

Selected indicators for the South African financial sector

Entities supervised by the PA

Table 8: Entities supervised by the PA as at 31 December 2025, 28 February 2026 and 31 March 2026⁶²

Entities per sector	No. of entities	Balance sheet size		
		R millions		
		Dec 2025	Feb 2026	Mar 2026
Banking sector	26			9 075 293
Registered banks	15			8 562 949
Local branches of foreign banks	11			512 344
Mutual banking sector	4			4 611
Cooperative sector	26		747	
Cooperative banks	5		603	
Cooperative financial institutions	21		144	
Total insurance sector*	158	5 716 418		
Life insurance sector	78	5 299 395		
Primary insurers	60	5 274 113		
Cell captive entities	4	25 076		
Microinsurers	14	206		
Non-life insurance sector	68	367 640		
Primary insurers	56	257 292		
Cell captive entities	6	65 499		
Captive insurers	6	44 849		
Non-life microinsurers	0	–		
Composite microinsurers	3	2 320		
Reinsurers	9	47 063		
Life reinsurers	0	–		
Non-life reinsurers	1	5 817		
Composite reinsurers	4	41 246		
Branches of foreign reinsurers	4	–		
Market infrastructures**	7	6 815		

* In addition to the licensed 158 insurance entities, the PA also supervises Lloyds and the Road Accident Fund.

** The total assets in respect of MIs exclude margin deposits.

62 CFIs and cooperative banks have a 28 February financial year-end. Insurers, banks and mutual banks have varying financial year-ends, therefore a 31 December date and a 31 March date is used for reporting by insurers and banks/mutual banks respectively, as this is typically the most recent available data on record.

Deposit-taking financial institutions

Banks

The South African banking sector is dominated by the **five largest banks**, which collectively held **89.95%** of the total banking sector assets at the end of March 2026 (March 2025: 89.63%) (Figure 13). **Local branches of international banks** accounted for **5.65%** of banking sector assets as at the end of March 2026 (March 2025: 5.91%) while **other banks**, which constitute other locally registered banks, represented **4.40%** in March 2026 (March 2025: 4.46%).

Figure 13: Total assets of banks

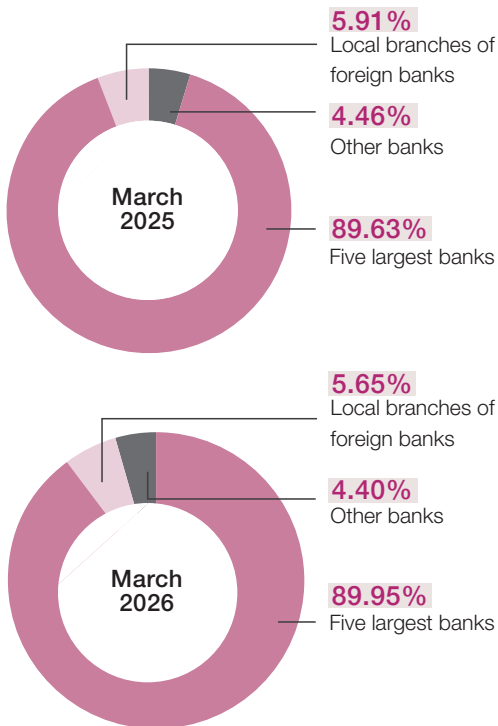


Table 9: Selected indicators for the banking sector

	Mar 2025	Mar 2026	Percentage change (%)
Balance sheet			
Total assets (R billions)	8 231	9 075	10.25
Gross loans and advances (R billions)	5 873	6 405	9.06
Total equity (R billions)	663	729	9.95
Profitability			
Cost-to-income ratio (smoothed) (%)	56.86	57.01	0.26
Return on equity (smoothed) (%)	15.83	15.71	-0.76
Return on assets (smoothed) (%)	1.18	1.18	0.00
Capital adequacy			
Common equity tier 1 capital adequacy ratio (%)	13.18	13.69	3.87
Tier 1 capital adequacy ratio (%)	14.89	15.64	5.04
Total capital adequacy ratio (%)	17.14	17.91	4.49
Leverage ratio (%)	6.39	6.41	0.31
Liquidity			
Liquidity coverage ratio (%)	148.70	156.01	4.92
Net stable funding ratio (%)	116.12	115.98	-0.12
Credit risk			
Impaired advances (R billions)	308	302	-1.95
Impaired advances as % of gross loans and advances	5.25	4.71	-10.29
Specific credit impairments as % of impaired advances	47.82	48.40	1.21
Portfolio credit impairments as % of gross loans and advances	1.01	0.93	-7.92

Total banking sector assets grew by 10.25% to **R9 075 billion** at the end of March 2026 compared to **R8 231 billion** in March 2025, driven by an increase in gross loans and advances as well as increases in investment and trading securities (Table 9). Gross loans and advances increased by **9.06%** to **R6 405 billion** in March 2026 from **R5 873 billion** reported in March 2025.

Equity grew by **9.95%** to **R729 billion** at the end of March 2026 from **R663 billion** in March 2025. This was mainly driven by increased retained earnings and share capital. Equity is comprised primarily of retained earnings and share capital.

The **12-month moving average return-on-equity (ROE)** ratio amounted to **15.71%** at the end of March 2026, down slightly from March 2025 (**15.83%**). **The return-on-assets (ROA) ratio was unchanged at 1.18% in March 2025 and 2026.** The **12-month moving average cost-to-income ratio** deteriorated slightly to **57.01%** at the end of March 2026 from **56.86%** in March 2025.

Banks (on a bank-solo basis) remained adequately capitalised, with capital adequacy ratios (CARs) remaining well above the **minimum statutory requirements.** CET1, tier 1 and total CARs amounted to **13.69%**, **15.64%** and **17.91%** respectively at the end of March 2026, compared to **13.18%**, **14.89%** and **17.14%** in March 2025.

The **LCR** remained above the minimum statutory requirement and amounted to **156.01%** at the end of March 2026 from **148.70%** in March 2025. The NSFR was **115.98%** at the end of March 2026, down from **116.12%** in March 2025.

Impaired advances decreased by **1.95%** to **R302 billion** at the end of March 2026 from **R308 billion** in March 2025. **The ratio of impaired advances to gross loans and advances** improved to **4.71%** at the end of March 2026 from **5.25%** in March 2025. **The ratio of specific credit impairments to impaired advances (coverage ratio)** increased to **48.40%** at the end of March 2026 from **47.82%** at the end of March 2025.



Mutual banking sector

Table 10: Selected indicators for the mutual banking sector

	Mar 2025	Mar 2026	Percentage change (%)
Balance sheet			
Total assets (R millions)	4 165	4 611	10.71
Gross loans and advances (R millions)	3 299	3 280	-0.58
Profitability			
Return on equity (smoothed) (%)	3.85	1.24	-67.79
Return on assets (smoothed) (%)	0.89	0.28	-68.54
Cost-to-income ratio (smoothed) (%)	74.50	77.96	4.64
Liquidity			
The average daily amount of liquid assets held to liquid assets requirement (%)	423.27	519.12	22.65
Credit risk			
Gross amount overdue (R millions)	400	434	8.50
Gross overdue to gross loans and advances (%)	12.11	13.22	9.17
Specific provisions to gross amount overdue (%)	83.66	74.68	-10.73
General provisions to gross loans and advances (%)	1.72	2.04	18.60
Capital adequacy			
Capital adequacy ratio (%)	27.99	28.48	1.75

Total mutual banking sector assets grew by **10.71%** to **R4 611 million** at the end of March 2026 up from **R4 165 million** in March 2025 (Table 10). This was mainly driven by increases in money as well as trading and investment assets. **Gross loans and advances** contracted by **0.58%** to **R3 280 million** at the end of March 2026 from **R3 299 million** in March 2025.

The 12-month moving average ROE ratio deteriorated to **1.24%** at the end of March 2026 from **3.85%** in March 2025, and the ROA ratio declined to **0.28%** at the end of March 2026 from **0.89%** in March 2025. The **12-month moving average cost-to-income ratio** amounted to **77.96%** at the end of March 2026 compared to **74.50%** in March 2025. The **deterioration in the profitability ratios** compared to a year ago was mainly driven by the decrease in profit.

The **sector's total CAR** increased slightly to **28.48%** in March 2026 from **27.99%** in March 2025, mainly driven by the increase in net qualifying capital. **Overdue loans** increased by **8.50%** to **R434 million** at the end of March 2026 compared to **400 million** in March 2025. **Specific provisions as a percentage of the gross amount overdue was 74.68%** at the end of March 2026 (March 2025: 83.66%).

Cooperative financial sector

The **cooperative financial sector** comprised **five cooperative banks** and **21 CFIs** at the end of February 2026. Based on total assets for the period, **cooperative banks** constituted **80.72%** and **CFIs** **19.28%** of the total financial cooperative deposit-taking sector (Figure 14).

Figure 14: Total assets of CFIs

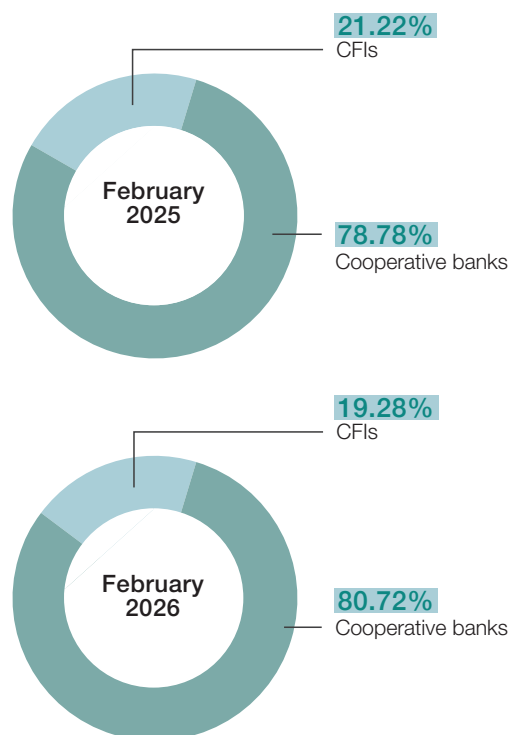


Table 11: Selected indicators for cooperative banks and CFIs**

	Number		Members		Deposits (R millions)		Assets (R millions)	
	2025	2026	2025	2026	2025	2026	2025	2026
February*								
Cooperative banks	5	5	5 939	4 714	524	543	583	603
CFIs	20	21	12 756	10 322	138	128	157	144
Total	25	26	18 695	15 036	662	671	740	747

* The financial year-end for all cooperative banks and CFIs is February.

** Throughout this report, data relating to CFIs are based on data submissions received in respect of 13 entities out of 21 registered entities. Although four entities were non-compliant, other non-submission of data related to entities under liquidation, applications in respect of mutual bank licences and one newly registered CFI.

Table 12: Selected indicators for South African cooperative banks

	Feb 2025	February 2026	Percentage change (%)
Balance sheet			
Total assets (R thousands)	582 811	602 904	3.45
Total net loans (R thousands)	416 463	412 252	-1.01
Total liabilities (R thousands)	524 565	542 923	3.50
Total equity (R thousands)	58 246	59 981	2.98
Profitability			
Total income (R thousands)	66 232	65 150	-1.63
Total expenses (R thousands)	56 224	64 506	14.73
Operating profit/income before taxation (R thousands)	10 008	638	-93.63
Cost-to-income ratio (%)	49.99	51.62	3.26
Capital adequacy			
Total capital adequacy ratio (%)	8.91	8.14	-8.64
Asset quality and provisions			
Total delinquent loans (R thousands)	19 325	23 572	21.98
Portfolio delinquent (%)	4.48	5.40	20.54
Total provisions (R thousands)	14 493	23 978	65.45
Provision as % of total loans	3.36	5.50	63.69

The **balance sheet size of South African cooperative banks** increased by **3.45%** to **R603 million** in February 2026 from **R583 million** in February 2025 (Table 12). **Net loans** decreased by **1.01%** to **R412 million** in February 2026 from **R416 million** in February 2025. The sector remained adequately capitalised, with a **CAR** of **8.14%** as at February 2026 (February 2025: 8.91%), well above the **6%** minimum requirement.

Delinquent loans accounted for **5.40%** of the cooperative banking sector's gross loans as at the end of February 2026, an increase of **20.54%** compared to February 2025. The sector continued to provide sufficient funding for potential losses in accordance with regulatory requirements.

The cooperative banking sector remained profitable, with income before taxation standing on **R638 thousand** as at the end of February 2026. **Profitability** did, however, decline by **93.63%** when compared to February 2025, mainly due to lower income. The **cost-to-income ratio** also deteriorated to **51.62%** during the period under review from **49.99%** in February 2025, due to a year-on-year increase in operating expenses of **14.73%** relative to the decline in total income of **1.63%**.

Table 13: Selected indicators for CFIs*

	Feb 2025	Feb 2026	Percentage change (%)
Balance sheet			
Total assets (R thousands)	157 299	144 280	-8.28
Total net loans (R thousands)	65 036	76 530	17.67
Total liabilities (R thousands)	139 117	127 215	-8.56
Total equity (R thousands)	20 866	17 064	-18.22
Profitability			
Total income (R thousands)	24 367	28 256	15.96
Total expenses (R thousands)	32 727	40 252	22.99
Operating profit/income before taxation (R thousands)	-8 360	-11 996	-43.49
Cost-to-income ratio (%)	162.50	167.02	2.78
Capital adequacy			
Total capital adequacy ratio (%)	-13.22	-21.56	-63.09
Total capital adequacy ratio including voluntary shares (%)	12.91	11.61	-10.07
Asset quality and provisions			
Total delinquent loans (R thousands)	21 550	5 278	-75.51
Portfolio delinquent (%)	30.21	6.60	-78.15
Total provisions (R thousands)	6 307	3 502	-44.47
Provision as % of total loans	9.70	4.58	-52.78

* Throughout this report data relating to CFIs are based on data submissions received in respect of 13 entities out of 21 registered entities. Although four entities were non-compliant, other non-submission of data related to entities under liquidation, applications in respect of mutual bank licences and one newly registered CFI.

Total assets in respect of CFIs decreased by **8.28%** during the past year. **Net loans** amounted to **R77 million** for the period under review and increased by **17.67%** from the **R65 million** reported in February 2025. **Profitability** deteriorated, resulting in a loss before tax of R12 million at the end of February 2026, mainly due to operating expenses exceeding income. CFIs' primary focus is not on profitability but on advancing financial inclusion through member-driven financial intermediation. These institutions rely primarily on member contributions to sustain their operations; however, constrained contribution levels, coupled with high personnel and administrative costs, continue to place pressure on their financial sustainability and profitability. The shortage of grants and donations received, together with high personnel and administrative costs, led to profitability challenges. The **cost-to-income ratio** deteriorated to **167.02%** in February 2026 from **162.50%** in February 2025.

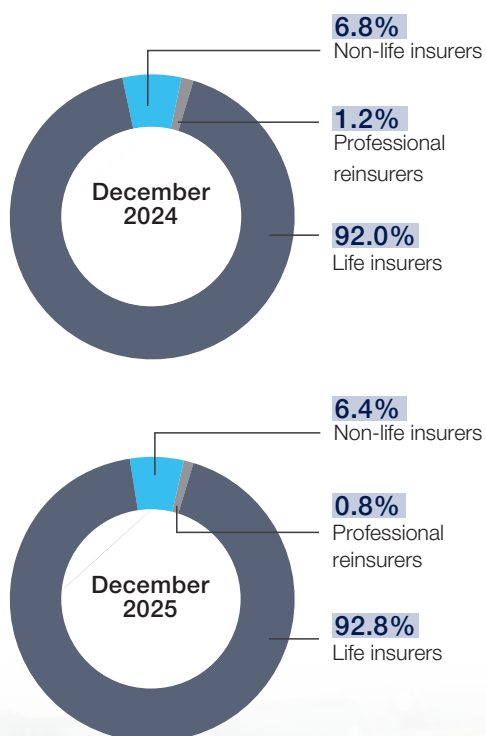
Losses resulting in negative retained earnings, as well as lower capital reported by CFIs, had a negative impact on capital. The **CAR** deteriorated by **63.09%** to **-21.86%** in February 2026 from **-13.22%** at the end of February 2025. The minimum CAR requirement is **6%**. The CAR, including voluntary shares, stood at **11.61%** in February 2026, down from **12.91%** in February 2025. Asset quality did improve during the past year. **Delinquent loans** accounted for **6.60%** of the CFI sector's gross loans at the end of February 2026, down from **30.21%** in February 2025.

Insurers and reinsurers

Selected indicators for insurers and reinsurers

The insurance sector's income and expenditure figures are based on aggregated data for the four quarters ending December 2025, while the solvency and balance sheet items are recorded as at 31 December 2025.

Figure 15: Total assets of insurers



Based on **total assets**, **life insurers** constitute approximately **92.8%** and **non-life insurers** constitute approximately **6.4%** of the total insurance industry.

All nine professional reinsurers are **foreign-owned** and contribute **0.8%** of the total sector assets.

South Africa's life insurance sector is dominated by **five large insurers**, which collectively held **65%** of the total assets, while the **12 largest non-life insurers** contributed **57%** of gross premiums as at 31 December 2025.



Table 14: Selected indicators for life insurers

R millions	Primary	Cell captives	Total Dec 2025	Total Dec 2024
Income				
Net premiums	736 830	22 848	759 678	690 101
Investment income	778 239	3 891	782 130	554 731
Other income	18 807	12	18 819	19 708
Total	1 533 876	26 751	1 560 627	1 264 540
Expenditure				
Benefits	620 348	9 356	629 704	625 703
Commission paid/received	26 843	2 192	29 035	27 851
General expenses	73 619	4 365	77 984	73 763
Other acquisition costs	7 487	-	7 487	8 713
Other expenses	12 533	-	12 533	15 700
Excess of income over expenditure	793 046	10 838	803 884	512 810

The **net premium income**, after deducting premiums for reinsurance, in respect of primary life insurers and cell captives, was reported as **R759 678 million** for the year ended 31 December 2025 compared to R690 101 million for the year ended 31 December 2024. **Benefit payments** stood at **R629 704 million** compared to R625 703 million during 2024.

Insurance companies make a significant portion of their income from investment revenue (both realised and unrealised). The industry experienced an increase in investment income during the review period.

R millions	Assets		Liabilities		MCR*		SCR**	
	2024	2025	2024	2025	2024	2025	2024	2025
Primary	4 540 882	5 274 113	4 162 133	4 885 537	4.9	4.3	1.8	1.7
Cell captives	28 851	25 076	8 329	6 118	4.2	3.9	1.1	1.1
Total	4 569 733	5 299 189	4 170 462	4 891 655	4.6	4.1	1.4	1.4

* MCR: minimum capital requirement (median)

** SCR: solvency capital requirement (median)

The **total assets** in respect of the primary life insurers and cell captives were reported as

R5 299 189 million in December 2025 compared to R4 569 733 million in December 2024.

Total assets were mainly invested in investment funds and equities.

Table 15: Selected indicators for non-life insurers

R millions	Primary	Cell captives	Captives	Total Dec 2025	Total Dec 2024
Income					
Gross premiums	192 354	37 823	7 357	237 534	224 863
Net earned premiums	125 691	24 438	4 822	154 951	142 958
Investment income	28 680	5 577	3 671	37 928	26 366
Other income	2 128	160	42	2 330	2 498
Total	156 499	30 175	8 535	195 209	171 822
Expenditure					
Claims incurred	70 001	10 048	3 464	83 513	78 197
Commission paid/received	11 749	424	-175	11 998	9 443
General expenses	38 614	4 430	199	43 243	39 623
Other expenses	3 672	190	57	3 919	4 041
Excess of income over expenditure	32 463	15 083	4 990	52 536	40 518
Underwriting profit	12 003	1 117	368	13 488	13 010
Operating profit	40 683	6 694	4 039	51 416	39 375

Gross premiums in respect of primary insurers, cell captives and captives in the non-life insurance industry were reported as **R237 534 million** for the 12 months ended 31 December 2025 (Table 15).

Operating profit, which includes investment income, was reported as **R51 416 million** during the review period compared to R39 375 million in the previous year.

R millions	Total assets		Liabilities		MCR*		SCR**	
	2024	2025	2024	2025	2024	2025	2024	2025
Primary	234 233	257 292	118 019	133 887	4.2	4.5	1.8	1.8
Cell captives	57 659	65 499	41 548	46 373	2.8	2.8	1.2	1.2
Captives	38 769	44 849	17 186	20 118	8.0	8.7	2.0	2.2
Total***	330 661	367 640	176 753	200 378	4.2	3.7	1.8	1.5

* MCR: minimum capital requirement (median)

** SCR: solvency capital requirement (median)

*** Totals in respect of 2025 and 2024 exclude reinsurance.

Table 16: Selected indicators for composite reinsurers

With the conversion of one **composite reinsurer** to a branch, four reinsurers were classified as composite reinsurers, writing both life and non-life business.

R millions	December 2025		December 2024	
	Life	Non-life	Life	Non-life
Income				
Gross premiums	14 353	13 121	17 414	22 867
Net premiums/net earned premiums	8 774	2 515	12 233	2 931
Investment income	965	1 119	1 415	918
Other income	12	-47	280	17
Total	9 751	3 587	13 928	3 866
Expenditure				
Claims incurred	6 473	1 402	10 547	2 201
Commission paid/received	236	1 174	-297	1 317
General expenses	721	468	913	584
Other expenses	125	-34	94	200
Excess of income over expenditure	2 196	577	2 671	-436
Underwriting profit		943		329
Operating profit		2 061		1 247

Gross premiums relating to life composites for the 12 months ending 31 December 2025 were reported as **R14 353 million** compared to R17 414 million in 2024 (Table 16).

Non-life composite gross premiums were reported as **R13 121 million** compared to R22 867 million in 2024.

R millions	Dec 2024	Dec 2025	Year-on-year percentage change (%)
Total assets	52 170	41 246	-20.94
Total liabilities	37 762	29 250	-22.54
SCR*	1.9	1.5	
MCR**	4.4	4.1	

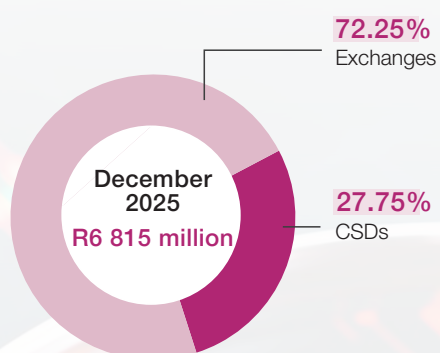
* SCR: solvency capital requirement (median)

** MCR: minimum capital requirement (median)

Market infrastructures

The PA is responsible for the prudential supervision of exchanges, clearing houses, central securities depositories (CSDs), central counterparties and TRs. There are currently four licensed exchanges, two licensed CSDs, one licensed CCP and one licensed associated clearing house. Total assets (including margin deposits) and total assets (excluding margin deposits) amounted to R67 292 million and R6 815 million respectively at the end of December 2025 (December 2024: R55 558 million and R6 480 million respectively) (Figure 16).

Figure 16: Total assets of market infrastructures



* Excluding margin deposits