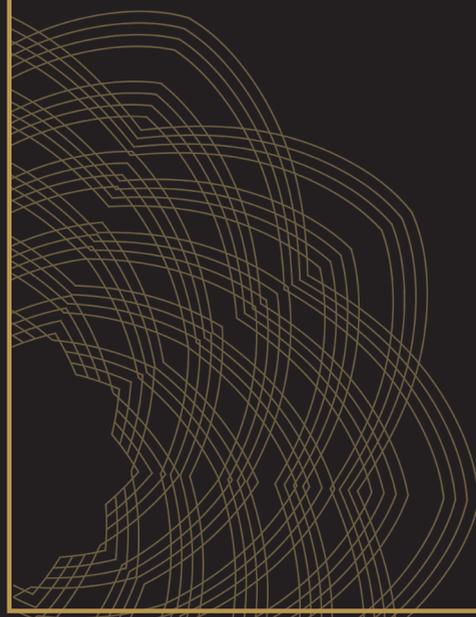




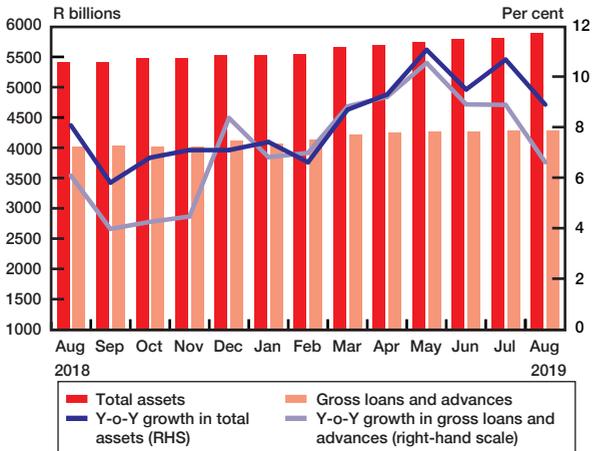
South African Reserve Bank  
Prudential Authority

# Selected South African banking sector trends

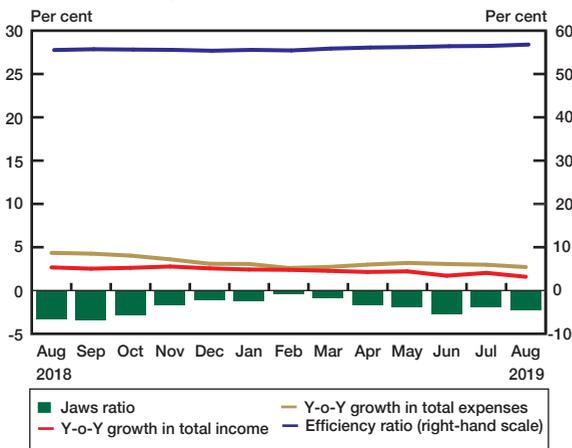
## August 2019



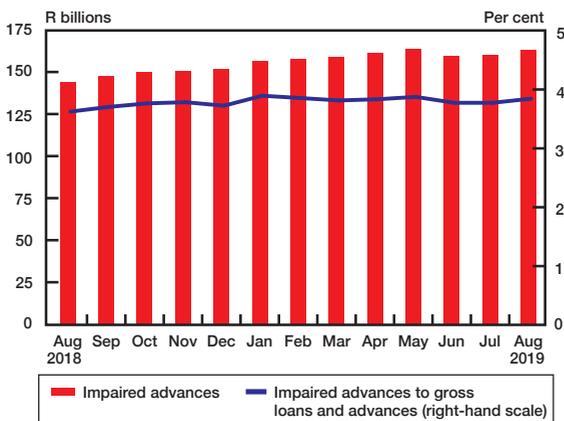
Total assets and gross loans and advances



Jaws and efficiency ratios



Impaired advances



## Number of banks in South Africa

Registered banks	19
Mutual banks	4
Co-operative banks	4
Local branches of foreign banks	15
Foreign banks with approved local representative offices	30

	Aug		
	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	5 416	5 898	8.9
Gross loans and advances	4 016	4 282	6.6
Homeloans	975	1 020	4.5
Commercial mortgages	298	329	10.5
Credit cards	117	130	10.9
Lease and instalment debtors	402	433	7.8
Overdrafts	205	220	7.6
Term loans	938	976	4.1
Redeemable preference shares	119	112	-5.6
Factoring accounts, trade and other bills and BA's	26	28	6.5
Loans granted/deposits placed under resale agreements	173	238	37.4
Bank intra-group balances	196	213	8.5
Other	567	582	2.6
Investment and trading positions	578	697	20.6
Derivative financial instruments	263	284	8.2
Short term negotiable securities	283	294	4.0
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 277	4 658	8.9
Current	817	860	5.2
Savings	251	274	9.5
Call	779	845	8.5
Fixed and notice	1 246	1 367	9.7
Negotiable certificates of deposit	562	584	3.9
Repurchase agreements	137	182	32.9
Other	485	546	12.4
Derivative financial instruments and other trading liabilities	356	375	5.2
<b>Equity</b>			
Total equity	453	495	9.2
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 335	1 451	8.7

	Aug	
	2018	2019
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	15.79	15.10
Return on assets	1.31	1.21
Cost-to-income ratio	57.40	58.65
Net interest income to interest-earning assets	3.99	3.89
Non-interest revenue to total assets	2.40	2.27
Operating expenses to total assets	3.18	3.09
Profit/Loss (12 months) (Rbn)	87.00	86.59
Net interest income (12 months) (Rbn)	162.99	169.18
Non-interest income (12 months) (Rbn)	124.75	127.68
Operating expenses (12 months) (Rbn)	165.16	174.10
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	242.82	262.73
Short-term liabilities to total liabilities	53.68	53.21
Ten largest depositors to total funding	14.34	14.18
Liquidity coverage ratio (%)	131.43	148.44
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	143.58	162.76
Impaired advances to gross loans and advances	3.58	3.80
Specific credit impairments to impaired advances	44.91	45.46
Portfolio credit impairments to gross loans and advances	1.03	1.04
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.53	16.36
Tier 1 (T1) capital adequacy (%)	13.33	13.20
Common equity T1 capital adequacy (%)	12.83	12.41
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.49	6.28

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.