

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

Commonwealth Bank of Australia

CBA3QW: Regarding interest-bearing deposits:

- (a) How many deposits are currently held, and what is their aggregate value?
- (b) For deposits held, what was their aggregate dollar value in each of the last six months?
- (c) For interest payments, what was the dollar value paid in each of the last six months?
- (d) What has been the reduction in interest payments resulting from the last two interest rate cuts?

Answer: For the **Commonwealth Bank:**

(a) As at 30 September 2019, CBA held around 9.1 million retail deposits (i.e. term deposits and savings products), with an aggregate value of \$205 billion.

(b) (c) For term deposits and savings products held by the Commonwealth Bank:

CBA	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sept-2019
Average Balances (millions)	205,747	205,098	203,902	204,700	205,331	205,226
Interest Expense (millions)	294	299	271	264	242	221

(d) Following the interest rate cuts in June and July 2019, the reduction in interest payments was \$19 million (for June compared to August 2019), excluding term deposits.

For **Bankwest**:

(a) As at 30 September 2019, Bankwest held around 667,000 retail deposits (term deposits and savings products), with an aggregate value of \$17.8 billion. (Note: These figures also include non-personal customers on retail products.)

(b) (c) For term deposits and savings products held by Bankwest:

Bankwest	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sept-2019
Average Balances (million)	17,730	17,747	17,735	17,753	17,819	17,822
Interest Expense (million)	30	31	29	27	25	24

Note: These figures include personal and non-personal customers.

(d) Following the two interest rate cuts in June and July 2019, the reduction in interest payments was \$2.2 million, excluding term deposits.

Please note for both CBA and Bankwest data, term deposits have a rate fixed for the term of the product. Rates are set taking into consideration a number of factors, including swap rates.