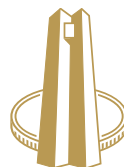


# GUIDE FOR THE COMPLETION OF THE B12 FORM: FOREIGN EXCHANGE MARKET TURNOVER

October 2021



SOUTH AFRICAN RESERVE BANK





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# 1. Introduction

The purpose of this guide is to provide guidance to reporting institutions of the B12 Form. This guide provides a brief description on the purpose of the B12 Form as well as the reporting principles of the form. Guidance is also provided on the classification of Authorised Dealers (ADs) as reporting institutions of the B12 Form and their turnover of foreign exchange transactions with various counterparties. Furthermore, guidance is provided on general issues such as foreign exchange over-the-counter (OTC) derivative instrument types accounted for in the B12 Form, format of values, reporting periods, and so on.

## 2. Guidelines

### 2.1 Foreign exchange market turnover data

Foreign exchange market turnover data provides a measure of market activity and is therefore used by the South African Reserve Bank (SARB) to better understand the market in order to effectively pursue its mandate. Foreign exchange turnover also provides a measure of the size of the OTC market.

### 2.2 Purpose of B12 Form

The SARB is responsible, in terms of both national and international obligations, to produce high-quality economic statistics for the formulation of economic policy. In line with this, the purpose of the B12 Form is to obtain comprehensive and reliable data on turnover in the South African OTC foreign exchange market.

### 2.3 Reporting institutions

The reporting institutions of the B12 Form are licensed ADs of foreign exchange in South Africa, as stipulated in the SARB Currency and Exchanges Manual for Authorised Dealers<sup>1</sup> based on the Currency and Exchanges Act 9 of 1933<sup>2</sup>. An AD is in relation to any transaction in respect to gold, or a person authorised by the Financial Surveillance Department of the SARB to deal with gold and, in relation to any transaction in respect to foreign exchange, a person authorised by the Financial Surveillance Department of the SARB to deal in foreign exchange. Please refer to Footnote 1 of this document for the most recent list of licensed ADs. It is important to note that this list is periodically revised at the discretion of the Financial Surveillance Department of the SARB.

In addition to ADs, the SARB itself also participates as a reporting institution on the B12 Form.

### 2.4 Reporting principles

The reporting principles adopted for the B12 Form are largely in accordance with international guidelines provided by the Bank for International Settlements (BIS). The coverage of the B12 Form makes provision to include transactions in seven currencies against the rand, but also transactions in third currencies (i.e. all foreign currencies, except the rand), for example, transactions between the US dollar (USD) and euro. In the B12 Form, **transactions in gold should not be included**. Therefore, the foreign exchange turnover reporting template does not include any particular section for reporting transactions in gold.

Reporting institutions must include, in their reporting, the aggregate gross value of all **arm's length transactions** concluded by their offices. An arm's length transaction is defined as one where the dealer is indifferent to the counterparty and excludes transactions between divisions of the reporting institution.

1 The most recent Currency and Exchanges Manual can be found on the following link: [Currency and Exchanges Manual for Authorised Dealers.pdf \(resbank.co.za\)](https://resbank.co.za/Currency-and-Exchanges-Manual-for-Authorised-Dealers.pdf).

2 The Currency and Exchanges of 1933 (the Act) and the Exchange Control Regulations (Regulations) promulgated thereunder in terms of section 9(1) of the Act, on 1961-12-01.

## 2.5 Reporting date and period

The date on which foreign exchange spot and derivative transactions are **established** or entered into the system, irrespective whether for value the same day or for any future delivery date, are regarded as the **reporting date basis** of this return.

**The values of all transactions are to be reported in US dollar equivalents.** Non-dollar amounts should be converted to US dollars at the exchange rates prevailing at the close of business each day. Transactions which involve the direct exchange of two currencies other than the US dollar should be measured by totalling the US dollar equivalent of only one side of the transaction. Direct cross-currency transactions should be counted as single transactions (e.g. USD purchase euro). Cross-currency transactions represent the changes in the basis of interest rate obligation (e.g. from fixed to floating) as well as the currency in which the obligation is denominated. Cross-currency deals passing through a vehicle currency should be recorded as two separate transactions against the vehicle currency, for example, USD purchase British pound (GBP) purchase euro.

All data entered on the B12 Form should be rounded to the nearest thousand US dollar (do not use decimals) (i.e. an amount of US\$1 234 908.00 should therefore be reported as US\$1 235). All monetary values reported in the B12 Form must be positive.

## 3. Valuation of foreign exchange turnover

Gross foreign exchange turnover refers to the gross value of all new foreign exchange transactions concluded (not settled) on the reporting date, and it is measured in terms of the nominal or notional amount of the contracts, where the basis of reporting should be the nominal or notional principal amounts on the transaction purchases. In the derivatives market, a nominal or notional amount of a derivative contract accounts for the total value of the position, while the market value of the derivative contract is the price at which that position can be bought or sold in the market place.

Foreign exchange transactions include all transactions with exposure to more than one currency. That is, a contractual agreement to buy or sell one currency against another at a fixed rate of exchange and for a settlement on a specified date.

Direct cross-currency transactions should be counted as single transactions; however, cross-currency transactions passing through a vehicle currency should be recorded as two separate deals against the vehicle currency. The gross amount should be recorded once, and netting arrangements and offsets should be ignored.

## 4. Instruments

For the purpose of the B12 Form, the foreign exchange transactions involve only **three types** of foreign exchange instruments – spot transactions, outright forward transactions and swap transactions. The foreign exchange turnover of any other foreign exchange instrument besides those mentioned above need not be recorded by reporting institutions on the B12 Form.

### 4.1 Spot transactions

Transactions involving the exchange of two currencies at a rate agreed upon on the date of the contract (reporting date) for value (delivery) within two business days. Only outright spot transactions should be reported as spot transactions, while **the spot leg of a swap transaction should NOT be included in this item.**

## 4.2 Outright forward transactions

These transactions represent agreements for future delivery of financial instruments in which the buyer agrees to purchase and the seller agrees to deliver at a specified future date, a specified instrument, at a specified price. These transactions are generally not traded on organised exchanges and their contractual terms are not standardised.

## 4.3 Swap transactions

Swaps are transactions which involve the actual exchange of two currencies (principal amount only) on a specific date, at a rate agreed upon, at the time of the conclusion of the contract (the spot leg), and a reverse exchange of the same two currencies at a date further in the future, at a rate (generally different from the rate applied to the spot leg) agreed upon, at the time of the contract (the forward leg). There are some distinct structures of foreign exchange swap transactions that must be accounted for when reporting on the B12 Form. These are spot/forward swap transactions, forward/forward swap transactions, overnight swap transactions and tomorrow-next (also known as tom-next) swap transactions.

**Spot/forward** swap transactions involve the investment/borrowing to be undertaken for the near date (usually spot) against another currency at the spot price, and the same amount is returned/repaid at a forward date. **Forward/forward** swap transactions involve the establishment of a future price for an investment/borrowing to be undertaken from a forward date to a further forward date. **Overnight swap** transactions apply the rollover interest rate earned or paid from holding positions overnight in foreign exchange trading. **Tom-next** swap transactions are typically negotiated today and funds are borrowed or loaned the next day, to be repaid the day after.

In the case of foreign exchange swap transactions which are concluded as spot/forward transactions, only the forward leg of the deal must be reported under 'swaps'. **The spot leg of the transaction should, however, NOT be reported as a spot or swap transaction.**

In the case of foreign exchange swap transactions which are concluded as **forward/forward** transactions, only the long forward leg of the deal must be reported under 'swaps'. **The short forward leg of the transaction should, however, NOT be reported as a forward or swap transaction.**

In the case of an **overnight** or **tom-next** swap transaction, only the second leg must be reported as a swap even though the value is less than the spot leg. **Again, the spot or first leg of these swaps must NOT be reported as spot or swap transactions.**

## 5. Counterparties

For the purpose of the B12 Form, the following counterparties have been identified: resident customers, the SARB, ADs and non-residents. Consequently, should any spot, forward or swap transactions be established by the reporting institution, it should be classified as a transaction with one of these counterparties.

### 5.1 Resident customers

Transactions between a reporting institution and residents of South Africa other than the SARB and ADs in foreign exchange should be regarded as transactions with resident customers. These would normally comprise of importer and exporter companies, individuals, National Treasury, government departments, parastatals and other financial and non-financial corporate institutions.

## 5.2 Monetary sector

These involve transactions between ADs or reporting institutions of the B12 Form as defined in section (2.3) of this document. Evidently, the monetary sector is separated into two categories in the B12 Form. These are the SARB and ADs. Banks which are not ADs should be classified as resident or non-resident counterparty, depending on the location. See 5.1 and 5.3.

### 5.2.1 South African Reserve Bank

Any transaction between the reporting institution and the SARB.

### 5.2.2 Authorised Dealers

These include any transaction between local ADs in foreign exchange. Transactions between a local AD in foreign exchange and a dealer located offshore should not be reported as a transaction with an AD, but as a transaction with a non-resident.

## 5.3 Non-residents

Include transactions between the local reporting institutions and any institution, individual, government, and so on, residing, or with its centre of economic interest outside the borders of South Africa. An institution has a centre of economic interest within a country when there exists some location, place of production or other premises – within the economic territory of the country from which the unit engages and intends to continue engaging, either indefinitely or over a finite but long period of time, in economic activities and transactions on a significant scale.

Consequently, a foreign exchange transaction between a local AD and its offshore branch would be classified as a transaction with a non-resident since its centre of economic interest is not within South Africa.

## 5.4 Treatment of central counterparties

Foreign exchange transactions clearing via central counterparties (CCPs) should be reported on a **pre-novation basis**. In other words, the reporting institution must report the transaction(s) with the original execution counterpart. The CCP and/or clearing member(s) should not be reported as the counterparty. Any post-trade transaction records that arise from central clearing via CCPs (e.g. through novation) should not be reported as additional transactions. For example, if a reporting dealer executed a non-deliverable forward (NDF) contract with a hedge fund, and the contract was post-trade transferred to a CCP for central clearing, the reporting dealer should report only the turnover associated with that NDF contract with the hedge fund as counterparty. The post-novation contract with the CCP should not be reported as additional turnover.

In addition, should a reporting institution transact with a resident counterpart (pre-novation), and this transaction is cleared via London Clearing House (LCH), the original counterparty is the resident counterpart and not LCH and/or a non-resident counterparty.

## 6. How to record a transaction in the B12 Form

The B12 Form consists of three tables. Purchases from and sales between the reporting institutions and respective counterparties (i.e. residents, SARB, ADs and non-residents) across the three foreign exchange instruments accounted for in the B12 Form (i.e. spot transactions, outright forward transactions and swap transactions), must be recorded accordingly in each of the B12 Form tables.

**Section 6.1 to 6.2** will show in detail how reporting institutions should record foreign exchange transactions for each table of the B12 Form.





## 6.1 Table 1: The rand market – rand against transactions

All transactions in the rand market are recorded in this table. Below is an extract of **Table 1** in the B12 Form.

### Turnover in the foreign exchange market

|                           | Table 1   | Rand against: |              |             |               |                   |                  |        |        |
|---------------------------|-----------|---------------|--------------|-------------|---------------|-------------------|------------------|--------|--------|
|                           | US Dollar | Euro          | Japanese Yen | Swiss Franc | British Pound | Australian Dollar | Chinese Renminbi |        |        |
|                           | USD       | EUR           | JPY          | CHF         | GBP           | AUD               | CNY              | Other  | Total  |
|                           | 1         | 2             | 3            | 4           | 5             | 6                 | 7                | 8      | 9      |
|                           | \$'000    | \$'000        | \$'000       | \$'000      | \$'000        | \$'000            | \$'000           | \$'000 | \$'000 |
| Spot                      |           |               |              |             |               |                   |                  |        |        |
| 1. Total purchases from:  | -         | -             | -            | -           | -             | -                 | -                | -      | -      |
| 2. Residents              |           |               |              |             |               |                   |                  |        | -      |
| 3. SA Reserve Bank        |           |               |              |             |               |                   |                  |        | -      |
| 4. Authorised dealers     |           |               |              |             |               |                   |                  |        | -      |
| 5. Non-residents          |           |               |              |             |               |                   |                  |        | -      |
| 6. Total sales to:        | -         | -             | -            | -           | -             | -                 | -                | -      | -      |
| 7. Residents              |           |               |              |             |               |                   |                  |        | -      |
| 8. SA Reserve Bank        |           |               |              |             |               |                   |                  |        | -      |
| 9. Authorised dealers     |           |               |              |             |               |                   |                  |        | -      |
| 10. Non-residents         |           |               |              |             |               |                   |                  |        | -      |
| Outright forwards         |           |               |              |             |               |                   |                  |        |        |
| 11. Total purchases from: | -         | -             | -            | -           | -             | -                 | -                | -      | -      |
| 12. Residents             |           |               |              |             |               |                   |                  |        | -      |
| 13. SA Reserve Bank       |           |               |              |             |               |                   |                  |        | -      |
| 14. Authorised dealers    |           |               |              |             |               |                   |                  |        | -      |
| 15. Non-residents         |           |               |              |             |               |                   |                  |        | -      |
| 16. Total sales to:       | -         | -             | -            | -           | -             | -                 | -                | -      | -      |
| 17. Residents             |           |               |              |             |               |                   |                  |        | -      |
| 18. SA Reserve Bank       |           |               |              |             |               |                   |                  |        | -      |
| 19. Authorised dealers    |           |               |              |             |               |                   |                  |        | -      |
| 20. Non-residents         |           |               |              |             |               |                   |                  |        | -      |
| Swaps                     |           |               |              |             |               |                   |                  |        |        |
| 21. Total purchases from: | -         | -             | -            | -           | -             | -                 | -                | -      | -      |
| 22. Residents             |           |               |              |             |               |                   |                  |        | -      |
| 23. SA Reserve Bank       |           |               |              |             |               |                   |                  |        | -      |
| 24. Authorised dealers    |           |               |              |             |               |                   |                  |        | -      |
| 25. Non-residents         |           |               |              |             |               |                   |                  |        | -      |
| 26. Total sales to:       | -         | -             | -            | -           | -             | -                 | -                | -      | -      |
| 27. Residents             |           |               |              |             |               |                   |                  |        | -      |
| 28. SA Reserve Bank       |           |               |              |             |               |                   |                  |        | -      |
| 29. Authorised dealers    |           |               |              |             |               |                   |                  |        | -      |
| 30. Non-residents         |           |               |              |             |               |                   |                  |        | -      |

### 6.1.1 Description of columns

Columns 1 to 8 of Table 1 represent the currencies trading with the rand on a given day. Column 9 of Table 1 represents the total value of foreign exchange transactions with the rand. It is important to note that **column 9** of Table 1 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Column 9 is computed as the sum of columns 1 to 8 of the corresponding row in Table 1.

## 6.1.2 Description of rows

**Row 1** of Table 1 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents using South African rand in the **spot market**. It is important to note that **row 1** is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 1 is computed as the sum of rows 2 to 5 of the corresponding column in Table 1.

**Rows 2 to 5** of Table 1 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, in return for South African rand in the **spot market**.

**Row 6** of Table 1 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using South African rand in the **spot market**. It is important to note that **row 6** of Table 1 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 6 is computed as the sum of rows 7 to 10 of the corresponding column in Table 1.

**Rows 7 to 10** of Table 1 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for South African rand in the **spot market**.

**Row 11** of Table 1 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents using South Africa rand in the **outright forward market**. It is important to note that **row 11** of Table 1 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 11 is computed as the sum of rows 12 to 15 of the corresponding column in Table 1.

**Rows 12 to 15** of Table 1 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using South African rand in the **outright forward market**.

**Row 16** of Table 1 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using South African rand in the **outright forward market**. It is important to note that **row 16** of Table 1 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 16 is computed as the sum of rows 17 to 20 of the corresponding column in Table 1.

**Rows 17 to 20** of Table 1 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for South African rand in the **outright forward market**.

**Row 21** of Table 1 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents using South Africa rand in the **swap market**. It is important to note that **row 21** of Table 1 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 21 is computed as the sum of rows 22 to 25 of the corresponding column in Table 1.

**Rows 22 to 25** of Table 1 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using South African rand in the **swap market**.

**Row 26** of Table 1 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using South African rand in the **swap market**. It is important to note that **row 26** of Table 1 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 26 is computed as the sum of rows 27 to 30 of the corresponding column in Table 1.

**Rows 27 to 30** of Table 1 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for South African rand in the **swap market**.

## 6.2 Tables 2 and 3: The third currencies market

All transactions in third currencies (i.e. all foreign currencies, except the rand) must be recorded in either Table 2 or Table 3 of the B12 Form.

### 6.2.1. Table 2: US dollar against transactions

**Table 2** specifically accounts for all transactions against the US dollar, except the rand. Below is an extract of Table 2 in the B12 Form.

## Turnover in the foreign exchange market

|                                  | Table 2 | US Dollar against: |          |             |         |            |          |        |        |
|----------------------------------|---------|--------------------|----------|-------------|---------|------------|----------|--------|--------|
|                                  |         | Euro               | Japanese | Swiss Franc | British | Australian | Chinese  |        |        |
|                                  |         | EUR                | JPY      | CHF         | Pound   | Dollar     | Renminbi |        |        |
|                                  |         | 1                  | 2        | 3           | 4       | 5          | 6        | 7      | 8      |
|                                  |         | \$'000             | \$'000   | \$'000      | \$'000  | \$'000     | \$'000   | \$'000 | \$'000 |
| <b>Spot</b>                      |         |                    |          |             |         |            |          |        |        |
| <b>31. Total purchases from:</b> |         | -                  | -        | -           | -       | -          | -        | -      | -      |
| 32. Residents                    |         |                    |          |             |         |            |          |        | -      |
| 33. SA Reserve Bank              |         |                    |          |             |         |            |          |        | -      |
| 34. Authorised dealers           |         |                    |          |             |         |            |          |        | -      |
| 35. Non-residents                |         |                    |          |             |         |            |          |        | -      |
| <b>36. Total sales to:</b>       |         | -                  | -        | -           | -       | -          | -        | -      | -      |
| 37. Residents                    |         |                    |          |             |         |            |          |        | -      |
| 38. SA Reserve Bank              |         |                    |          |             |         |            |          |        | -      |
| 39. Authorised dealers           |         |                    |          |             |         |            |          |        | -      |
| 40. Non-residents                |         |                    |          |             |         |            |          |        | -      |
| <b>Outright forwards</b>         |         |                    |          |             |         |            |          |        |        |
| <b>41. Total purchases from:</b> |         | -                  | -        | -           | -       | -          | -        | -      | -      |
| 42. Residents                    |         |                    |          |             |         |            |          |        | -      |
| 43. SA Reserve Bank              |         |                    |          |             |         |            |          |        | -      |
| 44. Authorised dealers           |         |                    |          |             |         |            |          |        | -      |
| 45. Non-residents                |         |                    |          |             |         |            |          |        | -      |
| <b>46. Total sales to:</b>       |         | -                  | -        | -           | -       | -          | -        | -      | -      |
| 47. Residents                    |         |                    |          |             |         |            |          |        | -      |
| 48. SA Reserve Bank              |         |                    |          |             |         |            |          |        | -      |
| 49. Authorised dealers           |         |                    |          |             |         |            |          |        | -      |
| 50. Non-residents                |         |                    |          |             |         |            |          |        | -      |
| <b>Swaps</b>                     |         |                    |          |             |         |            |          |        |        |
| <b>51. Total purchases from:</b> |         | -                  | -        | -           | -       | -          | -        | -      | -      |
| 52. Residents                    |         |                    |          |             |         |            |          |        | -      |
| 53. SA Reserve Bank              |         |                    |          |             |         |            |          |        | -      |
| 54. Authorised dealers           |         |                    |          |             |         |            |          |        | -      |
| 55. Non-residents                |         |                    |          |             |         |            |          |        | -      |
| <b>56. Total sales to:</b>       |         | -                  | -        | -           | -       | -          | -        | -      | -      |
| 57. Residents                    |         |                    |          |             |         |            |          |        | -      |
| 58. SA Reserve Bank              |         |                    |          |             |         |            |          |        | -      |
| 59. Authorised dealers           |         |                    |          |             |         |            |          |        | -      |
| 60. Non-residents                |         |                    |          |             |         |            |          |        | -      |

### 6.2.1.1 Description of columns

Columns 1 to 7 of Table 2 represent the currencies trading with the US dollar **except the rand**<sup>3</sup> on a given day. Column 8 of Table 2 represents the total value of foreign exchange transactions with the US dollar **excluding the rand**. It is important to note that **column 8** of Table 2 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Column 8 is computed as the sum of the columns 1 to 7 of the corresponding row in Table 2.

<sup>3</sup> All rand against US dollar transactions must be captured in Table 1. These transactions must not be re-captured in the US dollar against other column (i.e. column 7) of Table 2.

### 6.2.1.2 Description of rows

**Row 31** of Table 2 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents using US dollars in the **spot market**. It is important to note that **row 31** of Table 2 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 31 is computed as the sum of rows 32 to 35 of the corresponding column in Table 2.

**Rows 32 to 35** of Table 2 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using US dollars in the **spot market**.

**Row 36** of Table 2 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using US dollars in the **spot market**. It is important to note that **row 36** of Table 2 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 36 is computed as the sum of rows 37 to 40 of the corresponding column in Table 2.

**Rows 37 to 40** of Table 2 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for US dollars in the **spot market**.

**Row 41** of Table 2 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents using US dollars in the **outright forward market**. It is important to note that **row 41** of Table 2 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 41 is computed as the sum of rows 42 to 45 of the corresponding column in Table 2.

**Rows 42 to 45** of Table 2 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using US dollars in the **outright forward market**.

**Row 46** of Table 2 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using US dollars in the **outright forward market**. It is important to note that **row 46** of Table 2 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 46 is computed as the sum of rows 47 to 50 of the corresponding column in Table 2.

**Rows 47 to 50** of Table 2 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for US dollars in the **outright forward market**.

**Row 51** of Table 2 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents using US dollars in the **swap market**. It is important to note that **row 51** of Table 2 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 51 is computed as the sum of rows 52 to 55 of the corresponding column in Table 2.

**Rows 52 to 55** of Table 2 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using US dollars in the **swap market**.

**Row 56** of Table 2 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using US dollars in the **swap market**. It is important to note that **row 56** of Table 2 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 56 is computed as the sum of rows 57 to 60 of the corresponding column in Table 2.

**Rows 57 to 60** of Table 2 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for US dollars in the **swap market**.

## 6.2.2 Table 3: Euro against transactions and transactions of residual currencies

**Table 3** specifically accounts for all transactions against the euro, **except the rand and the US dollar** respectively. Table 3 also accounts for foreign exchange transactions between any other residual currencies outside of the rand, US dollar and euro respectively. Below is an extract of Table 3 in the B12 Form.

### Turnover in the foreign exchange market

|                                  | Table 3 | Euro against: |             |               |                   |                  |        | Residual* | Grand Total |
|----------------------------------|---------|---------------|-------------|---------------|-------------------|------------------|--------|-----------|-------------|
|                                  |         | Japanese Yen  | Swiss Franc | British Pound | Australian Dollar | Chinese Renminbi | Other  |           |             |
|                                  |         | JPY           | CHF         | GBP           | AUD               | CNY              | Other  |           |             |
|                                  |         | 1             | 2           | 3             | 4                 | 5                | 6      | 7         | 8           |
|                                  |         | \$'000        | \$'000      | \$'000        | \$'000            | \$'000           | \$'000 | \$'000    | \$'000      |
| <b>Spot</b>                      |         |               |             |               |                   |                  |        |           |             |
| <b>61. Total purchases from:</b> |         | -             | -           | -             | -                 | -                | -      | -         | -           |
| 62. Residents                    |         |               |             |               |                   |                  |        |           | -           |
| 63. SA Reserve Bank              |         |               |             |               |                   |                  |        |           | -           |
| 64. Authorised dealers           |         |               |             |               |                   |                  |        |           | -           |
| 65. Non-residents                |         |               |             |               |                   |                  |        |           | -           |
| <b>66. Total sales to:</b>       |         | -             | -           | -             | -                 | -                | -      | -         | -           |
| 67. Residents                    |         |               |             |               |                   |                  |        |           | -           |
| 68. SA Reserve Bank              |         |               |             |               |                   |                  |        |           | -           |
| 69. Authorised dealers           |         |               |             |               |                   |                  |        |           | -           |
| 70. Non-residents                |         |               |             |               |                   |                  |        |           | -           |
| <b>Outright forwards</b>         |         |               |             |               |                   |                  |        |           |             |
| <b>71. Total purchases from:</b> |         | -             | -           | -             | -                 | -                | -      | -         | -           |
| 72. Residents                    |         |               |             |               |                   |                  |        |           | -           |
| 73. SA Reserve Bank              |         |               |             |               |                   |                  |        |           | -           |
| 74. Authorised dealers           |         |               |             |               |                   |                  |        |           | -           |
| 75. Non-residents                |         |               |             |               |                   |                  |        |           | -           |
| <b>76. Total sales to:</b>       |         | -             | -           | -             | -                 | -                | -      | -         | -           |
| 77. Residents                    |         |               |             |               |                   |                  |        |           | -           |
| 78. SA Reserve Bank              |         |               |             |               |                   |                  |        |           | -           |
| 79. Authorised dealers           |         |               |             |               |                   |                  |        |           | -           |
| 80. Non-residents                |         |               |             |               |                   |                  |        |           | -           |
| <b>Swaps</b>                     |         |               |             |               |                   |                  |        |           |             |
| <b>81. Total purchases from:</b> |         | -             | -           | -             | -                 | -                | -      | -         | -           |
| 82. Residents                    |         |               |             |               |                   |                  |        |           | -           |
| 83. SA Reserve Bank              |         |               |             |               |                   |                  |        |           | -           |
| 84. Authorised dealers           |         |               |             |               |                   |                  |        |           | -           |
| 85. Non-residents                |         |               |             |               |                   |                  |        |           | -           |
| <b>86. Total sales to:</b>       |         | -             | -           | -             | -                 | -                | -      | -         | -           |
| 87. Residents                    |         |               |             |               |                   |                  |        |           | -           |
| 88. SA Reserve Bank              |         |               |             |               |                   |                  |        |           | -           |
| 89. Authorised dealers           |         |               |             |               |                   |                  |        |           | -           |
| 90. Non-residents                |         |               |             |               |                   |                  |        |           | -           |

\* For example: Pound Sterling against New Zealand Dollar.



### 6.2.2.1 Description of columns

Columns 1 to 6 of Table 3 represent the currencies trading with the euro, **except the rand and US dollar respectively**<sup>4</sup> on a given day. Column 7 of Table 3 represents the total value of foreign exchange transactions with the euro, **excluding the rand and the US dollar respectively**. It is important to note that **column 7** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Column 7 is computed as the sum of columns 1 to 6 of the corresponding row in Table 3.

**Column 8** of Table 3 represents transactions between all currencies other than the rand, US dollar or euro. These are referred to as transactions of **residual currencies** (e.g. GBP against Japanese yen).

**Column 9** of Table 3 represents the total value of foreign exchange transactions in the South African market. It is important to note that **column 9** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. **Column 9** is computed as the **sum of column 9 in Table 1, column 8 in Table 2, columns 7 and 8 in Table 3**, of the corresponding rows in each table.

### 6.2.2.2 Description of rows

**Row 61** of Table 3 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents using euros for columns 1 to 6, and residual currencies for column 8 in the **spot market**. It is important to note that **row 61** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 61 is computed as the sum of rows 62 to 65 of the corresponding column in Table 3.

**Rows 62 to 65** of Table 3 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using euros for columns 1 to 6, and residual currencies for column 8 in the **spot market**.

**Row 66** of Table 3 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using euros for columns 1 to 6, and residual currencies for column 8 in the **spot market**. It is important to note that **row 66** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 66 is computed as the sum of rows 67 to 70 of the corresponding column in Table 3.

**Rows 67 to 70** of Table 3 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for euros for columns 1 to 6, and residual currencies for column 8 in the **spot market**.

**Row 71** of Table 3 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs and non-residents, using euros for columns 1 to 6, and residual currencies for column 8 in the **outright forward market**. It is important to note that **row 71** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 71 is computed as the sum of rows 72 to 75 of the corresponding column in Table 3.

**Rows 72 to 75** of Table 3 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using euros for columns 1 to 6, and residual currencies for column 8 in the **outright forward market**.

**Row 76** of Table 3 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using euros for columns 1 to 6, and residual currencies for column 8 in the **outright forward market**. It is important to note that **row 76** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the**

<sup>4</sup> All rand against euro and US dollar against euro transactions must be captured in tables 1 and 2 respectively. These transactions must not be re-captured in the euro against other column (i.e. column 6) of Table 3.

**reporting institution.** Row 76 is computed as the sum of rows 77 to 80 of the corresponding column in Table 3.

**Rows 77 to 80** of Table 3 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for euros for columns 1 to 6, and residual currencies for column 8 in the **outright forward market**.

**Row 81** of Table 3 represents the reporting institution's total value of foreign currency purchases from residents, the SARB, ADs non-residents, using euros for columns 1 to 6, and residual currencies for column 8 in the **swap market**. It is important to note that **row 81** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 81 is computed as the sum of rows 82 to 85 of the corresponding column in Table 3.

**Rows 82 to 85** of Table 3 represent the reporting institution's **purchases** of foreign currency from residents, the SARB, ADs and non-residents respectively, using euros for columns 1 to 6, and residual currencies for column 8 in the **swap market**.

**Row 86** of Table 3 represents the reporting institution's total value of foreign currency sales to residents, the SARB, ADs and non-residents using euros for columns 1 to 6, and residual currencies for column 8 in the **swap market**. It is important to note that **row 86** of Table 3 is a computed value embedded in the B12 Form and **should not be input by the reporting institution**. Row 86 is computed as the sum of rows 87 to 90 of the corresponding column in Table 3.

**Rows 87 to 90** of Table 3 represent the reporting institution's **sales** of foreign currency to residents, the SARB, ADs and non-residents respectively, in return for euros for columns 1 to 6, and residual currencies for column 8 in the **swap market**.





## Annexure A

The offices of the mentioned banks, in South Africa, are authorised to act as ADs, for the purposes of the South African Reserve Bank regulations as at 28 October 2021.

| Name of institution                                    |
|--------------------------------------------------------|
| Absa Bank Limited                                      |
| Access Bank South Africa Limited                       |
| Albaraka Bank Limited                                  |
| Bank of China, Johannesburg Branch                     |
| Bank of Communications Co. Limited Johannesburg Branch |
| Bank of Taiwan, South Africa Branch                    |
| Bidvest Bank Limited                                   |
| BNP Paribas SA – South Africa Branch                   |
| Capitec Bank Limited                                   |
| China Construction Bank, Johannesburg Branch           |
| Citibank, N.A., South Africa                           |
| Deutsche Bank AG, Johannesburg Branch                  |
| Discovery Bank Limited                                 |
| FirstRand Bank Limited                                 |
| Goldman Sachs International Bank, Johannesburg Branch  |
| Habib Overseas Bank Limited                            |
| HBZ Bank Limited                                       |
| HSBC Bank plc – Johannesburg Branch                    |
| ICICI Bank Limited                                     |
| Investec Bank Limited                                  |
| JPMorgan Chase Bank (Johannesburg Branch)              |
| Mercantile Bank Limited                                |
| Nedbank Limited                                        |
| Sasfin Bank Limited                                    |
| Standard Chartered Bank – Johannesburg Branch          |
| State Bank of India                                    |
| The Standard Bank of South Africa Limited              |