



South African Reserve Bank  
Prudential Authority

# Selected South African banking sector trends

April 2019



## 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	30

	Apr		
	2018	2019	%
	Rbn <sup>1</sup>	Rbn <sup>1</sup>	Growth <sup>1</sup>
<b>Balance sheet items</b>			
<b>Selected assets</b>			
Total assets	5 202	5 686	9.3
Gross loans and advances	3 893	4 251	9.2
Homeloans	960	1 002	4.3
Commercial mortgages	298	315	5.8
Credit cards	115	126	9.7
Lease and instalment debtors	391	426	8.9
Overdrafts	218	235	7.6
Term loans	842	983	16.8
Redeemable preference shares	116	111	-3.7
Factoring accounts, trade and other bills and BA's	28	25	-11.3
Loans granted/deposits placed under resale agreements	179	241	35.0
Bank intra-group balances	199	229	15.3
Other	548	558	1.8
Investment and trading positions	520	638	22.8
Derivative financial instruments	227	186	-18.1
Short term negotiable securities	277	268	-3.2
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 107	4 565	11.2
Current	813	839	3.1
Savings	239	261	9.2
Call	776	835	7.5
Fixed and notice	1 202	1 324	10.2
Negotiable certificates of deposit	529	569	7.6
Repurchase agreements	112	193	73.0
Other	436	545	24.9
Derivative financial instruments and other trading liabilities	311	274	-11.8
<b>Equity</b>			
Total equity	443	469	6.0
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 301	1 392	7.0

	Apr	
	2018	2019
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	15.93	15.50
Return on assets	1.33	1.26
Cost-to-income ratio	57.05	57.97
Net interest income to interest-earning assets	3.97	3.95
Non-interest revenue to total assets	2.42	2.35
Operating expenses to total assets	3.17	3.14
Profit/Loss (12 months) (Rbn)	86.98	87.51
Net interest income (12 months) (Rbn)	159.95	167.53
Non-interest income (12 months) (Rbn)	123.36	127.92
Operating expenses (12 months) (Rbn)	161.63	171.29
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	238.84	251.56
Short-term liabilities to total liabilities	54.77	53.99
Ten largest depositors to total funding	15.82	15.44
Liquidity coverage ratio (%)	119.44	146.01
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	131.85	161.12
Impaired advances to gross loans and advances	3.39	3.79
Specific credit impairments to impaired advances	42.25	45.84
Portfolio credit impairments to gross loans and advances	1.01	1.04
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.60	16.65
Tier 1 (T1) capital adequacy (%)	13.39	13.64
Common equity T1 capital adequacy (%)	12.88	12.90
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.69	6.40

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.