



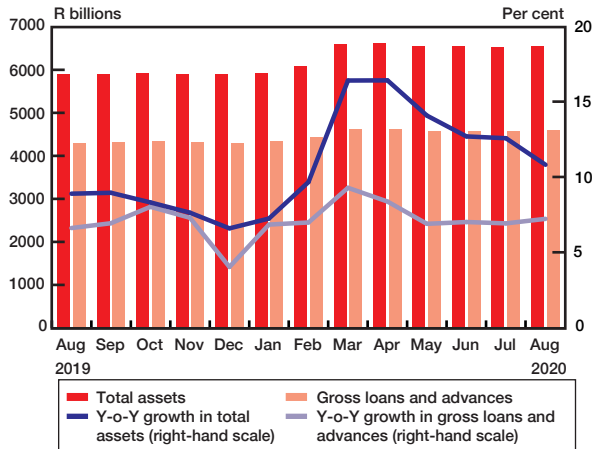
SOUTH AFRICAN RESERVE BANK
Prudential Authority

Selected South African banking sector trends

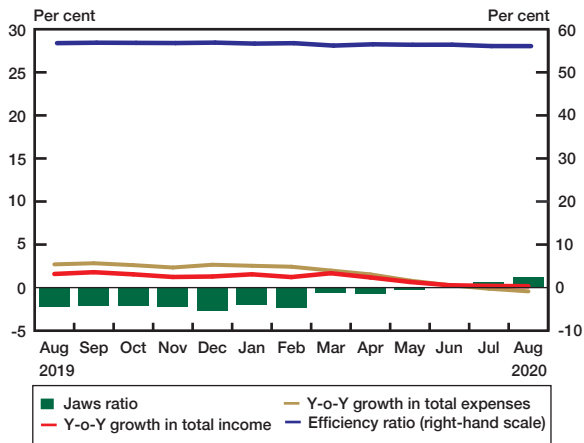
August 2020



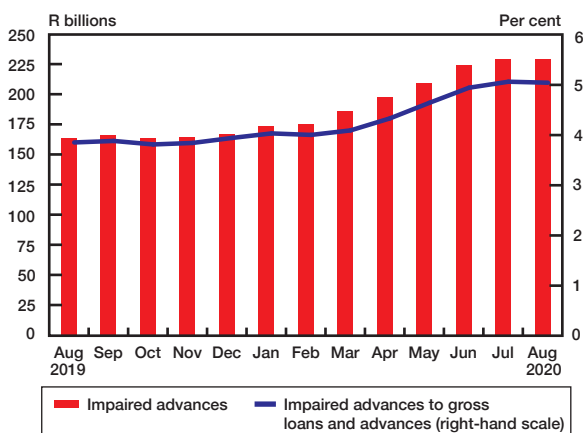
Total assets and gross loans and advances



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	14
Foreign banks with approved local representative offices	30

	Aug		
	2019	2020	%
	Rbn ¹	Rbn ¹	Growth ¹
Balance sheet items			
Selected assets			
Total assets	5 897	6 535	10.8
Gross loans and advances	4 282	4 591	7.2
Homeloans	1 020	1 051	3.1
Commercial mortgages	329	361	9.6
Credit cards	130	130	-0.3
Lease and instalment debtors	433	447	3.2
Overdrafts	220	210	-4.4
Term loans	976	1 014	3.9
Redeemable preference shares	112	121	7.8
Factoring accounts, trade and other bills and BA's	28	22	-19.8
Loans granted/deposits placed under resale agreements	238	379	59.1
Bank intra-group balances	213	235	10.4
Other	582	620	6.6
Investment and trading positions	696	862	23.8
Derivative financial instruments	284	497	74.9
Short term negotiable securities	294	325	10.7
Selected liabilities			
Deposits, current accounts and other creditors	4 657	5 122	10.0
Current	860	1 069	24.4
Savings	274	327	19.1
Call	845	982	16.2
Fixed and notice	1 367	1 434	4.9
Negotiable certificates of deposit	584	546	-6.6
Repurchase agreements	182	127	-30.1
Other	546	637	16.7
Derivative financial instruments and other trading liabilities	375	579	54.5
Equity			
Total equity	495	505	2.2
Off-balance sheet items			
Total off-balance sheet activities	1 451	1 499	3.3

	Aug	
	2019	2020
	%	%
Profitability²		
Return on equity	15.05	8.63
Return on assets	1.21	0.65
Cost-to-income ratio	58.64	57.95
Net interest income to interest-earning assets	3.89	3.76
Non-interest revenue to total assets	2.27	1.98
Operating expenses to total assets	3.09	2.76
Profit/Loss (12 months) (Rbn)	86.61	44.87
Net interest income (12 months) (Rbn)	168.98	174.32
Non-interest income (12 months) (Rbn)	127.88	123.48
Operating expenses (12 months) (Rbn)	174.09	172.57
Liquidity		
Liquid assets held to liquid-asset requirement	262.73	299.07
Short-term liabilities to total liabilities	53.21	54.94
Ten largest depositors to total funding	14.36	17.78
Liquidity coverage ratio (%)	148.48	151.39
Credit risk		
Impaired advances ³ (Rbn)	162.76	228.92
Impaired advances to gross loans and advances	3.80	4.99
Specific credit impairments to impaired advances	45.46	43.14
Portfolio credit impairments to gross loans and advances	1.04	1.38
Capital adequacy		
Total capital adequacy (%)	16.36	16.23
Tier 1 (T1) capital adequacy (%)	13.20	13.04
Common equity T1 capital adequacy (%)	12.41	12.27
Basel III leverage ratio		
Leverage ratio ⁴	6.28	6.25

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.