

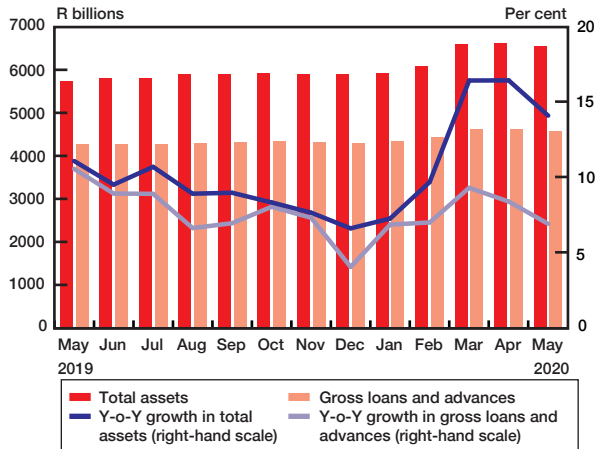


SOUTH AFRICAN RESERVE BANK
Prudential Authority

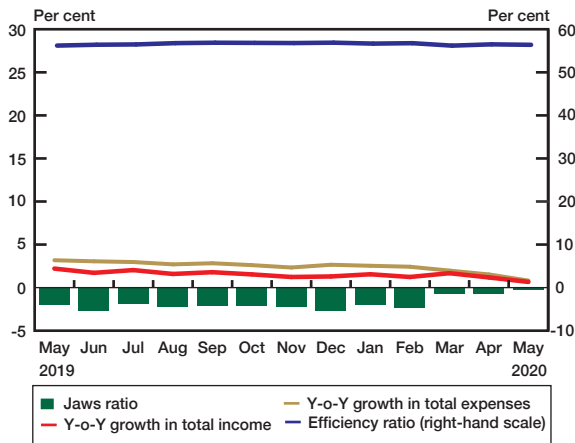
Selected South African banking sector trends

May 2020

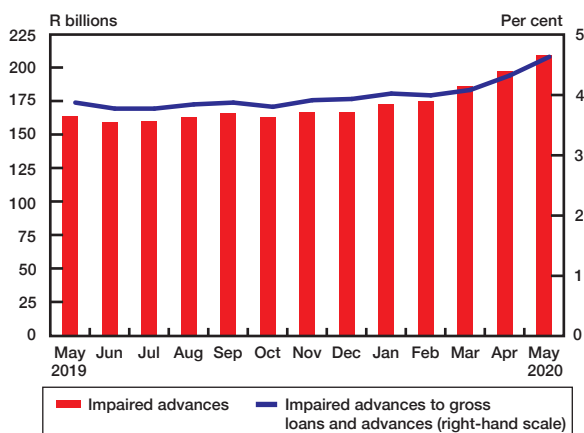
Total assets and gross loans and advances



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	16
Foreign banks with approved local representative offices	30

	May		
	2019	2020	%
	Rbn ¹	Rbn ¹	Growth ¹
Balance sheet items			
Selected assets			
Total assets	5 736	6 543	14.1
Gross loans and advances	4 269	4 563	6.9
Homeloans	1 006	1 041	3.5
Commercial mortgages	318	351	10.6
Credit cards	127	128	0.6
Lease and instalment debtors	426	439	3.0
Overdrafts	228	243	6.6
Term loans	963	1 040	8.1
Redeemable preference shares	114	121	6.6
Factoring accounts, trade and other bills and BA's	25	24	-2.0
Loans granted/deposits placed under resale agreements	271	305	12.6
Bank intra-group balances	235	225	-4.6
Other	557	646	16.0
Investment and trading positions	641	806	25.8
Derivative financial instruments	206	568	176.0
Short term negotiable securities	280	320	14.1
Selected liabilities			
Deposits, current accounts and other creditors	4 597	5 056	10.0
Current	832	970	16.5
Savings	265	317	19.8
Call	840	977	16.3
Fixed and notice	1 333	1 432	7.4
Negotiable certificates of deposit	593	561	-5.4
Repurchase agreements	199	156	-21.7
Other	534	643	20.4
Derivative financial instruments and other trading liabilities	293	657	124.1
Equity			
Total equity	477	500	4.7
Off-balance sheet items			
Total off-balance sheet activities	1 404	1 445	2.9

	May	
	2019	2020
	%	%
Profitability²		
Return on equity	15.53	10.73
Return on assets	1.25	0.83
Cost-to-income ratio	58.07	58.25
Net interest income to interest-earning assets	3.93	3.84
Non-interest revenue to total assets	2.34	2.07
Operating expenses to total assets	3.13	2.89
Profit/Loss (12 months) (Rbn)	88.27	61.27
Net interest income (12 months) (Rbn)	167.88	175.15
Non-interest income (12 months) (Rbn)	128.89	125.54
Operating expenses (12 months) (Rbn)	172.34	175.15
Liquidity		
Liquid assets held to liquid-asset requirement	257.99	280.16
Short-term liabilities to total liabilities	53.99	53.12
Ten largest depositors to total funding	15.16	16.54
Liquidity coverage ratio (%)	153.12	138.22
Credit risk		
Impaired advances ³ (Rbn)	163.61	209.40
Impaired advances to gross loans and advances	3.83	4.59
Specific credit impairments to impaired advances	46.05	43.60
Portfolio credit impairments to gross loans and advances	1.02	1.23
Capital adequacy		
Total capital adequacy (%)	16.90	15.79
Tier 1 (T1) capital adequacy (%)	13.65	12.83
Common equity T1 capital adequacy (%)	12.86	12.08
Basel III leverage ratio		
Leverage ratio ⁴	6.39	6.22

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.