



BANK OF NAMIBIA

NAMIBIAN BANKING SECTOR **SOUNDNESS INDICATORS** **QUARTERLY FIGURES FOR THE YEAR 2006**

	Year 2006			
	Mar-06	Jun-06	Sep-06	Dec-06
Capital-based				
Regulatory Capital to risk-weighted assets	14.4%	14.8%	14.3%	14.2%
Regulatory Tier 1 capital to risk-weighted assets	11.2%	11.8%	11.3%	11.1%
Capital to assets	7.7%	8.3%	8.0%	7.5%
Return on equity *	39.1%	34.9%	36.1%	19.9%
Nonperforming loans net of provisions to capital	5.4%	8.2%	6.9%	2.5%
Net open position in foreign exchange to capital	0.7%	0.5%	0.3%	0.3%
Large exposures to capital	227.7%	165.7%	177.8%	189.3%
Asset-based				
Liquid assets (core) to total assets	1.0%	1.2%	0.9%	1.0%
Liquid assets (broad measure) to total assets	8.9%	9.5%	9.3%	9.1%
Customer deposits to total (noninterbank) loans	96.9%	100.4%	99.6%	101.8%
Return on assets*	3.0%	2.9%	2.9%	1.5%
Nonperforming loans to total gross loans	2.5%	2.9%	2.7%	2.6%
Foreign currency denominated loans to total loans	0.6%	0.6%	0.8%	1.0%
Foreign currency denominated liabilities to total liabilities	1.5%	1.7%	1.7%	1.3%
Income and Expense-based				
Interest margin to gross income	51.5%	51.4%	53.5%	53.7%
Noninterest expenses to gross income	54.2%	56.3%	57.8%	63.7%
Personnel expenses to noninterest expenses	51.6%	51.3%	47.0%	39.6%

* It should be noted that net income before tax has been used in calculating this ratio.