



South African Reserve Bank  
Prudential Authority

# Selected South African banking sector trends

May 2019



## Number of banks in South Africa

Registered banks	19
Mutual banks	4
Co-operative banks	4
Local branches of foreign banks	15
Foreign banks with approved local representative offices	30

	May		
	2018	2019	%
	Rbn <sup>1</sup>	Rbn <sup>1</sup>	Growth <sup>1</sup>
<b>Balance sheet items</b>			
<b>Selected assets</b>			
Total assets	5 165	5 736	11.1
Gross loans and advances	3 862	4 269	10.5
Homeloans	964	1 006	4.4
Commercial mortgages	299	318	6.3
Credit cards	115	127	9.9
Lease and instalment debtors	395	426	8.0
Overdrafts	198	228	15.0
Term loans	840	963	14.6
Redeemable preference shares	115	114	-0.9
Factoring accounts, trade and other bills and BA's	28	25	-11.2
Loans granted/deposits placed under resale agreements	166	271	63.2
Bank intra-group balances	203	235	15.7
Other	538	557	3.4
Investment and trading positions	531	641	20.6
Derivative financial instruments	213	206	-3.4
Short term negotiable securities	284	280	-1.5
<b>Selected liabilities</b>			
Deposits, current accounts and other creditors	4 112	4 597	11.8
Current	779	832	6.9
Savings	242	265	9.4
Call	778	840	8.0
Fixed and notice	1 238	1 333	7.7
Negotiable certificates of deposit	544	593	9.1
Repurchase agreements	111	199	78.9
Other	421	534	26.9
Derivative financial instruments and other trading liabilities	278	293	5.3
<b>Equity</b>			
Total equity	446	477	7.0
<b>Off-balance sheet items</b>			
Total off-balance sheet activities	1 292	1 404	8.7

	May	
	2018	2019
	%	%
<b>Profitability<sup>2</sup></b>		
Return on equity	15.90	15.54
Return on assets	1.33	1.26
Cost-to-income ratio	57.01	58.08
Net interest income to interest-earning assets	3.98	3.94
Non-interest revenue to total assets	2.42	2.34
Operating expenses to total assets	3.17	3.14
Profit/Loss (12 months) (Rbn)	86.86	88.26
Net interest income (12 months) (Rbn)	160.62	168.07
Non-interest income (12 months) (Rbn)	123.59	128.67
Operating expenses (12 months) (Rbn)	162.02	172.35
<b>Liquidity</b>		
Liquid assets held to liquid-asset requirement	242.76	257.99
Short-term liabilities to total liabilities	54.12	53.99
Ten largest depositors to total funding	15.32	15.16
Liquidity coverage ratio (%)	124.59	153.08
<b>Credit risk</b>		
Impaired advances <sup>3</sup> (Rbn)	132.97	163.61
Impaired advances to gross loans and advances	3.44	3.83
Specific credit impairments to impaired advances	43.15	46.05
Portfolio credit impairments to gross loans and advances	1.01	1.02
<b>Capital adequacy</b>		
Total capital adequacy (%)	16.66	16.90
Tier 1 (T1) capital adequacy (%)	13.43	13.65
Common equity T1 capital adequacy (%)	12.92	12.86
<b>Basel III leverage ratio</b>		
Leverage ratio <sup>4</sup>	6.70	6.39

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.