

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SMALLER BANKS SECTOR

HSBC Australia

HSB08QON: **Dr LEIGH:** But if you move between currencies, are you moving at the mid-market rate? Or are you getting a mark-up on the mid-market rate?

Ms Power: I can provide you those rates on notice. I don't actually have them to hand.

Answer: HSBC customers can convert between currencies via internet banking, mobile app, branch or phone, either between their HSBC accounts or as a transfer to a third party account. Prior to the currency being converted, the customer is advised of the HSBC exchange rate which is priced off the buy or sell market rate plus HSBC's margin.

HSBC does not price its currency conversions for customers off the mid-market rate. It uses **the buy or sell market rate**, which is the real time 'currency reference rate' based on the foreign currency market at the time of the conversion, or when the foreign currency market was last open.