



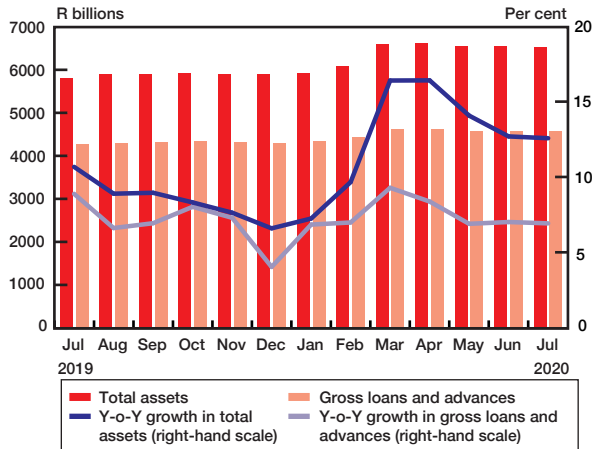
SOUTH AFRICAN RESERVE BANK
Prudential Authority

Selected South African banking sector trends

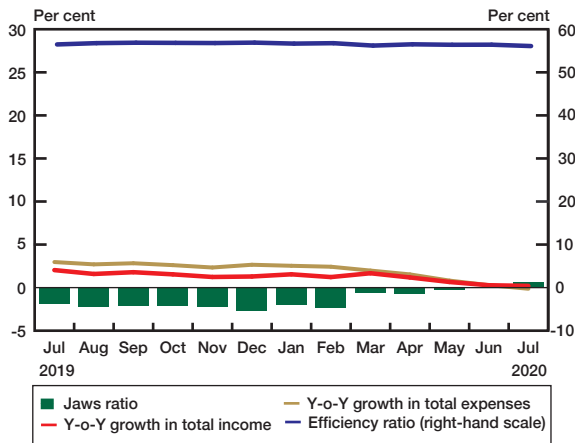
July 2020



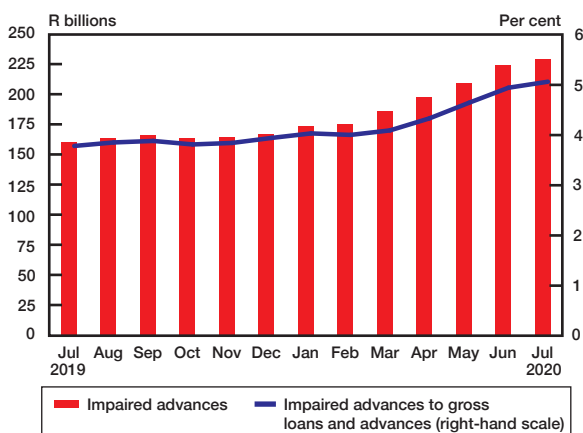
Total assets and gross loans and advances



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

	July		
	2019	2020	%
	Rbn ¹	Rbn ¹	Growth ¹
Balance sheet items			
Selected assets			
Total assets	5 803	6 532	12.6
Gross loans and advances	4 274	4 570	6.9
Homeloans	1 014	1 045	3.1
Commercial mortgages	326	360	10.3
Credit cards	129	129	0.0
Lease and instalment debtors	432	447	3.5
Overdrafts	219	219	-0.1
Term loans	977	1 037	6.1
Redeemable preference shares	111	121	9.1
Factoring accounts, trade and other bills and BA's	26	23	-12.2
Loans granted/deposits placed under resale agreements	276	361	30.7
Bank intra-group balances	206	209	1.4
Other	556	618	11.1
Investment and trading positions	669	832	24.3
Derivative financial instruments	220	531	141.6
Short term negotiable securities	293	335	14.4
Selected liabilities			
Deposits, current accounts and other creditors	4 641	5 076	9.4
Current	855	1 039	21.4
Savings	268	325	21.5
Call	836	932	11.5
Fixed and notice	1 330	1 464	10.0
Negotiable certificates of deposit	605	565	-6.6
Repurchase agreements	198	110	-44.3
Other	548	641	16.9
Derivative financial instruments and other trading liabilities	297	616	107.6
Equity			
Total equity	492	502	1.9
Off-balance sheet items			
Total off-balance sheet activities	1 434	1 486	3.6

	July	
	2019	2020
	%	%
Profitability²		
Return on equity	15.33	8.92
Return on assets	1.23	0.68
Cost-to-income ratio	58.34	57.96
Net interest income to interest-earning assets	3.90	3.78
Non-interest revenue to total assets	2.31	2.01
Operating expenses to total assets	3.11	2.80
Profit/Loss (12 months) (Rbn)	87.60	46.64
Net interest income (12 months) (Rbn)	168.51	174.37
Non-interest income (12 months) (Rbn)	128.96	124.30
Operating expenses (12 months) (Rbn)	173.55	173.10
Liquidity		
Liquid assets held to liquid-asset requirement	261.39	301.15
Short-term liabilities to total liabilities	54.12	53.27
Ten largest depositors to total funding	14.81	17.38
Liquidity coverage ratio (%)	144.22	149.99
Credit risk		
Impaired advances ³ (Rbn)	159.54	228.96
Impaired advances to gross loans and advances	3.73	5.01
Specific credit impairments to impaired advances	45.18	42.46
Portfolio credit impairments to gross loans and advances	1.03	1.37
Capital adequacy		
Total capital adequacy (%)	16.61	16.08
Tier 1 (T1) capital adequacy (%)	13.45	12.90
Common equity T1 capital adequacy (%)	12.64	12.16
Basel III leverage ratio		
Leverage ratio ⁴	6.34	6.24

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.