



BANKSERVAFRICA

April 2020 BETI report to accompany press release

Date: 13 May 2020

The BETI displays the depth of the economic crisis

April's economic transactions lowest on record due to coronavirus pandemic and subsequent nationwide lockdown

The BankservAfrica Economic Transaction Index (BETI) for April 2020 recorded its biggest decline on record across all three measurement periods.

The annual rate of decline was 13.9% while the quarter-on-quarter decline was 15.2%. The decline over the last month in March is also the biggest on record at 12.3%.

The BETI is the quickest and broadest monthly indicator of economic activity in the local South African economy. With data going back to January 2002's figures, the BETI is an insightful tool that captures interbank electronic transactions under R5 million to provide almost immediate feedback on the economic performance of most sectors.

The South African economy shrank at the fastest rate on record in April while March also recorded a decline. The latest data provide a clear and broad indication of an economic collapse due to the coronavirus pandemic and the subsequent nationwide lockdown.

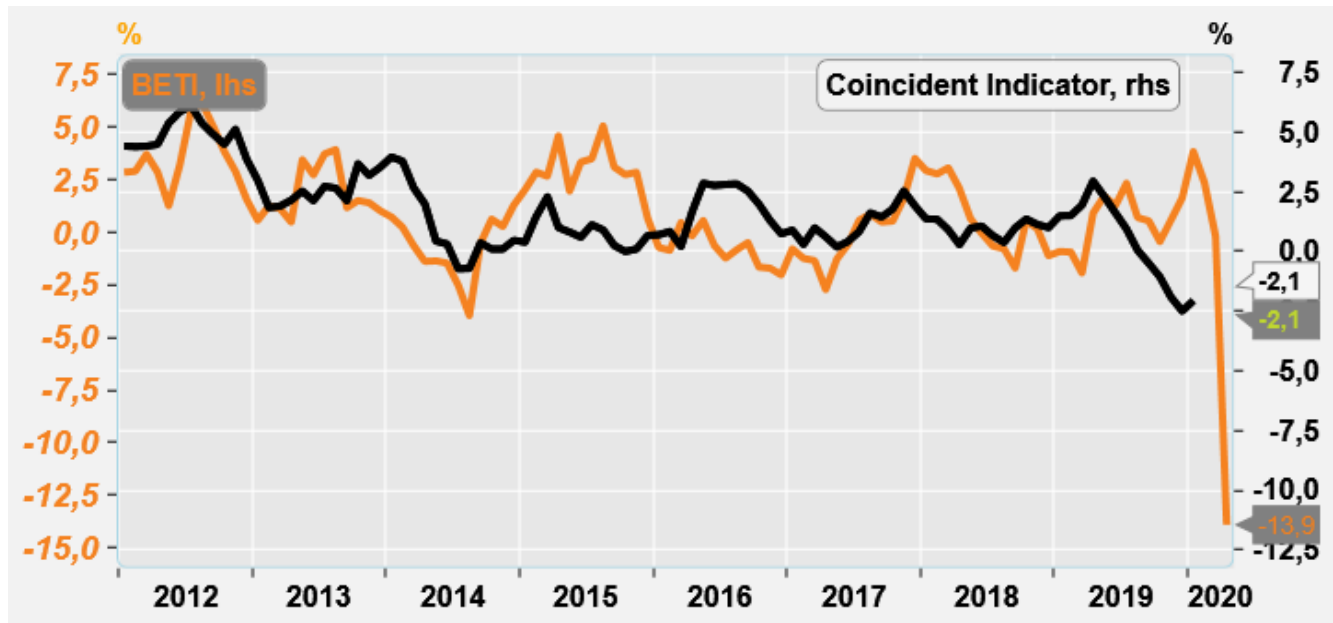
Consider for a moment that the actual real value of transactions in the BETI for April was at a level lower than at any time since February 2006. This means the actual value of transactions was the lowest in 14 years. May numbers will likely be similar, which means the SA economy will have lost the advances it has made in the previous 14 years.

Of course, parts of the economy will pick up again after the crisis is over and the BETI will reflect that. However, at present, the economy is doing the same real value of 'turnover' that it did 14 years ago. The disappearing economic transactions in the crisis reflect the massive underlying economic damage the crisis has created.

This collapse is being transmitted all through the economy as economic role players cannot transact with one another, many fearing the current crisis facing the world.

The actual volume of transactions fell by 16.4% in April on a year-on-year basis. The standardised nominal value of transactions as recorded by the BETI was R709.2 billion.

Graph 1: The BETI and Co-incident Indicator % change on a year-on-year basis



Source: BankservAfrica and Economists.co.za

Table 1: The BankservAfrica Economic Transaction Index

	The BETI Index	The headline BETI % change	BETI quarterly % change	BETI monthly % change
01-Jan-19	118,8	-0,9%	-1,5%	-1,5%
01-Feb-19	120,2	-0,9%	-0,4%	1,2%
01-Mar-19	119,4	-1,9%	-1,0%	-0,6%
01-Apr-19	121,5	0,9%	2,2%	1,7%
01-May-19	121,5	1,7%	1,1%	0,0%
01-Jun-19	121,6	1,3%	1,8%	0,1%
01-Jul-19	122,7	2,3%	1,0%	0,9%
01-Aug-19	122,2	0,7%	0,5%	-0,4%
01-Sep-19	119,9	0,5%	-1,4%	-1,9%
01-Oct-19	120,1	-0,4%	-2,1%	0,2%
01-Nov-19	121,4	0,6%	-0,7%	1,0%
01-Dec-19	122,7	1,6%	2,3%	1,1%
01-Jan-20	123,4	3,8%	2,7%	0,6%
01-Feb-20	123,0	2,4%	1,4%	-0,3%
01-Mar-20	119,2	-0,2%	-2,8%	-3,1%
01-Apr-20	104,6	-13,9%	-15,2%	-12,3%

Source: BankservAfrica and Economists.co.za

Table 2: The standardised value and number of transactions

	Nominal Standardised Value of transactions	Number of transactions	Average transaction value	Change in transaction volume
01-Jan-19	752 358 786 621	95 486 618	8056	3,5%
01-Feb-19	871 083 597 460	96 912 302	8333	2,4%
01-Mar-19	875 728 911 568	99 987 336	8444	-1,4%
01-Apr-19	895 209 267 983	103 384 373	8246	6,6%
01-May-19	885 765 229 153	101 623 908	8662	1,2%
01-Jun-19	889 664 961 147	93 655 106	8761	-8,1%
01-Jul-19	886 274 974 884	104 673 384	8890	3,6%
01-Aug-19	882 317 305 978	104 325 966	8647	-0,4%
01-Sep-19	876 129 253 723	99 715 632	8621	3,0%
01-Oct-19	895 393 805 918	101 551 480	9258	-5,6%
01-Nov-19	944 390 173 867	104 794 252	8843	-0,7%
01-Dec-19	983 730 036 244	104 150 830	8816	0,0%
01-Jan-20	827 069 468 236	98 568 174	8339	3,2%
01-Feb-20	921 749 299 725	101 662 462	8522	4,9%
01-Mar-20	891 197 747 730	103 280 758	8822	3,3%
01-Apr-20	709 218 629 938	90 027 122	7265	-12,9%

Source: *BankservAfrica and Economists.co.za*