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**DAILY RETURN: SELECTED RISK EXPOSURE****Page no.**

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**DAILY REPORT: SELECTED RISK EXPOSURE**

**BA325**  
Daily

(Confidential and not available for inspection by the public)

Name of bank.....

Date.....(yyyy-mm-dd)

(All amounts to be rounded off to the nearest R'000)

Summary of selected information	Line no.	Total
		1
<b>Market risk requirement</b> (item 14, column 1, plus item 20, columns 1 and 2)	1	
<b>Allocated capital and reserve funds for market risk</b>	2	
<b>Surplus/ (deficit)</b> (item 2 less item 1)	3	
<b>Memorandum items:</b>		
<b>Counterparty risk requirement arising from trading book positions</b> (items 5 to 7)	4	
OTC	5	
SFT	6	
Credit-derivative instruments	7	
<b>Liquidity risk<sup>1</sup></b>		
<b>Funding related items</b> (total of items 9 and 10)	8	
SARB repo participation	9	
Interbank funding	10	
<b>Liquid assets</b>		
Held on preceding day	11	
Month to date average held	12	
Requirement (item 14 of the form BA 310)	13	

1. Relates only to banks submitting daily information in respect of trading activities.

(All amounts to be rounded off to the nearest R'000)

Standardised approach Position risk requirement	Line no.	Total	of which:	
			Specific risk	General risk
			1	2
Total (of items 15 to 19)	14			
Interest rate risk	15			
Equity risk	16			
Foreign exchange risk, including gold	17			
Commodity risk	18			
Options ("carved-out" positions)	19			

(All amounts to be rounded off to the nearest R'000)

Internal models approach Position risk requirement	Line no.	VaR capital requirement <sup>1,2</sup>		Internal VaR <sup>3</sup>		Backtesting <sup>4</sup>	
		VaR <sup>2</sup>	VaR S (specific risk surcharge)	VaR amount	VaR limit	Hypothetical	Actual
		1	2	3	4	5	6
Total VaR amount <sup>5</sup>	20						
Interest rate risk	21						
Equity risk	22						
Foreign exchange risk, including gold	23						
Commodity risk	24						
Other	25						
<b>Memorandum items:</b>							
Total VaR amount <sup>5,6</sup>	26						
Desk 1 <sup>6</sup>	27						
Desk 2 <sup>6</sup>	28						
Desk 3 <sup>6</sup>	29						
Other desks <sup>6</sup>	30						

1. Calculated in accordance with the relevant requirements specified in these Regulations.
2. Based on, amongst other things, a 99 per cent, one-tailed confidence interval, and a minimum holding period of ten trading days.
3. May be based on a confidence interval and/or minimum holding period that differs from the requirements specified in these Regulations.
4. Number of exceptions recorded during the previous 250 days.
5. May not be equal to the sum of individual requirements calculated in respect of the respective risk categories or trading desks due to, amongst others, diversification benefits.
6. Please separately submit in writing the relevant desk description and other relevant information.

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(All amounts to be rounded off to the nearest US \$'000)

Line no.	USD	Euro	GBP	CHF	JPY	Other	Total
	1	2	3	4	5	6	7
<b>Foreign-currency exposure</b>							
Total foreign-currency assets (net of infrastructural investments) (total of items 32 and 37)							
Non-residents (total of items 33 to 36)							
Foreign currency placed with non-residents							
Foreign currency placed in respect of securities borrowing							
Foreign currency on-lent to non-residents (line 35 equals line 50)							
Other foreign currency							
Residents (total of items 38 to 44)							
Customer foreign-currency accounts (CFC)							
Foreign currency placed in respect of securities borrowing							
Foreign currency placements with authorised dealers							
Foreign currency placements with S A Reserve Bank							
Foreign currency placed with residents, not specified above							
Gold coin and bullion							
Other foreign currency							
Total foreign-currency liabilities (total of items 46 and 51)							
Non-residents (total of items 47 to 50)							
Foreign-currency funding (loans received)							
Foreign-currency deposits attracted							
Foreign-currency deposits held in respect of securities lending							
Liability in respect of foreign-currency borrowings on-lent to non-residents							
Residents (total of items 52 to 55)							
Customer foreign-currency accounts (CFC)							
Foreign-currency accounts (CFA)							
Foreign-currency deposits held in respect of securities lending							
Foreign-currency placements from authorised dealers							
Commitments <sup>1</sup> to purchase foreign currency (total of items 57 and 62)							
Commitments <sup>1</sup> to purchase foreign currency against rand							
Residents							
Non-residents							
Authorised dealers							
S A Reserve Bank							
Commitments <sup>1</sup> to purchase foreign currency against foreign currency							
Commitments <sup>1</sup> to sell foreign currency (total of items 64 and 69)							
Commitments <sup>1</sup> to sell foreign currency against rand							
Residents							
Non-residents							
Authorised dealers							
S A Reserve Bank							
Commitments <sup>1</sup> to sell foreign currency against foreign currency							
Effective net open foreign-currency position(s) of reporting bank <sup>1</sup> (item 31 plus 56) less (45 plus 63) in each foreign currency and in all foreign currencies taken together							
Limit specified by the Registrar							
Internal overnight limits set by the bank's board of directors or senior management (in respect of each individual currency and in the aggregate)							
1. Include all unsettled transactions, including spot, forward, options, futures and interest flows.							

**29. Daily return - Directives, definitions and interpretations for completion of daily return concerning selected risk exposure (Form BA 325)**

- (1) The content of the relevant return is confidential and not available for inspection by the public.
- (2) The purpose of the form BA 325, amongst other things-
- (a) is to determine on a daily basis the nature and extent of the reporting bank's exposure to and the related capital requirements in respect of-
    - (i) market risk or position risk; and
    - (ii) counterparty risk arising from positions held in the bank's trading book;
  - (b) is to obtain selected liquidity related information from banks that submit daily information in respect of their exposure to market risk;
  - (c) is to obtain selected information in respect of the bank's exposure to currency risk arising from positions held in the bank's banking book and trading book.
- (3) The aggregate effective net open position of the reporting bank in the Republic, together with its foreign operations, calculated in the manner prescribed in this form BA 325, in any one foreign currency and in all foreign currencies taken together, shall not at the close of business on any day exceed an amount specified in writing by the Registrar.
- (4) Instructions relating to the completion of the daily return concerning selected risk exposure are furnished with reference to the item descriptions and line item numbers appearing on form BA 325, as follows:

*Line item*

**1, 14 to 19 Market or position risk requirement  
and 20 to**

**30** Based on, amongst other things, the relevant directives and requirements specified in regulation 28 and in the form BA320, these items shall reflect the reporting bank's respective required amounts of capital and reserve funds in respect of market risk or position risk.

**2 Allocated capital and reserve funds for market risk**

This item shall reflect the relevant amount of allocated capital and reserve funds in order to provide for the risks pertaining to or arising from the bank's exposure to market risk.

**4 to 7 Counterparty risk**

Based on, amongst other things, the relevant directives and requirements specified in regulation 23 and in the form BA200, these items shall reflect the respective required amounts of capital and reserve funds relating to counterparty credit risk incurred by the reporting bank in respect of transactions, agreements, contracts or instruments held in its trading book.

**9 SARB repo participation**

Based on, amongst other things, the relevant information reported to the bank's senior management and board of directors, this item shall reflect the relevant required amount relating to the bank's participation in the repo-market activity of the Reserve Bank.

**10 Interbank funding**

Based on, amongst other things, the relevant information reported to the bank's senior management and board of directors, this item shall reflect the relevant required amount relating to interbank funding raised by the reporting bank.

**11 to 13 Liquid assets**

Based on, amongst other things, the relevant information reported to the bank's senior management and board of directors, and the relevant directives specified in regulation 27 and in the form BA 310, these items shall reflect the respective required amounts relating to the bank's statutory liquid asset portfolio, including information relating to the daily balance of liquid assets held, the month-to-date average of liquid assets held and the bank's liquid asset requirement.

**20 to 30 VaR amounts**

A bank that adopted the internal models approach for the measurement of the bank's exposure to position risk or market risk shall report in items 20 to 30 the relevant required information relating to, amongst other things, the bank's VaR amount calculated in accordance with the relevant directives and requirements specified in regulation 28(8) and in the form BA320, and the specified information relating to the bank's internal VaR amount and backtesting results.

**31 to 72 Foreign-currency exposure**

Items 31 to 70 shall reflect the foreign-currency positions in selected currencies and in all currencies taken together in respect of the reporting bank in the Republic.

32 A non-resident is an individual, institution or branch of an authorised dealer domiciled outside the Republic of South Africa.

35 Foreign currency on-lent to a non-resident represents advances on-lent to the off-shore office or branch of a South African institution, in terms of an Exchange Control arrangement. (Refer to line item 50 below.)

37 A resident is an individual or institution domiciled in the Republic of South Africa.

38 A customer foreign-currency account (CFC), as an asset account, is a foreign-currency account of a South African institution with an authorised dealer, in terms of Exchange Control arrangements.

40 An authorised dealer is an institution domiciled in the Republic of South Africa that has been authorised to deal in foreign currency.

- 47 Foreign-currency funding represents loans obtained by the reporting bank, at the bank's own initiative.
- 48 Foreign-currency deposits are deposits placed with the reporting bank by non-residents.
- 49 Foreign-currency deposits held in respect of securities lending represent deposits placed with the reporting bank in respect of securities-lending transactions, in terms of Exchange Control arrangements.
- 50 Foreign-currency borrowing on-lent to non-residents represents deposits obtained from the parent company of a foreign institution and on-lent to the off-shore office or branch of a South African institution, in terms of an Exchange Control arrangement.
- 52 Customer foreign-currency accounts (CFC), as a liability, reflect foreign-currency accounts of South African institutions in terms of Exchange Control CFC arrangements.
- 53 Foreign-currency accounts (CFA) reflect resident foreign-currency accounts held with the reporting bank, in terms of Exchange Control arrangements.
- 56 Commitments to purchase foreign currency include all unsettled transactions with a commitment to purchase foreign exchange, that is, spot, forward, options, futures and interest flows, etc., at close of business on the reporting date.
- 63 Commitments to sell foreign currency include all unsettled transactions with a commitment to sell foreign exchange, that is, spot, forward, options, futures and interest flow, etc., at close of business on the reporting date.
- 57 to 68 For purposes of the completion of items 57 to 68, all transaction between the reporting bank and-
- import and/or export companies, individuals, parastatals and other financial and non-financial companies resident in the Republic, excluding the South African Reserve Bank and other authorised dealers, shall be reported as transactions with **residents**;
  - any institution, individual, government, an authorised dealer in foreign exchange resident outside the Republic, etc. shall be reported as transactions with **non-residents**;
  - other authorised dealers resident in the Republic shall be reported as transactions with **authorised dealers**;
  - the South African Reserve Bank shall be reported as transactions with the **S A Reserve Bank**.