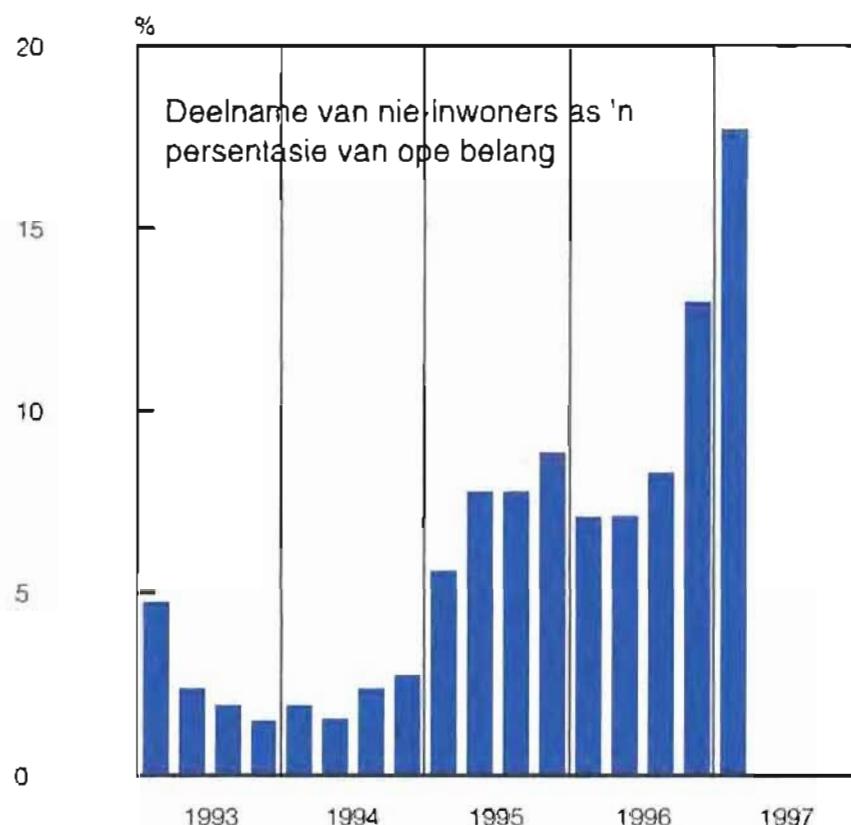
Die maandelikse gemiddelde dividendopbrengskoers op alle klasse aandele het bestendig van 2,08 persent in Januarie 1996 tot 2,46 persent in Januarie 1997 toegeneem, maar toe in Maart afwaarts beweeg tot 2,40 persent toe aandelepryse verstewig het. In April 1997 het die dividendopbrengskoers effens tot 2,41 persent toegeneem. Die maandelikse gemiddelde verdienste-opbrengskoers (met uitsluiting van goudmynaandele) het dienooreenkomsdig van 5,50 persent in Januarie 1996 tot 7,01 persent in Desember toegeneem, voordat dit tot 6,62 persent in Maart 1997 en 6,66 persent in April teruggesak het. Die rendementsgaping (die maandelikse gemiddelde opbrengskoers op langtermynstaatseffekte minus die dividendopbrengskoers op alle klasse aandele), het van 13,7 persentasiepunte in Desember 1996 tot 12,8 persentasiepunte in April 1997 vernou omdat die langtermynopbrengskoers op staatseffekte gedaal het en die dividendopbrengskoers hoofsaaklik onveranderd gebly het. Die prysverdiensteverhouding (goudmynaandele uitgesluit) het van 18,2 in Januarie 1996 tot 14,3 in Desember gedaal, maar toe tot 15,0 in April 1997 gestyg namate aandelepryse meer as verdienste toegeneem het.

Ander finansiële markte

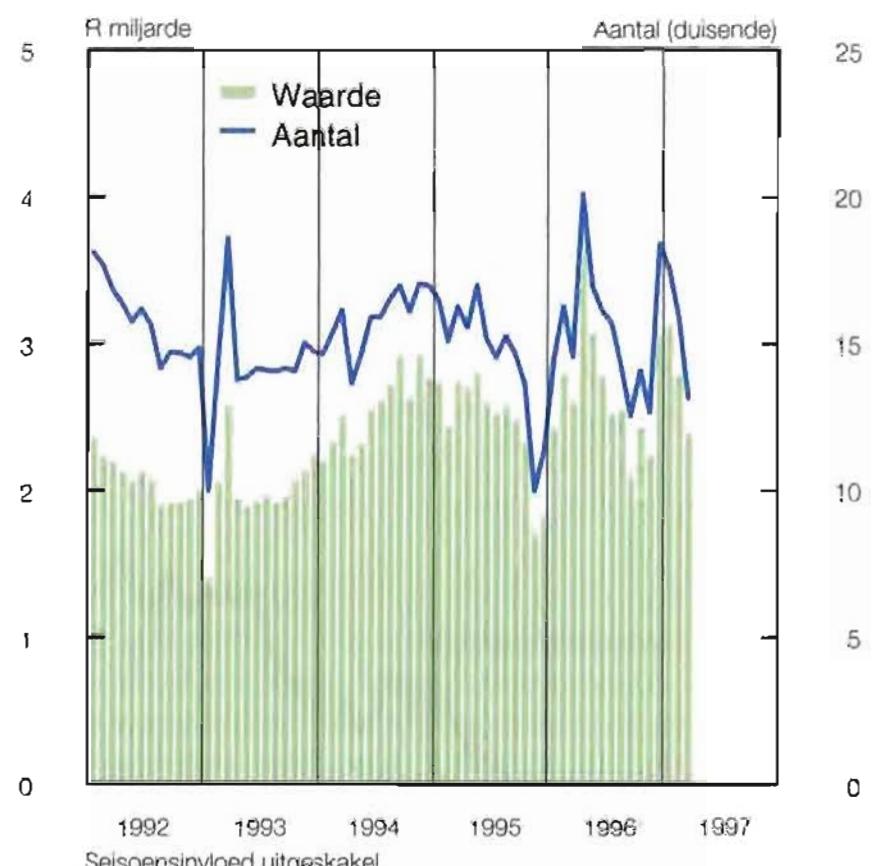
Die bedrywigheid in die *formele mark vir afgeleide instrumente* was net soos dié in die onderliggende aandele-en effektemarkte, in die eerste kwartaal van 1997 besonder lewendig. Vergelyke met die vierde kwartaal van 1996, het die aantal oopsies wat op termynkontrakte verhandel is met 92,8 persent tot 2,1 miljoen kontrakte in die eerste kwartaal van 1997 toegeneem. Die aantal termynkontrakte wat verhandel is, het daarbenewens met 23,6 persent tot 1,3 miljoen

van R3,5 miljard in die eerste kwartaal van 1997 omgekeer. In April 1997 het netto aankope van aandele deur nie-inwoners tot R2,8 miljard toegeneem, wat totale netto aankope in die eerste vier maande van die jaar op R6,3 miljard te staan laat kom het. Vergelyke hiermee, het die netto aankope van aandele deur nie-inwoners R5,3 miljard vir die hele kalenderjaar 1996 bedra.

Deelname van nie-inwoners in die mark vir afgeleide instrumente



Vaste-eiendomstransaksies



kontrakte in die eerste kwartaal van 1997 toegeneem. Die toenemende internasionalisering van die Suid-Afrikaanse kapitaalmark en, meer in die besonder, die mark vir afgeleide instrumente blyk duidelik uit nie-inwonerdeelname as 'n persentasie van ope belang wat van 'n gemiddelde van 7,4 persent in die eerste drie kwartale van 1996 tot 12,9 persent in die vierde kwartaal en selfs verder tot 17,7 persent in die eerste kwartaal van 1997 toegeneem het.

Die "Chicago Mercantile Exchange" en die Suid-Afrikaanse Termynbeurs het albei op 7 Mei 1997 'n rand-dollar-termynkontrak bekend geset, as 'n verdere stap in die geleidelike integrasie van Suid-Afrika in die wêreld se finansiële en valutamarkte. Verhandeling in rand-dollar-termynkontrakte op die Suid-Afrikaanse Termynbeurs sal egter beperk wees tot nie-inwonerklinte van lede van die beurs en gemagtigde handelaars in buitelandse valuta. Inwoners sal egter in staat wees om buitelandsevalutablootstelling in die rand-dollar-termynmark deur gemagtigde handelaars te verskans. Die gemagtigde handelaars in buitelandse valuta sal op hul beurt in staat wees om hul risiko in die termyndekkingmark of deur die termynmark te verskans.

Die behoefte om prysonsekerheid in 'n gedereguleerde mark te bestuur, wat spruit uit die beëindiging van die bemarkingsreeelings van die Mielieraad op 30 April 1997 het tot 'n skerp toename in die volume van verhandeling van mielie-termynkontrakte vanaf die vierde kwartaal van 1996 gelei. Dit is ook 'n aanduiding van 'n groter aanvaarding en begrip van hierdie mark.

Die vaste-eiendomsmark het vanaf die vierde kwartaal van 1996 lewendiger geword. Die kwartaalkse waarde van vaste-eiendomstransaksies het van R7,2 miljard in die derde kwartaal tot R7,7 miljard in die vierde kwartaal van 1996 en R8,3 miljard in die eerste kwartaal van 1997 toegeneem. Die waarde van vaste-eiendomstransaksies in 1996 het R32,3 miljard bedra, wat 9,5 persent hoër was as in 1995. Die aantal transaksies het oor diesselfde tydperk met 6,5 persent toegeneem.

Finansiering in die verbandmark het vanaf die vierde kwartaal van 1996 afgeplat. Die koers van toename oor twaalf maande in verbandvoorskotte het van 'n gemiddelde van 17,4 persent in die eerste drie kwartale van 1996 tot 'n gemiddelde van 17,2 persent in die vierde kwartaal en 16,5 persent in die eerste kwartaal van 1997 afgeneem. Die totale bedrag van uitstaande verbandlenings by banke het egter steeds van R152,4 miljard aan die einde van Desember 1996 tot R157 miljard in Maart 1997 toegeneem.

Openbare finansies

Leningsbehoefte van die openbare sektor

Die *leningsbehoefte van die openbare sektor* (dit wil sê die tekort voor lenings en skuldaflossing van die gekonsolideerde sentrale regering, provinsiale regerings, plaaslike owerhede en die nie-finansiële openbare ondernemings en openbare korporasies) het R32,6 miljard in die fiskale jaar 1996/97 bedra; dit wil sê R2,4 miljard meer as die leningsbehoefte in die voorafgaande fiskale jaar. In verhouding tot die bruto binnelandse produk het die leningsbehoefte van die openbare sektor van 6,1 persent in die fiskale jaar 1995/96 tot 5,9 persent in die fiskale jaar 1996/97 gedaal. Dit strook met die verklaarde oogmerk van die regering om die tekort van die Hoofbegroting in verhouding tot die bruto binnelandse produk voor die jaar 2000 tot 'n volhoubare vlak te verminder.

Die belangrikste rede vir die toename in die randwaarde van die totale leningsbehoefte van die algemene owerheid was dat die tekort op die inkomste- en uitgawerekkening van die gekonsolideerde sentrale regering verswak het van R28,8 miljard in die fiskale jaar 1995/96 tot R31,2 miljard in die fiskale jaar 1996/97. Die finansiële posisie van die provinsiale regerings het verswak van 'n klein surplus van R24 miljoen in die fiskale jaar 1995/96 tot 'n tekort van R1,3 miljard in die fiskale jaar 1996/97. Die finansiële saldo van die nie-finansiële openbare ondernemings en openbare korporasies het 'n ommekeer getoon van 'n tekort van R0,9 miljard in die fiskale jaar 1995/96 tot 'n surplus van R0,7 miljard in die fiskale jaar 1996/97.

Skatkisrekening vir 1996/97

Skatkisuitrekings aan staatsdepartemente, wat in die fiskale jaar 1996/97 'n totaal van R177,2 miljard bedra het, was R3,5 miljard hoër as die oorspronklike begrotingsraming van R173,7 miljard. Hierdie oorbesteding het hoofsaaklik plaasgevind as gevolg van hoér-as-begrote besteding aan skuldkoste en aansienlike toenames in besteding aan polisiëring en oordragte aan provinsies. Die koers van toename in owerheidsbesteding het in die fiskale jaar 1996/97 gevvolglik 13,5 persent bedra, in teenstelling met 'n beoogde toename van 10,4 persent wat voorsien is in die Begroting wat in Maart 1996 aan die Parlement voorgelê is. Die groei in skatkisuitrekings gedurende die afgelope fiskale jaar was nietemin laer as die gemiddelde groei van 14,5 persent per jaar in owerheidsbesteding oor die voorafgaande vyf fiskale jare. In verhouding tot die bruto binnelandse produk het owerheidsbesteding nietemin verder toegeneem van die 31,3 persent wat in 1995/96 aangeteken is tot 31,8 persent in 1996/97.

Staatsinkomste (met die uitsluiting van buitengewone inkomste ten bedrae van R1,6 miljard wat uit die verkoop van strategiese olieresewes verkry is) het in die

fiskale jaar 1996/97 tot R146,1 miljard of met 16,0 persent toegeneem, 'n toename wat aansienlik hoér is as die koers van toename van 13,6 persent wat in die aanvanklike begrotingsvoorstelle aangedui is en ook heelwat bo die koers van toename van 12,2 persent wat in die vorige fiskale jaar aangeteken is.

Die hoér-as-begrote koers van toename in staatsinkomste in die fiskale jaar 1996/97 was hoofsaaklik die gevolg van hoér-as-begrote ontvangste uit inkomstebelasting, wat met 20,7 persent toegeneem het, en doeane-regte, wat met 22,1 persent toegeneem het. Ontvangste uit belasting op toegevoegde waarde en aksynsregte was daarenteen laer as die begrotingsramings. Dit kan moontlik deur 'n verlangsaming in die groei van private verbruiksbesteding verklaar word. Verbeterde belastingadministrasie en betreklik hoë groei in nominale inkomste het tot die toename in inkomstebelasting en doeane-regte in die fiskale jaar 1996/97 bygedra. In die fiskale jaar 1996/97 het staatsinkomste in verhouding tot die bruto binnelandse produk 26,3 persent bedra. Dit is hoér as die verhouding van 25,3 persent wat in die fiskale jaar 1995/96 aangeteken is en ook hoér as die regering se verklaarde doelwit van 25 persent van die bruto binnelandse produk.

Die hoér-as-verwagte uitgawes en inkomste vir die fiskale jaar 1996/97 het 'n *tekort voor lenings en skuldaflossing* van R31,1 miljard tot gevolg gehad, wat effens hoér is as die begrote tekort van R30,7 miljard. As 'n persentasie van die bruto binnelandse produk is die tekort in die fiskale jaar 1996/97 op 5,6 persent geraam, vergeleke met die aanvanklike begrotingsraming van 5,5 persent en die verhouding van 6,1 persent wat in die voorafgaande fiskale jaar aangeteken is. Die algemeen dalende verhouding van die fiskale tekort tot die bruto binnelandse produk strook met die oogmerke van die regering se strategie vir *Groei, Werkverskaffing en Herverdeling* wat 'n afname in die totale begrotingstekort

Tabel 14. Staatsinkomste volgens tipe inkomste in die fiskale jaar 1996/97

Persentasietoename

Inkomstekategorie	Begroot	Werklik
Doeane en aksyns	9,7	11,5
Doeaneregte.....	15,4	22,1
Aksynsregte.....	5,2	3,5
Ander	9,5	10,8
Binnelandse inkomste	14,2	16,7
Inkomstebelasting	17,5	20,7
Belasting op toegevoegde waarde.....	13,3	9,6
Ander	-12,8	10,9
Totale inkomste.....	13,6	16,0

tot 3 persent van die bruto binnelandse produk in die fiskale jaar 1999/2000 in die vooruitsig stel.

Die tekort op die inkomste- en uitgawerekening van die nasionale regering is in 1996/97 hoofsaaklik deur middel van die uitreiking van staatseffekte, en in 'n mindere mate deur 'n afname in kontantsaldo's, die uitreiking van skatkiswissels, die verkoop van strategiese oliereserwes en buitelandse lenings gefinansier. Nuwe fondse wat deur die uitreiking van staatseffekte bekom is, het R21,2 miljard bedra, terwyl skatkiswissels ten bedrae van R5,6 miljard uitgereik is. Die regering het ook deur middel van twee buitelandse leningsuitgiftes tot die internasionale primêre effektemark toegetree: een ten bedrae van DM500 miljoen (R1,5 miljard) met 'n looptyd van sewe jaar in die Euro-effektemark, en die ander ten bedrae van \$300 miljoen (R1,4 miljard) met 'n looptyd van tien jaar in die VSA-mark. 'n Deel van hierdie opbrengs is aangewend om buitelandse skuld van die regering af te los, wat in die fiskale jaar betaalbaar geword het.

Die leningsbedrywigheede van die owerheid, tesame met die aansienlike diskonto waarteen nuwe effekte uitgereik is, het tot 'n toename in staatskuld van R278,9 miljard aan die einde van Maart 1996 tot R310,0 miljard aan die einde van Maart 1997 gelei. Effens vinniger groei in die nominale bruto binnelandse produk, hoofsaaklik as gevolg van toenames in die algemene prysvlak, het 'n effense daling veroorsaak in die verhouding van die staatskuld tot die bruto binnelandse produk van 56,0 persent aan die einde van Maart 1996 tot 55,7 persent aan die einde van Maart 1997.

Die Begroting vir die fiskale jaar 1997/98

Toe die Minister van Finansies sy Begroting in Maart aan die Parlement voorgelê het, het hy beklemtoon dat die fiskale jaar 1997/98 een sal wees van konsolidasie en dat die regering se finansiële beleid gerig sou word deur die behoefte aan versnelde maatskaplike dienslewering, die verhoging van ekonomiese groei, werkverskaffing en die stuifing van inflasie. Die Minister het die regering se doelwitte van die makro-ekonomiese strategie herhaal en dit beskryf as 'n hervormingsprogram wat daarop gerig is om:

- 'n mededingende, snelgroeende ekonomie te skep, wat voldoende werk aan alle werksoekers sal verseker;
- 'n herverdeling van inkomste en geleenthede tot voordeel van die armes te bewerkstellig;
- 'n gemeenskap te vestig wat die vermoë het om te verseker dat betroubare gesondheids-, onderwys- en ander dienste tot almal se beschikking sal wees; en
- 'n omgewing te skep waarin veiligheid en sekuriteit voorrang geniet en waarin werkplekke produktiwiteit sal bevorder.

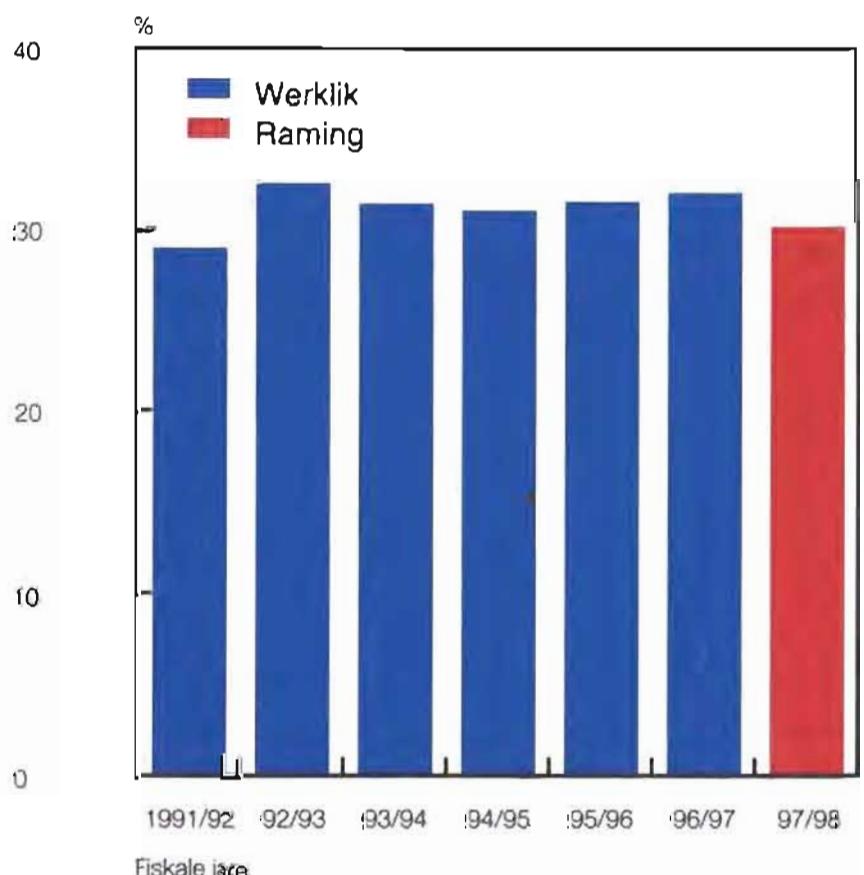
Die Begroting was in ooreenstemming met dit waartoe die regering hom verbind het toe die makro-ekonomiese strategie in Junie 1996 aan die Parlement voorgelê is.

Tabel 15. Finansiering van die owerheid in die fiskale jaar 1996/97

	R miljoene
Staatseffekte (diskonto ingesluit).....	27 360
Min: Diskonto op staatseffekte	-6 169
Netto ontvangste uit staatseffekte.....	21 191
Skatkiswissels.....	5 567
Buitengewone ontvangste	1 603
Buitelandse lenings	1 277
Nie-bemarkbare sekuriteite	-216
Geldmarkinstrumente	-3 827
TBVC-skuld	-294
Afname in beskikbare kontantsaldo's	5 836
Totale netto finansiering	31 140

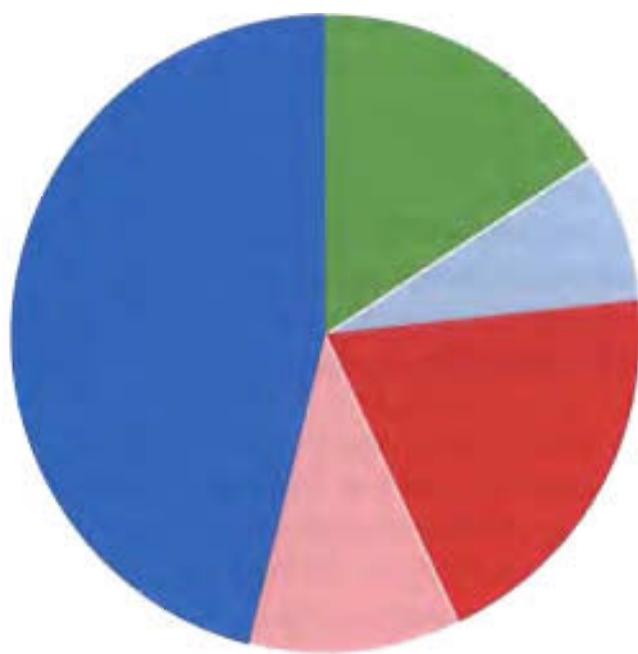
Na raming sal die totale owerheidsbesteding in die fiskale jaar 1997/98 met 6,1 persent tot R186,7 miljard toeneem. In verhouding tot die bruto binnelandse produk, sal totale owerheidsbesteding na verwagting van 31,8 persent in die fiskale jaar 1996/97 tot 30,0 persent in die fiskale jaar 1997/98 afneem. Rentebetalings op staatskuld vir die fiskale jaar 1997/98 is op R38,5 miljard geraam, wat R148,2 miljard vir kapitaaluitgawes en lopende uitgawes, met die uitsluiting van rente, laat. Hierdie bedrag was slegs 5,3 persent groter as die hersiene raming vir hierdie soort besteding in 1996/97. Kapitaal-

Skatkisuitreikings aan staatsdepartemente as persentasie van bruto binnelandse produk



Funksionele klassifikasie van owerheidsbesteding as persentasie van totale owerheidsbesteding

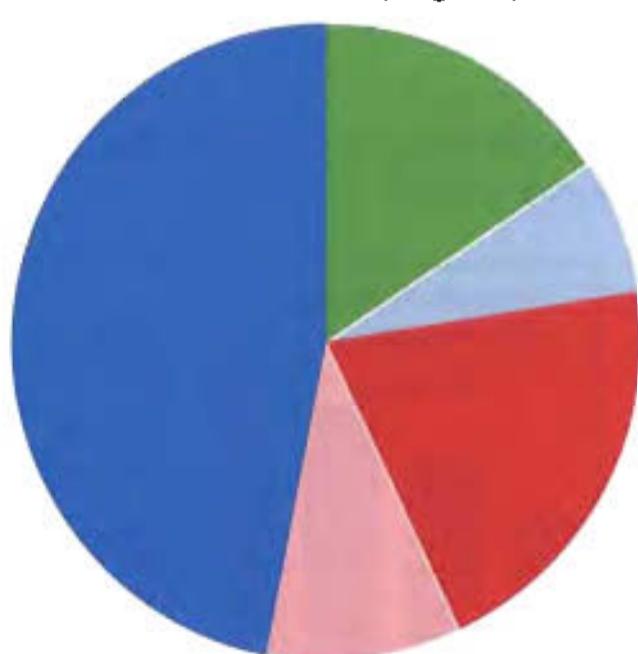
1996/97



%

Maatskaplik	45,9
Rente	19,6
Beskerming	15,9
Ekonomies	11,0
Algemeen	7,6

1997/98 (Begroot)



%

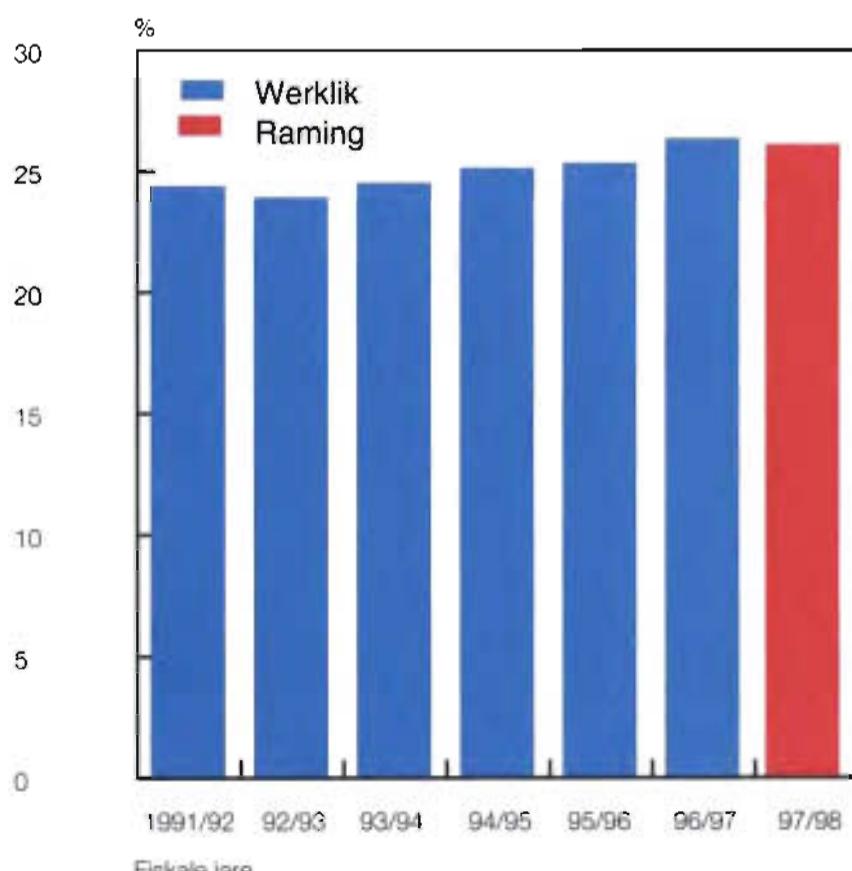
Maatskaplik	46,9
Rente	20,4
Beskerming	15,7
Ekonomies	10,0
Algemeen	7,0

besteding is in die fiskale jaar 1997/98 op R13,2 miljard geraam, wat in nominale terme laer is as die hersiene raming vir kapitaalbesteding van R14,6 miljard in die fiskale jaar 1996/97. Volgens 'n funksionele indeling van owerheidsbesteding, is verwag dat die deel van totale besteding wat in 1997/98 aan die voorsiening van maatskaplike dienste en rentebetalings toegewys word, sal styg ten koste van die onderskeie toewysings vir beskermings-, ekonomiese en algemene administratiewe dienste.

Totale inkomste sal na raming in die fiskale jaar 1997/98 met 11,2 persent tot R162,0 miljard toeneem, wat gelyk aan 26,0 persent van die bruto binneilandse produk is. Hoewel die verhouding van staatsinkomste tot die bruto binneilandse produk na verwagting effens van 26,3 persent in die fiskale jaar 1996/97 sal afneem, is dit steeds merkbaar hoër as die regering se verklaarde doelwit van 25 persent. Die owerheid het verwag dat 'n verbetering in die doeltreffendheid van belastingadministrasie en die invordering van uitstaande belastings waarskynlik tot die verhoging in staatsinkomste sou bydra. Daarbenewens is spesiale belastingtoegewings aangekondig om 'n bykomende inkomste ten bedrae van R1,6 miljard te verseker. Hierdie belastingvoorstelle en ander maatreëls het die volgende ingesluit:

- Wysigings aan inkomstebelasting op individue om die druk van belasting en nakoming vir diegene in die laer inkomstegroepe te verlig. Onder andere die grenskoers van belasting van toepassing op belasting-

Skatkisontvangste as persentasie van bruto binneilandse produk



betalers met belasbare inkomste van tussen R40 000 en R45 000, is van 41 persent tot 32 persent verminder en die perk waarteen 'n individu verplig word om 'n belastingopgawe in te dien, is van R50 000 tot R60 000 verhoog.

- Maatreëls wat verband hou met die belastinghantering van maatskappymotors, vervoertoelaes en vakansiehuisvesting wat werkgewers aan werknemers verskaf. Stappe sal gedoen word om die misbruik van sulke byvoordele as belastingvermydingsinstrumente aan bande te lê.
- Dividende wat pensioenfondse van eiendomseffekterustskemas ontvang, sal voortaan aan belasting op pensioenfondse onderhewig wees.
- Aksynsregte ten opsigte van tabakprodukte en alkoholieke en sekere ander dranke is verhoog.
- Die koers van belasting op verhandelbare sekuriteite is verlaag en die oorblywende heffing op finansiële dienste sal afgeskaf word.

Die netto gevolg van die begrote uitgawes van R186,7 miljard en die geraamde inkomste van R162,0 miljard (uitgesluit buitengewone inkomste van R3,1 miljard) is 'n *tekort voor lenings en skuldaflassing* van R24,8 miljard, of 4 persent van die geraamde bruto binnelandse produk. Dit kan vergelyk word met 'n baie groter tekort van R31,1 miljard of 5,6 persent van die bruto binnelandse produk vir die fiskale jaar 1996/97.

Nadat die geskeduleerde leningsterugbetalings van R12,1 miljard in berekening gebring is, word die bruto finansieringsbehoefte vir die fiskale jaar 1997/98 op

R36,9 miljard geraam. Dit sal na verwagting soos volg gefinansier word:

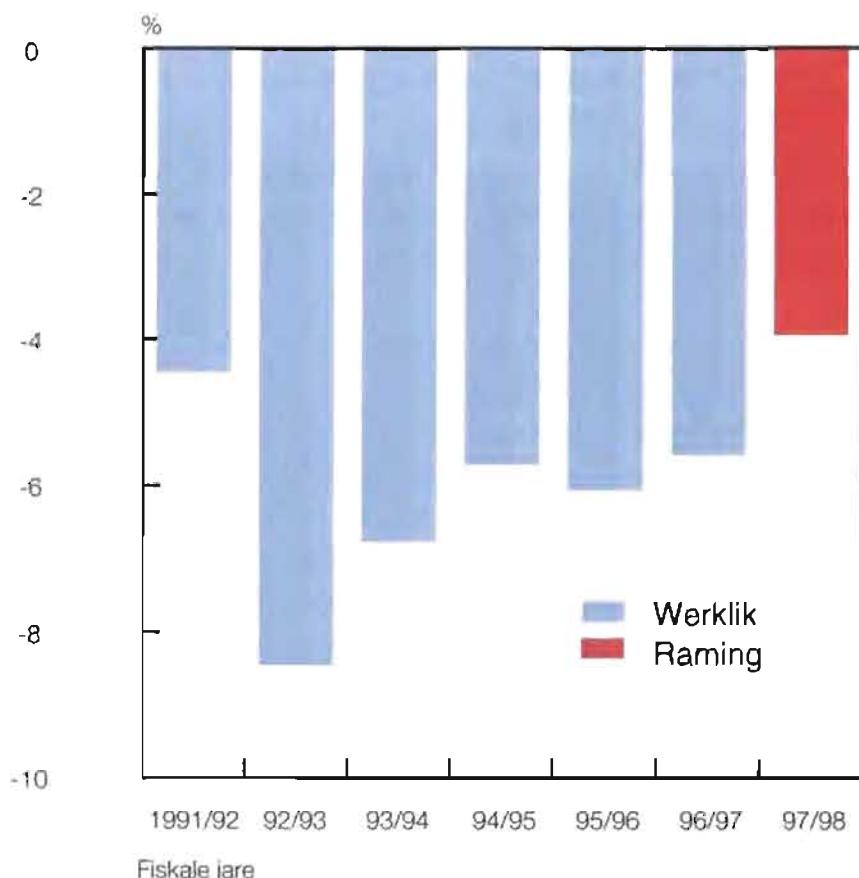
	R miljarde
Staatseffekte (diskonto uitgesluit).....	27,7
Korttermynlenings.....	2,0
Buitelandse lenings.....	4,0
Oordrag vanaf die IMF Depositorekening by die SARB	1,4
Oordrag vanaf die Strategiese Oliefonds.....	1,3
Opbrengs uit die verkoop van staatsbates...	0,5
Totale finansiering	36,9

Die netto toevoeging tot die totale staatskuld gedurende die fiskale jaar 1997/98, met inbegrip van die bykomende verantwoordelikheid vir die terugbetaling van 'n deel van Namibië se staatskuld, sal waarskynlik nie die staatskuld in verhouding tot die bruto binnelandse produk laat toeneem nie. Na raming kan die verhouding aan die einde van die fiskale jaar 1997/98 tot 54,8 persent afneem, teenoor die vlak van 55,7 persent aan die einde van die fiskale jaar 1996/97.

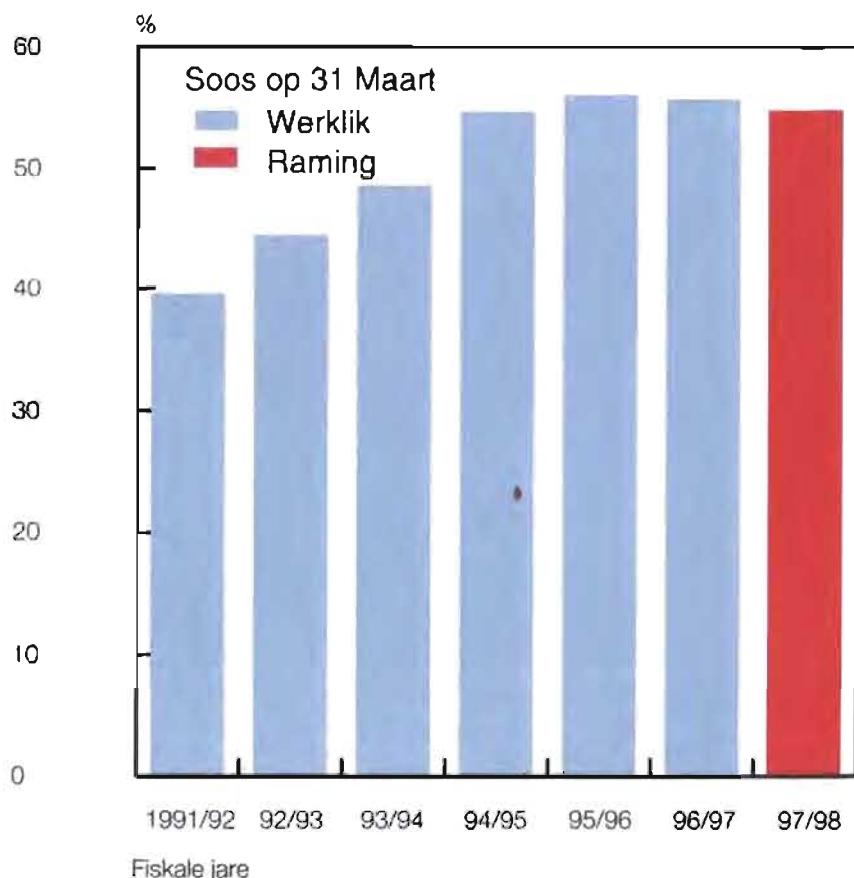
Skatkisrekening vir April 1997

In April 1997 was skatkisuitreikings aan staatsdepartemente (aangesuiwer om kontantvloeiinge te weerspieël) 9,5 persent hoër as in April 1996. Hierdie koers van toename van jaar tot jaar was aansienlik hoër

Tekort voor lenings as persentasie van bruto binnelandse produk



Totale staatskuld as persentasie van bruto binnelandse produk



as die koers van 6,1 persent wat in die Begroting vir die fiskale jaar 1997/98 in die geheel voorsien is. Skatkisontvangste (met uitsluiting van buitengewone ontvangste) het daarteenoor met 'n koers van 3,2 persent van jaar tot jaar toegeneem – aansienlik laer as die 11,2 persent wat in die Begroting in die vooruitsig gestel is. Die netto gevolg van die laer-as-begrote ontvangste en die hoër-as-begrote uitgawes was 'n tekort van R6,2 miljard op die Skatkisrekening voor lenings en skuldaflossing, of 25,1 persent van die begrote tekort vir die fiskale jaar 1997/98 in die geheel. Die tekort was in April 1996 gelyk aan 17,8 persent van die uiteindelike tekort vir die fiskale jaar 1996/97 in die geheel.

Geldvoorraadriglyne vir 1997

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

14 Maart 1997

1. Resultaat vir 1996

Die Reserwebank het aan die begin van 1996 aangedui dat 'n toepaslike koers van toename in die breë geldvoorraad (**M3**) tussen die vierde kwartaal van 1995 en die vierde kwartaal van 1996 binne die perke van 6 tot 10 persent sou val. Hierdie riglyne was as versoenbaar beskou met die medium- en langertermyn monetêre oogmerke van die Reserwebank, en met die oorheersende doelwit om finansiële bestendigheid ter ondersteuning van volgehoud ekonomiese groei en ontwikkeling te handhaaf.

Die gerealiseerde groei in **M3** het oor hierdie riglyntydperk egter R41,2 miljard, of 15,2 persent, bedra. Die werklike maandeindwaardes van die breed gedefinieerde geldvoorraad het ook deurgaans in 1996 die ooreenstemmende geraamde waardes van die boonste perk van die riglyngrense oorskry. Die jaar 1996 verteenwoordig die derde opeenvolgende jaar waarin die groei in **M3** aansienlik hoër was as die gewensde groeikoers soos deur die Reserwebank aangedui. Vanweë die hoë vraag na geld, het die koers van toename in die breë geldvoorraad gemiddeld 14,7 persent per jaar van die begin van 1994 tot die einde van 1996 beloop. Indien toegelaat word vir ontwikkelings in die sakesiklus en die twee jare 1992 en 1993 met lae ekonomiese groeikoerse in die vergelyking ingesluit word, het die gemiddelde jaarlikse groeikoers in **M3** oor die afgelope vyf jaar op 'n laervlak van 11,6 persent te staan gekom. Die groei in **M3** het oor hierdie langer tydperk gevvolglik steeds die boonste perk van die geldvoorraadriglyne van 10 persent oorskry, en was min of meer gelyk aan die groeikoers in die nominale bruto binnelandse produk, wat op 'n betreklik akkommoderende monetêre beleidsingesteldheid dui.

Die transaksiemotief om geld te hou, wat met groot toenames in reële besteding en 'n geweldige styging in die omset in finansiële markte in die jongste jare verband gehou het, was 'n belangrike bydraende faktor tot die hoë koerse van toename in die geldvoorraad. Sekere strukturele veranderings, soos die inskakeling van Suid-Afrika by internasionale finansiële markte en die toetreden van meer Suid-Afrikaners tot die mark-ekonomie, het ook veroorsaak dat die groei in geldvoorraad vir 'n langer tydperk hoog gebly het as wat gedurende die verloop van die konjunktuur gewoonlik die geval sou gewees het. Daarbenewens het die hoë geldvoorraadgroei gedurende 1995 en 1996, en veral in die kortertermynkomponente van **M3**, 'n groter vertroue in geld as waardepapier vanweë gunstiger opbrengskoerse op deposito's weerspieël.

Die belangrikste statistiese teenhanger van hierdie groei in die geldvoorraad was 'n stiewige koers van toename in kredietverlening deur monetêre instellings aan die private sektor wat in 1995 en 1996 deurentyd rondom 'n vlak van 17 persent gewissel het. Die vraag na kredietverlening is deur ferm verbruikers- en beleggersvertroue verhoog namate vrese van politieke onbestendigheid verdwyn en ekonomiese groei verbeter het. Herstrukturering in indiensnemingsbeleid wat oor die algemeen veroorsaak het dat ouer met jonger persone vervang is, sowel as 'n omskakeling van buitelandse na binnelandse finansiering van internasionale handels-transaksies vanweë die wisselvalligheid in die mark vir buitelandse valuta in 1996, het verder tot die bestendige hoë styging in die vraag na krediet bygedra. Aan die aanbokant het banke die gebruik van kredietfasilitete daadwerklik bevorder, terwyl kleinhandelaars verbruikers aangemoedig het om hul besteding deur middel van kredietkaarte vir eie gebruik te verhoog.

Teen die agtergrond van hierdie verwikkelings en in die nastrewing van sy missie om die waarde van die rand te beskerm, het die Reserwebank geen ander keuse gehad nie as om 'n strammer monetêre beleidsingesteldheid te aanvaar. Die eerste verhoging in Bankkoers van een persentasiepunt is reeds op 26 September 1994 gemaak, gevolg deur twee verdere verhogings in 1995 om die Bankkoers aan die einde van Junie 1995 op 'n vlak van 15 persent te bring. Sowel korter- as langertermyn rente- en opbrengskoerse in die mark het dienooreenkomsdig in die eerste helfte van 1995 skerp opwaarts beweeg, voordat die koerse in die kapitaalmark in die tweede helfte van daardie jaar begin daal het.

Hierdie afwaartse beweging in langertermynkoerse is omgekeer deur die skielike afname in die netto invloeiing van buitelandse kapitaal wat in die eerste kwartaal van 1996 plaasgevind het. 'n Aantal ongunstige verwikkelings gedurende daardie tyd het voortgegaan om 'n uitvloeiing van korttermynkapitaal te ontketen. Gekombineer met 'n betreklike groot tekort op die lopende rekening van die betalingsbalans in daardie stadium, het 'n tekort op die algehele betalingsbalans ontstaan wat onmiddellike tekorte in die mark vir buitelandse valuta en 'n skerp depresiasié in die wisselkoers van die rand verborsaak het. Die aanvanklike depresiasié het negatiewe verwagtings geskep en het aanleiding daartoe gegee dat vervroegings en vertragings in handelsfinansiering skerp teen Suid-Afrika beweeg het, wat 'n verdere depresiasié van die rand tot gevolg gehad het.

Met slegs beperkte buitelandse valutareserwes en ander middele tot sy beskikkings om die eksterne tekort te finansier, het Suid-Afrika geen alternatief gehad nie as om die tekort op die lopende rekening van die

betalingsbalans tot 'n beheerbaarder vlak te verminder. 'n Deel van die noodsaaklike aanpassing het in elk geval uit die onvermydelike sekondêre invloede van die depresiasie van die rand voortgevloeи. 'n Gelyktydige afname in binnelandse likiditeit is ook in 'n hoër vlak van rentekoerse weerspieël, wat nie net die uitvloeiing van kapitaal ontmoedig het nie, maar ook die vraag na bankkrediet en die groei in binnelandse besteding verminder het. Onder hierdie omstandighede was monetêre beleid daarop ingestel om die markaanpassingsproses aktief te ondersteun. Die Bankkoers is dienooreenkomsdig gedurende 1996 in twee verdere stappe met een persentasiepunt elk tot 17 persent aan die einde van November verhoog.

Die beginselvaste beperkende monetêre beleids-ingesteldheid, tesame met ander faktore soos 'n stadiger groei in nominale arbeidseenheidskoste, verlagings in tariewe op ingevoerde pryse en 'n betreklik bestendige ruilwaarde van die rand tot die middel van Februarie 1996, het heelwat sukses behaal deur die inflasiekoers na 'n enkelsyfer af te bring. Nadat koerse van toename in die verbruikersprysindeks sedert die vroeë sewentigerjare rondom 'n vlak van ongeveer 15 persent gewissel het, en 18,6 persent in 1986 bereik het, het verbruikersprysinflasie in 1993 tot onder 10 persent gedaal. Daarbenewens het die gemiddelde jaarlikse koers van toename in die verbruikersprysindeks van 9,7 persent in 1993 tot 7,4 persent in 1996 afgeneem – sy laagste vlak sedert 1972.

2. Hervatting van inflasionistiese druk

Gedurende die verloop van 1996 is die afwaartse neiging in verbruikersprysinflasie egter omgekeer en het die toename in die verbruikersprysindeks (seisoensaangesuiwerd en teen 'n jaarkoers) van kwartaal tot kwartaal van 'n laer draipunt van 7,8 persent in die tweede kwartaal van 1996 tot 11,6 persent in die vierde kwartaal versnel. Gemeet oor tydperke van twaalf maande, het die koers van toename in verbruikerspryse ook van 'n laagtepunt van 5,5 persent in April 1996 tot 9,4 persent in sowel Desember 1996 as in Januarie 1997 gestyg.

In 'n sekere mate kan hierdie versnelling in verbruikersprysinflasie toegeskryf word aan buitengewone omstandighede, soos die toename in voedselprysse en die invloed van die hoër rentekoerse op die koste van huiseienaarskap. Dit is egter meer betekenisvol dat die onderliggende inflasiekoers (dit wil sê die verandering in die omvattende verbruikersprysindeks met die uitsondering van die prysse van voedsel en nie-alkoholiese drank, huiseienaarkoste en die belasting op toegevoegde waarde) ook gedurende 1996 opmerklik gestyg het. Die seisoensaangesuiwerde onderliggende inflasiekoers van kwartaal tot kwartaal en teen 'n jaarkoers het derhalwe van 6,4 persent in die eerste kwartaal van

1996 tot 12,4 persent in die vierde kwartaal versnel. Gemeet oor tydperke van twaalf maande, het die onderliggende inflasiekoers van 'n lae vlak van 6,3 persent in Mei 1996 tot 9,3 persent in Januarie 1997 gestyg.

Hierdie toename in die onderliggende inflasiekoers toon duidelik dat meer fundamentele faktore vir die styging in inflasie gedurende die laaste helfte van 1996 verantwoordelik was. Die hervatting van inflasionistiese druk het klaarblyklik nie vanweë 'n oorverhitte ekonomie ontstaan nie. Hierdie afleiding word bevestig deur 'n werklike afname in die reële bruto binnelandse besteding in die tweede helfte van 1996, 'n daling in die benutting van die produksievermoë in fabriekswese sedert die tweede kwartaal van 1995 en 'n betreklike groot gaping tussen die potensiële en werklike bruto binnelandse produk.

'n Styging in die nominale arbeidseenheidskoste (dit wil sê die verandering in die verhouding tussen die nominale vergoeding per werknemer en die reële opbrengs per werker) was blykbaar 'n belangrike bydraende faktor tot die hervatting van prysinflasie. Die groei in die nominale arbeidseenheidskoste oor een jaar het van 3,7 persent in die tweede kwartaal van 1995 tot 7,9 persent in die derde kwartaal van 1996 (jongste beskikbare inligting) gestyg, ondanks 'n betreklike skerp toename in produktiwiteit oor hierdie tydperk. Die depresiasie van die rand gedurende 1996 het ook 'n belangrike faktor in die versnelling van verbruikersprysinflasie teen die einde van 1996 geword. Gemeet oor 'n tydperk van twaalf maande, het die koers van toename in die prysse van ingevoerde goedere gestyg van 3,2 persent in April 1996 tot 4,7 persent in September, en daarna heelwat vinniger tot 9,3 persent in Desember.

3. Geldvoorraadriglyne vir 1997

Onder hierdie omstandighede het dit noodsaaklik geword om die huidige hoë groei in die geldvoorraad en die kredietverlening van banke aan die private sektor na laer vlakke te bring. Die voortsetting van uitermatige toenames in die geldvoorraad sal onder huidige omstandighede die nuwe en bestaande inflasionistiese druk aanvuur. Indien dit nie in hierdie stadium beheer word nie, kan die omstandighede maklik in 'n nuwe siklus van voortdurende stygings in die inflasiekoers ontaard. Sou die Reserwebank misluk in sy pogings om die waarde van die geldeenheid te beskerm, sal die doelwitte wat die regering vir ekonomiese heropbou en ontwikkeling gestel het sowel as die implementering van die **Strategie vir Groei, Indiensname en Herverdeling**, nie haalbaar wees nie. In huidige omstandighede is die handhawing van 'n beperkende monetêre beleidsingesteldheid duidelik noodsaaklik.

Met inagneming van die algehele ekonomiese toestande, het die Reserwebank dus besluit om die riglyne vir die groei in die M3-geldvoorraad vir die tydperk van die vierde kwartaal van 1996 tot die vierde kwartaal van 1997 weer op 6 tot 10 persent vas te stel. Hierdie riglyne is in ooreenstemming met die beginselvaste benadering oor die middel- en langertermyn wat die Bank in die afgelope aantal jare gevvolg het, en is 'n aanduiding van die Bank se voorneme om die groei in die geldvoorraad na 'n vlak af te bring wat met laer inflasie versoenbaar is. Die boonste perk van 10 persent neem 'n moontlike groei in die reële bruto binnelandse produk in 1997 van tussen 2 en 3 persent in ag, terwyl die onveranderde laer perk van 6 persent die Reserwebank se vasberadenheid aandui om die inflasiekoers in die langer termyn na vlakke te bring wat meer met die gemiddelde koers van inflasie in Suid-Afrika se handelsvennote en mededingers ooreenstem. Vir 1997 is die uitdaging egter om die inflasie op 'n vlak onder 10 persent te hou.

Die voorsiening van jaarlikse riglyne vir 'n toepaslike toename in die geldvoorraad dra tot deursigtiger monetêre beleid by. Groot afwykings van hierdie riglyne behoort aanleiding te gee tot pro-aktiewe beleidsoptredes deur die Reserwebank, maar dit moet weer beklemtoon word dat die Reserwebank nie van plan is om 'n onbuigsame geldreël gekoppel aan hierdie riglyne te alle tye toe te pas nie. Die geldvoorraadriglyne voorsien bankinstellings en die algemene publiek van 'n duidelike aanduiding van die belangriker onderliggende faktore wat monetêre beleidsoptredes beïnvloed.

Die ondervinding in sommige ander lande waar daar onlangs een of ander vorm van finansiële vrymaking plaasgevind het, is dat daar gedurende 'n tydperk van strukturele ekonomiese oorgang dikwels 'n sterk toename in bankkredietverlening voorkom. Dit is om hierdie rede dat die Reserwebank sal voortgaan om diskresionêre oordeel te gebruik in die besluit oor wat die kombinasie van die geldvoorraadgroei, bankkredietverlening, rentekoerse en wisselkoerse in enige gegewe omstandigheid behoort te wees wat die beste bydrae daartoe sal lewer om die waarde van die geldeeriheid ter ondersteuning van ewewigtige en handhaafbare ekonomiese groei te beskerm. Die Bank se oordeel om enige van hierdie veranderlikes onafhanklik te beïnvloed word egter beperk deur die hoë mate van interafhanklikheid wat tussen hierdie groot-hede bestaan.

Bankkrediet aan die private sektor¹

deur S.J. van der Walt

Inleiding

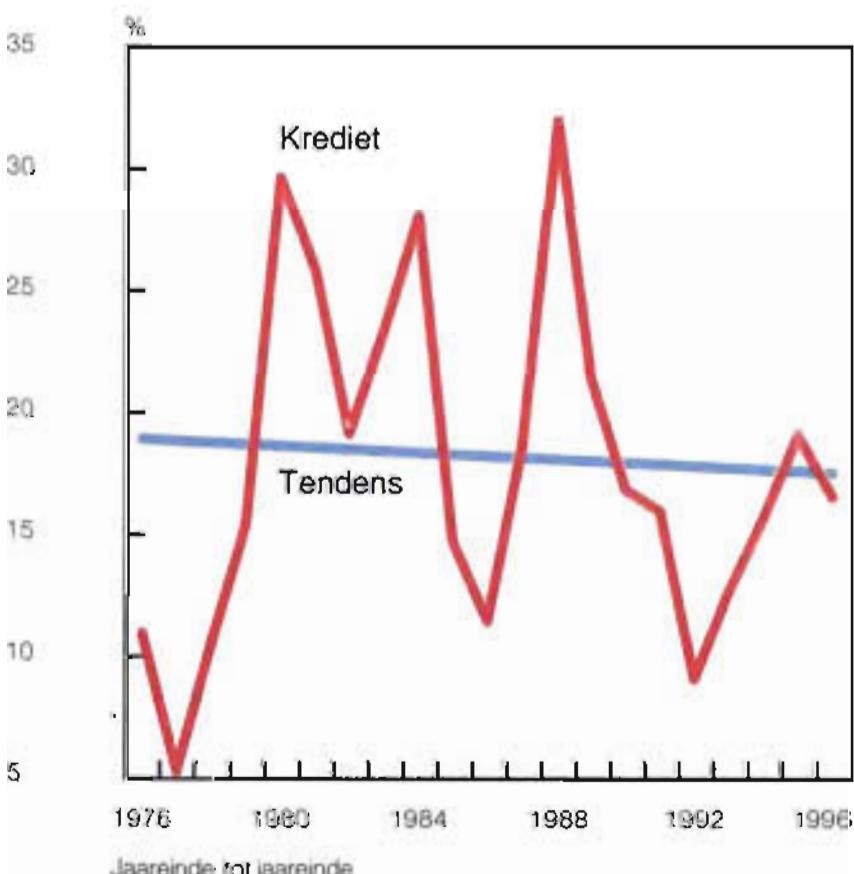
Bankkrediet is 'n belangrike bron van finansiering vir die private sektor in Suid-Afrika. Banklenings aan die private sektor het gedurende die afgelope twintig jaar teen 'n betreklik hoë gemiddelde jaartikse koers toegenem, ondanks die ontwikkeling van gesofistieerde finansiële produkte en hoogs doeltreffende finansiële markte wat lenings van alternatiewe nie-bank-finansieringsbronne oënskynlik bevoordeel het.

Hierdie nota gee 'n kort oorsig oor die veranderings in bankkredietverlening aan die private sektor gedurende die tydperk 1976 tot 1996. 'n Onderskeid word gemaak tussen die verskillende soorte krediet en tussen maatskappye en individue. Laastens word die banke se uitleenportefeuille in die onderskeie sektore volgens ekonomiese bedrywigheid ingedeel.

Die verloop van bankkrediet aan die private sektor, 1976 tot 1996

Banklenings aan die private sektor het gedurende die tydperk 1976 tot 1996 met gemiddeld 17,9 persent

Grafiek 1: Jaarlikse persentasieverandering in bankkrediet aan die private sektor

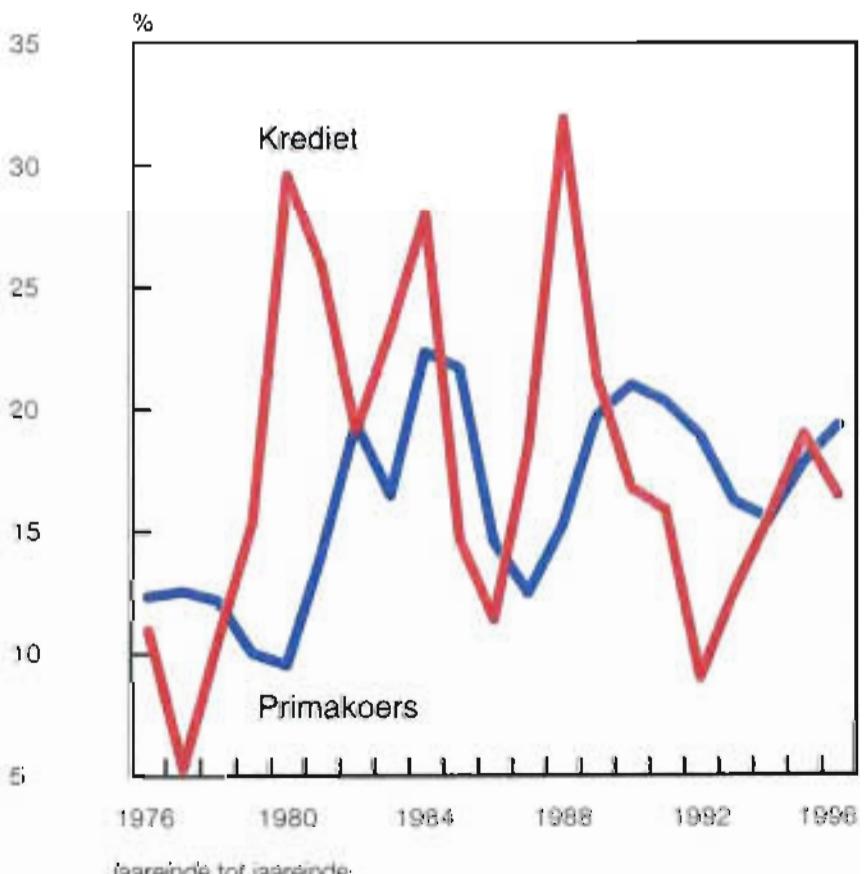


per jaar toegeneem. Die jaarlikse toenames het in die tydperk om 'n tendenslyn met 'n effense dalende verloop geskommel en in 1977 'n laagtepunt van 5,4 persent en in 1988 'n hoogtepunt van 32,0 persent aangeteken. Die groei van 16,6 persent in 1996 het tot net onder die waarde van die berekende langtermintendenslyn afgeneem (kyk Grafiek 1).

Veranderings in die banke se uitleenbedrywighede het gedurende die oorsigtijdperk geneig om veranderings in algehele ekonomiese toestande vooraf te gaan. Die groeikoers van jaareinde tot jaareinde in banklenings het oor die algemeen voor 'n opwaartse beweging in die konjunktuur begin versnel en voor die aanvang van die afswaai in die konjunktuur begin verlangsaam (kyk Grafiek 2). Dit weerspieël waarskynlik 'n toename in sakeondernemings se vraag na bedryfskapitaal in afwagting van 'n verbetering in

¹ In hierdie nota bestaan bankkrediet aan die private sektor uit: wissels verdiskonter, afbetalingsverkoopkrediet, bruikhuurfinansiering, kredietkaartdebiteure, verbandvoorskotte en ander lenings en voorskotte wat deur geregistreerde banke en onderlinge banke verleen is. Die private sektor verwys na die nie-bank private sektor.

Grafiek 2: Jaarlikse persentasieverandering in bankkrediet aan die private sektor en gemiddelde prima-oortrekkingskoers van banke



verkope en ekonomiese bedrywigheid in die algemeen, en 'n afname in die vraag na fondse namate sakeondernemings se likiditeit verbeter en individue hul gebruik van bankkrediet gedurende die gevorderde stadium van 'n opwaartse beweging in die konjunktuur inkort.

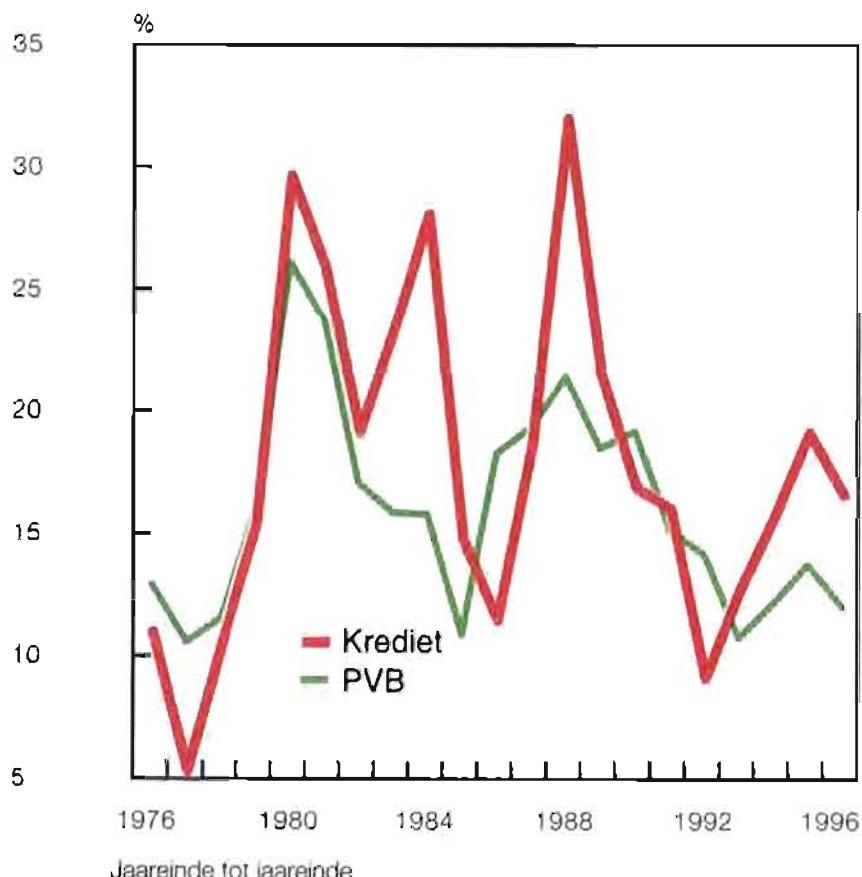
Die vraag na krediet word natuurlik ook deur die koste van krediet beïnvloed. 'n Styging in rentekoerse word gewoonlik naderhand deur 'n verlang-saming in die groei in bankkredietverlening gevolg, wat op sy beurt weer na 'n verdere tydsloering deur 'n afname in ekonomiese bedrywigheid gevolg word. Net so word 'n daling in rentekoerse gewoonlik deur 'n toename in die groei van kredietverlening gevolg en nog later deur 'n verstewiging in algehele ekonomiese bedrywigheid. Hierdie verloop van gebeure word in Grafiek 2 getoon. Hierdie veranderings is 'n duidelike weerspieëeling van die rol wat die banke in die transmissiemeganisme van monetêre beleid speel in gevalle waar die monetêre owerhede aanpassings in Bankkoers as operasionele beleidsveranderlike gebruik.

Private huishoudings het op groot skaal van bankkrediet gebruik gemaak om verbruiksbesteding te finansier. Veranderings in banklenings aan die private sektor toon 'n goeie korrelasie met veranderings in nominale private verbruiksbesteding (kyk Grafiek 3). Bankkredietverlening aan die private sektor het gedurende die tydperk 1976 tot 1996

gemiddeld teen 'n vinniger koers as private verbruiksbesteding toegeneem; terwyl banklenings aan die private sektor tussen 1976 en 1996 teen 'n gemiddelde koers van 17,9 persent per jaar toegeneem het, het die styging in private verbruiksbesteding op 'n koers van 16,0 persent per jaar te staan gekom. Bankkrediet aan die private sektor het gedurende die betrokke tydperk ook teen 'n aansienlik hoér gemiddelde jaarlikse koers as die gemiddelde groeikoers in die verbruikersprysindeks toegeneem. Reële verdiskonterings en voorskotte aan die private sektor (dit wil sê, na aanpassings vir veranderings in die verbruikersprysindeks) het gedurende die tydperk gevolglik met gemiddeld 4,4 persent per jaar toegeneem, vergeleke met 'n gemiddelde groeikoers van 1,8 persent per jaar in die reële bruto binnelandse produk. Bankkrediet aan die private sektor in verhouding tot die bruto binnelandse produk teen markpryse het gevulglik van 42,0 persent in 1976 tot 62,7 persent in 1996 toegeneem. Hierdie ontwikkelinge het op 'n aansienlike finansiële verdieping in die ekonomie gedurende hierdie tydperk gedui.

Die gemiddelde groeikoers van 16,7 persent per jaar in die banke se totale bates gedurende die tydperk 1976 tot 1996 was aansienlik laer as die gemiddelde jaarlikse toename van 25,2 persent in die totale bates van langtermynversekeraars en die 18,3 persent in die bates van private pensioen- en voorsorgfondse oor hierdie tydperk. Aan die einde van 1996 het die totale bates van langtermynversekeraars dié van die banke (onderlinge banke uitgesluit) effens oorskry. Die banke se oorheersende rol in die finansiële stelsel word dus, ondanks die betreklike sterk groei in hulle bates, deur nog vinniger groei in die bates van ander soorte instellings bedreig.

Grafiek 3: Jaarlikse persentasieverandering in bankkrediet aan die private sektor en private verbruiksbesteding



Bankkrediet aan die private sektor volgens soort krediet

Soos in Tabel 1 aangetoon word, het die grootste deel van bankkrediet aan die private sektor bestaan uit *verbandlenings*, gevolg deur "ander" lenings en voorskotte, wat oortrokke rekenings, faktorering en ander lenings en voorskotte insluit. Die twee komponente het gedurende die tydperk 1976 tot 1996 gemiddeld 73,5 persent van totale banklenings aan die private sektor uitgemaak. *Wissels verdiskonter* het van 6,9 persent van die totaal in 1991 tot 'n laagtepunt van 1,7 persent in 1996 afgeneem. Hierdie afname in relatiewe belangrikheid was die gevolg van die opheffing van die likwiedebatestatus van bankaksepte ingevolge die Bankwet. Bankaksepte is ook vanaf Mei 1993 nie meer as sekuriteit vir oornaglenings by die diskontovenster aanvaar nie.

Dit wil voorkom asof leners betreklik maklik tussen die gebruikmaking van *afbetaalingsverkoopkrediet* en

Tabel 1. Bankkrediet aan die private sektor volgens soort krediet

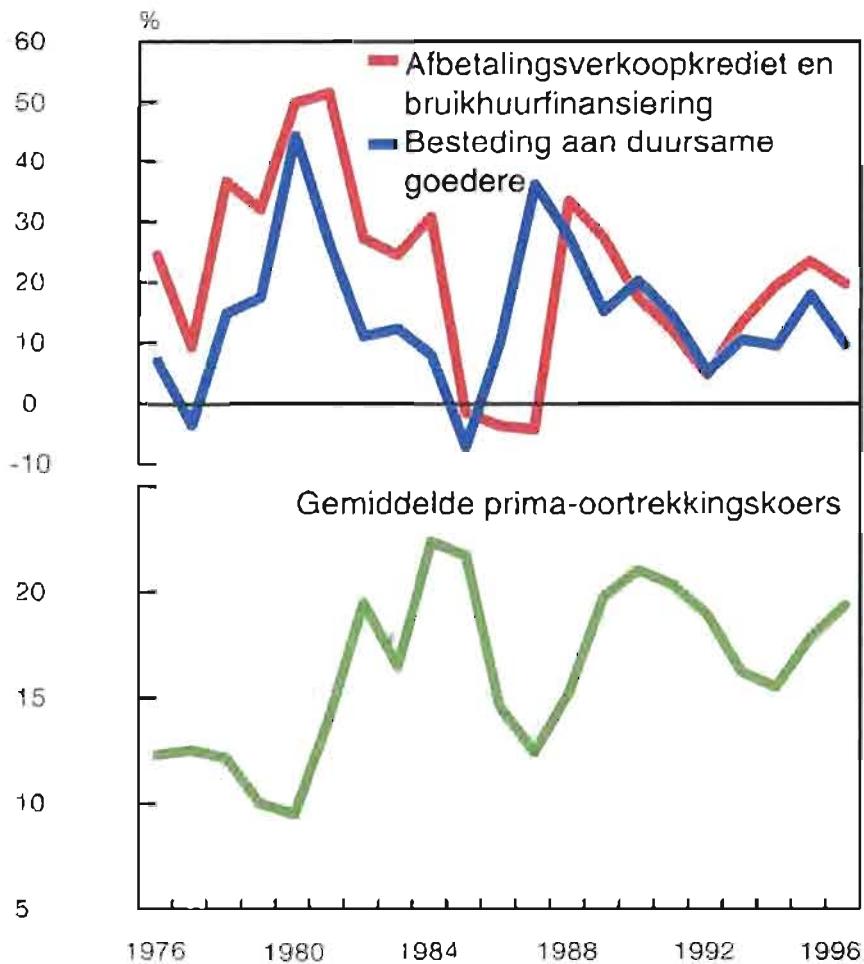
Einde van	Wissels verdiskonter		Afbetalings - verkoopkrediet		Bruikhuur- finansiering		Krediet- kaarte		Verband- lenings		Ander	Totaal	
	Persen- tasie		Persen- tasie		Persen- tasie		Persen- tasie		Persen- tasie		Persen- tasie	Persen- tasie	
	R	totaal	R	totaal	R	totaal	R	totaal	R	totaal	R	R	
1976.....	830	6,6	804	6,4	923	7,3	...	...	5 553	44,1	4 484	35,6	12 594
1977.....	676	5,1	855	6,4	1 034	7,8	...	...	6 060	45,7	4 645	35,0	13 270
1978.....	602	4,1	1 317	9,0	1 263	8,6	...	...	6 572	44,8	4 922	33,5	14 676
1979.....	881	5,2	1 853	10,9	1 553	9,2	...	...	7 552	44,6	5 101	30,1	16 940
1980.....	1 446	6,6	2 959	13,5	2 145	9,7	...	...	9 594	43,7	5 833	26,5	21 977
1981.....	1 582	5,7	4 889	17,7	2 840	10,3	...	...	11 085	40,0	7 286	26,3	27 682
1982.....	2 204	6,7	6 196	18,8	3 638	11,0	...	...	12 124	36,7	8 832	26,8	32 994
1983.....	1 092	2,7	7 640	18,7	4 601	11,3	...	...	15 381	37,8	11 999	29,5	40 713
1984.....	1 243	2,4	10 401	19,9	5 605	10,8	...	...	18 066	34,6	16 851	32,3	52 166
1985.....	2 211	3,7	10 533	17,6	5 241	8,8	...	...	21 050	35,1	20 841	34,8	59 876
1986.....	2 598	3,9	10 309	15,4	4 889	7,3	...	...	24 818	37,2	24 154	36,2	66 768
1987.....	3 637	4,6	9 779	12,4	4 771	6,0	...	...	31 404	39,6	29 637	37,4	79 228
1988.....	5 735	5,5	12 422	11,9	6 988	6,7	...	...	41 152	39,3	38 316	36,6	104 613
1989.....	6 442	5,1	15 600	12,3	9 129	7,2	...	...	48 604	38,2	47 265	37,2	127 040
1990.....	8 746	5,9	18 054	12,2	10 976	7,4	...	...	55 891	37,6	54 846	36,9	148 513
1991.....	11 860	6,9	19 259	11,2	13 234	7,7	2 997	1,8	66 492	38,5	58 426	33,9	172 268
1992.....	12 537	6,7	19 552	10,4	14 500	7,7	3 613	1,9	78 457	41,7	59 355	31,6	188 014
1993.....	7 925	3,8	23 062	10,9	15 493	7,3	3 644	1,7	92 887	43,8	68 911	32,5	211 922
1994.....	7 284	3,0	29 423	12,0	16 613	6,8	4 794	2,0	110 166	44,9	76 920	31,3	245 200
1995.....	7 373	2,5	37 442	12,8	19 375	6,7	7 026	2,4	130 312	44,6	90 539	31,0	292 067
1996.....	5 863	1,7	45 380	13,3	22 637	6,6	8 834	2,6	152 406	44,8	105 440	31,0	340 560
Gemiddelde jaarlikse groei (percent)	10,3		22,3		17,4		24,1		18,0		17,1		17,9

bruikhuurfinansiering verwissel. Hierdie twee soorte krediet het gedurende die tydperk 1976 tot 1996 gemiddeld 21,2 persent van die totale krediet beloop en tussen 'n laagtepunt van 13,6 persent van die totaal in 1976 en 'n hoogtepunt van 30,7 persent in 1984 gewissel. Veranderings in die gebruikmaking van afbetalingsverkoopkrediet en bruikhuurfinansiering het oor die algemeen betreklik nou ooreengestem met veranderings in private verbruiksbesteding aan duursame goedere teen heersende pryse (kyk Grafiek 4). Die grafiek toon ook 'n betreklike sterk omgekeerde verwantskap tussen veranderings in die totaal van afbetalingsverkoopkrediet en bruikhuurfinansiering en die vlak van rentekoerse soos aangedui deur die prima-oortrekkingskoers van die banke. Dit impliseer natuurlik ook 'n omgekeerde verwantskap tussen veranderings in private verbruiksbesteding aan duursame goedere en die vlak van die prima-oortrekkingskoers.

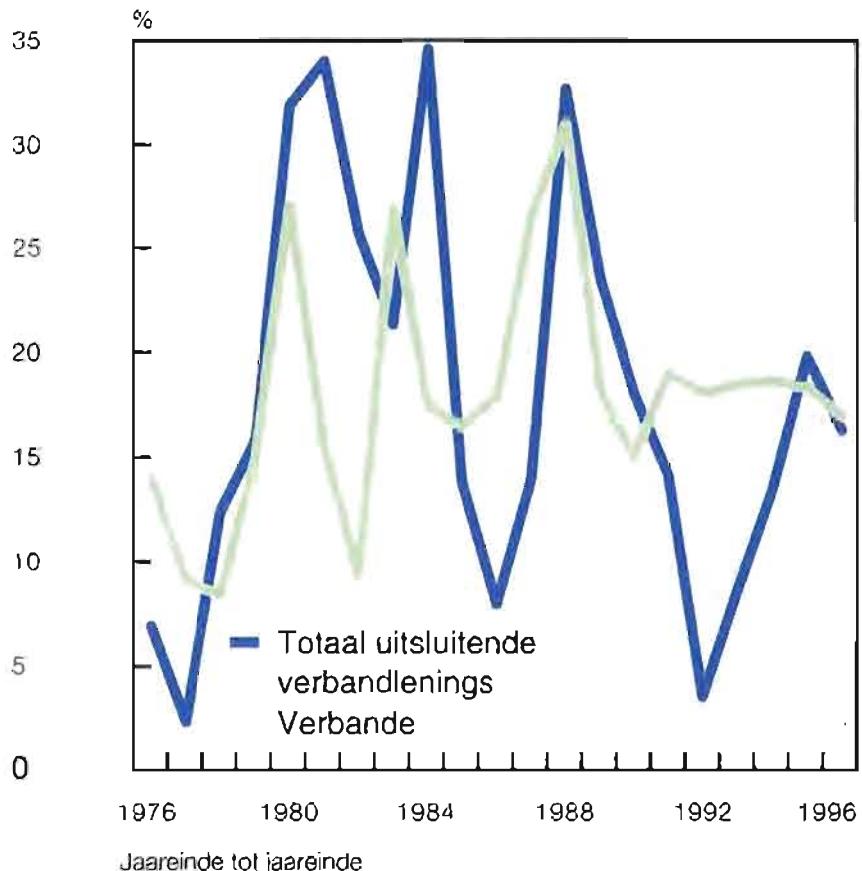
Gegewens met betrekking tot kredietkaart-debiteure is slegs vanaf 1991 beskikbaar. Hierdie soort krediet het aan die einde van 1996 slegs 2,6 persent van totale bankkrediet aan die private sektor beloop. Uitstaande skuld op kredietkaarte het egter in die ses jaar tot 1996 met gemiddeld 24,1 persent per jaar toegeneem, wat aansienlik vinniger was as die groeikoers in totale bankkrediet aan die private sektor, wat oor dieselfde tydperk gemiddeld 14,6 persent per jaar beloop het.

Verbandlenings as persentasie van totale bankkrediet aan die private sektor het van 45,7 persent in 1977 tot 34,6 persent in 1984 afgeneem, voordat dit in 1996 tot 44,8 persent gestyg het. Die koers van toename in verbandlenings van jaareinde tot jaareinde het tot in 1991 oor die algemeen 'n soortgelyke verloop getoon as die van totale bankkrediet, met die uitsondering van verbandlenings. Sedert 1991 het verbandlenings teen 'n verbased bestendige koers bly toeneem. In teenstelling hiermee, het die groeikoers

Grafiek 4: Jaarlikse persentasieverandering in private verbruiksbesteding aan duursame goedere, afbetelingsverkoopkrediet en bruikhuurfinansiering, en primakoers



Grafiek 5: Jaarlikse persentasieverandering in verbandlenings en totale krediet uitsluitende verbandlenings aan die private sektor

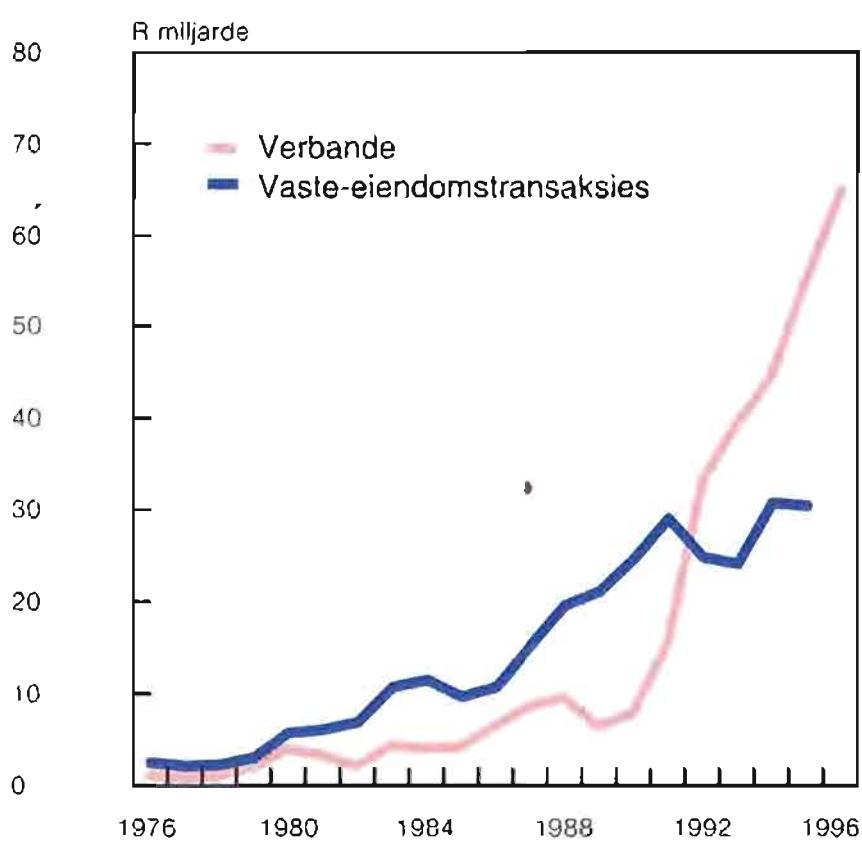


van nie-verbandkredietverlening aan die private sektor in 1991 en 1992 skerp bly afneem, maar daarna tot 1995 voortdurend versnel voordat dit in 1996 weer effens afgeneem het (kyk Grafiek 5). Die bekendstelling van buigsame verbandlenings het die gewildheid van hierdie soort krediet laat toeneem en leners in staat gestel om verbandfaciliteite vir ander doeleindes as die finansiering van vaste-eiendomtransaksies aan te wend. Die aantreklikheid van verbandlenings is verder verhoog deur die betreklik lae koste van hierdie soort finansiering. Van die aanbokant af het banke ook die gebruik van verbandlenings aktief aangemoedig vanweë die laer kapitaalrisikogewig wat op hierdie soort bate van toepassing is, sowel as die veronderstelde laer risiko wat sulke lenings vir die uitlener inhoud. Die aanwending van verbandlenings vir ander doeleindes as die finansiering van vaste eiendom word in Grafiek 6 weerspieël, wat toon dat die jaarlikse verbanduitbetalings vanaf 1992 toenemend die waarde van die jaarlikse vaste-eiendomtransaksies oorskry het.

"Ander" lenings en voorskotte het gedurende die tydperk 1976 tot 1996 gemiddeld 32,7 persent van totale bankkrediet aan die private sektor beloop en tussen 'n laagtepunt van 26,3 in 1980 en 36,9 persent in 1990 gewissel. Hierdie soort krediet

bestaan hoofsaaklik uit oortrokke rekenings en word meestal as bedryfskapitaal deur sakeondernemings gebruik.

Grafiek 6: Verbandlenings uitbetaal en waarde van vaste-eiendomtransaksies



Bankkrediet aan huishoudings en maatskappye

'n Indeling van bankkrediet aan huishoudings en maatskappye volgens soort krediet word in Tabel 2 getoon. Die huishouingsektor is die belangrikste gebruiker van bankkrediet wat aan die private sektor verleen word; meer as 60 persent van die totale krediet wat banke aan die private sektor verleen het, is aan huishoudings toegedeel. Daarbenewens het doeltreffender tesourie-optredes en die instelling van verskeie kontantbestuur-skemas die korporatiewe sektor se afhanklikheid van bankkrediet geleidelik laat afneem.

Huishoudings was die belangrikste ontvangers van banklenings in die vorm van verbandvoorskotte; meer as 90 persent van hierdie soort krediet is aan huishoudings toegeken. Hierteenoor het maatskappye hoofsaaklik van "ander" lenings en voorskotte, wat oortrokke rekeninge en faktorering insluit, gebruik gemaak. Ongeveer twee derdes van hierdie soort krediet was vir die rekening van die korporatiewe sektor. 'n Stygende deel van bankkrediet in die vorm van afbetalingsverkoopkrediet en bruikhuur-

finansiering, het ook in onlangse jare na die korporatiewe sektor gevloei: die deel van uitstaande afbetalingsverkoopkrediet wat aan maatskappye verleen is, het van 45,2 persent in 1992 tot 52,6 persent in 1996 gestyg. Bruikhuurfinansiering aan maatskappye het gedurende dieselfde tydperk van 53,1 persent van die totaal van hierdie soort krediet tot 65,1 persent toegeneem.

Kredietkaartdebiteure bestaan hoofsaaklik uit individue. Aan die einde van 1996, was nie minder nie as 97,8 persent van uitstaande kredietkaartskuld deur die huishouingsektor verskuldig. Die uitstaande bedrag aan kredietkaartskuld is nog steeds betreklik klein en het aan die einde van 1996 slegs 4 persent van die huishoudings se totale bankskuld beloop (kyk Tabel 3). Huishoudings se lenings van banke het hoofsaaklik uit verbandlenings bestaan. Oor die algemeen het verbandlenings meer as 60 persent van huishoudings se totale lenings van banke uitgemaak. "Ander" lenings en voorskotte het gemiddeld ongeveer 18 persent van huishoudings se totale gebruik van banklenings uitgemaak.

Afbetalingsverkoopkrediet en bruikhuurfinansiering wat deur maatskappye gebruik is, het van ongeveer 23 persent van die korporatiewe sektor se totale lenings

Tabel 2. Indeling van bankkrediet aan huishoudings en maatskappye volgens soort krediet

	Einde van 1992		Einde van 1994		Einde van 1996	
	Bedrag R miljoene	Percentasie van totaal van soort %	Bedrag R miljoene	Percentasie van totaal van soort %	Bedrag R miljoene	Percentasie van totaal van soort %
Afbetalingsverkoopkrediet						
Huishoudings	10 722	54,8	13 729	46,7	21 528	47,4
Maatskappye	8 830	45,2	15 694	53,3	23 852	52,6
Bruikhuurfinansiering						
Huishoudings	6 807	46,9	7 817	47,1	7 910	34,9
Maatskappye	7 693	53,1	8 796	52,9	14 727	65,1
Kredietkaarte						
Huishoudings	3 455	95,6	4 637	96,7	8 642	97,8
Maatskappye	158	4,4	157	3,3	192	2,2
Verbandlenings						
Huishoudings	73 320	93,5	101 503	92,1	137 117	90,0
Maatskappye	5 137	6,5	8 663	7,9	15 289	10,0
Ander lenings*						
Huishoudings	21 126	29,4	26 293	31,2	42 781	38,4
Maatskappye	50 766	70,6	57 911	68,8	68 522	61,6
Totaal						
Huishoudings	115 430	61,4	153 979	62,8	217 978	64,0
Maatskappye	72 584	38,6	91 221	37,2	122 582	36,0
Totaal.....	188 014	100,0	245 200	100,0	340 560	100,0

* Met insluiting van wissels verdiskonter.

Tabel 3. Indeling van bankkrediet aan huishoudings en maatskappye volgens soort krediet as persentasie van totale krediet aan betrokke sektor

Percent

	Einde van 1992		Einde van 1994		Einde van 1996	
	Huishoudings	Maatskappye	Huishoudings	Maatskappye	Huishoudings	Maatskappye
Afbetalingsverkoopkrediet	9,3	12,2	8,9	17,2	9,9	19,5
Bruikhuurfinansiering	5,9	10,6	5,1	9,6	3,6	12,0
Kredietkaarte.....	3,0	0,2	3,0	0,2	4,0	0,1
Verbandlenings	63,5	7,1	65,9	9,5	62,9	12,5
Ander lenings*	18,3	69,9	17,1	63,5	19,6	55,9
Totaal	100,0	100,0	100,0	100,0	100,0	100,0

* Insluitende wissels verdiskonter

van banke in 1992 tot 31 persent in 1996 gestyg. Hierdie soort kredietreeëlings het toenemend gewilder geraak vir die finansiering van maatskappymotorskemas. "Ander" lenings en voorskotte is egter nog steeds die oorheersende soort krediet wat deur maatskappye gebruik word.

In die werkzaamhede van banke as finansiële tussengangers, is die huishouding- en korporatiewe sektor nie slegs belangrik as gebruikers van fondse nie, maar is hulle ook 'n belangrike bron van fondse vir die banke. Albei hierdie sektore is egter op 'n netto grondslag debiteure van die banke (kyk Tabel 4). Banke speel dus 'n belangrike rol in die befondsing van die huishouding- sowel as die korporatiewe sektor.

Banke se netto eise teen die huishoudingsektor het oor die afgelope paar jaar 'n aansienlike toename getoon; die toename in die banke se bruto eise teen huishoudings het die koers van toename in die huishoudings se deposito's by banke aansienlik oorskry. Tussen 1992 en 1996 het banke se bruto eise teen huishoudings met gemiddeld 17,2 persent per jaar toegeneem, terwyl huishoudings se besit aan deposito's by banke oor dieselfde tydperk teen 'n gemiddelde koers van 9,4 persent per jaar toegeneem het. Gevolglik het die banke se netto eise teen die huishou-

dingsektor van R12 108 miljoen in 1992 tot R70 235 miljoen in 1996 toegeneem, oftewel teen 'n gemiddelde koers van 55,2 persent per jaar.

Huishoudings se besit aan deposito's by banke is nadelig getref deur die bekendstelling van alternatiewe beleggingsgeleenthede in 'n tydperk toe die persoonlike besparingsgeneigdheid laag gebly het. Terselfdertyd het bankkrediet aan huishoudings van 52,7 persent van persoonlike beskikbare inkomte in 1992 tot 64,7 persent in 1996 toegeneem. Talle nuwe toetreders tot die formele sektor van die ekonomie het gedurende hierdie tydperk toe die totale binnelandse vraag vinnig gegroei het, ook op groot skaal van die geredelik beskikbare bankkrediet gebruik gemaak.

Banke se netto eise teen die korporatiewe sektor het van R24 120 miljoen in 1992 tot R20 403 miljoen in 1996 afgeneem. Gedurende hierdie tydperk het die korporatiewe sektor se besit aan deposito's teen 'n gemiddelde koers van 20,5 persent per jaar toegeneem, terwyl die banke se bruto eise teen maatskappye teen 'n heelwat stadiger koers van 14,0 persent per jaar toegeneem het. Dit was wesenlik 'n weerspieëling van die verbetering in die likiditeit van die korporatiewe sektor gedurende 'n tydperk van algemene herstel in die ekonomie en stetige toenames in winste.

Tabel 4. Banke se netto eise teen die huishouding- en korporatiewe sektor

R miljoene

	Einde van 1992		Einde van 1994		Einde van 1996	
	Huishoudings	Maatskappye	Huishoudings	Maatskappye	Huishoudings	Maatskappye
Bruto eise.....	115 430	72 584	153 979	91 221	217 978	122 582
Depositos.....	103 322	48 464	119 266	69 115	147 743	102 179
Netto eise	12 108	24 120	34 713	22 106	70 235	20 403

Indeling van bankkrediet volgens sektor van ekonomiese bedrywigheid

Banke voorsien nie net lenings aan 'n wye verskeidenheid van leners in verskillende geografiese gebiede nie, maar mik ook vir 'n breë sektorale diversifikasie van hul uitleenbedrywighede. Gegewens oor die indeling van bankkrediet aan die private sektor volgens ekonomiese bedrywigheid word in Tabel 5 getoon.² Die gegewens vir 1996 is saamgestel uit inligting wat halfjaarlikse deur banke en onderlinge banke ingedien word ingevolge die Regulasies wat onder die Bankwet aangekondig is. Hierdie gegewens toon 'n opvallende groot toename in bankkrediet aan leners in die kategorie "Ander", wat moontlik daarop dui dat 'n akkurate indeling van bankkrediet volgens soort ekonomiese bedrywigheid nog nie ten volle deur al die verslaggewende banke ingestel is nie.

Bankkredietverlening aan die nie-bank private sektor volgens soort ekonomiese bedrywigheid stem min of meer ooreen met die relatiewe bydrae wat die verskillende sektore tot die bruto binnelandse produk teen faktorkoste maak. Die tersiêre private sektor wat in 1996 vir 48,7 persent van die bruto binnelandse

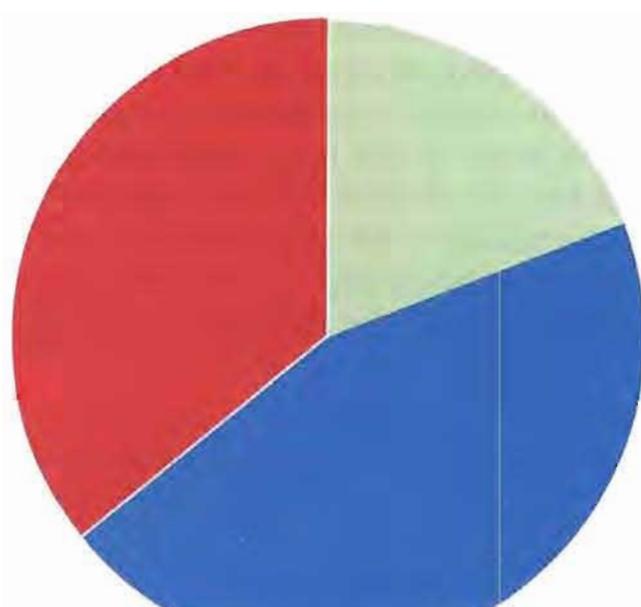
produk teen faktorkoste (die algemene owerheidsektor uitgesluit) verantwoordelik was, het in die betrokke jaar 39,9 persent gebruik van die totale bankkrediet wat aan die private sektor verleen is. Krediet aan die tersiêre private sektor van die ekonomie as persentasie van totale bankkredietverlening het aanvanklik matig van 17,7 persent in 1976 tot 20,1 persent in 1986 toegeneem, maar toe in die daaropvolgende 10 jaar byna verdubbel. In teenstelling hiermee het die waarde wat deur die tersiêre private sektor toegevoeg is matiger van 43,5 persent van die bruto binnelandse produk in 1976 tot 48,7 persent in 1996 toegeneem. Dit dui daarop dat die tersiêre

² Gegewens ten opsigte van die sektorale indeling van verdiskonteringe en voorskotte deur die toenmalige handelsbanke, aksepbanke en "ander" monetêre banke soos aan die einde van 1986, is in die *Kwartaalblad* van Junie 1988 gepubliseer. Ten einde vergelykbare datareeks te verkry, is die inligting vir die tydperk voor 1986 aangepas om voorsiening te maak vir verandering in die definisie van die banksektor. Die gegewens vir die jare 1976 en 1986 wat in hierdie publikasie gebruik word, verskil van dié wat voorheen gepubliseer is omdat kredietverlening aan die private sektor deur voormalige "nie-monetêre" banke en voormalige bouverenigings by die datareeks wat vantevore gepubliseer is, getel is.

Tabel 5. Indeling van bankkrediet aan die private sektor volgens soort ekonomiese bedrywigheid

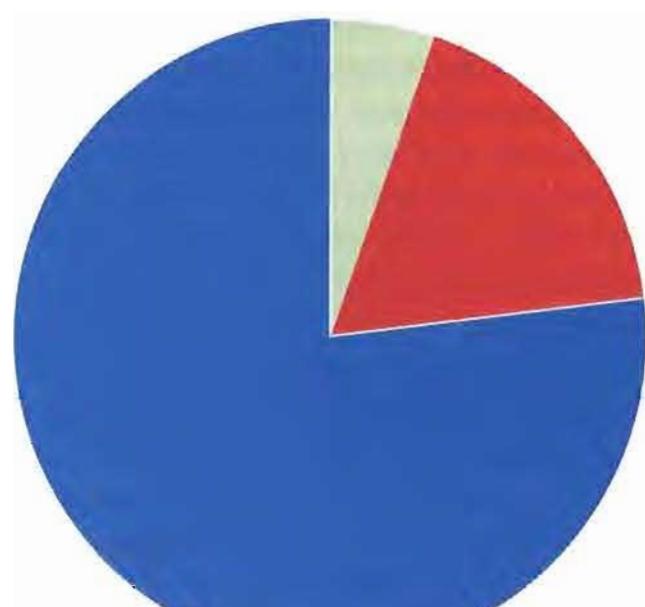
Sektor	Einde van 1976		Einde van 1986		Einde van 1996	
	Bedrag	Persentasie van totale krediet	Bedrag	Persentasie van totale krediet	Bedrag	Persentasie van totale krediet
	R miljoene	%	R miljoene	%	R miljoene	%
Primêre sektor.....	948	7,5	5 413	8,1	9 082	2,7
Landbou.....	758	6,0	4 657	7,0	7 401	2,2
Mynbou.....	190	1,5	756	1,1	1 681	0,5
Sekondêre sektor.....	1 771	14,1	9 909	14,8	31 620	9,2
Fabriekswese.....	1 377	10,9	8 181	12,3	24 862	7,3
Konstruksie.....	210	1,7	1 111	1,7	3 879	1,1
Elektrisiteit, gas en water.....	184	1,5	617	0,9	2 879	0,8
Tersiêre sektor.....	2 231	17,7	13 452	20,1	135 829	39,9
Handel en akkommodasie.....	846	6,7	3 580	5,4	19 910	5,8
Vervoer en kommunikasie.....	n/a	-	n/a	-	4 555	1,3
Vaste eiendom.....	352	2,8	1 963	2,9	57 355	16,9
Finansiële dienste.....	832	6,6	2 222	3,3	7 017	2,1
Ander.....	201	1,6	5 687	8,5	46 992	13,8
Totaal (individue uitgesluit).....	4 950	39,3	28 774	43,1	176 531	51,8
Individue.....	7 644	60,7	37 994	56,9	164 029	48,2
Totaal.....	12 594	100,0	66 768	100,0	340 560	100,0

Grafiek 7: Bankkrediet volgens ekonomiese sektor as persentasie van totale bankkrediet aan die private sektor



1976

	%
Primêre	7,5
Sekondêre	14,2
Tersiêre	17,7



1996

	%
Primêre	2,7
Sekondêre	9,2
Tersiêre	39,9

sektor se gebruik van bankkrediet oor die afgelope twintig jaar aansienlik uitgebrei het.

Die toegevoegde waarde van die sekondêre sektor as persentasie van die bruto binnelandse produk het

effens toegeneem van 35,4 persent in 1976 tot 36,2 persent in 1996. Bankkredietverlening aan hierdie sektor as persentasie van totale bankkredietverlening aan die private sektor het egter van 14,1 persent in

Tabel 6. Toegevoegde waarde volgens ekonomiese bedrywigheid as persentasie van nominale bruto binnelandse produk teen faktorkoste

Percent

Sektor	1976	1986	1996
Primêre sektor.....	21,1	24,0	15,1
Landbou.....	8,3	6,4	5,5
Mynbou	12,8	17,6	9,6
Sekondêre sektor.....	35,4	35,7	36,2
Fabriekswese	26,8	26,7	28,1
Elektrisiteit, gas en water	3,1	4,9	4,6
Konstruksie.....	5,5	4,0	3,5
Tersiêre sektor (algemene owerheid uitgesluit).....	43,5	40,3	48,7
Handel en akkommodasie.....	15,4	13,7	19,0
Ander (algemene owerheid uitgesluit).....	28,1	26,6	29,7

Tabel 7. Bankkrediet volgens sektor as persentasie van toegevoegde waarde volgens soort ekonomiese bedrywigheid teen faktorkoste

Percent

Sektor	1976	1986	1996
Primêre sektor.....	17,7	19,8	14,7
Landbou.....	35,9	63,6	32,8
Mynbou	5,8	3,8	4,3
Sekondêre sektor.....	19,7	24,3	21,3
Fabriekswese	20,2	26,8	21,6
Elektrisiteit, gas en water	23,7	11,0	15,2
Konstruksie.....	15,1	24,3	27,1
Tersiêre sektor (algemene owerheid uitgesluit).....	20,2	29,2	68,0
Handel en akkommodasie.....	21,6	22,9	25,6
Ander (algemene owerheid uitgesluit).....	19,4	32,5	95,1

1976 tot 9,2 persent in 1996 afgeneem. Die relatiewe belangrikheid van die sekondêre sektor as gebruiker van bankkrediet het gevvolglik oor die afgelope twintig jaar kleiner geword.

Die toegevoegde waarde van die primêre sektor as persentasie van die bruto binnelandse produk het per saldo van 21,1 persent in 1976 tot 15,1 persent in 1996 afgeneem. Bankkrediet aan hierdie sektor as persentasie van totale bankkredietverlening aan die private sektor het egter nog verder afgeneem, naamlik van 7,5 persent in 1976 tot slegs 2,7 persent in 1996.

Bankkrediet aan die landbousektor as 'n persentasie van totale bankkredietverlening aan die private sektor het van 6,0 persent in 1976 tot 7,0 persent in 1986 toegeneem, voordat dit tot slegs 2,2 persent in 1996 gedaal het. Hierteenoor het die landbousektor se toegevoegde waarde as persentasie van die bruto binnelandse produk teen faktorkoste egter 'n volgehoue daling van 8,3 persent in 1976 tot 6,4 persent in 1986 en 5,5 persent in 1996 getoon. Gevolglik het die bankkrediet wat deur hierdie sektor gebruik is as persentasie van die toegevoegde waarde van hierdie sektor van 35,9 persent in 1976 tot 63,6 persent in 1986 toegeneem voordat dit weer tot 32,8 persent in 1996 afgeneem het.

Die mynbou is in die algemeen 'n kapitaal-intensieve bedryf. Gegewe die hoë risiko's verbonde aan mynbou-eksplorasie en die betreklike lang tydperk voordat mynbedrywighede winsgewend word, word sodanige projekte meestal deur aandelekapitaal en langtermynskuld befonds. Daar word slegs op 'n beperkte skaal van bankkrediet gebruik gemaak (kyk Tabel 5). Bankkredietverlening aan die mynbousektor het as persentasie van totale kredietverlening aan die private sektor van 'n reeds lae 1,5 persent in 1976 tot 1,1 persent in 1986 en slegs 0,5 persent in 1996 afgeneem. Die waarde wat die mynbousektor tot die bruto binnelandse produk bydra, het van 12,8 persent in 1976 tot 17,6 persent in 1986 gestyg voordat dit weer tot 9,6 persent in 1996 teruggeval het. Bankkrediet wat deur die mynbousektor gebruik is as persentasie van die waarde wat tot die bruto binnelandse produk toegevoeg is, het van 5,8 persent in 1976 tot 3,8 persent in 1986 gedaal, maar toe weer tot 4,3 persent in 1996 toegeneem. Laasgenoemde styging weerspieël waarskynlik 'n toename in die behoeftes aan bedryfskapitaal van die mynbousektor nadat hierdie sektor se reële toegevoegde waarde gedurende 1996 gedaal het.

Bankkrediet aan die fabriekswesese sektor as persentasie van totale bankkredietverlening aan die private sektor het van 10,9 persent in 1976 tot 12,3 persent in 1986 toegeneem, maar weer tot 7,3 persent in 1996 gedaal. Die sektor se kleiner vraag na bankkrediet in 1996 weerspieël waarskynlik 'n verbetering in winsgewendheid en die beskikbaarheid van alternatiewe finansieringsbronne. Die fabriekswesese sektor se toege-

voegde waarde as persentasie van die bruto binnelandse produk teen faktorkoste het per saldo van 26,8 persent in 1976 tot 28,1 persent in 1996 toegeneem. Fabriekswese was die belangrikste enkele ekonomiese bedrywigheid in die ekonomie gebly. Bankkrediet aan die fabriekswesese sektor, as persentasie van totale krediet aan die private sektor, het egter betreklik laag gebly vergeleke met die bydrae wat hierdie sektor tot die bruto binnelandse produk gemaak het.

Die toegevoegde waarde van die sektor elektrisiteit, gas en water as persentasie van die bruto binnelandse produk het van 3,1 persent in 1976 tot 4,9 persent in 1986 toegeneem, maar weer tot 4,6 persent in 1996 verminder. Banklenings aan hierdie sektor het ook vergelykenderwys onbeduidend gebly en van 'n reeds lae 1,5 persent van totale bankkrediet aan die private sektor in 1976 tot slegs 0,8 persent in 1996 afgeneem. Die bedrywighede van ondernemings in hierdie sektor is van so 'n aard dat langtermynbefondsing voorkeur geniet; hul vraag na bankkrediet is gevvolglik betreklik klein.

Banklenings aan sakeondernemings in die konstruksiese sektor van die ekonomie het ook slegs 'n betreklike klein deel van totale bankkredietverlening aan die private sektor uitgemaak en per saldo van 1,7 persent in 1996 tot 1,1 persent in 1996 afgeneem.

Die aard van die bedrywighede van sakeondernemings in die sektor "handel en akkommodasie" het veroorsaak dat hierdie sektor gedurende die tydperk 1976 tot 1996 'n belangrike gebruiker van bankkrediet gebly het. Bankkrediet wat aan hierdie sektor verleen is as persentasie van die waarde wat hierdie sektor tot die bruto binnelandse produk toegevoeg het, het van 21,6 persent in 1976 tot 25,6 persent in 1996 toegeneem. Hierdie toename bevestig die feit dat die sektor handel en akkommodasie toenemend op bankkrediet staatmaak vir die bevrediging van sy finansieringsbehoeftes. Bankkrediet aan handels- en akkommodasie-organisasies het egter met minder as die totale bankkrediet aan die private sektor toegeneem, met die gevolg dat die deel van totale bankkrediet wat aan hierdie sektor toegedeel is van 6,7 persent in 1976 tot 5,8 persent in 1996 afgeneem het.

Die beskikbare gegewens duif op 'n aansienlike toename in bankkredietverlening aan die kategorie "Ander" in die tersiêre sektor van 11,0 persent van totale bankkredietverlening aan die private sektor in 1976 tot 14,7 persent in 1986 en 34,1 persent in 1996. Die bydrae van hierdie subsektor tot die bruto binnelandse produk het slegs van 28,1 persent in 1976 tot 29,8 persent in 1996 gestyg. Bankkrediet wat deur hierdie subsektore gebruik is, as persentasie van hul bydrae tot die bruto binnelandse produk, het gevvolglik skerp gestyg van slegs 19,4 persent in 1976 tot nie minder nie as 95,1 persent in 1996. Hierdie hoë verhouding plaas die akkuraatheid van die sektorale klassifikasie van bankkrediet aan die einde van 1996 in 'n mate onder verdenking.

Gevolgtrekking

Banke was gedurende die tydperk 1976 tot 1996 'n belangrike bron van finansiering in Suid-Afrika. Bankkrediet aan die private sektor het gedurende hierdie tydperk voortdurend teen 'n vinniger koers as die toename in die bruto binnelandse produk gestyg. Die groei in bankkrediet aan die private sektor het onderling tussen die onderskeie sektore van ekonomiese bedrywigheid verskil. Toenames in banklenings het ook 'n betreklik nou omgekeerde verwantskap met veranderings in die rentekoersvlak getoon en sodoende benadruk dat banke 'n belangrike rol as geleiers van monetêre beleidsmaatreëls speel.

Banklenings aan maatskappye as persentasie van totale banklenings aan die private sektor het laer geneig omdat maatskappye hulle kontantbestuurskemas verbeter het, nuwe finansiële instrumente gebruik het en van die doeltreffender finansiële markte gebruik gemaak het om in hul finansieringsbehoeftes te voorsien. Banklenings aan huishoudings het ongestoord bly toeneem en die nie-korporatiewe sektor maak nou verreweg die grootste deel van die banke se kliëntebasis uit. Banklenings aan die huishouingsektor bestaan hoofsaaklik uit verbandlenings terwyl maatskappye bankkrediet hoofsaaklik deur middel van oortrokke rekenings en ander lenings verkry. Die korporatiewe sowel as die huishouingsektor is netto debiteure van die banke.

Banke het gedurende die oorsigtydperk 'n goed gediversifieerde leningsportefeuilje in stand gehou. Bankkrediet aan ondernemings wat in die onderskeie sektore van ekonomiese bedrywigheid werksaam is, het met enkele uitsonderings, soos die mynbou, geneig om min of meer ooreen te stem met die sektore se bydrae tot die bruto binnelandse produk teen faktorkoste. 'n Duidelike verskuiwing in banklenings van ondernemings in die primêre en sekondêre sektore na ondernemings in die tersiêre sektor het gedurende die tydperk 1986 tot 1996 voorgekom. Dit is deels 'n weerspieëeling van die toenemende belangrikheid van die dienstesektor in die Suid-Afrikaanse ekonomie.

Notes to tables

The South African authorities have subscribed to the International Monetary Fund's Special Data Dissemination Standard (SDDS) and currently provide information on data availability at the IMF's Internet website. The authorities have indicated their willingness to fully observe the specifications of the SDDS before the end of 1998.

The SDDS prescribes that data on gross national product and gross domestic saving be disseminated with a quarterly frequency within one quarter of the quarter to which the data have relevance. To observe these specifications of the SDDS, a new table under the heading "National product and saving – selected items" is added to page S-120 of this and future editions of the *Quarterly Bulletin*. The table under the heading "Ratios of selected data" (page S-139) is also expanded by the addition of a column indicating total household debt as a percentage of personal disposable income. Household debt is defined to include outstanding consumer credit and outstanding mortgage debt.

Opmerkings oor tabelle

Die Suid-Afrikaanse owerhede onderskryf die Internasionale Monetêre Fonds se Spesiale Dataverspreidingstandaard (in Engels die Special Data Dissemination Standard, of SDDS) en voorsien tans inligting oor die beskikbaarheid van gegewens op die IMF se Internetwebstasie. Die owerhede het hulle bereid verklaar om voor die einde van 1998 ten volle aan die bepalings van die Standaard te voldoen.

Die Standaard skryf voor dat gegewens oor die bruto nasionale produk en bruto binnelandse besparing kwartaalliks versprei word, binne een kwartaal ná die kwartaal waarop die gegewens betrekking het. Ten einde aan hierdie bepalings te voldoen, verskyn 'n bykomende tabel onder die opskrif "Nasionale produk en besparing – uitgesoekte poste" op bladsy S-120 van hierdie en toekomstige uitgawes van die *Kwartaalblad*. Die tabel onder die opskrif "Verhoudings van uitgesoekte gegewens" (bladsy S-139) is ook uitgebrei deur die toevoeging van 'n kolom waarin die totale skuld van huishoudings as persentasie van persoonlike beskikbare inkome aangedui word. Huishoudingskuld word omskryf as die som van uitstaande verbruikerskrediet en uitstaande verbandskuld.