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GUIDE TO THE ECONOMY

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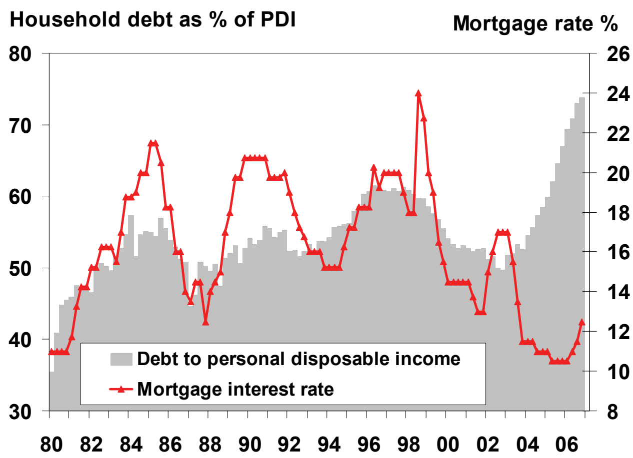
IS CONSUMER DEBT WORRYING?

Household debt has risen strongly since 2003. As a proportion of personal disposable income it increased from a low of 49,8% in the final quarter of 2002 to 73,8% at the end of 2006. Official displeasure over banks failing to grant sufficient credit has changed to official consternation and calls for more responsible lending. How much of the rise can be justified on economic grounds and what are the implications of increased indebtedness?

Graph 1: *Household debt and interest rates*



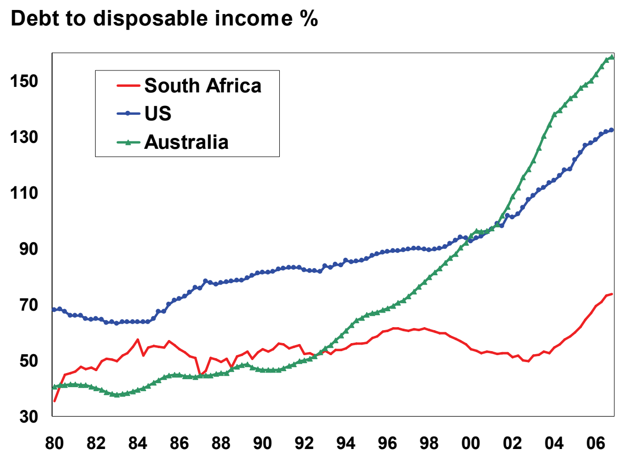
Sources: SA Reserve Bank, Nedbank Group Economic Unit calculations

International experience

The sharp rise in credit over the past three years is similar to trends seen in many other emerging and developed countries. Financial deregulation, falling interest rates and rising household wealth internationally have all encouraged consumers to take on additional credit. In some countries the rise has been remarkable. In the US the household debt-to-income ratio rose from 67% in the mid 1980s to 101% in 2001, 110% in 2003 and is now over 130%. Australia's history is even more startling. The ratio was around 45% in the mid 1980s, rose to 101% in 2001, 130% in 2003 and is now close to 160% (see graph 2). However, the Anglophile world does not offer the strongest excesses. Although there are measurement problems that make comparisons between countries difficult, the ratio in certain European countries exceeds 200%.

The global experience has provoked considerable debate in recent years, particularly in official circles unsure of the macroeconomic implications. The optimistic view is that there is little to be concerned about as lower interest rates have reduced debt servicing costs and the strong rise in net wealth has reduced the vulnerability of households. Comfort is also drawn from the fact that most household debt is in the form of mortgages. Lastly, in most developed countries, delinquency rates remain at low levels and well below peaks experienced in the early 1990s.

Graph 2: *International comparisons*



Sources: SARB, Reserve Bank of Australia, US Federal Reserve

The numbers are encouraging on the face of it. Household wealth in many countries has risen strongly over the past decade, largely because of house and equity price appreciation. A recent Organisation for Economic Co-operation and Development (OECD) working paper *'Has the rise in debt made households more vulnerable?'* (Girouard et al, WP 535, 3 January 2007) shows that net wealth (all assets minus liabilities) as a percentage of annual disposable income has increased significantly over the past decade, despite rising indebtedness. For example, in the US this ratio increased from 510% in 1995 to 573% in 2005 even though household debt as a percentage of income rose from 93% to 135% over the same period. With the exception of Japan, all selected developed countries in the study saw rising net wealth, although several have seen marginal declines in the past five years.

Increasing house prices and falling interest rates also encouraged refinancing and home equity withdrawal. In many countries this provided a ready and significant source of additional income as households locked into ever-decreasing interest rates, adding between 1% and 2% to personal disposable income each year. The added advantage of using a low-cost home loan as a form of revolving credit is that it provides flexibility and a buffer against short-term adverse spikes in expenditure or dips in income.

The difficulty with the optimistic view is that much of the good news is based on a single underlying cause. Over the past decade international liquidity has risen significantly in response to financial deregulation, lax monetary policies and the recycling of massive current account surpluses emanating from Asia and – more recently – oil producing countries. If liquidity were to dry up, the virtuous cycle of falling interest rates and rising wealth could change to a vicious cycle with heavily overleveraged balance sheets weighing consumers down and affecting the overall economy.

The recent woes in the US housing market are currently causing concern. Although much of the problem is concentrated in the so-called subprime mortgage market, which is limited to around $1,4 trillion or 14% of the total market, falling housing starts and new home sales suggest that the US consumer may be about to become more cautious after years of providing the world with its key source of demand.

The subprime market itself is an extreme example of what can go wrong if widely held assumptions start to unravel. Lending to clients who would not normally qualify for credit has increased in recent years, partly based on the observation that house prices do not ever decline and that interest rates are unlikely to rise by much, and partly encouraged by government's desire to see credit extended to lower income groups. Unfortunately, these economic assumptions have been challenged following the Federal Reserve's decision in mid 2004 to start 'normalising' interest rates. Over the period the officially targeted fedfunds rate was raised in 17 steps to 5,25% from 1%. Borrowers entering into so-called ARMs (adjustable rate mortgages) are therefore facing considerably higher repayments due to higher interest rates, with the full effect still to be felt in many cases as low introductory fixed rates give way to much higher flexible interest rates. Understandably, delinquencies are rising, putting further pressure on house prices in this segment of the market.

South Africa's case

The pattern of increasing household debt in South Africa is very similar to the global experience. Relatively low – and more stable – nominal and real interest rates from 2004 increased affordability, improved confidence and helped push house prices higher. However, in South Africa's case this trend was helped by three relatively unique sets of factors.

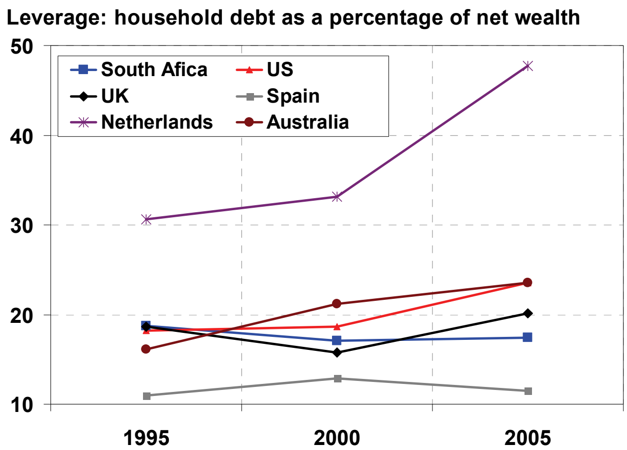
The first was that the country started to reap the benefits of structural changes made since 1994 and even earlier (see '*Is Structural Change Working?*' *Guide to the Economy, 31 August 2005*). This pushed underlying growth to a higher level and helped boost employment. Since late 2003 nearly 1,4 million jobs have been created, helping real personal disposable income to grow at an annual average rate of 6,6%.

The second was the rapid escalation of black economic empowerment initiatives following the release of the Mining Charter in 2002. Again, the effect was to widen the economic net and stimulate demand.

Lastly, South African asset prices were still relatively low in real and comparative terms in 2003. Real equity prices were at pre-1994 election levels with price-earnings ratios in the single digits. House prices had already started to rise, but in real terms were still lower than levels prevailing in the first half of the 1980s. As conditions improved and confidence over future prospects grew, the subsequent rise in asset prices was justifiably massive.

The combination of lower interest rates, broader economic participation and increased wealth therefore helped to encourage credit growth. The question is whether this growth has been excessive. International comparisons are not alarming. The level of debt relative to disposable income is still relatively modest compared with developed economies. Unfortunately, detailed statistics for emerging market economies are less easily available. However, the available statistics suggest that South Africa's household debt-to-income ratio is similar to countries at comparable levels of per capita income and financial market sophistication.

Graph 3: *Debt relative to wealth is not out of line*

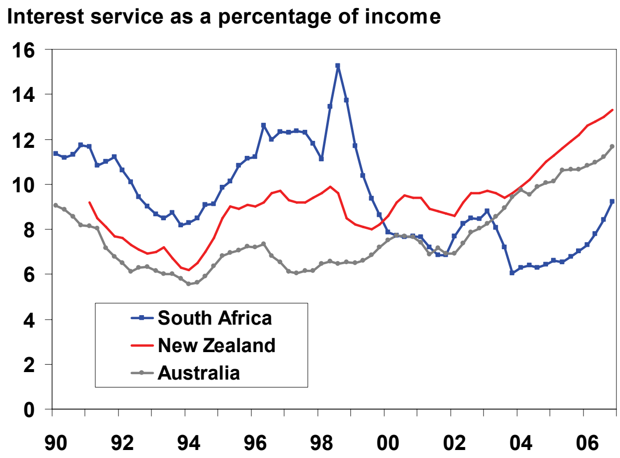


Sources: Aron et al, OECD

On leverage measures South Africa also compares favourably, although here international statistics are even more limited. Leverage estimates how large borrowings are relative to financial and non-financial assets. A recent study ('*Balance Sheet Estimates for South Africa's Household Sector from 1975 to 2005*', Aron et al, SARB WP/01/07) shows that household net wealth as a percentage of disposable income improved to around 384% in 2005, well up on earlier lows of just below 300% in 2003 and 273% in 1998. Although the rise has not been as dramatic as in many developed countries, it has still been impressive and clearly helps to explain why consumers are more willing to take on more credit. These estimates of wealth also suggest that South African households are less leveraged than they were a decade ago and compare favourably with most of their OECD counterparts (see graph 3).

On debt servicing comparisons South African households do slightly less well. Although they do not seem overstretched relative to the past, they are in relatively high territory, with only a few OECD countries such as Australia (11,7%) and New Zealand (13,3%) devoting more income to paying off debt. Interest service as a percentage of disposable income rose to just above 9% at the end of 2006, higher than the 2002 peak, but well below earlier spikes such as in 1998, when servicing rose to over 15% of income, unexpectedly and over a short period, causing significant distress.

Graph 4: *Interest service as a percentage of income*



Sources: SARB, Nedbank Group Economic Unit, RBA, RBNZ

Possible dangers

Comparisons with other countries and the past put the strong rise in household debt more into context and suggest that there is not too much to be concerned about. However, this is not necessarily the case. As already noted the global situation is also the subject of considerable debate and concern. That South Africa is not out of line with others may be of small comfort if many other countries are overborrowed and vulnerable.

The second key concern is that the above analysis considers the aggregated position of households only. This hides important detail at the individual level. If the debt is evenly distributed relative to income and wealth, the current position is probably of limited concern. Unfortunately, comprehensive panel data on the incidence of debt and how it has changed is not available. However, it seems plausible that the strong rise in debt in recent years may have been relatively concentrated. If this is the case then there could be sizeable pockets where distress sets in at relatively low interest rate levels.

The third concern is that South African economic and financial conditions are more volatile than in developed countries given the economy's openness and the rand's status as a commodity currency. Higher foreign exchange reserves and favourable fiscal and monetary policies make the country less vulnerable than in the past, but there is still potential for temporary spikes in interest rates to push overborrowed households into difficulties. This is especially the case, given the predominance of flexible mortgage interest rates.

Conclusions and policy implications

South African household debt has risen in line with international trends and for many of the same reasons. Although the rise in debt has been rapid, much of this can be seen as a response to better economic conditions and prospects and improved wealth. Overall levels do not seem overly onerous at the aggregate level.

This does not mean that current trends can continue unabated, however. If credit growth and personal income expand at the same rate over the next year, the debt-to-income ratio will rise to over 80% and interest service to over 10%, levels that could start to bite more generally. Our own forecasts indicate that this unlikely as credit growth will respond to last year's interest rate rises and begin to dip during 2007, suggesting a levelling out in debt of below 80% and an interest service figure of around 9,6% in late 2007 and in early 2008, figures that are still historically high. Added to this, a sharp rise in interest rates could expose groups of borrowers who may have slipped more deeply into debt in recent years. Given the lack of disaggregated information, this risk is difficult to assess, but could be significant.

The authorities are therefore correct to be concerned. The response so far has also been measured, with gradual interest rate rises having been combined with new legislation to ensure proper credit assessment at individual level and continued exhortations to individuals to save. An important consideration is that higher debt levels imply that interest rates do not have to rise as much as in the past to choke off excessive demand.

Dennis Dykes

ECONOMIC REVIEW AND FORECAST

International background

Global expansion is likely to moderate this year as tighter policies that were put in place in key economies over the past year start to impact. The optimistic scenario sees US economic growth slowing, but demand remaining strong elsewhere due to internally generated growth. However, the downside risks to this relatively benign outlook have increased significantly in recent weeks, with the possibility of a sharper slowdown in the US due to problems in the US housing market. These have the potential to curb consumer spending and therefore the overall economy, with negative consequences for global growth and commodity prices. Although inflation risks remain, a sharper-than-expected slowdown in the US could influence the Federal Reserve to relax its policy stance, which could in turn place the dollar under pressure and unsettle global financial markets.

In the ***US*** the Federal Reserve's Federal Open Market Committee (FOMC) has left its key policy rate (the fed funds rate) unchanged since August last year over fears of faltering economic activity. The latest FOMC statement of 21 March 2007 acknowledged ongoing adjustment in the housing market. This was in contrast to its statement in January, when the central bank observed some tentative signs of stability in the housing market. The statement continued to highlight inflation risks, but mentioned that inflation pressures were likely to moderate over time and referred to the economic outlook in a way that suggested a loosening bias. The Federal Reserve still expects the US economy to expand at a moderate pace this year. However, recent indicators have been mixed, with weaker gdp growth, falling housing starts and lower durable goods orders partly offset by continued job growth and reasonable consumer confidence.

The European Central Bank (ECB) hiked rates five times in 2006, taking its benchmark rate to 3,50% in December with a warning of further rate hikes as it remained concerned about strong monetary growth and the possible impact on inflation. The ECB left the rates unchanged at its first two meetings of 2007, but finally hiked its key rate at the third meeting on 8 March 2007 by 25 basis points to 3,75%. While inflation in the ***Eurozone*** eased at both producer and consumer levels in January, a tightening labour market, continued growth in credit and strong economic growth in the fourth quarter increased the risk of a narrowing output gap with implications for future inflation. Fourth-quarter gdp grew by a robust 0,9% (3,2% y-o-y) up from 0,6% (2,7% y-o-y) in the third quarter. The expansion continues to be driven by business investment and growth in exports, which are counteracting the effect of tighter policy on domestic household consumption.

Firmer growth in the ***UK*** and a deteriorating inflation outlook led the Bank of England to hike interest rates by 25 basis points to a five-year high of 5,25% on 11 January 2007 following a similar hike on 9 November 2006. Accelerating economic growth has increased the risks of driving inflation further above the 2% target. Consumer prices rose by 2,7% y-o-y in January, but core inflation eased to 1,6%. Fourth-quarter gdp increased by 0,8% from a 0,7% rise in the third quarter, taking growth in 2006 to 2,8% from 1,9% in 2005.

Japan's economy expanded strongly at an annualised rate of 5,5% in the fourth quarter, well above market expectations of 5,1%. Both investment in housing and capital expenditure were revised upwards, while growth in private consumption and exports were revised downward. The economy expanded by an annualised 2% in the third quarter. Gdp expanded by 2,2% in 2006, compared with 2,1% in 2005. Japan ended its zero-interest-rate policy in July 2006, when rates were hiked by 25 basis points for the first time in six years. This was followed by a similar move to 0,5% in February.

Emerging markets continue to experience robust growth against the background of diverging monetary policy stances since the middle of 2006. While some countries such as Argentina, Brazil, Indonesia, Turkey, Thailand and the Philippines relaxed policy further to encourage growth, high-growth countries such as China and India made the cost of borrowing more expensive. Large external surpluses and significant liquidity have characterised most emerging markets. China recorded a massive trade surplus of $178 billion in 2006 with its surplus, with the US reaching $130 billion and helping the reserves to rise over $1 trillion. Robust expansion could lead to further monetary tightening in some of these countries. While the outlook in emerging markets generally remains favourable, markets remain nervous about sudden policy changes such as the South American nationalisation. The outlook for most countries in ***Sub-Saharan Africa*** also remains favourable, helped by high commodity prices, ongoing economic reforms and, in particular, significant debt relief.

Commodity prices have been volatile since the final quarter of 2006. Oil prices declined from peaks of over $78 per barrel in August 2006 to around $55 per barrel in February, but have since risen well above $60 per barrel. Oil markets remain nervous over fears of OPEC production quota cuts as well as the uneasy security situation in the Middle East. Precious metal prices have remained firm this year. The Economist's dollar commodity price indices for all items and metals have risen by 4,1% and 7,4% so far this quarter after increasing by 8,4% and 1,2% respectively in the final quarter.

Equity markets started the year on a strong note but then came under pressure for a variety of reasons, including the unwinding of yen carry-trade positions as well as fears over a possible US slowdown. They have subsequently settled at higher levels. In the US the Dow Jones industrial average fell by 0,9% in the first quarter of this year, while the NASDAQ increased by 0,3% and the broad-based S&P 500 by 0,2% following 6,7%, 6,9% and 6,2% increases respectively in the fourth quarter of 2006. The German DAX and the UK FTSE 100 have increased by 4,9% and 1,4% in the first quarter of this year after rising by 9,9% and 4,4% respectively in the final quarter. In Japan the Nikkei 225 average gained 0,4% after rising by 6,8% in the fourth quarter.

Exchange rate markets have been volatile. After pulling back in February from a 20-month low against the euro late in November, the dollar again came under pressure recently on a deteriorating US growth outlook. The prospects of further narrowing of interest rate spreads between the US and Europe are likely to push the dollar lower. Emerging-market currencies also experienced increased volatility.

Domestic prospects

The ***economy*** enjoyed above-average growth for the third consecutive year in 2006. Real gdp accelerated by a seasonally adjusted annualised 5,6% in the fourth quarter of last year, up from 4,5% in third quarter. This took the growth rate for the year to 5%, only slightly below the 5,1% recorded in 2005. Firm activity levels in the finance, manufacturing, trade, transport and construction industries contributed to the strong expansion. However, the agricultural sector remained a drag on growth, contracting due to a poor field crop season.

Domestic demand remained strong in the fourth quarter of 2006, helped by robust ***consumer spending***, with most categories supported by continued firm growth in real disposable income.

Fixed capital formation as a percentage of gdp jumped to 19,4% in the final quarter of 2006, its highest level since early 1990, driven by buoyant capital spending by general government, public corporations and the private sector. Government focused on addressing infrastructure backlogs, while the investment programmes of public corporations aimed at improving the electricity and transport networks. Increased investment activity in the mining, manufacturing, construction and commerce sectors kept capital formation levels in the private sector high. Manufacturers stepped up capital expenditure to alleviate capacity constraints in preparation of increased demand due largely to the acceleration in infrastructure spending. Investments in shopping centres and office space remained strong, but activity in the residential property market slowed markedly in the fourth quarter.

Import growth remained well ahead of export growth in 2006, resulting in the ***current account*** deficit widening sharply to 6,4% of gdp compared with 3,8% in 2005. In the fourth quarter alone, the current account deficit was a massive 7,8% of gdp. However, this was due to strong demand for imported capital goods and unusually high oil imports as inventories were replenished. In addition, the services deficit (net payments for services and income to non-residents) also widened significantly in the fourth quarter as a result of elevated transportation costs related to the higher imports and a reduction in investment income receipts. Export growth was strong, helped by strong global demand and a softer rand, but still below exceptionally high import growth.

The large current account deficit was again more than comfortably financed by ***capital inflows***, with South Africa benefiting from significant global liquidity and positive sentiment towards emerging markets.. The international liquidity position rose to US$23,7 billion at the end of February 2007, after increasing by US$5,8 billion in 2006 to US$23 billion at the end of last year.

Recent economic indicators suggest that economic activity remained firm in early 2007. Real growth in retail sales accelerated by 9,4% y-o-y in January as consumers continued to spend despite the four consecutive interest rate increases since June last year. Although demand for new passenger vehicles slowed sharply in the first quarter of this year, partly due to higher interest rates and partly due to higher vehicle prices, sales of commercial vehicles have remained strong due to increased fixed infrastructure spending.

Manufacturing production also increased by a strong 6,2% y-o-y in January, up from 5% in December.

Higher inflation, the tighter monetary policy stance and high household debt burdens should restrain consumer demand throughout the year. However, capital formation will accelerate as government and public corporations hasten infrastructure spending in preparation for the 2010 FIFA Soccer World Cup and the private sector moves to alleviate capacity constraints. This continued acceleration in fixed capital formation would ensure that import growth remains buoyant even though consumer demand is forecast to slow. Import growth should also offset export growth again, with the latter expected to stay firm despite slowing global growth due to a weaker rand, the delayed impact of improved transport infrastructure and the lessening of regulatory delays in the mining sector. The current account deficit will therefore remain large during 2007. ***Economic growth*** is expected to moderate to 4,3%, before accelerating again in 2008.

Demand for ***credit*** accelerated in February, following slower growth in the previous three months, with overall private sector credit extension up by 26,1% y-o-y. The main upward impetus came from robust corporate demand, with household credit growth still strong, but easing off the mid 2006 highs.

Inflation has recently surprised on the downside. In February, CPIX (headline consumer inflation excluding the impact of mortgage interest costs) eased to 4,9% y-o-y after edging up to 5,3% in January from 5% in the last quarter of 2006. Downward pressure came from slightly lower food inflation and lower transport costs due to a decline in the petrol price in early February. Unfortunately, the inflation outlook has deteriorated sharply over the past few weeks, spoiled by a weaker rand and renewed increases in international oil prices. Concern over food prices also resurfaced recently, given higher international food inflation and sharp increases in maize and wheat prices due to possible crop shortages. Consumer inflation is now forecast to resume its upward trend in March, with CPIX inflation likely to breach the upper limit of the 3% to 6% target range in April. An average CPIX inflation rate of 5,6% is forecast for 2007, compared with 4,6% in 2006. The Reserve Bank's Monetary Policy Committee (MPC) left ***interest rates*** unchanged at its last meeting on 15 February. Although the risks to the inflation outlook have increased since then, a neutral policy stance looks possible for the rest of 2007 as last year's interest rate rises still need to be absorbed. Furthermore, credit and spending growth is forecast to cool naturally, following the implementation of the National Credit Act in June this year. However, the MPC's April interest rate decision is by no means certain, following recent evidence of continued strong consumer spending and credit demand.

Financial markets have had mixed performances in recent months. The ***bond market*** weakened towards the end of March, with the yields on the R153 2010 and the longer-dated R157 2015 rising to 8,19% and 7,84% on 30 March from 7,98% and 7,63% at the end of February. The ***equity market*** continued to surge, recovering after corrections in global markets in late February. The FTSE/JSE all-share index reached a record of 27 267 at the end of the first quarter, reflecting a gain of 9% since the beginning of the year, following a 38% gain in 2006. All the sectors contributed, with basic materials, industrials and financials up by 16%, 7% and 6% respectively.

Although the ***rand*** firmed sharply in the final quarter of 2006 on the back of a softer dollar and positive sentiment towards emerging markets, it was volatile and mostly weak in the first quarter of 2007. In January, the local unit dipped as the dollar bounced back on reduced expectations that the US Federal Reserve will cut interest rates, but it was then helped by strong precious-metal prices and emerging market optimism. At the end of February, the rand was hit by renewed risk aversion, following falls in equity prices, concern about global growth and the unwinding of carry positions in high-yielding currencies. In March, the rand regained some ground, but it is still down by 4,5% against the trade-weighted basket of currencies since the beginning of the year. Several factors keep rand prospects uncertain this year. These include doubts over the strength of global growth and the sustainability of high commodity prices as well as the large current account deficit. However, the rand is now in more competitive territory and the country continues to attract strong capital inflows based on improved economic growth.

FACTS AND FORECASTS OF KEY ECONOMIC VARIABLES

4 April 2007

	2002	2003	2004	2005	2006	2007	2008
Growth (real, % change)							
Gdp	3.7	3.1	4.8	5.1	5.0	4.3	4.9
Gde	4.9	5.2	7.9	5.9	8.7	6.1	6.2
Pce	3.2	3.5	6.7	6.6	7.3	5.6	4.2
Gdfi	3.7	9.1	9.6	9.6	12.8	13.0	13.4
Exports	1.0	0.1	2.9	8.0	5.5	5.1	7.8
Imports	5.3	8.1	14.5	10.7	18.4	10.6	11.2
Balance of payments (Rbn)							
Exports	333.3	291.4	310.5	352.1	434.0	473.2	558.6
Imports	283.0	264.8	311.8	359.8	476.5	514.7	601.5
Trade balance	50.2	26.7	-1.2	-7.7	-42.5	-41.5	-43.0
Net services	-40.6	-40.3	-43.4	-50.7	-68.5	-73.0	-79.2
Current account	9.7	-13.7	-44.6	-58.4	-111.1	-114.5	-122.2
Capital account	6.4	8.8	82.2	92.6	140.9	127.2	176.5
Change net reserves	16.1	-4.9	37.5	34.3	29.8	12.7	54.3
Gross reserves (eop)	66.0	52.9	82.8	130.5	178.3	204.7	271.5
Gold price (average per ounce)							
$	310.1	363.5	410.4	445.7	605.1	663.3	696.8
Rand	3268	2757	2652	2844	4103	4846	5364
Exchange rates (average)							
$-Rand	10.54	7.58	6.46	6.38	6.78	7.31	7.70
Euro-$	0.94	1.13	1.24	1.24	1.26	1.33	1.37
$-YEN	125.3	116.0	108.2	110.2	116.3	117.7	115.2
GPB-$	1.50	1.63	1.83	1.82	1.84	1.95	1.98
Euro-Rand	9.93	8.56	8.03	7.93	8.51	9.73	10.59
Rand-YEN	11.9	15.3	16.7	17.3	17.2	16.1	15.0
GBP-Rand	15.81	12.39	11.83	11.60	12.48	14.28	15.27
Interest rates (end of period)							
Three-month BA	13.05	7.58	7.33	6.93	8.97	8.47	7.48
Prime	17.00	11.50	11.00	10.50	12.50	12.50	11.50
Long bond	10.55	9.21	8.15	7.43	7.76	7.50	7.64
Inflation (average)							
Headline CPI	9.2	5.9	1.4	3.4	4.6	6.0	4.9
CPIX (metro and other urban)	9.3	6.8	4.3	3.9	4.6	5.6	5.4

FACTS AND FORECASTS OF KEY ECONOMIC VARIABLES

4 April 2007

	2006				2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Gdp (q-o-q annual %)	5.0	5.5	4.5	5.6	4.0	3.6	3.6	4.4	5.1	5.4	5.6	5.8
Interest rates												
Three-month BA	6.97	7.40	8.14	8.97	8.97	8.76	8.77	8.47	8.37	7.56	7.48	7.48
Prime	10.50	11.00	11.50	12.50	12.50	12.50	12.50	12.50	12.50	11.50	11.50	11.50
Long bond (10 yr)	7.48	8.64	8.57	7.76	7.77	7.67	7.55	7.50	7.41	7.56	7.52	7.64
Inflation												
CPI	3.8	4.0	5.2	5.5	6.0	6.7	5.8	5.7	5.7	4.7	4.6	4.6
CPIX	4.2	4.2	5.0	5.0	5.3	6.1	5.6	5.6	5.7	5.2	5.3	5.3
Exchange rates												
$-Rand	6.19	7.17	7.67	7.00	7.29	7.36	7.47	7.40	7.62	7.74	7.89	7.85
Euro-$	1.21	1.27	1.27	1.32	1.33	1.34	1.33	1.34	1.37	1.38	1.39	1.40
$-Yen	117.5	114.8	117.9	118.8	117.9	116.7	117.3	117.9	115.5	114.3	114.3	114.1
GBP-$	1.74	1.83	1.87	1.97	1.96	1.96	1.95	1.93	1.95	1.99	2.02	2.02
Euro-Rand	7.51	9.10	9.74	9.23	9.73	9.87	9.92	9.92	10.43	10.69	10.96	10.96
Rand-Yen	18.99	16.11	15.38	16.97	16.17	15.85	15.69	15.93	15.15	14.78	14.49	14.54
GBP-Rand	10.78	13.13	14.37	13.77	14.30	14.44	14.58	14.29	14.87	15.40	15.95	15.87
Gold price per ounce												
$	588	601	604	635	663	676	673	670	683	703	710	718
Rand	3637	4304	4629	4447	4834	4980	5029	4954	5204	5441	5605	5633

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