



Australian and Foreign-owned Banks



At December 2008, banks in Australia held assets of \$2.7 trillion.

Of the 59 authorised deposit-taking banks with operations in Australia, 48 are based in Sydney and all but two have operations in NSW. This includes 8 of the 9 foreign subsidiary banks in Australia and all but one of the local branches of 35 foreign banks. Major authorised foreign banks in Sydney include Citigroup, Rabobank Australia, Mizuho Corporate Bank, HSBC Bank and Deutsche Bank. Other global banks have established highly successful back office operations in Sydney. Of the top 20 global banks, 19 have operations in Sydney. These foreign banks benefit from Sydney's time zone advantage, spanning the close of business in the United States and the opening of the European trading day.

The *2008 Australian Financial Markets Report*, published by the Australian Financial Markets Association, demonstrates the considerable depth and sophistication of Australia's financial markets. The report found that in 2007-08, total turnover across all of Australia's financial markets reached A\$122 trillion. Turnover on the over-the-counter financial markets was steady at A\$80 trillion while exchange traded markets (equities and futures) jumped by 8.6% to A\$42 trillion. This volume and continued growth reinforces Australia's status as a global financial services centre, with Sydney as the epicentre.

Sydney's principal strength as a global financial services centre is its large, skilled and multilingual workforce. Sydney also offers substantial advantages in relation to costs. Salaries for skilled financial services workers are lower in Sydney compared with many global centres.

Headquarters of Australian and Foreign-owned Banks - Australian Cities, 2009 (1)

| City | Australian owned banks | Foreign subsidiary banks (2) | Branches of foreign banks (2) | Total |
|-----------|------------------------|------------------------------|-------------------------------|-------|
| Sydney | 6 | 8 | 34 | 48 |
| Melbourne | 3 | 1 | 1 | 5 |
| Brisbane | 2 | 0 | 0 | 2 |
| Adelaide | 2 | 0 | 0 | 2 |
| Perth | 1 | 0 | 0 | 1 |
| Bendigo | 1 | 0 | 0 | 1 |
| Total | 15 | 9 | 35 | 59 |

Footnotes

1: The set of banks is limited to those with licences to act as Authorised Deposit-taking Institutions (ADIs), and as such, does not include investment banks.

2: Some foreign ADIs operate both subsidiary banks and branches in Australia.

Source: Derived from the Australian Prudential Regulation Authority's list of Authorised Deposit-taking Institutions (ADIs), 11 February 2009.