



# Country Report for Australia

## Asia Securities Forum

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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



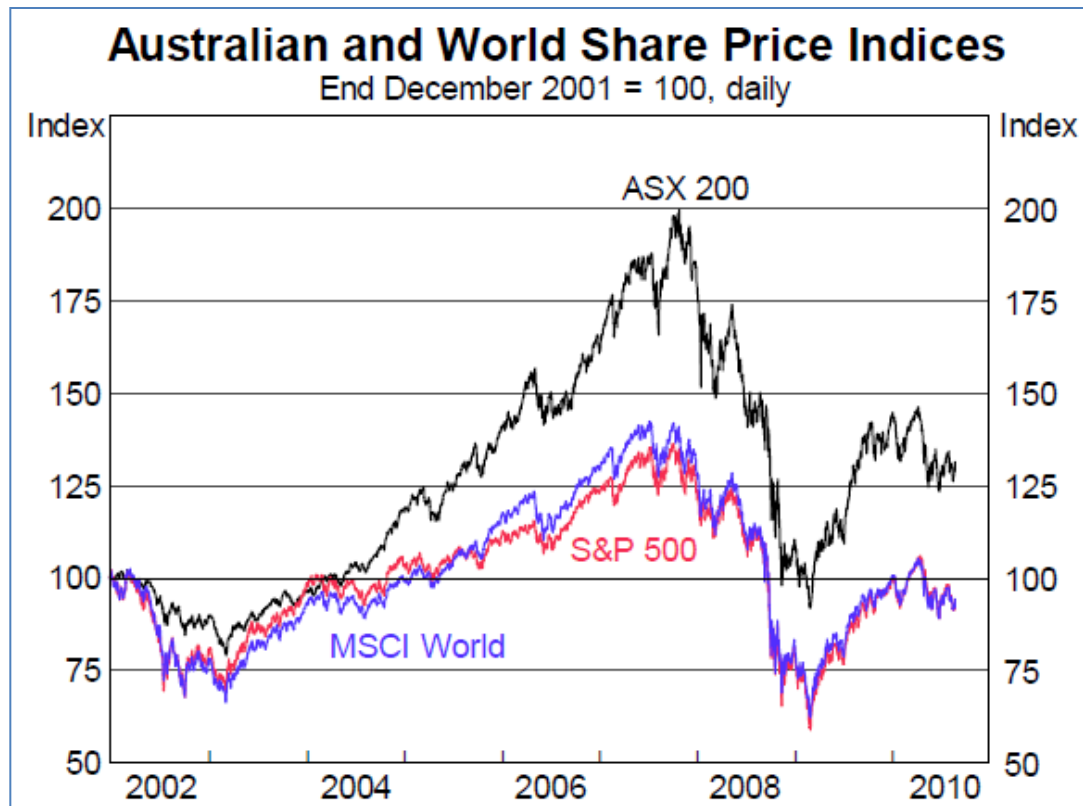
# A Snapshot of the Australian Economy

Fiscal year – 12 months to end-June	2006-07	2007-08	2008-09	2009-10	2010-11#
Economic growth (GDP, %)	3.8	3.7	1.2	2.3	3.0
Private consumption growth (%)	4.2	4.0	0.9	2.8	3.0
Business investment growth (%)	7.3	15.3	4.8	(3.1)	7.5
<b>Balance of payments</b>					
- Current a/c deficit (% of GDP)	5.5	6.3	3.2	4.4	3.0
- AUD/USD (year-end)	0.8487	0.9626	0.8114	0.8523	n/a
<b>Inflation (yearly growth, %)</b>					
- Consumer price index	2.1	4.5	1.5	3.1	2.8
- Underlying rate of CPI	2.6	4.2	2.5	2.8	n/a
Employment growth (yearly growth, %)	3.1	2.9	0.2	2.9	2.3
Unemployment rate (June quarter, %)	4.3	4.2	5.8	5.1	5.0
Wage price index (yearly growth, %)	4.0	4.2	3.8	3.0	3.8

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

# Equities Market Review

## § Equity Asset Values

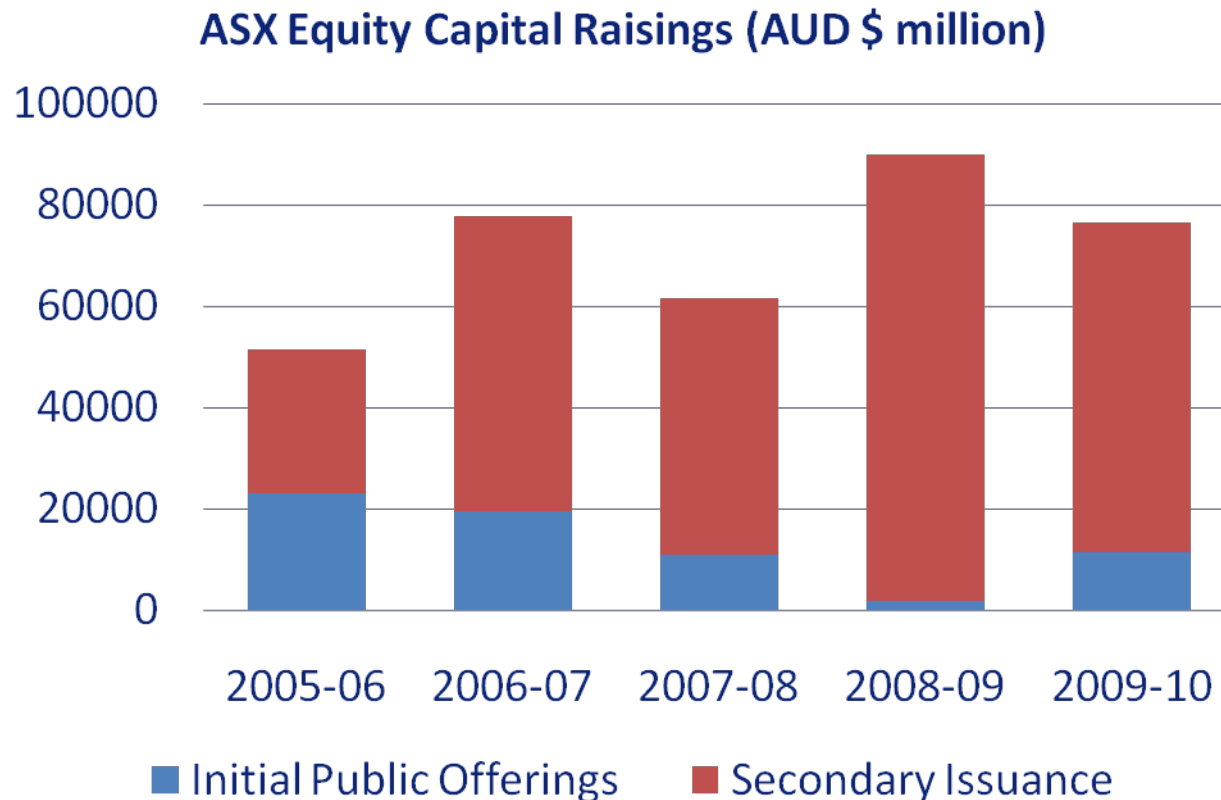


Source: Reserve Bank of Australia



# Equities Market Review

## § Equity Capital Market

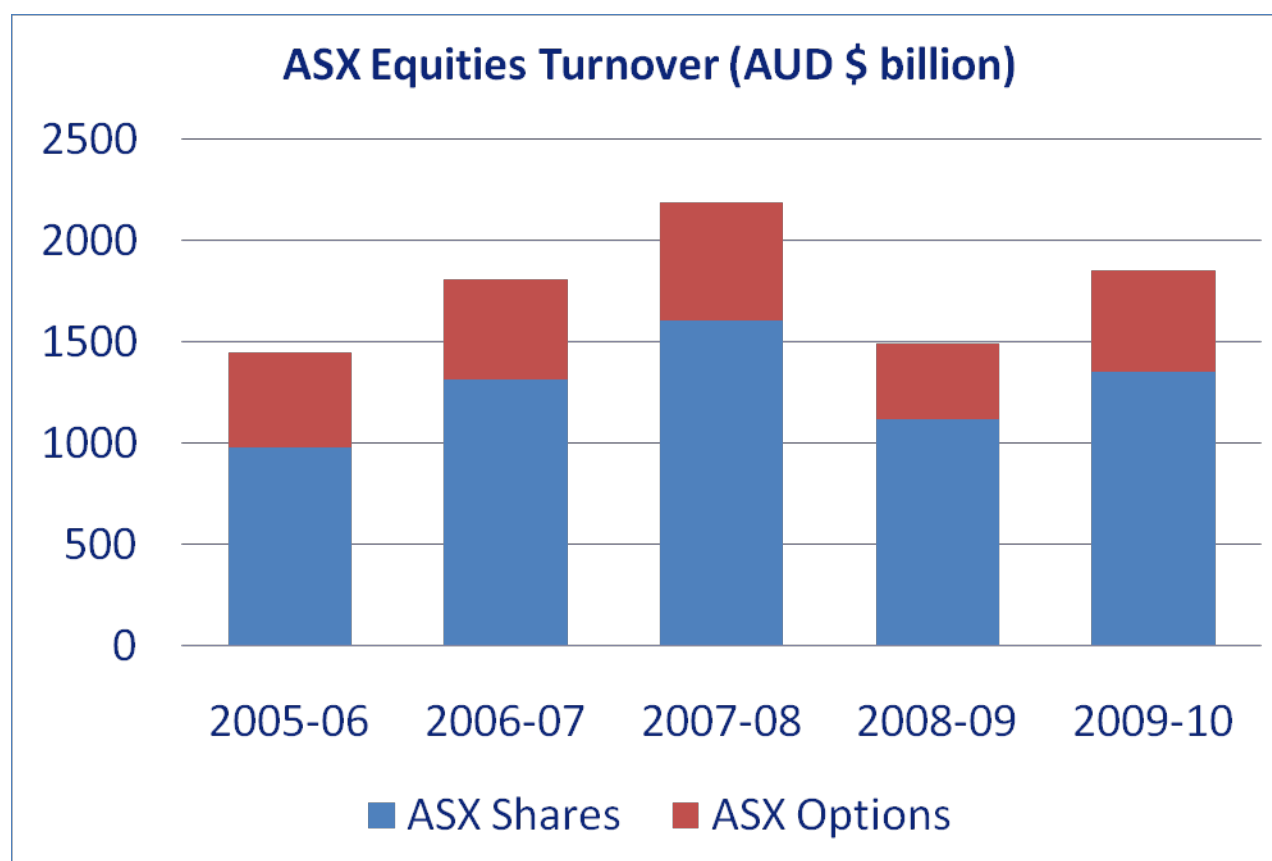


Source: Australian Securities Exchange



# Equities Market Review

## § Share Trading Activity

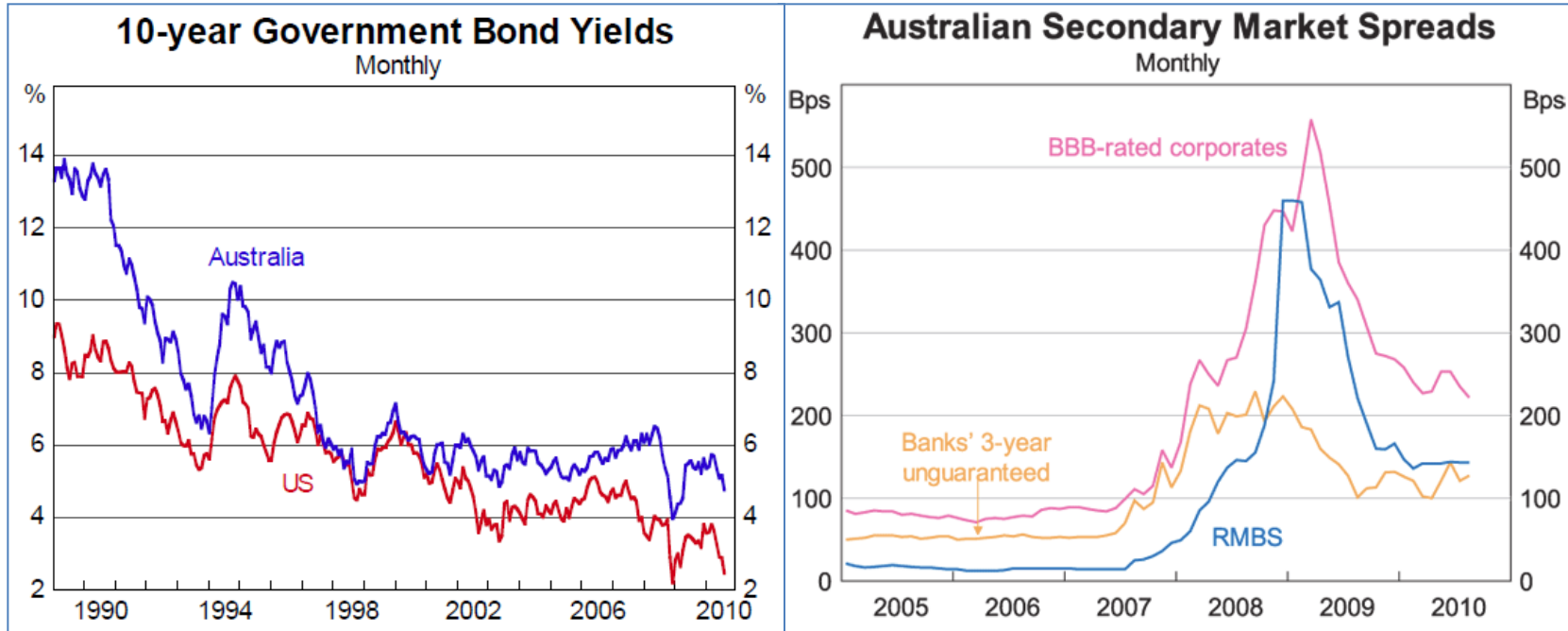


Source: Australian Securities Exchange



# Debt Markets Review

## § Cost of funds

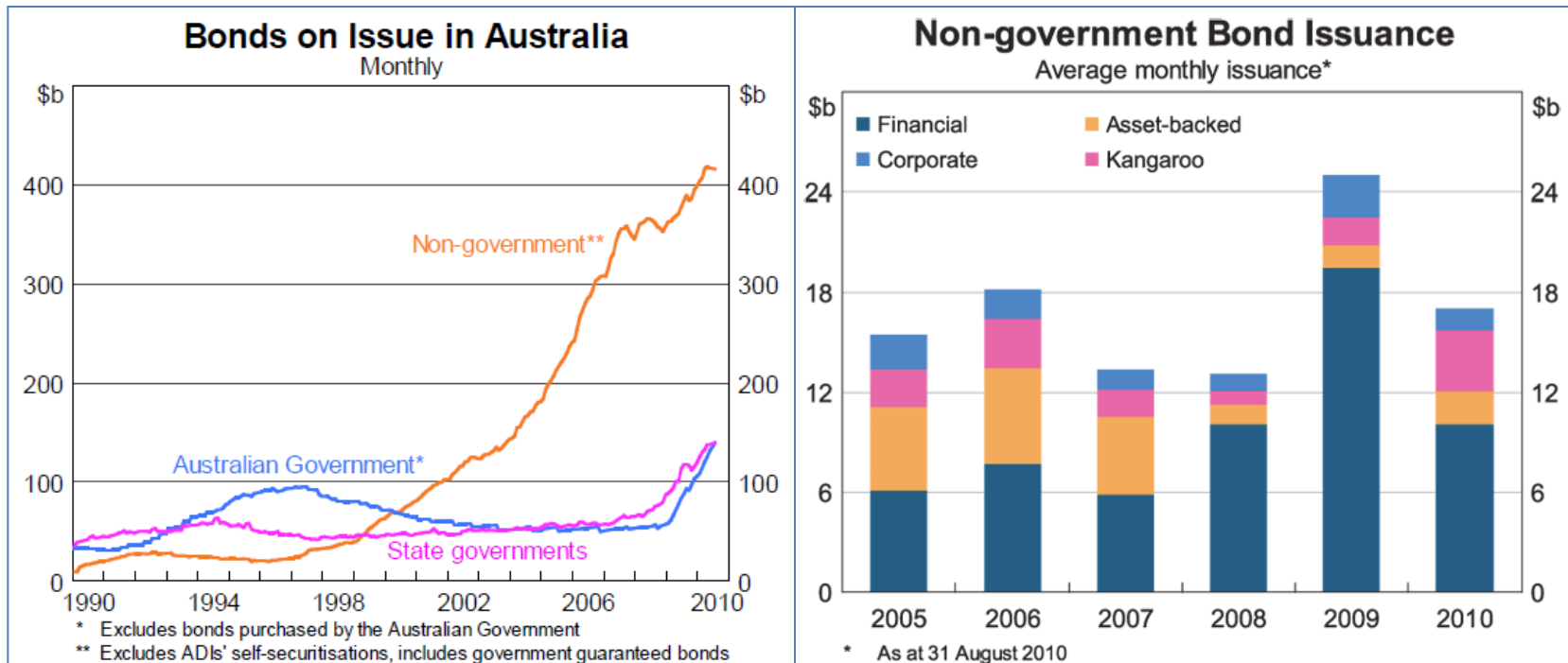


Source: Reserve Bank of Australia



# Debt Markets Review

## § Debt Capital Market



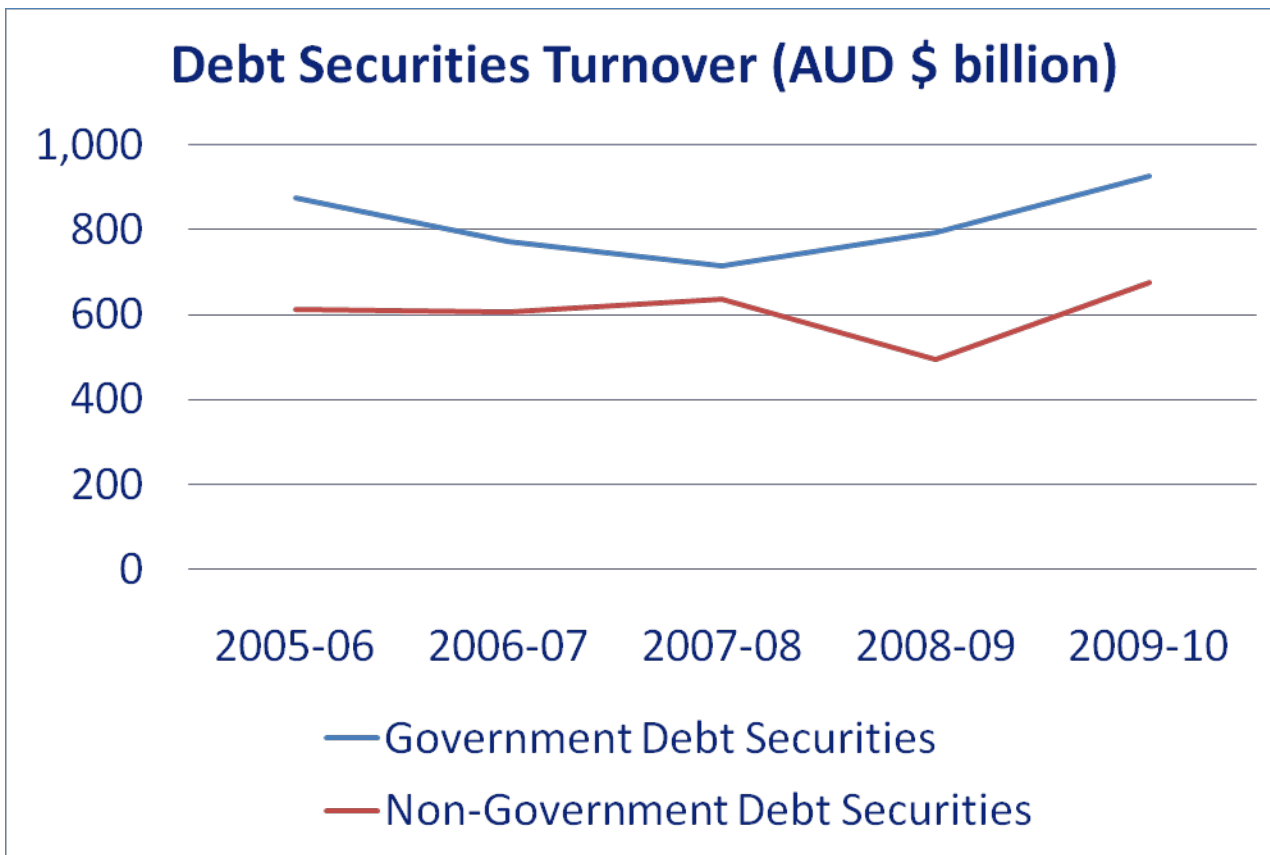
Source: Reserve Bank of Australia





# Debt Markets Review

## § Debt Market Turnover



Source: Australian Financial Markets Report, 2010

# Prospects for the Securities Industry

- § Transfer of equity market supervision
- § Global reform to OTC derivative markets
- § Global developments on prudential regulation
- § Retail products and investor protection
- § Taxation reform
- § Australia as a financial services hub

