

Note on flows of funds in South Africa's national financial accounts for the year 2006

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Introduction

The flow-of-funds accounts, presented as an addendum to this note and on pages S–44 to S–45 of this issue of the *Quarterly Bulletin*, summarise the financial interrelationships between the monetary and financial statistics, national accounts, balance of payments and government finances.

The national financial accounts provide a structured and coherent depiction of real and financial flows in the economy. Surveys and other sources of information available to the Research Department of the South African Reserve Bank (the Bank) are used to compile the flow-of-funds accounts for South Africa.²

Financing balances

In 2006, South Africa continued to expand its productive capacity by stepping up capital formation, consistent with its infrastructural needs and the government's accelerated and shared growth initiative. This expansion was financed from domestic saving, which was also augmented by foreign borrowing. The saving and investment activity in South Africa for 2005 and 2006 across the main sectors is summarised in Table 1.

As has been the case in recent years, the foreign sector served as a net supplier of funds to the domestic economy in 2005 and 2006, while the private non-financial business enterprises were both large savers and large investors in these years. In 2006, the private non-financial business enterprises recorded gross saving equal to 7 per cent of gross domestic product (GDP) while gross capital formation was equal to 12 per cent of GDP, exceeding the ratios of 6 per cent and 9 per cent, respectively, recorded in 2005.

Table 1 Financing balances^{1,2}, 2005 and 2006

| R millions | 2005 | | | 2006 | | |
|------------------------------------|----------------|-------------------------|------------------------------------|----------------|-------------------------|------------------------------------|
| | Gross saving | Gross capital formation | Net lending (+)/ net borrowing (-) | Gross saving | Gross capital formation | Net lending (+)/ net borrowing (-) |
| Foreign sector ³ | 61 986 | - | 61 986 | 112 141 | - | 112 141 |
| Financial intermediaries ... | 27 278 | 5 564 | 21 714 | 33 317 | 6 205 | 27 112 |
| General government..... | 4 513 | 37 503 | -32 990 | 19 176 | 47 198 | -28 022 |
| Non-financial business enterprises | | | | | | |
| Public..... | 58 253 | 50 071 | 8 182 | 42 216 | 37 441 | 4 775 |
| Private..... | 95 065 | 145 000 | -49 935 | 119 361 | 213 578 | -94 217 |
| Households ⁴ | 31 258 | 40 215 | -8 957 | 29 213 | 51 002 | -21 789 |
| Total..... | 278 353 | 278 353 | - | 355 424 | 355 424 | - |

1 Gross saving plus net capital transfers less gross capital formation. Gross capital formation consists of total fixed-capital formation and total changes in inventories, before providing for consumption (depreciation) of fixed capital.

2 A positive amount reflects a net lending position and by implication the net acquisition of financial assets, whereas a negative amount reflects a net borrowing position and by implication the net incurrence of financial liabilities.

3 A positive amount reflects a surplus for the rest of the world and is therefore a deficit on South Africa's balance on the current account of the balance of payments. A negative amount represents a deficit for the rest of the world and is a surplus on South Africa's balance on the current account of the balance of payments.

4 Including unincorporated business enterprises and non-profit institutions serving households.

1 The views expressed are those of the authors and do not necessarily reflect the views of the South African Reserve Bank (the Bank). The Bank wishes to express its sincere appreciation to all the reporting organisations – government departments, financial market and other public and private-sector institutions – for their co-operation in furnishing the data used for the compilation of South Africa's financial accounts.

2 See also M A Kock and D H Meyer: A note on flows of funds in South Africa's national financial accounts for the year 1999. *Quarterly Bulletin*, No 219, March 2001.

Since becoming net borrowers of funds in the second half of 2005, households have entrenched their net borrowing position in 2006. Public non-financial business enterprises were net lenders of funds while, to the contrary, financial intermediaries were net borrowers in 2006. Table 2 gives an indication of the percentage contribution to saving and investment for each sector.

Table 2 Gross saving and gross capital formation by sector, 2005 and 2006

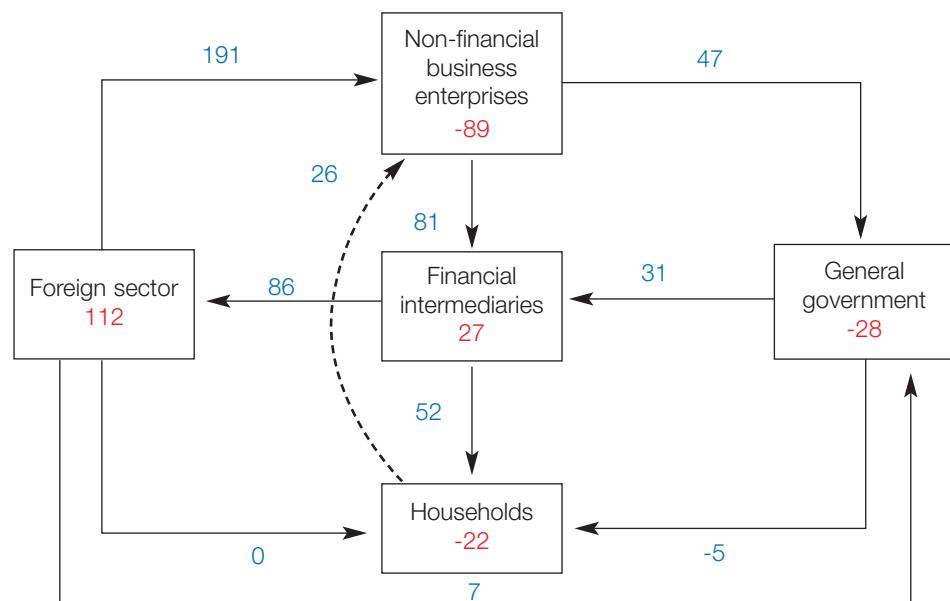
| | 2005 | | | | 2006 | | | |
|------------------------------------|-----------------------------|------------------------------|--|---|-----------------------------|------------------------------|--|---|
| | Share in total gross saving | Gross saving as ratio of GDP | Share in total gross capital formation | Gross capital formation as ratio of GDP | Share in total gross saving | Gross saving as ratio of GDP | Share in total gross capital formation | Gross capital formation as ratio of GDP |
| Foreign sector | 22 | 4 | | | 32 | 6 | | |
| Financial intermediaries... | 10 | 2 | 2 | 0,4 | 9 | 2 | 2 | 0,4 |
| General government | 2 | 0,3 | 13 | 2 | 5 | 1 | 13 | 3 |
| Non-financial business enterprises | | | | | | | | |
| Public..... | 21 | 4 | 18 | 3 | 12 | 2 | 11 | 2 |
| Private | 34 | 6 | 53 | 9 | 34 | 7 | 60 | 12 |
| Households | 11 | 2 | 14 | 3 | 8 | 2 | 14 | 3 |
| Total | 100 | | 100 | | 100 | | 100 | |

³ The net lending or borrowing position of each sector is calculated by treating inflows as negatives and outflows as positives.

Diagrammatically, the accompanying condensed sector-to-sector analysis of net flow of funds shows the financial relationships between the main sectors of the South African economy. The net lending (+) or borrowing (-) positions of the sectors are shown inside the boxes and the intersectoral flow of funds are shown outside the boxes.³ The bulk of foreign

Net intersectoral flow of funds, 2006

R billions



inflows was absorbed by public non-financial business enterprises, while a significant amount of outflows to the foreign sector were effected through financial intermediaries.

Sectoral analysis

This section reviews, in brief, the lending and borrowing needs of the individual sectors in 2006. The use of various financial-market instruments is also touched on.

Foreign sector

In 2006, South Africa was a net recipient of funds from the rest of the world as represented by the deficit of R112,1 billion recorded on the current account of the balance of payments. The foreign sector represents all non-resident units that enter into transactions with South African residents.

As depicted in Table 3, the domestic economy's total incurrence of financial liabilities exceeded its net acquisition of financial assets, the counterpart to this imbalance being a net inflow from the rest of the world. Non-residents increased their holdings of domestic shares significantly and expanded the extension of trade credit and short-term loans as well as long-term loans to domestic sectors. The domestic economy, by contrast, continued to increase its exposure to foreign deposits, shares and long-term loans. The monetary authority also increased its holdings of gold and foreign-exchange reserves.

Table 3 Flow of funds: Foreign sector and combined domestic sectors, 2006
R millions

| | Domestic institutional sectors | Rest of the world | Total |
|--|-----------------------------------|----------------------|-----------|
| Gross saving | 243 283 | 112 141 | 355 424 |
| Gross capital formation | 355 424 | - | 355 424 |
| Net lending (+)/net borrowing (-) | -112 141 | 112 141 | - |
| Net acquisition of financial assets..... | 934 698 | 218 352 | 1 153 050 |
| Net incurrence of financial liabilities | 1 046 839 | 106 211 | 1 153 050 |

Financial intermediaries

Financial intermediaries in South Africa's official statistics are grouped into five subsectors, namely the monetary authority, other monetary institutions, the Public Investment Corporation, insurers and retirement funds, and other financial institutions. Financial intermediaries essentially convert deposits and investments received into financial instruments that meet the needs of borrowers. The outcomes of the various intermediaries are discussed individually in the following paragraphs.

Monetary authority

The monetary authority sector consists of the Bank and the Corporation for Public Deposits. The monetary authority sector received deposits amounting to R30,5 billion in 2006, mainly from banks and the central government. Taking advantage of episodes when the exchange value of the rand strengthened, the monetary authority sector increased its holdings of foreign-exchange reserves by R24,4 billion in 2006. To sterilise the money-market effect of its purchases of foreign currency, the Bank issued its own securities and government increased its deposits with the Bank. This sector contributed 5 per cent to the total financial-intermediary asset flows in 2006.

Other monetary institutions

The other monetary institutions sector is the consolidated accounts of banks, mutual banks, the Land Bank and the Postbank. As depicted in Table 4, the other monetary institutions incurred financial liabilities of R314,1 billion in 2006, of which 88 per cent were in the form of monetary deposits. The institutions in this sector played a crucial intermediation role in financing the borrowing requirement of domestic sectors. Mortgage loans amounting to R158,1 billion and other bank loans and advances amounting to R133,8 billion were extended to deficit sectors in 2006. Growth in credit remained high in spite of the progressively tighter monetary policy regime adopted from June 2006. Other monetary institutions increased their deposits with foreign institutions by R21,0 billion during the year under review.

Other monetary institutions used 99 per cent of their total resource flows to acquire financial assets, with the remainder absorbed in their own capital formation activity. As in previous years, this sector was the largest role-player in the intermediation process, accounting for close to 50 per cent of financial-intermediary asset flows and 22 per cent of total asset flows. Its total asset and liability flows amounted to 19 per cent of GDP in 2006.

Table 4 Flow of funds: Other monetary institutions, 2006

| Transaction items | Sources/ liabilities R millions | Uses/ assets R millions |
|--|---------------------------------------|-------------------------------|
| Gross saving..... | 22 072 | |
| Gross capital formation..... | | 3 529 |
| Net lending (+)/net borrowing (-) | 18 543 | |
| Net financial investment (+/-) | | 18 543 |
| Net incurrence of financial liabilities | 314 057 | |
| Net acquisition of financial assets | | 332 600 |
| Monetary deposits..... | 277 872 | 8 184 |
| Deposits with other institutions | - | 25 452 |
| Foreign..... | - | 21 011 |
| Domestic..... | - | 4 441 |
| Bank loans and advances | 811 | 133 807 |
| Bills, bonds and loan stock..... | 2 641 | 10 652 |
| Mortgage loans | - | 158 111 |
| Other assets/liabilities | 32 773 | 3 606 |
| Total sources/liabilities and uses/assets | 336 129 | 336 129 |
| | | Per cent |
| Percentage of total sources used for gross capital formation | | 1,0 |
| Percentage of total sources used to acquire financial assets..... | | 99,0 |
| Percentage of total asset flows | | 22,0 |
| Percentage of total financial-intermediary asset flows..... | | 49,0 |
| Total asset/liability flows as percentage of GDP..... | | 19,0 |

Public Investment Corporation

Investing funds mainly on behalf of public-sector entities, the Public Investment Corporation received inflows of R107,5 billion in 2006 and invested R41,7 billion of this amount in domestic shares and R10,9 billion in government bonds. Funds amounting

to R11,1 billion were held in monetary deposits while R13,2 billion were allocated to other financial asset managers. The Public Investment Corporation accounted for 16 per cent of the total financial-intermediary asset flows in 2006 compared with 14 per cent in 2005.

Insurers and retirement funds

The financing surplus of insurers and retirement funds has been shrinking over the past few years and a financing deficit of R5,3 billion was recorded in 2006. This was a result of declining savings and growing capital formation. Insurers and retirement funds contributed 13 per cent to the total of financial-intermediary flows in 2006. Table 5 indicates that the insurers and retirement funds sector received the bulk of its funds through contributions by members, which amounted to R69,9 billion. The sector increased its holdings of cash and bonds over the period under review and its total asset and liability flows amounted to 5 per cent of GDP.

Table 5 Flow of funds: Insurers and retirement funds, 2006

| | R millions |
|--|------------|
| Financing balance | -5 339 |
| Net incurrence of financial liabilities | 92 346 |
| Members' interest in the reserves of retirement and insurance funds..... | 69 868 |
| Other liabilities | 22 478 |
| Net acquisition of financial assets | 87 007 |
| Monetary deposits..... | 12 751 |
| Other deposits..... | 121 239 |
| Public Investment Corporation | 91 598 |
| Foreign deposits | -1 138 |
| Other..... | 30 779 |
| Bills and bonds..... | 14 422 |
| Short-term government bonds | 27 521 |
| Long-term government bonds | -21 871 |
| Other..... | 8 780 |
| Other loan stock and preference shares..... | 23 532 |
| Domestic..... | 16 620 |
| Foreign..... | 6 912 |
| Shares | -116 042 |
| Domestic..... | -140 811 |
| Foreign..... | 24 769 |
| Other assets | 31 105 |
| | Per cent |
| Percentage of total asset flows | 6,0 |
| Percentage of total financial-intermediary asset flows..... | 13,0 |
| Total asset/liability flows as percentage of GDP..... | 5,0 |

Other financial institutions

Other financial institutions consist of collective investment schemes (unit trusts and participation bond schemes), trust companies, finance companies and public financial enterprises. Unit trusts dominate the activities of the other financial institutions sector, acquiring funds mainly through the sale of units in unit trusts and investing the proceeds through the purchasing of financial instruments and making deposits. As shown in Table 6, other financial institutions received funds from investors amounting to R55,8 billion.

Other financial institutions invested in a variety of financial instruments which included monetary deposits, domestic shares, and bills and bonds. This sector accounted for 17 per cent of the total financial-intermediary asset flows and its total asset and liability flows amounted to 7 per cent of GDP in 2006.

Table 6 Flow of funds: Other financial institutions, 2006

| | R millions |
|---|------------|
| Financing balance..... | 11 816 |
| Net incurrence of financial liabilities | 104 246 |
| Deposits received..... | 55 807 |
| Long-term loans..... | 3 551 |
| Other liabilities | 44 888 |
| Net acquisition of financial assets | 116 062 |
| Monetary deposits..... | 86 068 |
| Other deposits..... | 13 540 |
| Foreign deposits..... | 13 014 |
| Other..... | 526 |
| Bills and bonds..... | 23 201 |
| Short-term government bonds..... | 3 024 |
| Long-term government bonds..... | 2 548 |
| Other bills..... | 17 629 |
| Trade credit and short-term loans..... | -10 900 |
| Other loan stock and preference shares..... | -1 214 |
| Domestic..... | 1 480 |
| Foreign..... | -2 694 |
| Shares | 61 678 |
| Domestic..... | 56 739 |
| Foreign..... | 4 939 |
| Other assets | -56 311 |
| | Per cent |
| Percentage of total asset flows | 8,0 |
| Percentage of total financial-intermediary asset flows..... | 17,0 |
| Total asset/liability flows as percentage of GDP..... | 7,0 |

Central and provincial governments

The financing deficit of the central and provincial governments amounted to R10,5 billion or almost 1 per cent of GDP in 2006. Improvements in the government's financial position resulted in a significantly lower issuance of government debt instruments when compared with previous years. As shown in Table 7, the foreign sector and the Public Investment Corporation were the main investors that took up the limited government paper issued in 2006. The level of government deposits with both the Bank and private banks increased by R34,4 billion in 2006.

Table 7 Flow of funds: Central and provincial governments, 2006

| | R millions |
|---|---------------|
| Financing balance | -10 539 |
| Net acquisition of financial assets..... | 39 530 |
| Net incurrence of financial liabilities by financial instrument..... | 50 069 |
| Treasury bills..... | 2 888 |
| Short-term government bonds | 29 096 |
| Long-term government bonds..... | -4 901 |
| Non-marketable government bonds | 5 409 |
| Other | 17 577 |
| Financing by sector | 50 069 |
| Foreign sector | 14 691 |
| Public Investment Corporation | 14 039 |
| Insurers and retirement funds | 5 637 |
| Other financial institutions..... | 5 421 |
| Other domestic sectors | -8 406 |

Local governments

Local governments recorded a financing deficit of R17,5 billion in 2006. Despite the deficit, less use was made of trade credit and short-term loans while funds were held in monetary deposits and distributed to other sectors via both short and long-term loans.

Public non-financial corporate business enterprises

The public non-financial corporate business enterprises sector was able to finance its gross capital formation of R37,4 billion and still retain excess funds of R4,8 billion which were channelled to deficit sectors. Funds were mainly channelled to deficit sectors through monetary and other deposits, the extension of trade credit and short-term loans, and the acquisition of bills and loan stock.

Private non-financial corporate business enterprises

Private non-financial corporate business enterprises recorded a financing deficit of R94,2 billion in 2006, much higher than the deficit of R49,9 billion recorded in 2005. The deficit was financed by bank loans, the issuance of bonds and long-term loans. A large portion of the excess funds was deposited with monetary institutions and non-bank financial institutions. The sector took up a significant amount of loans and mortgage debt in concurrence with the heightened building and construction activity in the economy. On a net basis the amount of shares in issue declined significantly in 2006, probably partly due to share buy-backs.

The sector's gross capital formation of R213,6 billion represented 60 per cent of total domestic gross capital formation in 2006, underscoring the crucial role played by the sector in domestic capital formation. The total asset and liability flows of private non-financial business enterprises amounted to 18 per cent of GDP.

Table 8 Flow of funds: Private non-financial corporate business enterprises, 2006

| Transaction items | Sources/ liabilities R millions | Uses/ assets R millions |
|--|---------------------------------------|-------------------------------|
| Gross saving..... | 119 083 | |
| Capital transfers..... | 308 | 30 |
| Gross capital formation..... | | 213 578 |
| Net lending (+)/net borrowing (-) | -94 217 | |
| Net financial investment (+/-) | | -94 217 |
| Net incurrence of financial liabilities | 187 923 | |
| Net acquisition of financial assets | | 93 706 |
| Monetary deposits | - | 78 767 |
| Other deposits | 659 | 12 447 |
| Bank loans and advances..... | 87 549 | - |
| Trade credit and short-term loans | -3 468 | 29 846 |
| Bills, bonds and loan stock | 33 821 | -28 833 |
| Shares | 12 069 | -31 498 |
| Domestic..... | -67 104 | -31 413 |
| Foreign..... | 79 173 | -85 |
| Long-term and mortgage loans..... | 113 353 | 22 701 |
| Other assets/liabilities..... | -56 060 | 10 276 |
| Total sources/liabilities and uses/assets | 307 314 | 307 314 |
| | | Per cent |
| Percentage of total sources used for gross capital formation | | 69,0 |
| Percentage of total sources used to acquire financial assets..... | | 30,0 |
| Percentage of total asset flows | | 20,0 |
| Gross capital formation as percentage of GDP | | 9,0 |
| Total asset/liability flows as percentage of GDP..... | | 18,0 |

Households

Households, on balance, recorded a financing deficit of R21,8 billion in 2006. While adding substantially to their interest in retirement and life funds, households also took up a sizeable amount of mortgage loans and other bank loans and advances. Investments with other financial institutions were reduced while more liquid monetary deposits were preferred.

Summary and conclusion

Robust economic growth in 2006 contributed towards heightened financial activity and the strong flow of funds across sectors. Appetite for bank credit remained buoyant despite the tightening monetary policy stance from the second half of 2006. The analysis of South Africa's national financial accounts for the year 2006 further highlights

- the continued net inflow of funds from the rest of the world augmenting domestic saving to finance capital formation and growth;
- the continued strengthening in the pace of capital formation by non-financial business enterprises;
- the continued increase in gold and foreign-currency holdings of both the monetary authority and other monetary institutions;

- the continued low availability of government securities in the domestic financial markets due to improvements in the national government's financial position;
- the continued importance of financial intermediaries as conduits for channelling funds to deficit sectors; and
- the household sector's incurrence of large amounts of debt, partly offset by strong increases in households' interest in retirement and life funds.

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National financial account

Flow of funds for the first quarter 2006¹

R millions

| Transaction items | Sectors | | Financial intermediaries | | | | | | | | | | |
|--|---------|----------------|--------------------------|----------------|--------------------|----------------|--|----------------|--|-----------------|-------------------------------|---------|------------------------------|
| | | | Foreign sector | | Monetary authority | | Other monetary institutions ² | | Public Investment Corporation ³ | | Insurers and retirement funds | | Other financial institutions |
| | S | U | S | U | S | U | S | U | S | U | S | U | |
| 1. Net saving ⁴ | 22 730 | | 451 | | 4 625 | | | | | - 269 | | 3 476 | |
| 2. Consumption of fixed capital ⁴ | | | 5 | | 918 | | | | | 20 | | 202 | |
| 3. Capital transfers | 17 | 70 | | | | | | | | | | | |
| 4. Gross capital formation ⁴ | | | | 9 | | 450 | | | | | 30 | | 681 |
| 5. Net lending (+)/net borrowing (-) (S) | 22 677 | | 447 | | 5 093 | | | | | - 279 | | 2 997 | |
| 6. Net financial investment (+) or (-) (U) | | 22 677 | | 447 | | 5 093 | | | | | - 279 | | 2 997 |
| 7. Net incurrence of financial liabilities (Total S 9 – 32) | 61 495 | | 7 753 | | 106 517 | | 16 378 | | 11 111 | | | 48 420 | |
| 8. Net acquisition of financial assets (Total U 9 – 32) | | 84 172 | | 8 200 | | 111 610 | | 16 378 | | 10 832 | | | 51 417 |
| 9. Gold and other foreign reserves | 11 669 | | | 11 669 | | | | | | | | | |
| 10. Cash and demand monetary ⁵ deposits | | 3 156 | 5 661 | - 1 367 | 17 844 | - 246 | | - 2 987 | | 5 606 | | | 16 988 |
| 11. Short/medium-term monetary ⁵ deposits | | 5 314 | | 171 | 37 254 | | | - 5 521 | | 10 788 | | | 14 288 |
| 12. Long-term monetary ⁵ deposits | | 3 617 | 36 | | 39 802 | | | 9 990 | | 3 412 | | | 16 970 |
| 13. Deposits with other financial institutions | | 23 | | | | - 1 762 | | 3 697 | | 12 606 | 19 604 | | |
| 14. Deposits with other institutions | 31 509 | | | | | 31 637 | 16 378 | 4 909 | 4 909 | 13 607 | | | 1 274 |
| 15. Treasury bills | | | | - 199 | | 1 155 | | 2 720 | | 246 | | | 189 |
| 16. Other bills | - 202 | | | - 404 | 1 316 | - 289 | | 4 360 | 204 | 448 | | 7 | 1 545 |
| 17. Bank loans and advances | 7 111 | | 2 546 | 873 | 820 | 48 284 | | | | | | - 1 525 | |
| 18. Trade credit and short-term loans | 6 597 | 10 465 | - 336 | 267 | 5 676 | 7 697 | | | 2 841 | 7 916 | 9 338 | | - 13 182 |
| 19. Short-term government bonds | | - 4 | | - 2 911 | | - 5 657 | | 6 112 | | 926 | | | 701 |
| 20. Long-term government bonds | | - 1 707 | | - 73 | | - 460 | | - 1 807 | | - 15 110 | | | 5 263 |
| 21. Non-marketable government bonds ⁶ | | - 330 | | 24 | | | | | | | | | |
| 22. Securities of local governments | - 12 | | | | | - 54 | | - 81 | | 1 344 | | | - 155 |
| 23. Securities of public enterprises | | 36 | - 863 | | | - 2 097 | | - 533 | | 503 | 221 | | - 264 |
| 24. Other loan stock and preference shares | 703 | 2 691 | | | 138 | 888 | | 2 075 | 500 | 6 933 | 537 | | - 1 201 |
| 25. Ordinary shares | 2 598 | 35 261 | | | - 1 015 | 198 | | - 1 216 | 42 | - 70 044 | | | 28 659 |
| 26. Foreign branch/head office balances | | | | | | | | | | | | | |
| 27. Long-term loans | 1 421 | 11 554 | 357 | 10 | | 5 918 | | - 100 | - 10 | 4 457 | 264 | | 1 393 |
| 28. Mortgage loans | 342 | | | | | 33 301 | | | | - 7 | | | 34 |
| 29. Interest in retirement and life funds ⁷ | | 200 | | | | | | | 18 834 | | | | |
| 30. Amounts receivable/payable | - 957 | 4 830 | - 13 | 11 | - 1 672 | - 1 244 | | 1 | - 6 552 | 8 651 | - 12 | | - 8 085 |
| 31. Other assets/liabilities | 716 | 9 066 | 365 | 129 | 6 266 | - 5 755 | | - 5 241 | - 9 930 | 18 717 | 19 820 | | - 13 283 |
| 32. Balancing item | | | | | 88 | 96 | | | 273 | - 167 | 166 | | 283 |

S = Sources, i.e. net increase in liabilities at transaction value.

U = Uses, i.e. net increase in assets at transaction value.

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1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.

2. Including mutual banks and the Postbank.

3. Before April 2005 the Public Investment Commissioners.

4. As taken from the national income (and production) accounts.

5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.

6. Non-marketable bonds and other Treasury bills.

7. Members' interest in the reserves of retirement and all insurance funds.

National financial account (continued)

Flow of funds for the first quarter 2006¹

R millions

| General government | | | | Corporate business enterprises | | | | | | Total | | Sectors |
|------------------------------------|-----------------|-------------------|----------------|--------------------------------|----------------|----------------|-----------------|------------------|----------------|----------|-----------------|--|
| Central and provincial governments | | Local governments | | Public sector | | Private sector | | Households, etc. | | | | |
| S | U | S | U | S | U | S | U | S | U | S | U | Transaction items |
| 961 | | - 4 380 | | - 1 386 | | - 2 611 | | 4 726 | | 28 323 | | 1. Net saving ⁴ |
| 4 667 | | 3 214 | | 6 018 | | 28 899 | | 7 054 | | 50 997 | | 2. Consumption of fixed capital ⁴ |
| | 5 427 | 2 616 | | 1 857 | | 36 | 6 | 988 | 11 | 5 514 | 5 514 | 3. Capital transfers |
| | 5 718 | | 4 966 | | 7 786 | | 48 469 | | 11 211 | | 79 320 | 4. Gross capital formation ⁴ |
| - 5 517 | | - 3 516 | | - 1 297 | | - 22 151 | | 1 546 | | - | | 5. Net lending (+)/net borrowing (-) (S) |
| | - 5 517 | | - 3 516 | | - 1 297 | | - 22 151 | | 1 546 | | | 6. Net financial investment (+) or (-) (U) |
| - 14 597 | | 5 061 | | 19 798 | | 17 870 | | 31 601 | | 311 407 | | 7. Net incurrence of financial liabilities (Total S 9 – 32) |
| | - 20 114 | | 1 545 | | 18 501 | | - 4 281 | | 33 147 | | 311 407 | 8. Net acquisition of financial assets (Total U 9 – 32) |
| | - 15 508 | | 6 371 | | 1 105 | | 8 802 | | 1 585 | 11 669 | 11 669 | 9. Gold and other foreign reserves |
| | 168 | | 2 093 | | 5 838 | | - 3 032 | | 7 147 | 23 505 | 23 505 | 10. Cash and demand monetary ⁵ deposits |
| | 509 | | 106 | | 5 004 | | 310 | | - 80 | 37 254 | 37 254 | 11. Short/medium-term monetary ⁵ deposits |
| | | | 687 | | 2 632 | | 6 471 | | - 4 750 | 39 838 | 39 838 | 12. Long-term monetary ⁵ deposits |
| | 3 050 | | | 71 | - 1 909 | 44 | 158 | | 185 | 19 604 | 19 604 | 13. Deposits with other financial institutions |
| 1 748 | | | | | | | - 2 363 | | | 52 911 | 52 911 | 14. Deposits with other institutions |
| | 153 | | | 2 635 | - 243 | - 325 | - 1 935 | | | 1 748 | 1 748 | 15. Treasury bills |
| - 1 976 | | 4 811 | | 2 244 | | 22 278 | | 12 848 | | 3 635 | 3 635 | 16. Other bills |
| 1 572 | - 59 | - 900 | 1 892 | 7 905 | - 1 803 | - 15 009 | 9 403 | 7 404 | 2 492 | 49 157 | 49 157 | 17. Bank loans and advances |
| - 1 277 | | | - 4 | | - 417 | | - 4 | | - 19 | 25 088 | 25 088 | 18. Trade credit and short-term loans |
| - 15 190 | | | 6 | | - 1 298 | | | | - 4 | - 1 277 | - 1 277 | 19. Short-term government bonds |
| - 196 | | | | | | | | | 110 | - 15 190 | - 15 190 | 20. Long-term government bonds |
| | | - 10 | | | - 3 | | - 1 073 | | | - 196 | - 196 | 21. Non-marketable government bonds ⁶ |
| | 2 | | | - 1 721 | | | | | - 10 | - 22 | - 22 | 22. Securities of local governments |
| | | | 75 | 3 350 | 678 | 6 212 | - 725 | | 26 | - 2 363 | - 2 363 | 23. Securities of public enterprises |
| | 2 000 | | | 1 997 | 30 | - 26 514 | - 17 805 | | 25 | 11 440 | 11 440 | 24. Other loan stock and preference shares |
| - 212 | 776 | 103 | 123 | 5 786 | 756 | 17 530 | 402 | | - 50 | - 22 892 | - 22 892 | 25. Ordinary shares |
| | | | - 1 671 | - 20 | | 10 979 | | 20 356 | | 25 239 | 25 239 | 26. Foreign branch/head office balances |
| | | | | | 3 602 | 7 000 | 3 277 | | 18 755 | 31 657 | 31 657 | 27. Long-term loans |
| 949 | 81 | - 49 | 2 | - 5 190 | 9 570 | 11 252 | - 18 062 | - 2 001 | | 25 834 | 25 834 | 28. Mortgage loans |
| | - 11 286 | 830 | - 8 157 | 2 740 | - 5 062 | - 15 832 | 11 106 | - 7 006 | 7 735 | - 4 245 | - 4 245 | 29. Interest in retirement and life funds ⁷ |
| - 15 | | 276 | 22 | 1 | 21 | 255 | 789 | | | - 2 031 | - 2 031 | 30. Amounts receivable/payable |
| | | | | | | | | | | 1 044 | 1 044 | 31. Other assets/liabilities |
| | | | | | | | | | | | | 32. Balancing item |

S = Sources, i.e. net increase in liabilities at transaction value.

U = Uses, i.e. net increase in assets at transaction value.

KB231

1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.
2. Including mutual banks and the Postbank.
3. Before April 2005 the Public Investment Commissioners.
4. As taken from the national income (and production) accounts.
5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.
6. Non-marketable bonds and other Treasury bills.
7. Members' interest in the reserves of retirement and all insurance funds.

National financial account

Flow of funds for the second quarter 2006¹

R millions

| Transaction items | Foreign sector | | Financial intermediaries | | | | | | | | | | |
|--|----------------|-----------------|--------------------------|----------------|--|----------------|--|----------------|-------------------------------|---------|------------------------------|-------|-----------------|
| | | | Monetary authority | | Other monetary institutions ² | | Public Investment Corporation ³ | | Insurers and retirement funds | | Other financial institutions | | |
| | S | U | S | U | S | U | S | U | S | U | S | U | |
| 1. Net saving ⁴ | 25 160 | | 499 | | 5 471 | | | | | -1 333 | | 3 535 | |
| 2. Consumption of fixed capital ⁴ | | | 5 | | 931 | | | | | 20 | | 207 | |
| 3. Capital transfers | 20 | 57 | | | | | | | | | | | |
| 4. Gross capital formation ⁴ | | | | 11 | | 843 | | | | | 57 | | 444 |
| 5. Net lending (+)/net borrowing (-) (S) | 25 123 | | 493 | | 5 559 | | | | | - 1 370 | | 3 298 | |
| 6. Net financial investment (+) or (-) (U) | | 25 123 | | 493 | | 5 559 | | | | | - 1 370 | | 3 298 |
| 7. Net incurrence of financial liabilities (Total S 9 – 32) | 33 018 | | 17 850 | | 68 369 | | 6 491 | | | 21 852 | | 9 195 | |
| 8. Net acquisition of financial assets (Total U 9 – 32) | | 58 141 | | 18 343 | | 73 928 | | 6 491 | | | 20 482 | | 12 493 |
| 9. Gold and other foreign reserves | 3 519 | | | 3 519 | | | | | | | | | |
| 10. Cash and demand monetary ⁵ deposits | | 4 936 | 4 152 | 327 | 35 473 | - 3 078 | | - 790 | | | - 4 029 | | - 12 155 |
| 11. Short/medium-term monetary ⁵ deposits | | | | 1 163 | 6 957 | | | - 963 | | | 3 074 | | - 3 131 |
| 12. Long-term monetary ⁵ deposits | | 10 194 | - 2 | | 21 693 | | | - 1 677 | | | | | 13 099 |
| 13. Deposits with other financial institutions | | - 144 | | | | - 2 885 | | 2 603 | | | 6 628 | 4 002 | |
| 14. Deposits with other institutions | 17 777 | | | | | 20 927 | 6 491 | 432 | 432 | | 2 310 | | 7 406 |
| 15. Treasury bills | | | | - 1 786 | | 5 182 | | - 5 203 | | | 159 | | - 310 |
| 16. Other bills | 4 624 | | | 4 432 | - 1 933 | 57 | | - 1 039 | - 770 | | - 184 | - 312 | 9 460 |
| 17. Bank loans and advances | - 1 061 | | 2 022 | 480 | 632 | 747 | | | | | | 27 | |
| 18. Trade credit and short-term loans | - 90 | - 2 193 | 5 912 | - 128 | 8 831 | - 188 | | | 445 | | 156 | 295 | 2 331 |
| 19. Short-term government bonds | | | | - 640 | | -2 589 | | - 1 820 | | | 3 408 | | 1 971 |
| 20. Long-term government bonds | | 4 506 | | | | 7 154 | | 8 607 | | | - 258 | | - 4 417 |
| 21. Non-marketable government bonds ⁶ | | 342 | | 2 677 | | | | | | | | | |
| 22. Securities of local governments | 31 | | | | | - 58 | | 131 | | | 10 | | 176 |
| 23. Securities of public enterprises | | 45 | 3 524 | | | 3 912 | | 7 901 | | | 1 109 | 1 840 | - 3 951 |
| 24. Other loan stock and preference shares | 1 143 | 279 | | | 5 465 | 4 908 | | 5 424 | 587 | | 4 932 | 64 | - 963 |
| 25. Ordinary shares | 12 174 | 25 054 | | | - 314 | - 292 | | - 6 152 | 19 | | - 13 359 | | 3 488 |
| 26. Foreign branch/head office balances | | | | | | | | | | | | | |
| 27. Long-term loans | - 1 505 | - 15 035 | | - 69 | | - 2 627 | | 403 | 51 | | 7 199 | 229 | - 1 316 |
| 28. Mortgage loans | 934 | | | | | 36 993 | | | | | 652 | | - 1 479 |
| 29. Interest in retirement and life funds ⁷ | | - 9 | | | | | | | 16 497 | | | | |
| 30. Amounts receivable/payable | 1 716 | 1 343 | - 377 | 29 | 261 | - 432 | | 78 | 907 | | 2 155 | 151 | - 180 |
| 31. Other assets/liabilities | - 6 244 | - 1 247 | 2 619 | 8 339 | - 8 912 | 5 880 | | - 1 444 | 3 499 | | 6 489 | 3 033 | 2 289 |
| 32. Balancing item | | | | | 216 | 317 | | | 185 | | 31 | - 134 | 175 |

S = Sources, i.e. net increase in liabilities at transaction value.
U = Uses, i.e. net increase in assets at transaction value.

KB230

1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.

2. Including mutual banks and the Postbank.

3. Before April 2005 the Public Investment Commissioners.

4. As taken from the national income (and production) accounts.

5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.

6. Non-marketable bonds and other Treasury bills.

7. Members' interest in the reserves of retirement and all insurance funds.

National financial account (continued)

Flow of funds for the second quarter 2006¹

R millions

| General government | | | | Corporate business enterprises | | | | Households, etc. | | Total | | Sectors |
|------------------------------------|-----------------|-------------------|----------------|--------------------------------|----------------|----------------|-----------------|------------------|---------------|----------|-----------------|--|
| Central and provincial governments | | Local governments | | Public sector | | Private sector | | S | U | S | U | |
| S | U | S | U | S | U | S | U | S | U | S | U | |
| - 6 866 | | 826 | | - 693 | | - 4 913 | | 13 906 | | 35 592 | | 1. Net saving ⁴ |
| 4 807 | | 3 307 | | 6 161 | | 30 062 | | 7 250 | | 52 750 | | 2. Consumption of fixed capital ⁴ |
| | 3 729 | 334 | | 2 455 | | 60 | 7 | 937 | 13 | 3 806 | 3 806 | 3. Capital transfers |
| | 5 688 | | 5 178 | | 8 787 | | 55 333 | | 12 001 | | 88 342 | 4. Gross capital formation ⁴ |
| - 11 476 | | - 711 | | - 864 | | - 30 131 | | 10 079 | | - | | 5. Net lending (+)/net borrowing (-) (S) |
| | - 11 476 | | - 711 | | - 864 | | - 30 131 | | 10 079 | | | 6. Net financial investment (+) or (-) (U) |
| 26 954 | | - 3 793 | | 6 106 | | 10 551 | | 8 971 | | 205 564 | | 7. Net incurrence of financial liabilities (Total S 9 – 32) |
| | 15 478 | | - 4 504 | | 5 242 | | - 19 580 | | 19 050 | | 205 564 | 8. Net acquisition of financial assets (Total U 9 – 32) |
| | 19 960 | | - 6 378 | | 1 505 | | 37 386 | | 1 941 | 3 519 | 3 519 | 9. Gold and other foreign reserves |
| | 5 580 | | - 1 210 | | 1 454 | | - 3 641 | | 4 631 | 6 957 | 6 957 | 10. Cash and demand monetary ⁵ deposits |
| | 677 | | 113 | | 2 497 | | - 2 882 | | - 330 | 21 691 | 21 691 | 11. Short/medium-term monetary ⁵ deposits |
| | | | 110 | | 222 | | 1 380 | | -3 912 | 4 002 | 4 002 | 12. Long-term monetary ⁵ deposits |
| | 3 861 | | | 580 | | | - 9 660 | | 4 | 25 280 | 25 280 | 13. Deposits with other financial institutions |
| 900 | | | | | | | 2 858 | | | 900 | 900 | 14. Deposits with other institutions |
| | - 471 | 4 | | - 1 091 | 93 | 2 004 | - 9 822 | | | 2 526 | 2 526 | 15. Treasury bills |
| - 589 | | - 5 829 | | 749 | | - 1 812 | | 7 088 | | 1 227 | 1 227 | 16. Other bills |
| - 141 | 135 | 1 710 | 590 | - 5 032 | 1 097 | 3 707 | 3 825 | - 9 592 | 420 | 6 045 | 6 045 | 17. Bank loans and advances |
| - 200 | | | - 7 | | - 523 | | | | | - 200 | - 200 | 18. Trade credit and short-term loans |
| 13 601 | | | | | - 1 981 | | | | - 10 | 13 601 | 13 601 | 19. Short-term government bonds |
| 4 776 | | | | | | | | | 1 757 | 4 776 | 4 776 | 20. Long-term government bonds |
| | | 71 | | | - 5 | | - 162 | | 10 | - 102 | - 102 | 21. Non-marketable government bonds ⁶ |
| | 62 | | | 3 720 | | | 1 | | 5 | 9 084 | 9 084 | 22. Securities of local governments |
| | 430 | | - 58 | - 4 101 | 306 | 8 777 | - 3 323 | | | 11 935 | 11 935 | 23. Securities of public enterprises |
| | - 7 | | | - 4 | 76 | - 9 143 | - 6 085 | | - 9 | 2 732 | 2 732 | 24. Other loan stock and preference shares |
| 228 | - 1 141 | - 221 | - 4 | - 4 174 | 290 | 22 098 | - 1 138 | | 74 | 16 706 | 16 706 | 25. Ordinary shares |
| | | | - 673 | 13 | | 12 077 | | 22 469 | | 35 493 | 35 493 | 26. Foreign branch/head office balances |
| | | | | | 5 488 | | 1 390 | | 9 628 | 16 497 | 16 497 | 27. Long-term loans |
| 4 468 | - 8 673 | - 1 | 1 | 6 794 | 660 | - 20 281 | - 12 117 | - 10 774 | | - 17 136 | - 17 136 | 28. Mortgage loans |
| 3 911 | - 4 935 | 533 | 2 986 | 8 618 | - 5 880 | - 7 368 | - 17 831 | - 220 | 4 823 | - 531 | - 531 | 29. Interest in retirement and life funds ⁷ |
| | | - 60 | 26 | - 34 | - 57 | 492 | 241 | | | 733 | 733 | 30. Amounts receivable/payable |
| | | | | | | | | | | | | 31. Other assets/liabilities |
| | | | | | | | | | | | | 32. Balancing item |

S = Sources, i.e. net increase in liabilities at transaction value.

U = Uses, i.e. net increase in assets at transaction value.

KB231

1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.

2. Including mutual banks and the Postbank.

3. Before April 2005 the Public Investment Commissioners.

4. As taken from the national income (and production) accounts.

5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.

6. Non-marketable bonds and other Treasury bills.

7. Members' interest in the reserves of retirement and all insurance funds.

National financial account

Flow of funds for the third quarter 2006¹

R millions

| Sectors Transaction items | Financial intermediaries | | | | | | | | | | | |
|---|--------------------------|----------------|--------------------|----------------|--|-----------------|--|----------------|-------------------------------|-----------------|------------------------------|----------------|
| | Foreign sector | | Monetary authority | | Other monetary institutions ² | | Public Investment Corporation ³ | | Insurers and retirement funds | | Other financial institutions | |
| | S | U | S | U | S | U | S | U | S | U | S | U |
| 1. Net saving ⁴ | 29 233 | | 568 | | 853 | | | | - 1 967 | | 3 177 | |
| 2. Consumption of fixed capital ⁴ | | | 5 | | 948 | | | | 20 | | 213 | |
| 3. Capital transfers..... | 26 | 84 | | | | | | | | | | |
| 4. Gross capital formation ⁴ | | | | 11 | | 1 035 | | | | 81 | | 497 |
| 5. Net lending (+)/net borrowing (-) (S)..... | 29 175 | | 562 | | 766 | | | | - 2 028 | | 2 893 | |
| 6. Net financial investment (+) or (-) (U)..... | | 29 175 | | 562 | | 766 | | | | - 2 028 | | 2 893 |
| 7. Net incurrence of financial liabilities (Total S 9 – 32)..... | 29 282 | | 10 354 | | 79 290 | | 23 892 | | 13 403 | | 23 658 | |
| 8. Net acquisition of financial assets (Total U 9 – 32)..... | | 58 457 | | 10 916 | | 80 056 | | 23 892 | | 11 375 | | 26 551 |
| 9. Gold and other foreign reserves..... | 5 396 | | | 5 396 | | | | | | | | |
| 10. Cash and demand monetary ⁵ deposits..... | | 1 676 | 7 742 | 984 | 30 145 | 7 825 | | 3 179 | | 2 416 | | 5 598 |
| 11. Short/medium-term monetary ⁵ deposits..... | | - 5 964 | | - 259 | 24 465 | | | 11 039 | | - 9 015 | | 6 283 |
| 12. Long-term monetary ⁵ deposits..... | | - 5 218 | 18 | 51 | - 8 377 | | | - 8 948 | | 108 | | 1 827 |
| 13. Deposits with other financial institutions..... | | - 9 | | | | - 686 | | 8 277 | | 365 | 18 245 | |
| 14. Deposits with other institutions..... | - 21 637 | | | | | - 17 861 | 23 892 | 1 032 | 1 032 | 15 117 | | 3 827 |
| 15. Treasury bills..... | | | | - 1 635 | | 1 267 | | - 290 | | - 166 | | - 16 |
| 16. Other bills..... | 2 370 | | | 2 072 | 1 428 | - 464 | | - 2 495 | | 592 | 1 630 | - 865 |
| 17. Bank loans and advances..... | 5 031 | | - 801 | 169 | 414 | 49 554 | | | | | 1 107 | |
| 18. Trade credit and short-term loans..... | 6 368 | 17 431 | 353 | 99 | 10 857 | - 844 | | | 1 708 | 456 | 1 321 | 3 306 |
| 19. Short-term government bonds..... | | 8 | | 729 | | - 3 384 | | 441 | | 25 056 | | 5 085 |
| 20. Long-term government bonds..... | | 1 595 | | - 748 | | 6 577 | | 4 305 | | - 11 505 | | 600 |
| 21. Non-marketable government bonds ⁶ | | 1 381 | | 37 | | | | | | | | |
| 22. Securities of local governments..... | 7 | | | | | 1 | | - 288 | | - 375 | | - 429 |
| 23. Securities of public enterprises..... | | - 12 | - 2 997 | | | - 2 498 | | 2 643 | | 1 174 | 554 | 595 |
| 24. Other loan stock and preference shares..... | 1 127 | - 1 016 | 9 | | 60 | 3 954 | | 1 337 | 2 577 | 8 103 | -57 | 1 575 |
| 25. Ordinary shares..... | 10 777 | 21 322 | | | 3 870 | 963 | | 953 | 55 | - 26 337 | | 7 447 |
| 26. Foreign branch/head office balances..... | | | | | | | | | | | | |
| 27. Long-term loans..... | 27 166 | 18 696 | | 9 | | 1 557 | | 1 689 | - 31 | 5 937 | 2 969 | 1 724 |
| 28. Mortgage loans..... | 242 | | | | | 44 411 | | | | - 11 | | - 12 |
| 29. Interest in retirement and life funds ⁷ | | 191 | | | | | | | 17 179 | | | |
| 30. Amounts receivable/payable..... | 244 | 9 029 | 29 | 17 | 6 758 | - 3 345 | | - 38 | - 6 846 | - 2 721 | - 271 | - 2 141 |
| 31. Other assets/liabilities..... | - 7 809 | - 653 | 6 001 | 3 995 | 9 811 | - 6 773 | | 1 056 | - 2 581 | 2 035 | - 1 677 | - 7 786 |
| 32. Balancing item..... | | | | | - 141 | - 198 | | | 310 | - 146 | - 163 | - 67 |

S = Sources, i.e. net increase in liabilities at transaction value.

U = Uses, i.e. net increase in assets at transaction value.

KB230

1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.

2. Including mutual banks and the Postbank.

3. Before April 2005 the Public Investment Commissioners.

4. As taken from the national income (and production) accounts.

5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.

6. Non-marketable bonds and other Treasury bills.

7. Members' interest in the reserves of retirement and all insurance funds.

National financial account (continued)

Flow of funds for the third quarter 2006¹

R millions

| General government | | | | Corporate business enterprises | | | | Households, etc. | | Total | | Sectors |
|------------------------------------|----------------|------------------|----------------|--------------------------------|----------------|-----------------|-----------------|------------------|----------------|----------------|-----------------|--|
| Central and provincial governments | | Local government | | Public sector | | Private sector | | S | U | S | U | |
| S | U | S | U | S | U | S | U | | | | | S |
| 9 102 | | - 7 585 | | 741 | | 5 340 | | - 5 743 | | 33 719 | | 1. Net saving ⁴ |
| 5 080 | | 3 479 | | 6 440 | | 32 086 | | 7 542 | | 55 813 | | 2. Consumption of fixed capital ⁴ |
| | 12 657 | 2 813 | | 8 402 | | 70 | 9 | 1 456 | 17 | 12 767 | 12 767 | 3. Capital transfers |
| | 6 664 | 5 428 | | 9 585 | | 52 730 | | 13 501 | | 89 532 | | 4. Gross capital formation ⁴ |
| - 5 139 | | - 6 721 | | 5 998 | | - 15 243 | | - 10 263 | | - | | 5. Net lending (+)/net borrowing (-) (S) |
| | - 5 139 | - 6 721 | | 5 998 | | - 15 243 | | -10 263 | | | | 6. Net financial investment (+) or (-) (U) |
| 29 756 | | - 1 311 | | - 2 129 | | 54 241 | | 31 736 | | 292 172 | | 7. Net incurrence of financial liabilities (Total S 9 – 32) |
| | 24 617 | - 8 032 | | 3 869 | | 38 998 | | 21 473 | | 292 172 | | 8. Net acquisition of financial assets (Total U 9 – 32) |
| | 6 714 | - 1 925 | | - 831 | | 6 579 | | 5 672 | | 5 396 | 5 396 | 9. Gold and other foreign reserves |
| | - 4 655 | - 100 | | - 1 256 | | - 21 640 | | 6 752 | | 37 887 | 37 887 | 10. Cash and demand monetary ⁵ deposits |
| | 3 287 | 1 194 | | - 179 | | - 650 | | 169 | | 24 465 | 24 465 | 11. Short/medium-term monetary ⁵ deposits |
| | 8 996 | 538 | | 452 | | 6 492 | | 2 816 | | - 8 359 | - 8 359 | 12. Long-term monetary ⁵ deposits |
| | | | | 5 243 | | 570 | | 60 | | 18 245 | 18 245 | 13. Deposits with other financial institutions |
| 300 | | | | | | | | | | 9 100 | 9 100 | 14. Deposits with other institutions |
| | - 702 | | | - 1 517 | 487 | - 3 313 | 1 973 | | | 300 | 300 | 15. Treasury bills |
| - 203 | | 76 | | 266 | | 37 798 | | 6 035 | | 598 | 598 | 16. Other bills |
| 97 | - 255 | - 2 614 | - 300 | 479 | - 1 121 | 5 152 | 2 500 | - 1 108 | 1 341 | 49 723 | 49 723 | 17. Bank loans and advances |
| 32 665 | | | 7 | | 4 697 | | 1 | | 25 | 22 613 | 22 613 | 18. Trade credit and short-term loans |
| - 9 057 | | | - 334 | | - 5 513 | | - 4 001 | | - 33 | 32 665 | 32 665 | 19. Short-term government bonds |
| 2 856 | | | | | 1 | | 1 046 | | 1 438 | - 9 057 | - 9 057 | 20. Long-term government bonds |
| | | - 51 | | | | | 1 046 | | | 2 856 | 2 856 | 21. Non-marketable government bonds ⁶ |
| | 417 | | | 4 735 | | | 1 | | - 28 | - 44 | - 44 | 22. Securities of local governments |
| | 360 | 186 | | - 2 907 | - 16 | 15 224 | 1 608 | | - 58 | 2 292 | 2 292 | 23. Securities of public enterprises |
| | 9 | | | 6 | - 33 | 17 591 | - 7 245 | | 38 | 16 033 | 16 033 | 24. Other loan stock and preference shares |
| | | | | | | | | | | - 2 883 | - 2 883 | 25. Ordinary shares |
| 1 390 | 1 814 | 720 | 15 | 3 089 | - 1 116 | 21 496 | 26 472 | | 2 | 56 799 | 56 799 | 26. Foreign branch/head office balances |
| | | | - 729 | 17 | | 12 121 | | 31 279 | | 43 659 | 43 659 | 27. Long-term loans |
| | | | | | 1 590 | | 6 960 | | 8 438 | 17 179 | 17 179 | 28. Mortgage loans |
| 547 | - 9 | 82 | | - 6 101 | - 4 524 | - 7 654 | - 15 928 | 2 600 | | - 10 612 | - 10 612 | 29. Interest in retirement and life funds ⁷ |
| 1 161 | 8 641 | 463 | - 6 594 | - 5 565 | 2 178 | - 9 458 | - 7 664 | - 7 070 | - 5 159 | - 16 724 | - 16 724 | 30. Amounts receivable/payable |
| | | 13 | 10 | 126 | 5 | - 104 | 145 | | | 41 | 41 | 31. Other assets/liabilities |
| | | | | | | | | | | | | 32. Balancing item |

S = Sources, i.e. net increase in liabilities at transaction value.

U = Uses, i.e. net increase in assets at transaction value.

KB231

1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.

2. Including mutual banks and the Postbank.

3. Before April 2005 the Public Investment Commissioners.

4. As taken from the national income (and production) accounts.

5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.

6. Non-marketable bonds and other Treasury bills.

7. Members' interest in the reserves of retirement and all insurance funds.

National financial account

Flow of funds for the fourth quarter 2006¹

R millions

| Transaction items | Foreign sector | | Financial intermediaries | | | | | | | | | | |
|---|----------------|----------------|--------------------------|----------------|--|----------------|--|----------------|-------------------------------|-----------------|------------------------------|-----------------|--|
| | | | Monetary authority | | Other monetary institutions ² | | Public Investment Corporation ³ | | Insurers and retirement funds | | Other financial institutions | | |
| | S | U | S | U | S | U | S | U | S | U | S | U | |
| 1. Net saving ⁴ | 35 223 | | 595 | | 7 361 | | | | | - 1 500 | | 3 071 | |
| 2. Consumption of fixed capital ⁴ | | | 6 | | 965 | | | | | 20 | | 219 | |
| 3. Capital transfers..... | 21 | 78 | | | | | | | | | | | |
| 4. Gross capital formation ⁴ | | | | 11 | 1 201 | | | | | 182 | | 662 | |
| 5. Net lending (+)/net borrowing (-) (S)..... | 35 166 | | 590 | | 7 125 | | | | | - 1 662 | | 2 628 | |
| 6. Net financial investment (+) or (-) (U)..... | | 35 166 | | 590 | 7 125 | | | | | - 1 662 | | 2 628 | |
| 7. Net incurrence of financial liabilities (Total S 9 – 32)..... | - 17 584 | | - 3 418 | | 59 881 | | 60 754 | | 45 980 | | | 22 973 | |
| 8. Net acquisition of financial assets (Total U 9 – 32)..... | | 17 582 | | - 2 828 | 67 006 | | 60 754 | | 44 318 | | | 25 601 | |
| 9. Gold and other foreign reserves | 3 755 | | | 3 755 | | | | | | | | | |
| 10. Cash and demand monetary ⁵ deposits..... | | - 1 892 | 12 913 | 182 | 36 488 | 3 683 | | 889 | | - 1 846 | | - 1 430 | |
| 11. Short/medium-term monetary ⁵ deposits..... | | 2 992 | | - 451 | 25 507 | | | 679 | | 995 | | 16 094 | |
| 12. Long-term monetary ⁵ deposits | | - 1 892 | 20 | - 51 | 10 621 | | | 6 247 | | 1 242 | | 11 637 | |
| 13. Deposits with other financial institutions..... | | 130 | | | | - 1 134 | | - 1 341 | | 11 047 | 13 956 | | |
| 14. Deposits with other institutions | - 6 638 | | | | | - 9 251 | 60 754 | - 423 | - 423 | 59 559 | | 1 033 | |
| 15. Treasury bills | | | | 1 925 | | 1 826 | | 404 | | - 187 | | - 14 | |
| 16. Other bills..... | - 2 458 | | | - 2 825 | - 3 020 | - 96 | | - 4 000 | - 12 | 71 | - 1 906 | 7 640 | |
| 17. Bank loans and advances | - 347 | | - 5 479 | - 1 125 | - 1 055 | 35 222 | | | | | - 1 078 | | |
| 18. Trade credit and short-term loans | - 384 | 15 | - 4 179 | - 112 | - 1 895 | 1 380 | | | 7 356 | - 13 422 | 3 036 | - 3 355 | |
| 19. Short-term government bonds..... | | - 4 | | 347 | | 2 126 | | 2 081 | | - 1 869 | | - 4 733 | |
| 20. Long-term government bonds | | 5 742 | | | | - 4 419 | | - 1 468 | | 4 994 | | 1 102 | |
| 21. Non-marketable government bonds ⁶ | | 234 | | - 216 | | | | | | | | | |
| 22. Securities of local governments..... | - 7 | | | | | 2 | | 308 | | 1 122 | | - 678 | |
| 23. Securities of public enterprises..... | | 90 | - 1 044 | | | - 2 036 | | 1 305 | | 2 914 | 1 388 | - 556 | |
| 24. Other loan stock and preference shares..... | 1 142 | 1 749 | | | - 813 | - 4 256 | | 1 252 | - 182 | 3 564 | - 432 | - 625 | |
| 25. Ordinary shares..... | 3 882 | 5 912 | | | 74 | 190 | | 48 073 | 261 | - 6 302 | | 22 084 | |
| 26. Foreign branch/head office balances..... | | | | | | | | | | | | | |
| 27. Long-term loans..... | 1 659 | - 6 314 | | 8 | | 1 635 | | - 1 692 | 46 | 7 807 | 89 | 808 | |
| 28. Mortgage loans..... | - 735 | | | | | 43 406 | | | | - 362 | | 75 | |
| 29. Interest in retirement and life funds ⁷ | | 261 | | | | | | | 17 358 | | | | |
| 30. Amounts receivable/payable | - 7 675 | 2 921 | 243 | 20 | - 9 840 | 610 | | - 39 | 9 994 | - 8 533 | 1 140 | - 7 934 | |
| 31. Other assets/liabilities..... | - 9 778 | 7 638 | - 5 892 | - 4 285 | 3 763 | - 2 178 | | 8 479 | 11 369 | - 16 684 | 6 901 | - 15 614 | |
| 32. Balancing item | | | | | 51 | 296 | | | 213 | 208 | - 121 | 67 | |

S = Sources, i.e. net increase in liabilities at transaction value.

U = Uses, i.e. net increase in assets at transaction value.

KB230

1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.

2. Including mutual banks and the Postbank.

3. Before April 2005 the Public Investment Commissioners.

4. As taken from the national income (and production) accounts.

5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.

6. Non-marketable bonds and other Treasury bills.

7. Members' interest in the reserves of retirement and all insurance funds.

National financial account (continued)

Flow of funds for the fourth quarter 2006¹

R millions

| General government | | | | Corporate business enterprises | | | | Households, etc. | | Total | | Sectors Transaction items |
|------------------------------------|----------------|-------------------|----------------|--------------------------------|----------------|----------------|-----------------|------------------|-----------------|---------|----------------|--|
| Central and provincial governments | | Local governments | | Public sector | | Private sector | | S | U | S | U | |
| S | U | S | U | S | U | S | U | S | U | S | U | |
| 23 331 | | - 6 357 | | - 336 | | - 3 615 | | - 18 053 | | 39 720 | | 1. Net saving ⁴ |
| 5 280 | | 3 604 | | 6 736 | | 33 835 | | 7 845 | | 58 510 | | 2. Consumption of fixed capital ⁴ |
| | 9 637 | 2 393 | | 5 821 | | 142 | 8 | 1 359 | 13 | 9 736 | 9 736 | 3. Capital transfers |
| | 7 381 | | 6 175 | | 11 283 | | 57 046 | | 14 289 | | 98 230 | 4. Gross capital formation ⁴ |
| 11 593 | | - 6 535 | | 938 | | - 26 692 | | - 23 151 | | - | | 5. Net lending (+)/net borrowing (-) (S) |
| | 11 593 | | - 6 535 | | 938 | | - 26 692 | | - 23 151 | | | 6. Net financial investment (+) or (-) (U) |
| 7 956 | | 1 845 | | 7 331 | | 105 261 | | 52 928 | | 343 907 | | 7. Net incurrence of financial liabilities (Total S 9 – 32) |
| | 19 549 | | - 4 690 | | 8 269 | | 78 569 | | 29 777 | | 343 907 | 8. Net acquisition of financial assets (Total U 9 – 32) |
| | 20 440 | | - 719 | | - 1 766 | | 22 191 | | 9 669 | 3 755 | 3 755 | 9. Gold and other foreign reserves |
| | - 577 | | 2 208 | | 606 | | - 247 | | 3 208 | 49 401 | 49 401 | 10. Cash and demand monetary ⁵ deposits |
| | - 2 198 | | - 923 | | 797 | | - 7 689 | | 3 471 | 25 507 | 25 507 | 11. Short/medium-term monetary ⁵ deposits |
| | | | 279 | | 707 | | 6 687 | | - 2 419 | 10 641 | 10 641 | 12. Long-term monetary ⁵ deposits |
| | 82 | | | 397 | | 45 | 2 990 | | 145 | 13 956 | 13 956 | 13. Deposits with other financial institutions |
| - 60 | 1 981 | | | | | 863 | - 9 560 | | | 54 135 | 54 135 | 14. Deposits with other institutions |
| | | | | - 594 | - 338 | | | | | - 7 127 | - 7 127 | 15. Treasury bills |
| 244 | | 92 | | 1 493 | | 29 285 | | 10 942 | | 34 097 | 34 097 | 16. Other bills |
| - 86 | 2 | - 1 411 | 925 | 1 504 | 1 585 | 2 682 | 14 118 | - 4 739 | 748 | 1 884 | 1 884 | 17. Bank loans and advances |
| - 2 092 | | | | | - 28 | | | | - 12 | - 2 092 | - 2 092 | 18. Trade credit and short-term loans |
| 5 745 | | | - 4 | | - 196 | | | | - 6 | 5 745 | 5 745 | 19. Short-term government bonds |
| - 2 027 | | | | | | | | | - 2 045 | - 2 027 | - 2 027 | 20. Long-term government bonds |
| | | - 4 | | | 98 | | - 862 | | - 1 | - 11 | - 11 | 21. Non-marketable government bonds ⁶ |
| | 174 | | | 1 597 | | | 3 | | 47 | 1 941 | 1 941 | 22. Securities of local governments |
| | 435 | | - 122 | - 2 309 | - 665 | 4 379 | 380 | | 73 | 1 785 | 1 785 | 23. Securities of public enterprises |
| | 420 | | | 558 | 12 | 65 317 | - 363 | | 66 | 70 092 | 70 092 | 24. Other loan stock and preference shares |
| | | | | | | | | | | | | 25. Ordinary shares |
| | | | | | | | | | | | | 26. Foreign branch/head office balances |
| 115 | 794 | 158 | 806 | 148 | 188 | - 1 208 | - 3 035 | | 2 | 1 007 | 1 007 | 27. Long-term loans |
| | | | - 632 | - 184 | | 18 260 | | 25 146 | | 42 487 | 42 487 | 28. Mortgage loans |
| | | | | | - 308 | | 1 173 | | 16 232 | 17 358 | 17 358 | 29. Interest in retirement and life funds ⁷ |
| 590 | - 238 | - 16 | - 17 | 4 056 | 548 | - 10 189 | 29 544 | 28 579 | | 16 882 | 16 882 | 30. Amounts receivable/payable |
| 5 527 | - 1 766 | 3 139 | - 6 502 | 664 | 7 028 | - 4 756 | 27 222 | - 7 000 | 599 | 3 937 | 3 937 | 31. Other assets/liabilities |
| | | - 113 | 11 | 1 | 1 | 583 | 31 | | | 614 | 614 | 32. Balancing item |

S = Sources, i.e. net increase in liabilities at transaction value.

U = Uses, i.e. net increase in assets at transaction value.

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1. A negative amount reflects a decrease in that item. In the case of liabilities (sources) it denotes a reduction in the available sources of funds and in the case of assets (uses) it indicates an additional source of funds.

2. Including mutual banks and the Postbank.

3. Before April 2005 the Public Investment Commissioners.

4. As taken from the national income (and production) accounts.

5. Namely deposits with the SA Reserve Bank (including coin liabilities), Corporation for Public Deposits, banks, the Land Bank, mutual banks and the Postbank.

6. Non-marketable bonds and other Treasury bills.

7. Members' interest in the reserves of retirement and all insurance funds.