

# Basel III and the supply of bank credit in South Africa

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## Abstract

**Keywords:** Bank capital, Bank regulation, Credit

**JEL Codes:** G01, G18, G28, G32, G38

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# **1 Introduction**

The paper investigates the impact of Basel III regulation on bank lending in South Africa. This introduction is an overview of the paper

# **2 Context**

A review of policy context, with focus on South Africa but also reference to other emerging markets. Further detail in Appendix 1 and 2a.

# **3 Literature**

Osborne et al. (2017)

Jokipii and Milne (2008)

Gambacorta and Mistrulli (2004)

Schwert (2018)

Kim and Sohn (2017)

Carlson et al. (2013)

Tabak et al. (2011)

Altunbas et al. (2004)

Gambacorta and Shin (2018)

Berrospide and Edge (2010)

# **4 Model specification**

# **5 Estimation Results**

# **6 Conclusion**

## 7 Appendix: Descriptive Analysis

### 7.1 Data

#### 7.1.1 Capital Buffers

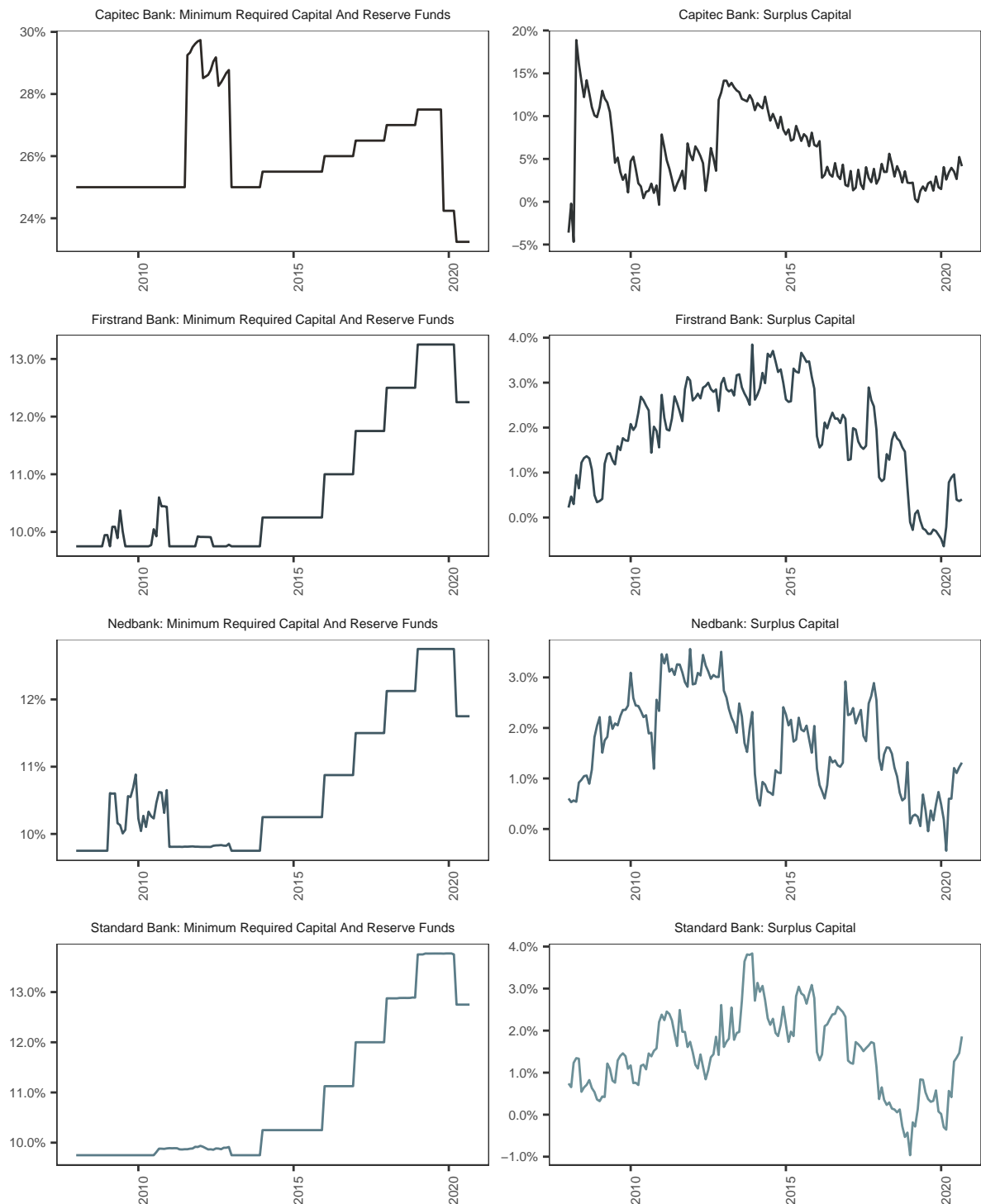


Figure 1: Capital buffers. Source: South African Reserve Bank (2022) REMOVE

### 7.1.2 BA 900 Quarterly Data

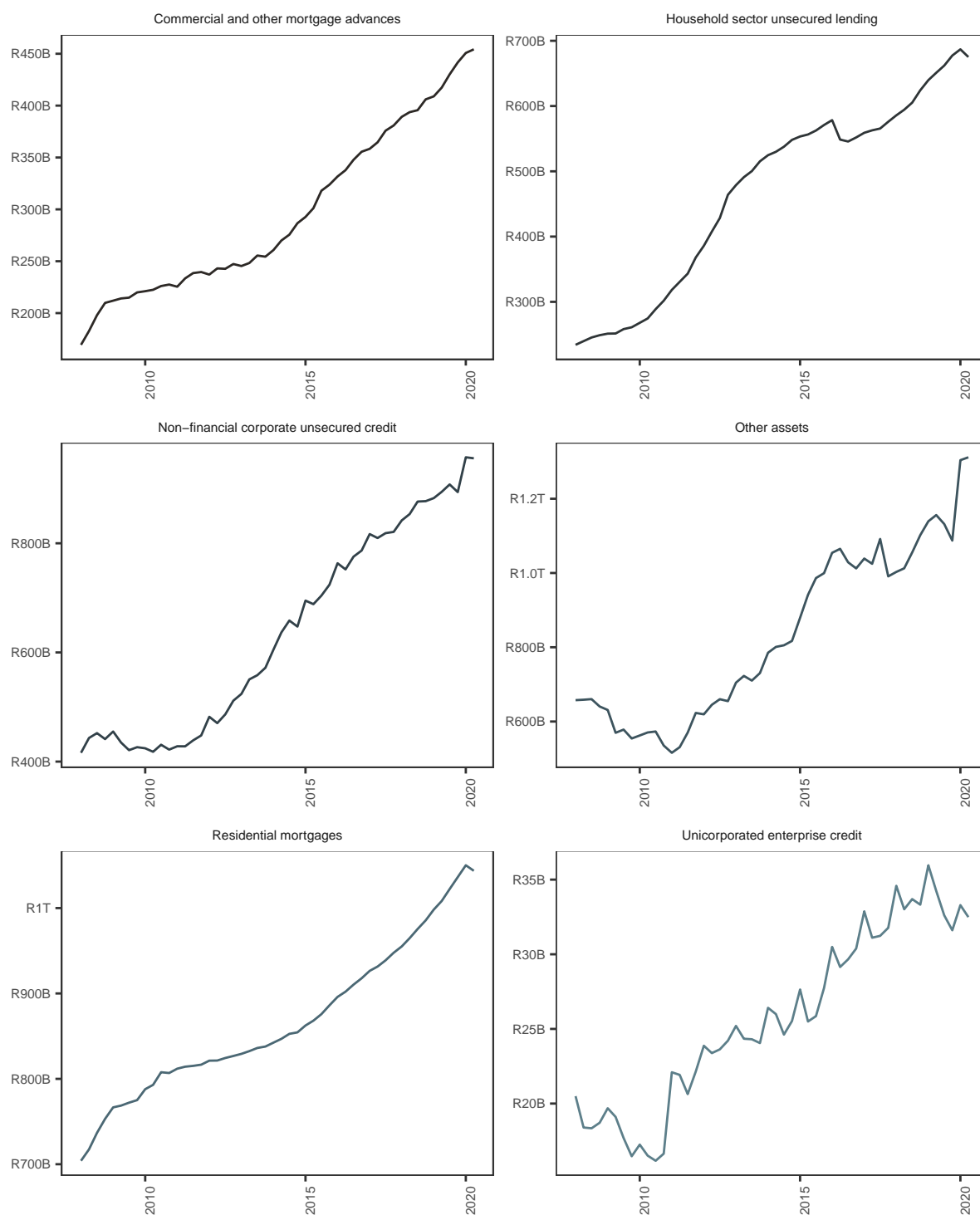


Figure 2: Bank lending totals. Source: South African Reserve Bank (2022)

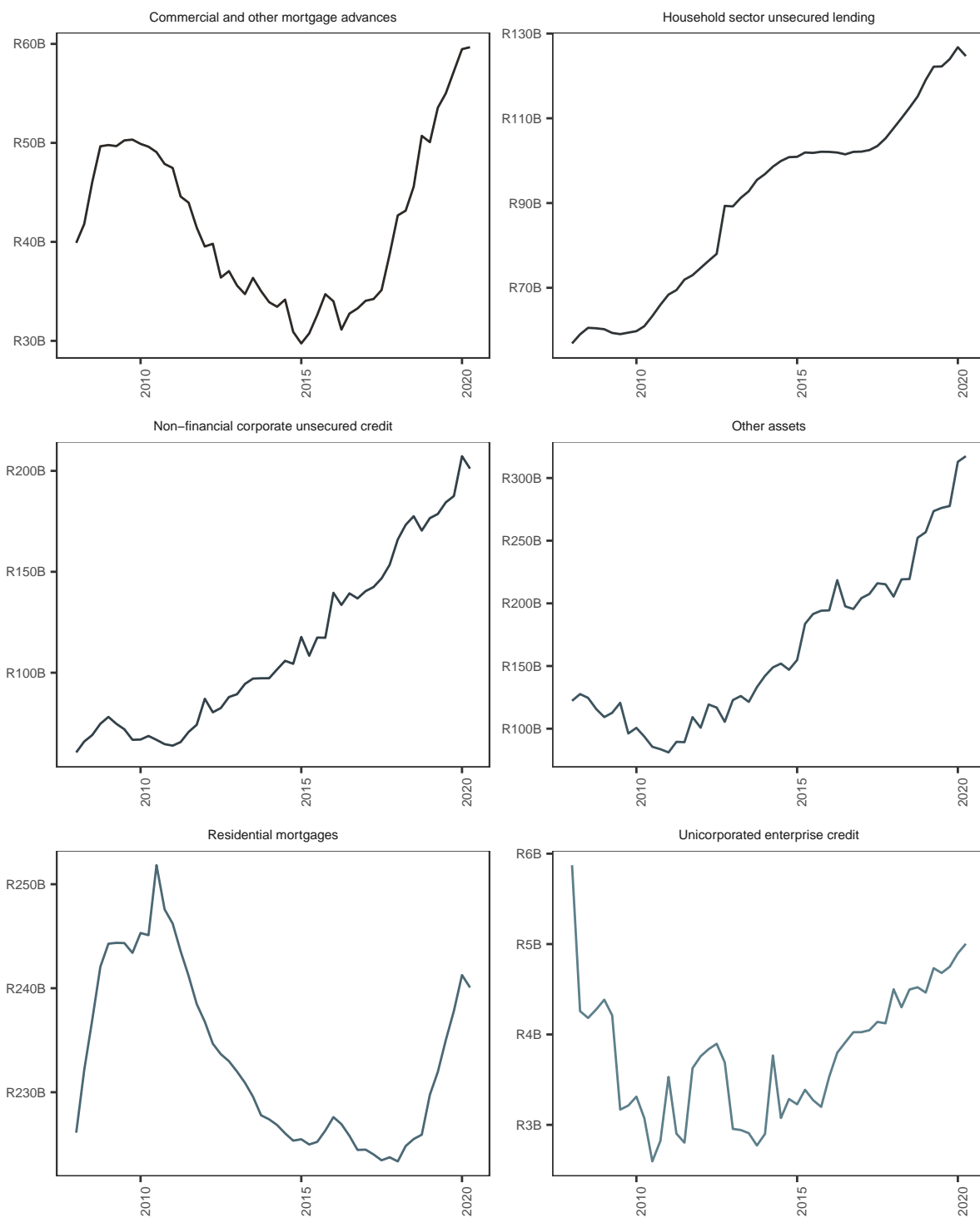


Figure 3: Absa bank lending. Source: South African Reserve Bank (2022)

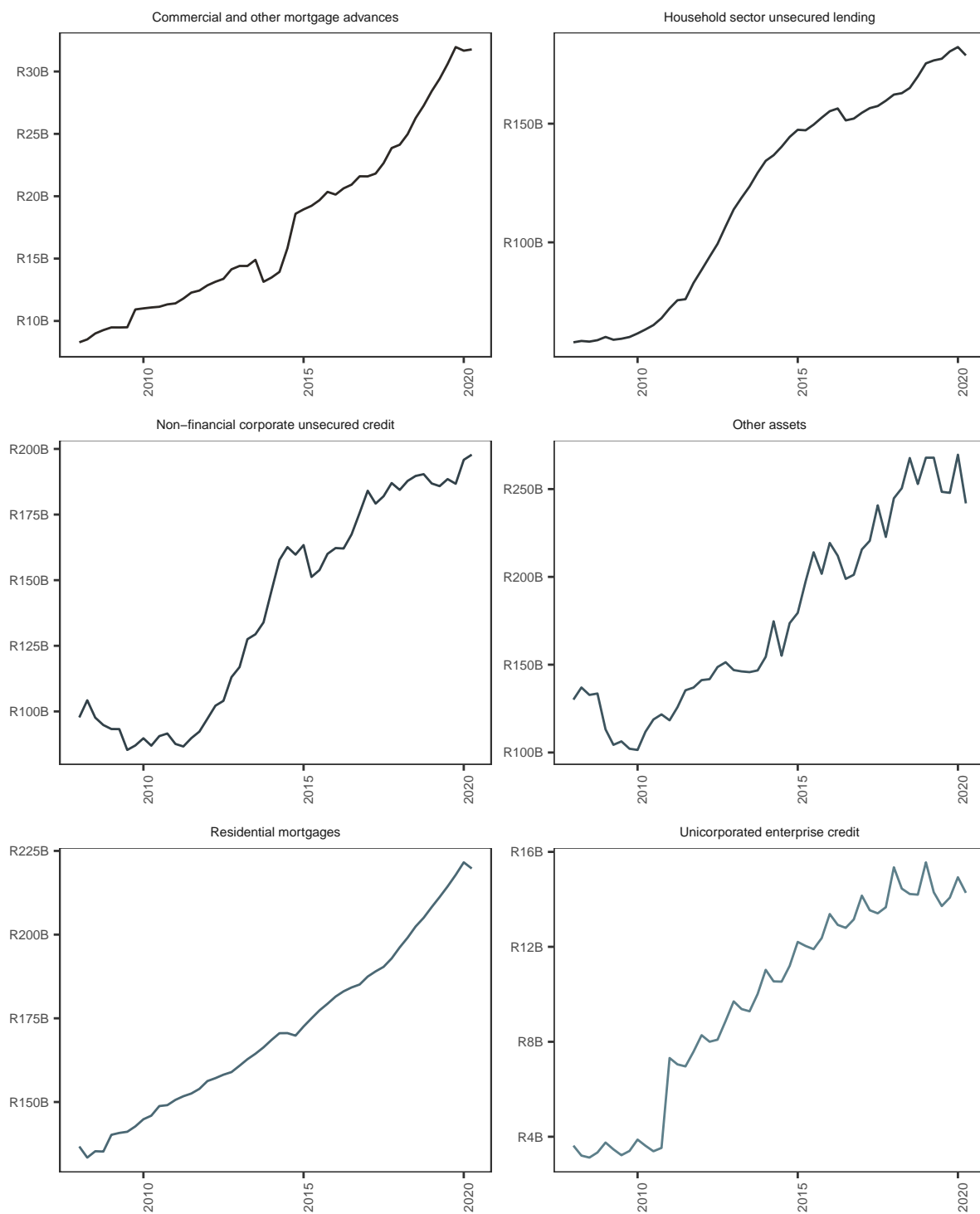


Figure 4: FNB bank lending. Source: South African Reserve Bank (2022)

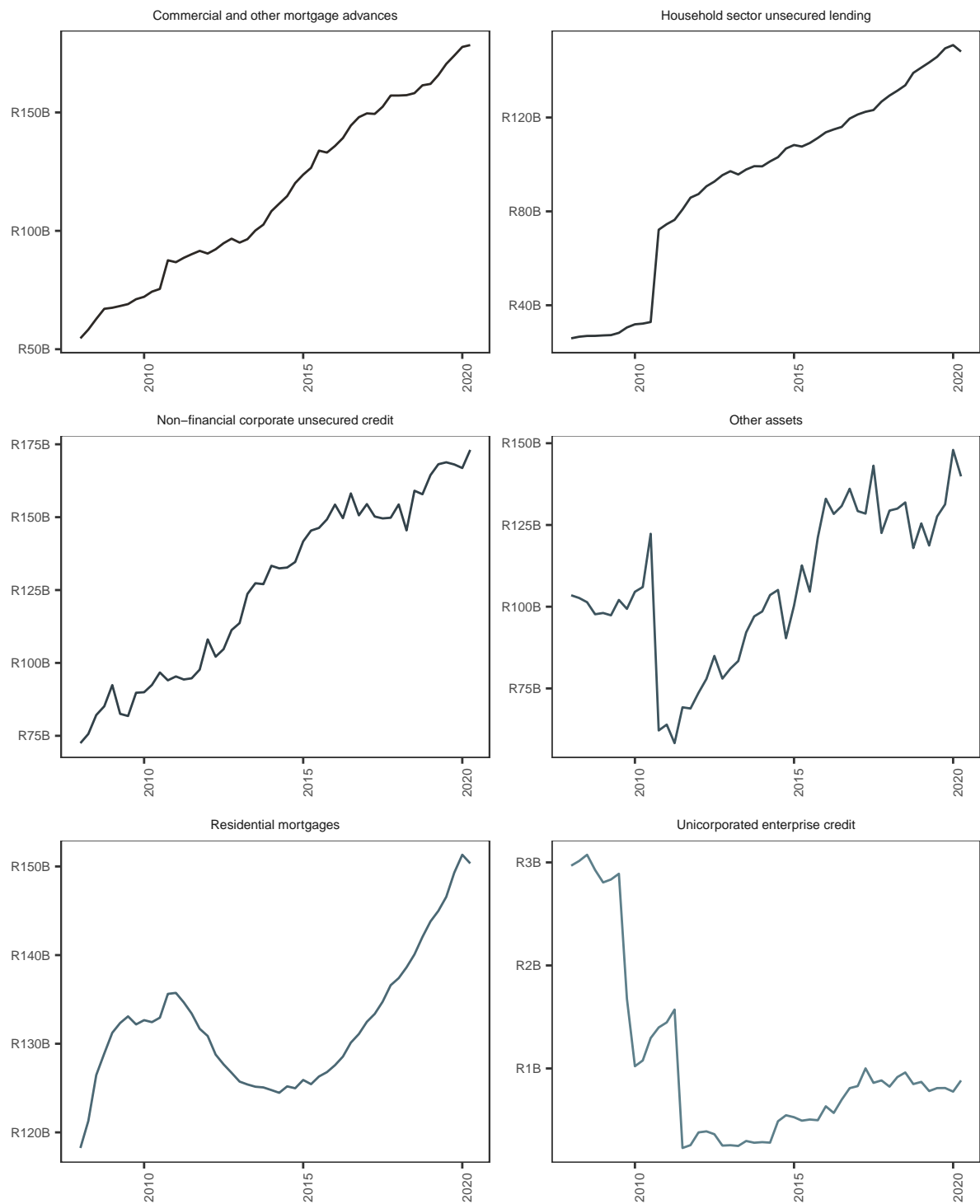


Figure 5: Nedbank bank lending. Source: South African Reserve Bank (2022)

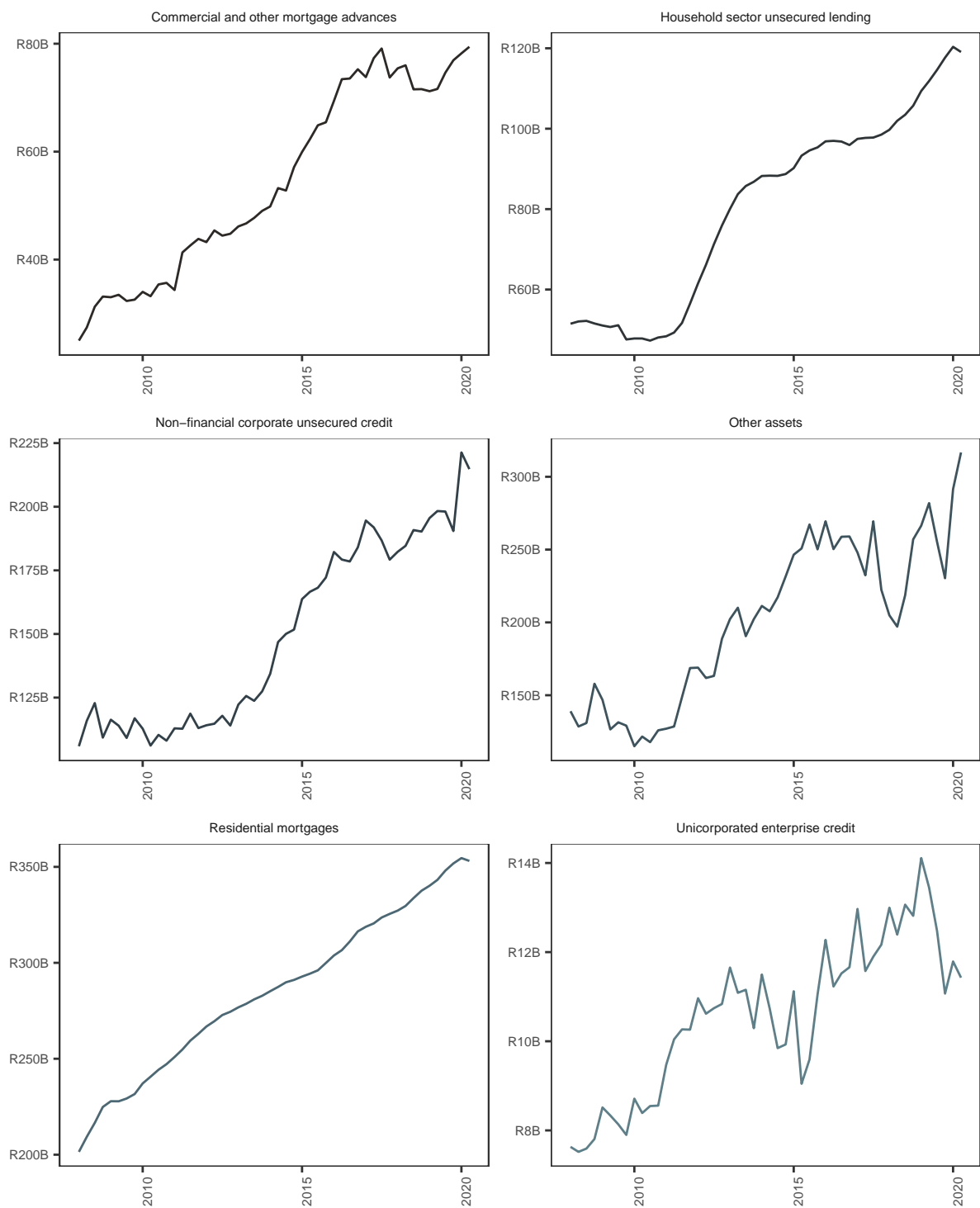


Figure 6: Standard bank lending. Source: South African Reserve Bank (2022)



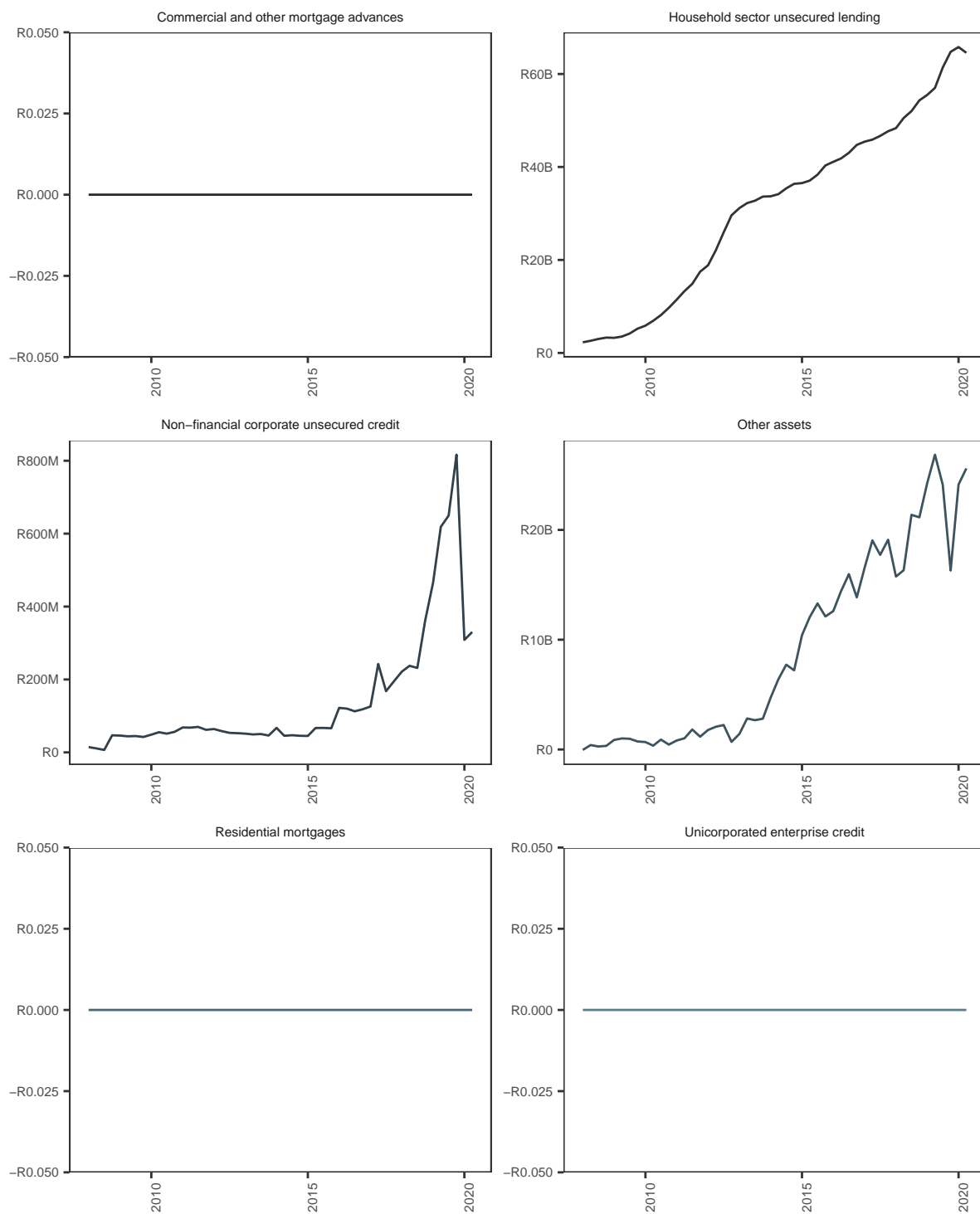


Figure 7: Capitec bank lending. Source: South African Reserve Bank (2022)

### 7.1.3 BA 900 to GDP

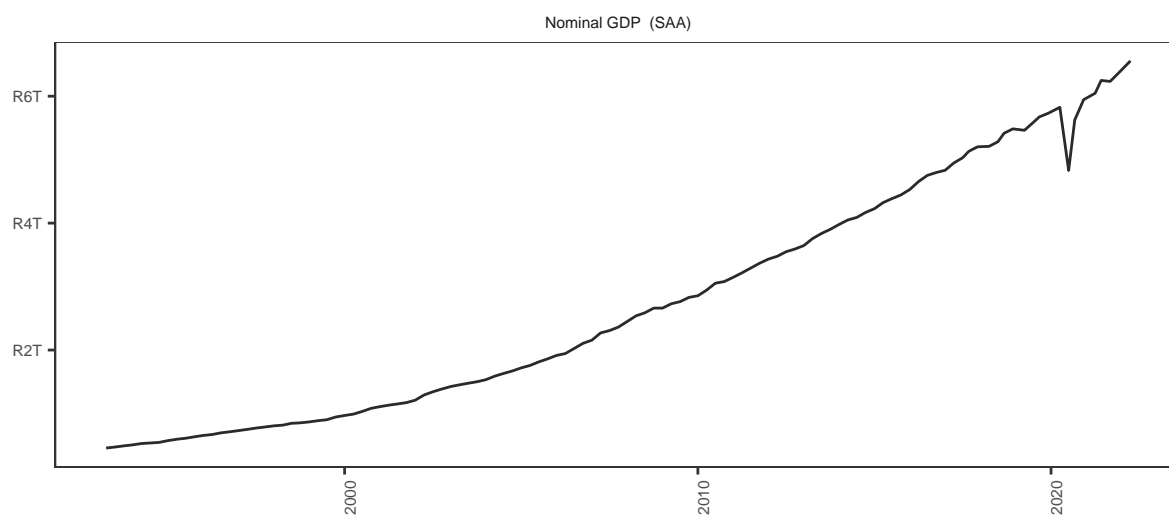


Figure 8: Nominal GDP. Source: South African Reserve Bank (2022)

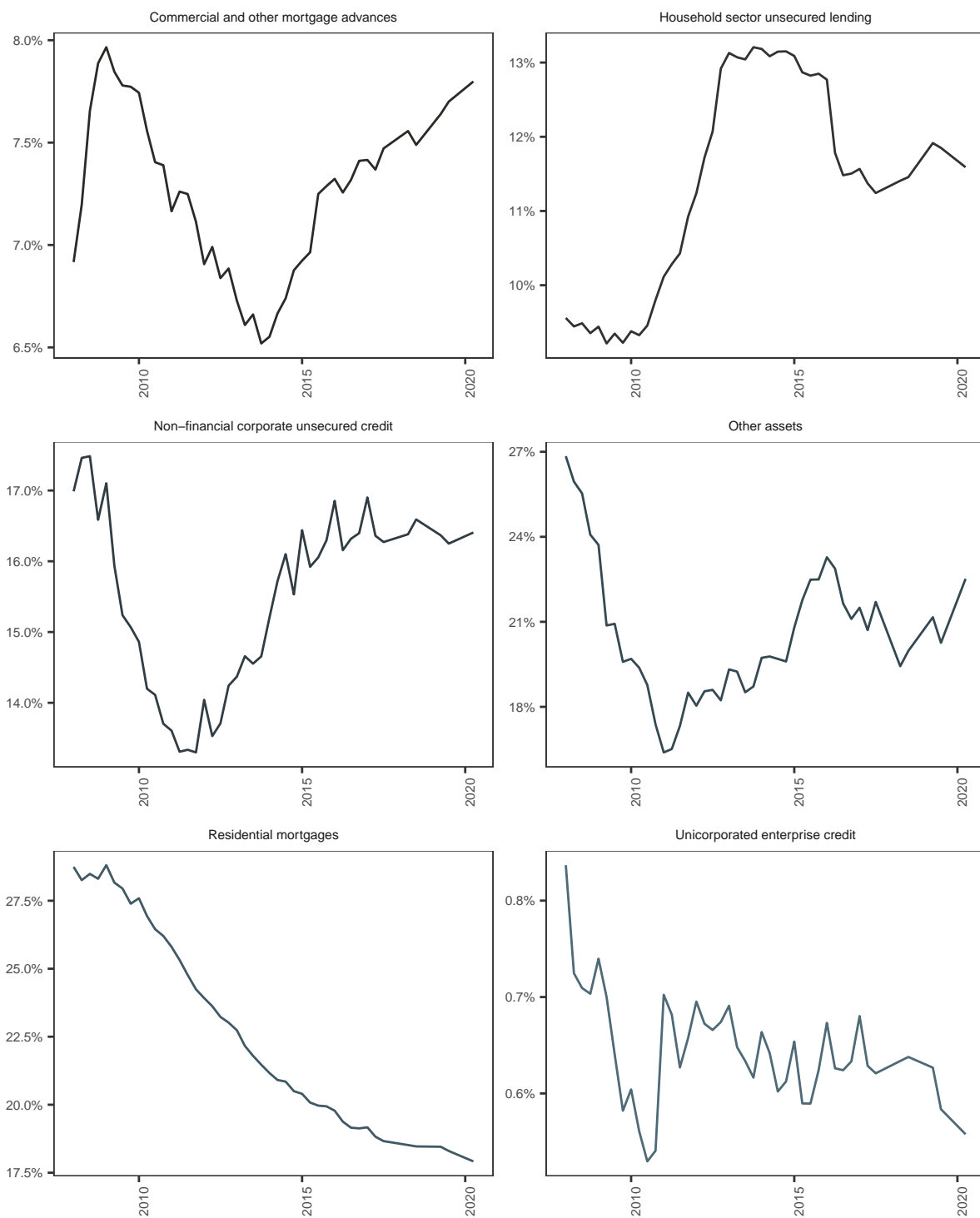


Figure 9: Total bank lending as a percent of GDP. Source: South African Reserve Bank (2022)

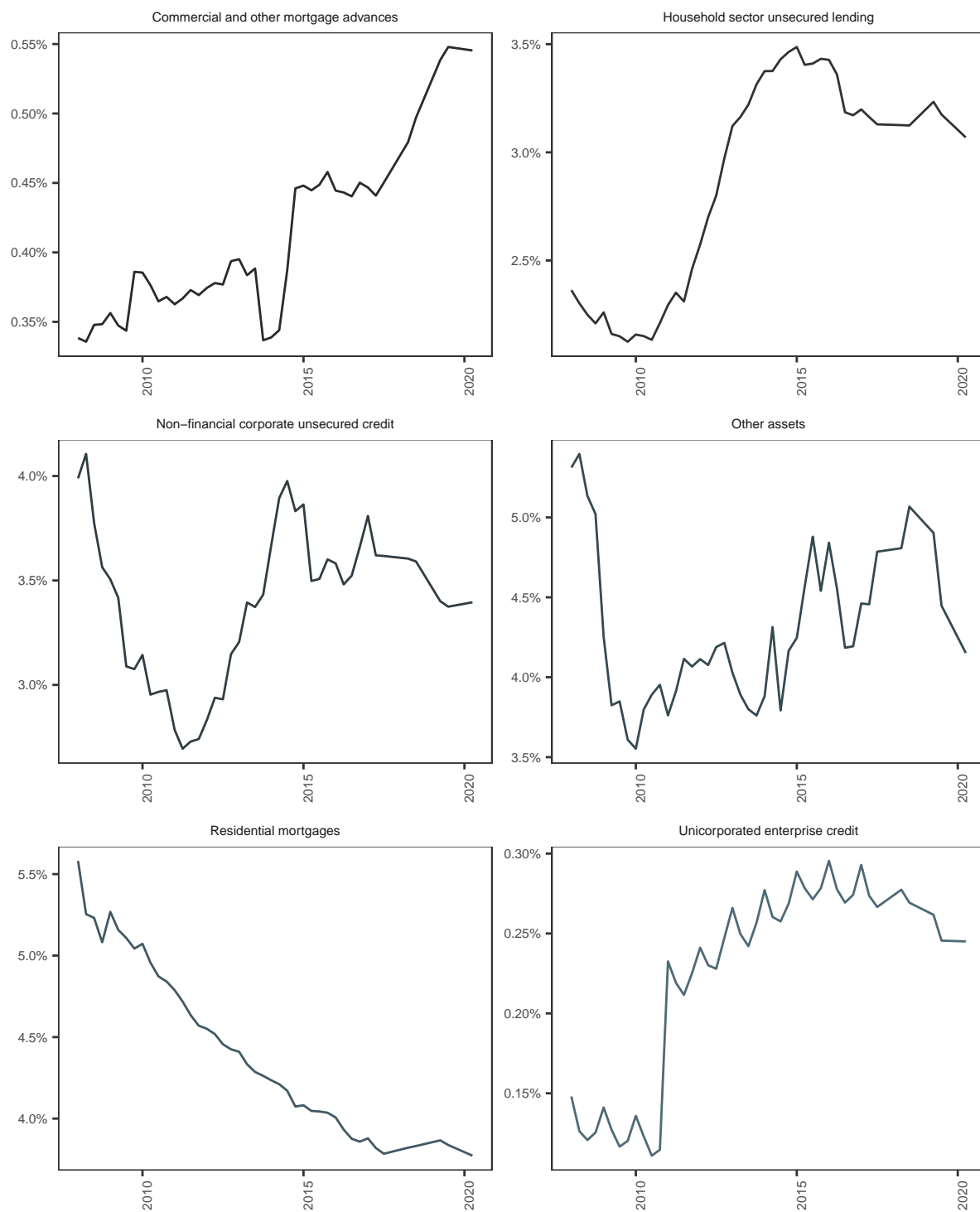


Figure 10: FNB lending as a percent of GDP. Source: South African Reserve Bank (2022)

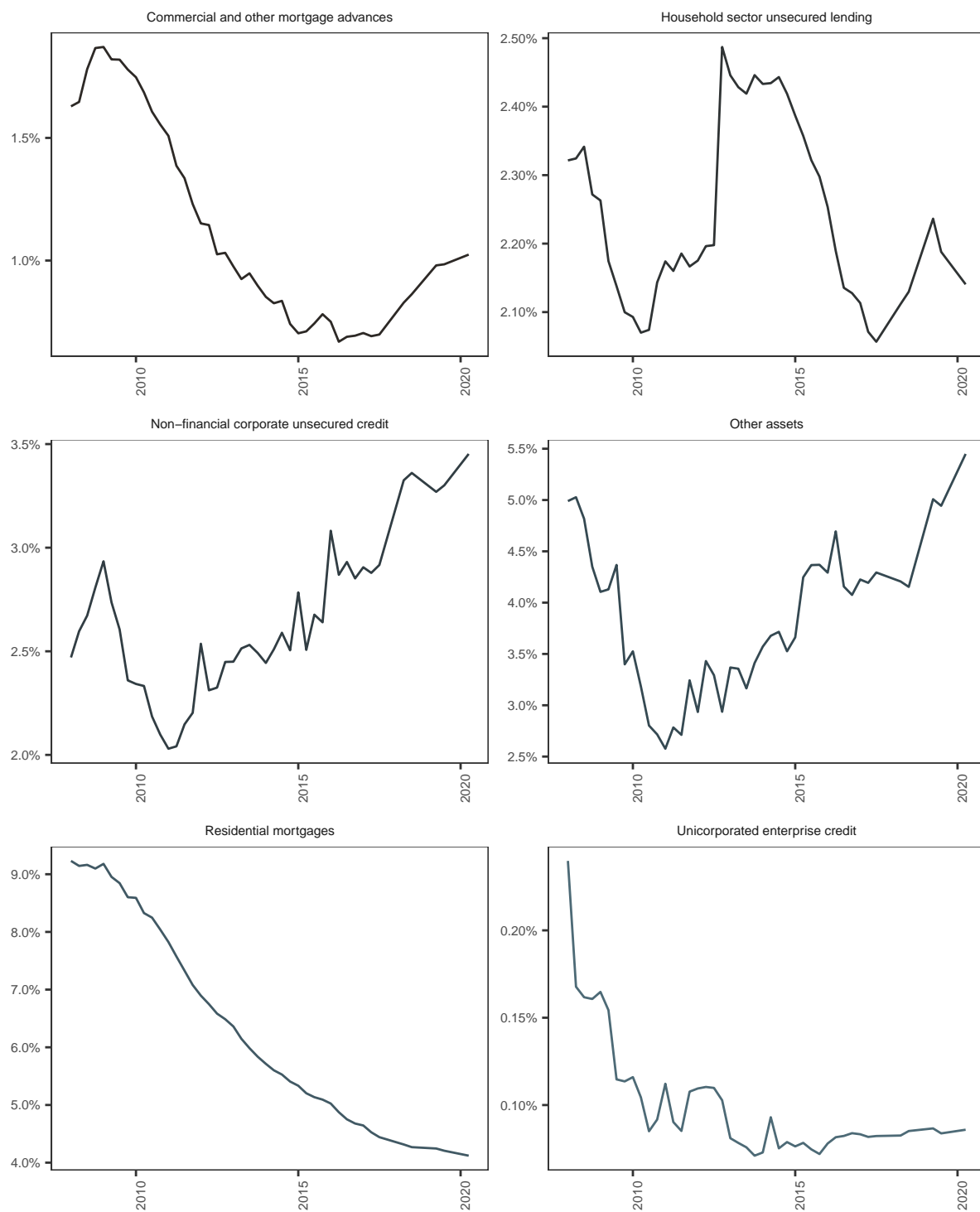


Figure 11: Absa lending as a percent of GDP. Source: South African Reserve Bank (2022)

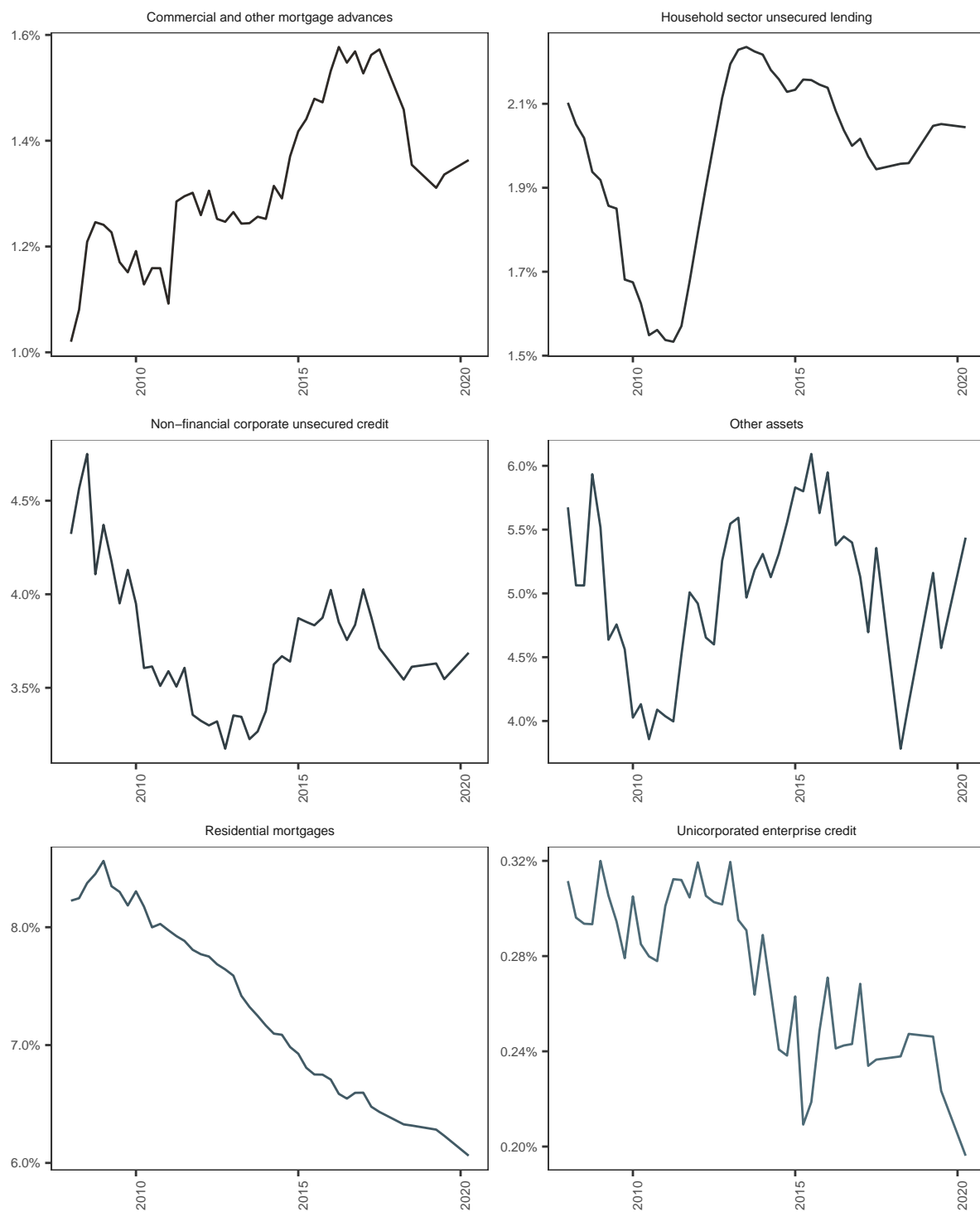


Figure 12: Standard bank lending as percent of GDP. Source: South African Reserve Bank (2022)

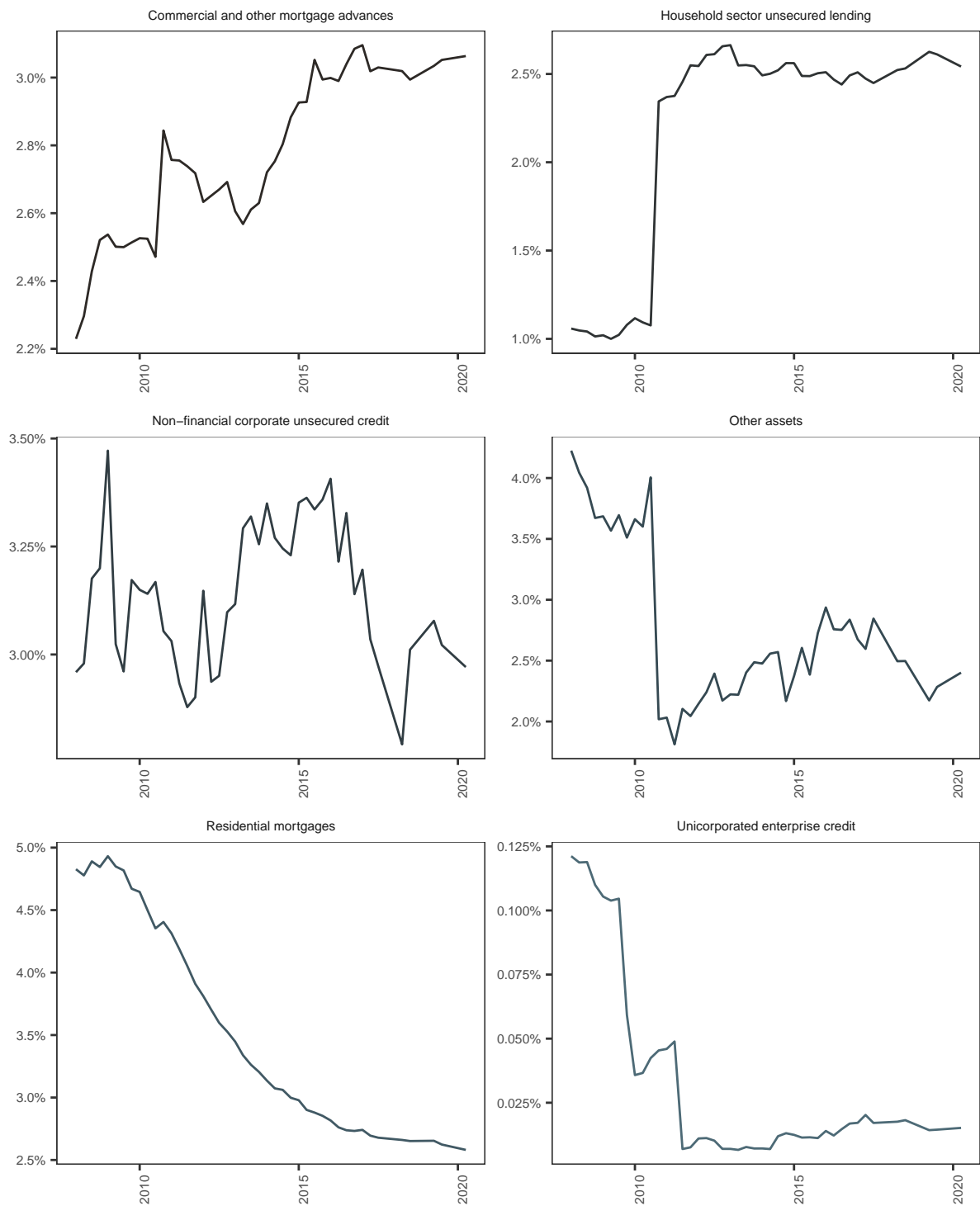


Figure 13: Nedbank lending as percent of GDP. Source: South African Reserve Bank (2022)

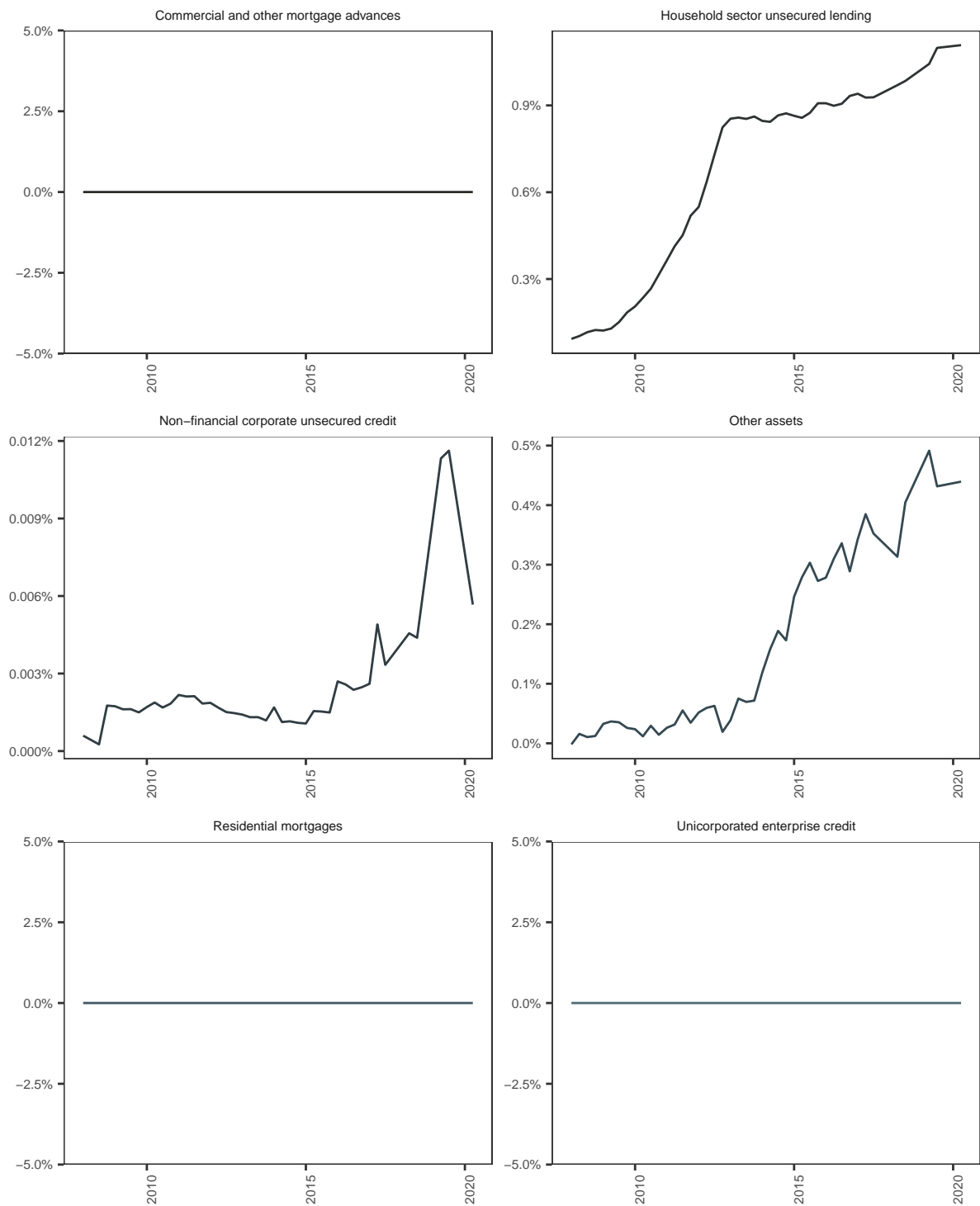


Figure 14: Capitec lending as percent of GDP. Source: South African Reserve Bank (2022)



## 8 Appendix: Detailed Literature Review

More detailed literature review

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