

Nedbank posts 11% rise in half year profit

South Africa's Nedbank Group, among the top five lenders in the country, recorded an 11% rise in interim profit as it gained from high interest rates, even as its bad loans grew.



Source: Reuters.

For the half year ended 30 June, the bank's headline earnings per share, a profit measure, was at R15.25 (\$0.8121), up from R13.70 posted a year earlier.

South African banks - among the continent's biggest - are generally considered well-capitalised and conservative in lending. But a combination of inflation, high interest rates and regular power cuts are taking a toll.

Nedbank's credit loss ratio - a measure of bad loans as a percentage of total loans - was at 121 basis points (bps), higher than 85 bps it posted a year earlier and beyond its target range of 80 bps to 100 bps.

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