Financial Soundness Indicators (Website)
Country: Botswana
Year: 2025 and 2026 (June 2026)

Core Set		Sept-25	Dec-25	Sept-26
Deposit-takers				
Capital Adequacy	Regulatory Capital to Risk-Weighted Assets	**19.19**	**19.40**	**20.60**
	Regulatory Tier 1 Capital to Risk-Weighted Assets	**14.03**	**14.05**	**15.66**
	Non-Performing Loans net of Provisions to Capital	**7.64**	**7.24**	**7.68**
Asset Quality	Non-Performing Loans to Total Gross Loans	**3.24**	**3.32**	**3.90**
	Sectoral Distribution of Loans to Total Loans			
	Agriculture, Forestry, Fishing	**2.35**	**2.14**	**2.29**
	Mining and Quarrying	**1.16**	**0.72**	**0.56**
	Manufacturing	**2.69**	**2.49**	**2.86**
	Construction	**1.24**	**1.42**	**1.10**
	Commercial real estate	**6.55**	**6.54**	**6.63**
	Electricity	**1.04**	**1.39**	**2.01**
	Water	**0.01**	**0.01**	**0.01**
	Telecommunication and post	**0.48**	**0.47**	**0.90**
	Tourism and hotels	**1.37**	**1.36**	**1.06**
	Transport and Storage	**1.04**	**1.12**	**1.03**
	Trade, restaurants and bars	**5.82**	**5.96**	**5.14**
	Business Services	**5.02**	**5.14**	**5.34**
	Other Community, social and personal services	**1.47**	**1.47**	**1.38**
	Commercial Banks (Interbank Loans)	**0.00**	**0.00**	**0.00**
	Financial Institutional Units (Other Financial Corporations)	**3.46**	**3.70**	**2.81**
	Households	**63.19**	**63.57**	**62.81**
	a) Residential Property (Owner occupied)	**15.69**	**15.93**	**16.26**
	b) Residential Property (Rented)	**0.61**	**0.60**	**0.57**
	c) Personal Loans	**43.12**	**43.20**	**42.32**
	d) Motor vehicles	**2.67**	**2.68**	**2.45**
	e) Household goods	**0.00**	**0.00**	**0.00**
	f) Credit card loans	**0.90**	**0.92**	**0.97**
	g) Non-Profit Institutions serving Households	**0.01**	**0.00**	**0.00**
	h) Other	**0.21**	**0.23**	**0.24**
	Non Resident Loans (Other Loans)	**0.36**	**0.28**	**0.26**
	a) Other Non-Financial Corporations	**0.36**	**0.28**	**0.26**
	b) Households	**0.00**	**0.00**	**0.00**
	Government	**0.00**	**0.00**	**0.86**
	Public Non-Financial Corporations	**2.75**	**2.24**	**2.95**
Earnings and Profitability	Return on Assets	**3.50**	**4.49**	**5.47**
	Return on Equity	**56.76**	**49.58**	**80.72**
	Interest Margin to Gross Income	**48.53**	**45.82**	**41.51**
	Non-Interest Expenses To Gross Income	**51.47**	**51.71**	**50.91**
Liquidity	Liquid Assets to Total Assets (Liquid Asset Ratio)	**5.91**	**5.86**	**3.75**
	Liquid Assets to Short-Term Liabilities	**7.01**	**7.00**	**4.48**
Sensitivity to Market Risk	Net Open Position in Foreign Exchange to Capital	**8.69**	**3.59**	**3.25**

Encouraged Set		Sept-25	Dec-25	Sept-26
Deposit-Takers	Capital to Assets	9.56	9.58	10.40
	Large Exposures to Capital	77.67	75.69	92.20
	Geographical Distribution of Loans to Total Loans			
	Botswana	95.24	95.99	95.99
	United States	4.17	3.62	3.62
	South Africa	0.59	0.39	0.39
	UK	0.00	0.00	0.00
	Europe	0.00	0.00	0.00
	Japan	-	-	-
	Others	0.00	-	-
	Gross Asset Position in Financial Derivatives to Capital	1.68	1.42	1.75
	Gross Liability Position in Financial Derivatives to Capital	1.35	1.30	1.17
	Trading Income to Total Income	9.49	10.28	17.50
	Personnel Expenses to Non-Interest Expenses	47.12	46.93	47.09
	Spread Between Reference Lending and Deposit Rates (Basis points)	550.51	722.73	575.15
	Spread Between Highest and Lowest Interbank Rate (Basis points)	250.00	30.00	0.00
	Customer Deposits to Total (Non-Interbank) Loans	121.86	123.11	133.59
	Foreign Currency-Denominated Loans to Total Loans	4.76	4.01	5.61
	Foreign Currency-Denominated Liabilities to Total Liabilities	34.00	31.33	29.01
	Net Open Position In Equities to Capital	N/A	N/A	N/A
Other **F**inancial Corporations	Assets to Total Financial System Assets	N/A	N/A	N/A
	Assets to GDP	N/A	N/A	N/A
	Total Debt to Equity	N/A	N/A	N/A
Non-financial Corporations Sector	Return on Equity	N/A	N/A	N/A
	Earnings to Interest and Principal Expenses	N/A	N/A	N/A
	Net Foreign Exchange to Equity	N/A	N/A	N/A
	Number of Applications for Protection from Creditors	N/A	N/A	N/A
Households	Household Debt to GDP	N/A	N/A	N/A
	Household Debt Service and Principal Payments to Income	N/A	N/A	N/A
Market Liquidity	Average Bid-Ask Spread in the Securities Market	N/A	N/A	N/A
	Average Daily Turnover Ratio in the Securities Market	N/A	N/A	N/A
Real Estate Markets	Real Estate Prices	N/A	N/A	N/A
	Residential Real Estate Loans to Total Loans	16.29	16.53	16.83
	Commercial Real Estate Loans to Total Loans	6.55	6.54	6.63