



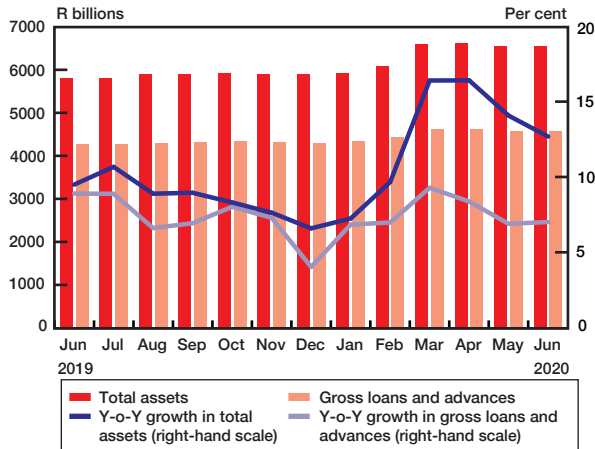
**SOUTH AFRICAN RESERVE BANK**  
Prudential Authority

# Selected South African banking sector trends

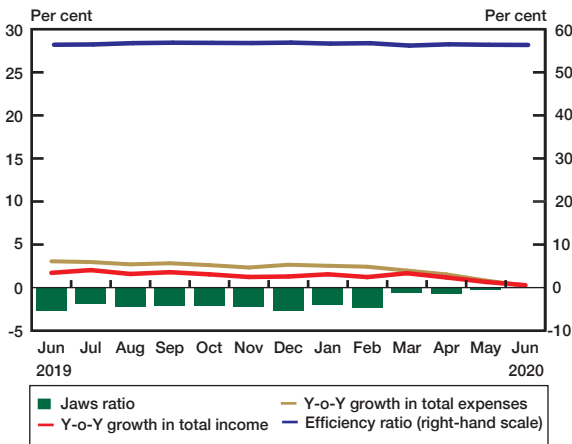
June 2020



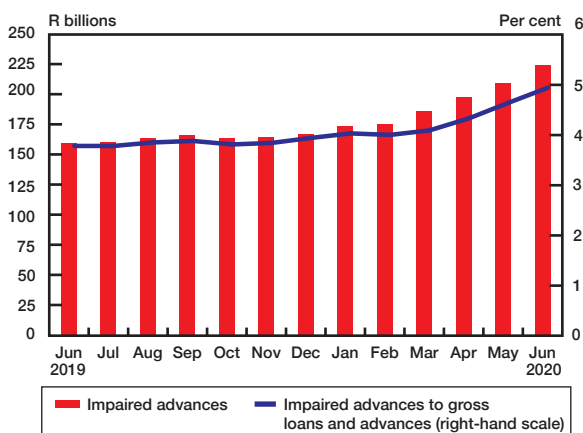
Total assets and gross loans and advances



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

	June		
	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	5 798	6 533	12.7
Gross loans and advances	4 271	4 571	7.0
Homeloans	1 010	1 042	3.2
Commercial mortgages	322	357	10.9
Credit cards	129	128	-1.0
Lease and instalment debtors	428	443	3.6
Overdrafts	234	237	1.4
Term loans	961	1 013	5.4
Redeemable preference shares	112	123	9.8
Factoring accounts, trade and other bills and BA's	26	23	-11.5
Loans granted/deposits placed under resale agreements	284	340	19.5
Bank intra-group balances	208	221	6.0
Other	557	644	15.5
Investment and trading positions	667	826	23.8
Derivative financial instruments	226	556	146.1
Short term negotiable securities	293	315	7.4
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 626	5 046	9.1
Current	912	1 026	12.4
Savings	264	323	22.3
Call	822	965	17.3
Fixed and notice	1 282	1 411	10.1
Negotiable certificates of deposit	592	562	-5.0
Repurchase agreements	198	122	-38.4
Other	556	638	14.8
Derivative financial instruments and other trading liabilities	311	643	107.1
<b>Equity</b>			
Total equity	489	499	2.1
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 403	1 471	4.9

	June	
	2019	2020
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	15.37	9.18
Return on assets	1.24	0.70
Cost-to-income ratio	58.27	58.22
Net interest income to interest-earning assets	3.92	3.80
Non-interest revenue to total assets	2.31	2.03
Operating expenses to total assets	3.12	2.83
Profit/Loss (12 months) (Rbn)	87.72	49.18
Net interest income (12 months) (Rbn)	168.30	173.98
Non-interest income (12 months) (Rbn)	128.22	124.20
Operating expenses (12 months) (Rbn)	172.79	173.60
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	256.35	290.89
Short-term liabilities to total liabilities	54.47	53.37
Ten largest depositors to total funding	16.35	17.00
Liquidity coverage ratio (%)	146.18	141.68
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	159.22	223.68
Impaired advances to gross loans and advances	3.73	4.89
Specific credit impairments to impaired advances	45.31	42.52
Portfolio credit impairments to gross loans and advances	1.02	1.34
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.85	16.29
Tier 1 (T1) capital adequacy (%)	13.60	13.02
Common equity T1 capital adequacy (%)	12.81	12.26
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.39	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.