

Competition within the Ausd
banking sector
Tabled: Australia Institute
15 Dec 2010

Bank funding costs, 2009 and 2010.

The banks in evidence to the Senate committee on competition in banking have presented lots of complicated graphs and figures for certain types of deposits and other funding costs compared with the cash rate, the bank bill swap rate, the mortgage rate and so on. What they did not do was actually present their own costs as they present them in their annual reports. The table below does precisely that and shows that for each of the top four banks interest expenses have fallen both in absolute terms and as a proportion of both liabilities and assets. These figures take us to the end of September for all but for the CBA which finish at the end of June 2010.

	ANZ total assets	liabilities	interest expenses	interest expense as share of liabilities	interest expenses as share of assets
	\$million	\$million	\$million		
2009	476 987	444 558	16 398	3.7%	3.4%
2010	531 739	497 584	15 739	3.2%	3.0%
	CBA total assets	liabilities	interest expenses	interest expense as share of liabilities	interest expenses as share of assets
	\$million	\$million	\$million		
2009	620 372	588 930	21 218	3.6%	3.4%
2010	646 330	610 760	20 293	3.3%	3.1%
	NAB total assets	liabilities	interest expenses	interest expense as share of liabilities	interest expenses as share of assets
	\$million	\$million	\$million		
2009	654 120	616 285	19 034	3.1%	2.9%
2010	685 652	646 998	17 568	2.7%	2.6%
	WBC total assets	liabilities	interest expenses	interest expense as share of liabilities	interest expenses as share of assets
	\$million	\$million	\$million		
2009	589 587	553 016	22 309	4.0%	3.8%
2010	618 277	578 159	21 506	3.7%	3.5%

Source: ANZ, CBA, NAB and WBC Annual Reports 2010.

18 Dec 2010
 Titled: Australia
 (containing information about
 Australia)

The following information was obtained from the
 Australian Bureau of Statistics (ABS) website
 on 18 Dec 2010. The information is for
 general information only and should not be
 used for any other purpose.

Country	Population	GDP	Unemployment	Inflation
Australia	22,000,000	\$1,300,000,000,000	5.5%	2.5%
Canada	33,000,000	\$1,400,000,000,000	6.5%	1.5%
USA	310,000,000	\$14,000,000,000,000	4.5%	3.0%
UK	61,000,000	\$2,500,000,000,000	5.5%	2.5%
France	64,000,000	\$2,800,000,000,000	6.5%	2.0%
Germany	82,000,000	\$3,500,000,000,000	5.0%	1.5%
Italy	60,000,000	\$2,500,000,000,000	6.5%	2.5%
Spain	45,000,000	\$1,800,000,000,000	5.5%	2.0%
Japan	127,000,000	\$5,500,000,000,000	3.5%	0.5%
China	1,300,000,000	\$5,500,000,000,000	4.5%	3.0%
India	1,100,000,000	\$1,500,000,000,000	5.5%	2.5%
Brazil	190,000,000	\$1,500,000,000,000	6.5%	3.0%
South Africa	48,000,000	\$250,000,000,000	25.0%	6.0%
South Korea	46,000,000	\$1,000,000,000,000	3.5%	2.0%
Indonesia	230,000,000	\$500,000,000,000	5.5%	3.0%
Russia	142,000,000	\$1,500,000,000,000	5.5%	5.0%
Mexico	115,000,000	\$1,200,000,000,000	4.5%	3.0%
Argentina	40,000,000	\$400,000,000,000	6.5%	3.0%
Chile	17,000,000	\$150,000,000,000	5.5%	2.0%
Colombia	43,000,000	\$150,000,000,000	6.5%	3.0%
Venezuela	26,000,000	\$150,000,000,000	6.5%	3.0%
Peru	29,000,000	\$150,000,000,000	6.5%	3.0%
Egypt	80,000,000	\$150,000,000,000	6.5%	3.0%
Nigeria	150,000,000	\$150,000,000,000	6.5%	3.0%
Kenya	35,000,000	\$50,000,000,000	6.5%	3.0%
India	1,100,000,000	\$1,500,000,000,000	5.5%	2.5%
China	1,300,000,000	\$5,500,000,000,000	4.5%	3.0%
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