

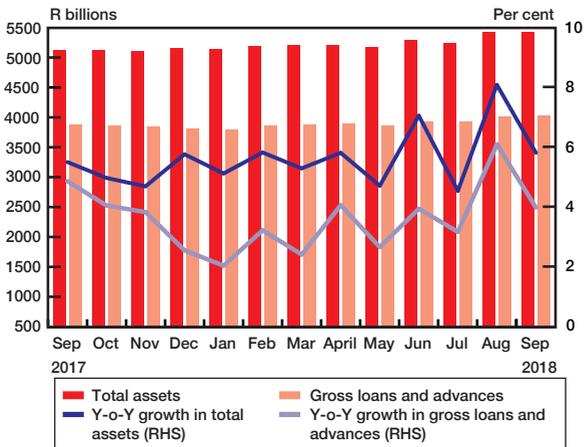


South African Reserve Bank  
Prudential Authority

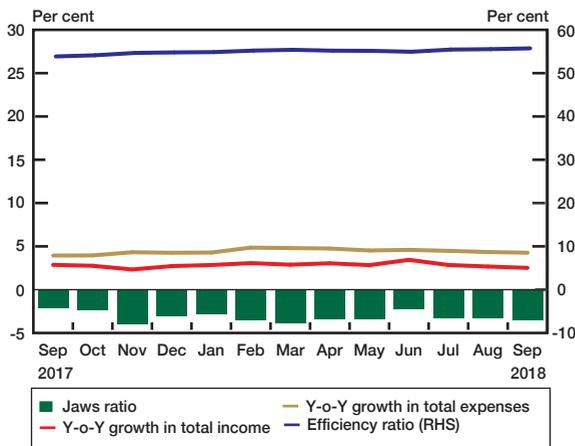
# Selected South African banking sector trends

September 2018

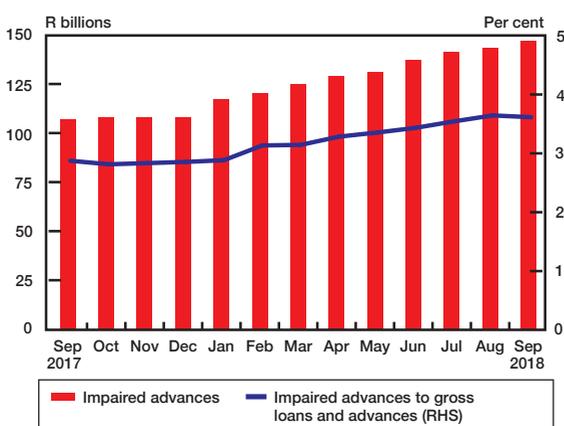
Total assets and gross loans and advances



Jaws and efficiency ratios



Impaired advances



## Number of banks in South Africa

Registered banks	19
Mutual banks	4
Co-operative banks	3
Local branches of foreign banks	15
Foreign banks with approved local representative offices	29

	Sep		
	2017	2018	%
	Rbn <sup>1</sup>	Rbn <sup>1</sup>	Growth <sup>1</sup>
<b>Balance sheet items</b>			
<b>Selected assets</b>			
Total assets	5 119	5 416	5.8
Gross loans and advances	3 870	4 023	4.0
Homeloans	941	978	3.9
Commercial mortgages	288	301	4.6
Credit cards	110	118	7.5
Lease and instalment debtors	380	404	6.2
Overdrafts	213	213	0.0
Term loans	894	918	2.7
Redeemable preference shares	106	113	6.1
Factoring accounts, trade and other bills and BA's	27	27	1.1
Loans granted/deposits placed under resale agreements	167	178	6.4
Bank intra-group balances	196	200	2.3
Other	547	572	4.6
Investment and trading positions	473	584	23.4
Derivative financial instruments	194	230	18.7
Short term negotiable securities	288	289	0.4
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 093	4 329	5.8
Current	810	865	6.7
Savings	237	252	6.7
Call	758	806	6.3
Fixed and notice	1 180	1 246	5.6
Negotiable certificates of deposit	501	552	10.1
Repurchase agreements	107	134	24.8
Other	500	475	-5.0
Derivative financial instruments and other trading liabilities	271	302	11.5
<b>Equity</b>			
Total equity	441	451	2.2
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 290	1 327	2.9

	Sep	
	2017	2018
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	16.58	15.46
Return on assets	1.34	1.28
Cost-to-income ratio	55.73	57.59
Net interest income to interest-earning assets	3.94	4.02
Non-interest revenue to total assets	2.39	2.36
Operating expenses to total assets	3.09	3.17
Profit/Loss (12 months) (Rbn)	85.53	85.69
Net interest income (12 months) (Rbn)	155.83	164.45
Non-interest income (12 months) (Rbn)	118.03	123.18
Operating expenses (12 months) (Rbn)	152.63	165.65
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	222.81	245.92
Short-term liabilities to total liabilities	55.49	54.31
Ten largest depositors to total funding	16.48	15.84
Liquidity coverage ratio (%)	114.11	126.65
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	107.04	147.14
Impaired advances to gross loans and advances	2.77	3.66
Specific credit impairments to impaired advances	43.65	45.15
Portfolio credit impairments to gross loans and advances	0.74	1.02
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.83	16.36
Tier 1 (T1) capital adequacy (%)	13.83	13.20
Common equity T1 capital adequacy (%)	13.27	12.71
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.70	6.45

1. Differences may occur due to rounding.
2. All ratios based on income statement information are smoothed i.e. 12 month moving averages.
3. Advances in respect of which a specific impairment was raised.
4. Formula: Tier 1 capital divided by exposure measure.

Please note this information is subject to change without notice. The data in this report is as at the end of the reporting month.