



# Country Report for Australia

## Asia Securities Forum

Presented by Damian Jeffree

Australian Financial Markets Association

[www.afma.com.au](http://www.afma.com.au)

# Overview of Presentation

- The Economy
- Securities Market Performance
  - Equities market review
  - Debt markets review
  - Market outlook
- Prospects for the Securities Industry



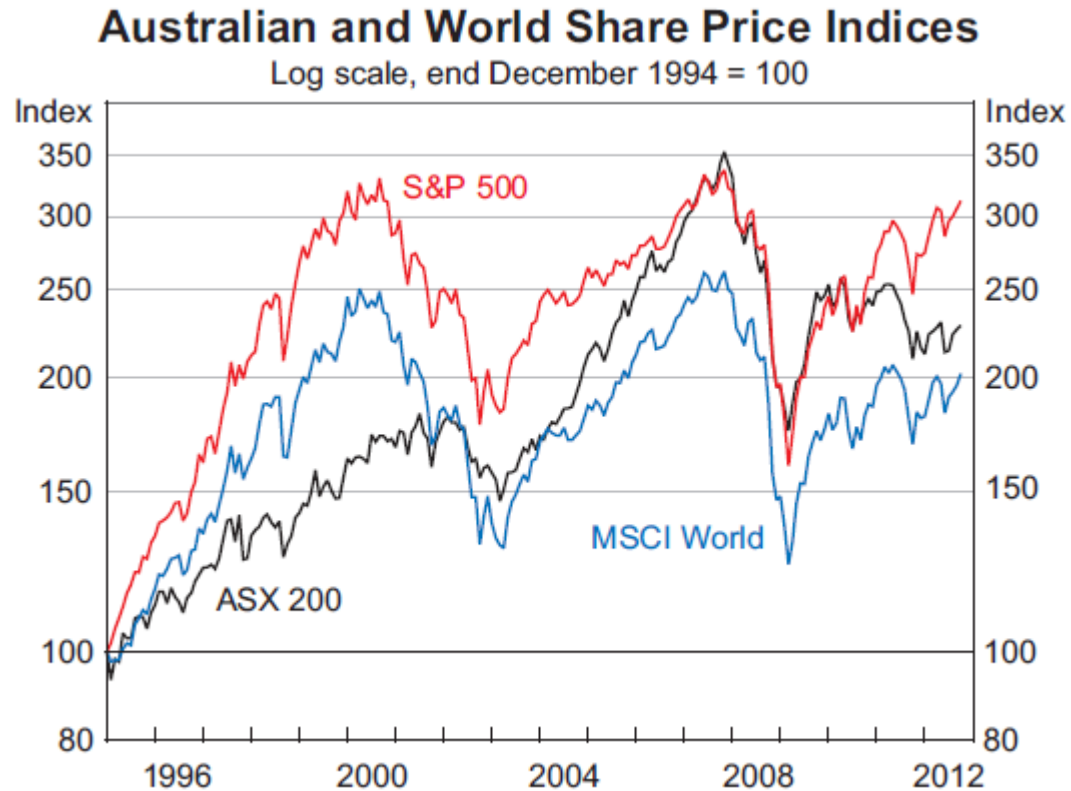
# A Snapshot of the Australian Economy

Fiscal year – 12 months to end-June	2008-09	2009-10	2010-11	2011-12	2012-13#
<b>Economic growth (GDP, %)</b>	1.4	2.3	1.9	3.4	3.8
<b>Household consumption growth (%)</b>	0.1	2.5	3.1	3.7	3.5
<b>Business investment growth (%)</b>	2.3	(5.1)	6.1	22.1	14.5
<b>Balance of payments</b>					
Current a/c deficit (% of GDP)	3.0	4.3	2.3	2.8	5.3
AUD/USD (year-end)	0.8114	0.8523	1.0739	1.0191	n/a
<b>Inflation (yearly growth, %)</b>					
- Consumer price index	1.5	3.1	3.6	1.2	3.0
- Underlying rate of CPI	2.5	2.9	2.5	1.9	n/a
<b>Employment growth (yearly growth, %)</b>	0.3	2.9	2.0	0.4	1.8
<b>Unemployment rate (June, %)</b>	5.9	5.2	5.0	5.3	4.5
<b>Wage price index (yearly growth, %)</b>	3.8	3.1	3.8	3.7	4.3

Forecast (#) average year outcome for *each* item; from the Commonwealth (Federal) Government Economic Outlook.

# Equities Market Review

- Equity Asset Values

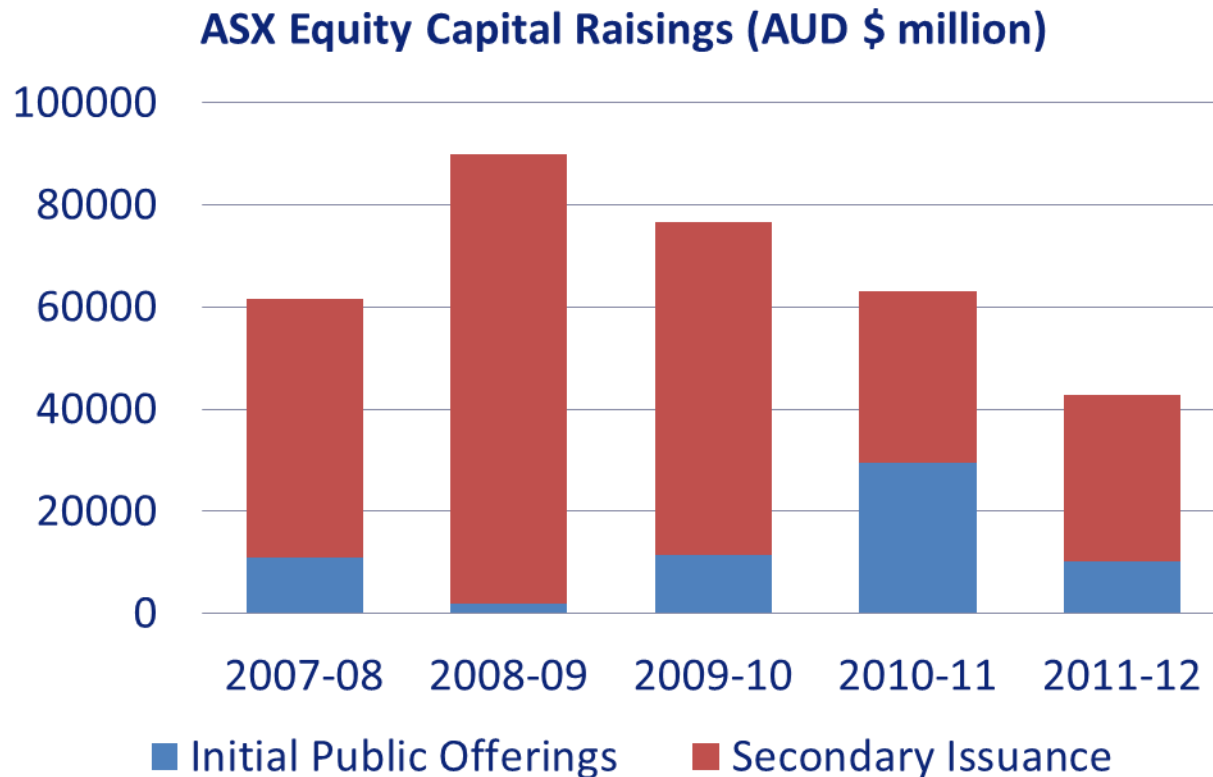


Source: Reserve Bank of Australia



# Equities Market Review

- Equity Capital Market

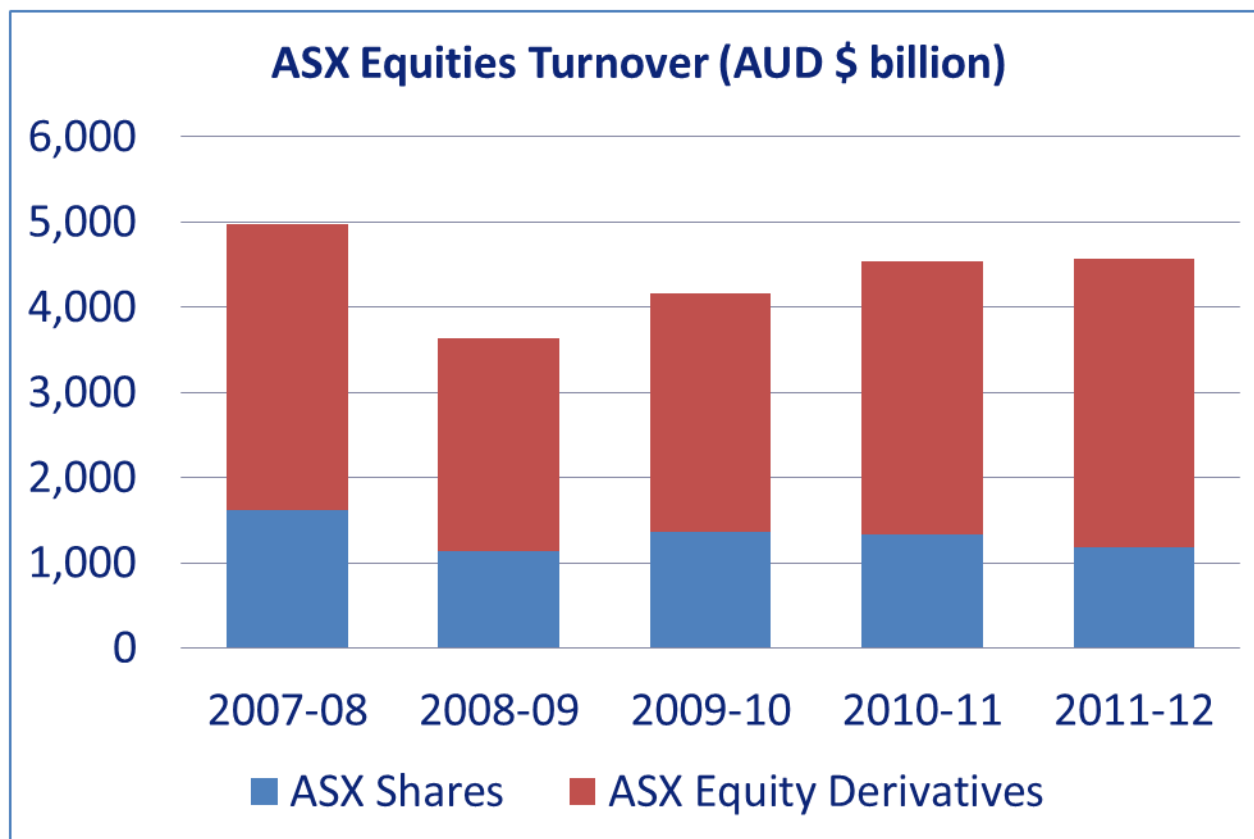


Source: Australian Securities Exchange



# Equities Market Review

- Share Trading Activity

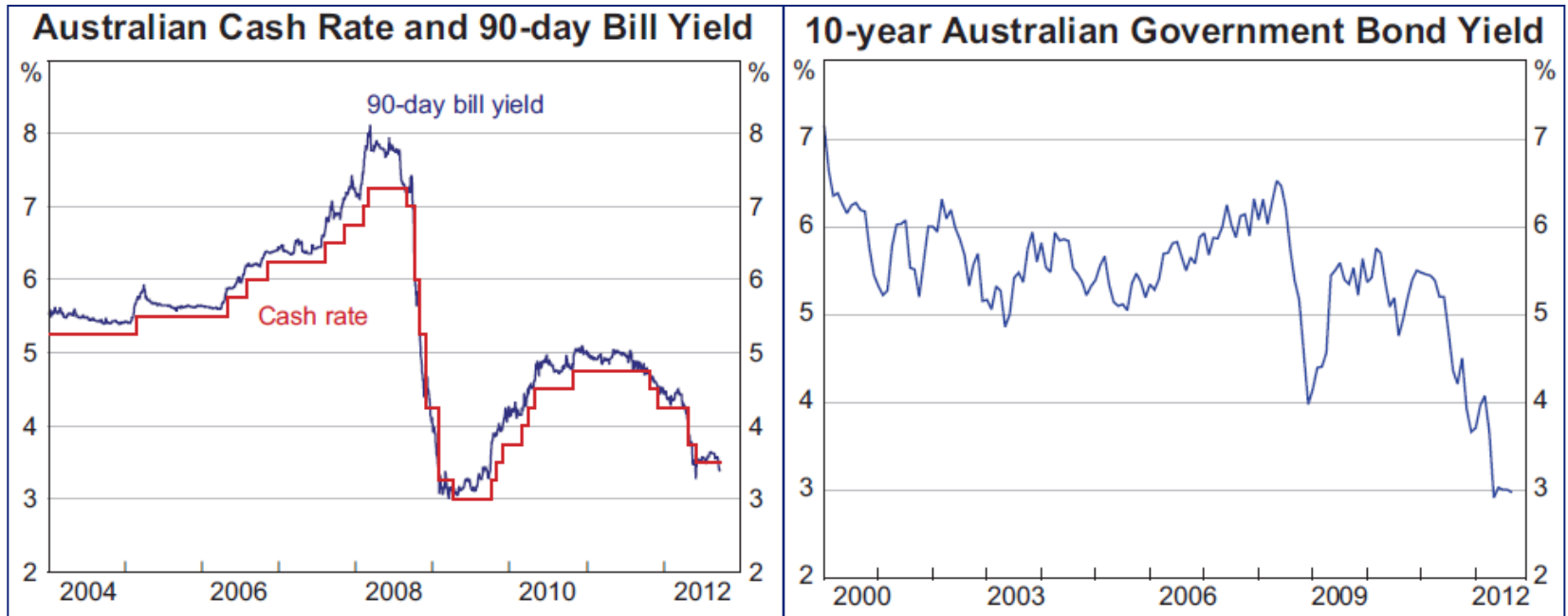


Source: Australian Securities Exchange



# Debt Markets Review

- Cost of funds

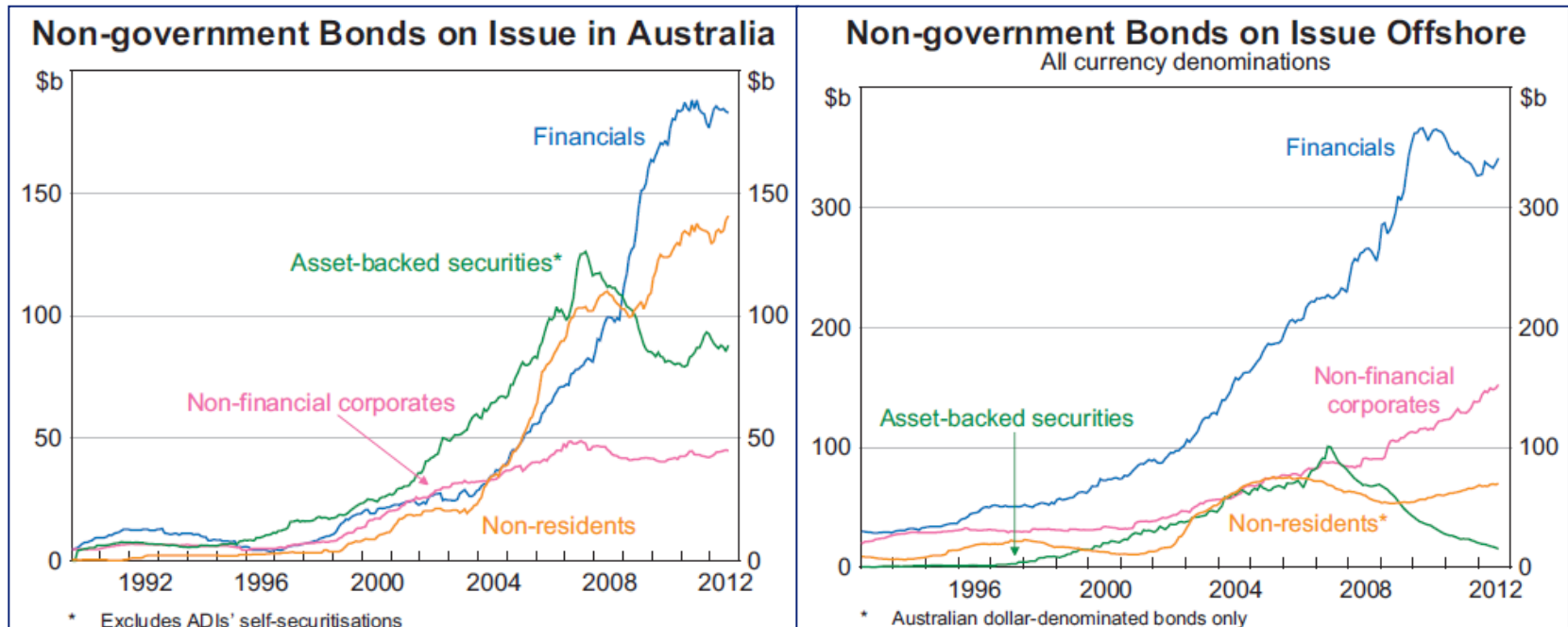


Source: Reserve Bank of Australia



# Debt Markets Review

## ■ Debt Capital Market



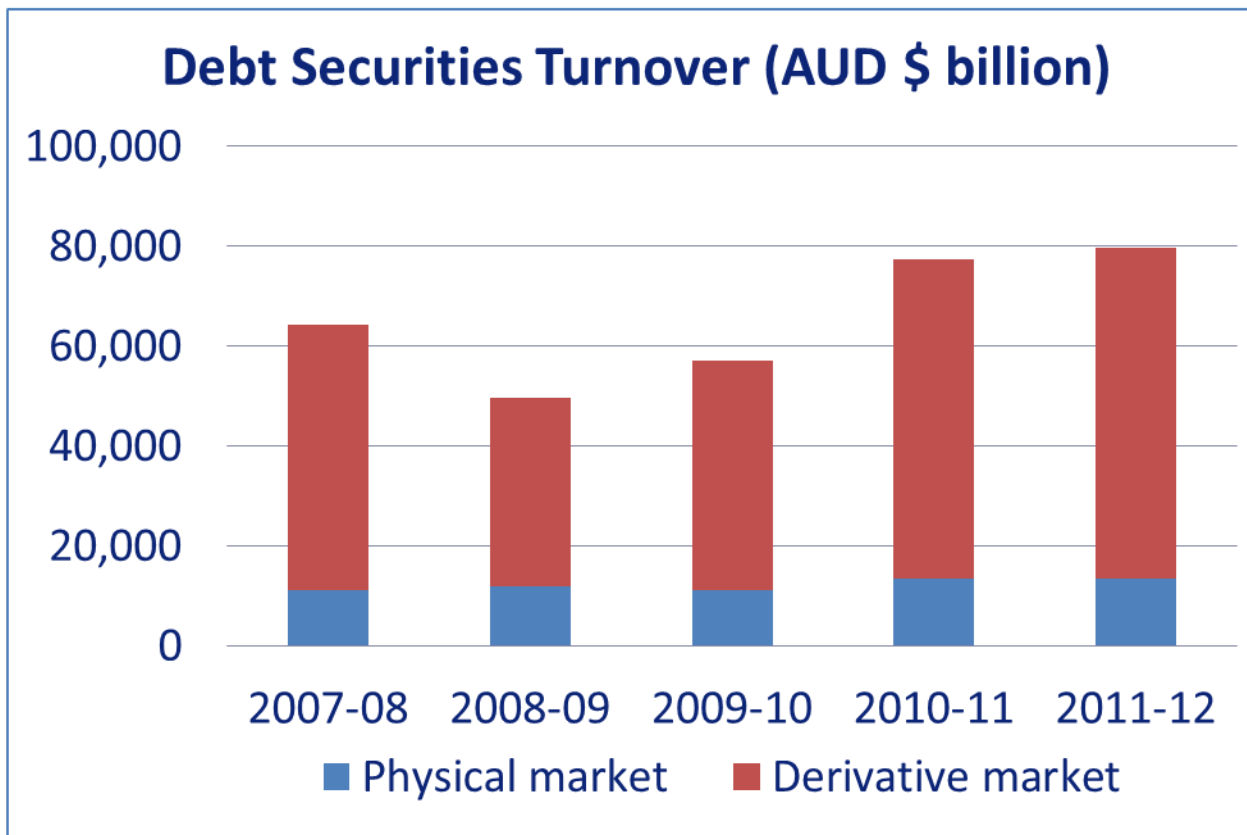
Source: Reserve Bank of Australia





# Debt Markets Review

- Debt Market Turnover



Source: Australian Financial Markets Association



# Prospects for the Securities Industry

- OTC derivatives market reform
- Exchange market reform
- Regulation of retail financial markets
- Industry standards development
- Developing new markets
- International engagement

