

momentum

UNISA



Purposeful collaboration towards Financial Wellness in South Africa



SUMMARY

South African Household Wealth Index
Q1 2014

■ HIGHLIGHTS

- Household net wealth increased by 36.4% on a quarter on quarter seasonally adjusted and annualised basis (QoQSAA) during Q2 2014.
- On a year on year basis, household net wealth was 22.4% higher in Q2 2014.
- The ratio of household net wealth to disposable income increased to 359% compared to 339% at the end of Q1 2014 (317% in Q2 2013).
- Although this ratio is increasing, it is 250 to 400 percentage points lower than in the USA, Europe and Japan, meaning that, collectively, households in these countries are much wealthier than in South Africa.
- The value of South African household net wealth was estimated at R7 875 billion at the end of Q2 2014. This is R587 billion more than the R7 287 billion at the end of Q1 2014.
- Household assets increased 29.9% on a QoQSAA basis in Q2 2014 and 19.2% year on year (YoY). In real terms (2005 prices) household assets grew by 20.0% QoQSAA and 12.4% YoY.
- Household liabilities grew at a more subdued pace of 3.2% QoQSAA and 5.6% YoY. However, in real terms household liabilities declined by 4.6% on a QoQSAA basis and 0.4% YoY as consumer price inflation increased faster than the uptake of credit.
- The increase in household assets was driven by household investments in retirement funds and unlisted companies that comprise approximately 70% of household assets. For instance the JSE Alsi was 29.4% higher at the end of Q2 2014 compared to Q2 2013.
- In terms of liabilities, asset-backed credit (mortgages and secured loans) is on an increasing trend, while the growth trend in unsecured loans and credit facilities is drifting lower.
- Household debt servicing costs increased by 9.6% QoQSAA in Q2 2014 following an increase of 17.9% in Q1 2014. However, the decline can be attributed to no increase in interest rates in Q2 2014.
- The outlook for Q3 2014 is less rosy because of the decline in the prices of shares listed at the JSE. This will affect the value of households' interests in retirement funds negatively.

TABLE 1: OVERVIEW OF HOUSEHOLD WEALTH INDICATORS

Household wealth indicators	Q4 2013	Q1 2014	Direction	Q2 2014	Direction
Momentum/Unisa Household liabilities (Nominal R' billion)	1 582	1 606	↑	1 619	↑
Momentum/Unisa Household assets (Nominal R' billion)	8 705	8 894	↑	9 494	↑
Momentum/Unisa Household net wealth (Nominal R' billion)	7 122	7 288	↑	7 875	↑
Momentum/Unisa Liabilities to Disposable Income	74.9	74.9	↓.*	73.7	↓
Momentum/Unisa Assets to Disposable Income	412.1	414.6	↑	432.5	↑
Momentum/Unisa Net Wealth to Disposable Income	337.2	339.7	↑	358.8	↑
Momentum/Unisa Liabilities (Nominal QoQSAA %)	5.1	6.1	↗	3.2	↘
Momentum/Unisa Assets (Nominal QoQSAA %)	13.4	9.0	↘	29.9	↗
Momentum/Unisa Net Wealth (Nominal QoQSAA %)	15.3	9.6	↘	36.4	↗
Momentum/Unisa Liabilities (Real QoQSAA %)	0.3	1.3	↗	-4.6	↘
Momentum/Unisa Assets (Real QoQSAA %)	8.2	4.0	↘	20.0	↗
Momentum/Unisa Net Wealth (Real QoQSAA %)	10.1	4.7	↘	26.0	↗
Household debt service costs (Nominal QoQSAA %)	12.6	17.9	↗	9.6	↗
Household disposable income (Real QoQSAA %)	2.0	1.6	↘	1.3	↘
Household consumption expenditure (Real YoY %)	2.3	2.1	↓	1.9	↓
Household disposable income (Real YoY %)	4.5	3.9	↓	-1.6	↓

Key:

↘ = growing at slower pace (QoQSAA % change);

↗ = growing at a faster pace (QoQSAA % change);

Red colour = not preferred direction in terms of the pace (QoQSAA);

Black colour = Preferred direction in terms of the pace (QoQSAA);

↑ = increase;

↓ = decrease;

↔ = unchanged.

* Down on second decimal

1. SOUTH AFRICAN HOUSEHOLD WEALTH

1.1 Introduction

Households' net wealth is derived by subtracting the value of their liabilities from their asset value. The Momentum/Unisa household net wealth index is estimated (via an econometric model) by identifying the economic variables driving households' liabilities and assets, using the South African Reserve Bank's estimates of households' liabilities and assets as benchmark.

The bulk of household liabilities consists of mortgages, whilst their assets are dominated by financial investments such as the value of their retirement funds and shareholding interests in listed and unlisted companies. According to the Momentum/Unisa household wealth index, their liabilities were distributed as follows in 2013:

- 52% mortgages;
- 19% secured debt;
- 12% credit facilities; and
- 17% unsecured debt.

Similarly their assets comprised the following:

- 23% residential buildings;
- 4% other non-financial assets;
- 8% cash holdings;
- 39% investments in retirement funds
- 26% other financial assets.

However, the above distributions will change as the Reserve Bank noted in its September 2014 Quarterly Bulletin that some changes will be effected to its household wealth estimates due to the following reasons:

- The five-yearly benchmarking and rebasing of national account statistics (among others, changing the price base year from 2005 to 2010);
- Conceptual, methodological and classification changes as prescribed by the 2008 System of National Accounts.

These changes will most probably increase the value of household assets, especially residential assets, as the value of low cost housing will be capitalised and incorporated into households' balance sheets. In addition, the depreciation period of dwellings will be aligned to international best practice that will also affect the consumption of fixed assets (and thus the value thereof). Although not directly impacting households' balance sheet, financial intermediation services indirectly measured (FISIM) will be refined to also include non-bank financial intermediaries. This will affect the interest received (from deposits) and paid (on loans) by households and will therefore affect indicators such as households' debt service cost to disposable income, their net income received from investments, and their consumption expenditure.

1.2 Household net wealth

The Momentum/Unisa seasonally adjusted and annualised household net wealth estimate (nominal) for Q2 2014 increased to R7 875 billion from R7 288 billion in Q1 2014. This increase represents:

- YoY growth of 22.4%; and
- QoQSAA growth of 36.4%.

This means that household net wealth was R1 440 billion higher than a year ago and R587 billion more than in Q1 2014.

As household net wealth increased faster than household disposable income (increase of 7.8% YoY and 9.6% QoQSAA), the household net wealth to disposable income ratio increased sharply to:

- 358.8% in Q2 2014 from 339.7% in Q1 2014 and 316.2% a year ago (Q2 2013).

In real terms (2005 prices using the household consumption expenditure deflator) household net wealth also performed strongly in Q2 2014 (see figure 1). The real values show:

- YoY growth of 15.4%; and
- QoQSAA growth of 26.0%.

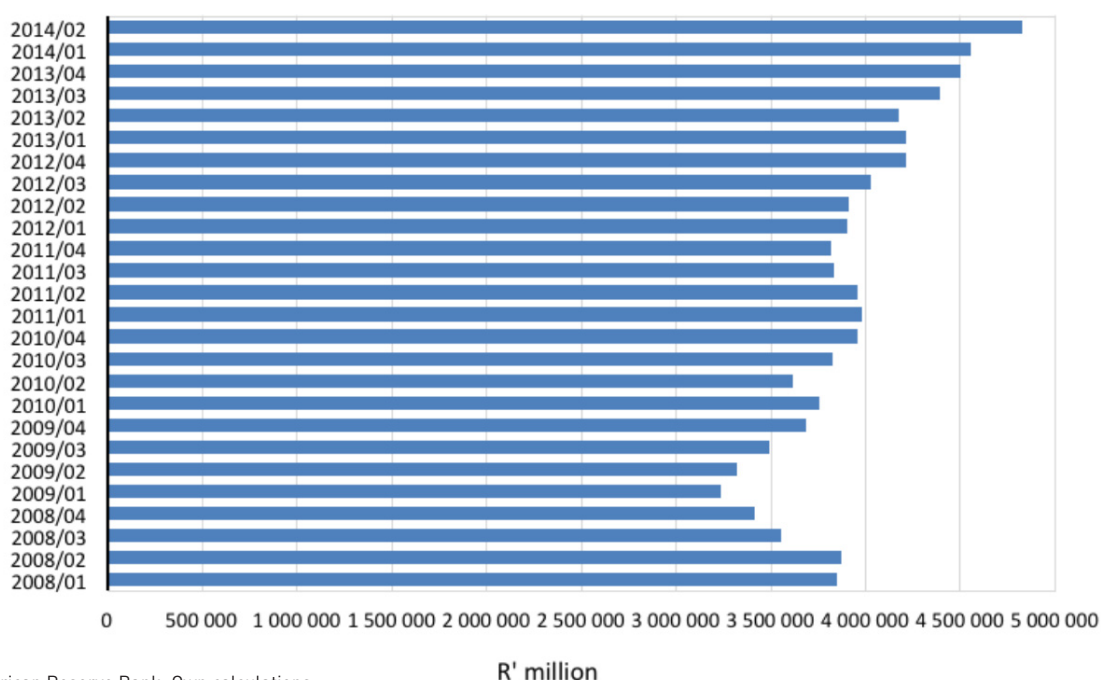
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- YoY growth of 15.4%; and
- QoQSAA growth of 26.0%.

Figure 1 : Real household net wealth (seasonally adjusted and annualised quarterly values)



Source: South African Reserve Bank; Own calculations

R' million

The increases in nominal and real household net wealth are the net result of the value of household assets increasing at a faster pace than household liabilities. This will be elaborated upon in the sections below.

More statistical information on household liabilities, household assets and household net wealth is available in the appendix.

2. SOUTH AFRICAN HOUSEHOLD ASSETS

The nominal value of household assets (seasonally adjusted and annualised) is estimated to have increased substantially during Q2 2014 compared to both Q1 2014 and Q2 2013. According to Momentum/Unisa the value of household assets is estimated to have increased to R9 494 billion in Q2 2014 from R8 894 billion in Q1 2014. This increase in household assets represents:

- YoY growth of 19.2%; and
- QoQSAA growth of 29.9%.

The YoY growth in monetary terms translates into an increase of R1 526 billion. Almost 40% of this increase (R600.1 billion) occurred in Q2 2014.

As the value of household assets increased faster than the nominal increase in household disposable income (QoQSAA), the household assets to disposable income ratio increased sharply to:

- 432.5% in Q2 2014 from 414.6% in Q1 2014 and 391.5% a year ago (Q2 2013).

In real terms (2005 prices using the household consumption expenditure deflator) household assets also put in a sturdy performance. The real increase shows:

- YoY growth of 12.4%; and
- QoQSAA growth of 20.0%.

The two main categories of household assets, namely residential assets and financial assets were driven by changes in house prices and in share prices – the latter as a result of households' investments in retirement funds and in unlisted companies.

House prices (nominal) increased by 9.8% in Q2 2014 compared to a year ago, whilst the JSE All Share Index (Alsi) was 28.7% higher relative to Q2 2013. Collectively they were largely responsible for the YoY growth of 19.2% in the nominal value of household assets.

The JSE Alsi was affected by a number of prominent international and domestic factors that contributed to the increase in household financial assets:

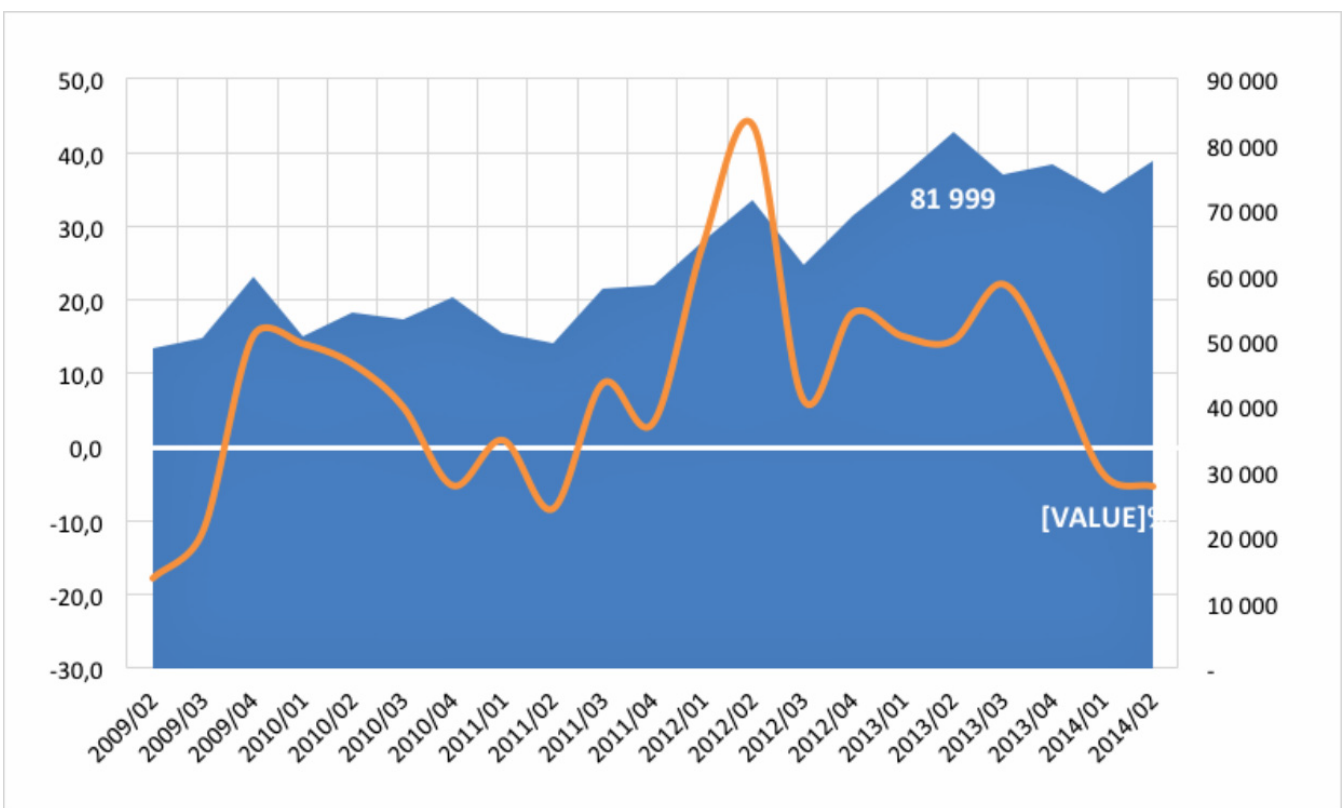
- The international economy grew at a faster pace of 3% (QoQSAA) in Q2 2014 compared to 2% in Q1 2014. This supported the profits of South African companies listed abroad, or earning part of their revenue in other countries, which in turn supported their share prices.
- The South African economy expanded at a subdued QoQSAA rate of 0.6% in Q2 2014 following a contraction of 0.6% in Q1 2014. Although the expansion was sub-par, it shows that companies produced more, contributing to their profits and therefore share prices.

- The South African rand depreciated a further 0.9% against the US dollar in Q2 2014 which contributed to its total weakening of 7.6% for the year up to the end of Q2 2014. As a result the rand prices of commodities remained relatively high and this supported the share prices of resources companies.
- The consumer price inflation rate increased to 6.6% at the end of Q2 2014 from 6.0% at the end of Q1 2014 (and 5.5% at the end of Q2 2013). Although negative for consumers, it means higher profits in nominal terms for companies.
- A prolonged domestic labour strike in the platinum sector contributed to slower economic growth and earnings from production, which was to the detriment of share prices.

Other factors that contributed to a demand for listed shares include households' contributions to retirement fund instruments as well as benefit pay-outs from these instruments to households (eg in the case of retirement).

Contributions to long term insurers and official pension funds (both the employer and employee contributions) grew from R72.6 billion in Q1 2014 to R77.6 billion in Q2 2014. This represents an increase of 6.9%. However, as figure 2 shows, this was 5.3% lower (orange line and left hand scale) than the peak of R81.99 billion (blue wall and right hand scale) of Q2 2013.

Figure 2 : Contributions to long-term insurers and official pension funds (R' million and YoY % change)



Source: South African Reserve Bank

However, benefits paid to households from long term insurers and official pension funds exceeded the contributions received by R28.4 billion. Total benefits paid amounted to R106.1 billion in Q2 2014 which is 3.2% more than a year before.

[Note: The above calculations exclude the contributions to and benefits paid from private self-administered pension and provident funds as statistics are not yet available. Recently the contributions made and benefits paid from private self-administered funds comprised some 15% of total contributions and total benefits paid].

As benefit payments exceeded contributions received, the increase in the value of household assets can be ascribed to the return on such assets. However, many analysts warn that shares in the JSE Alsi are very expensive as the price-earnings multiple increased to 18.21 at the end of Q2 2014 compared to a long term average of 14. Consequently, it is very unlikely for the increase in the JSE Alsi to continue - and therefore the increase in the value of household assets is to either slow significantly, or even decline in quarters to come.

3. SOUTH AFRICAN HOUSEHOLD LIABILITIES

The value of household liabilities (seasonally adjusted and annualised) is estimated to have increased in nominal terms during Q2 2014, but it decreased in real terms. Momentum/Unisa estimated the nominal seasonally adjusted and annualised value of household liabilities at R1 619 billion in Q2 2014. This is slightly higher than the R1 606 billion in Q1 2014. This increase represents:

- YoY growth of 5.6%; and
- QoQSAA growth of 3.2%.

As the value of household liabilities increased at a slower rate than the increase in household disposable income (QoQSAA), the household liabilities to disposable income ratio declined further to:

- 73.4% in Q2 2014 from 74.9% in Q1 2014 and 75.3% a year ago (Q2 2013).

However, in real terms (2005 prices using the household consumption expenditure deflator) household liabilities declined:

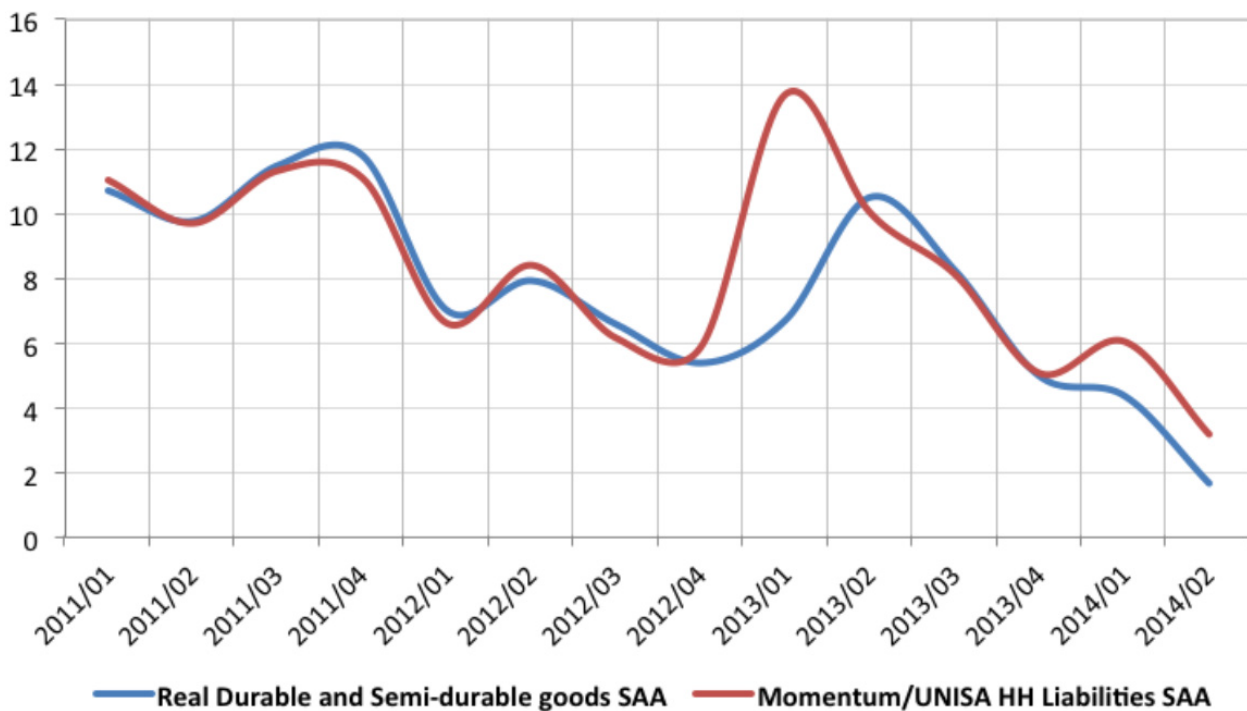
- -0.4% on a YoY basis%; and
- -4.6% in QoQSAA terms.

One of the causes of the slowdown in the pace of liability acquisition is the slower pace at which households purchased durable and semidurable goods (many consumers purchase these goods on credit). Purchases of real durable and semidurable goods (as a collective):

- increased at a slower pace of 4.8% YoY in Q2 2014 from 7.0% in Q1 2014; and
- increased by 1.7% QoQSAA in Q2 2014 from 4.4% in Q1 2014.

Figure 3 shows the relationship between volume purchases of durable and semidurable goods and the change in household liabilities.

Figure 3 : Relationship between the growth in volume of purchases of durable and semidurable goods and the acquisition of liabilities (QoQSAA % change)



Source: South African Reserve Bank; Own calculations

The pace of liability acquisition is also influenced by the level of household indebtedness and interest rates, which combine to form debt servicing costs. When debt servicing costs increase due to a higher debt burden or increasing interest rates or a combination of both, the harder it becomes for consumers to afford additional debt. Reserve Bank numbers show that in Q2 2014 debt servicing costs increased at the same pace (nominal QoQSAA) as household disposable income, namely by 9.6%, which means that the debt servicing costs to disposable income ratio remained the same at 7.9%.

Another factor influencing the pace at which consumers acquire debt, is their over-indebtedness. (Over-indebtedness is defined as debt or consumers that are three months or more in arrears with payments). An increase in over-indebtedness (in value and in terms of consumer numbers) prohibits a faster uptake of credit - as debt becomes more unaffordable.

The latest statistics of the National Credit Regulator (NCR) show an increase in both the number of over-indebted consumers and the value of over-indebted credit. The over-indebted amount increased to 7.3% of the debtors' book in Q2 2014 from 7.2% in Q1 2014 and 7% in Q4 2013. Although the uptake of unsecured credit slowed considerably over the past 18 months, the over-indebted unsecured debt amount increased sharply from R27.6 billion at the beginning of 2013 to R39.2 billion at the end of Q2 2014. This is slightly less than the over-indebted mortgage amount of R40.5 billion, but the mortgage book is almost five times larger than the unsecured book.

According to the NCR the over-indebted amount increased to R112.7 billion in Q2 2014, up from R104.8 billion in Q4 2013. The number of impaired consumers (over-indebted, adversely listed and with debt judgments) increased to 9.95 million in Q2 2014 from 9.60 million in Q1 2014. This means that 45% of credit active consumers had a status of impairment in Q2 2014, up from 44.2% in Q1 2014.

All the above factors, namely slower growth in the purchase of durable and semidurable goods; increasing interest rates; and growing numbers of over-indebtedness (consumers and value); points to a continuation of the current slowing trend in the acquisition of debt by consumers.

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■ ANNEXURE

TABLE A1: NOMINAL AND REAL HOUSEHOLD CONSUMPTION EXPENDITURE: QUARTERLY, AND QUARTERLY SEASONALLY ADJUSTED AND ANNUALISED (SAA)

R' billion	Nominal Household Consumption Expenditure	Nominal Household Consumption Expenditure SAA	Real Household Consumption Expenditure	Real Household Consumption Expenditure SAA
2008/01	326 778	1 346 955	284 143	1 154 884
2008/02	342 625	1 376 971	288 021	1 158 819
2008/03	351 531	1 416 193	284 465	1 160 148
2008/04	372 049	1 431 813	301 086	1 157 009
2009/01	347 114	1 426 258	278 202	1 139 587
2009/02	358 181	1 440 343	281 111	1 132 297
2009/03	365 014	1 471 346	279 984	1 137 563
2009/04	390 437	1 505 037	300 259	1 148 777
2010/01	374 875	1 540 467	284 776	1 167 130
2010/02	389 302	1 564 231	292 744	1 179 703
2010/03	396 634	1 597 082	295 245	1 199 156
2010/04	423 453	1 635 276	317 067	1 213 339
2011/01	408 632	1 675 574	300 384	1 231 197
2011/02	427 455	1 716 290	307 843	1 242 211
2011/03	436 553	1 760 399	307 698	1 251 815
2011/04	470 483	1 820 229	331 897	1 266 065
2012/01	452 829	1 849 799	311 819	1 277 282
2012/02	445 773	1 882 611	317 286	1 287 910
2012/03	473 356	1 915 353	317 994	1 297 119
2012/04	515 881	1 983 593	345 012	1 306 133
2013/01	491 405	2 003 930	320 238	1 313 976
2013/02	503 603	2 036 065	326 060	1 321 952
2013/03	513 518	2 078 436	326 399	1 328 980
2013/04	549 372	2 113 161	352 408	1 335 512
2014/01	526 885	2 147 442	327 185	1 341 544
2014/02	544 241	2 198 220	333 718	1 346 442

Source: South African Reserve Bank, September 2014 Quarterly Bulletin

TABLE A2: NOMINAL AND REAL HOUSEHOLD (HH) DISPOSABLE INCOME: QUARTERLY, AND QUARTERLY SEASONALLY ADJUSTED AND ANNUALISED (SAA)

R' billion	Nominal HH Disposable Income	Nominal HH Disposable Income SAA	Real HH Disposable Income	Real HH disposable Income SAA
2008/01	316 190	1 328 798	274 936	1 139 316
2008/02	355 769	1 359 844	299 070	1 144 405
2008/03	343 725	1 399 607	278 148	1 146 561
2008/04	360 396	1 416 071	291 656	1 144 288
2009/01	312 327	1 411 440	250 321	1 127 747
2009/02	372 099	1 428 273	292 034	1 122 808
2009/03	374 198	1 462 903	287 029	1 131 035
2009/04	391 644	1 498 456	301 187	1 143 754
2010/01	360 934	1 530 350	274 186	1 159 465
2010/02	401 799	1 553 410	302 141	1 171 542
2010/03	399 208	1 587 852	297 161	1 192 226
2010/04	412 813	1 627 404	309 100	1 207 498
2011/01	376 397	1 669 055	276 688	1 226 407
2011/02	450 584	1 711 292	324 500	1 238 594
2011/03	455 555	1 757 256	321 091	1 249 580
2011/04	456 189	1 817 297	321 813	1 264 026
2012/01	430 203	1 849 202	296 239	1 276 870
2012/02	495 092	1 883 011	337 258	1 288 184
2012/03	485 386	1 915 750	326 076	1 297 388
2012/04	497 293	1 983 933	332 581	1 306 357
2013/01	451 217	2 003 847	294 048	1 313 922
2013/02	540 574	2 035 494	349 997	1 321 581
2013/03	523 762	2 077 533	332 910	1 328 403
2013/04	541 710	2 112 178	347 493	1 334 891
2014/01	491 810	2 145 156	305 404	1 340 116
2014/02	561 888	2 195 118	344 539	1 344 542

Source: South African Reserve Bank, September 2014 Quarterly Bulletin; Own calculations.

TABLE A3: REAL HOUSEHOLD CONSUMPTION EXPENDITURE AND DISPOSABLE INCOME: QUARTER ON QUARTER SEASONALLY ADJUSTED AND ANNUALISED PERCENTAGE CHANGE (QOQSAA % CHANGE): (Deflator - Household consumption expenditure deflator)

	Real HH Consumption Expenditure SAA	Real HH Disposable Income SAA
2007/03	6.0	4.5
2007/04	5.2	3.0
2008/01	0.4	1.9
2008/02	1.4	1.8
2008/03	0.5	0.8
2008/04	-1.1	-0.8
2009/01	-5.9	-5.7
2009/02	-2.5	-1.7
2009/03	1.9	3.0
2009/04	4.0	4.6
2010/01	6.5	5.6
2010/02	4.4	4.2
2010/03	6.8	7.3
2010/04	4.8	5.2
2011/01	6.0	6.4
2011/02	3.6	4.0
2011/03	3.1	3.6
2011/04	4.6	4.7
2012/01	3.6	4.1
2012/02	3.4	3.6
2012/03	2.9	2.7
2012/04	2.8	2.4
2013/01	2.4	2.3
2013/02	2.5	2.4
2013/03	2.1	2.1
2013/04	2.0	2.0
2014/01	1.8	1.6
2014/02	1.5	1.3

Source: South African Reserve Bank, September 2014 Quarterly Bulletin; Own calculations.

**TABLE A4: NOMINAL AND REAL HOUSEHOLD CONSUMPTION EXPENDITURE:
YEAR ON YEAR PERCENTAGE CHANGE (YoY % CHANGE)**

	Real HH Consumption Expenditure SAA	Real HH Consumption Expenditure
2008/01	12.30	4.64
2008/02	11.03	3.75
2008/03	10.15	0.93
2008/04	7.52	-0.14
2009/01	6.22	-2.09
2009/02	4.54	-2.40
2009/03	3.84	-1.58
2009/04	4.94	-0.27
2010/01	8.00	2.36
2010/02	8.69	4.14
2010/03	8.66	5.45
2010/04	8.46	5.60
2011/01	9.00	5.48
2011/02	9.80	5.16
2011/03	10.06	4.22
2011/04	11.11	4.68
2012/01	10.82	3.81
2012/02	8.96	3.07
2012/03	8.43	3.35
2012/04	9.65	3.95
2013/01	8.52	2.70
2013/02	8.12	2.77
2013/03	8.48	2.64
2013/04	6.49	2.14
2014/01	7.22	2.17
2014/02	8.07	2.35

Source: South African Reserve Bank, September 2014 Quarterly Bulletin; Own calculations.

**TABLE A5: NOMINAL AND REAL HOUSEHOLD DISPOSABLE INCOME:
YEAR ON YEAR PERCENTAGE CHANGE (YoY % CHANGE)**

	Nominal HH Disposable Income	Real HH Disposable Income
2008/01	8.18	0.80
2008/02	9.53	2.35
2008/03	7.64	-1.37
2008/04	14.97	6.77
2009/01	-1.22	-8.95
2009/02	4.59	-2.35
2009/03	8.87	3.19
2009/04	8.67	3.27
2010/01	15.56	9.53
2010/02	7.98	3.46
2010/03	6.68	3.53
2010/04	5.41	2.63
2011/01	4.28	0.91
2011/02	12.14	7.40
2011/03	14.11	8.05
2011/04	10.51	4.11
2012/01	14.30	7.07
2012/02	9.88	3.93
2012/03	6.55	1.55
2012/04	9.01	3.35
2013/01	4.88	-0.74
2013/02	9.19	3.78
2013/03	7.91	2.10
2013/04	8.93	4.48
2014/01	9.00	3.86
2014/02	3.94	-1.56

Source: South African Reserve Bank, June 2014 Quarterly Bulletin; Own calculations.

TABLE A6: MOMENTUM/UNISA NOMINAL HOUSEHOLD LIABILITIES, ASSETS AND NET WEALTH: SEASONALLY ADJUSTED AND ANNUALISED: DERIVED FROM SARB STATISTICS

R' billion	SARB HH Liabilities SAA	SARB HH Assets SAA	SARB HH Net Wealth SAA
2007/02	889 107	5 291 304	4 402 197
2007/03	1 128 479	5 536 132	4 407 652
2007/04	1 144 072	5 575 080	4 431 008
2008/01	1 147 611	5 632 349	4 484 738
2008/02	1 160 270	5 757 155	4 596 885
2008/03	1 155 894	5 498 495	4 342 601
2008/04	1 135 833	5 365 820	4 229 987
2009/01	1 192 053	5 239 066	4 047 013
2009/02	1 158 956	5 380 592	4 221 636
2009/03	1 154 555	5 671 359	4 516 805
2009/04	1 159 566	5 984 268	4 824 701
2010/01	1 205 564	6 166 439	4 960 875
2010/02	1 250 047	6 043 877	4 793 829
2010/03	1 287 090	6 381 236	5 094 146
2010/04	1 224 301	6 557 366	5 333 065
2011/01	1 256 901	6 675 315	5 418 414
2011/02	1 286 433	6 757 685	5 471 252
2011/03	1 321 500	6 716 502	5 395 003
2011/04	1 356 849	6 844 502	5 487 653
2012/01	1 378 837	7 035 759	5 656 922
2012/02	1 407 048	7 129 298	5 722 251
2012/03	1 428 310	7 378 637	5 950 327
2012/04	1 448 981	7 842 614	6 393 633
2013/01	1 496 330	7 927 173	6 430 843
2013/02	1 532 599	7 968 016	6 435 417
2013/03	1 562 916	8 435 891	6 872 975
2013/04	1 582 465	8 704 728	7 122 263
2014/01	1 605 983	8 893 696	7 287 713
2014/02	1 618 727	9 493 820	7 875 093

Source: South African Reserve Bank, September 2014 Quarterly Bulletin; Own calculations.

TABLE A7: MOMENTUM/UNISA NOMINAL HOUSEHOLD LIABILITIES, ASSETS AND NET WEALTH AS A PERCENTAGE OF DISPOSABLE INCOME: MOMENTUM/UNISA ESTIMATES

	Liabilities (SAA) to Disposable Income	Assets (SAA) to Disposable Income	Net Wealth (SAA) to Disposable Income
2007/02	72.22	429.78	357.57
2007/03	88.74	435.33	346.59
2007/04	87.60	426.89	339.29
2008/01	86.36	423.87	337.50
2008/02	85.32	423.37	338.05
2008/03	82.59	392.86	310.27
2008/04	80.21	378.92	298.71
2009/01	84.46	371.19	286.73
2009/02	81.14	376.72	295.58
2009/03	78.92	387.68	308.76
2009/04	77.38	399.36	321.98
2010/01	78.78	402.94	324.17
2010/02	80.47	389.07	308.60
2010/03	81.06	401.88	320.82
2010/04	75.23	402.93	327.70
2011/01	75.31	399.95	324.64
2011/02	75.17	394.89	319.71
2011/03	75.20	382.22	307.01
2011/04	74.66	376.63	301.97
2012/01	74.56	380.48	305.91
2012/02	74.72	378.61	303.89
2012/03	74.56	385.16	310.60
2012/04	73.04	395.31	322.27
2013/01	74.67	395.60	320.92
2013/02	75.29	391.45	316.16
2013/03	75.23	406.05	330.82
2013/04	74.92	412.12	337.20
2014/01	74.87	414.59	339.73
2014/02	73.74	432.50	358.75

Source: Bureau of Market Research at UNISA.

TABLE A8: MOMENTUM/UNISA NOMINAL HOUSEHOLD LIABILITIES, ASSETS AND NET WEALTH: QUARTER ON QUARTER SEASONALLY ADJUSTED AND ANNUALISED PERCENTAGE CHANGE (QoQSAA % CHANGE)

	Liabilities (SAA)	Assets (SAA)	Net Wealth (SAA)
2007/02	-1.22	15.04	18.72
2007/03	159.51	19.83	0.50
2007/04	5.64	2.84	2.14
2008/01	1.24	4.17	4.94
2008/02	4.49	9.16	10.38
2008/03	-1.50	-16.80	-20.36
2008/04	-6.76	-9.31	-9.98
2009/01	21.32	-9.12	-16.21
2009/02	-10.65	11.25	18.41
2009/03	-1.51	23.43	31.04
2009/04	1.75	23.96	30.18
2010/01	16.84	12.74	11.78
2010/02	15.60	-7.72	-12.80
2010/03	12.39	24.27	27.51
2010/04	-18.13	11.51	20.12
2011/01	11.08	7.39	6.56
2011/02	9.73	5.03	3.96
2011/03	11.36	-2.42	-5.46
2011/04	11.14	7.84	7.05
2012/01	6.64	11.65	12.92
2012/02	8.44	5.42	4.70
2012/03	6.18	14.74	16.92
2012/04	5.92	27.63	33.30
2013/01	13.73	4.38	2.35
2013/02	10.05	2.08	0.28
2013/03	8.15	25.64	30.10
2013/04	5.10	13.37	15.32
2014/01	6.08	8.97	9.62
2014/02	3.21	29.85	36.35

Source: Bureau of Market Research at UNISA.

TABLE A9: MOMENTUM/UNISA NOMINAL HOUSEHOLD LIABILITIES, ASSETS AND NET WEALTH: YEAR ON YEAR PERCENTAGE CHANGE (yoY % CHANGE)

	Momentum/UNISA	Assets (SAA)	Net Wealth (SAA)
2007/02	-1.22	15.04	18.72
2007/03	159.51	19.83	0.50
2007/04	5.64	2.84	2.14
2008/01	1.24	4.17	4.94
2008/02	4.49	9.16	10.38
2008/03	-1.50	-16.80	-20.36
2008/04	-6.76	-9.31	-9.98
2009/01	21.32	-9.12	-16.21
2009/02	-10.65	11.25	18.41
2009/03	-1.51	23.43	31.04
2009/04	1.75	23.96	30.18
2010/01	16.84	12.74	11.78
2010/02	15.60	-7.72	-12.80
2010/03	12.39	24.27	27.51
2010/04	-18.13	11.51	20.12
2011/01	11.08	7.39	6.56
2011/02	9.73	5.03	3.96
2011/03	11.36	-2.42	-5.46
2011/04	11.14	7.84	7.05
2012/01	6.64	11.65	12.92
2012/02	8.44	5.42	4.70
2012/03	6.18	14.74	16.92
2012/04	5.92	27.63	33.30
2013/01	13.73	4.38	2.35
2013/02	10.05	2.08	0.28
2013/03	8.15	25.64	30.10
2013/04	5.10	13.37	15.32
2014/01	6.08	8.97	9.62
2014/02	3.21	29.85	36.35

Source: Bureau of Market Research at UNISA.

TABLE A10: MOMENTUM/UNISA REAL HOUSEHOLD LIABILITIES, ASSETS AND NET WEALTH: SEASONALLY ADJUSTED AND ANNUALISED: DERIVED MOMENTUM/UNISA NUMBERS

R' billion	Momentum/UNISA Real HH Liabilities SAA	Momentum/UNISA Real HH Assets SAA	Momentum/UNISA HH Net Wealth SAA
2007/02	804 032	4 785 001	3 980 969
2007/03	998 987	4 900 863	3 901 876
2007/04	993 457	4 841 131	3 847 674
2008/01	983 966	4 829 196	3 845 230
2008/02	976 450	4 845 055	3 868 605
2008/03	946 911	4 504 378	3 557 467
2008/04	917 836	4 335 972	3 418 137
2009/01	952 456	4 186 039	3 233 583
2009/02	911 090	4 229 846	3 318 755
2009/03	892 637	4 384 780	3 492 142
2009/04	885 083	4 567 721	3 682 638
2010/01	913 392	4 671 983	3 758 591
2010/02	942 754	4 558 137	3 615 383
2010/03	966 401	4 791 299	3 824 898
2010/04	908 404	4 865 422	3 957 018
2011/01	923 560	4 904 963	3 981 403
2011/02	931 091	4 891 056	3 959 965
2011/03	939 715	4 776 087	3 836 372
2011/04	943 760	4 760 711	3 816 951
2012/01	952 084	4 858 176	3 906 092
2012/02	962 573	4 877 213	3 914 640
2012/03	967 283	4 996 974	4 029 692
2012/04	954 108	5 164 112	4 210 004
2013/01	981 143	5 197 844	4 216 701
2013/02	995 068	5 173 379	4 178 311
2013/03	999 350	5 394 022	4 394 673
2013/04	1 000 113	5 501 365	4 501 251
2014/01	1 003 285	5 556 045	4 552 760
2014/02	991 494	5 815 104	4 823 610

Source: Bureau of Market Research at UNISA.

TABLE A11: MOMENTUM/UNISA REAL HOUSEHOLD LIABILITIES, ASSETS AND NET WEALTH: QUARTER ON QUARTER SEASONALLY ADJUSTED AND ANNUALISED PERCENTAGE CHANGE (QoQSAA % CHANGE)

	Momentum/UNISA Real HH Liabilities SAA	Momentum/UNISA Real HH Assets SAA	Momentum/UNISA HH Net Wealth SAA
2007/02	-10.63	4.08	7.41
2007/03	138.31	10.04	-7.71
2007/04	-2.20	-4.79	-5.44
2008/01	-3.77	-0.98	-0.25
2008/02	-3.02	1.32	2.45
2008/03	-11.56	-25.30	-28.49
2008/04	-11.73	-14.14	-14.77
2009/01	15.96	-13.13	-19.91
2009/02	-16.27	4.25	10.96
2009/03	-7.86	15.48	22.59
2009/04	-3.34	17.76	23.67
2010/01	13.42	9.45	8.51
2010/02	13.49	-9.40	-14.39
2010/03	10.42	22.09	25.27
2010/04	-21.93	6.33	14.55
2011/01	6.84	3.29	2.49
2011/02	3.30	-1.13	-2.14
2011/03	3.76	-9.08	-11.91
2011/04	1.73	-1.28	-2.01
2012/01	3.57	8.44	9.67
2012/02	4.48	1.58	0.88
2012/03	1.97	10.19	12.28
2012/04	-5.34	14.07	19.14
2013/01	11.83	2.64	0.64
2013/02	5.80	-1.87	-3.59
2013/03	1.73	18.18	22.38
2013/04	0.31	8.20	10.06
2014/01	1.27	4.04	4.66
2014/02	-4.62	20.00	26.01

Source: Bureau of Market Research at UNISA.

TABLE A12: MOMENTUM/UNISA REAL HOUSEHOLD LIABILITIES, ASSETS AND NET WEALTH INDEX: 2010 + 100

	Momentum/UNISA Real HH Liabilities SAA	Momentum/UNISA Real HH Assets SAA	Momentum/UNISA Real HH Net Wealth SAA
2008/01	105.49	102.28	101.48
2008/02	104.69	102.61	102.10
2008/03	101.52	95.40	93.89
2008/04	98.40	91.83	90.21
2009/01	102.11	88.66	85.34
2009/02	97.68	89.58	87.59
2009/03	95.70	92.86	92.17
2009/04	94.89	96.74	97.19
2010/01	97.93	98.95	99.20
2010/02	101.07	96.54	95.42
2010/03	103.61	101.47	100.95
2010/04	97.39	103.04	104.44
2011/01	99.02	103.88	105.08
2011/02	99.82	103.59	104.51
2011/03	100.75	101.15	101.25
2011/04	101.18	100.83	100.74
2012/01	102.07	102.89	103.09
2012/02	103.20	103.29	103.32
2012/03	103.70	105.83	106.35
2012/04	102.29	109.37	111.11
2013/01	105.19	110.08	111.29
2013/02	106.68	109.57	110.28
2013/03	107.14	114.24	115.99
2013/04	107.22	116.51	118.80
2014/01	107.56	117.67	120.16
2014/02	106.30	123.16	127.31

Source: Bureau of Market Research at UNISA.

TABLE A13: DEBT SERVICE COSTS: VARIOUS INDICATORS

	Debt Service Costs to Disposable Income	Debt Service Costs: R' billion (SAA)	Debt Service Costs: QoQSAA % change
2008/01	12.0	159 456	27.1
2008/02	12.5	169 981	29.1
2008/03	12.9	180 549	27.3
2008/04	12.7	179 841	-1.6
2009/01	12.2	172 196	-16.0
2009/02	10.6	151 397	-40.2
2009/03	9.5	138 976	-29.0
2009/04	9.1	136 359	-7.3
2010/01	8.9	136 201	-0.5
2010/02	8.5	132 040	-11.7
2010/03	8.6	136 555	14.4
2010/04	8.3	135 075	-4.3
2011/01	8.4	140 201	16.1
2011/02	8.2	140 326	0.4
2011/03	8.2	144 095	11.2
2011/04	8.2	149 018	14.4
2012/01	7.8	144 238	-12.2
2012/02	7.8	146 875	7.5
2012/03	7.7	147 513	1.7
2012/04	7.6	150 779	9.2
2013/01	7.7	154 296	9.7
2013/02	7.7	156 733	6.5
2013/03	7.6	157 893	3.0
2013/04	7.7	162 638	12.6
2014/01	7.9	169 467	17.9
2014/02	7.9	173 414	9.6

Source: South African Reserve Bank, September 2014 Quarterly Bulletin; Own calculations.