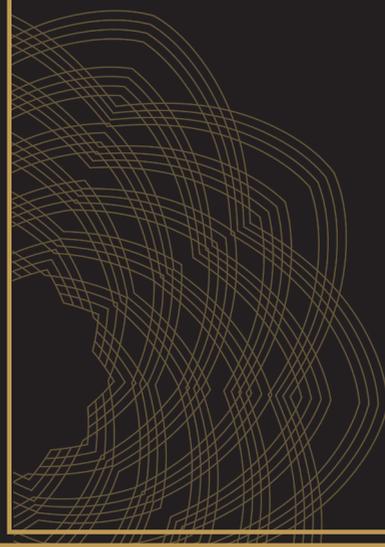


South African Reserve Bank  
Prudential Authority

# Selected South African banking sector trends

February 2018



<b>Number of banks in South Africa</b>			
Registered banks			19
Mutual banks			3
Co-operative banks			3
Local branches of foreign banks			15
Foreign banks with approved local representative offices			31
	<b>Feb</b>		
	<b>2017</b>	<b>2018</b>	<b>%</b>
	<b>Rbn1</b>	<b>Rbn1</b>	<b>Growth<sup>1</sup></b>
<b>Balance sheet items Selected assets</b>			
<b>Total assets</b>			
Total assets	4 910	5 195	5.8
Gross loans and advances	3 740	3 860	3.2
Homeloans	929	958	3.1
Commercial mortgages	272	292	7.5
Credit cards	109	114	4.7
Lease and instalment debtors	370	389	5.0
Overdrafts	204	214	5.0
Term loans	862	836	-3.0
Redeemable preference shares	103	107	4.0
Factoring accounts, trade and other bills and BA's	22	28	31.0
Loans granted/deposits placed under resale agreements	182	187	3.1
Bank intra-group balances	158	198	25.4
Other	531	536	1.1
Investment and trading positions	431	519	20.4
Derivative financial instruments	214	264	23.6
Short term negotiable securities	254	268	5.5
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	3 913	4 077	4.2
Current	763	808	5.9
Savings	223	236	5.5
Call	710	771	8.6
Fixed and notice	1 140	1 169	2.5
Negotiable certificates of deposit	459	532	15.9
Repurchase agreements	123	123	0.2
Other	495	439	-11.2
Derivative financial instruments and other trading liabilities	291	336	15.3
<b>Equity</b>			
Total equity	410	459	11.9
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 275	1 262	-1.0

	<b>Feb</b>	
	<b>2017</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
<b>Profitability<sup>2</sup></b>		
Return on equity	17.43	15.74
Return on assets	1.33	1.31
Cost-to-income ratio	55.20	57.07
Net interest income to interest-earning assets	3.93	3.98
Non-interest revenue to total assets	2.32	2.41
Operating expenses to total assets	3.01	3.18
Profit/Loss (12 months) (Rbn)	80.88	85.08
Net interest income (12 months) (Rbn)	152.02	159.66
Non-interest income (12 months) (Rbn)	112.75	121.50
Operating expenses (12 months) (Rbn)	146.17	160.46
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	221.54	230.72
Short-term liabilities to total liabilities	55.71	55.12
Ten largest depositors to total funding	15.65	14.69
Liquidity coverage ratio (%)	107.14	116.78
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	106.07	119.54
Impaired advances to gross loans and advances	2.84	3.10
Specific credit impairments to impaired advances	44.41	43.30
Specific credit impairments to gross loans and advances	1.26	1.34
<b>Capital adequacy</b>		
Total capital adequacy (%)	15.90	16.13
Tier 1 (T1) capital adequacy (%)	12.92	13.25
Common equity T1 capital adequacy (%)	12.55	12.75
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.22	6.84
<ol style="list-style-type: none"> <li>1. Differences may occur due to rounding.</li> <li>2. All ratios based on income statement information are smoothed i.e. 12 month moving averages.</li> <li>3. Advances in respect of which a specific impairment was raised.</li> <li>4. Formula: Tier 1 capital divided by exposure measure.</li> </ol>		
Please note this information is subject to change without notice. The data in this report is as at the end of the reporting month.		