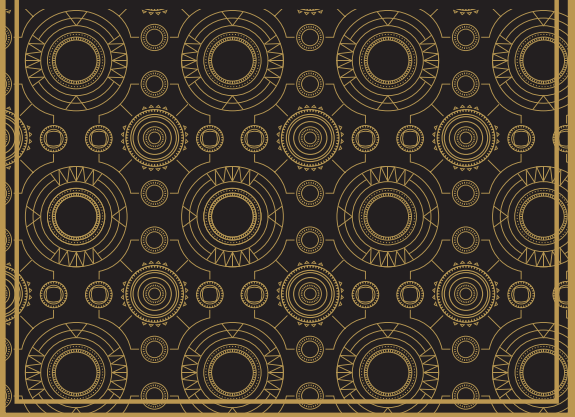




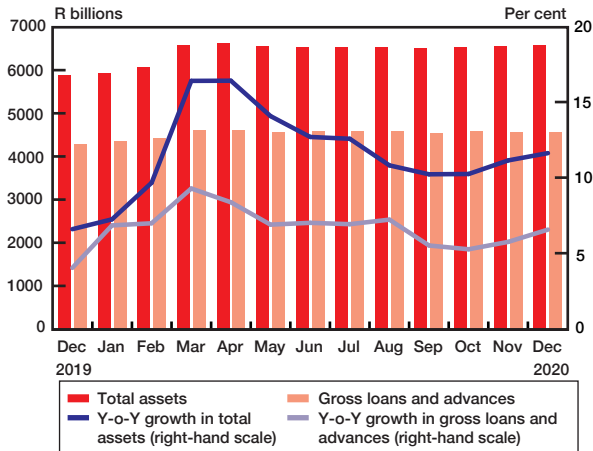
**SOUTH AFRICAN RESERVE BANK**  
Prudential Authority

# Selected South African banking sector trends

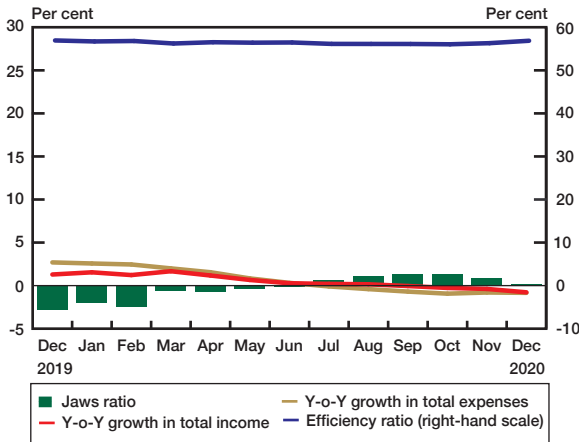
**December 2020**



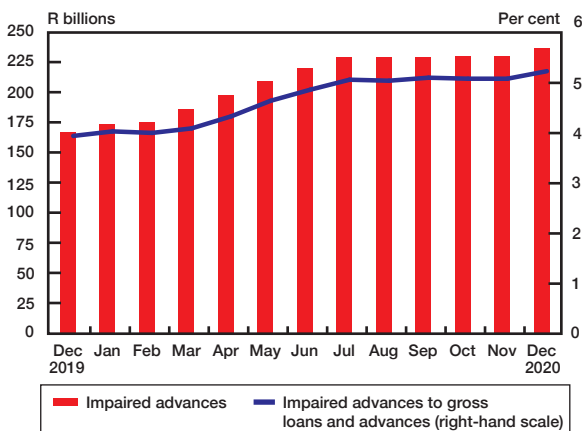
Total assets and gross loans and advances



Jaws and efficiency ratios



Impaired advances



## Number of banks in South Africa

Registered banks	18
Mutual banks	4
Co-operative banks	5
Local branches of foreign banks	13
Foreign banks with approved local representative offices	30

	Dec		
	2019	2020	%
	Rbn <sup>1</sup>	Rbn <sup>1</sup>	Growth <sup>1</sup>
<b>Balance sheet items</b>			
<b>Selected assets</b>			
Total assets	5 885	6 568	11.6
Gross loans and advances	4 283	4 564	6.6
Homeloans	1 036	1 079	4.1
Commercial mortgages	341	365	7.1
Credit cards	131	132	1.2
Lease and instalment debtors	445	456	2.6
Overdrafts	221	204	-8.0
Term loans	951	973	2.3
Redeemable preference shares	116	119	2.7
Factoring accounts, trade and other bills and BA's	28	25	-11.5
Loans granted/deposits placed under resale agreements	232	380	63.5
Bank intra-group balances	215	248	15.0
Other	566	583	3.1
Investment and trading positions	736	933	26.8
Derivative financial instruments	258	545	111.3
Short term negotiable securities	289	292	1.1
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 716	5 116	8.5
Current	930	1 200	29.1
Savings	289	342	18.2
Call	821	988	20.4
Fixed and notice	1 389	1 378	-0.8
Negotiable certificates of deposit	556	432	-22.3
Repurchase agreements	169	136	-19.4
Other	563	639	13.6
Derivative financial instruments and other trading liabilities	337	627	86.1
<b>Equity</b>			
Total equity	504	523	3.8
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 448	1 475	1.9

	Dec	
	2019	2020
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	14.37	6.93
Return on assets	1.15	0.51
Cost-to-income ratio	58.80	58.73
Net interest income to interest-earning assets	3.90	3.67
Non-interest revenue to total assets	2.20	1.89
Operating expenses to total assets	3.05	2.68
Profit/Loss (12 months) (Rbn)	83.98	34.84
Net interest income (12 months) (Rbn)	172.51	172.74
Non-interest income (12 months) (Rbn)	127.08	122.19
Operating expenses (12 months) (Rbn)	176.15	173.20
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	262.16	304.67
Short-term liabilities to total liabilities	54.82	58.18
Ten largest depositors to total funding	16.35	19.16
Liquidity coverage ratio (%)	143.27	137.57
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	166.71	236.45
Impaired advances to gross loans and advances	3.89	5.18
Specific credit impairments to impaired advances	45.23	43.39
Portfolio credit impairments to gross loans and advances	1.09	1.45
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.58	16.60
Tier 1 (T1) capital adequacy (%)	13.62	13.57
Common equity T1 capital adequacy (%)	12.73	12.64
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.56	6.50

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.