



South African Reserve Bank
Prudential Authority

Selected South African banking sector trends

November 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

	Nov		
	2017	2018	%
	Rbn ¹	Rbn ¹	Growth ¹
Balance sheet items			
Selected assets			
Total assets	5 107	5 469	7.1
Gross loans and advances	3 849	4 020	4.5
Homeloans	948	987	4.2
Commercial mortgages	289	307	6.2
Credit cards	112	121	7.8
Lease and instalment debtors	386	411	6.5
Overdrafts	201	211	5.3
Term loans	871	940	7.9
Redeemable preference shares	106	113	7.2
Factoring accounts, trade and other bills and BA's	27	25	-7.1
Loans granted/deposits placed under resale agreements	167	170	1.6
Bank intra-group balances	204	175	-13.9
Other	537	558	3.9
Investment and trading positions	487	609	24.9
Derivative financial instruments	189	238	26.1
Short term negotiable securities	280	302	7.7
Selected liabilities			
Deposits, current accounts and other creditors	4 072	4 374	7.4
Current	800	858	7.3
Savings	246	260	5.6
Call	790	802	1.5
Fixed and notice	1 182	1 246	5.4
Negotiable certificates of deposit	476	542	13.9
Repurchase agreements	125	158	26.3
Other	452	508	12.2
Derivative financial instruments and other trading liabilities	272	304	11.8
Equity			
Total equity	444	458	3.2
Off-balance sheet items			
Total off-balance sheet activities	1 304	1 351	3.6

	Nov	
	2017	2018
	%	%
Profitability²		
Return on equity	16.02	15.87
Return on assets	1.31	1.30
Cost-to-income ratio	56.54	57.43
Net interest income to interest-earning assets	3.96	4.01
Non-interest revenue to total assets	2.38	2.39
Operating expenses to total assets	3.13	3.17
Profit/Loss (12 months) (Rbn)	84.24	87.80
Net interest income (12 months) (Rbn)	157.61	164.96
Non-interest income (12 months) (Rbn)	118.42	126.38
Operating expenses (12 months) (Rbn)	156.08	167.32
Liquidity		
Liquid assets held to liquid-asset requirement	223.14	246.42
Short-term liabilities to total liabilities	55.24	54.66
Ten largest depositors to total funding	15.31	15.31
Liquidity coverage ratio (%)	115.95	133.98
Credit risk		
Impaired advances ³ (Rbn)	108.02	150.17
Impaired advances to gross loans and advances	2.81	3.74
Specific credit impairments to impaired advances	42.62	45.20
Portfolio credit impairments to gross loans and advances	0.74	1.05
Capital adequacy		
Total capital adequacy (%)	16.78	16.10
Tier 1 (T1) capital adequacy (%)	13.84	13.14
Common equity T1 capital adequacy (%)	13.27	12.51
Basel III leverage ratio		
Leverage ratio ⁴	6.70	6.49

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.