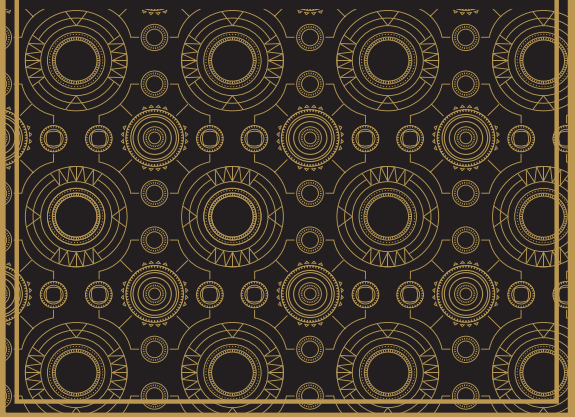




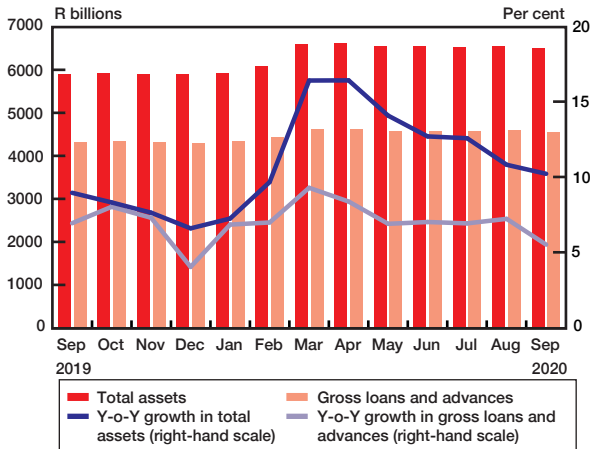
**SOUTH AFRICAN RESERVE BANK**  
Prudential Authority

# Selected South African banking sector trends

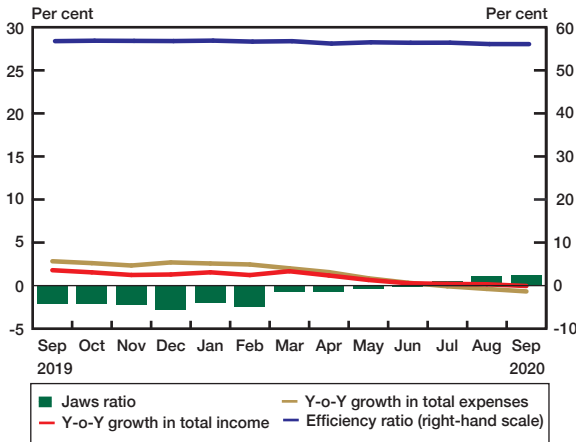
September 2020



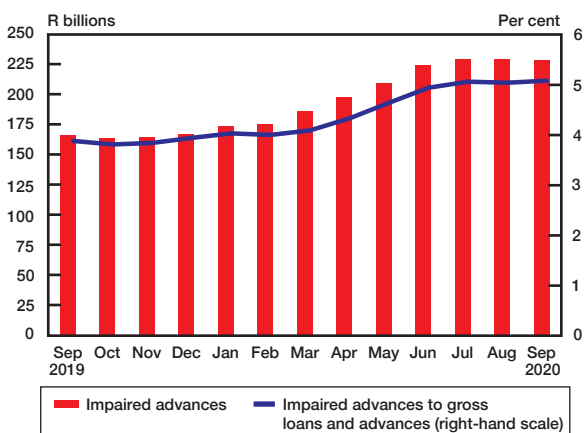
Total assets and gross loans and advances



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	13
Foreign banks with approved local representative offices	30

	Sep		
	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	5 900	6 503	10.2
Gross loans and advances	4 302	4 539	5.5
Homeloans	1 024	1 058	3.4
Commercial mortgages	333	360	8.3
Credit cards	132	131	-0.4
Lease and instalment debtors	439	449	2.3
Overdrafts	227	202	-11.3
Term loans	967	998	3.3
Redeemable preference shares	113	119	5.7
Factoring accounts, trade and other bills and BA's	29	25	-12.9
Loans granted/deposits placed under resale agreements	264	382	44.5
Bank intra-group balances	211	226	7.1
Other	565	589	4.3
Investment and trading positions	708	866	22.3
Derivative financial instruments	262	490	87.3
Short term negotiable securities	298	334	11.9
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 704	5 106	8.6
Current	897	1 109	23.6
Savings	275	331	20.6
Call	843	951	12.8
Fixed and notice	1 368	1 424	4.1
Negotiable certificates of deposit	585	507	-13.3
Repurchase agreements	185	157	-15.2
Other	551	627	13.9
Derivative financial instruments and other trading liabilities	352	568	61.6
<b>Equity</b>			
Total equity	485	510	5.2
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 454	1 511	3.9

	Sep	
	2019	2020
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	15.13	8.20
Return on assets	1.21	0.62
Cost-to-income ratio	58.74	57.99
Net interest income to interest-earning assets	3.87	3.74
Non-interest revenue to total assets	2.27	1.97
Operating expenses to total assets	3.09	2.74
Profit/Loss (12 months) (Rbn)	86.79	42.40
Net interest income (12 months) (Rbn)	169.20	173.95
Non-interest income (12 months) (Rbn)	128.76	123.73
Operating expenses (12 months) (Rbn)	175.00	172.64
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	266.59	293.71
Short-term liabilities to total liabilities	52.62	56.13
Ten largest depositors to total funding	14.96	17.34
Liquidity coverage ratio (%)	150.58	147.40
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	164,72	228,36
Impaired advances to gross loans and advances	3.83	5.03
Specific credit impairments to impaired advances	45.15	43.90
Portfolio credit impairments to gross loans and advances	1,05	1,43
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.49	16.32
Tier 1 (T1) capital adequacy (%)	13.40	13.14
Common equity T1 capital adequacy (%)	12.59	12.32
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.39	6.29

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.