



South African Reserve Bank
Prudential Authority

Selected South African banking sector trends

October 2018



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
	Oct		
	2017	2018	%
	Rbn¹	Rbn¹	Growth¹
Balance sheet items			
Selected assets			
Total assets	5 124	5 472	6.8
Gross loans and advances	3 856	4 020	4.3
Homeloans	944	982	4.0
Commercial mortgages	288	305	5.6
Credit cards	111	119	7.4
Lease and instalment debtors	383	407	6.2
Overdrafts	201	209	4.2
Term loans	880	948	7.7
Redeemable preference shares	106	115	8.6
Factoring accounts, trade and other bills and BA's	27	25	-6.1
Loans granted/deposits placed under resale agreements	186	177	-5.0
Bank intra-group balances	200	185	-7.7
Other	529	548	3.6
Investment and trading positions	460	595	29.2
Derivative financial instruments	202	241	19.2
Short term negotiable securities	285	299	4.9
Selected liabilities			
Deposits, current accounts and other creditors	4 083	4 348	6.5
Current	788	828	5.0
Savings	240	256	6.9
Call	760	790	4.0
Fixed and notice	1 188	1 266	6.6
Negotiable certificates of deposit	489	555	13.5
Repurchase agreements	139	162	15.9
Other	479	492	2.7
Derivative financial instruments and other trading liabilities	286	328	14.5
Equity			
Total equity	439	451	2.6
Off-balance sheet items			
Total off-balance sheet activities	1 298	1 359	4.7

	Oct	
	2017	2018
	%	%
Profitability²		
Return on equity	16.34	15.61
Return on assets	1.33	1.29
Cost-to-income ratio	56.00	57.52
Net interest income to interest-earning assets	3.94	4.04
Non-interest revenue to total assets	2.39	2.36
Operating expenses to total assets	3.10	3.17
Profit/Loss (12 months) (Rbn)	84.83	86.86
Net interest income (12 months) (Rbn)	156.48	165.65
Non-interest income (12 months) (Rbn)	118.65	123.86
Operating expenses (12 months) (Rbn)	154.08	166.52
Liquidity		
Liquid assets held to liquid-asset requirement	221.12	243.36
Short-term liabilities to total liabilities	54.89	54.39
Ten largest depositors to total funding	15.98	15.48
Liquidity coverage ratio (%)	118.52	128.71
Credit risk		
Impaired advances ³ (Rbn)	107.56	149.55
Impaired advances to gross loans and advances	2.79	3.72
Specific credit impairments to impaired advances	43.22	45.34
Portfolio credit impairments to gross loans and advances	0.74	1.04
Capital adequacy		
Total capital adequacy (%)	16.83	16.25
Tier 1 (T1) capital adequacy (%)	13.82	13.11
Common equity T1 capital adequacy (%)	13.25	12.55
Basel III leverage ratio		
Leverage ratio ⁴	6.66	6.41
<ol style="list-style-type: none"> Differences may occur due to rounding. All ratios based on income statement information are smoothed i.e. 12 month moving averages. Advances in respect of which a specific impairment was raised. 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.		