

Investec Limited additional quarterly disclosures as at 31 December 2016
Overview of risk management and risk weighted assets
OV1: Overview of RWA

	a	b	c	
	RWA		Minimum capital requirements	
	31 December 2016	30 September 2016	31 December 2016	
1	Credit risk (excluding counterparty credit risk) (CCR)	239,183	238,751	24,815
2	Of which standardised approach (SA)	239,183	238,751	24,815
3	Of which internal rating-based (IRB) approach			0
4	Counterparty credit risk	6,224	6,224	646
5	Of which standardised approach for counterparty credit risk (SA-CCR)	6,224	6,224	646
6	Of which internal model method (IMM)			0
7	Equity positions in banking book under market-based approach	44,692	44,692	4,637
8	Equity investments in funds – look-through approach			0
9	Equity investments in funds – mandate-based approach			0
10	Equity investments in funds – fall-back approach			0
11	Settlement risk			0
12	Securitisation exposures in banking book	1,670	2,103	173
13	Of which IRB ratings-based approach (RBA)			0
14	Of which IRB Supervisory Formula Approach (SFA)			0
15	Of which SA/simplified supervisory formula approach (SSFA)	1,670	2,103	173
16	Market risk	5,155	5,155	535
17	Of which standardised approach (SA)	996	1,401	103
18	Of which internal model approaches (IMM)	4,159	3,753	431
19	Operational risk	27,799	27,799	2,884
20	Of which Basic Indicator Approach	0	0	0
21	Of which Standardised Approach	27,799	27,799	2,884
22	Of which Advanced Measurement Approach	0	0	0
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	2,938	2,938	305
24	Floor adjustment	0	0	0
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	327,661	327,660	33,995

Credit risk-weighted assets increased between September 2016 and December 2016. Credit-risk weighted assets was mainly driven by increased lending activity during the period, new deals and draw-downs on existing facilities offset by large repayments and currency movements on foreign denominated assets.

Securitisation risk-weighted assets reduced over the period September 2016 and December 2016 arising from reduced exposures in the period.

The risk weight attributable to equity investments is relatively high, with listed equities attracting an effective 318% and unlisted equities 424%. The impact of this is proportionately much larger increase in RWA than the associated balance sheet equity value.

Operational risk is a semi-annual calculation, required to be updated every September and March and is driven by the levels of income over a three-year average period, applying specific factors applicable to the nature of the business generating the income.

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MR2: Risk weighted assets flow statements of market risk exposures under an IMA

		a	b	c	d	e	f
		VaR	Stressed VaR	IRC	CRM	Other	Total RWA
1	RWA at previous quarter end	1,302	2,452	0	0	0	3,753
2	Movement in risk levels	75	330	0	0	0	406
3	Model updates/changes	0	0	0	0	0	0
4	Methodology and policy	0	0	0	0	0	0
5	Acquisitions and disposals	0	0	0	0	0	0
6	Foreign exchange movements	0	0	0	0	0	0
7	Other	0	0	0	0	0	0
8	RWA at end of reporting period	1,377	2,782	0	0	0	4,159

Market Risk capital has increased over the quarter, exposures on the Equity Derivatives desk drove up VaR and sVaR.