

**DAILY RETURN: SELECTED RISK EXPOSURE**

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**DAILY REPORT: SELECTED RISK EXPOSURE**

(Confidential and not available for inspection by the public)

Name of bank.....

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

**BA325**

Daily

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

Summary of selected information	Line no.	Total
		1
<b>Market risk requirement</b> (total of items 2 to 4)	1	
Minimum prescribed pillar 1 market risk requirement <sup>1</sup> (item 18, column 1, plus item 24, columns 1 to 4)	2	
Systemic risk add-on (pillar 2a) market risk requirement <sup>2</sup>	3	
Additionally specified bank-specific (pillar 2b) market risk requirement <sup>3</sup>	4	
<b>Allocated capital and reserve funds for market risk</b>	5	
<b>Surplus/ (deficit)</b> (item 5 less item 1)	6	
<b>Memorandum items:</b>		
<b>Counterparty risk requirement arising from trading book positions</b> (items 8 to 10)	7	
OTC	8	
SFT	9	
Credit-derivative instruments	10	
<b>Liquidity risk</b>		
SARB repo participation	11	
Liquid assets		
Held on preceding day	12	
Month to date average held	13	
Requirement (item 14 of form BA 310)	14	
Liquidity coverage ratio <sup>4</sup> (LCR)		
High quality liquid assets	15	
Net cash outflow	16	
LCR (item 15 divided by item 16, multiplied with 100)	17	

1. Based on the minimum percentage requirement specified in item 9 column 3 of the form BA 700.

2. Based on the add-on percentage requirement specified in item 9 column 3 of the form BA 700.

3. Based on the add-on percentage requirement or amount reported in item 12 column 3 of the form BA 700.

4. Refer to regulation 26(12).

(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	3
Total (of items 19 to 23)	18			
Interest rate risk	19			
Equity risk	20			
Foreign exchange risk, including gold	21			
Commodity risk	22			
Options ("carved-out" positions)	23			

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

Internal models approach Position risk requirement	Line no.	Regulatory VaR amounts <sup>1,2</sup>			Incremental risk charge <sup>1,7</sup>	Internal VaR <sup>3</sup>		Backtesting <sup>4</sup>	
		VaR <sup>2</sup>	VaR S (specific risk surcharge)	sVaR <sup>2</sup> (stressed VaR)		VaR amount	VaR limit	Hypothetical	Actual
		1	2	3		4	5	6	7
Total VaR amounts <sup>5</sup> and incremental risk amount	24								
Interest rate risk	25								
Equity risk	26								
Foreign exchange risk, including gold	27								
Commodity risk	28								
Other	29								
Diversification benefit	30								
<b>Memorandum items:</b>									
Total VaR amount <sup>5,6</sup>	31								
Desk 1 <sup>6</sup>	32								
Desk 2 <sup>6</sup>	33								
Desk 3 <sup>6</sup>	34								
Other desks <sup>6</sup>	35								

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.

7. Refer to regulation 28(8)(h)(i)(E).

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

Foreign-currency exposure	Line no.	USD	Euro	GBP	CHF	JPY	Other	Total
		1	2	3	4	5	6	7
Total foreign-currency assets (net of infrastructural investments) (total of items 37 and 42)	36							
Non-residents (total of items 38 to 41)	37							
Foreign currency placed with non-residents	38							
Foreign currency placed in respect of securities borrowing	39							
Foreign currency on-lent to non-residents (line 40 equals line 55)	40							
Other foreign currency	41							
Residents (total of items 43 to 49)	42							
Customer foreign-currency accounts (CFC)	43							
Foreign currency placed in respect of securities borrowing	44							
Foreign currency placements with authorised dealers	45							
Foreign currency placements with S A Reserve Bank	46							
Foreign currency placed with residents, not specified above	47							
Gold coin and bullion	48							
Other foreign currency	49							
Total foreign-currency liabilities (total of items 51 and 56)	50							
Non-residents (total of items 52 to 55)	51							
Foreign-currency funding (loans received)	52							
Foreign-currency deposits attracted	53							
Foreign-currency deposits held in respect of securities lending	54							
Liability in respect of foreign-currency borrowings on-lent to non-residents	55							
Residents (total of items 57 to 60)	56							
Customer foreign-currency accounts (CFC)	57							
Foreign-currency accounts (CFA)	58							
Foreign-currency deposits held in respect of securities lending	59							
Foreign-currency placements from authorised dealers	60							
Commitments <sup>1</sup> to purchase foreign currency (total of items 62 and 67)	61							
Commitments <sup>1</sup> to purchase foreign currency against rand	62							
Residents	63							
Non-residents	64							
Authorised dealers	65							
S A Reserve Bank	66							
Commitments <sup>1</sup> to purchase foreign currency against foreign currency	67							
Commitments <sup>1</sup> to sell foreign currency (total of items 69 and 74)	68							
Commitments <sup>1</sup> to sell foreign currency against rand	69							
Residents	70							
Non-residents	71							
Authorised dealers	72							
S A Reserve Bank	73							
Commitments <sup>1</sup> to sell foreign currency against foreign currency	74							
Effective net open foreign-currency position(s) of reporting bank <sup>1</sup> (item 36 plus 61) less (50 plus 68) in each foreign currency and in all foreign currencies taken together	75							
Limit specified by the Registrar	76							
Internal overnight limits set by the bank's board of directors or senior management (in respect of each individual currency and in the aggregate)	77							

1. Include all unsettled transactions, including spot, forward, options, futures and interest flows.

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

Summary of selected interbank information	Line no.	Overnight			Longer than overnight		
		Amount at the repo rate	Amount at other rates	Weighted average rate	Amount at the repo rate	Amount at other rates	Weighted average rate
		1	2	3	4	5	6
<b>Total loans to or deposits with other domestic banks</b>	78						
Specify (per institution)	79						
<b>Total loans from or deposits by other domestic banks</b>	80						
Specify (per institution)	81						
Hash total	82						

**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 foreign currency 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, 18 to 23 **Market or position risk requirement**  
and 24 to

35 Based on, amongst other things, the relevant directives and requirements specified in regulation 28 and in the form BA 320, these items shall reflect the reporting bank's respective required amounts of capital and reserve funds in respect of market risk or position risk.

5 **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.

**7 to 10 Counterparty risk**

Based on, amongst other things, the relevant directives and requirements specified in regulation 23 and in the form BA 200, 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.

**11 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.

**12 to 14 Liquid assets**

Based on, among 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.

**24 to 35 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 24 to 35 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 BA 320, and the specified information relating to the bank's internal VaR amount and backtesting results.

**30 Diversification benefit**

Based on the previous day's VaR amount and the respective specified risk categories and/or trading desks, a bank shall report the relevant diversification benefit in line item 30.

**36 to 77 Foreign-currency exposure**

Items 36 to 75 shall reflect the foreign-currency positions in selected currencies and in all currencies taken together in respect of the reporting bank in the Republic.

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

- 40 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 the rules, regulations or arrangements issued by the Financial Surveillance Department of the South African Reserve Bank from time to time. (Refer to line item 55 below.)
- 42 A resident is an individual or institution domiciled in the Republic of South Africa.
- 43 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 the rules, regulations or arrangements issued by the Financial Surveillance Department of the South African Reserve Bank from time to time.
- 45 An authorised dealer is an institution domiciled in the Republic of South Africa that has been authorised to deal in foreign currency.
- 52 Foreign-currency funding represents loans obtained by the reporting bank, at the bank's own initiative.
- 53 Foreign-currency deposits are deposits placed with the reporting bank by non-residents.
- 54 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 the rules, regulations or arrangements issued by the Financial Surveillance Department of the South African Reserve Bank from time to time.
- 55 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 the rules, regulations or arrangements issued by the Financial Surveillance Department of the South African Reserve Bank from time to time.
- 57 Customer foreign-currency accounts (CFC), as a liability, reflect foreign-currency accounts of South African institutions in terms of the CFC rules, regulations or arrangements issued by the Financial Surveillance Department of the South African Reserve Bank from time to time.
- 58 Foreign-currency accounts (CFA) reflect resident foreign-currency accounts held with the reporting bank, in terms of the rules, regulations or arrangements issued by the Financial Surveillance Department of the South African Reserve Bank from time to time.
- 61 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.



- 68 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.
- 62 to 73 For purposes of the completion of items 62 to 73, 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**.