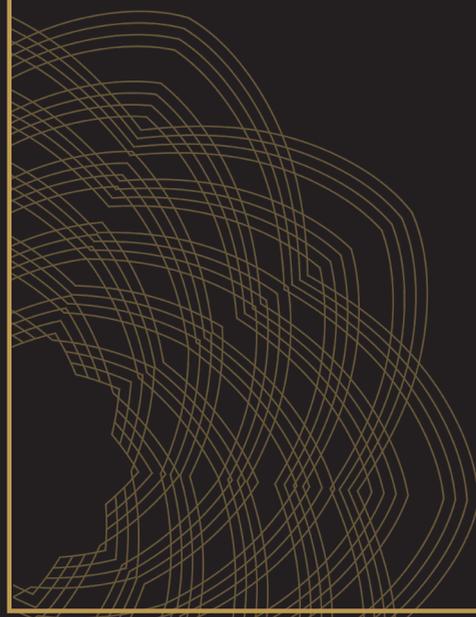


South African Reserve Bank
Prudential Authority

Selected South African banking sector trends

December 2018



Number of banks in South Africa

Registered banks	19
Mutual banks	4
Co-operative banks	4
Local branches of foreign banks	15
Foreign banks with approved local representative offices	31

	Dec		
	2017	2018	%
	Rbn ¹	Rbn ¹	Growth ¹
Balance sheet items			
Selected assets			
Total assets	5 157	5 517	7.0
Gross loans and advances	3 800	4 115	8.3
Homeloans	949	988	4.2
Commercial mortgages	289	310	7.3
Credit cards	111	120	7.6
Lease and instalment debtors	387	414	6.9
Overdrafts	206	221	7.0
Term loans	853	988	15.8
Redeemable preference shares	107	110	3.0
Factoring accounts, trade and other bills and BA's	27	25	-7.0
Loans granted/deposits placed under resale agreements	149	201	35.2
Bank intra-group balances	193	196	1.7
Other	529	543	2.5
Investment and trading positions	505	616	22.0
Derivative financial instruments	275	196	-28.7
Short term negotiable securities	289	304	5.0
Selected liabilities			
Deposits, current accounts and other creditors	4 061	4 449	9.6
Current	849	888	4.6
Savings	243	261	7.1
Call	770	807	4.7
Fixed and notice	1 158	1 243	7.3
Negotiable certificates of deposit	489	530	8.4
Repurchase agreements	118	171	45.3
Other	433	550	27.1
Derivative financial instruments and other trading liabilities	346	281	-18.8
Equity			
Total equity	456	467	2.5
Off-balance sheet items			
Total off-balance sheet activities	1 284	1 353	5.4

	Dec	
	2017	2018
	%	%
Profitability²		
Return on equity	15.94	15.98
Return on assets	1.31	1.31
Cost-to-income ratio	56.66	57.34
Net interest income to interest-earning assets	3.97	3.98
Non-interest revenue to total assets	2.39	2.39
Operating expenses to total assets	3.14	3.15
Profit/Loss (12 months) (Rbn)	84.78	88.77
Net interest income (12 months) (Rbn)	158.41	164.98
Non-interest income (12 months) (Rbn)	119.41	126.80
Operating expenses (12 months) (Rbn)	157.41	167.31
Liquidity		
Liquid assets held to liquid-asset requirement	227.83	240.90
Short-term liabilities to total liabilities	55.48	54.87
Ten largest depositors to total funding	15.21	16.41
Liquidity coverage ratio (%)	117.05	128.09
Credit risk		
Impaired advances ³ (Rbn)	108.01	153.39
Impaired advances to gross loans and advances	2.84	3.73
Specific credit impairments to impaired advances	42.59	45.64
Portfolio credit impairments to gross loans and advances	0.74	1.03
Capital adequacy		
Total capital adequacy (%)	16.28	15.98
Tier 1 (T1) capital adequacy (%)	13.50	13.04
Common equity T1 capital adequacy (%)	12.95	12.42
Basel III leverage ratio		
Leverage ratio ⁴	6.76	6.43

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.