

Capitec Bank Holdings Limited

February 2020 (4th quarter)

LIQ 1: Liquidity coverage ratio (LCR)

The LCR is a 30-day stress test, using 91 days (actual data point for the quarter) to calculate an average for the quarter, which requires banks to hold sufficient high-quality liquid assets to cover envisaged net outflows. These outflows are calibrated using prescribed Basel factors applied to assets and liabilities in a static run-off model. Basel definitions are used to identify high-quality liquid assets.

Line #	R'000	Total Unweighted Value (Average) 29 Feb 2020	Total Weighted Value (Average) 29 Feb 2020	Total Weighted Value (Average) 30 Nov 2019
High-Quality Liquid Assets				
1	Total high-quality liquid assets (HQLA) ⁽²⁾		32 989 868	32 586 019
Cash Outflows				
2	Retail deposits and deposits from small business customers, of which:	86 182 147	5 587 905	5 266 083
3	Stable deposits	-	-	-
4	Less-stable deposits	86 182 147	5 587 905	5 266 083
5	Unsecured wholesale funding, of which:	11 040 927	2 054 022	1 990 242
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-
7	Non-operational deposits (all counterparties)	7 507 530	1 818 216	1 843 324
8	Unsecured debt	3 533 397	235 806	146 918
9	Secured wholesale funding	-	-	-
10	Additional requirements, of which:	3 488 461	137 561	1 770 690
11	Outflows related to derivative exposures and other collateral requirements	5 066	5 066	167 111
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	2 579 152	87 349	85 097
14	Other contractual funding obligations	-	-	1 460 585
15	Other contingent funding obligations	904 243	45 146	57 897
16	Total Cash Outflows		7 779 488	9 027 015
Cash Inflows				
17	Secured lending (e.g. reverse repos)	397 213	397 213	122 200
18	Inflows from fully performing exposures	20 671 388	18 390 821	29 175 987
19	Other cash inflows	19 967	-	-
20	Total Cash Inflows	21 088 568	18 788 034	29 298 187
<i>Total Adjusted Value</i>				
21	Total HQLA ⁽²⁾		32 989 868	32 586 019
22	Total Net Cash Outflows ⁽¹⁾		1 944 872	2 256 754
23	Basel 3 Group Liquidity Coverage Ratio (%)		1 696%	1 444%
Summary Liquidity Coverage Ratio - Bank level				
21	Total HQLA ⁽²⁾		31 844 004	31 650 265
22	Total Net Cash Outflows ⁽¹⁾		1 445 725	1 656 815
23	Basel 3 Bank Liquidity Coverage Ratio (%)		2 203%	1 910%

⁽¹⁾ Both Capitec and Mercantile Bank Limited ("Mercantile"), on an individual basis, have a net cash inflow after applying the run-off weightings applicable to calculate the ratio, therefore outflows for the purpose of the ratio are deemed to be 25% of gross outflows. Of the total net cash outflows as at 29 February 2020, R550.7 million is attributable to Mercantile.

⁽²⁾ The group's total HQLA is equal to that of Capitec and Mercantile combined. Of the total HQLA as at 29 February 2020, R1 145.8 million is attributable to Mercantile.

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Line #	R'000	Total Unweighted Value (Average) 29 Feb 2020	Total Weighted Value (Average) 29 Feb 2020	Total Weighted Value (Average) 30 Nov 2019
High-Quality Liquid Assets				
1	Total high-quality liquid assets (HQLA)		31 844 004	31 650 265
Cash Outflows				
2	Retail deposits and deposits from small business customers, of which:	81 228 232	5 261 380	4 945 340
3	Stable deposits	-	-	-
4	Less-stable deposits	81 228 232	5 261 380	4 945 340
5	Unsecured wholesale funding, of which:	4 661 956	472 393	175 393
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	824 874	206 218	-
7	Non-operational deposits (all counterparties)	303 685	30 369	28 475
8	Unsecured debt	3 533 397	235 806	146 918
9	Secured wholesale funding	-	-	-
10	Additional requirements, of which:	1 658 438	49 128	1 506 526
11	Outflows related to derivative exposures and other collateral requirements	1 070	1 070	1 416
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	1 392 418	34 810	31 051
14	Other contractual funding obligations	0	0	1 460 585
15	Other contingent funding obligations	264 950	13 248	13 474
16	Total Cash Outflows		5 782 901	6 627 259
Cash Inflows				
17	Secured lending (e.g. reverse repos)	397 213	397 213	122 200
18	Inflows from fully performing exposures	16 614 483	15 487 504	16 480 988
19	Other cash inflows	19 967	-	-
20	Total Cash Inflows	17 031 663	15 884 717	16 603 188
Total Adjusted Value				
21	Total HQLA		31 844 004	31 650 265
22	Total Net Cash Outflows		1 445 725	1 656 815
23	Basel 3 Liquidity Coverage Ratio (%)		2 203%	1 910%