



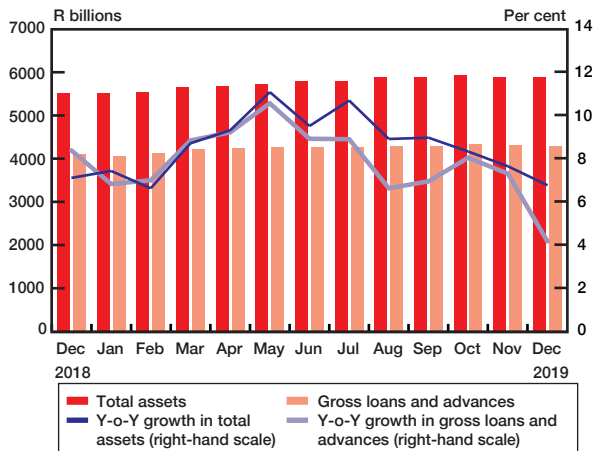
South African Reserve Bank  
Prudential Authority

# Selected South African banking sector trends

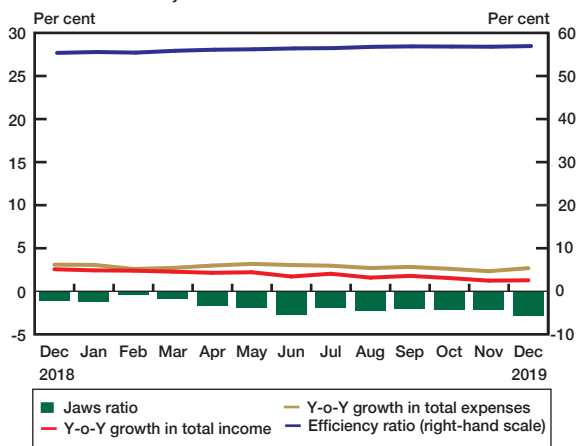
## December 2019



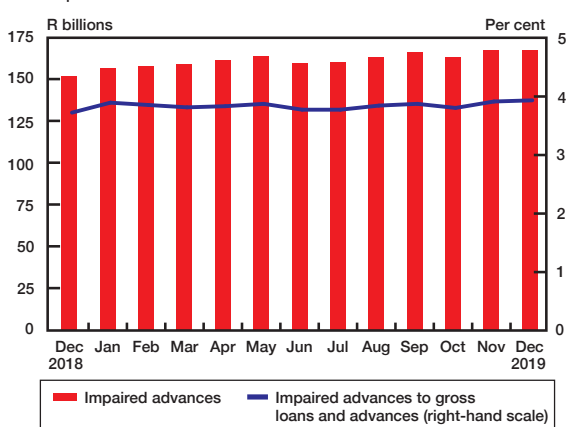
Total assets and gross loans and advances



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	16
Foreign banks with approved local representative offices	30

	Dec		
	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	5 521	5 894	6.8
Gross loans and advances	4 117	4 288	4.2
Homeloans	988	1 036	4.9
Commercial mortgages	310	341	9.9
Credit cards	120	131	9.0
Lease and instalment debtors	414	445	7.5
Overdrafts	222	223	0.5
Term loans	988	951	-3.7
Redeemable preference shares	109	116	6.8
Factoring accounts, trade and other bills and BA's	25	28	13.5
Loans granted/deposits placed under resale agreements	201	232	15.7
Bank intra-group balances	196	219	11.7
Other	545	566	3.7
Investment and trading positions	619	736	18.9
Derivative financial instruments	195	262	33.8
Short term negotiable securities	304	289	-4.9
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 452	4 720	6.0
Current	888	930	4.7
Savings	261	289	11.0
Call	807	821	1.7
Fixed and notice	1 239	1 389	12.2
Negotiable certificates of deposit	530	556	4.9
Repurchase agreements	183	169	-8.1
Other	545	566	4.0
Derivative financial instruments and other trading liabilities	283	343	21.2
<b>Equity</b>			
Total equity	468	504	7.8
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 355	1 444	6.6

	Dec	
	2018	2019
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	16.09	14.37
Return on assets	1.32	1.15
Cost-to-income ratio	57.23	58.81
Net interest income to interest-earning assets	3.98	3.90
Non-interest revenue to total assets	2.40	2.20
Operating expenses to total assets	3.15	3.05
Profit/Loss (12 months) (Rbn)	89.04	84.10
Net interest income (12 months) (Rbn)	164.76	172.58
Non-interest income (12 months) (Rbn)	127.29	126.90
Operating expenses (12 months) (Rbn)	167.15	176.12
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	240.97	262.12
Short-term liabilities to total liabilities	54.92	54.79
Ten largest depositors to total funding	16.45	15.11
Liquidity coverage ratio (%)	128.58	143.52
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	151.56	166.72
Impaired advances to gross loans and advances	3.68	3.89
Specific credit impairments to impaired advances	46.54	45.23
Portfolio credit impairments to gross loans and advances	1.04	1.07
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.14	16.58
Tier 1 (T1) capital adequacy (%)	13.20	13.61
Common equity T1 capital adequacy (%)	12.58	12.71
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.50	6.53

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.